

BTR New Material Group Co., Ltd. Sustainable Procurement Policy.

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1. Purpose

BTR New Material Group Co., Ltd. (hereinafter, “BTR,” or the “Company”), a global leader in the research& development (R&D) and manufacturing of lithium ion battery anode materials, cathode materials, and advanced materials, continuously establishes joint development mechanisms with world class battery manufacturers and end customers to advance the global new energy industry. In this context, BTR adheres to the principles of compliance, responsibility, and sustainable development, and actively practices green manufacturing and responsible supply chain management across its global operations. To enhance the transparency, resilience, and sustainability of our supply chain; safeguard product quality and cost competitiveness; continuously foster a healthy procurement environment; and rigorously control product quality and cost to ensure the Company’s sustainable development, BTR hereby adopt this Policy.

2. Scope of Application

This Policy applies to BTR and its wholly owned and controlled subsidiaries, and to all employees, suppliers, contractors, business partners, and other stakeholders.

3. BTR’s Commitments

In light of BTR’s social responsibilities and the expectations of our customers and stakeholders, BTR set out the following key objectives. To maintain a business relationship with BTR, suppliers must clearly understand and comply with BTR’s objectives and requirements and cooperate in related initiatives. Any refusal to perform, violation of requirements, or refusal to remediate will result in termination of the business relationship.

3.1 Transparent Procurement

BTR upholds the principles of fairness, impartiality, and openness, strictly complies with international, national, and local laws and regulations, and resolutely opposes all forms of corruption, fraud, and unfair competition. BTR is committed to cultivating a fair, impartial, and transparent procurement environment, treating small and medium sized enterprises on an equal footing, and fostering a clean and ethical procurement climate.

3.2 Environmental Sustainability

BTR prioritize suppliers whose environmental values align with ours and promote

green procurement. Procurement decisions shall consider the impact from the entire life cycle environmental and greenhouse gas emissions of products. The purchase of toxic or hazardous substances prohibited by law is strictly forbidden. BTR encourage and support suppliers to reduce carbon emissions, lower resource consumption, and adopt environmentally friendly materials and processes, working together to address climate change.

3.3 Respect for and Protection of Human Rights

BTR adhere to international human rights and labor standards; strictly prohibit all forms of forced labor and child labor; and eliminate discrimination. BTR ensure that every worker in our supply chain enjoys fair treatment, a safe working environment, and dignified labor rights.

3.4 Due Diligence Management

BTR rigorously implement and oversee the BTR Supplier Code of Conduct, integrating environmental, social, and governance (ESG) requirements into supplier onboarding, assessment, and exit mechanisms. Through regular audits, training, and communication, BTR promote continuous improvement across the supply chain and pursue shared growth. All else being equal, BTR give preference to suppliers with stronger ESG performance when entering into or renewing contracts.

3.5 Transparency and Traceability

BTR is committed to enhancing supply chain transparency and traceability, ensuring that the sources of critical raw materials and products are clear, compliant with ethical and environmental standards, and that relevant non financial procurement information is disclosed to stakeholders in a timely manner.

3.6 Localized Procurement

BTR is committed to actively advancing local procurement policies, prioritizing qualified local suppliers and service providers. While ensuring product quality, cost competitiveness, and supply chain stability, BTR strive to maximize support for local economic development. By deepening cooperation with local partners, BTR aim to enhance regional economic resilience, promote community employment and industrial diversification, and reduce carbon emissions and environmental impacts in logistics.

4. Implementation and Management

4.1 Governance Framework

Management is responsible for approving and overseeing this Policy and for receiving regular reports on sustainable procurement and supply chain due diligence efforts. The Company has established a Responsible Mineral Supply Chain Due Diligence Working Group to coordinate daily management of supply chain ESG topics and ensure effective implementation of this Policy. Comprised of Procurement, ESG, Sales, Human Resources, Manufacturing, and other relevant departments, the

Working Group operates on a cross functional basis. Each department, in line with its responsibilities, embeds sustainable procurement and due diligence requirements into its business processes to achieve closed loop, end to end management.

4.2 Management Measures

The Company advances and manages sustainable procurement in accordance with the Supplier Management Control Procedure, the Honest Procurement Management Provisions, and the BTR Supplier Code of Conduct. By establishing a supplier life cycle management mechanism, BTR implement the requirements of this Policy throughout supplier admission, assessment, contracting, performance, and exit. In addition, through supplier conferences, trainings, and focused communications, BTR convey our ESG management requirements and expectations, driving collective improvements in sustainability across the supply chain.

4.3 Reporting Methodology

To ensure effective implementation of this Policy, the Company has established open, impartial, and confidential channels for reporting and appeals. Any employee, supplier, or other stakeholder who becomes aware of a violation of this Policy or of the Supplier Code of Conduct, or of suspected fraud, corruption, or environmental and human rights abuses, may report the matter through multiple channels, including telephone, email, the Company's official WeChat account, or written correspondence. The Company strictly protects the identity and information of whistleblowers and will not disclose such information to external parties without the whistleblower's consent, ensuring protection from any form of retaliation or discrimination. (For details, see the BTR Reporting Management Measures.)

5. Review Mechanism and Revisions

The Company will periodically or as necessary review and update this Policy in response to changes in laws and regulations, industry standards, and customer requirements. Proposed revisions shall be put forward by the Responsible Mineral Supply Chain Due Diligence Working Group, reviewed by management, and implemented upon approval by Management. The Company will disclose updates to relevant stakeholders through appropriate channels.



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