

## INDEPENDENT LIMITED ASSURANCE ENGAGEMENT REPORT

### 1. Assurance Conclusion

Based on the work in this assurance report and in the opinion of the auditors, nothing has come to our attention that the assertions, claims and content of the company’s published annual report (‘Step 5’ report) with regards to Criteria 7.3: 5.A. are not accurate and this conclusion is without qualification.

This work has been carried out by checking samples of information and documents that have been made available during the period of assurance activity by White Solder. Our procedures have been designed to obtain a limited level of assurance upon which to base our conclusions. Corporate Integrity does not accept any liability for any loss, including indirect or consequential damages arising from or in relation to the use of the information contained in this report. Notwithstanding this, there are no restrictions to the use of this report.

### 2. Date and Period of Assessment

Date of assurance report	21 <sup>st</sup> November 2024
Addressee Company name and registered address	White Solder Metalurgia e Mineracao LTDA CNPJ 04.107.120/0001-43 ROD BR-421 1211 APOIO BR-421 Ariquemes -RO 76877-03 Brasil (note that this is also the address of the site audited)
Level of assurance engagement	The level of assurance for this audit was ‘limited’. The Standard applied to this Engagement will be the International Standard on Assurance ISEA3000 (revised) – Assurance Engagements other than Audits & Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).
Period covered by assessment	The assurance considered the period Aug 9 <sup>th</sup> 2023 to Sept 9 <sup>th</sup> 2024

### 3. Author of the Assurance Report

Name and address of auditor and assurance firm authoring this report	David Shirley, Director Corporate Integrity Ltd Cockshott Farm House, Highgate Hill, Hawkhurst, United Kingdom, TN18 4LS
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<p>Qualifications, experience and independence of assurance firm</p>	<p>Corporate Integrity Ltd has extensive experience in responsible sourcing assurance in the mining and metals sector and in audits of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.</p> <p>We are registered by ITA to conduct audits against the requirements of the International Tin Association (ITA) – Responsible Minerals Initiative (RMI) Assessment Criteria for Tin Smelting Companies. These assessment criteria reflect the requirements of the OECD Due Diligence Guidance. We are also accredited by Copper Mark to conduct audits to the OECD Due Diligence Guidelines.</p> <p>Corporate Integrity Ltd undertakes its assurance according to ISEA3000 (revised). Our policies and procedures align with high standards of ethical and quality control including IESBA Code of Ethics and ISQC1. The independence of the company has been reviewed through our internal control processes and does not present a conflict of interest to the integrity of the assurance process and findings.</p>
<p>Qualifications, experience and independence of auditor</p>	<p>David Shirley, and Raj Aseervatham both Directors of Corporate Integrity Ltd both have extensive experience of risk management and assurance in the mining and metals sectors and have carried out numerous responsible sourcing assurance assignments. Both are registered ITA and Copper Mark assessors.</p> <p>The independence of our team has been reviewed through our internal control process and none of the Corporate Integrity Ltd. assessors involved in this project presents a conflict of interest to the integrity of the assurance process and findings.</p>

#### 4. Assurance Firm Responsibilities

<p>Corporate Integrity Ltd confirms that its responsibilities for this assignment include:</p> <ul style="list-style-type: none"> <li>• Providing suitably experienced and capable personnel of conducting the assurance engagement to the ISAE 3000 Standard.</li> <li>• Applying testing methodologies and processes to data and information used by the company in compiling the company report to validate its accuracy.</li> <li>• Providing an explanation to the company of audit findings including misstatements identified or absence of information that hinders the formation of a definitive conclusion.</li> <li>• The provision of clear evidence and information on which, in the opinion of the auditor, the assertions made in the company report are not accurate and cannot be substantiated</li> <li>• Verifying corrections to misstatements with the company report where there is insufficient information to enable verification.</li> <li>• Applying the audit principles of traceability, completeness, consistency and accuracy to the verification of information and data.</li> <li>• Preparation of the report in accordance with ISAE 3000 including International Standard on Quality Control (ISQC1).</li> </ul>
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#### 5. Company Responsibilities

<p><b>Corporate Integrity Ltd confirms that White Solder Ltd.:</b></p> <ul style="list-style-type: none"> <li>• Prepared data and information appropriate for auditing and verification</li> <li>• Disclosed data and information to the audit firm on request</li> </ul>
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- Provided further information to the audit firm on request to enable a conclusion to be reached by the audit firm to a limited assurance engagement level as to whether the assertions of senior management and the directors contained within the company report of complying with a section 7.3 of the Tin Code standard were appropriate and accurate.
- Disclosed any changes in the data and information, or misstatements identified internally by the company that could affect the conclusion of the audit firm.

