

PT.QMB NEW ENERGY MATERIALS

Add: Morowali, Central Sulawesi, Republic of Indonesia China Indonesia Integrated Industrial Park Qingshan Park







PT.QMB NEW ENERGY MATERIALS

Green for a Better World

2023 Environmental, Social and Governance (ESG) Report



PT.QMB NEW ENERGY MATERIALS

Contents

| 03 | þ | About the Report |
|----|---|--------------------------------------|
| 05 | | GEM Lives up to a Beautiful China |
| 07 | þ | Chairman's Message |
| 09 | þ | Annual Highlights |
| | | |
| | | |

| 85 ¢ | Outlook |
|-----------------|-------------------|
| 87 - | Key Performance |
| | Table |
| 89 | Report Index Tabl |



| What is QMB |
|---|
| Development history |
| Through thick and thin, QMB sets foot for further |
| exploration |

01

63

68

| What is OMB | 15 |
|---------------------------|----|
| Development history | 17 |
| Through thick and thin, | 19 |
| QMB sets foot for further | |
| exploration | |

| Walking the Business Path of Kindness and Regular Governance | 02 |
|--|----|
| ESG governance | 23 |

| ESG governance | |
|----------------------|--|
| Corporate governance | |

26



Due Diligence Management for Sustainable Development

Responsible supply chain 71

- - - - -青美邦 安全观

Putting Safety First while

Improving Quality

Occupational health and

safety management

Quality management

and Efficiency



Innovation-driven **Green Technology**



31 Building a world-class independent R&D platform

Achieving breakthroughs in core technologies 38 andoccupying the technological highlands of the industry





Development

People-Oriented, Diversity and Integration

Diversity and inclusion 75 Cultural integration 78 Employees' rights and 79 interests



Workingwith

Sunshine





Green, Low-carbon and Harmonious

| |) | |
|--|---|--|
| | ľ | |

| Hydrometallurgy boosts industrial carbon emission | 42 |
|--|----|
| Energy conservation and emission reduction | 42 |
| Low-carbon action | 43 |
| Carbon emissions inspection | 45 |
| Analysis of climate risks and opportunities | 45 |



Environmental Protection and **Eco-Priority**



| System building and regulation | 51 |
|-----------------------------------|----|
| complianceWater resources | 54 |
| management | 55 |
| Pollutant management | 59 |
| Protection of soil and | 60 |
| underground water Biodiversity | |
| | |







About the Report

The Report marks the second consecutive annual release by PT. QMB NEW ENERGY MATERIALS since 2022, following the paradigm of annual report to disclose content on sustainable development. The Report is designed to objectively and fairly illustrate the environmental, social and governance (ESG) performance of PT. QMB NEW ENERGY MATERIALS in 2023.

| Report Scope | | Organizational scope of the Report: The Report covers PT. QMB NEW ENERGY MATERIALS. For ease of expression and reading, "PT. QMB NEW ENERGY MATERIALS" in the Report is referred to as "QMB", "the Company" or "We". | | Definition of Report Content and Topics | Referring to relevant regulations a stakeholder participation, the Cor "realizing the unity of social respo recycling." The Company also foll expounds the specific practices a |
|-----------------|--------------------------------|---|---------|--|---|
| 談 | Period of Coverage | The Report covers the period from January 1, 2023 to December 31, 2023. In consideration of continuity and comparability of disclosed information, components of the information extend beyond or prior to this period in terms of disclosure time. | _ | emission reduction, so Period. Lastly, the Con review by the Company | emission reduction, social respon Period. Lastly, the Company stand review by the Company's manage |
| | Report Preparation Basis | The Report is prepared with reference to the Global Reporting Initiative (GRI) Sustainability Reporting Standards (2021 edition) (referred to as "GRI Standards") and topics highlighted in the Sustainable Development Goals of the United Nations ("UN SDGs"). | | Reporting Data | Data in the Report are mainly d and have undergone rigorous s This Report is officially issued in The Chinese version is the source translated text and the Chinese v |
| | Reporting Principles | Materiality The Company identifies material topics related to its own business operation and concerned about by stakeholders and carries out research on ESG matters having a significant impact on stakeholders. For the analysis process and results of the topics, please refer to the "Material Topics" chapter of the Report. Quantitative | | Contact | We sincerely welcome opinions a us through the following channels Address: Qingshan Park, China-I Sulawesi, Republic of Indonesia Tel.: 02150806594 Email: esgqmb@gem.com.cn |
| | | The Report discloses ESG quantitative performance indicators during the Reporting Period and discloses the corresponding historical data to the extent possible. The statistical and disclosure methods of the same indicators in different Reporting Periods are consistent in the Report. Consistency Any change in statistical and disclosure methods in the Report will be fully explained in the notes to the Report. | ¢ | Access to the Report | The Report is available in multi Chinese, English, Japanese, K electronic versions. The PDF e official website (http://en.gemin |
| | | Balance The Report objectively discloses positive and negative information to ensure that the content impartially shows the Company's ESG performance during the Reporting Period. | | | |

and standards abroad, and following the principles of ompany adheres to its own socially responsible concept of onsibility and enterprise benefits by high-tech and economic llows the global concept of sustainable development, and and achievements of environmental protection, carbon nsibility and corporate governance during the Reporting hds by the material topics disclosed in the Report after ement and assessment by stakeholders.

derived from the 2023 Annual Report of GEM Co., Ltd. statistical analysis.

Chinese, English, Indonesian, Japanese and Korean. ce document. In case of any discrepancy between the version, the Chinese version shall prevail.

and suggestions from all our readers. You can contact s:

ndonesia Integrated Industrial Park, Morowali, Central

tiple languages and forms, including Simplified Korean, and Indonesian, as well as in print and PDF electronic version can be downloaded from QMB's indonesia.com/).



Indonesia's President Joko Widodo Warmly Receives Professor Xu Kaihua, Chairman of GEM Group.

During the G20 Indonesia 2022 Summit, Indonesia's president Joko Widodo met with Chinese entrepreneur representatives attending the summit, including Professor Xu Kaihua, Chairman of GEM Group. President Joko Widodo shook hands with Professor Xu and highly praised GEM's technological and cultural investments in Indonesia.



Ribbon-cutting for the High-pressure Reactor (1168m³) Installation Ceremony for QMB Phase II & GEM (Indonesia) Nickel Resources Project

The super-high-pressure reactor, core equipment for the High-Pressure Acid Leaching (HPAL) process at QMB Phase II & GEM (Indonesia) Nickel Resources Project, is one of the largest-volume and highest-capacity equipment in the global laterite nickel ore HPAL field.

Following the successful production and overproduction of the Phase I project, this achievement signifies another great advancement in the engineering technology of Chinese enterprises, marking a breakthrough innovation in Indonesian hydrometallurgical technology and a joint achievement of technological cooperation between China and Indonesia!



Chairman's Message

"2023 was a pivotal year for QMB as we forging ahead and seeking breakthroughs."

In 2023, we over-fulfilled our Phase I project and successfully commenced the Phase II project. Our remarkable achievements would not have been made without our team's tenacity and pioneering spirit.

Facing fierce competition in the global new energy materials sector, QMB rose with determination and perseverance to various challenges and difficulties. We understand that only by constantly moving forward can we stand out. Therefore, in a resilient spirit, we devised breakthrough strategies from a global perspective and rose to challenges with a strong will. Ultimately, we made breakthroughs and emerged victorious.

Amid globalization, we actively promote the integration of industry and culture between China and Indonesia, working hand in hand with our Indonesian partners to advance the new energy materials industry. We emphasize cultural exchanges and talent development. We are striving to build an advanced talent team with an international outlook and expertise, in order to contribute Chinese wisdom and strength to Indonesia's economic and social development.

At the same time, as a staunch supporter of the national "Belt and Road" initiative, we are strengthening industrial cooperation and cultural exchanges with countries along the routes. We recognize that integrated development is the key to mutual benefits and win-win outcomes. Therefore, we deepen cooperation with partners from countries such as Indonesia to jointly draw a blueprint for the new energy materials industry and promote industrial upgrading and transformation. Together, we contribute to a green world. In 2023, we made notable achievements. Specifically, to deepen standard corporate governance, we conducted inspection storms, labor relations and human resource reforms, large-scale investment reviews, and thorough checks on idle capacities and facilities. These efforts, aiming to re-energize our workforce, reduce costs, improve efficiency, and control risks, have historically boosted our competitiveness in addressing global industry intense competition and challenges. Moreover, we have garnered strong support and trust from our global supply chain partners, which has been crucial to our success.

I would like to express my heartfelt gratitude to all our investors, shareholders, directors, and dedicated employees!Your support and trust have enabled QMB to shine in the new energy materials field. My appreciation also goes to our Indonesian partners. Your support and cooperation have allowed us to grow and prosper together with you in Indonesia.

We look forward to uniting with all our partners worldwide to embrace low-carbon development. Upholding the belief of "forging ahead and seeking breakthroughs", we will continue to champion the

green and sustainable development of the new energy materials industry with intensified vigor and determination, thereby contributing to a global community of shared future for mankind. We will persevere with innovation, enhance technical research, and continuously improve product quality and performance to meet market demands and advance the transformation and upgrading of the global energy structure. Simultaneously, we will actively fulfill our social responsibilities, focusing on environmental protection and sustainable development, to promote the harmonious development of the economy, society, and ecological environment.



Professor Xu Kaihua, Founder of QMB

40 years of research, teaching, and industrialization experience in the recycling technology industry

- · Leading figure in China's circular economy
- Special allowance expert of the State Council
- $\boldsymbol{\cdot}$ National consultation expert in the field of circular economy
- Founder of the National Research Center of E-waste Recycling Engineering Technologies
- Part-time Professor in Metallurgy, Central South University
- Part-time Professor, Bandung Institute of Technology, Indonesia
- Winner of National Scientific and Technological Progress Award (for 2010 and 2018)
- Vice President of the China Association of Circular Economy
- Industry Consultant for the Shenzhen Stock Exchange

As we embark on the new journey, we will continue to collaborate with global partners to meet challenges and create new successes. We believe that together, we will make even greater accomplishments and more substantial contributions to global green development.



Annual Highlights

Highlight

QMB, an exemplar of China-Indonesia cooperation under the "Belt and **Road**" initiative

Under the "Belt and Road" initiative, QMB has emerged as a stellar model of industrial cooperation, technological exchange, and cultural integration between China and Indonesia. Guided by the advanced concept of "investment in industrial, technological and cultural integration", QMB has evolved into a high-tech nickel resource industrial park blending technology and intelligent and green development.

QMB's rise has injected new impetus into Indonesia's nickel resource exploitation, facilitating the country's historic leap from laterite nickel oreproduction to the manufacture of new energy materials. This significant transformation has not only highlighted Indonesia's new standing in the globalnew energy sector but also infused the country's sustainable development with endless vitality.

QMB has created thousands of local jobs, embodying the profound significance of the "Belt and Road" initiative. It has not only promoted economic cooperation between China and Indonesia but also substantially improved the welfare of people in both countries. These jobs have provided local people with stable income and career development opportunities and hopes. QMB's success has showcased the "Belt and Road" initiative's strong vitality and broad prospects. Its unique appeal and influence have made it a model of industrial cooperation, technological exchanges, and cultural integration between China and Indonesia and even globally.

In 2023, QMB garnered significant attention for its outstanding achievements.

On May 12, Indonesia's Coordinating Minister for Maritime and Investment Affairs, Luhut B. Pandjaitan, visited QMB Park to inspect the park's green development and nickel resources project. He praised QMB for its overfulfillment of the Phase I project by 15% of the planned capacity since the project was put into operation. He also expressed his expectations for the capacity expansion plan of the Phase II project, aimed at producing 43,000 tons of nickel annually. Minister Luhut expected QMB to further extend the industrial chain from laterite nickel ore to cathode materials, thereby becoming a global leader in nickel resources.



Photo of Minister Luhut (Eighth from the Right) and QMB's Senior Executives

In September of the same year, QMB was, once again, under the spotlight.

During the visit of Premier Li Qiang of the State Council to Indonesia, Professor Xu Kaihua, Chairman of QMB, attended the China-Indonesia Business Dinner at invitation. At the dinner, Chairman Xu Kaihua discussed new opportunities and challenges in China-Indonesia economic and trade cooperation with political dignitaries and entrepreneur representatives from both count ries. His speech and insights show cased QMB's active role and strategic vision in promoting economic and trade exchanges between the two countries



Premier Li Qiang of the State Council (First from the Right) Shakes Hands with Professor Xu Kaihua

The Indonesia-China Business Forum was held in Beijing on October 16, 2023, which was another milestone in the history of economic and trade cooperation between the two countries. Attendees i ncluded Indonesia's president Joko Widodo and Chinese officials such as Gao Yunlong, Vice Chairperson of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) and Chairperson of the All-China Federation of Industry and Commerce. Notably, Professor Xu Kaihua was invited to attend as a representative of Chinese and Indonesian entrepreneurs. During the forum, President Joko Widodo emphasized the mutually beneficial nature of the cooperation between Indonesia and China and highlighted the significant rise of China's place on Indonesia's foreign direct investment rankings . At the event , President Joko Widodo shook hands with Professor Xu Kaihua, signifying their third official meeting following the G20 Indonesia 2022 Summit and the Chengdu 2023 FISU World University Games. This handshake not only acknowledged QMB's contributions to the "Belt and Road" initiative but also expressed expectations and confidence regarding future collaborations.

QMB will continue to uphold the concept of "integration of industry, technology, and culture through investment, and growing together with Indonesia". By investing in the full industrial chain of nickel resources and new energy materials and collaborating with local Indonesian metallurgical and new energy businesses, QMB aims to promote sustainable economic and social development in Indonesia. In the future, QMB will forge an even brighter green future, contributing substantially to the deepening of the comprehensive strategic partnership between China and Indonesia under the "Belt and Road" initiative and becoming a model of China-Indonesia cooperation.

_____j

To further deepen economic and trade cooperation between China and Indonesia and promote efficient exploitation of nickel ore resources in Indonesia, on September 24, QMB signed a joint venture agreement with Merdeka, a leading enterprise in Indonesian nickel resource industry. This cooperation marks a new stage for China-Indonesia corporate cooperation, whereby both sides will join hands to build an industrial chain of laterite nickel ore, thereby achieving efficient resource utilization and industry sustainability. Moreover, for the two countries, this partnership will not only boost their standing in the global nickel resource market but also inject new vigor into their economic development.



Signing Ceremony for the Cooperation between QMB and Merdeka



President Joko Widodo (First from the Right) and Professor Xu Kaihua (Third from the Right) Attended the Indonesia-China Business Forum.

Highlight

Integration of technology and culture, and growing together with Indonesia

Guided by the investment concept of "integration of industry, technology, and culture, and growing together with Indonesia", QMB's project has reached a world-leading level interms of operations, helping Indonesia complete the industrial upgrading from laterite nickel ore to new energy materials production. This has accelerated the country's progress in the new energy sector

QMB has established the first world-class Laterite Nickel Ore Hydrometallurgy and New Energy Material Technology Research Center in Indonesia. This initiative has facilitated advancements in Indonesian metallurgical engineering and new energy material innovation to reach world-class levels. Additionally, QMB has built Indonesia's first world-class nickel industry museum and successfully launched three sessions of the GEM-Indonesian Government-Central South University the China-Indonesia Joint Training Master Program in metallurgical technology and new energy materials engineering. QMB also initiated the "Hundred Thousand Talent Cultivation Plan" in the fields of metallurgical engineering and new energy materials technology (i.e. hundreds of Engineering Doctors, thousands of Engineering Masters, and tens of thousands of Technical Professionals). Moreover, QMB offered Chinese language training crash courses for Joint Training Master Class's students and GEM Indonesian youth. This aims to accelerate the training of high-caliber talent and the localization process in Indonesia and foster China-Indonesia technological and cultural exchanges. These efforts have made the project a highlight and model of China Indonesia friendly exchange and cooperation, garnering global attention.

First

world-class Laterite Nickel Ore Hydrometallurgy and New Energy Material Technology Research Center

First

World-class nickel industry museum

"Hundred Thousand Talent Cultivation Plan"

in metallurgical engineering and new energy materials technology





Professor Guo Xueyi, Vice President of Central South University (6th from right in the On the afternoon of December 21, 2023, Chairman Xu Kaihua visited Central front row), Prof. Cheng Qiongwen of the School of Metallurgy and Environment of Central SouthUniversity (6th from left in the front row). Prof. Min Xiaobo. Dean of the School (4th from right in the front row), and Dr. Zhang Kun, Deputy General Manager of GEM Group(5th from right in the front row), etc., take a group photo with 28 new students of the third GEM-Central South University-Indonesian Government Joint Training International Metallurgical Engineering Master Class.



