

NOWOS

Business Principles Nowos

At Nowos, we envision a global economy that uses business as a force of good. This economy is comprised of a new type of corporation, which is purpose-driven and creates benefit for all stakeholders. We aim to not only reclaim raw materials from Lithium-Ion batteries, but to reclaim them in a way that has a positive effect on our planet, people and profit. We aim to add value by treating used Lithium Ion batteries not as waste, but as a valuable material for re-creation:

- We believe you should actually get paid for your used products! Recycling should be cheaper than digging materials from the ground.
- Moreover, we believe the process of reclaiming raw materials should have no additional negative side effects on the planet and people, giving our earth and population a chance to regenerate!

This asks of our partners and us to co-create a radically different process of reclaiming raw materials: more efficient, better in quality, with less negative side effects. This people oriented, environmental approach is also expressed in the company name: 'NOWOS', meaning *a new common spirit, living again*¹.

Our core activities include:

1. Recycling of useful materials from urban waste (Urban Mining) and the facilitation of end-to-end circular and logistic processes in the field of Lithium Ion batteries (Reversed logistics);
2. Providing advice and services with regard to all aspects of safe handling, legal rules and administration in relation to Lithium Ion and all other (logistic) processes concerning battery waste.

Business Principles

We are dedicated to make a positive impact on the world and to lead by example. Our Business Principles are deeply ingrained principles that guide all of our actions, behaviours, and decision-making. They govern our conduct and set the standard by which internal and external stakeholders can evaluate us. The Nowos Principles apply to all co-workers and are aligned with our mission statement and Colleague Values.

We are committed to the following Business Principles:

1. Promote sustainable development: We consider the social, environmental and financial impacts of all that we do.
2. Respect human rights: We respect people, society and different cultures and support the aims of the United Nation's Universal Declaration of Human Rights.
3. Respect the environment: We will do all that we can to create and support positive environmental impacts.
4. Accountability: We are accountable, responsible and committed to all our stakeholders for our actions.
5. Continuous improvement: We seek to continuously improve all facets of our business.
6. Respect and obey the law: We are committed to complying with all legal requirements in all countries in which we operate.

¹ "Nous" meaning "spirit" in Greek and "we" in French: our common spirit, we are in this together.

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Colleague Values

In order to encourage, achieve and maintain an atmosphere of high integrity, trust, competence and safety among all colleagues, customers and suppliers, each Nowos Co-worker commits to the following values (see appendix 1 for a further explanation of these values):

1. We don't break the law: act with integrity, be responsible, accountable & honest!
2. Nobody holds power over (an)other person(s), as:
 - People are good unless proven otherwise!
 - All people have equal human worth!
 - All people are unique individuals!
3. Keep it simple & Communicate directly: empty the snake pits!
4. Be a leader:
 - Sweep the Sheds: Never be too big to do the small things that need to be done.
 - Go for the Gap: when you're on top of our game, change your game.
 - Play with Purpose: ask "Why?"
 - Pass the Ball: Leaders create leaders.
 - Create a Learning Environment: Leaders are teachers.
 - No Dickheads: Follow the spearhead.
 - Embrace Expectations: Aim for the highest cloud.
 - Train to Win: Practice under pressure.
 - Keep a Blue Head: Control your attention.
 - Know Thyself: Keep it real.
 - Champions Do Extra: Find something you would die for and give your life to it.
 - Invent Your Own Language: Sing the world into existence.
 - Ritualize to Actualize: Create a culture.
 - Be a Good Ancestor: Plant trees you'll never see.
 - Write Your Legacy: This is your time!

Observance of our Business Principles and Colleague Values

The Business Principles and Colleague Values apply to all Nowos businesses and co-workers. All co-workers must be familiar and comply with the Nowos Business Principles and Colleague Values. Violations are, depending on their nature and seriousness, reported according to our Whistleblower policy. It is the responsibility of the members of the Mana Team to ensure that all co-workers are made aware of the principles and values and to ensure that they are observed. New co-workers are informed of our principles and values during their initial days with the company.

