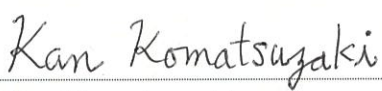


JX Metals LPPM Responsible Platinum and Palladium Guidance Compliance Report

The LPPM Responsible Platinum and Palladium Guidance has been established for Good Delivery Refiners to adopt high standards of due diligence in order to combat systematic or widespread abuses of human rights, to avoid contributing to conflict, to comply with high standards of anti-money laundering and combating terrorist financing practice.

This report summarizes how JX Nippon Mining & Metals Corporation (hereinafter referred to as JX Metals) has complied with the requirements of the LPPM Responsible Platinum and Palladium Guidance.

Table 1: Refiner's details	
Refiner's name	JX Nippon Mining & Metals Corporation.
Location	13F Okura Prestige Tower 10-4 Toranomom 2-chome Minato-ku, Tokyo, Japan
Reporting period	From April 1, 2021 to September 30, 2021
Date of Report	November 26, 2021
Senior management responsible for this report	 Kan Komatsuzaki Executive Officer

JX Metals' evaluation

Table 2: Summary of activities undertaken to demonstrate compliance
Step 1: Establish strong company management systems
Compliance Statement with Requirement:
We have fully complied with Step 1: Establish strong management systems.
JX Metals has adopted a policy regarding due diligence for supply chains of platinum

and palladium.
<p>Comments and Demonstration of Compliance:</p> <p>In April 2021, we established our Silver, Platinum, and Palladium Supply Chain Policy by revising the existing Silver Supply Chain Policy. The policy is consistent with the model set out in the Annex II of the OECD Due Diligence Guidance, and we have implemented it since April 2021. This Policy sets out our responsibility to respect human rights, environment and sustainability, and not to contribute to conflict, and our commitment to refraining from any action which contributes to the financing of conflict.</p>
JX Metals has set up an internal management structure to support supply chain due diligence.
<p>Comments and Demonstration of Compliance:</p> <p>JX Metals established and started implementing an internal management system in April 2021 to support supply chain due diligence, which includes the definition of the governance, roles and responsibilities, internal audit, communication and senior management review as per the adopted policy. The compliance officer has been assigned to manage the process, and has a direct line of reporting to senior management.</p>
JX Metals has established an internal system of due diligence, controls and transparency over the platinum and palladium supply chain, including traceability and identification of other supply chain actors.
<p>Comments and Demonstration of Compliance:</p> <p>JX Metals has a platinum and palladium-bearing materials receipt process. Specific documents must be received and transactional details entered before we process the platinum and palladium-bearing material. Each lot received is accurately registered in our transactional system.</p>
JX Metals has strengthened company engagement with platinum and palladium supplying counterparties, and where possible, assisted platinum and palladium supplying counterparties in building due diligence capabilities.
<p>Comments and Demonstration of Compliance:</p> <p>We sent our Silver, Platinum, and Palladium Supply Chain Policy and the JX Nippon Mining & Metals Group's Basic Procurement Policy to our platinum and palladium supplying counterparties to encourage them to understand those policies. We use a register to record when, to whom and how we sent our policies.</p>
JX Metals has established an internal and external communication mechanism.
<p>Comments and Demonstration of Compliance:</p> <p>In April 2021, JX Metals extended the existing grievance mechanism to allow</p>