South University to meet with the students of the third session of the China-Indonesia joint training engineering master international class. During the meeting, he delivered a lecture in English for Indonesian students.

On the morning of September 11, 2023, at Indonesia's Coordinating Ministry for Maritime and Investment Affairs, GEM Group, the Indonesian government, and Central South University signed an agreement on the fourth session of the international joint master's program in metallurgical and materials science engineering. The signing ceremony was witnessed by Mao Weiming. Deputy Secretary of the Communist Party of China (CPC) Hunan Provincial Committee and Governor of the People's Government of Hunan Province, along with a business delegation from the People's Government of Hunan Province and Vice President of Central South University Guo Xueyi. Subsequently, they had cooperation exchanges. Additionally, Firman Hidayat, Deputy Coordinating Minister for Maritime and Investment Affairs, Professor Satryo, Special Assistant to the Minister, and Dwi Larso, LPDP Scholarship Director, were present at the event. Professor Xu Kaihua, Chairman of QMB, was invited to attend this exchange.

Professor Xu Kaihua committed to working with the Indonesian government and Central South University to train 1,000 world-class professionals in new energy materials and green metallurgical technology for Indonesia, including 500 top-notch metallurgical engineers.

This signing ceremony represents an innovative model of highlevel talent training through cooperation among Chinese universities, Chinese entrepreneurs, and foreign governments and an exemplary project in China-Indonesia cooperation. Furthermore, it has opened up a new chapter in educational and technological cooperation between the two countries.

On November 6, 2023, GEM, Bandung Institute of Technology, and Central South University signed the Memorandum of Understanding (MoU)for the Tripartite Joint Construction of the "China-Indonesia New Energy Materials and Metallurgical Engineering Technology Joint Research Laboratory"between GEM, Bandung Institute of Technology, and Central South University. As the first joint initiative among Chinese universities, Chinese enterprises, and Indonesian universities, this laboratory has driven the technological and cultural exchanges between China and Indonesia to a new stage. Led by GEM, this laboratory aims to create a world-class engineering technology joint laboratory, engaging in innovative research in key areas such as mineralresource development, new energy materials, resource recycling, green technology, ESG and sustainable development. The ultimate goal is to provide key technical support for Indonesia's electrification strategy and high-quality development of mineral resources, and contribute to the construction of a global community of shared future for mankind.



Professor Xu Kaihua, Chairman of GEM Group(left), and Prof. Reini Wirahadikusumah, Ph.D., President of Bandung Institute of Technology (right), signthe Memorandum of Understanding (MoU) for the Tripartite Joint Construction of the "China-Indonesia New Energy Materials and Metallurgical Engineering Technology Joint Research Laboratory" between GEM, Bandung Institute of Technology, and Central South University.

Looking ahead, QMB will expand its nickel resource projects in Indonesia and develop high-tech entities such as ternary precursor materials as leverage. We will compose a new chapter in China-Indonesia exchanges in technology and culture, contribute positively to the construction of a new era China-Indonesia community with a shared future and a global community of shared future for mankind, and jointly promote the next golden decade vision of high-quality development of the "Belt and Road" initiative.



Group Photo of All Guests



Forge Ahead against the Wind and Waves

What is QMB Development history Through thick and thin, QMB sets foot for further exploration



What is **QMB**





Location Map of QMB Industrial Park

What is the QMB?

Key advantages of QMB

02

QMB utilizes laterite nickel ore hydrometallurgy to extract cobalt, nickel, and manganese nickel, cobalt, metals. By fully utilizing the and manganese raw materials present in low-grade lateritic nickel ores, it conserves nickel, cobalt, and manganese resources . This method has the advantage of emissions traditional smelting lower carbon compared with pyrometallurgical technology, making it environmentally friendly and low-carbon.

Holding

8%

It Implements intelligent manufacturing processes, achieving full automation, informatization, and intelligence, maximizing production capacity.

県 的 首 軍 Nikel Seabad - dari Tradisional Metalurgi Nikel Menuju Energi Hijau A Century of Nickel -- From Traditional Nickel Metallurgy to Green Energy 21

A Century of QMB Nickel-from Traditional Nickel Smelting to Green Energy

QI▼IB青美邦 = Green for a Better World



It utilizes independent research, design, and production equipment, with 95% of the equipment sourced from China, ensuring key equipment availability despite international restrictions



It established an engineering technology innovation center for metallurgy and new energy materials equipped with world-class scientific equipment, facilitating continuous innovation in the field of new energy materials manufacturing.



Development history

On December 19, 2017, Chairman Xu Kaihua led a group of executives from the Company on a trip to Pulau K in Central Sulawesi, laying the foundation for the development of nickel resources. QMB's presence in Indonesia can be traced back to a toast and invitation by President Joko Widodo of Indonesia and Coordinating Minister for Maritime Affairs and Investment Luhut Binsar Pandiaitan in Singapore in 2018, which laid the foundation for cooperation. Under the personal promotion of Chairman Xiang Guangda of Tsingshan Industrial, Professor Xu Kaihua, the Chairman of GEM Group, made efforts to explore opportunities. In December 2017. as the first entrepreneur in China's new energy industry who visited Pulau K, he signed a contract for the direct manufacturing of new energy raw materials from lateritic nickel ore. On January 11, 2019, the groundbreaking ceremony took place under the witness of the Indonesian government. heralding Indonesia's path towards new energy and electrification.

The first stage Planting the seed `

of nickel resources



Professor Xu Kaihua, Chairman of GEM, Led the Group's Top Executives on Field Surveys



On January 11, 2019, the groundbreaking ceremony for the QMB(Indonesia) project, which involves the hydrometallurgical manufacturing of new energy raw materials from laeritic nickel ore, took place under the witness of Coordinating Minister for Maritime Affairs and Investment Luhut Binsar Pandjaitan, marking the beginning of the construction.

> The third stage Grand commencement



Signing Ceremony for the 50,000-ton Nickel Equivalent Resource Project in Sulawesi, Indonesia

The second stage Nickel collaboration among prominent companies

In early 2018, Chairman Xu Kaihua of China Tsingshan, GEM, and Brunp Recycling made multiple visits to Pulau K, solidifying the implementation of the QMB(Indonesia) project for the hydrometallurgical manufacturing of new energy raw materials from lateritic nickel ore in Indonesia. On September 28, 2018. China Tsingshan, GEM, Brunp Recycling (CATL Holdings), Indonesia IMIP, and Japan Hanwa signed Joint Venture Agreement for the Construction of a Project to Produce Battery Grade Nickel Chemicals (Nickel Sulfate Crystals) from Indonesian Lateritic Nickel Ore (50,000 Tons of Nickel per Year) in Qingshan Park, Ningde City, China

The fourth stage Winning the "Comprehensive Battle, Difficult Battle, Decisive Battle" of construction

On March 19, 2022, the ceremony for the expeditionary team of the GEM-QMB Indonesian nickel resource project was held.



Ceremony for the Expeditionary Team of the GEM- QMB Indonesian Nickel Resource Project

On October 13, 2022, the QMB project (Phase II) was launched, with the aim of building a world-class "technology + intelligence + green" hydrometallurgical beacon factory for lateritic nickel ore.



Signing Ceremony for Strategic Cooperation between QMB and Morimatsu

Groundbreaking Ceremony for PT.QMB NEW ENERGY MATERIALS

On September 26, 2022, the opening ceremony of the Phase I project (30,000 tons of nickel per year) of QMB(Indonesia)'s hydrometallurgical manufacturing of new energy raw materials from lateritic nickel ore was held, simultaneously unveiling the world-class Nickel Resources Industry Museum and Indonesia's first world-class "Laterite Nickel Ore Hydrometallurgy and New Energy Material Engineering Technology Research Center."



Opening Ceremony of the Production Line for QMB(Indonesia)'s Hydrometallurgical Manufacturing of New Energy Raw Materials from Lateritic Nickel Ore



Mr. Luhut Binsar Pandjaitan, Coordinating Minister for Maritime Affairs and Investment (First from Left), and Professor Xu Kaihua, Chairman of GEM (First from Right), Unveiling the Research Center

Through thick and thin, QMB sets foot for further exploration

Increase in QMB's nickel resource capacity

93.000 tons

The single reactor capacity of the high-pressure autoclave equipment

150,000 tons of metallic nickel On September 3, 2023, in the afternoon, the signing ceremony for the OMB Nickel Resource Project (Phase II) was held, marking the beginning of a great journey for Indonesian nickel resources.Building upon the successful completion and operation of the QMB(Indonesia) Nickel Resource Project (Phase I) in Indonesia, the planned total production capacity of the Phase II will reach 150,000 tons of metallic nickel, promoting deep cooperation along the green nickel resource industry chain of "green mining, green metallurgy, and green applications."

ng Ceremony QMB Construction Project Phas andatanganan Proyek Pembangunan PT QM **F美邦二期项目建设** Signing Ceremony for the Concentrated Construction of the QMB Project (Phase II)

The single reactor capacity of the high-pressure autoclave equipment

21,500 tons of nickel metal per year

The signing ceremony for the construction of the QMB Project (Phase II) was held on January 19, 2024, in conjunction with the GEM Indonesian Nickel Resource Project's high-pressure autoclave commissioning ceremony in QMB. The delivered two high-pressure autoclave equipment, with a single reactor capacity of 21,500 tons of nickel metal per year, is one of the largest and highestcapacity equipment in the world for the high-pressure acid leaching (HPAL) of lateritic nickel ores. This represents another significant progress in the engineering and technological level of QMB after the successful overproduction operation of the first phase of the lateritic nickel ore HPAL project, marking a breakthrough in Indonesian HPAL technology and a joint achievement of technological cooperation between China and Indonesia in the field of high-pressure lateritic nickel ore hydrometallurgical refining.



The High-pressure Reactors for the QMB Project (Phase II)

Going forward QMB will focus on technology, industry, and culture to build five highlight projects of China-Indonesia cooperation:

A total investment of USD3 billion to create a worldclass demon stration park for lateritic nickel ore new energy materials.

Establish a world-class "technology+intelligence + green" flagship factory.

Establish a world-class engineering and technology research center for lateritic nickel ore hydrometallurgy and new energy materials.

Establish a China-Indonesia advanced talent training and science and technology cultural exchange demonstration center.

Establish a world-class ESG demonstration factory.



Adventuring fearlessly and setting sail on the sea, embarking on a new journey at the forefront!

Looking back to 2017, Chairman Xu Kaihua, as the first entrepreneur in China's new energy industry who traveled to the Central Sulawesi to investigate project, courageously built the world's first lateritic nickel ore high tower. The Company has independently designed, constructed, and operated a high-pressure acid leaching (HPAL) hydrometallurgical production line, which has overcome industrial embargoes on key equipment and components. Approximately 95% of the equipment used is of Chinese origin, and the technology research and design have been localized in Indonesia. The technical level, guality standards, and project operational efficiency are all at the forefront of the world, fully realizing the goal of "contributing to the world with Chinese technology!" Looking ahead, Chairman Xu Kaihua expressed that building upon the outstanding performance achieved through Phase 1's production and overcapacity, QMB will seize opportunities and progress in a wave-like manner. The Company is committed to ensuring the swift completion of Phase 2 of the QMB project, as well as the ESG project within the QMB Industrial Park. These initiatives aim to establish a total production capacity of 150.000 tons per year of metallic nickel. In addition, the Company aims to complete Indonesia's first super-high-nickel ternary precursor material production line by June 2024, rapidly realizing the industry's vision of "extracting nickel from lateritic ores and refining battery materials." Through these endeavors, QMB is dedicated to making maximum efforts in promoting the development of high-quality nickel resources in Indonesia, electrification of processing technologies, and the advancement of new energy.



in Conjunction with GEM (Indonesia) Nickel Resource Project



Construction Site of the QMB Project (Phase II)

02

Walking the Business Path of Kindness and Regular Governance



ESG governance Corporate governance

ESG governance

The establishment of the Company's ESG Committee reflects the Company's commitment to environmental, social, and governance (ESG) topics, and the ESG Committee is integrated into the core management system. The ESG Committee has diverse responsibilities, ensuring that the Company actively fulfills its social responsibilities, focuses on environmental protection, and optimizes its corporate governance structure while pursuing economic benefits.

Responsibilities of the ESG Committee

 ① Develop the QMB ESG development strategy and oversee the overall ESG work;
 ② Review and evaluate the Company's ESG management and set up appropriate and effective structure and supervision;

③ Review and confirm ESG topics, including climate change, risks,

and opportunities that significantly impact the Company's operations;

- ③ Regularly review and evaluate the progress of the Company's ESG development strategy and goals;
- ⑤ Review annual ESG reports of the Company.



Communication with stakeholders

QMB believes that strengthening communication with stakeholders is an important measure for transparent and responsible operations. By establishing effective internal and external communication platforms and mechanisms, we ensure open and transparent communication with stakeholders and incorporate their opinions into corporate decision-making. During the Reporting Period, the Company established close connections with stakeholders through diverse channels, proactively understood and responded to their expectations and needs.

| Important stakeholders | Importance ranking of topics for each group | Communication method |
|---------------------------|--|---|
| Customers | Customer service and satisfaction Product quality and safety Information security and privacy protection Corporate governance | Online platforms, email, phone/video conferences, on-site visits, questionnaires |
| Government and regulators | Water resources management Waste management Climate change response Energy management | Email, phone/video conferences, documents, on-site meetings |
| Investors | Product quality and safety Sustainable supply chain Customer service and satisfaction Corporate governance | Shareholder meetings, financial statements, performance reports, roadshows, etc |



Walking the Business Path of Kindness and Regular Governance

| | • Bulletin boards, internal platforms, online platforms, regular sustainability training |
|---|--|
| | Online platforms, email, phone/video conf erences, on-site visits/audits |
| у | Site visits, surveys, phone/video conferences |
| у | Organizing media events Publishing publicity materials, inviting media visits |

By identifying material ESG topics, we integrate stakeholders and their concerns into the operation and decision-making process to ensure the integration of ESG into daily operations. During the Reporting Period, the Company entrusted a third party institution to identify the Company's ESG topics and assessed their relative importance. The detailed steps are as follows:

• Integrating national policies, company development, reporting standards, capital market rating indices, and benchmarking with peers, QMB identifies and categorizes material topics for QMB from multiple dimensions, and establishes a repository of material topics.

• Based on the aforementioned analysis dimensions, QMB identifies 6 environmental topics, 10 social topics, and 2 governance topics, totaling 18 topics that have a substantial impact on QMB.

• QMB invited internal and external stakeholders of the Company through an online questionnaire to assess the importance of different sustainability topics from their perspectives and provides feedback on the Company's current sustainability strategies and performance.

• QMB conducts statistical analysis on the scores of the topics, and allocates weights to each topic based on their risk levels. It develops an importance matrix by comprehensively considering the importance to stakeholders and the importance to company development. It also reviews and validates the selected and analyzed results.

• Develop and implement action plans for significant material topics.

High importance (8 topics)

01.Waste management 02.Addressing climate change 03.Diversity and inclusion 04.Community investment 05.Customer service and satisfaction 06.Green products and circular economy 07.Water resources management 08.Occupational health and safety

Medium importance (8 topics)

09.Biodiversity 10.Employees' rights and interests 11.Employee training and development 12.Corporate governance 13.Business ethics 14.Sustainable supply chain 15.Energy management 16.Product quality and safety

Moderate importance (2 topics)

17.R&D innovation and intellectual property 18.Information security and privacy protection



QMB 2023 ESG Topic Importance Analysis Matrix

The Company focuses on disclosing the management progress of material topics in its annual ESG report and communicates with internal and external stakeholders through various specific methods and channels to continuously enhance its sustainable development management.

Corporategovernance

Corporate governance is a crucial mechanism to ensure transparent, efficient, and compliant operations of the Company in accordance with legal and regulatory requirements. For QMB, adhering to local laws and regulations, protecting shareholder rights, and creating value for investors are core objectives of corporate governance.QMB explicitly states that its governance structure, internal management, and control systems are constantly being improved to ensure the compliance of company behavior and maximize the interests of global shareholders. This ongoing effort not only enhances the Company's compliance but also increases investor confidence, thereby creating more value and returns for the Company.

As of the end of the Reporting Period, QMB's governance practices fully comply with regulatory requirements in Indonesia, further demonstrating the rigor and effectiveness of the Company's governance. Furthermore, the Company has not received any administrative regulatory measures from regulatory authorities, which is a positive signal that the Company's operations and governance have been recognized by regulatory agencies.



QMB's Multiculturalism and Compliance Training

QMB's emphasis on compliance management and investment is undoubtedly laying a solid foundation for risk management and business sustainability. Compliance management, as a crucial element in business operations, not only affects the Company's reputation and credibility but also directly relates to its longterm development and stable operations.

