Supply Chain Sustainability Due Diligence Management Policy

1. Foreword

EVE Energy Co., Ltd. and its subsidiaries (collectively referred to as "EVE Energy" or "we") are committed to the vision of " Empower the world with EVE energy ". Through responsible procurement, intelligent manufacturing, sustainable management of green development, and efficient resource utilization, we are resolutely building a responsible and sustainable supply chain. EVE Energy pledges to advance responsible procurement practices in a transparent and auditable manner, continuously reduce human rights and environmental risks within the supply chain, and strive to become a key driving force for sustainable development in the global new energy industry.

2. Policy Scope

This policy applies to all direct and upstream suppliers (including their affiliates) providing any products or services to Eve Energy Co., Ltd. and its subsidiaries, covering co-manufacturers and joint venture partners of EVE Energy.

3. Reference Standards

1) Regulation (EU) 2023/1542 of the European Parilament and of the Council of 12 July 2023 concerning batteries and waste batteries, amending Directive 2008/98/EC;
2) Corporate Sustainability Due Diligence Directive;
3) Chinese Due Diligence Guidelines for Mineral Supply Chain;

4) OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, 3rd edition;

5) OECD Guidelines for Multinational Enterprises;

6) OECD Due Diligence Guidance for Responsible Business Conduct;

7) United Nations Guiding Principles on Business and Human Rights;

8) International Bill of Human Rights, comprising the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights;

9) ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.

10) OECD Due Diligence Guidance for Responsible Business Conduct

4. Coverage Scope

1) Mineral Coverage: Minerals including cobalt, nickel, lithium, manganese, graphite, muscovite mica, copper, and aluminum, along with their compounds or raw materials utilized in battery manufacturing processes.

2) Risk Management Coverage:

a) Human Rights Topics: Human treatment; fair and decent working conditions (including fair wages, healthy/safe workplaces, accommodation, water, and food); Prohibition of child labor, forced labor, and slavery; Anti-discrimination; freedom of association; Community and indigenous peoples' rights; security management; Impacts on food, water, sanitation, and livelihoods caused by environmental degradation;

b) Environmental Topics: Air emissions (including noise/vibration & greenhouse gases); Water resource management (including marine protection); Soil/groundwater

contamination; soil/water conservation; Biodiversity protection (habitats, wildlife, ecosystem services); Hazardous substance management (POPs, ODS, mercury, pesticides, etc.); Energy efficiency; waste management;

c) Governance Risks：ESG performance and compliance; Business integrity and ethics; Anti-corruption and anti-bribery;

d) Conflict Risks: Political stability; Armed conflict.

5. Risk Management

EVE Energy manages ESG risks in its supply chain by adopting the five-step framework outlined in China's Guide for Responsible Mineral Supply Chains and the OECD Due Diligence Guidance for Responsible Business Conduct. The specific risk management steps are as follows:

1) Step 1: Establish Strong Company Management Systems

EVE Energy strictly adheres to international regulatory dynamics update and its corporate sustainable development strategy, establishing a comprehensive supply chain due diligence management system that covers the entire supplier lifecycle. This system has been formally approved by senior management and is now in effect. The Supply Chain Sustainable Due Diligence Management Policy has been officially released through channels such as the company website and official social media accounts to communicate EVE Energy's requirements externally. To ensure effective implementation, EVE Energy has explicitly incorporated supplier due diligence requirements into the relevant clauses of supplier cooperation agreements. Furthermore, the company has implemented a dual-track training mechanism, executing an annual specialized training program for supplier

partners while simultaneously conducting internal capability enhancement training to ensure consistent understanding and execution of the management system. The supply chain sustainable due diligence management system operates under a "2+1" updating mechanism, undergoing routine revisions every two years while initiating immediate special assessments upon major strategic shifts (such as international business expansion), ensuring operational standards remain aligned with the latest international norms.