**Regarding Step 4A – Plan an independent third-party audit of smelter due diligence:**

The audit was planned and performed with appropriate scope and standards

**Regarding Step 4B - Implement the smelter audit with the correct scope, criteria, principles and activities:** The company provided all necessary access and documentation.

## 6. The Subject Matter

The topic and subject of the assurance engagement is Standard 7.3 of the Tin Code - *Responsible sourcing 'Companies will evaluate potential risks, seek to avoid support to conflict, human rights and other significant abuses and publicly report on their efforts according to international expectations and laws, in particular the OECD Due Diligence Guidance 3T Supplement.'*

## 7. The Assessment Criteria

International Tin Association (ITA) – Responsible Minerals Initiative (RMI) Assessment Criteria For Tin Smelting Companies (Version 2) Publication Date: 23 March 2021 Effective Date: 25 March 2021

## 8. Summary of Work Performed

### Work Performed

The assurance was conducted in three steps:

1. Initial document review and preparation for management interviews
2. Remote teleconference interviews. As the lead auditor visited the site in Nov 2023 and there has been no material change in the operations, it was concluded that this audit could be conducted remotely.
3. Assurance statement and management report

### Step 1 – Document Review and preparation for corporate review and site review

1. White Solder uploaded relevant information to a secure electronic data room. As the assessment progressed Corporate Integrity requested additional uploads.
2. Initial information uploaded included where available:
  - a. Current site plan, simple process diagram and aerial maps of local area (this was available from previous assurance assignment in 2023)
  - b. Ownership, Governance and Management structure of White Solder
  - c. Documented evidence of policies and procedures designed to implement International Tin Association– Responsible Minerals Initiative- Assessment Criteria
  - d. Information on suppliers and supplier due diligence undertaken, including on ground assessments carried out since the last audit
3. Corporate Integrity reviewed uploaded information, identifying expected focus areas for the assessment based on the scope and risk profile.
4. Corporate Integrity prepared for the remote interviews and agreed a detailed agenda.

**Step 2 – Remote Interviews (this was conducted in two meetings on 25<sup>th</sup> September and 29<sup>th</sup> October 2024)**

1. Kick off meeting with management team
  - a. Overview of operations and management structure
  - b. Overview of material risks and risk management processes
2. Interviews with key personnel to conduct a detailed review of system design and implementation of International Tin Association– Responsible Minerals Initiative- Assessment Criteria

**Step 3 - Assurance statement and management report**

1. Following the review the site uploaded additional requested information to the data room.
2. Corporate Integrity provides a draft management report, explaining the reasoning behind our assurance findings. Site reviewed draft the report.
3. Management report and summary assurance report submitted to ITA.
4. Clarification discussions with ITA.

**Documented Evidence**

The assurance process involved review of relevant evidence in support of the findings. This evidence included:

- Interviews with management including review of online information during meetings.
- White Solder ownership and governance structure
- White Solder 2024 Due Diligence Report
- Full set of most recent responsible sourcing policies and procedures
- Selection of minutes of White Solder responsible sourcing management meetings (routine and extraordinary)
- Selection of due diligence documentation – KYC, Red Flag Assessments, KRONOS reports
- Examples of contracts with suppliers and relevant correspondence with suppliers
- Selected minerals transaction documentation
- Mass balance calculations
- Training records

**Risk and Materiality Assessment**

At the planning stage Corporate Integrity conducted a Materiality and Risk review of the audit to inform the scope and sampling approach to be adopted.

**Regarding Audit Risks**

1. **Inherent risks** – The White Solder operation has changed little in recent years. It has a simple supply chain. All mineral supplies are concentrate from mines located within Brazil. On this basis it can be concluded that the inherent risk is relatively low.
2. **Control risks** – White Solder has an established set of policies and procedures for supplier due diligence and minerals accounting. The systems have been improved year on year and have been third party audited (RMI RMAP, ITA, ISO45001, ISO14001, ISO9001 and ISO37001). On this basis the control risks are considered to be low.
3. **Detection risks** – Due to there being little change in operations since the last audit and that a full onsite RMI RMAP has also been conducted, it is considered that the risk of failing to detect material issues is low. The numbers of suppliers is relatively small and therefore mass balance and transaction data are expected to be consistent and non-complex.

