

2025 Mineral Supply Chain Due Diligence Report for PT CNGR Ding Xing New Energy

Stand December 2025



Contents

1 Background Information	2
2 Company Information	2
3 Mineral Supply Chain Due Diligence Policy & Supplier Code of Conduct	2
4 Mineral Supply Chain Due Diligence Standards	3
5 Six-Step Due Diligence Framework	3
5.1 Establish a Comprehensive Corporate Management System	3
5.2 Identification and Assessment of Supply Chain Risks	5
5.3 Develop and Implement Response Strategies for Identified Risks	5
5.4 Independent Third-Party Assessment and Audit	6
5.5 Reporting Due Diligence Processes and Results	6
5.6 Providing Conditions and Collaboration for Remediation	6
6 Conclusion	7

1 Background Information

With the global growth of new energy vehicles and power battery industries, EU member states have continuously introduced and implemented various legislation to protect their manufacturing sectors: Germany's Supply Chain Act, the EU's Corporate Sustainability Due Diligence Directive, Battery and Waste Battery Regulation, Critical Raw Materials Act, and the U.S. Inflation Reduction Act. These regulations signify that corporate performance in sustainability and supply chain due diligence is increasingly scrutinized by all sectors of society, with demands growing ever more stringent. As the nation with the world's largest reserves and highest production of laterite nickel ore, Indonesia stands as a focal point for responsible supply chain management in the new energy sector. It also draws intense scrutiny from downstream customers, consumers, NGOs, and other stakeholders. Effective management of Indonesia's nickel supply chain is crucial for enterprises to meet stakeholder expectations and advance their development in overseas markets.

2 Company Information

Company Name: PT CNGR Ding Xing New Energy

Company Location: JALAN TRANS SULAWESI, KAWASAN INDUSTRI MOROWALI, KAB. MOROWALI, PROVINSI SULAWESI TENGAH, INDONESIA

Raw materials: Nickel, Cobalt

Last Assessment Date: January 13, 2025 - January 14, 2025

Assessment Period: December 1, 2023 - November 30, 2024

Assessment Company: China Standard Conformity Assessment CO., LTD (CSCA)

Report Link:

<https://www.shuzih.com/pub/be5308b5badcc0e51953493d8b927935/d6b5c70ba31840ba9143198fc0294275.pdf>

3 Mineral Supply Chain Due Diligence Policy & Supplier

Code of Conduct

To avoid the use of conflict minerals that directly or indirectly finance or benefit armed groups, and/or conflict minerals associated with other serious human rights violations in high-risk and conflict-affected areas, the company has established the Responsible Global Mineral Supply Chain Due Diligence Policy and the Supplier Code of Conduct. These policies have been widely disseminated to all stakeholders. The company has expanded its Responsible Global Mineral Supply Chain Due Diligence Policy to include risk management related to environmental protection and resource extraction. Additionally, the Supplier Code of Conduct now incorporates the United Nations Guiding Principles on Business and Human Rights and the United Nations Voluntary Principles on Security and Human Rights as reference standards. Concurrently, the company has established its ESG Policy and Human

Rights Policy, committing to respect human rights in accordance with the United Nations Universal Declaration of Human Rights, the International Labour Organization Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights, and the provisions of the United Nations Global Compact.

Policy Link: <http://www.cngrgf.com.cn/shzr.html>

4 Mineral Supply Chain Due Diligence Standards

PT CNGR Ding Xing New Energy implements mineral supply chain responsible management in accordance with the following standards:

- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (3rd Edition) - referred to as the OECD Guidance
- Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains (2nd Edition) - referred to as the Chinese Guidelines
- United Nations Guiding Principles on Business and Human Rights
- United Nations Voluntary Principles on Human Rights and Security
- Practical Actions for Identifying and Addressing the Worst Forms of Child Labor in Mineral Supply Chains
- All Metal Due Diligence Standards

