

Jiangxi Copper Company Limited
Multi-metal Combined RGG and RSG
Compliance Report
(Year 2024)

Jiangxi Copper Company Limited

26th March 2025

Introduction

Jiangxi Copper Company Limited (hereinafter referred to as "Jiangxi Copper", "the Company", or "We") is currently China's largest producer of copper cathode. Jiangxi Copper's self-sufficiency rate for copper concentrate is the highest in China, and Jiangxi Copper is also the largest and most modernized copper production and processing base in China, as well as the country's major production base of sulphide chemicals and precious metals such as gold, silver, selenium, tellurium, and rhenium.. Jiangxi Copper was listed in Hong Kong Stock Exchange in 1997 (hereinafter referred to as "HKEx") and then Shanghai Stock Exchange (hereinafter referred to as "SSE") in 2002.

Jiangxi Copper has been a Good Delivery Refiner of both silver and gold after obtaining silver and gold delivery certificates from London Bullion Market Association (hereinafter referred to as "LBMA") on 21st April 2004 and 30th September, 2005, respectively. Our gold and silver products are also registered in Shanghai Gold Exchange and Shanghai Futures Exchange, respectively, as qualified commodities.

According to the requirements under LBMA Responsible Gold Guidance (hereinafter referred to as "LBMA RGG") and LBMA Responsible Silver Guidance (hereinafter referred to as "LBMA RSG") issued by LBMA, Refiners should implement a strict due diligence on its suppliers in order to combat systematic or widespread abuses of human rights, to avoid contributing to conflict and to comply with high standards of anti-money laundering, to combat terrorist financing practices and to avoid non-compliance against environment, social and governance requirements. Jiangxi Copper compiles management policies regarding gold and silver supply chain due diligence and carries out the due diligence on gold and silver suppliers accordingly.

This report is a compliance report of Jiangxi Copper that summarises responsible gold and silver due diligence work of the year and how the LBMA RGG, LBMA RSG and the Forced Labour compliance requirements were followed throughout the year ended 31st December 2024.

PART A. REFINER'S DETAILS

Table 1.

Refiner's Name:	Jiangxi Copper Company Limited
Location:	15 Yejin Avenue, Guixi City, Jiangxi Province, P.R. China
Reporting period:	1 st January 2024 to 31 st December 2024
Date of Report:	26 th March 2025
Senior Management Responsible for this Report:	Name: Zhao, Xiang min Title: General Manager of Planning and Production Management

PART B. SUMMARY OF ACTIVITIES UNDERTAKEN DURING THE PERIOD TO DEMONSTRATE LBMA RGG and LBMA RSG COMPLIANCE

Table 2.

STEP 1: COMPANY MANAGEMENT SYSTEMS
<ul style="list-style-type: none"> We have fully complied with the requirement of Step 1: Establish strong company management systems.
1.1 Has the Refiner adopted a supply chain policy regarding due diligence for supply chains of gold and silver?
<p>Jiangxi Copper is listed in both HKEx as H-share (stock code: 00358.HK) and SSE as A-share (stock code: 600362.SH). Therefore, Jiangxi Copper is asked to comply with the regulatory requirements of internal control for the listed company (HKEx: PN21, Main Board Listing Rules, Appendix 27 Environment, Social and Governance Reporting Guide and SSE: Basic Standard for Enterprise Internal Control and its implementation guidelines).</p> <p>According to the latest requirements of the LBMA RGG, LBMA RSG and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (hereinafter referred to as "OECD Due Diligence Guidance"), we issued the Gold and Silver Supply Chain Due Diligence Management Policy (hereinafter referred to as "Due Diligence Management Policy").</p> <p>Additionally, the Gold and Silver Supply Chain Due Diligence Flow Chart, the template of LBMA Questionnaire, LBMA Due Diligence Checklist, LBMA Supplier Assessment Form, LBMA Supply Chain Supplementary Assessment Form and Supplier Responsible Gold (Silver) Commitment Letter were added to the Due Diligence Management Policy as attachments.</p> <p>The Company reviews the Due Diligence Management Policy annually and updates as and when circumstances require. In 2022, the Leader of Compliance Committee approved the updated policy, which in line with new requirements of LBMA Responsible Gold Guidance (Version 9), built upon Version 8 of the LBMA RGG and marked a major strategic expansion to include Environment, Social</p>

and Governance ("ESG") issues and etc. The Company updated the Due Diligence Management Policy in 2024, which is in line with new requirements of LBMA Responsible Silver Guidance (Version 2).