In a diverse cultural and complex legal environment like Indonesia, compliance management is particularly important. QMB is well aware that strict compliance with local regulatory requirements is not only the Company's legal obligation but also a necessary condition to gain market trust and ensure smooth business operations.

To better integrate into the local Indonesian culture and achieve mutual growth with Indonesia, QMB organizes training on Indonesian Labor Law. Cultural Differences between Indonesia and China, Employee Communication and Interpersonal Skills, and more. These measures not only contribute to improving the Company's compliance management, mitigating legal risks, but also reducing misunderstandings and conflicts caused by cultural differences, enhancing team collaboration efficiency, and helping employees better integrate into the local

QMB has always attached great importance to the construction and practice of business ethics, adhering to the spirit of the global compact and dedicating itself to the cultivation and construction of an integrity culture. To standardize the Company's business conduct, QMB has established the Code of Business Ethics and Conduct as a guiding framework for all business activities, ensuring that every decision and action aligns with the requirements of business ethics.

In the fiercely competitive market environment, the Company strongly opposes any form of unfair competition, maintaining a zero-tolerance approach towards bribery and corrupt practices. QMB strives to build a cordial and clean relationship between government and business, maintaining open communication and cooperation with government agencies. Simultaneously, the Company actively cultivates pure and green business supply chain relationships, working together with partners to uphold fair and just business practices.

To accommodate the diverse languages, cultures, and customs in different regions of Indonesia, in 2023, QMB developed and published the Complaint Management Process.

This provides stakeholders with channels to ensure standardized and transparent complaint handling, helping to reduce potential conflicts and strengthen relationships between the Company and external stakeholders.

To consistently implement a comprehensive anti-corruption and compliance management system, QMB continues to enhance internal monitoring mechanisms and strengthen employees' compliance awareness. Through regular anti-corruption training and the establishment of a reporting mechanism, the Company ensures the integrity of its business operations, making integrity the core of its corporate culture.

2023

2023

In 2023, QMB developed and

published the Complaint

Management Process

QMB's Integrity Construction Conference

2023

The coverage rate of anti-corruption training for company employees and the adoption rate of anticorruption policies and procedures by external partners have both reached

100%

In 2023, QMB organized the Integrity Construction Conference, where the General Manager led the entire staff in reviewing the Company's past cases of integrity. All cadre and management personnel signed the Integrity Commitment Letter, demonstrating QMB's firm support for integrity construction and its commitment to upholding ethical standards.

Additionally, the Company made significant efforts to promote its anticorruption policies and procedures. Apart from comprehensive anti-corruption training for internal employees, QMB actively propagated its anti-corruption policies and procedures to external partners, fostering the widespread dissemination of a culture of integrity. In 2023, QMB achieved the goal of 100 % coverage for both employee anti-corruption training and the adoption of anti-corruption policies and procedures by external partners.

QMB understands that a culture of integrity is the cornerstone of the Company's sustainable development. Therefore, it will continue to strengthen the construction of business ethics, laying a solid foundation for the Company's long-term growth.

Comprehensive Anti Corruption and Compliance **Management System**

Remediation

Walking the Business Path of Kindness and Regular Governance

Prevention

Control

$\mathbf{03}$

Innovation -driven Green Technology

Building a world-class independent R&D platform Achieving breakthroughs in core technologies and occupying the technological highlands of the industry



In 2023, the Company invested nearly RMB300 million in R&D

In 2023, the proportion of

R&D personnel reached **3.8%**

QMB actively responds to the global call for green and low-carbon development. With the integration of industry, technology, and culture as its investment philosophy, the Company has focused on integrating green and low-carbon concepts into the production line building in the early stage, and successfully developed a green and low-carbon hydrometallurgy process. This has connected the whole process from laterite nickel ore to the production of new energy battery materials, providing strong support for the development of the new energy industry.

The Company actively responds to Indonesia's national strategies. The Company utilizes green technology services to build world-class nickel resource engineering projects, making positive contributions to the economic and social prosperity and development of Indonesia, and helping Indonesia enter the era of new energy.

In terms of R&D, the Company continues to increase investment, and improve the infrastructure of R&D talents and platforms, to enhance the level of technological innovation. In 2023, the Company invested nearly RMB300 million in R&D, with R&D personnel accounting for 3.8%, demonstrating the Company's determination and strength to continuously promote innovation.

Building a worldclass independent **R&D** platform

The Company inherits and promotes the innovation concept of "Innovation is honored, great, and dignified", adheres to the innovation-leading plan, forms a worldclass talent team, establishes the Laterite Nickel Ore Hydrometallurgy and New Energy Material Engineering Technology Research Center (hereinafter referred to as the "Engineering Technology Research Center"), and builds a global industryuniversity-research platform for hydrometallurgy to lead the development of Indonesia's new energy industry.

A world-class innovative talent team and innovative mechanisms



World-class Innovative Talents of QMB



Professor Xu Kaihua Founder Chairman of GEM



Professor Guo Xueyi

Well-known expert in resource

economy, National consulting expert in the field of Circular Economy (one of 50); Industry consulting expert of Shenzhen Stock Exchange; National Science and Technology Progress Award Winner; Director of National Electronic Waste Recycling Engineering Technology Research Center, Vice President of China Circular

Economy Association, "Founder of the Most Zero Carbon Power in 2021"

Well-known expert in non-ferrous

metallurgy and resource recycling

Vice President, Professor and Doctoral

Supervisor of Central South University,

Scholars" of the Ministry of Education,

recipient of special government

Talents Project"

allowances from the State Council,

Distinguished Professor of the "Changijang

member of the Disciplinary Review Group

of the State Council, and a candidate for the National "Hundreds and Thousands of



Dr. Zhang Yuping

Professor

Sun Xueliang



Canada Research Chair in Clean Energy Nanomaterials Development Fellow of the Royal Society of Canada and Member of the Canadian Academy of

Engineering Foreign Member of the Chinese Academy of Engineering



Expert of used power batteries recycling

Leader in technology of comprehensive utilization of waste power batteries and urban mineral development . He has focused on market research on industrial technology, equipment and policies for the recycling of urban mines resources more tan 10 years.



Expert of ternary materials in lithium batteries

Leader in the field of high-nickel ternary precursor research. He has Engaged in new energy material research for more than 10 years, and develop and promote the first mass production of various lithium battery materials in China

Innovation Team and Leading Talents of QMB



Peng Yaguang

Innovative figure of complex and difficult raw materials

General Manager of QMB An expert in the ternary raw material system, adopting the strategy of process reengineering, process reengineering, and equipment reengineering to fully release the capacity of the production line, Significantly improve the efficiency of nickel-cobalt-manganese raw material production line



Leading figure in the field of ultrafine cobalt power and large particle cobalt oxide

Director of Innovation and R&D Center Sticking to the front line of synthesis technology for 13 years, successively broke through the engineering technology and industrialization of ultra-fine cobalt powder, ultra-fine nickel powder and highvoltage cobalt oxide with large particle size for mobile phone batteries



Innovation figure in industrialization of hydrometallurgical processing of laterite nicksl ore

Director of Smelting Center He overcame technical difficulties, optimized the discharge process of the low-pressure flash tank, and successfully completed the HPAL commissioning of the QMB project





Dr. Xu Pengyun

Expert of laterite nickel mineral processing

Leader in the field of laterite nickel mineral processing research. He has published more than 10 papers and has been supported by the National Postdoctoral Science Foundation to carry out beneficiation research



Jin Guoquan

Leading talent in industrialization of hydrometallurgical processing of laterite nickel ore

Expert of Nickel - cobalt - copper hydrometallurgy He has focused on the research of complex nickel - cobalt pyrometallurgy and hydrometallurgy for decades



Wu Guangyuan

Excellent practice expertof cobalt nickel chemical raw material system

Supervisor of the company group Actively promote the upgrading and transformation of the green production process of the chemical system Leading the design and operation of nickel sulfate crystals, cobalt sulfate, manganese sulfate crystals and other chemical quality indicators are at the leading level in the industry

Doctors and Senior Talent Team of QMB



Expert of laterite nickel mineral processing

Leader in the field of laterite nickel mineral processing research. He has published more than 10 papers and has been supported by the National Postdoctoral Science Foundation to carry out beneficiation research

Dr. Xu Pengyun



Postdoctoral fellow of GEM Group

Ph.D. in Nonferrous Metallurgy, Central South University Engaged in research work in the fields of hydrometallurgy, electronic waste recycling, etc. Published more than 10 SCI/EI papers and

applied for more than 20 patents.

Engineering Master's Research Team of QMB in Indonesia



M.Eng.

Assistant Research **Engineer of Ternary Precursor** Materials

Conducted research on crystallization of nickel sulfate from nickel laterite ore. Currently involved in research project specializing in synthesis of ternary precursor materials and participating in R01 HPAL pilot plant learning program. Actively enganged in teaching of laboratory safety training program of Indonesian employees.



Dr. Liu Wei

Doctor of Engineering, Hunan University

Ph.D. in Materials Science and Engineering Published 5 SCI papers Engaged in research work in the fields of laterite nickel ore hydrometallurgy, resource utilization of tailings, and cathode materials for sodium-ion batteries.



Dr. Wang Yaning

Ph.D. in Chemical Engineering and Technology Mainly engaged in research work in the fields of metal catalyst development and ternary precursor synthesis

Doctor of Engineering, Tsinghua

University

Published more than 9 SCI papers and applied for more than 10 patents.



Piyan Rahmadi,

M.Eng.

Assistant Research Engineer of Hydrometallurgy of Nickel Laterite Ore

Conducted the research on the removal of iron and aluminum from nickel leaching solutions. Currently participating on research of aluminum recovery from the residue of iron and aluminum removal stages, as well as teaching about research and application of "6S" to Indonesian employees in RnD group.



Postdoctoral fellow of GEM Group

Ph.D. in Materials Physics and Chemistry, Wuhan University Engaged in hydrometallurgy of laterite nickel ores and comprehensive recycling and extraction of other metals. Published 9 SCI papers and applied for 20 patents.



Ph.D. in Engineering, Tsinghua University Ph.D. in Materials Science and Engineering Engaged in the controlled synthesis and growth mechanisms of ternary precursor

materials. Published 7 SCI papers and applied for 7 patents.

Assistant Research Engineer of Hydrometallurgy of Nickel Laterite Ore

Conducted research on the precipitation of Mixed Hydroxide Product (MHP) from nickel laterite ore. Actively involved in management team of new energy materials supply chain.

Rizky Wanaldi, M.Eng.





Ardi Alam Jabir, M.Eng.

Assistant Research Engineer of Hydrometallurgy of Nickel Laterite Ore

Conducted research on the optimization of settl ing properties of Fe/Al precipitate. Currently participating in the research on the extraction of Sc from Fe/Al precipitate, and recycling of spent Li battery cathode. Active in teaching of personel of laboratory equipment operation.



ChemicalAnalyst

Experienced in chemical analysis and laboratory instruments including Atomic Absorption Spectrometer (AAS), Inductively Coupled Plasma (ICP), X-Ray Diffraction (XRD), and Particle Size Analyzer (PSA).

Shanty Vicario Agnes Nababan, M.Eng.

QMB always adheres to technological innovation as the engine, has the courage to face industry challenges and explore unknown fields, and stands firm on the world stage with outstanding technological strength. QMB actively engages in key projects such as new product R&D and production process optimization, to continuously promote the Company's development.

In order to overcome technical difficulties. QMB has carefully formed five professional research groups, covering core areas such as ore dressing, sorting and comprehensive utilization, high-pressure leaching technology, purification and separation technology, high-nickel ternary precursors, and development of analysis and detection technology and methods. Each groupis led by industry leaders and doctoral elites, bringing together the innovative forces of China and Indonesia. The groups are jointly committed to solving thorny problems in the production process, and leading the Company's sustainable development with outstanding technological innovation. At the same time, QMB focuses on talent cultivation and team building, and implements the ABC-level talent echelon strategy, cultivating a batch of elite talents for the local new energy technology field in Indonesia. This not only injects a sustainable vitality into the long-term development of the Company, but also contributes to the rise of the Indonesian metallurgical industry.

attitude and has the courage to seek breakthroughs and innovations in key and difficult areas. With outstanding R&D capabilities and profound technological accumulation, QMB has successfully acquired a series of core technologies with independent intellectual property rights in the industrial chain of laterite nickel ore hydrometallurgy to ternary precursor materials. In 2023, the Company applied for 110 new patents, consolidating its leading role in the field of hydrometallurgy once again. These scientific research achievements attribute to the Company's specialized and diversified R&D team. The Indonesian engineering master's team of QMB, along with the QMB talent team and innovation team, has undergone intense "chemical reactions" in the melting pot of cultural integration. Team members, with different professional backgrounds and skills, have collision of ideas in cultural integration and exchange and stimulate innovation in cooperation, injecting a continuous new energy into the development of the Company. This dynamic and innovative R&D team will continue to work hard in the field of hydrometallurgy, to continuously promote the Company's technological progress and business development. The members will become the Company's most valuable assets, leading the Company to continue to maintain a leading position in future market competition and embrace more brilliant prospects.



Indonesian Engineers at Engineering Technology Research Center of QMB

In terms of scientific R&D, QMB always maintains a proactive



Indonesian Engineers at Engineering Technology Research Center of QMB

Indonesian Engineers at Engineering Technology Research Center of QMB

| Patent No. | |
|----------------|--|
| Cn202380009959 | A wastewater tre |
| CN202380010000 | Pre-neutralizati ore hydrometall |
| CN202380009954 | A control system leaching of later |
| CN202380009905 | An automated o |
| CN202380010004 | Automatic desc of laterite nickel |
| CN202380009908 | Multi-stage deso of laterite nickel |
| CN202380009961 | Detection appro |
| CN202380009956 | Ahydrometallur |
| CN202380009904 | A laterite nickel |
| CN202380010003 | An approach for leaching proces |
| CN202380009906 | An automatic all a preheater for l |
| CN202380010002 | A comprehensiv discharged from |
| CN202380009903 | A high-pressure |

Patent name

- eatment process in the preparation of nickel cobalt hydroxide
- on system and pre-neutralization method for laterite nickel urgy
- n and approach for A1 precipitation during high-pressure acid rite nickel ore
- re washing assembly line
- aling device and approach for high-pressure leaching system ore
- caling system and approach during high-pressure leaching ore
- bach for chromium content in laterite nickel ore
- gy and precipitation system for laterite nickel ore
- ore beneficiation equipment and process
- desilication and silicon reuse during nickel cobalt hydroxide s
- location system for heat exchange between a flash tank and eaching laterite nickel ore
- re utilization approach of valuable elements in the slag In the smelting of laterite nickel ore
- reaction reactor



兹证明:

青美邦新能源材料有限公司分析检测中心

(法人: 青美邦新能源材料有限公司)

印度尼西亚中苏拉威西省莫罗瓦利县巴哈多比镇发杜菲雅

村 IMIP 工业园区 1 号门岗, 094974

符合 ISO/IEC 17025: 2017《检测和校准实验室能力的通用要求》 (CNAS-CL01《检测和校准实验室能力认可准则》)的要求,具备承担本 证书附件所列服务能力,予以认可。

获认可的能力范围见标有相同认可注册号的证书附件,证书附件是 本证书组成部分。

生效日期: 2024-01-11 截止日期: 2030-01-10



中国合格评定国家认可委员会授权人 伦纳华

中国合格评定国家认可委员会(CNAS)经国家认证认可监督管理委员会(CNCA)授权,负责实施合格评定国家认可制度。 CNAS是国际实验室认可合作组织(ILAC)和亚太认可合作组织(APAC)的互认协议成员。 本证书的有效性可登陆www.cnas.org.cn获认可的机构名录查询。

Laboratory Accreditation Certificate from CNAS

Building a globally leading engineering technology research center

January 11, 2024

The Analysis and Testing Center of QMB was accredited by the China National Accreditation Service for Conformity Assessment (CNAS)

The first laboratory in Indonesia to

simultaneously obtain the four CNAS certifications of laterite nickel ore, crude nickel hvdroxide, and nickel sulfate and water quality.

One of the laboratories in Indonesia to obtain the CNAS certifications in the shortest time

On January 11, 2024, the Analysis and Testing Center of QMB was accredited by the China National Accreditation Service for Conformity Assessment (CNAS), making it the first laboratory in Indonesia to simultaneously obtain the four CNAS certifications of "laterite nickel ore, crude nickel hydroxide, and nickel sulfate and water quality", It is also one of the laboratories in Indonesia to obtain the CNAS international laboratory gualification certification in the shortest time, taking only six months and five days from registration to certification.