**Regarding materiality**

- We considered mass balance differences in production losses of >5% as material.

## 9. Summary of Findings

Step 1A - Adopt and Commit to a Supply Chain Policy	There is an up-to-date supply chain policy including Annex II standards with descriptions of management processes and scope.
Step 1B - Structure Internal Management System to Support Supply Chain Due Diligence	The management structure is able to support and communicate supply chain due diligence including appropriate responsibility, skills, resourcing and accountability.
Step 1C - Establish controls and transparency over the supply chain	<p>1C:2-4 – Minerals and by-product information requirements The company has a reasonable system to enable it to collect and retain mineral, by-product and supplier information for red flag review (RFR).</p> <p>1C:5 – Minerals from supplying smelters information requirements The company has a reasonable system to enable it to collect and retain part-processed mineral and supplier information for red flag review (RFR).</p> <p>1C:6 – Metal products unused for primary purpose information requirements Not Applicable</p> <p>1C:7 – Out-of-scope mineral or material information requirements Not Applicable</p> <p>1C:9-10 – Supplier records and mass balance The company reasonably assesses new suppliers prior to entering business and has a justifiable mass balance result.</p>
Step 1C:1-4 – CAHRA mineral and supplier information requirements	There are no suppliers from CAHRAs
Step 1D – Structure internal management system to support supply chain due diligence	The company builds relations and communicates with suppliers and supports improved performance by contractual requirements, considering capabilities and monitoring.
Step 1E – Establish company level grievance mechanism	There is a grievance mechanism which enables concerns to be voiced, recorded and followed-up.
Step 2A – Identify scope of Annex II risk assessment (RA) through red flag review (RFR)	The company reasonably validates mineral/material input records, understands plausibility, and determines conflict-affected and high-risk areas (CAHRA) for red flag review (RFR) The company determines mineral/material types correctly and carries out reasonable RFR. They explain, record and report findings.
Step 2B – Map circumstances of the company supply chain through traceability and on the ground assessment team (OGAT)	There are no suppliers from CAHRAs
Step 2C – Assess Annex II risks in the supply chain	There are no suppliers from CAHRAs
Step 3A – Report risk findings to senior management	There are no suppliers from CAHRAs
Step 3B – Devise and adopt a risk management plan	There are no suppliers from CAHRAs
Step 3C – Implement the risk management plan	There are no suppliers from CAHRAs

## 10. Company Report

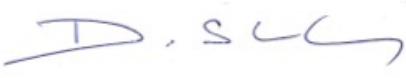
The Company Report is – White Solder Due Diligence Report for Responsible Minerals – signed by CEO and COO on 25<sup>th</sup> July 2024. The previous report was dated 27<sup>th</sup> November 2023  
A copy of the report is provided at Annex 1

11. Limitations

Information provided that has been deemed to be independently verified by other third parties has been considered to be appropriately verified, and was not subjected to re-verification by Corporate Integrity Ltd. Our evidence gathering procedures have been designed to obtain a limited level of assurance on which to base our conclusions.

12. Statement on the Accuracy of Information

We confirm that all documents and information submitted as part of this assessment are true, accurate, and complete to the best of our knowledge.

Signature	
Location	London

## ANNEX 1 White Solder Due Diligence Report

# DUE DILIGENCE REPORT FOR RESPONSIBLE MINERAL SUPPLY

The period covered by this report July 1th of 2023 to June 30th of 2024 was reviewed and approved by the COO and CEO:

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MENDES  
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COO

Paulo Augusto Mendes Amparo

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CEO

Alessandro Saccoman Torrente



## Company presentation

WHITE SOLDER METALURGIA E MINERAÇÃO LTDA is registered with national registration of the legal entity in Brazil nº 04.107.120/0001-43 and identification code of RMI CDI 002636. Its headquarters are established on Rodovia BR-421, nº 1211 in the municipality of Ariquemes, State of Rondônia and currently has 98 employees and website available according to <https://whitesolder.com.br/>.

All production in our smelter is made from primary materials, that is, cassiterite ore. We do not use any secondary material that does not come from our own casting process and we also do not dispose of any secondary material that cannot be reused in our process, this material is sold to other companies that can use it or are just kept in stock for future use.

100% of the cassiterite acquired throughout the analyzed period originates from Brazil, being supplied by cooperatives with long-term supply agreements and also by our Group's own mining company, NBF Mineração S/A. Therefore, we did not have any ore input from areas identified as CAHRA's.