Whistleblower policy

Nowos has a whistleblower policy to promote reporting of gross Business Principles or Colleague Values violations. The policy enables co-workers to file complaints on an anonymous basis to the Chairman of the Executive Board, without fear of retaliation, as detailed in our Whistleblower policy. Alleged irregularities concerning the functioning of members of the Executive Board can be reported to the Chairman of the Supervisory Board.

Compliance and reporting

Nowos places high value on compliance with the Business Principles and Colleague Values. Co-workers are responsible for compliance and implementation. Serious incidents are reported to the Mana Team. Our performance with respect to our Business Principles and Colleague Values is reported in both our financial and non-financial reports.

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Business Principles and Colleague Values in practice

The Business Principles and Colleague Values determine both our internal business conduct and our relations with the outside world. The way that the principles are reflected in our internal and external daily operations is explained by use of the following themes: business ethics & corporate governance, community, stakeholders and customers, co-workers, environment and suppliers & contractors.

1. Business ethics & corporate governance

Our business ethics and corporate governance help to define the parameters within which we can achieve our mission. Therefore it is important to us that we:

- Support and commit to the aims of the United Nation's Universal Declaration of Human Rights and seek to ensure that none of our products and services abuse civil, political, social or economic rights.
- Do not discriminate on the basis of race, skin colour, sex, gender identity, language, religion, political beliefs, health status, marital status, sexual orientation, national or social origin, social status, ethnicity or indigenous status, disability, or on the basis of any other irrelevant characteristics.
- Monitor and report annually on our social, environmental and financial performance, and that our reporting is comprehensive, fair, accurate, timely and complies with applicable legislation and international guidelines and standards.
- Report according to the latest Global Reporting Initiative (GRI) Guidelines. We recognize the GRI standards, including the various sector supplements, as the world's most commonly used framework for reporting.
- Pay our fair share of taxes in the countries where we operate and in accordance with the economic reality of our activities.

In line with our business ethics and corporate governance, we expect from our co-workers that they:

- Avoid activities that conflict with the best interests of Nowos and its stakeholders.
- Respect our Gifts and Hospitality policy. Co-workers must refrain from - directly or indirectly - offering, promising or giving money, gifts, entertainment, benefits or other undue advantages to obtain or retain business. In addition, they must not demand or accept any such advantages that may influence their decision making in business.

2. Community

Nowos seeks to encourage and support society and its communities to be sustainable. To this end we envision to be locally embedded and to play an active role in the communities and sectors in which we operate. We assess our business decisions according to our own social criteria and according to those detailed in relevant international standards and guidelines, such as the UN Global Compact.

3. Stakeholders

Nowos defines stakeholders as all people, groups and organisations that it has a (business) relationship with, and describes three particular groups:

- Those that engage in economic transactions with the business (e.g. customers, depository receipt holders, co-workers and suppliers)
- Those that don't engage in economic transactions, but who maintain a close interest in Nowos (e.g. NGOs, governments and the media) from a societal perspective.
- Those that provide new insights and knowledge (e.g. advisors and inspirers), prompting us to reflect, rethink and explore new territory.

The stakeholder dialogue provides essential input for the development of our activities and strategy, while it allows us to share knowledge and to advance development. The stakeholder dialogue enables us to:

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- Stay abreast of new sustainability issues. We work with our stakeholders, in particular customers, suppliers, non-governmental organisations, professional associations and forums, to develop and advance our sustainability criteria.
- Address sustainability issues and encourage action. We use our influence as collector of valuable resources to raise awareness on important issues.

In our business relations we consider international standards and guidelines of which the aims support our mission. We endorse the Health and Safety Guidelines and the UN Principles for Responsible Investment.

