



Mineral Supply Chain Due Diligence Assessment Summary Report

Assessed Party	China Tin Smelter Co. Ltd.
Assessment Date	11/23/2023-11/24/2023
Assessed Material	Tin
LME-listed Brand	JH
Assessment Type	<input checked="" type="checkbox"/> Main Assessment <input type="checkbox"/> Tracking Assessment
Assessment Result	<input type="checkbox"/> AAA <input type="checkbox"/> AA <input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C
Assessment Firm	China Standard Conformity Assessment CO., LTD (CSCA)
Assessor	Hou Chao, Qiao Yazhen

Instruction

Objective

This assessment program is an independent third-party assessment conducted by China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters (CCCMC) based on *Chinese Due Diligence Guidelines for Mineral Supply Chain (Second Edition)*, aiming to assess the performance of the company's due diligence management system and process, and support the company to identify the gaps that need further improvements and develop corresponding improvement measures.

Basis of the Assessment

The assessment is based on *Chinese Due Diligence Guidelines for Mineral Supply Chain (Second Edition)*, hereinafter referred to as *the Guidelines*. The companies shall meet the content of "Companies should" in *the Guidelines*. "Companies should" refers to specific requirements of *the Guidelines* for companies' due diligence management, as well as the specific refinement of the requirements, which is consistent with the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (Third Edition)*.

Explanation of Conformity Degree

Conformity: Indicates that the company's management system, policies, procedures or processes meet the requirements of corresponding provisions of *the Guidelines*.

Need improvement: Indicates that the company's management system, policies, procedures or processes partially meet the requirements of corresponding provisions of *the Guidelines*, but lack some necessary elements or content, or can not prove or lack evidence to prove that they are substantively functional, and further measures are needed to improve its performance.

Non-conformity: Indicates that the company's management system, policies, procedures, or processes cannot meet the requirements of corresponding provisions of *the Guidelines*, resulting in systematic and repetitive non-conformities.

Not applicable: Indicates that corresponding provisions of *the Guidelines* do not apply to the Company.

Zero tolerance: If any of the following situations occurs, it is a "zero tolerance" situation.

1. Misrepresentation, deliberately forging false evidence or vouchers;
2. Any form of support for illegal control, or illegal taxation and extortion by non-state armed groups;
3. Any form of torture, cruel, inhuman and degrading treatment;
4. Directly cause or contribute to forced or compulsory labor;
5. Cause or contribute to widespread sexual violence;
6. The worst forms of child labor;
7. War crimes or other serious violations of international humanitarian law, crimes against humanity or genocide;
8. Other situations generally considered unacceptable.

Explanation of Assessment Results

The overall assessment result is based on the percentages of "non-conformity" items and "need improvement" items. The China Chamber of Commerce of Metals, Minerals & Chemical Importers & Exporters (CCCMC) provides the following suggestions on the assessment results:

Level AAA: There is no "non-conformity" items, indicating that the company has excellent supply chain due diligence management performance.

Level AA: the percentage of "Need improvement" items does not exceed 15% of all applicable items, and the percentage of "non-conformity" items does not exceed 5% of all applicable items.

Level A: the percentage of "Need improvement" items does not exceed 25% of all applicable items, and the percentage of "non-conformity"

items does not exceed 10% of all applicable items.

Level B: the percentage of "Need improvement" items does not exceed 35% of all applicable items, and the percentage of "non-conformity" items does not exceed 20% of all applicable items.

Level C: The above level cannot be reached or there is any "zero tolerance" situation.

Description of Assessment Type

The assessment is divided into main assessment and tracking assessment. The main assessment needs to be carried out once a year. The tracking assessment is conducted every six months or during the re-assessment (main assessment) based on the conformity degree and assessment results.

1. Assessed Party

Company Name	China Tin Smelter Co. Ltd.			
Refinery Name	Laibin Huaxi Smelting Co., Ltd.			
Location	Province/ municipality	Guangxi Province, China	City	Laibin City
Profile Number	DDMSC-CNSn0030			

2. Assessment Results

Type	<input checked="" type="checkbox"/> Main Assessment		<input type="checkbox"/> Tracking Assessment		
Result	<input type="checkbox"/> Level AAA	<input type="checkbox"/> Level AA	<input checked="" type="checkbox"/> Level A	<input type="checkbox"/> Level B	<input type="checkbox"/> Level C

3. Assessment Scope

Materials	Tin
LME-listed Brand	JH
Types of Materials	<input checked="" type="checkbox"/> Mine materials <input type="checkbox"/> Recycled materials <input type="checkbox"/> Both
Assessment Period	<input checked="" type="checkbox"/> 12 months: 07/01/2022-06/30/2023

	<input type="checkbox"/> Less than 12 months:
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4. Summary of Assessment Results