In the evaluated period we had a total of 1105 ore inputs with a total weight of 6813 tons (already discounted moisture) and an average tin content in this ore of 58.36%. Of the total weight, 13.8% came from NBF Mineração S/A and the remainder (86.2%) came from cooperatives.

It is important to highlight that we had an increase from 6.82% to 13.8% of total inflows from NBF Mineração S/A. This clearly demonstrates the White Solder Group's strategy in developing its own sources of supply for our smelter. In the coming months, in addition to continuing with the operational development of NBF Mineração S/A with a view to increasing its productivity, the White Solder Group intends to start a new mining area, also within the State of Rondônia.

White Solder Metalurgia e Mineração LTDA's tin ingots are registered on the London Metal Exchange (LME brand) under the name WHITE SOLDER BR. These ingots supply the three solder factories that the group has (two in Brazil and one in Portugal) and are sold in several countries, mainly in America and Europe.



The strong commitment to achieving the highest global standards in tin production and business management is a regular practice in our company and, over the years, large investments have been made in international certifications and in participating in associations with important entities in the national and international markets, aiming to raise corporate governance standards to the levels practiced by large global corporations.

White Solder Metalurgia e Mineração LTDA already had ISO 9001:2015 and ISO 37001:2017 certifications, being a pioneer in the global tin market to obtain such certification, and in September 2023 it was certified ISO 14001:2015 and ISO 45001:2018.

In addition to being a pioneer in the tin market by obtaining ISO 37001:2017 anti-bribery certification, the White Solder Group has its entire corporate structure determined in accordance with the best market compliance practices and its financial statements are always audited by the largest companies in audit in the world (currently by PWC).

We were one of the first companies in South America to be certified by the Responsible Minerals Initiative (RMI) for the Responsible Minerals Assurance Process Standard, with our certification being renewed in October 2023 and, once again demonstrating our pioneering, we were the first tin smelter in the world to be certified by the International Tin Association (ITA) to Tin Code Standard 7.3 in December 2023. As a result, we are one of the few tin smelters in the world to be certified in responsible sourcing by the two entities recognized by LME for this purpose, certifications that are required for all LME Brand companies, such as White Solder Metalurgia e Mineração LTDA.

We have communication channels for general matters for stakeholders through our website <https://whitesolder.com.br/contato/> and we have specific channels for reporting complaints, grievances and/or denunciations:

- E-mail – [grupotor@legaletica.com.br](mailto:grupotor@legaletica.com.br) (24 hours and 7 days a week);
- Telephone 0800 400 3333 (business hours – 8 to 18 h – 7 days a week), applicable only to Brazil;
- Company website <https://whitesolder.com.br/canal-de-denuncia/>

## RMAP Assessment Summary

The last RMI assessment that White Solder Metalurgia e Mineração LTDA underwent was in the period from October 23th to 26th of 2023, referring to operations from 08/31/2021 to 09/09/2023. The RMI analysis period was longer than the period of our previous Due Diligence report in order to cover the temporal gap between the previous audit and this audit which was carried out in October 2023.

The last ITA assessment took place between November 9th and 10th of 2023 and considered the exact period of our previous Due Diligence report, covering the period from August 9th of 2022 to September 9th of 2023.

Considering that the two responsible sourcing audits have their renewal processes in the second half of the year, we chose to standardize the preparation of our due diligence report for the period from July 1st to June 30th of the following year, so we will have a 12-month evaluation of operation, but with a cutoff line closer to the audit dates. Therefore, this report will cover the period from July 1th of 2023 to June 30th of 2024.

At the end of June, we began negotiations with RMI and ITA to schedule the 2024 audits to recertify our foundry, but until the conclusion of this report, the audits still did not have defined dates.

## Company Management System

With the intention of making our management system for the mineral responsibility program more robust, we have a structure of procedures separate from the other documentation that the company has due to ISO's 9001, 14001, 45001 and 37001 so that related matters mineral liability can be easily identified and dealt with in the company's day-to-day operations. Documents that are entirely related to mineral liability will have the code SGRM which stands for "Mineral Responsibility Management System" and following this report we will present detailed information about these documents and their correlations.

Seeking continuous improvement of our mineral responsibility management system (SGRM), we have established an annual contract with an



international consultancy company specialized in responsible sourcing, which is part of the list of suggestions on the RMI website, to assist us in our SGRM.

