

Farasis Energy Supply Chain Due Diligence Policy

孚能科技供应链尽责政策

Farasis Energy (Ganzhou) Co., Ltd. (hereinafter referred to as “Farasis Energy” or “we”) recognizes the risk of major negative effects in mining, trading, processing and exporting in high risk areas, and that we have the obligation to respect human rights and do not cause negative impacts to society, Farasis Energy pledges to adopt the Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains (“Chinese Guidelines”) released by China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters (CCCMC) and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (Third Edition) (hereinafter referred to as “OECD Guidance”), and include them into the contracts or agreements signed with our suppliers. We will disseminate this policy widely and incorporate it into the suppliers’ contracts or agreements for responsible sourcing from high-risk areas.

孚能科技(赣州)股份有限公司(以下简称“孚能科技”或“我们”)认识到在高风险区域从事矿产开采、交易、处理、出口存在可能形成重大负面影响的风险,并认识到我们有尊重人权、不对社会产生负面影响的义务,孚能科技承诺采纳中国五矿化工进出口商会发布的《中国负责任矿产供应链尽责管理指南》(以下简称中国指南)和经济合作与发展组织(OECD)发布的《经济合作与发展组织关于来自受冲突影响和高风险区域的矿石的负责任供应链尽责管理指南,第三版》(以下简称 OECD 指南),并将其纳入与供应商签订的合同或协议之中。我们将广泛传播这个政策,并且将这一政策纳入到供应商从高风险区域负责任采购的合同或者协议里面。

This policy provides reference for conflict-sensitive sourcing practices and suppliers' risk awareness from the point of extraction until end user. We are committed to complying with relevant United Nations sanctions resolutions and applicable domestic laws to implement such resolutions, and not engaging in any conduct that would facilitate conflict. In order to achieve this, we will identify the following risks and implement measures to mitigate it.

这一政策为矿产资源供应链全过程涉及冲突敏感的采购活动以及供应商的风险意识提供参考。我们承诺遵守联合国相关制裁决议,遵守适用执行此类决议的国内法律,不参与任何会为冲突提供帮助或便利的行为。为此,我们将对以下风险进行识别并实施措施降低风险:

一、Regarding serious infringements associated with the extraction, transport or trade of minerals 与矿产开采、运输或交易有关的严重侵权行为

When conducting procurement or business activities in high-risk areas, we will neither tolerate nor benefit from, help, assist or facilitate any party in any way:

1. The worst form of child labor (hazardous work is one of the worst forms of child labor);
2. Torture, brutality, inhuman and degrading treatment in any form;
3. Forced or compulsory labor in any form, which is, people are forced to engage in labors or services under threat of punishment and unwillingness;
4. Other serious violations and abuses of human rights, such as prevalent sexual violence;
5. War crimes, crimes against humanity or genocide or other serious violations of international humanitarian law.

在高风险区域开展采购或经营活动时,我们既不会容忍也不会以任何方式获利于、帮助、协助或便利任何一方实施:

- 1.最恶劣形式的童工(危害性工作是最恶劣形式童工中的一种);
- 2.任何形式的酷刑、残暴、不人道和有辱人格的待遇;
- 3.任何形式的强迫或强制劳动,即以惩罚相威胁,在他人非自愿的情况下迫使从事一切劳动或服务;
- 4.其他严重侵犯和践踏人权的行为,如普遍的性暴力行为;
- 5.战争罪、反人类罪、种族灭绝罪或其他严重违反国际人道法的行为。



Risk reduction

降低风险

If we have the right reason to believe that the risk exists, that is, the upstream supplier is purchasing or associated with any party of the serious infringements set out in aforementioned clause we will immediately suspend or terminate the cooperation with the upstream supplier.

如果我们有合理理由认为该风险存在,即上游供应商正从实施第 1 条所规定的严重侵权行为的任何一方进行采购或与该方有关联,我们将立即中止或终止与该上游供应商的合作。

二、Direct or indirect support to illegal organized armed groups and public or private security forces

直接或间接支持非法的有组织武装团体和公共或私人安全武装

We do not tolerate any direct or indirect support to non-state-owned organized armed groups through the exploitation, transport, trade, handling or export of minerals. Such support includes but is not limited to purchasing resources from illegal organized armed groups or their affiliates, making payments or otherwise providing logistic support or equipment to them. These armed groups or their affiliates:

1. Illegally control the mine site, or, in other ways, control the transport routes, mineral resources trading points and the upstream actors of the supply chain;
2. Conduct illegal tax collection or extortion of money or mineral resources at the mine site, along the line of transport or on the points of mineral resources trading;
3. Conduct illegal taxation or extortion to middlemen, exporters or international traders.