2) Step 2: Identify and Assess Risks in the Supply Chain

EVE Energy has established a supply chain sustainability risk management system leveraging internationally recognized frameworks including the OECD Due Diligence Guidance for Responsible Business Conduct and related due diligence standards. Through structured end-to-end data collection and verification, this system achieves comprehensive sustainable risk control across the entire supply chain. The mechanism requires Tier-1 suppliers to submit supply chain mapping documentation and supporting evidence, including but not limited to procurement contracts, transportation routes, and certificates of origin. EVE Energy conducts simultaneous audits to ensure data integrity and logical consistency. Should supply chain mapping prove incomplete or information quality questionable, EVE Energy will prompt Tier-1 suppliers to supplement and update the information or engage with non-compliant suppliers to rectify discrepancies. Concurrently, utilizing the supply chain mapping data, EVE Energy leverages public databases to perform step-by-step screenings of upstream suppliers' host countries. This assesses environmental, social, governance (ESG), and conflict risks, along with records of environmental penalties and labor arbitration cases. Based on this, a dual-dimensional risk

identification matrix is established, evaluating both inherent risk (determined by country/sector attributes), and management risk (determined by actual management capabilities). For entities identified with medium or high sustainability risks, EVE Energy prioritizes on-site ESG audits. Audit findings are then used to refine the risk assessment, forming a closed-loop risk management mechanism of: "Data Penetration → Risk Screening → On-site Verification → Result Adjustment".

3) Step 3: Design and Implement a Strategy to Respond to Identified Risks

Based on supplier risk assessment outcomes, EVE Energy implements tiered management: For low-risk suppliers, it adopts a "Continued Partnership with Corrective Supervision" approach, maintaining business relationships while defining rectification requirements and deadlines through Audit Findings Improvement Notices, with progress tracked monthly. Regarding medium or high sustainability-risk suppliers, EVE Energy immediately escalates to management; continued engagement may only be considered if joint internal evaluation confirms the supplier can achieve significant improvements within a risk-dependent timeframe, with effectiveness verified by EVE Energy.

For suppliers implementing risk mitigation measures, EVE Energy conducts biannual online or on-site dynamic evaluations, focusing on verifying strategy implementation progress and solution effectiveness, while driving risk minimization through continuous monitoring and optimization adjustments.

4) Step 4: Implement Proactive Remediation Measures

EVE Energy established a supply chain reporting mechanism, encouraging internal and external stakeholders to report and communicate issues within its supply chain. Meanwhile,

EVE Energy actively engages with public policy dialogue and industry governance on conflict minerals. By engaging with NGOs, labour groups, and industry peers, it helps the Company promptly identify areas for improvement and related issues, and promotes the refinement of supply chain due diligence standards and the implementation of relevant policies. Should any supplier associated with adverse impacts be identified, EVE Energy will evaluate both the remediation measures proposed by the supplier and their implementation status. Should such measures prove ineffective or inadequately executed upon assessment, EVE Energy will collaborate with the supplier to develop feasible alternatives, conducting full-process supervision until the adverse impact is minimized.

5) Step 5: Report on Supply Chain Due Diligence

Eve Energy compiles an Annual Supply Chain Sustainable Due Diligence Report summarizing the year's due diligence management activities. This report details the status of the due diligence management system, identifies and assesses risks and impacts, outlines the preventive, mitigation, and compensatory measures implemented to address them, evaluates the results and effectiveness of these measures, and reports on complaints received through the grievance mechanism along with their resolution status. The report is presented to management in a dedicated briefing, focusing on analyzing the year's management effectiveness and areas for improvement. Based on this analysis, priority improvement directions for the next year's supply chain due diligence management are established, and a systematic plan for the following year's supply chain ESG risk management is formulated, thereby creating a continuous improvement loop for the management system.

6. Outlook

Embracing a digitally powered sustainable future, we uphold our vision to "energize the world's progress." We will continuously enhance supply chain due diligence processes, establish a digital dynamic sustainability risk management mechanism, and implement specialized supplier empowerment initiatives. These efforts fortify our supply chain's sustainability defenses, drive industry-wide advancement in responsible stewardship, and position us as the pivotal catalyst and enabler for sustainable development across the global new energy industry.

EVE Energy Co., Ltd.

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