Assessment Result	A
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Step 1: Establishing A Corporate Due Diligence System	
Develop and adopt due diligence policy.	The Company has formulated and approved the <i>Policy for Responsible Mineral Supply Chain</i> , which is in line with the requirements of the <i>Chinese Due Diligence Guidelines for Mineral Supply Chain</i> .
Structure appropriate internal management systems.	The Company has established a working group for supply chain management; and due diligence management responsibilities are signed to relevant management and employees.
Establish a system of controls and transparency over the supply chain.	The Company has established a supply chain control and transparency system to collect and understand mineral supply chain information.
Strengthen engagement with suppliers.	The Company has formulated the <i>Contract Terms of Responsible Supply Chain</i> and incorporated them into the supplier cooperation agreement. In addition, the Company also requires suppliers to sign the <i>Supply Chain Policy</i> and the <i>Responsible Mineral Supplier Code of Conduct</i> to ensure that suppliers comply with policies in consistent with the Company’s due diligence policy. The Company assisted suppliers in joint capacity building and conducted online suppliers training with the theme of “Supply Chain Policy for Responsible Mineral Sourcing” to improve their due diligence capabilities and performance level.
Establish a company level grievance mechanism and/or participate an industrial level grievance mechanism.	The Company has established and published the <i>Grievance Procedure of Responsible Mineral Supply Chain</i> to provide a channel for stakeholders to express their concerns.

Step 2: Risk Identification and Assessment	
Conduct warning signs review, and identify the scope of the risk assessment of the mineral supply chain based on the results of warning signs review.	The Company has developed <i>Procedure for Identification of Conflict Affected and High-Risk Areas (CAHRAs)</i> , conducted supplier warning signs review. The Company has implemented information verification procedure; and information has been verified through <i>Know Your Supplier (KYS) Questionnaire</i> . However, the Company needs to further strengthen its efforts in mineral supply chain traceability and risk identification measures.
When warning signs are identified, companies shall conduct an on-the-ground assessment of the corresponding supply chain.	During this assessment period, no warning signs have been identified in the Company's supply chain.
Assess risks in the supply chain.	The Company carried out tin supply chain risk assessment and completed the <i>Supply Chain Risk Assessment Form</i> .
Step 3: Risk Prevention and Mitigation	
Report risk assessment results internally.	The Company's risk assessment results can be reported to senior managers.
Develop and adopt risk management plan.	The Company has formulated and approved the <i>Risk Management Plan of Responsible Mineral Supply Chain</i> , which covers mitigation strategies and risk reduction measures to address different types of risks.
Implement risk management plan, monitor and track performance of risk mitigation strategies.	The Company has formulated a <i>Monitoring Form for the Implementation of Risk Management Plan</i> to supervise and track the implementation and effectiveness of the <i>Risk Management Plan</i> on a regular basis. During the implementation of the <i>Risk Management Plan</i> , the Company needs further strengthen communication and cooperation with relevant parties such as suppliers, peer companies and industry organizations to jointly promote tin supply chain partners to continue to improve their due diligence performance.

<p>Supplementary assessment of risks that need to be mitigated. Supplementary assessment can also be conducted after actual circumstances have changed.</p>	<p>The Company requires that, after the implementation of <i>Risk Management Plan</i>, when the actual situation or the supply chain changes, risks that need to be mitigated will be further monitored and re-assessed.</p>
<p>Step 4: Internal and External Assessment</p>	
<p>Companies should establish internal assessment system, to continuously monitor and manage due diligence performance.</p>	<p>The Company has established an internal assessment team, and carried out the internal assessment. However, further improvement is needed in terms of establishing an internal assessment system and formulating the internal assessment plan.</p>
<p>Companies should designate the second or third party to conduct assessment when applicable.</p>	<p>This assessment is the third-party independent assessment of tin supply chain due diligence management that the Company has participated in.</p>
<p>When necessary, the company at the key points (smelters/refiners) makes necessary disclosures on the assessment results.</p>	<p>The Company made commitment to release the <i>Summary Report of Supply Chain Due Diligence Assessment</i> to the public.</p>
<p>Step 5: Reporting and Communication</p>	
<p>Develop due diligence progress report</p>	<p>The Company compiled the <i>Progress Report on Supply Chain Due Diligence Management 2023</i>.</p>
<p>With due regard to business confidentiality and other competitive concerns, companies should publish due diligence progress reports or summary.</p>	<p>The Company has not yet released the <i>Progress Report on Supply Chain Due Diligence Management 2023</i>.</p>

Step 6: Provide for or Cooperate in Remediation When Appropriate	
When the company recognize that it has caused or contributed to actual adverse impacts, they should mitigate these impacts by providing for or cooperating in remediation when appropriate.	N/A
Companies provide conditions or cooperate with existing remedial mechanisms in a timely manner.	N/A