4. Customers

We aim to provide our customers with products and services that meet their specific needs and contribute to sustainable development. It is therefore important to us that we:

- Support social and environmental projects and develop partnerships with businesses and organizations whose direct and indirect output contributes to a sustainable society.
- Review and update our products and services.
- Ensure that our product, marketing and pricing information meets all regulatory requirements and is easy to understand for customers.
- Welcome feedback and comments of our customers and handle potential expressions of dissatisfaction fairly, consistently and promptly.
- Review our offer in order to provide quality and up-to-date products and services.
- Respect customer confidentiality.

5. Co-workers

Our co-workers are essential in achieving our mission. We strive to form a living community of co-workers and together create a working environment that is psychologically safe, mentally inspiring, physically healthy, and socially welcoming. Further to that, we seek to build a community that can work effectively in line with the mission and the values of our organization. Therefore we adhere to our colleague values. Moreover, it is important to us that we:

- Ensure that our selection and recruitment processes are fair and professional, in order to find the right person for the right place in the organisation, at the right moment.
- Encourage feedback to improve the effectiveness of our organisation and the co-workers.
- Provide training and development and opportunities for growth.
- Promote equal opportunity and support diversity.
- Do not tolerate discrimination or harassment of any kind.
- Are committed to the health and safety of our co-workers.
- Support and commit to the conventions and recommendations of the International Labour Organization.
- Support the right of co-workers to have freedom of association, freedom of expression, and the right to collectively bargain.
- Reward performance and achievement fairly. For example we monitor gendered pay differences at different functions throughout the organisation, and if any review and discuss for awareness.
- Report on our performance of our social policy and our co-worker policy in our annual report.
- Enable our co-workers to file complaints on an anonymous basis without fear of retaliation, as detailed in our Whistleblower policy.

6. Environment

Respect for the environment is an integral aspect of all Nowos activities. We want to continuously improve our environmental performance and serve as a reference point for other organizations. It is therefore important to us that we:

- Integrate environmental considerations into all our business decisions, on products, services and operations.

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- Apply environmental criteria, as set out in the Nowos Minimum Standards.
- Set environmental objectives and regularly monitor our performance.
- Promote environmental conservation and share our knowledge of environmental issues and best practice with our customers, partners, suppliers and other stakeholders, while simultaneously learning from them.
- Engage and train our co-workers for minimizing our adverse environmental impact and maximizing our positive impact.
- Minimise the use of finite resources (such as water, paper and fuel) and promote products that are by design easy to repair, refurbish, repurpose and recycle.
- Operate a CO2 neutral organization by minimizing our energy consumption, using renewable energy and compensating for the unavoidable part of our environmental impact.
- Comply with relevant environmental legislation, regulations and standards.

7. Suppliers & contractors

The environmental considerations underpinning our procurement are translated into the Minimum Standards. It combines the social and environmental aspects with the regular focus on value for money when buying goods or services. In line with our positive impact ambitions and supply chains, we require suppliers and contractors to contribute to sustainable development with their products and services. We strive to inspire and support all our business relations to make their supply chains more sustainable. It is therefore important to us that we:

- Establish personal relationships with vendor, suppliers and contractors, for example by organizing face-to-face meetings and on-site visits.
- Strive for long-term and vested relationships that are based on shared value and mindset. We engage with our business relations to align our positive impact ambitions and together promote more sustainable products, production processes and supply chains.
- Assess our suppliers according to our Minimum Standards. In addition, we consider international standards and guidelines that support sustainable development, such as the latest Global Reporting Initiative guidelines.
- Apply the 'best-in-class' principle to purchase as much as possible from organizations that excel in their sustainability performance.
- Regularly review our current suppliers and contractors and possible alternatives in order to optimize the environmental and social impact of Nowos's operations.

Feedback & comments

As mentioned in the section 'Our Business Principles in Practice', stakeholder dialogue is essential to us in terms of maintaining, developing and improving our activities. We encourage you to provide comments and feedback on our Business Principles and other aspects of our business. If you have any comments about this document or issues related to our business, please contact us.