我们不容忍任何通过矿产资源开采、运输、交易、处理或出口为非国有的有组织武装团体提供直接或间接的支持。通过矿产资源开采、运输、交易、处理或出口为非国有的有组织武装团体提供“直接或间接的支持”,包括且不限于从非法的有组织武装团体或其关联方购买资源,向其付款,或以其他方式向其提供后勤支援或设备等。这些武装团体或关联方:

- 1.非法控制矿址,或以其他方式控制运输路线、矿产资源交易点以及供应链的上游行为主体;
- 2.在矿址入口、运输路线沿线或矿产资源交易点非法征税或者勒索钱财或矿产资源;
- 3.对中间商、出口企业或国际贸易商非法征税或勒索。

Risk reduction

降低风险

If we have reason to believe that the upstream suppliers are purchasing or having relations with any party that provides direct or indirect support to non-state armed groups, we will immediately suspend or terminate cooperation with the supplier.

如果我们有理由认为,上游供应商从向非国家武装团体提供直接或间接支持的任何一方进行采购或与之存在关系,我们将立即中止或终止与该供应商的合作。

三、Regarding public or private security forces

关于公共或私人安全武装

We will eliminate the illegal taxation or extortion of money or mineral resources from the illegally controlled mine sites, transport routes and the upstream participants of the supply chain at the entrance of the mine site, along the route of the transport line, or in the mineral resources trading site, or provide direct or indirect support to public or private security forces that illegally levy taxes or extortion on intermediaries, exporters or international traders. We recognize that the role of public or private security forces along mine sites, surrounding areas and transport routes is only to maintain the rule of law, which include guaranteeing human rights, protecting the safety of miners, equipment and facilities, safeguarding the mines or transport routes so that legitimate mining and trade are not disrupted.

我们将杜绝向非法控制矿址、运输路线以及供应链上游参与方,在矿址入口、运输路线沿线或矿产资源交易点非法征税或勒索钱财或矿产资源,或者向中间商、出口企业或国际贸易商非法征税或进行勒索的公共或私人安全武装提供直接或间接支持。我们认可,矿址、周边地区和运输道路沿线的公共或私人安全武装的作用仅是维护法治,包括保障人权、保护矿工、设备和设施安全、保护矿址或运输路线以使合法的开采和贸易不受干扰。

Where we, or any business or business relationship in our supply chain has a contract with the public or private



security forces, we commit to or we will require that such security forces are recognized by established international standards and guidance documents dealing with public or private security forces. In particular, we will support or take measures to use screening policies to ensure that individuals or security armed units known to have committed human rights violations are not recruited.

在我们或我们供应链上的任何企业或商业关系与公共或私人安全武装签订了合约的情况下,我们承诺或者将规定,这类安全武装需被公认的处理公共或私人安全武装的国际标准和指导性文件所认可。尤其是,我们将支持或采取措施,运用筛查政策,确保已知实施过侵犯人权行为的个人或安全武装单位不被录用。

We will support or take measures to cooperate with the central or local governments, international organizations and civil society organizations to formulate feasible solutions to improve the transparency, proportionality and accountability in payments made to public security forces for the provision of security.

我们将支持或采取措施,与中央或地方政府、国际组织和民间社会组织开展合作,共同制定提高公共安全武装安保费用的透明度、相称性和问责性的可行解决方案。

We will provide support or take measures to cooperate with the central or local governments, international organizations and civil society organizations, if the mineral resources in the supply chain are exploited through individual workshops or small-scale mining, and the adverse effects of public or private security forces deployed in mines on vulnerable groups should be avoided or minimized, especially on small workshops.

我们将支持或采取措施,与当地政府、国际组织和民间社会组织开展合作,供应链上的矿产资源通过小作坊或小规模采矿方式开采的,避免或最大限度地降低公共或私人安全武装驻扎在矿址给弱势群体带来的不利影响,尤其是对小作坊的不利影响。

Risk reduction

降低风险

If we have right reason to believe the upstream supplier purchases or relates to any party that provides direct or indirect support to a non-state organized armed group, we will immediately suspend or terminate the cooperation with the supplier. We will establish, adopt and implement risk management plans with the supplier and other stakeholders, in accordance with the specific position of the enterprise in the supply chain, so as to prevent or reduce the risk of providing direct or indirect support to the public or private security forces. Since these security forces illegally control the mine sites, transport routes and upstream participants in the supply chain, conduct illegal taxation or extortion of money or mineral resources at the site entrance, the transport line or the mineral trade point, or collect illegal taxation or extortion from intermediaries, export companies or international traders, we have reason to believe that there is a risk. If the implementation of the risk management plan is not effective, we will suspend or discontinue cooperation with the supplier.