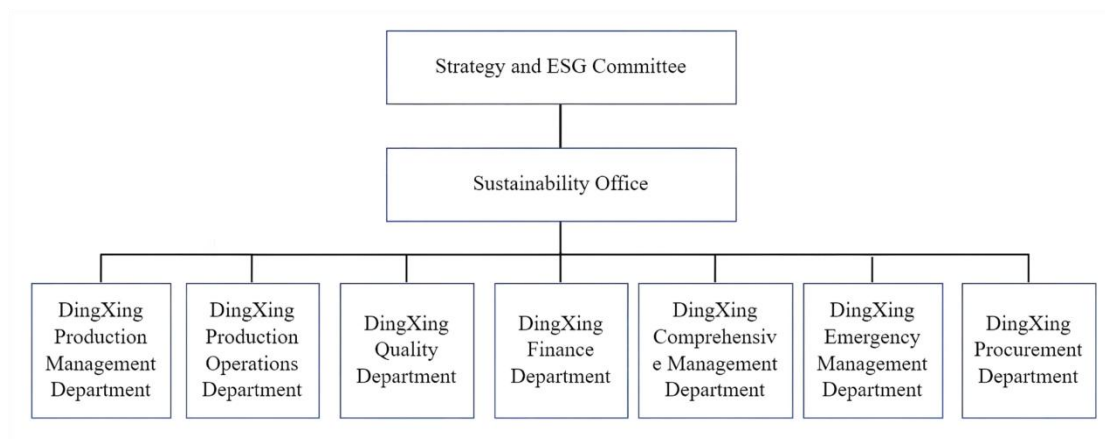
5 Six-Step Due Diligence Framework

DING XING has implemented mineral supply chain due diligence according to the six-step framework outlined in the OECD Guidelines and the China Guidelines. The company actively communicates the due diligence requirements to suppliers, including mines and smelting plants, along its supply chain.

5.1 Establish a Comprehensive Corporate Management System

CNGR has established a Board Strategy and ESG Committee to adapt to strategic needs and enhance the company's performance in environmental, social responsibility, and corporate governance (ESG). Under the guidance of the committee, the Sustainability Office is responsible for implementing the company's mineral supply chain due diligence management system.

For PT CNGR Ding Xing New Energy, the mineral supply chain due diligence management work is carried out under the guidance of the Sustainability Office, with support and cooperation from relevant departments within Dingxing. The Production Operations Department, Production Management Department, Quality Department, Finance Department, Comprehensive Management Department, Emergency Management Department, and Procurement Department at the headquarters fully cooperate and support Dingxing's mineral supply chain due diligence efforts.



The company has established relevant procedural documents for mineral supply chain due diligence, providing due diligence training to all members across organizational structures and other relevant personnel to enhance awareness of due diligence practices.

The company has established a supply chain control and transparency system for traceability management. The company collects information such as the country and region of origin of raw materials, names and addresses of upstream participants, transportation routes and methods, product names and types of minerals or metals, ownership information of direct suppliers and other known upstream companies, while avoiding cash transactions whenever possible. The company has established an internal material control system to ensure traceability throughout the entire process, from raw material entry to finished product shipment. Additionally, the company has established an inventory management system, conducting monthly inventory checks.

Dingxing fully understands that a responsible mineral supply chain is not a unilateral demand, but requires close collaboration and communication with suppliers. Through capacity building and regular dialogue, the company maintains ongoing communication with suppliers, jointly develops risk mitigation measures and plans, collaborates to address challenges, enhances the management level of the entire supply chain, and achieves sustainable, collaborative development.

The company has established the Social Responsibility Complaint Management Process and manages complaints according to the requirements of this process. For the complaint channels, please refer to: <http://www.cngrgf.com.cn/shzr.html>. As of November 30, 2025, the public grievance channels announced by the CNGR Sustainability Office have not received any complaints related to responsible management of the mineral supply chain. Number of grievance incidents handled: 0.

Dingxing held a mineral supply chain due diligence management review in the fourth quarter of 2025, producing a management review report. The review assessed the rationality and effectiveness of the company's due diligence management system and its performance, providing recommendations for improvement. The Sustainability Office is responsible for tracking the progress of these improvements.

At the same time, the company strongly supports the implementation of transparency or information disclosure requirements set or endorsed by the government of the host country, such as the principles and standards outlined in the Extractive Industries Transparency Initiative (EITI).

All documents related to due diligence management are retained by the company for over five years.

5.2 Identification and Assessment of Supply Chain Risks

Company implements due diligence management for all nickel and cobalt suppliers. Regularly collect relevant information about suppliers through reliable third-party data, KYS questionnaires, mineral sourcing investigations, on-site assessments, grievance mechanisms, customer feedback, etc. In 2025, the information collection coverage rate for nickel and cobalt suppliers will reach 100%.

