
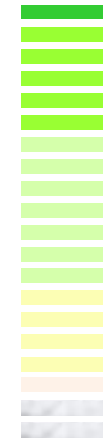


INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

| GENERAL INFORMATION | |
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| Company details | <p>Malaysia Smelting Corporation Berhad (MSC) Butterworth, Malaysia, 27, Jalan Pantai, Taman Selat, 12000 Butterworth, Penang, Malaysia</p>  |
| Date of this report | October 2020 (Published September 2021) |
| Date of previous report | October 2018 |
| Report author(s) | Independent External Assessor Supply Chain Standards Manager, International Tin Association Ltd |
| Report verified by | Chief Operation Officer – Mr Raveentiran Krishnan |
| Contact information | coc@internationaltin.org |
| About our company | <p>The Malaysia Smelting Corporation Berhad (MSC) has operated as a tin smelting and refining company since 1887 and is currently a subsidiary of The Straits Trading Company Limited ('STC') of Singapore. It is one of the world's largest integrated producers of tin metal and tin based products specialising in custom tin smelting. Around 85% of its feed is medium grade tin concentrates and complex tin bearing materials sourced from more than 20 countries worldwide including from Australia, Bolivia, Brazil, Mongolia, United Kingdom, Portugal and Russia. The company is currently in the process of relocating from its historic smelting facility in Butterworth to Port Klang and moving to top submerged lance smelting technology which will improve efficiency and increase capacity. MSC is registered on the London Metal Exchange (LME) under the brand 'MALAYSIA SMELTING CORPORATION'. The company's Butterworth smelter was the first tin smelter to be accredited with ISO 9002, a 'Model for quality assurance in production, installation and servicing.'</p> |
| Significant changes from previous report | <p>This second Code report demonstrates progressive developments in MSC's company performance. Since the last report, various improvements have also been made by the company, notably including:</p> <ul style="list-style-type: none"> Some improvement in management of non-hazardous and inert waste (2.1) Engagement of an independent third party to monitor air quality performance (2.5) Evidence of energy consumption and energy saving measures now being independently monitored by a third party (2.7) New systematic approach for follow up of reported health and safety incidents (3.4) |



Visual Progress Guide



INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

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| | <p>Further leadership in engaging artisanal and small-scale miners (ASM) through joint work with ITA to develop simple guidance on improved environmental and social practices (8.1 to 8.8) Formalising a supplier appraisal process for major suppliers of secondary materials (8.9) and goods and services (8.10)</p> <p>MSC are now more familiar with the process and requirements of Code reporting and have progressed in documenting supporting evidence. MSC has also demonstrated wide improvement in “training” vital to conform with the Code. This was mostly due to the fact that having previously reported the on the Code, MSC are now more knowledgeable on providing hard and soft skills and evidencing how employees are prepared to meet the Code requirements in carrying out their roles (4.9, 5.4, 6.11, 7.4).</p> |
| Further information and references | <ol style="list-style-type: none">1. Control of Industrial Major Accident Hazards Regulations (CIMAH)2. Annual reports 2019 https://ir.chartnexus.com/msmelt/annual-report.php |



INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

Contents

| | |
|--|----|
| PRINCIPLE 1: Maintain legal compliance and develop sound policies to improve practices | 4 |
| PRINCIPLE 2: Seek continual improvement of environmental performance | 6 |
| PRINCIPLE 3: Seek continual improvement of health and safety performance | 8 |
| PRINCIPLE 4: Seek continual improvement in labour practices..... | 9 |
| PRINCIPLE 5: Engage with stakeholders using a participatory approach | 11 |
| PRINCIPLE 6: Manage negative impacts on, and contribute to development of, local communities and indigenous peoples..... | 12 |
| PRINCIPLE 7: Avoid contributing to serious human rights abuses and conflict..... | 14 |
| PRINCIPLE 8: Seek to positively influence practices of suppliers of materials, goods and services | 15 |
| PRINCIPLE 9: Encourage the understanding, and safe and appropriate use of tin products | 17 |
| PRINCIPLE 10: Work towards reporting against the International Tin Code of Conduct | 18 |
| Appendix A – Description of Code reporting | 19 |

INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

PRINCIPLE 1: Maintain legal compliance and develop sound policies to improve practices

Overview of Principle Performance

The company conforms with the expectation to keep up to date business registrations, licences and documents necessary to legally carry out business activity, and has also developed and implemented whistleblowing procedures, including specific guidance on reporting, investigation, follow-up and informant protection. It is making progress in developing and publishing policies to support the Code and developing and implementing elements of a formal system to manage legal compliance and governance issues. Conformance with implementation of the Extractive Industries Transparency Initiative (EITI) is not relevant as Malaysia is not an implementing country although the company understands potential bribery and corruption risks and is progressing with developing procedures to record and address these. It is also progressing with training of staff and could extend this system to contractors and to include all aspects of these standards.