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Appendix 1: Colleague Values explained

1. Don't break the law: act with integrity, be responsible, accountable & honest!

We agree to take full responsibility for our own actions, those of our colleagues and Nowos' **Purpose**. If we sense that something needs to happen, we have a duty to address it. It's not acceptable to limit our concern to the remit of our roles. Everyone is accountable to holding others accountable to their commitments through feedback and respectful confrontation.

We are personally responsible and accountable for our training, time commitments, performance and participating in and contributing toward achieving the **Purpose** and practicing the **Principles**. We commit to manage ourselves, to be responsible and accountable for the planning, organizing, staffing, directing, performing and controlling functions with respect to our **Purpose**. To personally take the initiative to coordinate our responsibilities and activities with other colleagues, to develop opportunities for improvement and for making things happen.

We do what's right. We live, speak and endeavour to find our truth.

2. Nobody holds power over (an)other person(s), as:

- **People** are good unless proven otherwise!
- All **people** have equal human worth!
- All **people** are unique individuals!

We relate to one another with an assumption of positive intent. Until we are proven wrong, trusting our colleagues is our default means of engagement. Freedom and accountability are two sides of the same coin. We are unique in many ways: our values, tastes, moods and methods to achieve goals. It is agreed that these types of differences between individual colleagues, which do not directly affect our **Purpose**, will be respected and tolerated.

We believe in the power of collective intelligence. Nobody is as smart as everybody. **Therefore all decisions will be made using the advice process:**

In principle, any person in the organization can make any decision. But before doing so, that person must seek advice from (a) all parties who are likely to be meaningfully affected and (b) people who we believe have additional and substantive expertise on the matter. The person is under no obligation to integrate every piece of advice; the point is not to achieve a watered-down compromise that accommodates everybody's wishes. But advice must be sought and **taken into serious consideration**.

Usually, the decision maker is the person who noticed the issue or the opportunity, or the person most affected by it. Forgetting to uphold the advice process is one of the few things that can get somebody fired.

3. Keep it simple & Communicate directly: empty the snake pits!

We agree to keep our processes as simple as possible and only standardize our practices when we together feel it contributes to our ability to achieve our **Purpose**.

In recognition of each colleague's personal goal of achieving happiness, each of us commits to pursue teamwork because "Together Everyone Accomplishes More". In caring for ourselves and others, each colleague commits to (1) share relevant information with others, (2) take initiative to forward information that they believe may be helpful to another's activities, even if it is not asked for, and (3) responding to respectful inquiries made of them by other colleagues in a respectful and responsive manner.

Overcoming differences and conflict: differences between human beings are a natural and necessary aspect of life, especially in the pursuit of excellence. Differences may vary from how to answer the phone, to what

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strategy works best, to whether one is following our Principles, or advancing our Purpose. To gain agreement, overcome conflict and move forward, we agree to utilize the following process:

- 1) When one colleague perceives a difference with another, we agree to privately engage with the other colleague as soon as practical and attempt to resolve any differences to our mutual satisfaction. As a general rule, we will not discuss such matters with other colleagues. However, if a colleague feels uneasy directly discussing the matter with the other colleague, then they should go to another colleague together to discuss alternatives for solving the issue, keeping in mind that confidence should be maintained with their chosen ombudsman.
- 2) If either of the colleagues do not feel the matter has been resolved to their satisfaction, then both of them agree to engage with a contingent of approximately three (3) to six (6) colleagues appropriate for the matter. Appropriate colleagues would be those in the affected work environment, or those with relevant expertise with the issue at hand.
- 3) If the issue is not resolved to the satisfaction of both parties, a summary of the issue, verification that the colleague process for gaining agreement was followed, and potential resolutions supported by named colleagues shall be immediately prepared, signed by both parties, and forwarded to the CEO of Nowos. The CEO will either (a) decide the issue and provide a written summary of the decision to both parties; (b) call a meeting with both parties and the panel; or (c) designate a person to decide the issue.
- 4) In attempting to resolve differences, the following shall be given careful consideration: a) our **Purpose** and any specific objective; b) the relevant facts, assumptions and values; and c) the method used to determine the proper direction. Other courses of action, upon mutual agreement among the affected colleagues are encouraged; however, either party has the option of requiring the above steps to be taken at their request.
- 5) When a course of action has been determined, it is incumbent on each colleague to follow that course of action. If new material information becomes available which could change the chosen course of action regarding any particular matter, then it should be presented for consideration and a new determination. Until a new course of action is determined, each colleague agrees to follow the chosen course of action and work energetically toward achieving the **Purpose** in the manner decided.

