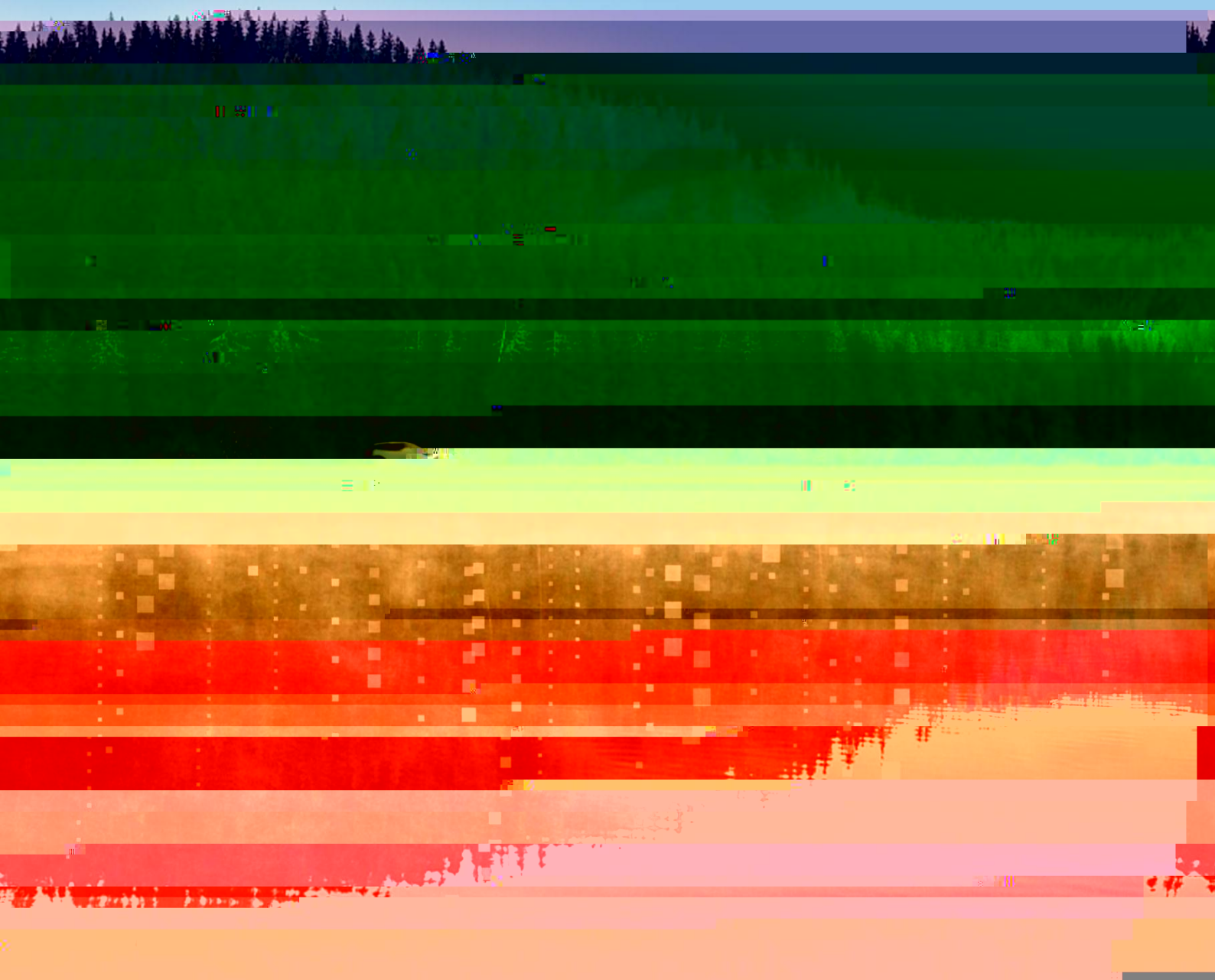




2024 Mineral Supply Chain Due Diligence Report for PT Nadesico Nickel Industry



MINERAL SUPPLY CHAIN DUE DILIGENCE

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protection and risk management related to resource extraction. In the Supplier Code of Conduct, the company has incorporated the United Nations Guiding Principles on Business and Human Rights and the Voluntary Principles on Security and Human Rights as reference standards.

Additionally, the company has formulated an ESG Policy and a Human Rights Policy, committing to respect human rights in accordance with the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights, and the provisions of the United Nations Global Compact.

