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(Incorporated in the Cayman Islands with limited liability)

CHIHO ENVIRONMENTAL GROUP LIMITED

(Stock Code: 976.HK)

Chiho Group was invited to join the Aluminium Business Summit 2021

The Aluminium 2021, one of the most important trade fairs for the entire aluminium industry, was held in Dusseldorf, Germany, from 28 to 29 September 2021. Nearly 1,000 exhibitors and more than 25,000 industry professions participated in this flagship event. The two-day hybrid congress format brought experts together live and digitally to exchange ideas and, in addition to market insights, finally created a setting for a long-awaited personal reunion once again for the aluminium industry.



The Aluminium Business Summit 2021 (the “**Summit**”), which was co-organised by ALUMINIUM, Aluminium Deutschland and CRU, was the core event of the Aluminium 2021. It is a flat ship event of the aluminium industry. It brings together experts and professions in the aluminium industry from around the world to exchange ideas on topics covering the entire industry chain. Mr. Rafael Suchan (“**Rafael**”), Chief Executive Officer of Chiho Group, was invited to attend the Summit, and gave a speech on the topic of "Development Prospects of China's Aluminium Recycling Industry".

Rafael pointed out that the Chinese government has promulgated the dual-circulation strategy, the “3060 dual-carbon target”, “14th Five-Year Plan”, and subsequently the “14th Five-Year Circular Economy Development Plan” and other related guidance documents. These pro-circular economy policies and strategies convey the Chinese government’s commitment to and determination on carbon emission reduction.

China’s total carbon dioxide emissions reached 10 billion tons in 2020, accounting for 30.4% of global carbon emissions and close to one-third of global carbon emissions. China has become the largest carbon dioxide generating country.

China's primary aluminium production reached 37.3 million tons in 2020, accounting for 57.2% of the global primary aluminium production. In 2020, approximately 667 million tons of carbon dioxide were generated from aluminium production, and primary aluminium production accounted for 6-7% of China's total carbon dioxide emissions. Using recycled aluminium as raw material in aluminium production can reduce 94% of the energy consumption and 95% of carbon dioxide emissions, compared with direct use of bauxite. Therefore, increasing the recycling rate of used aluminium and the utilisation rate of recycled aluminium are of crucial importance, and it is one of the main ways to reduce carbon emissions.

Chiho Group has always been committed to contributing to China’s circular economy and green development. At the beginning of 2021, Chiho Group and China Hongqiao Group entered into joint venture to commit to investing RMB 1.5 billion to develop a recycling industrial park with the highest standard among the domestic and even international market. The project adopts the “3+N” model, which focuses on construction of facilities for recycling of end-of-life vehicles and aluminium, reuse and recycling of lithium batteries, and supplemented by other ancillary industrial chains facilities. Phase I of the project targets to reach annual processing capacity of 200,000 tons of recycled aluminium and 40,000 units of end-of-life vehicles, while phase II of the project targets to reach annual processing capacity of 300,000 tons of recycled aluminium, 60,000 units of end-of-life vehicles and 50,000 units of lithium batteries.

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