| STANDARD | | RATING | ADDITIONAL INFORMATION |
|----------|--|--------------|--|
| 1.1 | Policies Companies will develop and publish policies to support legal compliance and improve practices with respect to the expectations of the International Tin Code of Conduct. | Progressing | The company is making progress in developing and publishing policies to support legal compliance and improve practices with respect to the expectations of the Code of Conduct, but some policies have not yet been developed. |
| 1.2 | Management system Companies will work towards implementing appropriate management systems to control and monitor relevant aspects of this Principle 1. | Progressing | The company has developed and implemented elements of a formal system to manage legal compliance and governance issues; to improve its rating the company could develop and implement a comprehensive formal system. |
| 1.3 | Legal compliance Companies will have and keep up to date all business registrations, licences and other documents necessary to legally carry out business activity and otherwise comply with relevant local laws, including with health and safety and environmental requirements. | Conforming | The company conforms with the requirement to keep up to date all business registrations, licences and other documents necessary to legally carry out business activity and otherwise comply with relevant local laws, including with health and safety and environmental requirements. |
| 1.4 | Business integrity Companies will seek to prevent bribery and corruption. | Progressing | The company understands potential bribery and corruption risks and is developing procedures to record and address these, but the procedures are not fully implemented |
| 1.5 | Transparency Companies will implement the Extractive Industries Transparency Initiative (EITI) if required by national government. | Not Relevant | Conformance with the requirement is considered not relevant as Malaysia is not an implementing country of the EITI at present |
| 1.6 | Whistleblowing Companies will develop and implement whistleblowing procedures to enable employees and stakeholders to report concerns related to company activities, including relevant expectations of the Code of Conduct. | Conforming | The company has developed and implemented whistleblowing procedures, including specific guidance on reporting, investigation, follow-up and informant protection |



INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

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| 1.7 | Training Companies will work towards implementing appropriate and periodic training for employees regarding relevant aspects of this Principle 1 and require onsite contractors to train their workers on aspects relevant to their specific tasks and work areas. | Progressing | The company provides employees and contractors with induction training covering some aspects of legal compliance and governance, in particular related to occupational health and safety and environmental protection; to improve its rating the company could demonstrate that induction and refresher training of employees extends to all aspects of legal compliance and good practice aspects (as defined in the Tin Code of Conduct, Principle 1) and that such training is also required for contractors. |
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INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

PRINCIPLE 2: Seek continual improvement of environmental performance

Overview of Principle Performance

The company has existing third-party verified systems to avoid generation and disposal of hazardous waste with minimal negative impacts and has now added third-party verification on their activities to manage and monitor discharge to air, and to reduce direct and indirect consumption of energy. The company is also progressing in the process of upgrading its existing smelting technology and the new smelter is structured to be environmentally friendlier and will reduce its greenhouse gas emissions. There has also been improvement in informal systems of non-hazardous and inert waste management to promote recycling and avoid disposal. It has an informal environmental management system in place and conforms with expectations to have procedures for minimising negative impacts on water quality and provide employees and contractors with regular training on environmental issues and management. It informally evaluates and avoids banned substances. It has an informal approach to managing and monitoring its impacts on biodiversity and respecting legally protected areas, water consumption and understanding and manage discharges to land. Conformance with expectations on tailings management, closure and reclamation do not apply to non-mining operations.

| STANDARD | | RATING | ADDITIONAL INFORMATION |
|----------|--|----------------------|--|
| 2.1 | Management system Companies will work towards implementing an environmental management system that utilises the mitigation hierarchy (avoid, minimise, mitigate, compensate) to control and monitor relevant aspects of this Principle 2. | Informal | The company undertakes informal activities relating to environmental management as part of improving its environmental performance. |
| 2.2 | Water quality Companies will seek to understand and manage discharges to surface waters and groundwater in order to minimise negative impacts on water quality. | Conforming | The company conforms with the requirement to collect water and discharge quality data and to have a functional discharge management facility to minimise negative impacts on water quality. |
| 2.3 | Water consumption and availability Companies will seek to reduce water consumption in their operations in order to minimise negative impacts on water availability. | Informal | The company is aware of qualitative indicators of land and soil quality and informally applies measures to minimise negative impacts. |
| 2.4 | Land and soil quality Companies will seek to understand and manage discharges to land in order to minimise negative impacts on land and soil quality. | Informal | The company is aware of qualitative indicators of land and soil quality and informally applies measures to minimise negative impacts. |
| 2.5 | Air quality Companies will seek to understand and manage discharges to air in order to minimise negative impacts on air quality. | Third-Party Verified | The company conforms with the requirement to seek to understand and manage discharges to air in order to minimise negative impacts on air quality and this has been verified by a third-party. |
| 2.6 | Greenhouse gases Companies emitting more than 25,000 tonnes of CO ₂ -equivalent will seek to understand direct and indirect greenhouse emissions and consider economic reduction initiatives appropriate to the nature and scale of operations. | Progressing | The company is in the process of upgrade its existing smelting technology and the new smelter is structured to be environmentally friendlier and will reduce the carbon footprint. |

INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

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| 2.7 | Energy consumption Companies will seek to identify technically and financially feasible measures for reducing the direct and indirect consumption of energy per unit of production or increasing the share from renewable sources. | Third-Party Verified | The company conforms with the requirement to identify technically and financially feasible measures for reducing the direct and indirect consumption of energy per unit of production and is tracking performance relative to an appropriate baseline year and this has been verified by a third-party. |
| 2.8 | Tailings management Companies will store or dispose of tailings in a manner that minimises the risk of impacts to the environment and human health. | Not Relevant | Tailings from mineral processing activities are not relevant to smelting facilities and therefore this requirement does not apply. |
| 2.9 | Hazardous waste management Wherever possible companies will avoid the generation of hazardous wastes; where this is not possible companies will manage and dispose of wastes in a manner that minimises negative impacts on human health and the environment. | Third-Party Verified | The company conforms with the requirement to wherever possible avoid the generation of hazardous wastes; where this is not possible it will manage and dispose of wastes in a manner that minimises negative impacts on human health and the environment; conformance with this requirement has been verified by government monitoring and regulation. |
| 2.10 | Non-hazardous and inert waste management Wherever possible companies will minimise the production of non-hazardous and inert wastes and consider reuse and recycling options before disposing of them in an appropriate manner. | Informal | The company has an informal system in place to recycle and sell some non-hazardous wastes to avoid unnecessary disposal. |
| 2.11 | Banned substances Companies will not use substances that are banned under international convention or local laws. | Informal | The company monitors the chemicals its uses, but to improve its rating could implement procedures to routinely compare these and other chemicals it is considering for use with current lists of chemicals banned under international conventions and local laws. |
| 2.12 | Biodiversity protection Companies will seek to understand potential impacts on biodiversity and avoid activities that significantly modify or degrade critical natural habitats through an appropriate action plan. | Informal | The company has identified its environmental impacts based on its environmental policy and general assertions in its Annual Report; to improve its rating the company could demonstrate it has taking steps to specifically understand its potential impacts on biodiversity. |
| 2.13 | Protected areas Companies will respect legally protected areas in accordance with local laws and will seek to understand and manage potential impacts of operations on adjacent zones. | Informal | The company is not operating within legally protected areas and is informally applying measures to manage negative impacts on areas adjacent to legally protected areas |
| 2.14 | Closure and reclamation Companies will allocate adequate financial resources to enable implementation of closure and rehabilitation of operations in accordance with local requirements and expectations of key stakeholders. | Not Relevant | Conformance with the requirement is considered not relevant as closure and rehabilitation plans do not apply to non-mining operations and facilities |
| 2.15 | Training Companies will work towards implementing appropriate and periodic training for employees regarding relevant aspects of this Principle 2 and require onsite contractors to train their workers on aspects relevant to their specific tasks and work areas. | Conforming | The company conforms with the requirement to provide employees and contractors with regular training on environmental issues and management. |

INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

PRINCIPLE 3: Seek continual improvement of health and safety performance

Overview of Principle Performance

The company has improved its process to systematically follow up on incidents submitted to relevant government agencies and now conforms with this expectation of the Code. The company also conforms with the expectation to develop and implement a health and safety management system and to implement measures to maintain safe and healthy working conditions and provide appropriate and periodic training for employees and onsite contractors. It is progressing with formal incident investigations with some input from affected workers.