Policy Links <http://www.cngrgf.com.cn/shzr.html>

4 Mineral Supply Chain Due Diligence Standards

PT Nadesico Nickel Industry adheres to the following standards for implementing mineral supply chain due diligence:

- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (3rd Edition) - referred to as the OECD Guidelines
- China's Guidelines for Responsible Mineral Supply Chain Due Diligence (2nd Edition) - referred to as the China Guidelines
- UN Guiding Principles on Business and Human Rights
- UN Voluntary Principles on Security and Human Rights
- Practical Actions for Identifying and Addressing the Worst Forms of Child Labor in Mineral Supply Chains
- All Metal Due Diligence Standards

5 Six-Step Due Diligence Framework

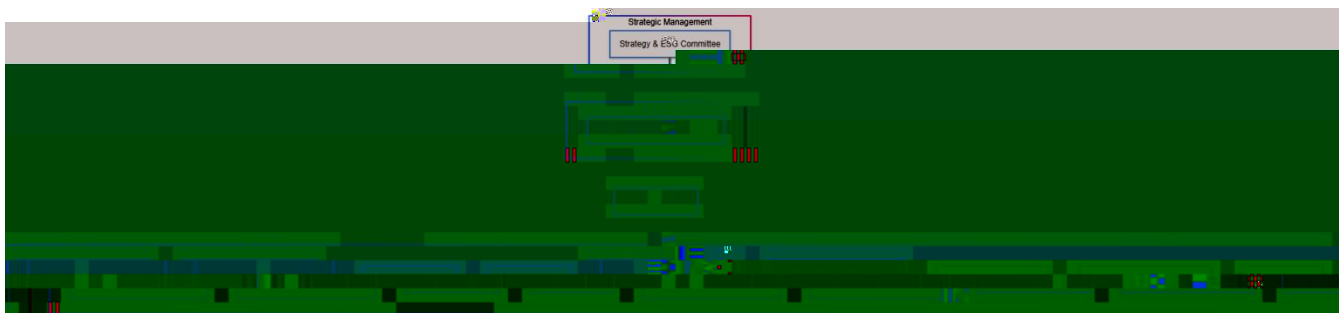
Starting from 2024, the company has implemented mineral supply chain due diligence according to the six-step framework outlined in the OECD Guidelines and the China Guidelines. The company actively communicates the due diligence requirements to suppliers, including mines and smelting plants, along its supply chain.

5.1 Establishing a Comprehensive Corporate Management System

CNGR has established a Board Strategy and ESG Committee to adapt to strategic needs and enhance the company's performance in environmental, social responsibility, and corporate governance (ESG). Under the guidance of the committee,

the Sustainability Office is responsible for implementing the company's mineral supply chain due diligence management system.

For PT Nadesico Nickel Industry, the mineral supply chain due diligence management work is carried out under the guidance of the Sustainability Office, with support and cooperation from relevant departments within NNI. The Production Operations Department, Production Management Department, Quality Department, Finance Department, Comprehensive Management Department, Emergency Management Department, and Procurement Department fully cooperate and support NNI's mineral supply chain due diligence efforts.



The company has developed relevant procedural documents for mineral supply chain due diligence management and provides training to all members of the organizational structure and other relevant personnel. At the same time, the Sustainability Office has created educational materials on due diligence management, which are distributed to members of the due diligence organizational structure to increase awareness and promote the due diligence process.

The company has established a supply chain control and transparency system for traceability management. The company collects information such as the country and region of origin of raw materials, names and addresses of upstream participants, transportation routes and methods, product names and types of minerals or metals, ownership information of direct suppliers and other known upstream companies, while avoiding cash transactions whenever possible. The company has established an internal material control system to ensure traceability throughout the entire process, from raw material entry to finished product shipment. Additionally, the company has established an inventory management system, conducting monthly inventory checks.

The company has established the Social Responsibility Complaint Management Process and manages complaints according to the requirements of this process. For the complaint channels, please refer to: <http://www.cngrgf.com.cn/shzr.html>

NNI has a mineral supply chain risk management review in the first quarter of 2024, producing a management system and its performance, providing recommendations to improve the sustainability. The Office is responsible for tracking the progress of these improvements.

The same time, the destruction of the environment or information disclosure of the host country, such as the principles and standards defined in the Extractive Industries Transparency Initiative (EITI).

All documents related to the risk management system have been in place for over ten years.

5.2 Identification and Assessment of Supply Chain Risks

Implement due diligence management for all nickel and cobalt suppliers. Regularly collect relevant information about suppliers through reliable third-party data, KYS questionnaires, mineral sourcing investigations, on-site assessments, grievance mechanisms, customer feedback, etc. In 2024, the information collection

1GH

In 2024, the nickel procurement team, along with the sustainability management team, visit