We also hired a specialized Big Data Analytics service focused on compliance that carries out investigative consultations for both individuals and legal entities in more than 3,500 sources, making a great contribution to our KYC and due diligence processes.

## Supply Chain Policy

We adopt and commit to the supply chain policy that is formalized through the document SGRM.004 – Supply Chain Policy, available in our quality management system (Qualis System), on notice boards in the company and also in our website <https://whitesolder.com.br/sistema-de-gestao-antissuborno/>. A critical analysis of the policy is carried out annually with the purpose of revalidating all specified items and, if applicable, revising them.

We communicate this policy to suppliers via email, all email signatures of company employees also have a link to the conflict minerals policy, thus reinforcing each communication about our policy, as well as making it available on the company website for communication to the public.

## Management Structure

Assigned authority and responsibility to the “COO – CHIEF OPERATING OFFICER and Operational Manager - TOR” with the necessary skills, knowledge and experience to oversee the supply chain due diligence process and cross-functional team for operational implementation of the conflict minerals compliance program.

The responsibility and authority of the people who manage, perform and verify activities related to mineral liability are defined in the documents relating to the management system and in the organization's job descriptions, ensuring internal responsibility in relation to the implementation of the due diligence process of the supply chain and other related activities.

**Team Supervising the process of *due diligence*:**

- COO – *Chief Operating Officer* – Job Description: DES.015 – WSG;
- Operational Manager – Job Description: DES.066 – TOR.

**Cross-Functional Team and Job Description:**

- Management System Coordinator – Job Description: DES.014 – TOR;
- SGAS Assistant – Job Description: DES.016 - WSG;
- Administrative Manager – Job Description DES.065 – WSRO;
- Administrative Manager – Job Description DES.069;
- Receiving Assistant (ADM) – Job Description DES.076;
- Integrated Management System Assistant – Job Description DES.86 – WSRO.

**Mineral Responsibility Committee:**

- COO – *Chief Operating Officer* – Job Description: *DES.015* – WSG;
- Operational Manager – Job Description: DES.066 - TOR;
- Management System Coordinator – Job Description: DES.014 – TOR.

All positions described above are trained in all procedures related to mineral liability and we review such procedures annually. If a procedure is changed, the training is also redone.

In this way, we work with a small structure, but with total autonomy for decision-making. For this reason, we will always have as responsible for the management process of the mineral liability system the company's highest operational hierarchical levels.

## Material Control Systems

We have implemented sufficient measures regarding internal material control systems ensuring that:

- Each individual transaction of incoming material is identified and documented. The process records the date the material was physically received;
- Inventory, including work in process, metal stocks and other types of materials are calculated. The process ensures that variations in weight due to processing are monitored for losses. Unjustified changes in inventory (losses or gains) are investigated and conclusions set out in writing.
- Receipts, inventories, losses and sales quantities are reconciled in a mass balance.
- Discrepancies observed during material control processes and/or a mass balance calculation are investigated according to details of the systematics specified in procedure SGRM.003 – Material Control Systems.

Even though Brazil is classified as low risk according to our CAHRA criteria, some important actions that precede the receipt and application of these material controls mentioned above are also carried out in order to offer greater control over all previous stages, thus reducing risks in the supply chain.

1. **Electronic Invoice:** As we do not negotiate directly with artisanal miners and cooperatives have legal treatment similar to a private company, all purchase transactions we carry out go through the stage of issuing the electronic invoice (NFe). When issuing an NFe, data such as weight, number of volumes, who is responsible for transport, truck data, data of this cooperative's mining process with the national mining agency, transaction value, among others are mandatory. At the time of issuance, government entities receive the data online and can carry out all relevant checks such as, for example, determining the value of the federal contribution on mineral exploration (CFEM) that is due for that transaction.

2. Regarding the disclosure of information on payments made to governments in accordance with the requirements established within the scope of the Extractive Industry Transparency Initiative (EITI), even though Brazil is not a member country of the EITI, we reinforce our commitment as per the declaration of support the implementation of the twelve principles listed, “EITI – Transparency” declaration, published on the company website <https://whitesolder.com.br/> and we make our tax payments public through our integrated report prepared in accordance with the Global Reporting Initiative standard (GRI).
3. Routes: We only acquire material from two states in Brazil, Rondônia and Pará. Our company is located in Rondônia so the routes from the mining areas in Rondônia to our smelter are extremely short (often with journeys of less than 100 km) and therefore many times the route is made by our own group carrier (BI Transportes e Logística) or even by White Solder Metalurgia e Mineração LTDA's own truck. In acquisitions in Pará, where the distances are longer, we try to use only the trucks of our group carrier to have total control during the route.

