



CoreMax Corporation

Due Diligence Policy for a Responsible Global Supply Chain

Feb. 15, 2024

Recognizing that risks of significant adverse impacts which may be associated with extracting, trading, handling and exporting minerals from high-risk areas, and recognising that CoreMax have the responsibility to respect human rights and not contribute to adverse impacts to society, CoreMax commits to adopt the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Edition 3 published by the OECD (OECD Guidance). CoreMax will widely disseminate and incorporate the following policy into contracts and/or agreements with suppliers on responsible sourcing of minerals from high-risk areas.

Scope : Responsible management of the cobalt supply chain.

Regarding serious abuses associated with the extraction, transport or trade of minerals

1. While sourcing from, or operating in high-risk areas, we will neither tolerate nor by any means profit from, contribute to, assist with or facilitate the commission by any party of:
 - A. The worst forms of child labor (hazardous work being one of the worst forms of child labor).
 - B. Any form of torture, cruelty, inhuman or degrading treatment.
 - C. Any forms of forced or compulsory labor, which means work or service which is exacted from any person under the menace of penalty and for which said person has not offered himself voluntarily.
 - D. Other gross human rights violations and abuses such as widespread sexual

violence.

- E. War crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.

Regarding risk management of serious abuses

- 2. We will immediately suspend or discontinue engagement with upstream suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party committing serious abuses as defined in paragraph 1.

Regarding direct or indirect support to non-state armed groups

- 3. We will not tolerate any direct or indirect support to non-state armed groups through the extraction, transport, trade, handling or export of minerals. “Direct or indirect support” to non-state armed groups through the extraction, transport, trade, handling or export of minerals includes, but is not limited to, procuring minerals from, making payments to or otherwise providing logistical assistance or equipment to, non-state armed groups or their affiliates who:
 - A. illegally control mine sites or otherwise control transportation routes, points where minerals are traded and upstream actors in the supply chain; and/or
 - B. illegally tax or extort money or minerals resources at points of access to mine sites, along transportation routes or at points where minerals are traded; and/or
 - C. illegally tax or extort intermediaries, export companies or international traders.

Regarding risk management of direct or indirect support to non-state armed groups

- 4. We will immediately suspend or discontinue engagement with upstream suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party providing direct or indirect support to non-state armed groups as defined in paragraph 3.

Regarding public or private security forces

5. We agree to eliminate, in accordance with paragraph 10, direct or indirect support to public or private security forces who illegally control mine sites, transportation routes and upstream actors in the supply chain; illegally tax or extort money or minerals at point of access to mine sites, along transportation routes or at points where minerals are traded; or illegally tax or extort intermediaries, export companies or international traders.
6. We recognize that the role of public or private security forces at the mine sites and/or surrounding areas and/or along transportation routes should be solely to maintain the rule of law, including safeguarding human rights, providing security to mine workers, equipment and facilities, and protecting the mine site or transportation routes from interference with legitimate extraction and trade.
7. Where we or any company in our supply chain contract public or private security forces, we commit to or we will require that such security forces will be engaged in accordance with internationally recognized standards. In particular, we will support or take steps, to adopt screening policies to ensure that individuals or units of security forces that are known to have been responsible for gross human rights abuses will not be hired.
8. We will support efforts, or take steps, to engage with central or local authorities, international organizations and civil society organizations to contribute to workable solutions on how transparency, proportionality and accountability in payments made to public security forces for the provision of security could be improved.
9. We will support efforts, or take steps, to engage with local authorities, international organizations and civil society organizations to avoid or minimize the exposure of vulnerable groups, in particular, artisanal miners where minerals in the supply chain are extracted through artisanal or small-scale mining, to adverse impacts associated with the presence of security forces, public or private, on mine sites.

Regarding risk management of public or private security forces

10. In accordance with the specific position of the company in the supply chain, we will immediately devise, adopt and implement a risk management plan with upstream suppliers and other stakeholders to prevent or mitigate the risk of direct or indirect support to public or private security forces, as identified in paragraph 5, where we identify that such a reasonable risk exists. In such cases, we will suspend or discontinue engagement with upstream suppliers after failed attempts at mitigation within six months from the adoption of the risk management plan. Where we identify a reasonable risk of activities inconsistent with paragraphs 8 and 9, we will respond in the same vein.

Regarding bribery and fraudulent misrepresentation of the origin of minerals

11. We will not offer directly or indirectly, promise, give or demand any bribes, and will resist the solicitation of bribes to conceal or disguise the origin of minerals, to misrepresent taxes, fees and royalties paid to governments for the purposes of mineral extraction, trade, handling, transport and export, or failing to follow relevant international standards and conventions for anticorruption.

Regarding money laundering

12. We will support efforts, or take steps, to contribute to the effective elimination of money laundering where we identify a reasonable risk of money-laundering resulting from, or connected to, the extraction, trade, handling, transport or export of minerals derived from the illegal taxation or extortion of minerals at points of access to mine sites, along transportation routes or at points where minerals are traded by upstream suppliers.

Regarding the payment of taxes, fees and royalties due to governments

13. We will ensure that all taxes, fees, and royalties related to mineral extraction, trade and export from high-risk areas are paid to governments and, in accordance with the company's position in the supply chain, we commit to disclose such payments in accordance with internationally recognized

transparency standards.

Regarding risk management of bribery and fraudulent misrepresentation of the origin of minerals, money-laundering and payment of taxes, fees and royalties to governments

14. In accordance with the specific position of the company in the supply chain, we commit to engage with suppliers, central or local governmental authorities, international organizations, civil society and affected third parties, as appropriate, to improve and track performance with a view to preventing or mitigating risks of adverse impacts through measureable steps taken in reasonable timescales. We will suspend or discontinue engagement with upstream suppliers after failed attempts at mitigation of 6 months.

Regarding occupational health and safety

15. While sourcing from, or operating in high-risk areas, we will not profit from, assist with, or facilitate or source from, or be linked to, any party providing life threatening occupational health and safety conditions to direct and / or indirect employees and / or any person present on the party's operations.

Regarding risk management of occupational health and safety

16. We will immediately suspend or discontinue engagement with upstream suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party providing life threatening occupational health and safety conditions as defined in paragraph 15.

Regarding child labor

17. While sourcing from, or operating in high-risk areas, we will not employ, profit from, assist with, or facilitate, or source from, or be linked to, any party employing, profiting from, assisting with, or facilitating the employment of children under the minimum working age which is legally prescribed by the host country laws and regulations. If there is no relevant host country law or

regulation, the minimum working age shall be 16 years.

Regarding risk management of child labor

18. We will immediately suspend or discontinue engagement with upstream suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party employing children as defined in paragraph 17.

CoreMax Corporation



Jim C. Ho

Chairman & CEO