Based on the above information, draw the supply chain map, and assess the impact of conflict and high-risk areas in mineral source regions from three aspects: armed conflict, human rights, and government governance, based on the following tools:

- Heidelberg “Global Conflict Barometer”
- Corruption Index
- Amnesty International World Human Rights Report
- Human Development Index
- EU Conflict Minerals Regulation CAHRA List
- Dodd-Frank Act
- United Nations sanctions list, U.S. OFAC sanctions list, EU sanctions list, sanctions lists of the company's home country, and sanctions lists of the countries where suppliers and customers are located.

On-site Assessment:

In 2025, the nickel procurement team and sustainability management team traveled to Indonesia to conduct on-site visits to multiple local nickel mines and smelters. No high-risk issues such as severe human rights violations or armed conflicts were identified.

Risk Identification and Assessment Results:

All nickel and cobalt mining materials used in Dingxing’s production come from within Indonesia. Based on Dingxing’s CAHRAs identification results, Indonesia is not classified as a CAHRA, so no warning signals were triggered for mineral source areas or transit locations, no supplier-related warning signals were triggered, and no alerts for specific circumstances were raised. None of the suppliers in the supply chain were subject to sanctions. Through official public information, KYS questionnaires, mineral sourcing investigations, on-site evaluations, grievance mechanisms, customer feedback, and other means, the evaluation concludes that Dingxing Supply Chain poses a low risk regarding serious violations related to mineral extraction, transportation, or trade; direct or indirect support for non-state armed groups; public or private security forces; bribery and corruption; and fraudulent misrepresentations of mineral origin.

5.3 Develop and Implement Response Strategies for Identified Risks

Overall risk mitigation measures: Continue trading

Establish a risk mitigation countermeasure table, communicate with suppliers regularly, track the progress of risks, and suspend or terminate transactions once the risks are found to be in an unacceptable direction and report to the company management. According to the current risk assessment results, although there is no serious risk of human rights violations

and child labor in our supply chain, we will keep an eye on it and work with suppliers to formulate improvement countermeasures for the establishment and improvement of due diligence management system and the enhancement of awareness, and follow up regularly to jointly monitor and manage risks in the supply chain.

In view of the problems still existing in the supply chain, such as the imperfect construction of due diligence management system in upstream smelters and mines, the lack of due diligence management documents, and the need to improve the awareness of due diligence management. We will take steps to:

1) Actively promote suppliers' collection of due diligence investigation and chain of custody documentation from upstream mines, while strengthening oversight and management of mining operations;

2) Actively encourage smelters to undergo independent third-party due diligence audits;

3) Actively advance the ESG co-building within the Indonesia Tsingshan Industrial Park to enhance due diligence awareness among enterprises, establish robust due diligence management systems, collectively improve ESG performance, and promote sustainable development within the Industrial Park.

5.4 Independent Third-Party Assessment and Audit

The Sustainability Office and Dingxing ESG Team form an internal audit team, conducting the internal audit according to an annual plan. At the same time, an independent third-party organization is invited to conduct a mineral supply chain due diligence assessment for the company.

PT CNGR DING XING NEW ENERGY underwent its first independent third-party assessment of responsible management in the mineral supply chain conducted by CCCMC in December 2023, with a re-assessment completed in January 2025.

The company's Sustainability Office continues to engage with senior management of raw material suppliers, promoting the awareness of due diligence management from the top levels of suppliers and assisting in guiding them to establish due diligence management systems.

5.5 Reporting Due Diligence Processes and Results

In 2022, CNGR upgraded its website and established a sustainable development section, which includes content on responsible supply chains, climate change, circular economy, compliance and integrity, and is regularly updated.

Dingxing discloses its annual report on responsible management of the mineral supply chain through annual reports published on the official website of CNGR.

The period covered by this report: December 1, 2024 - November 30, 2025

This report is publicly available on the official website of CNGR at the following link:

<https://www.cngrgf.com.cn/shzr.html>

5.6 Providing Conditions and Collaboration for Remediation

In accordance with the requirements of the second edition of the “China Guidelines”, the company has added the sixth step and clarified it in the system.

6 Conclusion

The company focuses on the construction of a sustainable supply chain, working closely with industry partners. By setting an example through its own actions, the company practices responsible sourcing, establishes accountability mechanisms for stakeholders, meets regulatory compliance requirements, and enhances supply chain resilience and security. In the future, the company will accelerate the establishment of a supply chain due diligence and compliance management system that meets international standards and continue to build a sustainable supply chain.

CNGR 中伟