employees and external stakeholders to voice concerns anonymously over the platinum and palladium supply chain or a newly identified risk. A functional hot-line is established, which is reviewed by the compliance officer. There was no concern raised regarding the platinum and palladium supply chain in the reporting period.
Step 2: Identify and assess risks in the supply chain
Compliance Statement with Requirement: We have fully complied with Step 2: Identify and assess risks in the supply chain.
JX Metals has a process to identify risks in the supply chain.
Comments and Demonstration of Compliance: JX Metals identifies and assesses risks in the supply chain. For every supplier, we have established a client database, and we assess risks (including those associated with environmental pollution, health and safety issues, and labor rights violations, among other things) thereof based on information provided by reliable, independent data providers, where available, and government sanctions lists together with a KYC questionnaire and/or investigation at a supplier's site, where appropriate. This process is now a formal requirement before entering any business relationship with a platinum and palladium supplying counterparty. In addition to this, the JX Nippon Mining & Metals Group, to which JX Metals belongs, has implemented a program for eliminating associations with antisocial forces from fiscal 2014, where we screen suppliers using an external database. JX Metals has established a process for the identification of Conflict Affected and High-Risk Areas (hereinafter referred to as "CHARAs"). We shall review the list at least once a year and make changes to it as necessary. The Compliance Officer is responsible for keeping the CAHRAs list up-to-date and accessible to anyone involved in our platinum and palladium raw material supply chain Due Diligence. We include in the definition of CAHRAs the Democratic Republic of the Congo (hereinafter referred to as "DRC"), neighboring countries of DRC, and countries where minerals from DRC or its neighboring countries are known or reasonably suspected to transit. We also include in the definition of CAHRAs those countries whose intensity level is 5 according to the Heidelberg Conflict Barometer and other counties that we deem appropriate to identify as CAHRAs based on publicly available information sources.
JX Metals assesses risks in light of the standards of their due diligence system.
Comments and Demonstration of Compliance: Supply chain due diligence comprising all measures required by the LPPM Responsible Platinum and Palladium Guidance shall be performed before entering a business relationship with any platinum and palladium supplying counterpart. Since

there was no transaction determined high-risk in the reporting period, we did not perform enhanced due diligence for higher-risk categories. We conduct appropriate scrutiny and monitoring of transactions undertaken through the course of the relationship following a risk based approach.
JX Metals reports risk assessment to senior management.
<p>Comments and Demonstration of Compliance:</p> <p>The Compliance officer reported to senior management the outcome of supply chain due diligence for the current fiscal year ending March 31, 2022 based on the internal audit report etc. in March 2022. Senior management must approve all new suppliers classified as high risk, but no supplier classified as high risk was identified in the reporting period. Senior management retains the ultimate control and responsibility for the platinum and palladium supply chain.</p>
Step 3: Design and implement a management system to respond to identified risks
<p>Compliance Statement with Requirement:</p> <p>We have fully complied with Step 3: Design and implement a management system to respond to identified risks.</p>
JX Metals has devised a strategy for risk management of an identified risk by either (i) mitigation of the risk while continuing to trade, (ii) mitigation of the risk while suspending trade or (iii) disengagement from the risk.
<p>Comments and Demonstration of Compliance:</p> <p>JX Metals devised a strategy to respond to the identified risk.</p>
Where a management strategy of risk mitigation is undertaken, it should include measurable steps to be taken and achieved, monitoring of performance, periodic reassessment of risk and regular reporting to designated senior management.
<p>Comments and Demonstration of Compliance:</p> <p>No reasonable risk of our involvement in money laundering, terrorist financing, conflict, human rights abuses or violations of environmental or other sustainability-related legal requirements was identified in our due diligence conducted in the reporting period.</p>
Step 4: Arrange for an independent third-party audit of the supply chain due diligence
<p>Compliance Statement with Requirement:</p> <p>We have fully complied with Step 4: Arrange for an independent third-party audit of the supply chain due diligence.</p>
<p>Comments and Demonstration of Compliance:</p> <p>JX Metals engaged the services of the assurance provider KPMG AZSA Sustainability Co., Ltd., and their independent assurance report is attached.</p>
Step 5: Report on supply chain due diligence

Compliance Statement with Requirement:
We have fully complied with Step 5: Report on supply chain due diligence.
Our Silver, Platinum, and Palladium Supply Chain Policy is available on JX Metals' website, and our Compliance Report with the independent assurance report is available on JX Metals' website. (https://www.nmm.jx-group.co.jp/english/sustainability/csr_procurement/conflict_minerals/)

JX Metals' overall conclusion

Table 3: Management conclusion
Is the Refiner in compliance with the requirements of the LPPM Responsible Platinum and Palladium Guidance for the reporting period?
Yes
In conclusion, JX Metals implemented effective management systems, procedures, processes and practices to conform to the requirements of the LPPM Responsible Platinum and Palladium Guidance, as explained above in Table 2, for the reporting period from April 1, 2021 to September 30, 2021. JX Metals is committed to continuous improvement, and any corrective actions identified will be monitored internally on a regular basis.
Table 4: Other report comments
If users of this report wish to provide any feedback to JX Metals with respect to this report, they can send an e-mail to the functional mail box: conflict_minerals@jxgr.com