| STANDARD | | RATING | ADDITIONAL INFORMATION |
|----------|--|-------------|--|
| 3.1 | Health and safety management systems Companies will work towards implementing a management system to monitor and control relevant aspects of this Principle 3. | Conforming | The company conforms with the requirement to develop and implement a health and safety management system. |
| 3.2 | Safe working practices Companies will maintain safe and healthy working conditions by implementing measures that minimise and seek to eliminate workplace fatalities, injuries and occupational diseases amongst employees, contractors and visitors. | Conforming | The company conforms with the requirement to implement measures to maintain safe and healthy working conditions. |
| 3.3 | Incident investigations Companies will document reportable health and safety incidents using a transparent and inclusive procedure that allows affected workers and local communities to provide input. | Progressing | The company undertakes formal incident investigations with limited input from affected workers. |
| 3.4 | Incident follow up Following a reportable health and safety incident, companies will define and implement corrective actions in a timely fashion and monitor the effectiveness of such actions. | Conforming | The company submits incident reports to relevant government agencies and the process for follow up and implementation of corrective actions is systematically applied. |
| 3.5 | Training Companies will provide appropriate and periodic training for employees regarding relevant aspects of this Principle 3, require onsite contractors to train their workers on aspects relevant to their specific tasks and work areas, and provide appropriate briefings to visitors to company facilities. | Conforming | The company conforms with the requirement to provide employees with induction and refresher training and the requirement for contractors to do the same with their workers as relevant to Principle 3. |

INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

PRINCIPLE 4: Seek continual improvement in labour practices

Overview of Principle Performance

The company conforms with the requirement to pay workers at or above the local legal minimum and engages formally with all workers on freedom of association and collective bargaining in accordance with Malaysian labour laws. The company is progressing with the management systems for most aspects related to labour issues and generally conforms with the working hours requirements although overtime is not yet fully voluntary. The company has a labour policy that addresses discrimination, forced labour and child labour which is informally implemented as the company considers the risk to be low in the context of their operations. The company could provide evidence of extending training to labour practices to employees and contractors.

| STANDARD | | RATING | ADDITIONAL INFORMATION |
|----------|--|-------------|--|
| 4.1 | Labour management systems Companies will work towards implementing a labour management system to control and monitor relevant aspects of this Principle 4. | Progressing | The company manages most aspects related to labour issues, but to improve its rating the company could implement a formal labour management system to further enhance its control and monitoring activities. |
| 4.2 | Discrimination Companies will not make employment decisions based on gender, race, nationality, ethnic, social and indigenous origin, religion or belief, disability, age or sexual orientation unless clearly necessary due to inherent characteristics of the job. | Informal | The company has a labour policy with a discrimination clause, but to improve its rating the company could provide evidence of implementation or monitoring. |
| 4.3 | Remuneration Companies will ensure workers receive fair remuneration for standard and overtime hours worked that meets or exceeds the local legal minimum plus any applicable statutory benefits and provide equal pay for work of equal value. | Conforming | The company conforms with the requirement to pay workers at or above the local legal minimum and include applicable statutory benefits and equal pay for work of equal value. |
| 4.4 | Forced labour Companies will not use or support slavery, servitude, forced or compulsory labour. | Informal | The company has a labour policy with a forced labour clause, but to improve its rating the company could provide evidence of implementation or monitoring. |
| 4.5 | Child labour – worst forms Companies will not engage in the worst forms of child labour as defined by Article 3 of ILO Convention No. 182 including that which is likely to harm the health, safety or morals of children. | Informal | The company has a labour policy with a clause relating to child labour and the prohibition on employment of workers below the age of 16, but to improve its rating the company could provide evidence of implementation or monitoring. |
| 4.6 | Child labour – other forms Companies may employ children of minimum age 14 years, or older as defined by local laws, to undertake non-hazardous, light work that does constrain their ability to gain an education. | Informal | The company has a labour policy with a clause relating to child labour and the prohibition on employment of workers below the age of 16, but to improve its rating the company could provide evidence of implementation or monitoring. |
| 4.7 | Working hours Companies will comply with local laws and ensure that workers undertake overtime on a voluntary basis and have at least one day of rest for every 7-day period or as prescribed by local laws (whichever is higher). | Progressing | The company largely conforms with the working hours requirements, but overtime is not yet fully voluntary. |



INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

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| 4.8 | Freedom of association and collective bargaining Companies will engage with workers on freedom of association and collective bargaining as permitted by local laws. | Conforming | The company conforms with the requirement to engage formally with all workers on freedom of association and collective bargaining in accordance with Malaysian labour laws. |
| 4.9 | Training Companies will provide appropriate and periodic training for employees regarding relevant aspects of this Principle 4 and require onsite contractors to train their workers on aspects relevant to their specific tasks and work areas. | Progressing | To improve its rating the company should demonstrate that induction and refresher training of employees extends to labour-related practices (as defined in the ITA Code of Conduct, Principle 4) and that such training is also required for contractors. |

INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

| PRINCIPLE 5: Engage with stakeholders using a participatory approach | | | |
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| Overview of Principle Performance | | The company is in an industrial area and is progressing with a systematic approach to stakeholder management by meeting the requirements of Control of Industrial Major Accident Hazards Regulations (CIMAH) Regulations which could be extended beyond information provision on industrial incidents. It is also progressing with mapping of, and engagement with stakeholders and provides a systematic grievance mechanism to receive and resolve concerns raised by interested parties. The company could provide evidence of extending training related to using a participatory approach to working with stakeholders to employees and contractors. | |
| STANDARD | | RATING | ADDITIONAL INFORMATION |
| 5.1 | Stakeholder management Companies will work towards implementing a systematic approach to stakeholder management to control and monitor relevant aspects of this Principle 5. | Progressing | The company is making progress in working towards implementing a systematic approach to stakeholder management by meeting the requirements of Control of Industrial Major Accident Hazards Regulations (CIMAH) Regulations, but to improve its rating the company could implement a system that goes beyond only providing information relating to major industrial incidents) to stakeholder. |
| 5.2 | Stakeholder mapping and engagement Companies will seek to identify and record the characteristics and interests of stakeholders affected by, or with the potential to affect, company activities, and plan a participatory approach to engagement including disadvantaged and vulnerable groups. | Progressing | The company is making progress in stakeholder mapping and is engaging with some stakeholders. |
| 5.3 | Grievance mechanism Companies will establish an appropriate grievance mechanism to receive, and facilitate resolution of, concerns raised by individuals, workers, communities or civil society organisations regarding company activities. | Progressing | The company is making progress in implementing a systematic grievance mechanism to receive and resolve concerns raised by individuals, workers, communities or civil society organisations. |
| 5.4 | Training Companies will provide appropriate and periodic training for employees regarding relevant aspects of this Principle 5 and require onsite contractors to train their workers on aspects relevant to their specific tasks and work areas. | Progressing | To improve its rating the company should demonstrate that induction and refresher training of employees extends to stakeholders' management related practices (as defined in the ITA Code of Conduct, Principle 5) and that such training is also required for contractors. |

INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

PRINCIPLE 6: Manage negative impacts on, and contribute to development of, local communities and indigenous peoples

Overview of Principle Performance

The company has made further progress in extending beneficial training to employees and contractors on managing impacts on, and contribution to, local communities. Through compliance with the Control of Industrial Major Accident Hazards Regulations (CIMAH) the company conforms with expectations, and has implemented measures, to manage the risk of its impact on community health and safety and has developed appropriate emergency response plans although a formal management system is lacking. It is progressing with contributing to the economic development of local communities and indigenous peoples as it contributes to various charitable organisations and welfare establishments. The company consults informally and with a limited focus on industrial incident planning with local communities as the company is in an industrial area and is aware of qualitative indicators of natural resource use and availability to which it informally applies measures to minimise negative impacts. A number of standards are not relevant for the non-mining context.

| STANDARD | | RATING | ADDITIONAL INFORMATION |
|----------|---|--------------|--|
| 6.1 | Community and indigenous people management Companies will consider implementing a systematic approach to the management of community and indigenous peoples issues to control and monitor relevant aspects of this Principle 6. | Inadequate | To improve its rating the company could develop and implement a systematic approach to community management. |
| 6.2 | Community health and safety Companies will seek to implement practical and reasonable measures with the goal of eliminating potential negative health and safety impacts on local communities. | Conforming | The company has implemented measures to manage the risk of impacts on community health and safety through the management of environmental and OHS issues and development of appropriate emergency response plans. |
| 6.3 | Consultation Companies will plan a process of consultation that enables local communities and indigenous peoples to express their views on risks, impacts and mitigation measures, and allows the company to consider and respond to them. | Informal | The company consults with a limited focus with local communities and indigenous on industrial incident planning. |
| 6.4 | Free, prior and informed consent (FPIC) Companies will seek the FPIC of indigenous peoples where their lands, access to natural resources or cultural heritage may be impacted by company activities. | Not Relevant | No indigenous peoples are located near to or impacted by the company's operations. The lands, access to natural resources or cultural heritage of indigenous peoples have not and are not negatively impacted by the company's operations and activities |
| 6.5 | Land rights, use and access Companies will seek to anticipate and avoid or minimise adverse impacts on land rights, land use and access to land and compensate for any significant residual impacts. | Not Relevant | The company's operations and activities have no adverse impacts on land rights, land use and access. |
| 6.6 | Physical displacement (resettlement) Companies will seek to avoid or minimise involuntary resettlement and take appropriate measures to mitigate adverse impacts on displaced persons. | Not Relevant | The company's operations and activities have not resulted / are not resulting in involuntary resettlement |
| 6.7 | Economic displacement (livelihoods) Companies will financially compensate economically displaced people as required by local laws and plan a livelihoods restoration programme to ensure that there is no net negative impact on their livelihoods. | Not Relevant | The company's operations and activities have not resulted / are not resulting in economic displacement. |

INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

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| 6.8 | Local economic development Companies will seek to contribute to the economic development of local communities and indigenous peoples. | Progressing | The company contributes to various charitable organisations and welfare establishments, including government authorities. This is done to maintain a good relationship but to improve its rating the company could provide evidence of analysis of development needs of local communities and records of consultations with local communities addressing local economic development. |
| 6.9 | Natural resource use and availability Companies will seek to minimise negative impacts on access to and availability of natural resources by local communities and indigenous people. | Informal | Company is aware of qualitative indicators of natural resource use and availability and informally applies measures to minimise negative impacts. |
| 6.10 | Cultural heritage protection Companies will anticipate and wherever possible avoid adverse impacts on cultural heritage; when avoidance is not possible, companies will minimize, mitigate and/or compensate for such impacts. | Not Relevant | The company's operations and activities have not had / are not having negative impacts on cultural heritage. The company operations in Penang are in an industrial area well away from the UNESCO world heritage area. |
| 6.11 | Training Companies will provide appropriate and periodic training for employees regarding aspects of this Principle 6 relevant to interactions with local communities and indigenous people that may occur during the course of their work. Companies will require onsite contractors to undertake the same training when relevant to their specific role. | Progressing | To improve its rating the company could demonstrate that induction and refresher training of employees extends to management of negative impacts on, and contribution to development of, local communities and indigenous peoples (as defined in the ITA Code of Conduct, Principle 6) and that such training is also required for contractors. |

INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

PRINCIPLE 7: Avoid contributing to serious human rights abuses and conflict

Overview of Principle Performance

The company now undertakes a range of training activities relating to human rights and conflict. It has an informal approach to human rights management in its own operations as risks are low in the context of the Malaysian site. It also follows local laws regarding use of security and informally follows the Voluntary Principles on Security and Human Rights although progressing to include this in training. The company sources minerals from a number of countries and has some procedures in place to assess the risks associated with those supplies, including some site visits. Minerals from Dodd-Frank countries are sourced via the ITSCI programme which conforms with OECD due diligence standards, but formal assessment of supplies for conflict or high-risk red-flags from other locations is progressing. The company is listed as RMAP compliant with the source of mineral inputs and throughput mass balance third-party verified, the audit did not evaluate the company's assessment of supply risks that trigger the need for OECD due diligence on mineral sources.

| STANDARD | | RATING | ADDITIONAL INFORMATION |
|----------|--|-------------|---|
| 7.1 | Human rights management Companies will work towards implementing a systematic approach to human rights management to control and monitor relevant aspects of this Principle 7. | Informal | The company has an informal approach to human rights management and some control and understanding of the issue |
| 7.2 | Use of private or state security personnel Companies using direct or contracted workers to provide security will be guided by the Voluntary Principles on Security and Human Rights and by applicable local law. | Informal | The company complies with local laws and informally follows the Voluntary Principles on Security and Human Rights. |
| 7.3 | Responsible sourcing Companies will evaluate potential risks when sourcing minerals and seek to avoid purchases that may support conflict or human rights abuses according to international expectations and laws. | Progressing | The company sources minerals from a number of countries and has some procedures in place to assess the risks associated with those supplies, including some site visits. Minerals from Dodd-Frank countries are sourced via the ITSCI programme which conforms with OECD due diligence standards, but formal assessment of supplies for conflict or high-risk red-flags from other locations is progressing. The company is listed as RMAP compliant with the source of mineral inputs and throughput mass balance third-party verified, the audit did not evaluate the company's assessment of supply risks that trigger the need for OECD due diligence on mineral sources. It is progressing with ITA to explore tools for assessing risks associated with minerals sourced from conflict or high-risk, red-flagged areas. |
| 7.4 | Training Companies will provide appropriate and periodic training for employees regarding relevant aspects of this Principle 7 and require onsite contractors to train their workers on aspects relevant to their specific tasks and work areas. | Progressing | The company undertakes a range of training activities for employees designated to manage human rights issues, but to improve its rating it could demonstrate that training on human rights includes all aspects of the Voluntary Principles on Security and Human Rights and extend to all employees. |

INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

PRINCIPLE 8: Seek to positively influence practices of suppliers of materials, goods and services

Overview of Principle Performance

The company now has an active supplier appraisal process and achieves conformance with expectations for its major suppliers of secondary materials and goods and services to be aware of the requirements of Code of Conduct and meet or work towards its principles. The company recognises the value of engaging with large-scale (LSM) and artisanal and small-scale miners (ASM) mineral suppliers with one of its major suppliers currently report against the ITA Code. The company is now also progressing with developing general guidance that encourages suppliers of all ASM minerals to communicate and support the standards of the Code, potentially through practical project opportunities.

| STANDARD | | RATING | ADDITIONAL INFORMATION |
|----------|---|-------------|--|
| 8.1 | Suppliers of ASM produced minerals, general Companies will request suppliers declare that they will work towards understanding their supply chain and communicating through suppliers the objectives of International Tin's Code, information and guidance to encourage improvements. | Progressing | The company is progressing with requests to suppliers to improve their understanding of the upstream supply chain, the location and importance of ASM producers, and to encourage communication through suppliers on the objectives of the Code and guidance on ASM practices. |
| 8.2 | Principle 1 ASM minerals (compliance and policies) Suppliers will be requested to communicate the importance of formalisation and potential opportunities to engage in practical projects encouraging formalisation of ASM as appropriate (based on feedback) to the production area. | Progressing | The company is progressing with requests to suppliers to communicate the importance of formalisation and engaging in practical projects to encourage formalisation of ASM practices. |
| 8.3 | Principle 2 ASM minerals (environment) Suppliers will be requested to communicate guidance on managing environmental impacts as well as potential opportunities to engage in practical projects encouraging implementation by ASM as appropriate to the production area. | Progressing | The company is progressing with requests to suppliers to communicate guidance and proactively engage in practical projects on managing environmental impacts in ASM as appropriate to the production area. |
| 8.4 | Principle 3 ASM minerals (health and safety) Suppliers will be requested to communicate guidance on managing health and safety impacts as well as potential opportunities to engage in practical projects encouraging implementation by ASM as appropriate to the production area. | Progressing | The company is progressing with requests to suppliers to communicate guidance and proactively engage in practical projects on managing health and safety impact in ASM as appropriate to the production area. |
| 8.5 | Principle 4 ASM minerals (labour) Suppliers will be requested to communicate guidance to raise awareness regarding concerns over forced or compulsory labour, and the worst forms of child labour as well as potential opportunities to engage in practical projects encouraging implementation by ASM as appropriate to the production area. | Progressing | The company is progressing with requests to suppliers to communicate guidance and proactively engage in practical projects on raising awareness regarding concerns over forced or compulsory labour impact in ASM as appropriate to the production area. |
| 8.6 | Principle 6 ASM minerals (communities) Suppliers will be requested to communicate guidance on negotiating with local communities and indigenous peoples regarding access to land. | Progressing | The company is progressing with requests to suppliers to communicate guidance and proactively engage in practical projects on raising awareness regarding negotiating with communities and indigenous peoples on the impact of access to land issues in ASM as appropriate to the production area. |
| 8.7 | Principle 7 ASM minerals (human rights and conflict) | Progressing | The company is progressing with requests to suppliers to communicate guidance and proactively engage in |



INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

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|------|--|-------------|---|
| | Suppliers will be requested to communicate guidance to raise awareness regarding concerns over serious human rights abuses and conflict, as well as potential opportunities to engage in practical projects encouraging implementation by ASM as appropriate to the production area. | | practical projects on raising awareness regarding serious human rights abuses and conflict issues in ASM as appropriate to the production area. |
| 8.8 | Suppliers of LSM produced minerals Companies will request major suppliers meet or work towards principles of this Code of Conduct. | Progressing | The company is progressing with requests to major suppliers to meet or work towards principles of the ITA Code of Conduct. One of its three major supplies currently report against the ITA Code. |
| 8.9 | Suppliers of secondary materials Companies will implement a system to check major suppliers are legally operating and request suppliers meet or work towards principles of this Code of Conduct. | Conforming | The company has a supplier appraisal process that requires its major suppliers to be aware of the requirements of Code of Conduct and commitment to work towards its principles. |
| 8.10 | Suppliers of goods and services Companies will request major suppliers meet or work towards principles of this Code of Conduct. | Conforming | The company has a supplier appraisal process that requires its major suppliers to be aware of the requirements of Code of Conduct and commitment to work towards its principles. |

INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

PRINCIPLE 9: Encourage the understanding, and safe and appropriate use of tin products