4. Be a leader!

Every person within NewCo is regarded as a leader. Whether it is about taking responsibility for your own state of mind, behavior and actions, or leading others while taking on a role as a mentor, coach, facilitator, or advisor to your colleagues: we are all leaders.

Being a good leader within NewCo means:

- 1) Sweep the Sheds: *“Never be too big to do the small things that need to be done.”*

A collection of talented individuals without personal discipline will ultimately and inevitably fail. Character triumphs over talent each and every time. Personal discipline means to not expect somebody else to do your job for you and foremost, this means humility. Humility begins at the level of interpersonal communication, enabling an interrogative, highly facilitated learning environment in which no one has all the answers. Each individual is invited to contribute solutions to the challenges being posed. It leads to innovation, increased self-knowledge and greater character. It leads to *mana*. Humility does not mean weakness, but its opposite. Leaders with *mana* understand the strength of humility. It allows them to connect with their deepest values and the wider world.

- 2) Go for the Gap: *“When you’re on top of our game, change your game.”*

Momentum swings faster than we think. One moment we’re on top of the world, the next falling off the side. Know when to reinvent, and how to do it. When you’re on top of your game, it’s time to change it. The teams that thrive in this world are those that act quickly and decisively to seize competitive advantage, adjusting and readjusting along the way. You either adapt or you lose; and sustainable competitive advantage is achieved by the development of a continuously self-adjusting culture.

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Adaptation is not a reaction, but a systematic series of actions. It isn't just reacting to what's happening in the moment, it is being the agent of change. This is achieved through a structured feedback loop, by building the adaptive processes into the way we lead.

3) Play with Purpose: "Ask "Why?"."

Our fundamental human drive comes from within – from intrinsic rather than extrinsic motivation. Leaders who harness the power of purpose have the ability to galvanize a group, aligning each other's behavior. Using vivid storytelling, including themes, symbols, imagery, rituals, mantras and metaphor, we create a sense of inclusion, connectedness and unity – a truly collective, collaborative mindset. It begins by asking "Why?", "Why are we doing this?", "Why am I sacrificing myself for this project?", "What is the higher purpose?"

4) Pass the Ball: "Leaders create leaders."

Enlightened leaders deliberately hand over responsibility in order to create engaged team players able to adapt their approach to suit the conditions. By creating a devolved management structure, we create ownership, autonomy and initiative. Arming ourselves with intent we visualize the end-state, outline the plan, provide the right resources, and we trust each other to deliver. The result is a team of individuals prepared and able to stand up when it counts – leaders in the field.

5) Create a Learning Environment: "Leaders are teachers."

Human beings are motivated by purpose, autonomy and a drive towards mastery. Accomplished leaders create an environment in which people can develop their skills, their knowledge and their character. This leads to a learning environment and a culture of curiosity, innovation and continuous improvement. By finding the 100 things that can be done just 1% better, we create incremental and cumulative advantage, performance and results. In creating a coherent learning environment, it pays to both eliminate unhelpful elements (clearing out the furniture) and to introduce insightful and inspiring influences.

6) No Dickheads: "Follow the spearhead."

Whānau means your family, your mates, your team, your organization. For the whānau to move forward, everyone within it must move in the same direction. This is the essence of a team – working hard for each other, in harmony, without dissent, submerging individual ego for a greater cause. This extends to selection – No Dickheads – and the fostering of connections, trust and collaboration between everyone. We work for each other rather than individual glory. We enforce our high standards ourselves, the ones trusted to do the task. Success can be traced back to the connections between member of the team and their collective character. Great leaders ruthlessly protect their people, encouraging connection, collaboration and collective ownership, nurturing a safe environment of trust and respect.

