

RESPONSIBLE SOURCING POLICY

Ascend Elements (AE) commits to only sourcing raw materials that are responsibly produced. AE suppliers must fully support and cooperate with AE's efforts to secure full transparency and traceability of their raw material supply chains and must engage sub-tier suppliers in their efforts to demonstrate transparency and appropriate due diligence in accordance with AE's Supplier Code of Conduct and this policy.

Introduction and Scope

AE's purpose is to create sustainable battery materials via recycling to accelerate the transition to clean, renewable energy. AE is committed to using companies in our supply chain that respect human rights and protect the environment. We strive to maximize the positive impact of our supply chain for people and the planet. This Responsible Sourcing Policy ("Policy") is applicable for all materials and all sourcing regardless of sourcing location, and constitutes our Policy for conflict minerals.

We require all companies or individuals, whether directly or indirectly, that their personnel, agents, and subcontractors, referred to hereinafter as "suppliers," involved in a supply chain producing goods and services for AE, conduct their worldwide operations in a responsible manner, consistent with AE's mission to accelerate the electrification of vehicles in a sustainable manner. Suppliers are contractually bound to adhere to this Policy and our Supplier Code of Conduct.

Governance

AE periodically reviews and updates its Policy and any associated processes with the aim of continuous improvement. AE aims to engage in a holistic review of our Policy with cross-functional representatives to keep the Policy up-to-date and reflective of AE's growing operations annually. AE will participate with relevant industry bodies and third party-assured responsible mineral sourcing validation programs.

AE's internal executive representatives from Supply Chain, Investor Relations, Public Policy, and Business Development manage our responsible sourcing efforts. We regularly report on progress and review our responsible sourcing efforts with cross-functional representatives from Compliance, Environmental Health & Safety, Internal Audit, Legal, Public Policy, and Business Development, among others, to inform our organization and maintain their support of our efforts to responsibly source materials.

Commitment

AE follows the Organization for Economic Co-operation and Development ("OECD") Due Diligence Guidance for Responsible Business Conduct, and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas ("CAHRAs") to identify, mitigate, and report risks within our value chain.

CAHRAs include countries and/or areas where there is armed conflict, widespread violence, or other serious harmful risks to people. Regardless of mineral processing location or origin, we require our suppliers to conduct due diligence in alignment with the OECD Guidance to source responsibly and understand the source of 3TG (Tin (cassiterite), tungsten (wolframite), and tantalum (coltan)), cobalt, mica, lithium, nickel and other raw materials used in the AE process. Suppliers must validate smelters, refiners, and mineral processors as conformant to an applicable independent, OECD aligned, third party-assured responsible

mineral sourcing validation program, such as Responsible Mineral Initiative's (RMI) Responsible Mineral Assurance Process (RMAP) or recognised equivalent. AE requires its suppliers to establish policies, due diligence frameworks, and management systems consistent with these frameworks.

In line with these frameworks, AE commits to:

- Adopt, widely disseminate, and incorporate in contracts and/or agreements with suppliers this Policy and our responsible sourcing expectations
- Identify and regularly revisit the identification of priority raw materials with higher materiality and risk for adverse social and environmental impacts
- Collect information and data from primary and secondary sources to identify potential environmental and social risks, red flags, and/or adverse impacts, including through grievance mechanisms that provide an avenue for rights holders and rights defenders to raise potential concerns
- Conduct supply chain mapping, tracing, and due diligence on parties in AE's upstream supply chain for evidence of complicity in human rights abuses
- Identify priority engagement areas and immediately devise, adopt, and implement a risk management/mitigation plan with reasonable timescales in the view of continuous improvement, where a reasonable risk exists
- Participate in multi-stakeholder initiatives to establish responsible sources of raw materials in global supply chains and expect its suppliers to participate in these activities to further the reach and impact of these programs. AE expects suppliers to source from sub-suppliers that engage in these multi-stakeholder organizations. Multi-stakeholder organizations shall promote sustainable production of raw materials, traceability, and due diligence for raw material sourcing
- Engage our suppliers, business partners, central or local government authorities, international organizations, civil society, affected stakeholders, and third parties to drive corrective actions that help address the underlying issues and build capacity, when managing non-compliance
- Consider all appropriate forms of leverage, including the reduction and/or termination of supply agreement and/or suspension or discontinued engagement with suppliers, when direct engagement does not lead to meaningful progress and/or where there is insufficient evidence or lack of viability for the immediate and appropriate mitigation of serious abuses
- Collaborate with other companies and industry initiatives where collective approaches to risk identification and/or mitigation are appropriate
- Report on risks identified and risk mitigation actions taken at minimum annually

AE will work collaboratively with our suppliers to establish diligent implementation of the requirements set forth herein and will verify and enforce compliance fairly and consistently, when necessary. We will support efforts of others, or take steps ourselves, to engage with relevant authorities, international organizations, and civil society organizations to contribute to improved conditions in our supply chain.

AE's suppliers are required to assess their products supplied to AE do not contribute to armed conflict, human rights abuses, or environmental degradation, regardless of sourcing location.

Salient Responsible Sourcing Issues

Among the topics covered in our Supplier Code of Conduct, and in alignment with OECD expectations, AE will not tolerate, contribute to, or facilitate the commission by any party in our supply chain of:

1. Non-compliance with applicable laws and regulations relating to the production, trade, handling, transport, and export of materials, including procedures for employee health and safety, and the payment of taxes, fees, and royalties owed to governments
2. Any forms of forced or compulsory labor, which means work or service exacted from any person under the menace of penalty, and for which said person has not offered themselves voluntarily
 - Including serious human rights abuses associated with the production, extraction, transport, or trade of materials, particularly, but not limited to, for materials from CAHRAs
3. Child labor
4. Negative/adverse impacts on the environment and biodiversity, including:
 - Air and water pollution
 - Deforestation
 - Lack of greenhouse gas emissions management
 - Lack of climate-related risk management
 - The mismanagement of hazardous substances
 - Inappropriate waste management
5. Negative/adverse impacts on local communities and/or insufficient community engagement, including disrespecting Indigenous rights or actions detrimental to environmental, social, and other quality of life factors
6. The lack of or inadequacy of measures to provide employees and contractors with a safe, healthy, respectful, and fair work environment, allowing for equal opportunities and safe waste management, including proper tailings management for mining operations
7. Corruption, bribery, fraudulent misrepresentation of the origin of materials, money laundering, and conflicts of interest
8. Any forms of torture, cruel, inhumane, and degrading treatment of its workers
9. Conflict financing and non-compliance with relevant United Nations sanctions resolutions or, where applicable, domestic laws implementing such resolution
10. War crimes or other serious violations of international humanitarian law, including crimes against humanity and genocide
11. Direct or indirect support to non-state armed groups, public or private security forces, or their affiliates, including, but not limited to, the procurement of materials, making payments, or otherwise providing logistical assistance or equipment to those who:

- Illegally control production sites or otherwise illegally control transportation routes, points where materials are traded, and/or upstream actors in the supply chain
- Illegally tax or extort money or materials at points of access to production sites, along transportation routes, or at points where materials are traded
- Illegally tax or extort intermediaries, export companies, or international traders
- Do not act in accordance with the Voluntary Principles on Security and Human Rights

12. The exposure of vulnerable groups to adverse impacts associated with the presence of security forces, public or private, on production sites.

AE requires our suppliers to set similar or stricter commitments. Suppliers must agree to provide transparency, remedy any shortcomings, and drive continuous improvement.

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