Since its establishment, QMB has attached great importance to laboratory testing capabilities, scientific research capabilities, core technologies, innovation capabilities, and safety management, and its product quality has been highly recognized in the industry. In November 2023, the expert review team of the CNAS conducted an online review on the Analysis and Testing Center of QMB, and unanimously agreed that the Center had met the requirements for standardized operation in terms of testing and analysis capabilities, testing facilities, and management level. This recognition is a strategic achievement of QMB's meticulous improvement of quality management system, and also a full reflection of the Company's emphasis on establishing and improving professional testing level. It marks that the Analysis and Testing Center of QMB has internationally recognized management level and testing technology capabilities, providing strong technical and quality support for the Group's strategy of going global.

QMB will use its CNAS certification as a new starting point to continuously improve the quality management and technical level of its laboratories, led by the Analysis and Testing Center. It will further enhance international exchanges and cooperation, and strive to build the worldclass Laterite Nickel Ore Hydrometallurgy and New Energy Material Engineering Technology Research Center through innovation-driven approaches.

Achieving breakthroughs in core technologies and occupying the technological highlands of the industry

The world's first fully

independently designed and built low-grade laterite nickel ore hydrometallurgical production line has reached full production and achieved 20% overproduction

Indonesia

In the hydrometallurgy leaching process of laterite nickel ore, QMB has successfully achieved selective recovery of rare metal scandium (Sc) and prepared crude scandium sulfate with iron aluminum slag as the research subject. This innovative measure has not only improved the comprehensive utilization rate of valuable metals and brought significant economic benefits to the Company, but also consolidated QMB's core competitiveness in the hydrometallurgical process field of laterite nickel ore raw materials.

Moreover, QMB has also carried out comprehensive recovery and utilization of lean manganese in the hydrometallurgical leaching process of laterite nickel ore. Originally, manganese slag could only be used as waste emission. With the technological innovation of QMB, the selective recovery of manganese was achieved through the two-ore method technology, and the manganese sulfate electrolyte was successfully prepared. This measure has not only further improved economic benefits, but also effectively reduced the comprehensive cost of laterite nickel ore hydrometallurgy.

A complete set of laterite nickel ore hydrometallurgy process and finished product sample testing methods independently developed by QMB provide accurate data support for raw material evaluation, process control, product quality optimization, and other processes, providing a solid guarantee for stable and overproduction of the production line.

The first phase of the QMB Nickel Project, the world's first fully independently designed and built low-grade laterite nickel ore hydrometallurgical production line, has reached full production and achieved 20% overproduction. After deep technical adjustment and optimization, the quality of the nickel intermediate product MHP has ranked among the top of the industry. Together with the Nickel Resources Museum and the Engineering Technology Research Center, the project is exemplary in China-Indonesia cooperation.

The QMB team, based on low ice nickel as the cornerstone, has cleverly prepared advanced technology for selective dissolution of metals such as nickel and cobalt, successfully paving an efficient conversion path from low ice nickel to MHP or nickel sulfate, and laying a solid foundation for further increasing nickel production in the QMB(Indonesia) industrial park in

04

Green, Low-carbon and Harmonious Development

Hydrometallurgy boosts industrial carbon emission reduction Energy conservation and emission reduction Low-carbon action Carbon emissions inspection Analysis of climate risks and

opportunities



In the face of growing climate challenges, QMB resolutely responds to the global "dual carbon" vision, and is committed to exploring and practicing sustainable business models. As a subsidiary of GEM, QMB not only inherits the excellent tradition of the Group, but also proactively practices sustainable development, demonstrating a strong sense of corporate responsibility.

In the Green Declarations released on June 5, 2020, GEM clearly put forward ten guidelines at three levels, namely "Green Ethics", "Green Operation" and "Green Struggling". These guidelines not only cover ethics, business, production and innovation activities, but also emphasize green concepts in cultural activities. The Declarations provides clear guidelines for GEM and its subsidiary QMB in terms of sustainable development.

QMB strictly follows the concept of "Putting Ecology First for the Green Development" throughout production and operation. By



adopting green and low-carbon production process and design, QMB has completely utilized cobalt and nickel resources and minimized resource waste. At the same time, the Company also actively implements energy conservation and emission reduction, and endeavors to reduce greenhouse gas emissions, making positive contributions to the global response to climate change.

These efforts of QMB are closely connected with the sustainable development goals of the United Nations. This practice at the enterprise level and the efforts of the international community have formed a powerful synergy to jointly promote the global sustainable development, which not only inherits the group culture of GEM, but also responds positively to the call of China and the international community in practice, and makes a green contribution to the building of a global community of shared future for mankind.

绿色伦理

第1条 我们是格林美人,我们怀揣着绿色的梦想。 绿色是格林美人的初心,我们流淌着绿色的血液, 我们以绿色为生命之光。我们坚守格林美创始人 提出的"资源有限、循环无限"的产业理念,履行 "让世界循环起来Recycling for future !"的绿色 使命,实现"消除污染、再造资源、造福人类"的绿 色价值观,以"开采城市矿山,建设世界一流的绿 色工厂"为愿景,通过在全球范围建设废物循环工 厂,发展绿色材料,为有效利用资源、能源和减少 温室气体排放,构建人类命运共同体做出中国企 业的绿色贡献。

第2条 我们遵循《巴黎协定》之全球环境契约,认 同联合国可持续发展目标并积极实施"碳中和"活 动。我们遵循"生态优先、绿色发展"的新发展理 念,与人类共命运,做地球绿色公民,做世界绿色 产业发展的实践者。

第3条 我们追求"人与自然和谐共生"的绿色道德 观,遵循"道法自然"与"天人合一"的自然法则,努 力矫正我们的欲望和行为,顺应自然,不给大自然 造成破坏,不给人类生存环境造成伤害。我们崇尚 "上善若水",尊重动植物的生命权,拒绝食用野生 动物与世界禁止食用的动植物。我们努力保障赚 取的每一个铜板与获取的每一分报酬都不以牺牲 环境和破坏自然为代价

第4条 我们遵循绿色社会责任,传播绿色理念,向 公众完整开放环境和社会责任信息,积极参与绿 色帮扶活动与环境公益活动,支持民间环保与绿 色公益活动,支持员工参与绿色义工活动,反对一 切违背环保与绿色发展的行为,为地球洁净化与 大自然的绿色化发声,以我们不竭的努力为地球 和大自然持续增绿。

绿色经营 第5条 公司的经营活动以降低地球的环境负荷与 提升地球的环境承载能力为准则,遵循全球有关 环境保护和绿色发展的法律法规,与全球企业合

作构建绿色产业链、供应链和全生命周期价值链, 拒绝使用不绿色的产品与不符合全球社会责任的 产品及原料,减少高环境负荷产品的使用,由循环

第6条 公司的生产活动遵守循环经济的3R原则 (Reduce减量化、Reuse再利用、Recvcle再循 环),开展全流程生态设计(Eco-design),采用 绿色技术,实施清洁生产,不断完善环境治理设 施,对生产活动产生的废气、废水、废渣与各类废 车物进行宗教的安全外署和循环利用,保障各类 排放达到国际标准,最大限度地降低生产活动对 环境造成的影响,持续推进废物源头减量和资源 化利用,最大限度减少废物产生,建设全球绿色 丁厂,推进"生产,生活,生态"相融合,推进全球 天更蓝、地更绿、水更清。

而经济,实现经济效益与社会责任的和谐统一。

第7条 公司的业务活动以坚守废物循环再生和 绿色材料再制造为主导,把主要资金用于发展废物 循环和绿色材料,积极参与无废城市的建设实践。 第8条 公司的创新活动以发展废物循环和绿色 材料的绿色技术为主导,并不断开发废物循环绿 色技术,为全球废物循环的产业发展发挥技术导

向作用与创新引领作用,与世界同行共享废物循 环领域的技术进步与产业成就。 第9条 公司的文化活动以向全球传播"Recycling for future !"和"推进全球绿色文明的进步"为主 题展开,积极倡导绿色消费与绿色采购。在公司 经营活动、生产活动、员工工作、员工生活等过 程中传播绿色理念、导入绿色文化,开展全员垃

圾分类活动,崇尚节约资源、节约能源、减少排 放与减少使用不绿色的产品,促进全体员工"说 绿色的话、做绿色的事、吃绿色食品、践行绿色 生活方式",实施开门办厂,建设循环经济传播 平台,向世界传播绿色理念与绿色产业实践。 绿色奋斗

第10条 我们自愿选择为世界绿色产业发展贡献 智慧与力量,我们与格林美互相守护,在格林美 的绿色发展平台上,共建、共担、共享,劳筋骨苦 心志,穷尽毕生精力,从点滴开始,推进世界绿色 产业、绿色技术与绿色文明的进步与发展。我们 始终守护绿色,与人类和地球共命运,永不言弃、 勇往直前,为实现人类绿色梦想与绿色价值不懈 奋斗!

Green Declarations of GEM

energy industry in Indonesia and even the world.

By virtue of profound advantages in the field of hydrometallurgical technology, QMB is committed to implementing all-round green design and clean production. Through the effective use of digital management, the Company has achieved remarkable results in energy conservation, emission reduction, pollution reduction, efficiency enhancement, and reforestation, and has successfully built a "technology + intelligence + green" hightech industrial park of new energy raw materials of nickel resources in Indonesia. This initiative not only reflects the Company's active commitment to environmental protection, but also sets a green benchmark for the development of new

QMB will continuously perfect its dual carbon management system and thoroughly conduct work on the carbon footprint of products. The Company will promote energy conservation and emission reduction throughout the full life cycle of product design, manufacturing, packaging and logistics to facilitate the achievement of carbon emission reduction goals by the downstream industry chain. This strategic initiative will help improve the Company's environmental performance, while gaining a competitive advantage in the era of green economy for the Company.

Hydrometallurgy boosts industrial carbon emission reduction

As a global leader in resource recycling, QMB has always been committed to exploring a low-carbon, green and sustainable development path. With its profound accumulation in the field of hydrometallurgical technology, the Company has successfully developed advanced HPAL technology for treating laterite nickel ores, which cannot be effectively utilized by the traditional pyrometallurgical process.

Under the unique process of "three-level preheating - high pressure acid leaching - three-level flash evaporation". QMB's HPAL technology can maximize the selective leaching of nickel, cobalt and other valuable metals, and realize the efficient utilization of Indonesia's rich nickel laterite ore resources. Compared with the traditional pyrometallurgical process, hydrometallurgical technology not only significantly improves the metal recovery rate, but also shows great advantages in reducing the carbon emissions from production. As estimated, by adopting HPAL technology, the carbon emission of nickel products produced by hydrometallurgical process is 37.5tCO₂e metal ton of nickel or 50.3% lower than that of nickel products produced by pyrometallurgical process. This achievement undoubtedly injects a strong impetus for the global new energy industry to reduce carbon emissions.

Energy conservation and emission reduction

Importance of energy management

QMB recognizes that energy management is the core of achieving operational carbon emission reduction and green development. In order to manage energy effectively, the Company has formulated the Energy Management System by referring to the ISO 50001:2011 Energy Management Systems -Requirements with Guidance for Use. The Company attaches great importance to energy management and follows international standards to ensure the effectiveness and sustainability of its energy management

The Company's main energy sources are electricity and lignite. To reduce ineffective losses, the Company improves the energy efficiency ratio of equipment and increase reactive power compensation. Meanwhile, by enhancing the maintenance and repair of power equipment, the Company ensures that it is in the best working condition, and reduces the waste of power due to equipment aging or failure. In addition, the Company has implemented many projects of energy conservation and consumption reduction, such as manganese removal process modification, self-pressure modification of poor fluid high-level difference, and upgrading and modification of variable frequency motors.

Comprehensive energy consumption

The Company's comprehensive energy consumption was measured at 68,800 tons of standard coal. Direct energy sources consist mainly of lignite, liquefied petroleum gas, gasoline and diesel, while indirect energy sources are mainly purchased electricity. Specifically, lignite is mainly used for product manufacturing; liquefied petroleum gas is mainly used for canteens; gasoline is mainly used for the Company's self-owned vehicles; diesel is mainly used for internal transfer vehicles and diesel generators; and purchased electricity is mainly used for product manufacturing, office and living area.

QMB has made positive efforts in energy management, energy conservation and emission reduction and has achieved certain results. With the development of business and changes in energy demand, the Company will continue to optimize its energy management system as well as energy conservation and emission reduction strategies to achieve higher carbon emission reduction goals and green development.



Implementation of energy conservation and emission reduction

During the Reporting Period, QMB issued an Energy Performance Management Plan, aiming to establish and achieve optimal energy procurement and utilization strategies. Core objectives of the plan include examining the technical and financial feasibility of alternative and efficient energy sources to reduce the consumption of non-renewable energy sources.

Low-carbon action

In order to understand the baseline annual emissions of greenhouse gases during the life cycle of products, and provide data and theoretical basis for realizing product carbon neutrality, in 2023, QMB invited Bureau Veritas, an internationally renowned organization, to launch an inventory of product carbon footprint on December 2023 under international standards such as ISO14067:2018, ISO14044:2006 and ISO14064:2018. The Company has formulated a research policy and established a management mechanism for product carbon footprint, and are actively engaged in greenhouse gas emission reduction, laying a solid foundation for the enterprise to implement greenhouse gas reduction more effectively and realize green and low-carbon product supply in the future.



Verification Statement for Carbon Footprint of Products of QMB

Green + ecological design

The Company has always adhered to the green ecological principles of source management, recycling and safe disposal, and is committed to deeply integrating ecological and environmental protection with high technology to ensure that they can be perfectly demonstrated throughout the project process. Keeping up with the pace of the times, QMB constantly explores cutting-edge construction solutions for low-carbon and green parks and selecting green technologies in line with the current development trend.

Green office

The Company is committed to the efficient utilization of resources and sustainable development of the environment, and promotes paperless office and green office on all fronts. Routine business processing of QMB, including procedure approval, file management and contract management, has been fully paperless. This initiative not only significantly abates the consumption of materials such as papers and reduces carbon dioxide emissions, but also effectively improves office efficiency and the convenience of information sharing.

Carbon emission reduction by greening

The Company is committed to the fulfillment of green mission by making more efforts in the park's green planning and resolutely advocating reforestation. In 2023, the Company planted more than 10,000 new shrubs and laid 21.800 square meters of new lawn, bringing its overall greening area to 48,000 square meters, which demonstrates the Company's strong commitment to green development. With the continuous progress of the greening project, the greening rate of the park has reached 6.8%. By expanding the vegetation coverage, the park is able to better absorb carbon dioxide and reduce greenhouse gas emissions, contributing to the response to global warming.



QMB Ecological Landscape Pool



Garden Factory



Routine Greening Maintenance of QMB

Carbon emissions inspection

¹According to the requirements of the relevant standards of ISO 14064-1:2018 Greenhouse Gases — Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals, the sources of emission factors are the 2006 IPCC Guidelines for National Greenhouse Gas Inventories (Revised in 2019) published by the Intergovernmental Panel on Climate Change (IPCC) of the United Nations in 2019, the China Energy Statistical Yearbook 2021, and other authoritative references. The Company has set up a dual carbon management team. In 2023, in order to more accurately understand the status of carbon emissions, the Company conducted a carbon inspection in accordance with the requirements of the ISO 14064 system, covering the greenhouse gas emissions of Scope 1, Scope 2 and part of Scope 3. During the Reporting Period, the total carbon equivalent emissions of Scope 1 and Scope 2 of the Company amounted to 176,700 tons.¹

| Indicator of GHG emissions in 2023 | Unit | 2023 |
|------------------------------------|------------------------|------|
| Direct (Scope 1) GHG emissionsa | 10,000 tons of CO_2e | 8.99 |
| Indirect (Scope 2) GHG emissions | 10,000 tons of CO_2e | 8.68 |

Analysis of climate risks and opportunities

As a leading recycling company focusing on climate change and green development, we actively explore the economic opportunities and challenges that climate change may bring to our business, identify climate-related risks and opportunities, integrate climate change response into the full life cycle of our business operations, and seek for a business model that addresses climate change risks. At the same time, we utilize our own strength and that of our partners to actively call on all sectors of society to contribute to the fight against climate change.