如果我们有合理理由认为上游供应商从向非国有有组织武装团体提供直接或间接支持的任何一方进行采购或与之存在关联,我们将立即中止或终止与该供应商的合作。我们将根据企业在供应链上所处的具体位置,立即与供应商及其他利益相关方一起制定、采用和实施风险管理计划,从而防范或降低向公共或私人安全武装提供直接或间接支持的风险。这些安全武装非法控制矿址、运输路线和供应链上游参与方,在矿址入口、运输线路或矿产交易点非法征税或勒索钱财或矿产资源,或对中间商、出口公司或国际贸易商非法征税或勒索,我们有理由认为存在风险。如果风险管理计划实施未奏效,我们将中止或终止与供应商的合作。

四、Regarding corruption, money laundering and costs relating to payments to the government

关于腐败、洗钱和向政府支付的各项费用

We do not directly or indirectly provide, promise, give or demand any bribes, and will resist bribery, and will not falsely report taxes, fees and royalties payable to the government during mining, trading, processing, transport and exporting of mineral resources to cover or falsify the origin of mineral resources or disobey relevant international anti-corruption standards and practices.

我们不直接或间接提供、承诺、给予或索要任何贿赂,并且抵制索贿,不会为了掩盖或伪造矿产资源原产地,虚报矿产资源开采、交易、处理、运输、出口等活动应向政府缴纳的税收、费用和特许开采费而行贿或不遵守相关国际反腐败标准和惯例。

We prohibit bribery in all business activities and transactions, including bribery of agents and other third parties, and formulate standards and approving procedures for sending gifts; we do our best to promote responsible business practices

with all business partners.

我们禁止一切业务活动和交易中的贿赂行为,包括代理方和其他第三方的贿赂行为,为馈赠、收受礼物制定标准与审批程序;尽最大努力促进与所有业务伙伴间负责任的商业实践。

If we have reason to believe there is risk of money laundering related to or associated with the mineral resources of illegal taxation or extortion at the entry of the mine site, the route of the transport line or the upstream supplier's mineral resources trading location, as a result of exploitation, transaction, handling, transport or export, we will support or take measures to contribute to the effective elimination of money laundering. We commit ourselves to take effective measures to prevent involvement in money laundering or terrorist financing, for example, monitor transactions over abnormal or suspicious activities, and keep cash transaction records above the maximum amount of applicable laws and regulations by defining or publicizing the suppliers and customer identities and the actual ownership, etc.

如果我们有理由认为,存在因开采、交易、处理、运输或出口在矿址入口、运输路线沿线,或上游供应商矿产资源交易地进行非法征税或勒索而得的矿产资源所引起或与之相关的洗钱风险,我们将支持或采取措施,为有效消除洗钱行为做出贡献。我们承诺采取有效措施,防止卷入洗钱或恐怖主义融资,例如:通过明确和发布供应商、客户身份和实际所有权等,监测异常或可疑活动的交易,保存高于适用法律法规中金额上限的现金交易记录。

We will ensure that all legal taxes, fees and royalties related to the mining, trading and export of mineral resources in conflict-affected and high-risk areas are paid to the government and will be disclosed on the basis of the position of the enterprise in the supply chain.

我们将确保向政府支付所有与受冲突影响和高风险区域矿产资源开采、交易、出口相关的合法税收、费用和特许费,并承诺根据企业在供应链上所处位置,对此类支付进行披露。

Risk reduction

降低风险

We undertake to cooperate with suppliers, central or local governments, international organizations, civil society and the affected third parties, as appropriate, in accordance with the specific position of the enterprise in the supply chain, and to improve or track performance for the purpose of taking measurable actions within a reasonable time span to prevent or reduce adverse impact risks. If the risk reduction measures do not work, we will suspend or discontinue cooperation with upstream suppliers.

根据企业在供应链上所处的具体位置,我们承诺与供应商、中央或地方政府、国际组织、民间社会以及受影响的第三方酌情开展合作,本着在合理的时间跨度内采取可测量措施,防范或降低不利影响风险之目的,对绩效进行改善或跟踪。风险降低措施未起作用的,我们将中止或终止与上游供应商的合作。

五、Regarding land rights, emissions and artisanal and small-scale mining

关于土地权利、排放和小作坊及小规模采矿

We will not participate, tolerate, or benefit from the exploitation of resources on land that has not obtained the free, prior and informed consent of the locals and indigenous people, including the miners of legal ownership, leasehold, concession or license. We will not participate, tolerate, or benefit from the exploitations where the culture and heritage of the locals and indigenous people are not respected or protected, or the traditional culture of the locals are harmed. We will not participate, tolerate, or benefit from exploitation of land whose legal ownership, leasehold, concession or license is illegally obtained, or in violation of domestic laws.