Overview of Principle Performance

Through its membership of International Tin Association, and the REACH consortium, the company conforms with the expectation to support the development of improved understanding of the properties and potential effects of tin on humans and the environment. It also supports research and innovation to promote the safe, appropriate and efficient use of tin. The company was able to provide evidence of occasionally communicating accurate public information on tin to the tin industry and its users with no noted breaches under data protection law.

| STANDARD | | RATING | ADDITIONAL INFORMATION |
|----------|---|------------|---|
| 9.1 | Understanding potential impacts of tin Companies will seek to advance the understanding of the properties of tin and any potential effects on human health and the environment through sound science and data. | Conforming | Through its membership of ITA, and the REACH consortium, the company conforms with the requirement to regularly support activities to review, lead and advance understanding of the properties and potential effects of tin as found necessary. |
| 9.2 | Encouraging safe and appropriate use Companies will support research, innovation and collaboration that promotes safe and efficient production, use and recycling of tin, including to ensure regulatory compliance and efficient use of energy and natural resources | Conforming | Through its membership of ITA, the company conforms with the requirement to regularly support research and innovation and leading collaboration that promotes safe, appropriate and efficient use of tin |
| 9.3 | Communicating appropriate information Companies will communicate accurate information on impacts and use of its products, to workers, users in the value chain and wider stakeholders, accounting for the need for appropriate confidentiality. | Conforming | The company communicates accurate public information on tin, and the tin industry, to users in the value chain and wider stakeholders with no noted breaches under data protection laws. |

INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

PRINCIPLE 10: Work towards reporting against the International Tin Code of Conduct

Overview of Principle Performance

The management and staff of Malaysia Smelting Corporation Berhad (MSC) have taken ownership of reporting on the Code and there is a clear commitment to providing evidence on conformance and making continued progress with the standards of the Code. They proactively worked with the Independent External Assessor and the International Tin Association to develop this first company report on the Code.

| STANDARD | | RATING | ADDITIONAL INFORMATION |
|----------|---|------------|--|
| 10.1 | Policy Review Companies will review published policies at least annually to reflect any changes to company expectations in relation to standard 1.1 | Conforming | The company representatives were knowledgeable about the expectations of the International Tin Code of Conduct and the need to review and update policy. They actively participated in reviewing and updating policies and procedures when required. |
| 10.2 | Communicating reporting information Companies will agree to the publication of a report of activities against the Principles and Standards of the Code. | Conforming | The management of Malaysia Smelting Corporation Berhad (MSC) agreed to the publication of this report of activities against the Principles and Standards of the Code. |
| 10.3 | Management Review Companies will ensure the above public information related to the Code is approved by senior responsible management | Conforming | The management of Malaysia Smelting Corporation Berhad (MSC) approved the content of this report. |

INTERNATIONAL TIN CODE OF CONDUCT REPORT: Malaysia Smelting Corporation Berhad

Appendix A – Description of Code reporting

Evidence review process: The assessment of conformance with the Principles and Standards relies on detailed evaluation of documentary evidence and discussion with the company to ensure a full understanding of progress. ITA encourages members to provide maximum available information and collates this into an evidence dossier for submission to the Independent Assessor. During a period of feedback and consultation the company may submit further evidence to clarify or add to the information originally provided in order to improve accuracy. The Independent Assessor then determines the final rating and agrees the text included in this report.

The Independent Assessor: ITA engages an expert to make the assessment of evidence separately and independently from the views of the ITA or its members. The independent assessor for this pilot reporting is a consulting firm with more than 25 years’ experience working on environmental and social issues and impacts in the natural resource sector. It specialises in analysis, prevention and management of environmental and social issues in the oil and gas, mining and aggregates industries worldwide and is familiar with large scale and artisanal mining, and acts as auditor and/or advisor to other commodity standards initiatives such as Bettercoal.

Reporting guide: The ‘visual progress guide’ on the title page is a general representation of the proportion of ratings overall.

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| Not Relevant | The Standard is not appropriate or does not apply to the company. |
| Third-party verified | Company activity has been verified by a third party recognised qualified body, for example during audit or inspection. |
| Conforming | Company activity is formally documented and implemented with evidence of conformance with the Standard. |
| Progressing | Company activity is documented but may benefit from formalisation in a procedure or expansion to the Standard. |
| Informal | Company activity is underway but may benefit from being documented more formally to the Standard. |
| Inadequate | There is insufficient evidence available to achieve other ratings. |

Additional Information: In the reporting format, details of ‘Additional Information’ is not included for ‘Conforming’ and ‘Third-party Verified’ standards but is provided in the case of other ratings as a useful guide to show progress.