We refer to the IFRS Sustainability Disclosure Standards 2 - Climate Related Disclosures (IFRS S2) framework to disclose the climate change governance system from four aspects: governance, strategy, risk management, indicators and targets. In 2023, QMB formed a list of climate change risks based on the above management structure and the IFRS S2 framework.

| Type of | Climate- | e- Diskoormontation | | otential impa | ct |
|--------------------|----------------------------------|--|------------------------------|--|--------------------------------------|
| risk related risk | | Risk segmentation | Time frame for impact | Value chain links | Financial impact |
| Physical | Acute risk | Extreme events such as typhoons, floods and biological disasters | Short- to medium- term | Raw material supply, logistics, production and operation | Rising costs ↑ Declining income ↓ |
| risk | Chronic risk | Gradual changes in temperature and rainfall, sea level rise | Medium- to long-term | Raw material supply, production and operation | Rising costs ↑ Declining income ↓ |
| Transition risk | | The current climate-related regulatory requirements are tightening, and emerging laws and regulations in the field of new energy will bring pressure on compliance management; the Company needs to meet the current regulatory compliance requirements in production, operation and sales, and to make early responses to possible or upcoming emerging regulations. | Medium- to long-term | Production and operation, marketing and sales | Rising costs ↑ |
| | Policy and regulatory risk | Stricter emissions reporting obligations and compliance requirements, and more stringent disclosure requirements from regulators, investment institutions and stakeholders on corporate carbon emissions, mitigation measures, quantitative targets and performance, increase the scope and difficulty of disclosure; changes in product regulatory requirements and standards, and more stringent product energy efficiency and emissions standards and regulatory requirements affect existing product standards and procurement standards and processes, increase compliance costs, fines, and project cancellation risks and require the use of materials and technologies that comply with new product standards. | Medium- to long-term | Production and operation | Rising costs ↑ |

| Transition risk | Technology risk | Low-carbon products replace traditional products, and the demand for existing high-carbon footprint products is reduced. It is necessary to prioritize the use of low-carbon production processes and materials, and transform production towards renewable energy, low emission technology, and digital equipment. | Medium- to long-term | Production and operation, marketing and sales | Rising costs ↑ |
|--------------------|---|---|-------------------------|---|--------------------------------------|
| | | Investment in the development and application of low-carbon technologies is required, and low-carbon technology, product development inputs and competition are large. | Medium- to long-term | Production and operation, marketing and sales | Rising costs ↑ |
| | | Market uncertainty and consumer preference for green products are leading companies to transition to low-carbon products and services, and companies need to provide low- emission products and services in response to market demand. | Medium- to long-term | Production and operation, marketing and sales | Rising costs ↑ Declining income ↓ |
| | Market risk | Rising energy/material costs and changes in raw material and energy prices lead to cost increases. Lack of raw materials leads to cost increases and high costs of low- carbon materials. | Medium- to long-term | Production and operation | Rising costs ↑ |
| | | Stakeholders' concern over negative news affects access to finance and reduces the liquidity of corporate assets. | Medium- to long-term | Business operation | Rising costs ↑ |
| Opportunity | Low-carbon industry chain construction | Under the background of carbon neutral transition, the social demand for low carbon products and services may increase; continuing to build a low-carbon industry chain based on the new energy industry and providing the market with low-carbon solutions can help the Company better adapt to market demand and obtain additional growth. | Long term | Marketing & sales services | Rising revenues ↑ |
| | Cost reduction and efficiency management | Resource efficiency can be enhanced through energy conservation and emission reduction in production and operations, improved recycling of materials, and low- carbon logistics to help carbon emission reduction globally. Efficient resource management systems are effective in reducing costs and increasing efficiency, productivity and supply capacity. | Medium- to long-term | Production and operation, logistics and transportation | Declining costs↓ |
| | Trends in market electrification | Under the global trend of "carbon neutrality", customers are more inclined to choose low-carbon products, and there is a wide demand for new energy and electrification transition in emerging markets; the Company will actively respond to the market changes and develop more products to meet the market demand and expectations, so as to realize long-term sustainable growth in business and revenue. | Long term | Marketing & sales services | Rising revenues ↑ |
| | Low-carbon energy transition | With the development of low carbon technologies and supportive policies in place, the use of low carbon energy sources will result in lower direct energy costs for production and operations, and will meet the regulatory pressures and low carbon goals that the Company faces in the marketplace. | Medium- to long-term | Production and operation | Declining costs↓ |
| | Increased resilience to climate change | The continuous improvement of climate change response speed and adaptive capacity will create more space for grasping climate opportunities; the production of advanced new energy materials can bring new opportunities for the Company. | Long term | Production and operation, marketing and sales services | Rising revenues↑ |

Green, Low-carbon and Harmonious Development

Governance

For the management of greenhouse gases and response to climate change, QMB has established a perfect organizational structure, which consists of the QMB ESG Promotion Center and professionals from the energy management department. Under the ESG organizational structure and system of QMB, the Company cooperates with GEM Group to accomplish the dual carbon strategic goals of QMB and the Group.

Strategy

Through scientific carbon footprint analysis, QMB has determined that the production of raw materials accounts for the largest share of carbon emissions at 69.17%. Based on this, QMB has reorganized the scope of carbon emissions into Scope 1, Scope 2 and Scope 3 (procurement of commodities + transport), and formulated relevant action plans for the three categories of carbon emissions.

IFRS S2

Risk management

QMB hopes to minimize the adverse impact of climate change. We have developed risk management responsibilities for climate change risk management at all levels to ensure that climate change risks are managed appropriately:

01 The Group's Dual Carbon Strategy Research Department regularly carries out climate risk identification and assessment, including annual environmental significance assessment and risk registration procedure;

02 Based on the Group's annual environmental significance assessment and risk registration procedure, QMB has appointed a risk officer responsible for tracking risks, keeping management aware of changes in the risk profile, and ensuring that adequate attention and resources are applied to the risks;

03 The Group ESG Committee aggregates all risk inputs and has determined a corporate risk scope that provides the Senior Management with a consistent and comprehensive understanding of risks.

Indicators and targets

QMB will focus on the goal of carbon neutrality strategy, do a good job in reducing greenhouse gas emissions, and carry out climate change scenario analysis as soon as possible to continuously optimize its own performance related to climate change, and help achieve the goal of the "dualcarbon" strategy.





Action Plan for Carbon Emission Reduction of QMB

$\mathbf{05}$

Environmental Protection and Eco-Priority

System building and regulation compliance Water resources management

Pollutant management Protection of soil and underground water Biodiversity



System building and regulation compliance

QMB adheres to the principle that no operation can be run unless it proves to be harmless, and regards environmental protection as the lifeline of the Company's development. QMB has established a professional environmental protection management team, formulated a comprehensive environmental protection management policy, and invested in highly efficient environmental protection facilities to ensure that pollutants do not leave the plant and to effectively protect the surrounding environment.

QMB has demonstrated a high level of responsibility and professionalism in environmental protection and management. The Company not only strictly complies with the environmental management regulations of the Indonesian government, but also builds an Indonesian localized management team to play a vital role in environmental protection work, taking into account its own actual situation and the concept of integration with Indonesian culture. The Environmental Protection Department is responsible for formulating environmental policies to ensure that the Company's activities are in compliance with environmental protection requirements; operating environmental facilities to minimize environmental impact through advanced technology and equipment; overseeing environmental compliance to ensure that the Company consistently complies with relevant regulations and standards; and conducting environmental performance appraisals to motivate employees to actively participate in environmental protection efforts. Together, these measures ensure the effective implementation of the Company's environmental protection efforts.



The Company has developed the ISO14001 management system document, which reflects the Company's emphasis and commitment to environmental protection. In 2023, Beijing Zhongjing Kehuan Quality Certification Co., Ltd. conducted an onsite audit of the Company's ISO management system. This audit was not only a comprehensive test of the Company's environmental protection work, but also an important assessment of the Company's management system. After rigorous auditing, the Company has successfully obtained the certificate of ISO14001, which signifies that the Company has reached the international standard in environmental management, and further enhances the competitiveness of the Company in the industry.

> The Company's ISO14001 System Certificate

Investments to environmental protection

The Company has attached great importance to and strongly supported environmental protection during the Reporting Period, and by the end of 2023, the Company had invested a total of nearly RMB500 million in the upgrading of environmental protection facilities and innovation of environmental management technologies. In 2023, QMB newly installed environmental protection treatment facilities such as environmental protection absorption tower, car washing platform, clarifier, etc., which further enhanced the Company's environmental management benefits, effectively reduced the emission of waste gas, waste water and other pollutants, and made positive contributions to the improvement of environmental quality.

Improvement of environmental protection awareness

The Company strengthens employees' environmental protection and emergency response capability, and consolidates the foundation of green park construction

The Company understands the important role of employees in responding to environmental emergencies, and therefore pays special attention to enhancing their awareness of prevention and emergency response capabilities. In response to possible environmental risks such as accidental emission of wastewater, leakage of chemicals, leakage of hazardous waste, etc., the Company successfully carried out a total of 12 emergency drills during the Reporting Period, involving as many as 370 employees. These drills not only tested the feasibility and effectiveness of the Company's emergency plan, but also refined employees' emergency response and teamwork ability in real practice, laying a solid foundation for ensuring a rapid and effective response to real environmental emergencies.





QMB's Environmental Emergency Response Drill

The Company continues to deepen the work of environmental education and training, and is committed to improving the environmental literacy of all employees. During the Reporting Period, the Company organized 11 comprehensive training sessions on environmental protection, covering more than 900 people, including workshop directors and above, so that the concept of environmental protection was deeply rooted in employees' hearts.

During the Reporting Period The Company organized 11 comprehensive training sessions on environmental protection 11_{times}

Covering more than 900 people, including workshop directors and above

900people



Environmental Awareness Movie Viewing on the World Earth Day

These initiatives not only effectively enhanced the employees' environmental awareness and knowledge, but also laid a solid foundation for the Company to build a green, ecological and sustainable park environment. QMB will continue to adhere to the concept of "green development" and continuously improve the environmental management system and emergency response mechanism to ensure that while promoting economic development, QMB will effectively fulfill its corporate social responsibility and safeguard the beautiful environment of Indonesia.



QMB Conducts Air Sampling



QMB's Environmental Training

Water resources management

The Company actively conserves water and enhances the effectiveness of water resources management

Throughout the year Total water withdrawal 7,975,300tons Drainage capacity 5,176,200tons Water consumption 2,799,100tons Water reuse

1,929,800tons

The Company is well aware of the importance of water resources and regards water conservation as one of the core tasks of enterprise development. In order to minimize water consumption in its production and operations, QMB has adopted a series of targeted water conservation measures and implemented a water reuse strategy. These efforts have not only helped to reduce the waste of water resources, but have also significantly improved the effectiveness of integrated water resources management. In 2023, the Company's water source is mainly from surface water, with a total annual water

withdrawal of 7,975,300 tons, discharge of 5,176,200 tons, water consumption of 2,799,100 tons, and water reuse of 1,929,800 tons. During the Reporting Period, QMB strictly monitored the quality and quantity of water sources to ensure that production and operations were carried out in a stable manner, and did not face any significant risks in respect of the acquisition of water sources.

In the future, the Company will continue to be committed to the conservation and protection of water resources through technological innovation and management optimization, to further improve the efficiency of water resources and contribute more to the sustainable development of enterprises and the protection of the ecological environment.

Water conse

Rainwater collection forred

Recycling of depletio



| Water conservation benefits |
|--|
| Save 50,000 tons of fresh water per year |
| Save 100,000 tons of fresh water per year |
| |

Pollutant management

The Company strictly abides by environmental protection laws and regulations to ensure environmentally friendly production and operation.

During the Reporting Period

The Company's test results for the three wastes have all reached 100% compliance rate

100%

The Company has always placed environmental protection as an important priority and strictly enforces relevant laws and regulations such as Regulation No. 22 of 2021 on the Implementation of the Government Regulation of the Republic of Indonesia on the Protection of the Environment and Management and Regulation No. 6 of 2021 on Procedures and Requirements for the Management of Hazardous and Toxic Wastes issued by the Government of Indonesia. In order to strengthen internal management, the Company has also established a series of policies such as the Operation and Management Policy of Wastewater Treatment Facilities, the Hazardous Waste Management Measures, and the Standardized Management Provisions for Wastewater Outfalls to ensure that waste water, waste gas, waste residue and noise during production and operation are effectively monitored and controlled.

In the process of production and operation, the Company carries out strict monitoring and control of pollutants such as waste water, waste gas, waste residue and noise. Real-time tracking and monitoring of pollutant emissions is achieved through the installation of on-line monitoring facilities for wastewater and waste gas, which are connected to the environmental management module of the central control center.

During the Reporting Period, the Company's test results for the three wastes have all reached 100% compliance rate, with no environmental pollution incident. This achievement was made possible by the Company's strict environmental management policy and the joint efforts of all employees. At the same time, the Company, in accordance with the requirements of local laws and regulations in Indonesia, has complete qualifications for the project's EIA and technical approval permits, and meet the requirements of the laws and regulations of the location of the emission indicators.

In the future, the Company will continue to adhere to the concept of "green development with environmental protection at the core", and constantly strengthen the environmental management and technological innovation, in order to ensure the environmental friendly production and operation.



QMB's Wastewater Monitoring System

Waste gas management: **Multiple measures to** effectively control waste gas pollution

2023

QMB's waste gas emission compliance rate reached 100% 100%



QMB's waste gas emissions are mainly dust pollution from construction sites and production exhaust. For construction sites, where the main air pollutant is road dust, QMB has actively taken a series of effective measures to deal with it. In order to ensure that road dust is effectively controlled, QMB is equipped with sprinklers and has set up a strict sprinkler plan to reduce dust and ensure full coverage of the construction section. At the same time, QMB also set up construction fences, dust nets and spraying facilities at the construction site to further reduce the concentration of particulate matter in the air and effectively improve the air guality in the surrounding area.



QMB's Waste Gas Treatment Equipment

During the Reporting Period, QMB continued to strengthen the collection and treatment of emissions, ensuring that all recoverable emissions were collected and eliminating unorganized emissions. The operation of emission control facilities strictly followed the Group's "four requirements" policy, with strict procedures for facility shutdown, idling, and

QMB's production waste gas mainly comes from boilers, and QMB adopted the advanced combination process of bag filtering and flue gas desulfurization for treatment. It efficiently removes harmful substances such as particulate matter and sulfur dioxide from the flue gas, ensuring that the gas emitted complies with the relevant Indonesian standards. In order to better monitor pollutant emissions, QMB has installed an online continuous monitoring system for waste gases, which can monitor pollutant emissions in real time and ensure that the emissions are stable and meet the standards. In 2023, QMB's waste gas emission compliance rate reached 100%.

Wastewater management: **Building an efficient** wastewater treatment system to ensure that water quality meets the standards and realize the circular economy

In order to effectively treat wastewater generated during production and operation, the Company has constructed a wastewater treatment system that matches its production. The system adopts advanced oxidative precipitation method, which can efficiently remove heavy metal ions from wastewater and ensure that the quality of wastewater meets environmental protection standards. At the same time, the Company has also carried out in-depth pollution reduction work to reduce the total amount of pollutants in wastewater by optimizing the production process and strengthening the management, so as to make a positive contribution to the protection of the environment.

The Company's wastewater emission data not only meets Indonesia's local drainage standards. but also the more stringent European Union standards. This fully demonstrates the Company's excellence and high sense of responsibility in environmental protection.

In order to ensure real-time monitoring and effective management of wastewater treatment, the Company has constructed a water quality online monitoring system, which is capable of realtime monitoring of wastewater flow, pH, COD (chemical oxygen demand), NH₂-N (ammonia nitrogen), and Ni, Co, Mn, Cu, Zn and other heavy metal indicators. Through real-time monitoring and data analysis, QMB is able to adjust the production process and wastewater treatment parameters in a timely manner to ensure that the effluent water quality is always stable and meets the standards.

In addition, the Company has been focusing on the recycling of resources and the recovery of heavy metals. QMB has adopted a heavy metal wastewater precipitation slag recycling process to maximize the extraction and utilization of valuable metals in the wastewater by recycling and treating the precipitation slag in the wastewater. This not only reduced the emission of heavy metals and the impact on the environment, but also realized a win-win situation in terms of economic and environmental benefits.

By building an efficient wastewater treatment system, carrying out in-depth pollution reduction work, constructing an online monitoring system for water quality and implementing a heavy metal recovery process, the Company has ensured that wastewater is emitted in accordance with the standards and resources are effectively utilized, thus laying a solid foundation for the realization of green and sustainable development.

SAN BERIK

Sewage Treatment Station in QMB

| Types of major pollutants and characteristic pollutants | Names of major pollutants and characteristic pollutants | Total emissions in 2023 |
|--|--|--|
| Water pollutants | COD, ammonia nitrogen | COD: 155.28t; Ammonia: 10.35t; |
| Air pollutants | Sulfur dioxide, particulate matters, hydrogen sulfur | Sulfur dioxide: 248.60t; Particulate matter: 28.61t; Nitrogen oxides: 58.65t; |

Sulfur dioxide: 248.60t: Particulate matter: 28.61t; Nitrogen oxides: 58.65t;

2023 The Company disposed of hazardous waste of 60.57 tons

Hazardous waste compliant disposal rate

100%

The Company has accumulated recycled general solid waste of More than **2,720**tons

The Company strictly adheres to Indonesia's Ministerial Decree of Environment and Forestry of the Republic of Indonesia No. 6 of 2021 on the Procedures and Requirements for Hazardous and Toxic Waste Management by segregating and disposing of the solid wastes generated.

