



Mineral Supply Chain Due Diligence Assessment

Summary Report

Assessed Party	Zijin Copper Co., Ltd				
Assessment Date	08/02/2023-08/04/2023				
Assessed Material	Copper				
LME-listed Brand	ZIJIN				
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 Quality Mark Certification Group Co.,Ltd.				
Assessor	Yang Jing, Wei Zongping				

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	Zijin Copper Co., Ltd			
Refinery Name	Zijin Copper Co., Ltd			
Location	Province/ municipality	Fujian China	Province, City	Longyan City
Profile Number	DDMSC-CNCu0005			

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	Copper
LME-listed Brand	ZIJIN
Types of Materials	<input type="checkbox"/> Mine materials <input type="checkbox"/> Recycled materials <input checked="" type="checkbox"/> Both
Assessment Period	<input checked="" type="checkbox"/> 12 months: 06/01/2022-05/31/2023

	<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 the <i>Policy of Mineral Supply Chain Due Diligence</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 leading group for the establishment of responsible supply chain system, which clarifies the management structure and processes, as well as the relevant responsibilities of each department. The Company conducted training for management and business personnel related to the supply chain due diligence management system ensure that relevant employees fully understand the Company's supply chain due diligence management policy requirements and enhance their awareness of due diligence.
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 the traceability information of mineral supply chain.
Strengthen engagement with suppliers.	The Company requires suppliers to sign the <i>Commitment Letter to Comply with Mineral Supply Chain Due Diligence Policy</i> to ensure that suppliers comply with policies consistent with the Company's due diligence policies. The Company provides online training to domestic and foreign suppliers to explain the Company's supply chain due diligence policies and relevant standard requirements to enhance suppliers' due diligence awareness and performance.
Establish a company level grievance	The Company has formulated the <i>Grievance Mechanism of Responsible Supply Chain Management</i> ,

mechanism and/or participate an industrial level grievance mechanism.	which has been released to the public.
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 the <i>Procedure for Identification of Conflict Affected and High-Risk Areas (CAHRAs)</i> , to identify warning signs in the supply chain. The Company has formulated and implemented information verification procedure. However, the Company needs to further strengthen its efforts to collect traceability information of its mineral supply chain.
When warning signs are identified, companies shall conduct an on-the-ground assessment of the corresponding supply chain.	Through the review process, warning signs are identified in its supply chain. The Company has formulated an on-site assessment plan and established an on-site assessment team to conduct on-site assessment. However, due to limited accessibility of some suppliers and their support, the Company was unable to fully complete on-site assessments of all suppliers that triggered the warning signs, but the Company expressed its willingness to participate in collective on-site assessments at the industry level and promote the implementation of industrial on-site assessments.
Assess risks in the supply chain.	The Company conducted a supply chain risk assessment and compiled the <i>Risk Identification and Assessment Record Form</i> , However, the assessment scope is incomplete.
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 developed a <i>Risk Management Plan</i> based on risk levels and approved by the leading group of due diligence management.
Implement risk management plan, monitor and track performance of risk mitigation strategies.	The Company has implemented the <i>Risk Management Plan</i> and communicated it with suppliers. However, the Company needs to further strengthen the cooperation with suppliers, industry organizations and other relevant parties in the implementation, supervision and performance tracking of the <i>Risk Management</i>

	<i>Plan</i> , to leverage the industry influence.
Supplementary assessment of risks that need to be mitigated. Supplementary assessment can also be conducted after actual circumstances have changed.	The Company clearly requires the implementation of the <i>Risk Management Plan</i> in its due diligence policy. And if the actual situation or the supply chain changes, continuous monitoring and additional assessment shall be conducted for risks that need to be mitigated.
Step 4: Internal and External Assessment	
Companies should establish internal assessment system, to continuously monitor and manage due diligence performance.	The Company has formulated an internal assessment plan, established an internal assessment team and conducted internal assessment. An internal assessment report has been compiled, and the due diligence performance has been continuously tracked and improved.
Companies should designate the second or third party to conduct assessment when applicable.	This assessment is the first third-party assessment of copper supply chain due diligence management that the Company has participated in.
When necessary, the company at the key points (smelters/refiners) makes necessary disclosures on the assessment results.	The Company made commitment to release the <i>Summary Report of Supply Chain Due Diligence Assessment</i> to the public.
Step 5: Reporting and Communication	
Develop due diligence progress report	The Company compiled the <i>Progress Report on Due Diligence Management of Mineral Supply Chain</i> .
With due regard to business confidentiality and other competitive concerns, companies	The Company released the <i>Progress Report on Due Diligence Management of Mineral Supply Chain</i> to the public. Link: http://www.zijinty.com/newsshow/286.html

<p>should publish due diligence progress reports or summary.</p>	
<p>Step 6: Provide for or Cooperate in Remediation When Appropriate</p>	
<p>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.</p>	<p>N/A</p>
<p>Companies provide conditions or cooperate with existing remedial mechanisms in a timely manner.</p>	<p>N/A</p>