The policy has been made public on the Company's official website in English (<http://www.jxcc.com/content/0b573ba0c8e7407b88fe9ca5731849eb.html?type=2&columnId=1c3946068271400e893da15a83f9d13c>).

1.2 Has the Refiner set up an internal management structure to support supply chain due diligence?

Per appointment by the board, Jiangxi Copper set up the Responsible Gold and Silver Supply Chain Compliance Committee (hereinafter referred to as "Compliance Committee") with the General Manager of Planning and Production Management as Leader of Compliance Committee, the Deputy general manager of Planning and Production Management as Director and Deputy Leader of Compliance Committee, and the related staffs from Planning and Production Management Department, Trade Division, Legal Affairs & Risk Control Department as members of the committee. Mr. Zhao, Xiang min was appointed as the Leader of Compliance Committee, and the Director and Deputy Leader is Mr. Zhang, Bo. All the parties above have solid experience in supply chain management and receive regular trainings arranged by the Company.

The Planning and Production Management Department is responsible for arranging gold and silver supply chain due diligence training. The training could be delivered via unified training, internal newsletter, Office Automation System, and exhibition publicity so that related employees can have a comprehensive understanding of the LBMA RGG, LBMA RSG and the Company 's policies.

In February 2024, a unified training regarding gold and silver supply chain due diligence was held, which covered laws, regulation and guidance related to conflict minerals, such as LBMA Responsible Gold Guidance Version 9, LBMA Responsible Silver Guidance Version 2, OECD Due Diligence Guidance and LBMA disclosure requirements. All 20 attendees signed in and the training contents were recorded and documented.

The transactions of the Company are all paid through bank transfer, cash-based transaction is not allowed.

1.3 Has the Refiner established a traceability system over gold and silver supply chains, including chain of custody mapping and identification of supply chain actors?

The Due Diligence Management Policy, in line with the LBMA RGG V9, provides definition of origins of different precious metal materials. The Company identifies all counterparties and determines the sources of precious metal materials through the information collected in due diligence process and contracts, customs declarations, waybills, and other transaction documents.

The good receipt list could be generated from ERP system, which records different batches of materials, including supplier name, types of precious metal materials, date, and number of purchase

<p>order. The Company also keeps track on origin of precious metal materials and the route of transportation per PO.</p> <p>As required by the Due Diligence Management Policy, all transaction records will be kept for 5 years, including hard and soft copies.</p>
<p>1.4 Has the Refiner strengthened company engagement with gold and silver supplying counterparties, and, where possible, assisted gold and silver supplying counterparties in building due diligence capabilities?</p>
<p>Following the requirement of the LBMA RGG Version 9, LBMA RSG and the Appendix II of OECD Due Diligence Guidance, we drafted the Supplier Responsible Gold (Silver) Commitment Letter. Trade Division of Jiangxi Copper is responsible for communicating with stakeholders regarding compliance with LBMA RGG, LBMA RSG and Due Diligence Management Policy issued by Jiangxi Copper. Through the communication, we updated the stakeholders with the latest responsible gold and silver requirements of LBMA timely and encourage them to follow the relevant policies and procedures. Prior to the engagement, suppliers are required to sign the Supplier Responsible Gold (Silver) Commitment Letter to ensure that the suppliers acknowledge and will comply with the LBMA RGG, LBMA RSG and understand Jiangxi Copper's policies on gold and silver supply chain and related requirements, so that risks during the cooperation can be reduced.</p> <p>All the recycled gold and recycled silver suppliers have signed the Supplier Responsible Gold (Silver) Commitment Letters in 2024.</p> <p>Jiangxi Copper supports EITI related initiatives though no precious metals were sourced from enterprises in EITI member countries during the reporting period.</p>
<p>1.5 Has the Refiner established a company-wide confidential grievance mechanism?</p>
<p>Jiangxi Copper has implemented a company-wide confidential grievance mechanism. In the Due Diligence Management Policy of Jiangxi Copper, the grievance mechanism is clearly stated for both internal staff and external suppliers. Any staff who raises concerns related to policies or identifies the wrongdoings can anonymously contact the responsible person Mr. Zhang, Bo. The company encourages anonymous grievances. Leader of Compliance Committee will review and feedback the independent investigation results to staff and stakeholders.</p> <p>During the reporting year there was no grievances received regarding our supply chain.</p>
<p>STEP 2: RISK IDENTIFICATION AND ASSESSMENT</p>
<ul style="list-style-type: none"> • We have fully complied with requirement of Step 2: Identify and assess risks in the supply chain.
<p>2.1 Does the Refiner have a due diligence process to identify risks in the supply chain?</p>

The main sources of Jiangxi Copper's gold and silver products include the gold and silver by-products generated during copper smelting, and recasts from purchased recycled gold and recycled silver bullion.