For hazardous waste, QMB chooses to cooperate with local gualified professional companies for centralized disposal to ensure the safety and standardization of the treatment process. In 2023, the Company disposed of a total of 60.57 tons of hazardous waste, with a 100% hazardous waste compliance disposal rate. For general waste, QMB has a full-time waste recycler to recycle general solid waste and then dispose of those that cannot be recycled. In 2023, the Company accumulated more than 2.720 tons of recycled general solid waste, effectively fulfilling the corporate culture of green and sustainable development. For the production tailings, QMB has adopted the method of dry landfill for disposal, which is stored in the newly built tailings landfill, and the design and construction of the landfill strictly follow the relevant technical standards of the Indonesian government.

To ensure the safety of tailings disposal, QMB conducted a strict leaching toxicity check on every batch of tailings leaving the factory. QMB ensures that all indicators of the tailings meet the standards before they are disposed of at the factory, effectively guaranteeing the safety and stability of the surrounding environment.

safe disposal of waste.



QMB Environmental Cloud Platform

Noise management: **Multiple measures to** effectively control equipment operation noise

QMB uses low-noise, low-vibration equipment in the daily operation of the Company and installed vibration dampers to effectively reduce the decibel level of the noise source. At the same time, QMB has optimized the installation location of noise-generating equipment to ensure that they are far away from the employees' work area and the surrounding environment sensitive points to reduce noise pollution.

The Company regularly commissions qualified third-party monitoring companies to conduct noise monitoring. The monitoring results show that the Company's noise control complies with the local requirements in Indonesia.

2023

QMB's emission concentration of each pollutant is significantly lower than the local limit value, of which the emission concentration of sulfur dioxide can reach less than 70% of the local limit value in Indonesia, and the emission concentration of nitrogen oxides can reach less than 25% of the local limit value in Indonesia. In the future, QMB will continue to improve its environmental protection technology and management level in order to achieve lower pollutant emissions. to set an example in the industry, and to realize a win-win situation in terms of economic and environmental benefits.

The Company's advanced environmental cloud control system realizes the visualization and control of the entire waste process. QMB is able to track and control the treatment and flow of each batch of waste in real time, ensuring that each step of the process is under close monitoring. This has increased the transparency of QMB's waste disposal and significantly improved the efficiency and accuracy of management. During the Reporting Period, QMB successfully achieved 100%

Protection of soil and underground water

The Company strengthens soil and underground water protection to ensure safe and secure environment

Environmental protection is always given top priority in the production and operation of the Company. In order to ensure the safety of soil and underground water, the Company carries out regular monitoring of soil and underground water, comprehensively evaluates the impact of production activities on the environment, and conducts regular troubleshooting to identify and solve possible environmental problems in a timely manner.

In the course of monitoring and inspection, once any hidden danger or abnormality is found, the Company will immediately take remediation measures and strictly follow up the situation until the problem is completely solved, forming a closed-loop management and preventing the occurrence of environmental incidents that have a significant impact on soil and underground water

The Company has constructed tailings landfill in accordance with local standards in Indonesia, and conducted seepage-proof construction of tailings landfill and regular monitoring of groundwater, and the tailings are disposed of in accordance with local regulations in Indonesia. During the Reporting Period, the Company did not experience any environmental incidents that had a significant impact on soil and underground water.



Underground Water Sampling at the Tailing Site



Baseline Soil Permeability Sampling at the Tailing Site

Biodiversity

During the Reporting Period, QMB strictly complied with environmental regulations to ensure that all production and operational activities would not have a significant impact on biodiversity. At the same time, QMB actively optimizes its production processes and adopts environmentally friendly technologies and equipment to reduce the negative impact on the environment. In addition, QMB has strengthened its environmental awareness training and education to raise the awareness and importance of environmental protection and biodiversity conservation among its employees.

The fact that the QMB production site is not located in a nature reserve and is far from biodiversity-rich areas outside the reserve helps to protect the ecosystems and biodiversity of these sensitive areas. QMB always adheres to the concept of sustainable development and integrates environmental protection and biodiversity conservation into the Company's daily operations and management.

QMB

QMB has always maintained a high level of concern and active action in environmental protection and biodiversity conservation. QMB recognizes that its operations have a direct impact on environmental elements such as soil, air, surface water, underground water and living organisms, and therefore QMB has always made environmental protection and biodiversity conservation an important part of the Company's development.

QMB not only takes active actions within the park, but also works to promote the creation of new biodiversity conservation areas and maintain the ecological integrity of these areas. The Company, together with the Industrial Park, carried out mangrove planting near the jetty in Padabaha Village, Bahadobi Town. 500 mangrove seedlings have been successfully planted, and the goal of planting 10,000 mangrove seedlings for the year 2023 has been successfully achieved.



QMB Plants Mangroves in the Community



QMB Biodiversity Study Report

$\mathbf{06}$

Putting Safety First while Improving Quality and Efficiency

Occupational health and safety management Quality management



Occupational health and safety management

Adhering to the safety concept and ensuring the realization of the targets of occupational health and production safety

The Company has been committed to the safety concept of "life above all, no safety, no work" and putting the safety and health of employees in the first place. In production and operation processes, QMB strictly observes the relevant laws, regulations and standards of Indonesia to ensure the compliance of all operations with safety norms.

For sustained guarantee for employees' occupational health, the Company has established a refined occupational health management system, and has been providing employees with periodic occupational health checkups for timely identification and disposal of health hazards. Moreover, the Company has enhanced supervision and improvement of workplaces to ensure that every employee works in a safe and healthy environment.

The Company also highlights production safety management and consolidates the responsibilities for production safety level by level. QMB has established all-around management policies and contingency plans for production safety, defined the responsibilities of managers and employees at different levels for production safety, and has been enhancing employees' safety awareness and emergency response abilities through periodic safety training and drills so that employees can cope with emergencies in a prompt and effective manner.



QMB's Employees during a Tour Inspection

Targets of occupational health and production safety for 2023

| Indicator name | Set target | Realization information |
|---|--|----------------------------|
| Safety education and training | Employee coverage of safety education and training: 100% | 100% |
| Accident control | Number of material accidents: 0 | 0 |
| Occupational disease | Incidence of occupational diseases: 0 | 0 |
| Remediation of hazards resulting in material accidents | Remediation rate of hazards resulting in material accidents: 100% | 100% |
| Control of material hazard sources | Identification and monitoring rate of material hazard sources: 100% | 100% |
| Lost time injury frequency rate(LTIFR) | 0.5 | 0.31 |
| Lost time incident rate per 1 million working hours | 1.5 | 1.37 |
| Work-related death rate | 0 | 0 |

Occupational health management

| Full coverage of occupational healthcare | The Company always gives top priority Period, health check-ups provided by t has prepared detailed Personal Occup acknowledgment, tracking and manag |
|--|---|
| Scientific management of personal protective equipment | To guard employees' safety and health refining the management policies and been distributing the articles on a scier type, risk of potential accidents and ne out periodic supervisory and inspectior personal protective equipment property |
| Occupational health education and training | The Company attaches great importar employees in China and Indonesia are about the hazardous factors of their po and emergency handling measures. T employees' awareness of occupationa enhanced. |
| Monitoring and control of hazardous factors to occupational health | During the Reporting Period, the Co occupational health and safety mar hazardous factors to occupational l basis. Results of the monitoring sho indicating remarkable results achie factors to occupational health. |
| | |

QMB is Monitoring the Hazardous Factors to Occupational Health

y to the occupational health of employees. During the Reporting the Company covered all employees. Meanwhile, the Company pational Healthcare Records for all employees for comprehensive gement of employees' occupational health.

h during production, the Company has formulated and been distribution standards for personal protective equipment and has ntific, targeted and regular basis in light of every employee's job eeds for protection. In addition, the Company has been carrying n activities to make sure that all employees wear and use ly, thereby effectively lowering the risk of occupational diseases.

nce to occupational health education and training to ensure that all e appropriately educated as to occupational health and well know ositions to their occupational health and corresponding preventive The coverage of education and training has reached 100%, and al health and capability of self-protection have been effectively

Company strictly abode by Indonesia's K3 regulations on nagement, and monitored dust, noise, raised dust and other health in production and construction sites on a regular lowed that the pass rate of all indicators was 100%. eved by the Company in terms of the control of hazardous



Development of the safety management system

The Company adheres to the "policy-based" safety management concept, employs both China's standardized management system for production safety of hazardous chemical enterprises and Indonesia's K3 management system and ISO45001 management system for occupational health and safety, and keeps refining them in production and construction processes to ensure their applicability and feasibility, sparing no effort in promoting the integration of diversified safety management systems.

Centers and departments of the Company have established an occupational health and safety performance appraisal mechanism, pursuant to which the safety management department will lead other departments to formulate monthly ledgers of the appraisal of occupational health and safety performance across the Company and fully perform their duties of localization management.

During the Reporting Period, the Company revised and refined 31 regulations including the Red Armband Safety Management Regulations, the Inside-plant Traffic Safety Management Regulations and the Hot Work Safety Management Regulations, further improving its policy system for occupational health and safety management.

Highlights of the development of the safety management system:



Based on GB30871-2022 Safety specifications of special work in hazardous chemicals enterprises, the Company revised and refined its Special Work Safety Management Regulations and Red Armband Management Regulations in all aspects. It has established a Red Armband safety supervision team of 300 members for strict implementation of special work review and approval procedures, special work safety measure review procedures, special work safety technology acknowledgment procedures and red armband safety supervisor regulations in production and construction sites, so as to thoroughly control the safety risks of special work and eliminate production safety accidents.

Highlight **A**

For further enhancement of the safe development concept, the Company has been advancing risk classification management and hidden hazard investigation and elimination and enhancing all employees' consciousness of production safety, in a bid to maintain its long-term, stable production safety. Based on the actual situation of production workshops and centers, the Company identifies the hazards of each position and operation activity, classifies their risks, and develops control measures correspondingly, so as to ensure that its safety management is overall controllable.

Occupational health and safety training

During the Reporting Period

equipment.

the Company organized 12 safety training for on-the-job employees

12times

10 safety training for special work and special equipment operators

10_{times}

3 special training on hazardous chemicals

3times

and 51 training on fire-fighting knowledge or use of firefighting equipment.

51_{times}





TIDAK ADA KATA LIBUR UNTUK KESELAMATAN, 全无休,安全是人人有责

KESELAMATAN MERUPAKAN TANGGUNG JAWAB SETIAP ORANG Memperingati bulan K3 Nasional Tahun 2024

"Month of Occupational Health and Safety" Publicity Poster

Occupational health and safety education and training is an important means to enhance employees' awareness, so the Company has carried out safety publicity, education and training in various forms to create a sound environment of work safety. The Company offers three-level safety training for all new employees. During the Reporting Period, it organized 12 safety training for on-the-job employees, 10 safety training for special work and special equipment operators. 3 special training on hazardous chemicals, and 51 training on fire-fighting knowledge or use of fire-fighting

"Month of Production Safety" Publicity Event in Indonesia

Fire safety and emergency rescue management

Building a solid wall of safetv to quard sustainable development

The Company always sees fire safety management as a critical part of sustainable development, and strictly abides by the guideline of "preventing first and preventing while eliminating" on fire safety management. In terms of the construction of fire-fighting facilities, the Company, in all directions, promotes the refinement and upgrading of the fire-fighting network, the automatic fire alarm system and the four-level fire-fighting facility system. Such advanced, reliable, fullcoverage and guickly responding facilities strongly support the prevention and responses to fire hazards.

In addition to that, the Company has also set up a professional fire-fighting team and equipped it with highperformance fire-fighting vehicles for auicker responses to emergencies. This professional team is 24-hour on call so that it can promptly respond to and effectively handle fire hazards and minimize the losses caused by fire.

In terms of the fire-fighting coordination mechanism, QMB adopts the multi-layer coordination model of "professional practice + part-time engagement + fullcoverage drills", and organized joint drills with partner companies in and around IMIP Park, in order to realize mutual rescue and assistance in case of fire. Such a model not only integrates the internal and external fire-fighting resources of the Company and improves the Company's overall response capacity, but also enhances all employees' consciousness of fire safety and capabilities of selfrescue and mutual through full-coverage drills.

QMB also attaches great importance to fire safety training and education for employees. Regular lectures and practical drills on fire safety knowledge have made employees master of fire prevention, escape, self-rescue and basic fire fighting skills, further improving the Company's fire safety level.

Remarkable results achieved by the Company in fire safety management serve as a solid basis for its sustainable development. The Company will continue to beef up and improve fire safety management to guarantee its long-lasting, stable development.





Partner Company



Joint Fire-fighting Drill between QMB and Enterprises in the Park



Fire Emergency Training

Highlighting the emergency rescue concept of "people-oriented, life first" and based on its actual situation, the Company has meticulously formulated a contingency plan for production safety accidents, report on emergency capability assessment and list of emergency material investigation while ceaselessly reinforcing the grass-roots foundation for emergency rescue, in a bid to cultivate the capability of quickly and orderly responding to production safety accidents, minimizing casualties and property losses, and effectively reducing and alleviating the harms of accidents.

QMB will continue to strengthen the emergency rescue system, constantly improve its emergency rescue capacity and competence, and contribute more to the protection of employees' personal safety and property safety.

Quality management

The quality of products is the key to an enterprise' sustainable development, QMB strictly controls R&D quality, production quality, supply quality and service guality. During the Reporting Period, it took the initiative to align itself with international standards and introduce the ISO9001:2015 system to make sure that products meet quality requirements during their full life cycles.

On the basis of its quality management policy of "customer first, quality wins, and build itself into a green and intelligent manufacturer of world-class nickel resources" and ISO 9001:2015 Quality management systems: Requirements, QMB has formulated the Quality Handbook in line with its management practices. The Company has built a quality management system according to the requirements of ISO9001:2015, covering necessary processes and their interactions, and has been implementing, maintaining and continuously improving it. Risks and opportunities that may affect product or service compliance and the ability to improve customer satisfaction are identified and coped with according to the Control Procedure for Risk and Opportunity Identification and Assessment, and the Control Procedure for Suppliers has been formulated to ensure the compliance of suppliers' product quality and quality assurance capacity, urge suppliers to keep improving guality, price, delivery and service performance. In addition, the Procedural Document for Corrective and Preventive Measures has also been drawn up so that identified inconformity can be corrected, future inconformity can be prevented, hidden causes of inconformity can be analyzed and necessary corrective actions can be taken after defects and deficiencies in work are identified in the course of handling customer complaints and production exceptions. By continuously intensifying system effectiveness, the Company has been improving the quality and competence of products and processes, as well as customer satisfaction. Based on the Control Procedure for Customer Satisfaction and the Customer Complaints Handling Control Procedures that aim at higher customer satisfaction, the Company ensures that customers' requirements are identified and met. In November 2023, the Company passed the ISO9001:2015 system certification, demonstrating its great strength of quality management and unswerving commitment to product quality to the outside world.

Keywords to Quality Management





Quality System Review Meeting



QMB's Quality System Certificate

The Company puts forward the keywords to guality management, which are "zero defects, zero delay and zero complaints". Adhering to the "world-class, zero-defect" quality-first strategy, QMB marches confidently into uncharted territories of technology and quality with the absolute advantages of technological leadership and a priority on quality, and is becoming a green and intelligent manufacturer of world-class nickel resources.

$\mathbf{07}$

Due Diligence Management for Sustainable Development



Responsible supply chain

Responsible supply chain

To avoid the use of conflict minerals that directly or indirectly finance or benefit armed groups and/or those that are involved in other gross violations of human rights in high-risk and conflictaffected regions. QMB has formulated the Due Diligence Policy for a Responsible Global Supply Chain and the QMB Supplier Code of Conduct, which have been circulated to a wide range of stakeholders (including suppliers, customers and employees) and are available on QMB's website https://www.gemindonesia.com.

The Company undertakes to be subject to the relevant policies of the Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Third Edition (hereinafter referred to as "OECD Guidance") issued by the Organization for Economic Co-operation and Development (OECD), as well as the Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains issued by China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters and the United Nations Guiding Principles on Business and Human Rights issued by the Office of the United Nations High Commissioner for Human Rights, and has formulated the QMB Supplier Code of Conduct and Due Diligence Policy for a Responsible Global Supply Chain covering cobalt (Co), lithium (Li), nickel (Ni), manganese (Mn), tantalum (Ta), tin (Sn), tungsten (W), gold (Au) and other metal products (including minerals, trade products and smelting intermediates) on the supply chain. Throughout its global supply chain, the Company will extensively popularize the Policy and incorporate it into contracts or agreements on responsible sourcing by suppliers from high-risk regions, intending to promote entire-supply-chain due diligence management.