7) Embrace Expectations: "Aim for the highest cloud."

By embracing a fear of failure we can lift our performance, using a healthy loss aversion to motivate us. Equally it pays to raise our expectations if we aspire to be world class: to create for ourselves a narrative of extreme, even unrealistic ambition. It doesn't even matter if its true, or reasonable, or possible; it only matters that we do it. In this way, we set our internal and team benchmarks to the ultimate. Inspiring leaders use bold, even unrealistic goals to lift their game and the power of storytelling to 'sing their world into existence'. They tell great, vivid, epic stories of what is possible, and soon the world repeats the story back to them.

8) Train to Win: "Practice under pressure."

Mastery in anything is achieved by practice. Practice is enhanced by intensity. Train to win – work with randomized scenarios and unexpected challenges in order to recalibrate the tolerance for high-pressure

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situations. The aim is to enable greater clarity and accuracy under stressful circumstances and to enhance the ability to bring attention back to the present and the task at hand. Smart leaders utilize intensity as a challenge, and to increase competence and capability of everyone involved.

9) Keep a Blue Head: *"Control your attention."*

Pressure is expectation, scrutiny, and consequence. It is the curtain coming down, the shutters closing, the red mist rising. It leads to tightening, panic, over-aggression, choking and poor decision-making. Wise leaders seek to understand how the brain reacts to stress and practice simple, meditative techniques to stay calm, clear and connected. These techniques can take us from a volatile, uncertain and ambiguous space into a place of mental clarity. Clear thought, clear talk, clear task.

10) Know Thyself: *"Keep it real."*

In recognizing our deepest values, we can understand what kind of leader we are and what kind of life we wish to lead. Authenticity begins with honesty and integrity. Honesty allows us access to our truest vision of ourselves and, when setbacks occur, gives us strong foundations. Integrity gets the job done. If our values, thoughts, word and actions are aligned, then our word is our world. With accuracy of action, less slippage occurs between thought and deed. In knowing ourselves, we live our vision. By being our word, we make it happen.

11) Champions Do Extra: *"Find something you would die for and give your life to it."*

The motto champions do extra refers to the extra, discretionary effort and sacrifice it takes to do something extraordinary. Whatever we do in life, were giving our life for it, so we best be sure it is worth it. So what are we prepared to give our life to? It begins by doing extra: the extra burst of hard work, the extra sprint, the extra effort. What is my job on the planet? What is it that needs doing, that I know something about, that probably won't happen unless I take responsibility for it? What is the extra that will make us extraordinary?

12) Invent Your Own Language: *"Sing the world into existence."*

Strong cultures need a system of meaning understood by everyone. This must have as its foundation the values of the group. Leaders invent a unique vocabulary as shorthand for communicating new cultural norms and standards, using specific words, phrases, mottos, mantras and metaphor. In this way, language becomes the oxygen that sustains belief. With this, we can rewrite the future.

13) Ritualize to Actualize: *"Create a culture."*

Leaders use rituals as a challenge, to add to the legacy, to exceed expectations, to embody a belief system. By creating our own equivalent of the *haka*, we can attach a sense of personal meaning and belonging to the organizations overall purpose. Ritualize our enterprise to find vivid, visceral processes that bring our ethos to life.

14) Be a Good Ancestor: *"Plant trees you'll never see."*

Our time is limited. Our greatest responsibility is to honor those who came before us and those who will come after, to leave the world in a better place. We are the stewards of our organization, the caretakers of our lineage. Our actions today will echo beyond our time. They are our legacy. Manaaki Whenua, Manaaki Tangata, Haere whakamua. Care for the land, Care for the people, Go forward.

15) Write Your Legacy: *"This is your time."*