We have implemented the due diligence for the purchased recycled gold and recycled silver suppliers in 2024.

Prior to the establishment of business relationship, Trade Division is responsible for collecting information and supplement documents. Trade Division sends LBMA Questionnaire – Mined Material or LBMA Questionnaire – Recycled Material to the suppliers based on type of materials (mined material or recycled material) the supplier intends to provide, to collect relevant information and documentations including supplier's basic information, business activities, beneficial owner(s), management structure, financial details, human resource, gold and silver origin, facilities, and gold and silver supply chain policy, etc. After that, the collected information will be checked based on LBMA Due Diligence Checklist – Mined Material or LBMA Due Diligence Checklist – Recycled Material.

According to the feedback from the questionnaires and supplement documentations, Trade Division checks whether the supplier is involved in any potential risk events in light of the LBMA RGG, LBMA RSG, company policies and other considerations.

2.2 How does the Refiner classify identified risks in light of the standards of its due diligence system?

The risk assessment of responsible gold and silver supply chain of Jiangxi Copper consists of three aspects: location risks, supplier risks and material risks.

The location risks identification includes determination of the origin and general transportation of the gold-bearing and silver-bearing material and verification whether any international sanctions, conflict zones and World Heritage Site are involved. The supplier risks identification includes determination of the counterparty, and its affiliated company and verification on whether any suspicious transaction, money launderers, fraudsters or terrorists are involved. The material risks identification is different for mined and recycled materials. For example, whether the route of gold-bearing and silver-bearing material output, transit or transaction transport passes through areas of worldwide conflict or high-risk violations of human rights should be considered.

The Company determines zero tolerance and high-risk indicators according to the requirements of the LBMA RGG V9. If evidence obtained from the risk identification and assessment is not sufficient to exclude the presence or potential possibility of a supplier with high risk, an enhanced due diligence (EDD) will be triggered.

For the year ended 31st December 2024, we completed the information collection, risk identification, and risk assessment for all recycled gold and recycled silver suppliers. The results of the risk assessment were recorded in LBMA Supply Chain Assessment Forms, which includes the supporting documents of the assessments, the comments, and dates of approval. In 2024, all the recycled gold and recycled silver suppliers were identified as low risk.

2.3 Has the Refiner undertaken EDD measures for identified high-risk supply chains?
<p>Where EDD is triggered, the Company undertakes an on-site visit at the location of the gold or silver origin, for example mine sites for Mined Gold (Silver) and the counterparty office for Recycled Gold (Silver). Business engagement and transactions are not allowed if EDD remains unclosed. On-site Visit Reports for Mined material and Recycled material are adopted. For gold and silver sourced indirectly from high-risk intermediate Refiners, the audited due diligence practices will be referred, and the Company applies risk management strategies accordingly. As part of EDD, the site visit will be performed by capable refinery staff. Third party supplier will be engaged when necessary. As required by the policy, on-site visit should take place before the transaction with suppliers or at least within six months after the transaction.</p> <p>No high-risk suppliers were identified in 2024, and as such no EDD was triggered.</p> <p>For the year ended 31st December 2024, we completed the risk identifications and risk assessments of all existing recycled gold and recycled silver suppliers that we engaged. All existing suppliers in 2024 are low risk suppliers thus new orders for gold and silver materials are allowed to be placed.</p>
STEP 3: RISK MANAGEMENT
<ul style="list-style-type: none"> • We have fully complied with step 3: Design and implement strategy to respond to identified risks.
3.1 Does the Refiner have a process to respond to the identified risks by either (i) mitigating the risk while continuing to trade, (ii) mitigating the risk while suspending trade or (iii) disengagement from the risk?
<p>According to the result of risk assessment, the suppliers are classified as four levels: low risk, medium risk, high risk and zero tolerance. The Company adopts various risk management strategies for suppliers at different risk levels.</p> <p>For high-risk existing suppliers, orders prepared to be shipped will be suspended and shipped goods should be returned. Gold and silver materials purchased should be stored separately from other received goods. Improvement plan with measurable indicators is required and re-assessment is to be conducted to evaluate non-compliance level. The re-assessment shall be conducted within 180 days from the date of the preliminary assessment. If the non-compliance disappears, cooperation can be continued, and the supplier can be temporarily classified as a medium risk.</p> <p>For zero tolerance suppliers and high-risk new suppliers, any further engagement is not acceptable.</p> <p>The Company regularly reports the results of monitoring and assessment of zero tolerance and high-risk suppliers to the Board Committee and LBMA.</p>
STEP 4: INDEPENDENT THIRD-PARTY ASSURANCE
<ul style="list-style-type: none"> • We have fully complied with Step 4: Carry out independent third-party audit of Refiner's due diligence practices.