PT. OMB NEW ENERGY MATERIALS 青美邦新能源材料有限公司 Kebijakan Manajemen Tanggung Jawab Penuh untuk Rantai Pasok Global. 负责任全球供应链的尽责管理政策 Due Diligence Policy for a Responsible Global **Supply Chain**

Green for a Better World PT. QMB NEW ENERGY MATERIALS Munuel Sopio Ed Office Trans Land V Market So

at A. Jalan Versig A/0 Kuningan, Tamanada (UDa

PT. QMB NEW ENERGY MATERIALS/青美邦新能源材料有限公司 01 Desember 2023/二零二三年十二月/December 01, 2023

O

Green for a Better World 口下日音美部 出版文美丽世界 地级水美丽世界 un. Tanggala 01 Desember 2023

> Pedoman Perilaku Pemasok QMB 青美邦供应商行为准则 **QMB** Supplier Code of Conduct

Para pemasok dalam rantai pasokan QMB harus menerapkan pedoman ini untuk seluruh rantai pasokan mereka. Pemasok juga harus setidaknya meminta pemasok tingkat berikutnya mereka untuk mengakui dan melaksanakan pedoman ini. Dasar dari penerapar pedoman ini adalah pemahaman bahwa semua kegiatan perusahaan harus sepenuh nematuhi hukum, norma, dan peraturan negara/daerah di mana operasinya berada. 音美邦供应商行为准则旨在建立各种标准。以确保香美邦供应链的工作环境安 全、员工受到尊重并享有尊严,且经营活动符合环保和道德要求。

QMB Supplier Code of Conduct establishes standards to ensure that working conditions in the electronics industry or industries in which electronics is a key component and its supply chains are safe, that workers are treated with respect and dignity, and that

rations are en ntally responsible and conducted ethically Pemasok dalam rantai pasokan QMB harus menerapkan pedoman ini untuk seluruh rantai pasokan mereka. Pemasok juga harus setidaknya meminta pemasok tingkat

berikutnya mereka untuk mengakui dan melaksanakan pedoman ini. Dasar dari penerapan pedoman ini adalah pemahaman bahwa semua kegiatan perusahaan harus sepenuhnya mematuhi hukum, norma, dan peraturan di negara atau wilayah di mana perusahaar 青美邦供应链的供应商必须将本准则应用于整个供应链。供应商还应至少要求

其下一级供应商认同并执行本准则。采用本准则的基础是理解企业的所有活动必须 完全遵守其经营所在国家或地区的法律、规范和法规。

Suppliers of OMB supply chain must apply this Code to the entire supply chain liers should also at least require their next-tier suppliers to agree and implement this Code. The basis for adopting this Code is to understand that all activities of an enterprise must fully comply with the laws, norms and regulations of the country/region in which it

Pedoman ini juga mendorong pemasok untuk tidak hanya mematuhi hukum, tetapi juga secara aktif memahami standar internasional yang diakui, sehingga dapat mengambi lebih banyak tanggung jawab sosial dan lingkungan serta mematuhi etika bisnis. Tidak boleh melanggar hukum lokal karena mematuhi pedoman ini. Jika standar dalam pedoman ini berbeda dengan hukum lokal, QMB akan menetapkan kepatuhan dengan standar yang paling ketat. Sesuai dengan Prinsip Panduan PBB tentang Bisnis dan Hak Asasi Manusia, ketentuan dalam pedoman ini bersumber dari beberapa standar Hak Asasi Manusia

In 2023, the Company intensified the due diligence management of responsible mineral supply chains in all respects, and established a due diligence management system for responsible mineral supply chains in accordance with the OECD Guidance, the Cobalt Refiner Supply Chain Due Diligence Standard, the Joint Due Diligence Standard for Copper, Lead, Molybdenum, Nickel and Zinc and other relevant standards and norms. and carried out due diligence on its supply chains according to system requirements. As assessed, the Company's procurement of nickel and cobalt raw materials in 2023 was of a low risk, and neither the countries of origin, the transiting countries, the destination countries nor the suppliers of those raw materials were found to be subject to any warning signs or relevant risks

In March 2024, the Company released its Mineral Supply Chain Due Diligence Management Report 2023, in which it disclosed its due diligence on mineral supply chains in 2023 for practical fulfillment of its obligations of respecting human rights and not facilitating conflicts and its responsibilities for eliminating and controlling relevant risks.

While improving itself, the Company will continue to follow up on the latest compliance requirements for supply chains, keep promoting communication and exchange with upstream and downstream enterprises and sharing with and reporting to stakeholders their experience and progress in supply chain due diligence management, and carry out due diligence management in cooperation with relevant parties in the industry and construct a more sustainable and healthy supply chain due diligence management mechanism to propel common prosperity of the industry.







Empowering due Diligence Management of Responsible Mineral Supply Chains

$\mathbf{08}$

People-Oriented, Diversity and Integration

Diversity and inclusion Cultural integration Employees' rights and interests



Diversity and inclusion

QMB firmly believes that employees are the cornerstone for stable development of the enterprise, and outstanding talented people are the key force to success. Therefore, the Company always places talent strategy at the core of enterprise development, and actively optimizes and implements talent policies so as to create a diversified, inclusive and outstanding team.

QMB has established a complete set of human resources management procedures, with the aim to provide employees with a fair, transparent and motivating working environment. Promotion and salary adjustment mechanism of employees are formalized and systematized to ensure that every employee is properly rewarded for their efforts.

In terms of promotion and salary adjustment, the Company has formulated a set of scientific and reasonable criteria, which comprehensively take the employees' performance, ability, achievements and market remuneration status into consideration. Employees can easily make out their career development path, and then become more motivated to work. Moreover, a variety of reward forms have been introduced, including written commendation, first-class reward, second-class reward and third-class reward. These rewards reflect not only the Company's recognition of employees' hard work, but also its expectation of their efforts in future.

In the human resources procedure of QMB, it is clearly stipulated that employees are entitled to annual leave, home leave, menstrual leave, maternity leave/abortion leave, sick leave and other benefits. These stipulations are designed to ensure the physical and mental health of employees, as well as sufficient rest and adjustment after work.

There are 2.905 outstanding employees from different countries with diverse beliefs in the big family of QMB. Particularly, Indonesian employees account for more than 60%, who have brought a rich cultural color and unique perspectives to the team of QMB. In order to show the Company's respect and care for their religious beliefs, QMB has built high-quality prayer rooms to ensure their freedom of religious activities.

In addition to fully respecting employees' religious beliefs, QMB also pays attention to the employees' leisure and entertainment life. A variety of corporate activities such as bonfire parties and art performances have been regularly organized to enable the employees to relax and enjoy happy time after busy work.

The Company has invested in the construction of standardized living quarters in an effort to further improve the employees' life quality. The living guarters are well-equipped with a beautiful environment, providing a comfortable and safe living environment for the employees. What's more, the living quarters are also equipped with leisure facilities such as swimming pools, so that employees can enjoy swimming in their spare time to exercise and keep healthy.

QMB always adheres to the principle of "people-oriented", and is committed to creating a fair and inclusive working environment with the sense of belonging for every employee. QMB firmly believes that, by constantly improving talent policies, strengthening employee training and development, improving employee welfare and enriching their leisure and entertainment life, more outstanding talented people can be attracted and retained to contribute to the sustainable development and prosperity of the Company.

Diversified Management Team of QMB

QMB 2024 Spring Festival Gala

Talent Show

Professor Xu Kaihua Inscribing for Indonesian Female Employees

Dragon Boat Festival Celebrated by QMB Indonesian Overseas Employees

Swimming Pool in QMB Living Quarters

Mid-Autumn Festival Celebrated in QMB

At recruitment, various factors are taken into consideration, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge, and service tenure, so as to respect and develop the employees.

Workforce

| Age structure | Aged below 30 | Person(s) | 1680 |
|------------------------|--|-----------|------|
| | Aged 30-50 | Person(s) | 1200 |
| | Aged above 50 | Person(s) | 25 |
| Gender structure | Female | Person(s) | 253 |
| | Male | Person(s) | 2652 |
| Education structure | Employees with doctoral degree | Person(s) | 4 |
| | Employees with master's degree | Person(s) | 49 |
| | Employees with bachelor's degree | Person(s) | 483 |
| | Employees with other academic qualifications | Person(s) | 2369 |

Cultural integration

To solidify the bridge for the technological and cultural integration between China and Indonesia, and to advance the cooperation and exchange of technology and culture between QMB and the Indonesian government to a new stage, in October 2023, the Company officially launched the Chinese Training Boot Camp under Indonesian Government-GEM-Central South University Joint Master's Program in Metallurgical Engineering. The camp targeted 40 Indonesian students and lasted for four months. The training covered basic Chinese spelling and reading skills, daily conversation, teachings on excellent Chinese traditional culture, company-specific process flows, extracurricular activities and research projects, etc. Each student was assigned a corporate mentor for one-to-one guidance. The Company engaged experienced professors and PhD holders as instructors, and selected outstanding Chinese teaching assistants from within the Company. The courses were delivered in a combination of "senior instructor + teaching assistant" format, and an immersive language learning environment was provided for intensive Chinese language training. This approach aimed to facilitate better learning of metallurgical and new energy knowledge, and promote cooperation and friendship between China and Indonesia.

Closing Ceremony of the Chinese Training Camp under Indonesian Government-GEM-Central South University Joint Master's Program in Metallurgical Engineering (Phase I)

Employees' rights and interests

Reasonable promotion

In 2023, QMB announced a selection and incentive program for 500 Indonesian young talented people and 1,000 Indonesian skilled workers. The evaluation and appointment of Indonesian young talented people took place every six months. During the Reporting Period, the first batch of 65 Indonesian managers and young cadres were promoted and subsequently assumed important management positions in their respective business sectors. In line with the commitment to the practice of "mentoring" and continuing to consolidate the talent base for highquality development of the Company, mentorship program has been implemented in QMB. With experienced employees mentoring and guiding new employees on a one-toone basis, a more comprehensive and competitive career development path has been established for the staff. This approach allows employees to rapidly improve their own capabilities and also contributes to the construction of a sustainable talent development system within the Company. Ultimately, our goal is to create a gathering place for artisans and talented managers.

QMB Mentoring Site

In order to firmly implement the Company's talent strategy and further improve the talent development strategy mechanism of QMB, the Company focuses on cultivating professional skilled talent, and creating an area focusing on "talent". A "1,000 skilled talent training" program covering all grass-roots employees has been carried out, and a team of professional lecturers has been established, with bilingual training materials in Chinese and Indonesian. The Company also offers general courses such as corporate culture, production and fire safety, environmental management and quality management, as well as courses such as production system, non-production system and professional practice training courses, aiming to improve the skills and quality of employees in their respective fields through diversified curriculum development.

Selection, Cultivation, and Incentive Policy Announcement Conference for 500 Indonesian Young Talent Held by QMB

Prohibition of child labor

When carrying out procurement or business activities, the Company will not employ children below the minimum working age stipulated by the laws or regulations of the host country, nor will we benefit from, assist or facilitate the employment of children below the minimum working age stipulated by the laws or regulations of the host country. What's more, the Company will not purchase from or be associated with any party with such circumstances. The minimum working age shall be 16 years old in case that there are no relevant laws or regulations in Indonesia.

Prohibition of forced labor

The Company clearly stipulates that it will not tolerate any form of forced, bonded, contract or prison laborer, and forced labor is strictly prohibited. During recruitment, the Company will strictly abide by the relevant laws and regulations of the country or region where it is located, and ensure that the terms in the employment contract are clearly expressed and signed in a language that employees can understand.

Kick-off Meeting for 1,000 Skilled Workers Training

Mentorship Program Apprentice Ceremony

Strenuously Cultivating in Indonesia and Working with Sunshine

QMB always regards its relationship with surrounding community as the core element of sustainable development of the enterprise. The Company knows that building a harmonious relationship of coexistence with the community is not only the embodiment of social responsibility, but also the cornerstone for long-term development of the enterprise. Therefore, while pursuing economic benefits, QMB always actively fulfills its social responsibilities and strives to promote the common prosperity of the community.

In terms of improving the life skills of community residents, QMB organized agricultural technology training and invited agricultural experts to teach modern agricultural technology, crop planting and management, and pest control knowledge for the residents. These training activities helped to advance the agricultural skills of the residents and improve their life quality.

Agricultural Technology Training in the Community Conducted by QMB and Experts

QMB also spares no effort in terms of environmental protection. The Company actively participated in the garbage collection in the community, advocated garbage classification and resources recovery, and popularized environmental protection knowledge to the residents. Meanwhile, QMB invested a lot of manpower and material resources to help the community classify and collect garbage, which effectively reduced the environmental pollution caused by garbage and improved the living environment quality of the community.

QMB Employees Participating in Community Garbage Collection

In terms of education, the Company actively organized its employees to participate in voluntary teaching to provide children in the community with opportunities of knowledge enlightenment and vision expansion. These activities have not only improved the educational level of the community, but also established a good reputation for the Company.

QMB Employees Participating in Voluntary Teaching in the Community

A Group Photo of QMB and the Community Children

In terms of public welfare, the Company conducted donation for the needy people in surrounding villages, including the elderly of no family, children without support and poor families, to provide them with basic necessities to help them overcome adversity. These donation activities not only brought substantive help to the needy groups, but also conveyed social warmth and care.

> QMB Handing Out Aid Relief to the Needy People in the Community

In terms of community building, the Company, in collaboration with IMIP and brother enterprises within the industrial park, laid water pipelines in three major villages: Labota Village, Fatufia Village and Bakhomus Mul Village. Additionally, water collection stations were constructed in these villages to ensure a stable water supply. This initiative effectively resolved the drinking water issue for nearly a hundred thousand villagers in the vicinity of the industrial park, and greatly improved their access to clean and safe water for daily use. QMB was not only a positive response to the sustainable development goal of "good health and well-being" and "providing water supply and environmental sanitation for all people and sustainable management", but also demonstrated the social responsibility of the enterprise with practical actions.

By establishing a harmonious relationship of coexistence with its surrounding community, QMB has developed its business in Indonesia more steadily. QMB will continue to adhere to the concept of "harmonious coexistence and common development", and keep deepening cooperation and interaction with the community. The Company will continue to carry out various forms of community support activities to contribute more to the sustainable development of the community. Meanwhile, QMB will also continuously explore new cooperation modes to create a better future together with the community.

A new chapter of harmonious coexistence between QMB and the Indonesian community has opened. It is believed that, with the joint efforts of both sides, more cooperation achievements and win-win situations will be witnessed in the future.

Strenuously Cultivating in Indonesia and Working with Sunshine

Outlook

Belief

Forging ahead and seeking breakthroughs With the transformation of the global energy structure and the booming of the new energy industry, QMB is standing on a new historical starting point, ushering in the year 2024, which is full of opportunities and challenges.

In 2024, upholding the belief of "forging ahead and seeking breakthroughs", we will continue to promote the initiative of the "Belt and Road" initiative while firmly enhancing the cooperation with Indonesia and other countries along the route, boost the integration of cultural industries in China and Indonesia, and jointly accelerate the development of new energy industry to contribute to the global green development.

Concept

Grow together with Indonesia through technology investment and cultural integration Facing the great opportunity of thorough change, QMB people will highlight the low carbon philosophy of green operation, open cooperation and global ESG, rise to the challenges with a more determined pace and higher morale, and seize the opportunity to boost green development, lead the low-carbon era, and promote the new energy industry with the concept of "growing together with Indonesia through technology investment and cultural integration", to build a world-class green and lowcarbon factory, develop bright projects of the "Belt and Road" initiative, and create a newmodel of China-Indonesian cooperation.

Contribute to the integration of cultural industries in China and Indonesia! Make greater contributions to building a global community of shared future for mankind and promoting global green development!

