

JL MAG RARE-EARTH CO., LTD.

Labor Rights and Interests Protection Policy

I. Purpose

JL MAG RARE-EARTH CO., LTD. (hereinafter referred to as "JL MAG," "the Company," or "we") upholds the core values of law-abiding compliance, customer orientation, and value co-creation. We are committed to establishing and safeguarding the fundamental human rights and dignity of employees, providing a safe and healthy working environment, and ensuring that all labor practices comply with ethical standards.

This policy requires the Company to comply with all laws and regulations related to labor rights protection, including but not limited to the *Labor Law of the People's Republic of China*, the *Civil Code of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, and other applicable laws and regulations in the countries or regions where we operate.

II. Scope of Application

The Company ensures that this policy covers all formal employees (including all forms of employment) and the entire business operation process. We also encourage suppliers, partners, and other stakeholders to actively comply with this policy and work together with us to safeguard employee rights and interests.

III. Equal Employment

The Company strictly complies with the aforementioned laws and regulations and international standards (such as the International Labour Organization Conventions), and adheres to the principle of equal employment, committed to providing equal employment opportunities for employees.

The Company ensures that the principle of equal opportunity applies to all human resources practices, including recruitment, compensation, promotion, job rotation, training, assessment, attendance, dismissal, or layoffs. The Company resolutely eliminates discrimination based on gender, race, marital status, pregnancy, breastfeeding, disability, family status, or any other rights protected by law.

IV. Prohibition of Child Labor and Forced Labor

4.1 The Company strictly complies with the *Law of the People's Republic of China on the Protection of Minors*, the *Provisions on the Prohibition of Using Child Labor*, and other laws and regulations, resolutely resisting any form of forced labor and the use of child labor (child labor refers to workers under the age of 16). The Company commits to protecting the lawful rights and interests of juvenile workers (aged 16–18), does not withhold employee identification documents, does not collect deposits, and ensures that all work is based on voluntary participation.

4.2 The Company will conduct strict internal and supply chain review and supervision, requiring all suppliers to equally comply with this principle to ensure that labor rights throughout the entire industry chain are protected.

V. Anti-Discrimination and Anti-Harassment

5.1 The Company adheres to a zero-tolerance principle regarding discrimination and harassment, requiring all employees to treat each other with respect and prohibiting any form of discrimination, harassment, bullying, threats, intimidation, stalking, or violence.

5.2 Employees shall not discriminate against or harass others based on their gender, race, marital status, pregnancy, breastfeeding, disability, family status, or other characteristics protected by law.

5.3 Employees who suffer from discrimination or harassment are encouraged to report through internal complaint channels (including anonymous means). The Company will handle such reports confidentially and conduct prompt investigations, and all employees must cooperate with the investigation. The Company commits to protecting whistleblowers from retaliation and regularly conducts anti-discrimination and anti-harassment training.

VI. Employee Rights and Freedom of Association

6.1 The Company refers to the human rights-related provisions in the Responsible Business Alliance (RBA) Code of Conduct, the *Universal Declaration of Human Rights of the United Nations*, and other international standards. We respect and protect human rights and make every effort to identify, mitigate, and prevent human rights risks in the enterprise and its supply chain.

6.2 The Company supports employees in exercising their rights to democratic management and collective bargaining in accordance with the law. Through trade unions, staff representative assemblies, and various suggestion platforms, the Company establishes communication mechanisms and regularly communicates with employee representatives on working hours, overtime, working conditions, and compensation to promote the harmonious development of labor relations.

6.3 The Company conducts an annual employee satisfaction survey and implements targeted improvements based on the survey results to enhance employee satisfaction and sense of belonging.

VII. Employee Compensation and Promotion

The Company adheres to the principle of "equal pay for equal work," providing compensation that meets the regulatory requirements of the country or region where it operates and is competitive in the market, and ensuring the transparency of compensation policies and the timeliness of payment.

The Company shares development achievements with employees through a performance incentive mechanism covering all staff. At the same time, the Company establishes open and fair promotion channels to provide clear career growth paths for outstanding talents.

VIII. Reasonable Regulation of Working Hours

8.1 The Company strictly complies with all applicable laws and regulations related to working hours and rest, primarily adopting the standard working hour system, with special positions applying for the corresponding working hour system in accordance with the law. All overtime must be agreed upon by employees. The Company guarantees employees at least one day of rest per week and prevents excessive labor.

8.2 The Company legally safeguards employees' leave rights, including but not limited to: paid annual leave, statutory holidays, sick leave, marriage leave, maternity leave, paternity leave, breastfeeding leave, and bereavement leave. Employees shall enjoy normal wages during statutory holidays.

8.3 If the Company plans to implement dismissals that constitute economic layoffs (generally referring to the reduction of a certain number or proportion of employees within a certain period), it will strictly comply with the laws and regulations of the country or region where it operates, provide employees with the statutory minimum notice period in advance (in the operating locations within mainland China, this notice period is typically 30 days), and legally fulfill the procedures of explaining the situation to the trade union or all employees, listening to their opinions, and reporting to the labor administrative department, so that affected employees have time to prepare or seek other employment opportunities.

IX. Employee Benefits and Care

9.1 In addition to statutory rights (social insurance, housing provident fund, paid annual leave, etc.), the Company provides comprehensive supplementary benefits, including but not limited to free meals and accommodation, holiday benefits, annual physical examinations, and commercial insurance.

9.2 The Company cares about employees' work-life balance, provides fitness and recreational facilities, organizes diverse employee activities, and fosters a healthy and harmonious working atmosphere.

9.3 The Company values the rights and interests of female employees, legally safeguarding paid leave for prenatal check-ups, maternity leave, and breastfeeding leave, and has established "mother-and-baby rooms" at all sites to provide a safe and comfortable environment for breastfeeding female employees.

9.4 The Company carries out year-round employee care programs, establishes a "Staff Home" studio, and has developed a system for caring for employees in the event of sudden physical abnormalities, continuously enhancing employee well-being.

X. Employee Growth and Development

10.1 The Company values the career development of employees and is committed to building a learning organization, formulating personalized training plans and career development paths for employees. Through various forms such as internal training, external further education,

mentorship, and skills certification, the Company helps employees enhance their professional skills and comprehensive qualities, providing strong support for their career development.

10.2 To mitigate the potential negative impacts of industrial technological upgrading or climate change on the Company's operations and employee positions, the Company will proactively provide necessary training or retraining opportunities for affected employees based on business development and environmental changes, assisting them in enhancing their adaptability and supporting employees in achieving sustainable career growth.

XI. Employee Health and Safety

The Company complies with international and national standards related to occupational health and safety such as ISO 45001, continuously improves the occupational health and safety management system, and ensures the health and safety of all employees and partners such as suppliers during the work process, preventing occupational injuries and occupational diseases.

XII. Privacy Protection

The Company commits to respecting the personal information privacy of all individuals related to its business (including suppliers, customers, consumers, and employees). When collecting, storing, processing, transmitting, and sharing personal information, the Company strictly complies with privacy and information security laws and regulations.

XIII. Supplementary Provisions

The Company will regularly review this policy and revise it based on the latest regulations, regulatory developments, business conditions, and other factors. Employees shall keep themselves informed of policy updates to ensure that their conduct complies with the requirements of this policy.

Any violation of this policy may be reported by employees through internal complaint channels (including anonymous channels) to management or relevant departments. The Company commits to protecting whistleblowers from any form of retaliation and will investigate and handle such reports in accordance with the law.

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