我们不参与、不容忍、也不受益于在未获得当地人和土著人自由、预先、知情的同意的土地上开采资源,包括持有法定所有权、租赁权、特许权或许可证的开采商。我们不参与、不容忍、也不受益于当地人和土著人的文化和遗产未受尊重和保护,或损害当地人传统文化的开采作业。我们不参与、不容忍、也不受益于在非法获得法定所有权、租赁权、特许权或许可证,或违反国内法的土地上开采资源。

We ensure that we do not adversely affect the conditions of the surrounding soil, air and water or seriously violate local laws and regulations, including the manufacture, trade, and use of chemicals and hazardous substances which are prohibited by international standards because of their high toxicity, environmental persistence, or potential irreversible ecological effects on the organism, or emissions of arsenic and mercury.

我们确保避免给周围土壤、空气和水的状况造成重大不利影响,严重违反当地相关法律法规,包括制造、交易、使用因对生物体高毒性、环境持久性、或潜在的不可逆生态影响而受到国际禁令的化学品与危险物质,或排



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We undertake to regularly assess and reduce the adverse effects of mining on soil, air and water. We will take into consideration the conditions of the surrounding soil, air and water resources, take the pollution prevention methods and techniques with technical, capital feasibility and applicability, and try to avoid, reduce and control the pollution; we will monitor the major pollutants discharged by enterprises, grasp the situation of enterprise pollution at any time, and make clear the records and publicize the monitoring results in accordance with the relevant laws and regulations of the host country; the strategy of controlling and reducing emissions will be adopted.

我们承诺定期评估、降低采矿对土壤、空气、水造成的不利影响。考虑周围土壤、空气和水资源的条件，采取具有技术、资金可行性与适用性的污染预防方法与技术，尽力避免、降低、控制污染；按照东道国的相关法律法规要求，对企业排放的主要污染物进行监测，随时掌握企业污染状况，并明确记录、公开监测结果；采取控制与减少排放策略。

We agree to ensure compliance with applicable legal requirements for chemicals and toxic substances management, avoid the manufacture, trade, and use of chemicals and hazardous substances which are prohibited by international standards because of their high toxicity, environmental durability, or potential irreversible ecological effects on the organism, which includes strict control of the emissions of arsenic and mercury in accordance with the highest international standards, the management of cyanides, and the treatment, storage and transport of hazardous substances in accordance with relevant laws and regulations, in order to ensure there is no leakage, spillage or other forms of release into the environment during the process.

我们同意确保遵守化学品和有毒物质管理适用的法律要求，避免制造、交易、使用因对生物体高毒性、环境持久性、或潜在的不可逆生态影响而受到国际禁令的化学品与危险物质，其中包括按照最高国际标准严格控制砷和汞的排放，管理氰化物，确保危险物质的处置、贮存和运输符合相关的法律法规，确保在过程中无泄漏、无溢溅或以其他形式释放到环境中。

We prohibit the exploitation of resources in World Heritage Sites or statutorily protected areas, which thereby may threaten the prominent universal value of these heritage sites.

我们禁止在世界遗产地或法定保护区开采资源，以及由此给这些遗产的突出普遍价值造成威胁。

We are practically concerned with the risk of forced labor, child labor, unsafe working conditions, the use of uncontrolled hazardous chemicals and other major environmental impacts related to artisanal or small-scale miners, and to seek production relations with them in the mining areas.

我们具体关注与小作坊或小规模采矿商相关强迫劳动、童工、不安全工作条件、不受控危险化学品使用和其他重大环境影响的风险，寻求与开采区的小作坊或小规模采矿商建立生产关系。

Risk reduction

降低风险

If we have reason to believe there exist such risks, we will establish, adopt and implement risk management plans with suppliers and other stakeholders, in accordance with the specific position of the enterprise in the supply chain, to prevent or reduce specific risks associated with infringement of land rights, major adverse environmental impacts or artisanal or small-scale miners.

如果我们有合理理由认为存在此类风险，我们将根据企业在供应链上所处的具体位置，立即与供应商及其他利益相关方一起制定、采用和实施风险管理计划，从而防范或降低侵害土地权利、引发重大不利环境影响或与小作坊或小规模采矿商相关的具体风险。

If you have any doubt about this policy, please send an email to due-diligence@farasisenergy.com.cn for further consultation.

如果您对本政策有任何疑问，可以发送邮件到 due-diligence@farasisenergy.com.cn 进一步咨询。