Key Performance Table

Corporate Governance Performance

| Indicator | Unit | 2023 |
|---|-------|------|
| Percentage of employees participating in anti-corruption trainings | % | 100 |
| Percentage of suppliers that received anti-corruption training | % | 100 |
| Number of operational points identified with significant corruption risks through risk assessments | Point | 0 |

Environmental Performance

| Indicator | Unit | 2023 |
|---|--------------------------------|-----------|
| Use of energy | | |
| Total comprehensive consumption of energy | MWh | 559551.50 |
| Direct energy | MWh | 387649.44 |
| Indirect energy | MWh | 171902.06 |
| Total energy consumption | 10,000 Tons of coal equivalent | 6.88 |
| Lignite | Ton | 45307.66 |
| Electricity | MWh | 171902.05 |
| Liquefied petroleum gas | m ³ | 90350.21 |
| Gasoline | 1,000 liters | 108.02 |
| Diesel | 1,000 liters | 12440.67 |
| Greenhouse gas emission | | |
| Emissions | 10,000 tons of CO_2 -eq | 17.67 |
| Direct (Scope 1) emissions | 10,000 tons of CO_2 -eq | 8.99 |
| Energy indirect (Scope 2) emissions | 10,000 tons of CO_2 -eq | 8.68 |
| Waste gas emissions | | |
| Sulfur dioxide emissions | Ton | 248.60 |
| Nitrogen oxide emissions | Ton | 28.61 |
| Particulate matter emissions | Ton | 58.65 |
| Wastewater emission | | |
| COD | Ton | 155.28 |
| Ammonia nitrogen | Ton | 10.35 |
| Use of water resources | | |
| Total water withdrawal | 10,000 tons | 797.53 |
| Total discharge volume | 10,000 tons | 517.62 |
| Water consumption | 10,000 tons | 279.91 |
| Water reuse | 10,000 tons | 192.98 |

| Generation and disposal of wastes | |
|-----------------------------------|--|
| Total solid wastes generated | |
| Hazardous waste | |

General solid waste

Total solid wastes disposed

Social Performance

| Indicator |
|---|
| R&D innovation |
| Investments in R&D |
| Number of researchers and developers |
| Occupational health and safety |
| Occupational health and safety training coverage rate |
| Occupational health examination coverage rate |
| Employment of employees |
| Total number of employees |
| Bygender |
| Female |
| Male |
| By age group |
| Aged below 30 |
| 30-50 |
| Over 50 |
| By educational background |
| Doctorate |
| Master's degree |
| Bachelor's degree |
| Below bachelor's degree |
| Employee training |
| Average training hours per employee |
| By gender |
| Female |
| Male |

| Ton | 3401512.57 |
|-----|------------|
| Ton | 60.57 |
| Ton | 3401452 |
| Ton | 3401512.57 |

| Unit | 2023 |
|----------------|-------|
| | |
| RMB100 million | 3 |
| Person(s) | 110 |
| | |
| % | 100 |
| % | 100 |
| | |
| Person(s) | 2905 |
| | |
| % | 8.71 |
| % | 91.29 |
| | |
| % | 57.83 |
| % | 41.31 |
| % | 0.86 |
| | |
| % | 0.14 |
| % | 1.69 |
| % | 16.62 |
| % | 81.55 |
| | |
| Hours | 8.5 |
| | |
| Hours | 8.5 |
| Hours | 8.5 |

Report Index Table

GRI Content Index

| Statement of use | PT.QMB NEW ENERGY MATERIALS prepared the Report in line with the GRI standards from January 1, 202 March 31, 2024. | | | |
|--|---|---|---|--|
| Used GRI 1 | GRI 1: Basic 2021 | | | |
| GRI standards | Disclosure items | Disclosure items Locations | | |
| Statement of use Used GRI 1 GRI standards GRI 2: General disclosures 2021 | PT.QMB NEW ENERGY MATERIALS prepared March31, 2024. GRI 1: Basic 2021 Disclosure items 2-1 Organizational details 2-2 Entities included in the organization's sustainability reporting 2-3 Reporting Period, frequency and contact point 2-4 Restatements of information 2-5 External assurance 2-6 Activities, value chain and other business relationships 2-7 Employees 2-8 Workers who are not employees 2-9 Governance structure and composition 2-10 Nomination and selection of the highest governance body 2-11 Chair of the highest governance body in overseeing the management of impacts 2-13 Delegation of responsibility for managing impacts 2-14 Role of the highest governance body in sustainability reporting 2-15 Conflicts of interest 2-16 Communication of critical concerns 2-17 Collective knowledge of the highest governance body 2-18 Evaluation of the performance of the highest governance body 2-19 Remuneration policies | Interpretation Inter | Brief description Brief description Not applicable, no assurance statement Data and related information are integrated in the annual report | |
| | 2-19 Remuneration policies | Employees' rights and interests | annuarroport | |
| | 2-19 Remuneration policies | Employees' rights and interests | | |
| | 2-20 Process to determine remuneration | Employees' rights and interests | | |
| | 2-21 Annual total compensation ratio | 2-21 Annual total compensation ratio purposeful omission | Confidentiality restrictions, information not disclosed due to confidentiality requirements | |
| | 2-22 Statement on sustainable development strategy | Chairman's Message, Outlook | | |
| | 2-23 Policy commitments | Chapters of the Report | | |
| | 2-24 Embedding policy commitments | What is QMB | | |

| | GRI standards | Disclosure items | Locations | Brief description |
|--|--|--|--|--|
| | | 2-25 Processes to remedy negative impacts | Due Diligence Management for Sustainable Development | |
| | GRI 2: General disclosures 2021 | 2-26 Mechanisms for seeking advice and raising concerns | About the Report, Business ethics, Feedback | |
| | | 2-27 Compliance with laws and regulations | Chapters of the Report | |
| | | 2-28 Membership associations | Chapters of the Report | |
| | | 2-29 Approach to stakeholders engagement | Communication with stakeholders | |
| | | 2-30 Collective bargaining agreements | Purposeful omission | Confidentiality restrictions, information not disclosed due to confidentiality requirements |
| | 0.510 | 3-1 Process to determine material topics | Communication with stakeholders | |
| | GRI 3: Material topics | 3-2 List of material topics | Communication with stakeholders | |
| | 2021 | 3-3 Management of material topics | Identification and analysis of material topics | |
| | | 201-1 Direct economic value generated and distributed | What is QMB | |
| | GRI 201: | 201-2 Financial implications and other risks and opportunities due to climate change | Innovation-driven Green Technology | |
| | Economic performance | 201-3 Defined benefit plan obligations and other retirement plans | Employees' rights and interests | |
| | 2016 | 201-4 Financial assistance received from government | Purposeful omission | Not applicable, as data and related information are integrated in the annual report |
| | GRI 202: Market presence 2016 | 202-1 Ratios of standard entry level wageby gender and compared to localminimum wage | Purposeful omission | Confidentiality restrictions, information not disclosed due to confidentiality requirements |
| | | 202-2 Proportion of senior management hired from the local community | Purposeful omission | Omitted, data not collected |
| | GRI 203: Indirect economic impacts 2016 | 203-1 Infrastructure investments and services supported | Chapters of the Report | |
| | | 203-2 Significant indirect economic impacts | Strenuously Cultivating in Indonesia and Working with Sunshine | |
| | GRI 204: Procurement practices 2016 | 204-1 Proportion of spending on local suppliers | Purposeful omission | Confidentiality restrictions, information not disclosed due to confidentiality requirements |
| | | 205-1 Operations assessed for risks related to corruption | Business ethics | |
| | GRI 205: Anti-corruption 2016 | 205-2 Communication and training about anti-corruption policies and procedures | Business ethics | |
| | | 205-3 Confirmed incidents of corruption and actions taken | Business ethics | |
| | GRI 206: Anti-competitive Behavior 2016 | 206-1 Legal actions for anti-competitive behavior, anti-trust, and anti-monopoly practices | Corporate governance | |
| | | 207-1 Approach to tax | Purposeful omission | |
| | GRI 207: Tax 2019 | 207-2 Tax governance, control, and risk management | Purposeful omission | Not applicable, tax |
| | | 207-3 Stakeholder engagement and management of concerns related to tax | Purposeful omission | material topic for the Company |
| | | 207-4 Country-by-country reporting | Purposeful omission | |

| GRI standards Disclosure items | | Locations | Brief description |
|----------------------------------|--|--|---|
| | 301-1 Materials used by weight or volume | Purposeful omission | Omitted, data not collected |
| GRI 301: Materials 2016 | 301-2 Recycled input materials used | Purposeful omission | Omitted, data not collected |
| | 301-3 Reclaimed products and their packaging materials | Purposeful omission | Omitted, data not collected |
| | 302-1 Energy consumption within the organization | Energy-saving management, Key Performance Table | |
| GRI 302: | 302-2 Energy consumption outside of the organization | Purposeful omission | Omitted, data not collected |
| Energy 2016 | 302-3 Energy intensity | Energy-saving management, Key Performance Table | |
| | 302-4 Reduction of energy consumption | Energy-saving management, Key Performance Table | |
| | 302-5 Reductions in energy requirements of products and services | Energy-saving management, Key Performance Table | |
| | 303-1 Interactions with water as a shared resource | Water resources management, Pollutant management | |
| GRI 303: | 303-2 Management of water discharge related impacts | Pollutant management | |
| Water and effluents | 303-3 Water withdrawal | Water resources management, Environmental Performance | |
| 2018 | 303-4 Water discharge | Water resources management, Environmental Performance | |
| | 303-5 Water consumption | Water resources management, Environmental Performance | |
| | 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | Purposeful omission | Not applicable, the Company doesn't own, lease, or manage operating sites located in or adjacent to protected areas and biodiversity areas outside protected areas |
| | 304-2 Significant impacts of activities, products and services on biodiversity | Biodiversity | |
| GRI 304: Biodiversity 2016 | 304-3 Habitats protected or restored | Purposeful omission | Not applicable, the Company's operation doesn't affect the species listed in the IUCN Red List and state protection list |
| | 304-4 International Union for Conservation of Nature (IUCN) Red List species and national conservation list species with habitats in areas affected by operations | Purposeful omission | The Company's operation doesn't affect the species listed in the IUCN Red List and state protection list |
| | 305-1 Direct (Scope 1) GHG emissions | Carbon emissions inspection, Environmental Performance | |
| | 305-2 Energy indirect (Scope 2) GHG emissions | Carbon emissions inspection, Environmental Performance | |
| GRI 305: Emissions 2016 | 305-3 Other indirect (Scope 3) GHG emissions | Purposeful omission | Omitted,incomplete dataduetothe complexityofthe Company'ssupply chain |
| | 305-4 GHG emissions intensity | Proactive stance in addressing climate change, key Performance Table | |
| | 305-5 Reduction of GHG emission | Green, Low-carbon and Harmonious Development | |

| GRI standards | Disclosure items | Locations | Brief description |
|---|---|--|---|
| GRI 305: Emissions | 305-6 Emissions of ozone-depleting substances (ODS) | Purposeful omission | Not applicable, the Company does not significantly emit refrigerants or other ODS |
| 2016 | 305-7 Nitrogen oxides (Nox), sulfur oxides (SOx), and other significant air emissions | Pollutant management, Key Performance Table | |
| 0.51.000 | 306-1 Waste generation and significant waste-related impacts | Pollutant management | |
| Waste | 306-2 Management of significant waste- related impacts | Pollutant management | |
| 2020 | 306-3 Waste generated | Environmental Performance | |
| GRI 306: Wasto | 306-4 Waste diverted from disposal | Key Performance Table | |
| 2020 | 306-5 Waste directed to disposal | Environmental Performance | |
| GRI 308: Supplier environment assessment 2016 | 308-1 New suppliers that were screened using environmental criteria 308-2 Negative environmental impacts in the supply chain and actions taken | Due Diligence Management for Sustainable Development Due Diligence Management for Sustainable Development | |
| 2010 | 401-1 New employee hires and employee turnover | Purposeful omission | Omitted, data not collected |
| GRI 401: Employment 2016 | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | Welfare and care, Employees' rights and interests | |
| | 401-3 Parental leave | Employees' rights and interests | |
| GRI 402:Labor/ Management relations 2016 | 402-1 Minimum notice periods regarding operational changes | Purposeful omission | Omitted, data not collected |
| | 403-1 Occupational health and safety management system | Occupational health and safety management | |
| | 403-2 Hazard identification, risk assessment, and incident investigation | Occupational health and safety management | |
| | 403-3 Occupational health services | Occupational health and safety management | |
| | 403-4 Occupational health and safety: Worker participation, consultation, and communication | Occupational health and safety management | |
| GRI 403: Occupational | 403-5 Worker training on occupational health and safety | Occupational health and safety management social performance | |
| health and safety | 403-6 Promotion of worker health | Occupational health and safety management | |
| 2018 | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Occupational health and safety management | |
| | 403-8 Workers covered by an occupational health and safety management system | Occupational health and safety management | |
| | 403-9 Work-related injuries | Occupational health and safety management | |
| | 403-10 Work-related ill health | Occupational health and safety management | |
| | 404-1 Average hours of training per year per employee | Employees' rights and interests, Social Performance | |
| GRI 404: Training and | 404-2 Programs for upgrading employee skills and transition assistance programs | Employees' rights and interests | |
| education 2016 | 404-3 Percentage of employees receiving regular performance and career development reviews | Employees' rights and interests | |

| GRI standards | Disclosure items | Locations | Brief description |
|--|--|--|---|
| GRI 405 | 405-1 Diversity of governance bodies and employees | Diversity and inclusion | |
| Diversity and equal 2016 | 405-2 Ratio of basic salary and remuneration of women to men | Purposeful omission | Confidentiality restrictions, information not disclosed due to confidentiality requirements |
| GRI 406: Non-discrimination 2016 | 406-1 Incidents of discrimination and corrective actions taken | Purposeful omission | Omitted, data not collected |
| GRI 407:Freedom of association and collective bargaining 2016 | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Employees' rights and interests | |
| GRI 408: Child labor 2016 | 408-1 Operations and suppliers at significant risk for incidents of child labor | Employees' rights and interests | |
| GRI 409:Forced or Compulsory labor 2016 | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | Employees' rights and interests | |
| GRI 410: Security practices 2016 | 410-1 Security personnel trained in human rights policies or procedures | Purposeful omission | Omitted, data not collected |
| GRI 411: Rights of indigenous peoples 2016 | 411-1 Incidents of violations involving rights of indigenous peoples | Purposeful omission | Omitted, data not collected |
| GRI 413: Local | 413-1 Operations with local community engagement, impact assessments, and development programs | Corporate governance | |
| communities 2016 | 413-2 Operations with significant actual and potential negative impacts on local communities | Purposeful omission | The Company has no significant negative impacts on local communities |
| GRI 414: Supplier social | 414-1 New suppliers that were screened using social criteria | Responsible supply chain | |
| assessment 2016 | 414-2 Negative social impacts in the supply chain and actions taken | Responsible supply chain | |
| GRI 415: Public policy 2016 | 415-1 Political contributions | Strenuously Cultivating in Indonesia and Working with Sunshine | |
| GRI 416: | 416-1 Assessment of the health and safety impacts of product and service categories | Quality management | |
| Customer health and safety 2016 | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | Purposeful omission | Not applicable, no incidents of non- compliance concerning the health and safety impacts occurred |
| | 417-1 Requirements for product and service information and labeling | Quality management | |
| GRI 417: Marketing and labeling | 417-2 Incidents of non-compliance concerning product and service information and labeling | Purposeful omission | Not applicable, no incidents of non- compliance concerning product and service information and labeling occurred |
| 2016 | 417-3 Incidents of non-compliance concerning marketing communications | Purposeful omission | Not applicable, no incidents of non-compliance concerning marketing communications occurred |
| GRI 418: Customer privacy 2016 | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | Purposeful omission | Not applicable, no substantiated complaints concerning breaches of customer privacy and losses of customer data occurred |

Reader's Feedback Form Dear readers Hello! Thank you for reading the 2023 Environmental, So of PT.QMB NEW ENERGY MATERIALS. If you have please complete the following feedback form and se deeply appreciate your valuable advice! Name: _____ Tel.: E-mail:_____ 1. Which chapter do you think provide you with impo Chapter One Chapter Two Chapter Thr Chapter Five Chapter Six Chapter Sev 2. How do you evaluate the Report? Legibility Excellent Completeness Excellent Neutrality Excellent Layout design Excellent General impression Excellent Quality of the disclosed information Uvery high 3. What valuable opinions and suggestions on the

Contact Us:

PT.QMB NEW ENERGY MATERIALS

Address: Qingshan Park, China Indonesia Integrated Ind Morowali County, Central Sulawesi Province, Republic of Tel.:02150806594 E-mail: esgqmb@gem.com.cn

| ocial and (ve any ide send it to | Corporate Go as and sugg QMB by post | overnan estions t, fax or (| ce (ESG) Re on the Repo e-mail. We v | eport rt, vould |
|---|---|---|--|--|
| oortant inf ree 🗌 C oven 🗌 C | formation? Chapter Four Chapter Eight | | | |
|]Good]Good]Good]Good]Good]High Report do | Average Average Average Average Average Average o you have? | Poor Poor Poor Poor Poor Low | Poo Poo Poo Poo Low | rer rer rer rer er |
| dustrial Pa f Indonesia | rk, a. | | You are invited feedbackby sca code throug | to give online nning the QR h WeChat |