

Zhejiang Huayou Cobalt Co., Ltd

Tailing Management Policy

1. Summary

In order to standardize and guide the design and management of tailings ponds, strengthen risk control throughout the entire life cycle of tailings ponds, minimize or avoid the impact of tailings ponds on human health, safety, and ecological environment, achieve the goal of long-term accident free tailings ponds, and gradually connect with international good practices in tailings pond management, this procedure is formulated.

2. Scope of Application

This policy applies to all subsidiaries of Huayou Cobalt worldwide, as well as industrial facilities directly or indirectly controlled or operated by Huayou Cobalt worldwide. Huayou Cobalt also promises to exert influence on joint ventures, suppliers, and partners that are not controlled by the company, urging them to act in accordance with the provisions of this procedure.

This program is suitable for the full lifecycle management of tailings ponds, including the conceptualization, design, construction, operation, closure, and five stages after closure.

This program is applicable to the management of all types of tailings ponds under Huayou Cobalt's assets, including valley type, mountain side type, flat type, and other types of tailings ponds.

This program is suitable for green space development project management and acquisition asset management.

3. Governance Structure and Responsibilities

3.1 The Board of Directors, as the highest responsible body, approves and fully supports the implementation of this policy; The ESG and Sustainable Development Management Committee is responsible for the interpretation, guidance, and continuous improvement of the policy, and for monitoring and guiding the implementation of the policy.

3.2 The ESG and Professional Sustainability Team and the EHS Management Center are responsible for the implementation of specific work matters, integrating biodiversity conservation and land use into daily operations, and reporting on the progress and effectiveness of work on a regular basis.

4. Policy Statement

Huayou Cobalt refers to the Global Tailings Management Industry Standard (GISTM) jointly issued by the United Nations Environment Programme (UNEP), the Principles for Responsible Investment (PRI), and the International Committee on Mining and Metals (ICMM), and implements full lifecycle management of tailings facilities. At the same time, Huayou Cobalt will actively track and refer the tailings management standards and best practices issued by authoritative institutions such as ICMM, and continuously improve the company's tailings management standards.

5. Tailing Management Requirements

The company focuses on the design and construction of tailings facilities, conducts sufficient site selection and corresponding geotechnical engineering investigations, strictly implements mandatory standard requirements during design, and strictly adheres to design texts, safety facility design, and engineering control quality requirements during construction. Through responsible site selection, design, and construction, the impact and risks are minimized.

1) Site Selection and Design

The site selection of tailings facilities should fully consider natural conditions such as topography, lithology, geological structure, hydrogeological conditions, and potential seismic activity. Feasibility studies and safety pre evaluations should be conducted for the project. Geotechnical investigations should be carried out before the construction, renovation, or expansion of tailings facilities to ensure that the risks of the project are fully understood and corresponding measures are taken. The design should follow advanced design concepts and standards both domestically and internationally to ensure the safety, stability, and environmental friendliness of tailings facilities.

2) Construction and Construction

The company strictly follows the design drawings and construction plan for construction, ensuring that the construction quality meets relevant standards and specifications. At the same time, strengthen safety management and environmental protection measures during the construction process to prevent pollution and damage to the surrounding environment caused by construction.

3) Operation and Maintenance

The company shall establish and improve the operation and management system of tailings facilities, clarify management responsibilities and operating procedures. Regularly inspect, maintain, and monitor tailings facilities to ensure their normal operation and safety.

Strengthen hydrogeological monitoring and stability assessment of tailings ponds, and promptly identify and address potential safety hazards.

The operation of tailings facilities is managed by dedicated personnel, and corresponding emergency plans and accident recovery plans are established to ensure that tailings facilities have no accidents in the long term.

4) Pollution Control and Management

The company takes effective measures to control the discharge of tailings wastewater, exhaust gas, and solid waste, ensuring that the emission indicators comply with the standards set by the host country. Strengthen the treatment and reuse of tailings wastewater, improve water resource utilization efficiency, and actively carry out comprehensive utilization and ecological restoration of tailings.

Considering the potential threat of river/seabed tailings treatment to aquatic ecosystems and the surrounding environment, Huayou Cobalt Industry promises to avoid using such treatment methods in new projects. We will actively explore more environmentally friendly and safe tailings treatment solutions, such as adopting internationally advanced tailings dry pile technology to reduce the environmental impact of production and operation.

5) Closure and Subsequent Management

The company develops a tailings facility closure plan and subsequent management plan to ensure the safety and environmental friendliness of the closure process., And monitor and maintain the closed tailings facilities to prevent safety accidents and environmental pollution incidents.

6. Supplement

This policy is effective from the date of approval by the Board of Directors, and we will regularly improve and update with relevant content. We will regularly disclose the responsibility and performance data of tailings facilities and maintain long-term communication with stakeholders to understand their opinions on tailings facility management. Huayou Cobalt is aware of the importance of tailings management for environmental protection and social responsibility. We will actively assume corporate responsibility, continuously improve the tailings management system, enhance the level of tailings management, and strive to implement optimal management strategies and good practices in the full lifecycle management of tailings facilities.