<p>With the approval of the Board, we have entered into a service agreement with Deloitte Touche Tohmatsu Certified Public Accountants LLP (hereinafter referred to as "Deloitte") to carry out an independent third-party assurance on our compliance practices adhered to the LBMA RGG and LBMA RSG.</p> <p>Deloitte performed an independent third-party assurance engagement for Jiangxi Copper Company Limited Multi-metal RGG and RSG Compliance Report in accordance with International Standard in Assurance Engagements Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000). Deloitte and we agreed that a reasonable assurance is to be applied to year 2024. The Independent Assurance Report, the Management Report, and LBMA RGG V9 COO Data Collection Form can be found in attached documents.</p> <p>The assurance report and compliance report are available to the public on the Company's official website(http://www.jxcc.com/content/f46537c73e734db185f2a3de3debbcf6.html?type=2&columnId=1c3946068271400e893da15a83f9d13c).</p>
<p>STEP 5: REPORT ON SUPPLY CHAIN DUE DILIGENCE</p>
<ul style="list-style-type: none"> • We have complied with Step 5: Report on supply chain due diligence
<p>We have issued Jiangxi Copper Company Limited Multi-Metal Combined RGG and RSG Compliance Report in accordance with the LBMA RGG and LBMA RSG to disclose our supply chain due diligence performance for the year ended 31st December 2024.</p>

PART C. SUMMARY OF ACTIVITIES UNDERTAKEN DURING THE PERIOD TO DEMONSTRATE FORCED LABOUR COMPLIANCE

Table 3.

<p>Has the Refiner designed and implemented policies and procedures to ensure that raw material was not produced with Forced Labour in both facilities and supply chain of Jiangxi Copper?</p>
<p>According to the requirements under LBMA RGG and LBMA RSG, Refiners should implement a strict due diligence on its suppliers in order to combat systematic or widespread abuses of human rights, to avoid contributing to conflict and to comply with high standards of anti-money laundering, to combat terrorist financing practices and to avoid non-compliance against environment, social and governance requirements. Jiangxi Copper compiles management policies regarding gold and silver supply chain due diligence and carries out the due diligence on gold and silver suppliers accordingly. In 2024, all the recycled gold and recycled silver suppliers were identified as low risk.</p> <p>When engaging with counterparties, policy commitment in contractual agreement is included. Trade Division of Jiangxi Copper is responsible for communicating with stakeholders regarding compliance with LBMA RGG, LBMA RSG and Due Diligence Management Policy issued by Jiangxi Copper. Prior to the engagement, suppliers are required to sign the Supplier Responsible Gold (Silver) Commitment Letter to ensure that the suppliers acknowledge and will comply with the LBMA RGG, LBMA RSG and understand Jiangxi Copper's policies and related requirements, including no human rights abuse in</p>

supply chain. All the recycled gold and recycled silver suppliers have signed the Supplier Responsible Gold (Silver) Commitment Letters in 2024.

Human Resources Department of Jiangxi Copper is responsible for the personnel management and Forced Labour compliance of the whole company. The Company has released comprehensive human resources management policies to cover hiring and dismissal, compensation and benefits, employee subsidies etc., which are applicable to all employees in the Company. In addition, the Company brings the workplace and living environment into the scope of human resource management to Protect employees' rights and interests.

The Company encourages internal and external stakeholders to make anonymous grievance on human resource management matters. In 2024, there were no disputes related to human resource management, and no complaints or grievance arising related to Forced Labour.

PART D. MANAGEMENT CONCLUSION

Table 4.

Is the Refiner in compliance with the requirements of the LBMA Responsible Gold Guidance, LBMA Silver Guidance and LBMA Forced Labour compliance requirements for the reporting period?

For the year ended 31st December 2024, we followed the established management system of supply chain process and controls, and implemented Due Diligence Management Policy. We also collected the information of due diligence, identified, and assessed risk in supply chain, designed the risk control measures, arranged for an independent third-party audit of supply chain due diligence, and compiled a report on supply chain due diligence during 2024. Therefore, we have fully complied with the LBMA RGG, LBMA RSG and the LBMA Forced Labour compliance requirements.

In the next phase of work, we are committed to continuous improvement on the basis of current gold and silver supply chain due diligence system and aim to combine the responsible gold and silver supply chain process with our existing supply chain process more effectively.