## Record keeping systems

The documents and records (documented and retained information) relating to the mineral liability management system are prepared and controlled in accordance with procedure PG.002, which aim to define the activity, responsibility and authority of the areas in the preparation, approval, issuance, distribution, and review of documents as well as dealing with records (retained information) where the way to identify, collect, index, access, archive, store, maintain and dispose of is established.

The documents prepared are available in our management system (Qualis system) as well as registration control.

A critical analysis of the documents prepared for the mineral liability management system is carried out annually with the purpose of revalidating the documents, that is, critically analyzing the documents and, if appropriate, revising them.

All records relating to mineral liability are stored for a minimum period of 5 years. Documents scanned and saved in the Qualis system, SAP or even in specific folders within the company's server are saved on cloud servers managed by a specialized company and with backups in different locations to avoid any type of data loss incident.

Records of each operation are stored as well as documents from each supplier to demonstrate their legality before government institutions and also in relation to the requirements that our company determines that each supplier must have.

## Risk assessment

We have established the following steps for identifying and evaluating risks in our supply chain, below a brief commentary on the system:

**Step 1: Analysis to identify CAHRA's:** This step aims to identify conflict-affected and high-risk areas that may exist in our supply chain. The resources and criteria used to identify a CAHRA's include countries or areas identified as high risk by relevant regulations:

- The Democratic Republic of the Congo (DRC) and its nine neighboring countries as described in Section 1502 of the Dodd Frank Act (DFA 1502), namely: Angola, Burundi, Central African Republic, Republic of the Congo, Rwanda, South Sudan , Tanzania, Uganda and Zambia (OECD Portal for Supply Chain Risk Information);
- The indicative and non-exhaustive list of CAHRAs provided by the European Commission pursuant to Article 14.2 of European Union Regulation 2017/821 <https://www.cahraslist.net/cahras>;
- Other areas that the company determines to be high risk based on implementation of its CAHRAs procedure and Red Flag review;
- If the EU lists an area as a CAHRA and DFA 1502 does not, the area will be considered a CAHRA and vice versa.
- If the EU lists a subnational area as a CAHRA and DFA 1502 considers the entire country to be a CAHRA, we consider this to be a national CAHRA.
- If the company determines that an area is CAHRA, even if it is not listed on DFA 1502 or the EU list, the area is CAHRA.



We also use open source information and are grouped according to the criteria established in the definition of conflict-affected and high-risk areas:

CONFLICT — allowing assessment of whether an area is in a “state of armed conflict” or whether it is a “post-conflict fragile” area;;

GOVERNMENT — allowing to assess the extent to which areas present weak or non-existent governance and security;

HUMAN RIGHTS — allowing to assess whether an area is affected by widespread and systematic violations of international law, including human rights abuses.

The analysis flow is followed by the following steps:

1. Based on supply chain information, we must first identify the geographic areas of supply, trade, handling and transport of minerals, with a view to understanding the context in which mining and trade activities occur and identifying related risks;

2. Consult the open sources (analytical sources, maps/tables and news) contained in Annex A – Open Information Sources of the SGRM.005 procedure, covering the three criteria for defining conflict-affected and high-risk areas, selecting at least one relevant resource for each criterion category;

3. Understand the political and security context and identify and assess the potential risks of adverse impacts on your supply chain.

4. If the sources listed in Annex A of procedure SGRM.005 provide contradictory or inconclusive information, we should exercise caution before exempting an area from enhanced due diligence procedures.

5. The sources listed in Annex A of procedure SGRM.005 are updated at varying intervals and, although they are relevant, they may not always be completely accurate, therefore, we should use them in combination and with the addition of complementary sources, as appropriate.

Based on these criteria, we determined that the other complementary research sources to be used will be:

- Conflict Barometer
- Geneva Academy Rule of Law in Armed Conflict
- Corruption perception index

- Sanctions (website Know Your Country)
- Fragile State Index – FSI

So if a country is classified as high risk in the mandatory resources (Dodd Frank list and EU CAHRA), it will be considered a CAHRA regardless of the assessment of complementary resources.

As described in one of the examples in the document “Example of procedures for identifying conflict-affected and high-risk areas” (version 1.2, revised on April 2, 2021), we will use the criterion that if a country is not classified as high-risk, risk in mandatory resources, may be elevated to a high-risk country if two of the three criteria (Conflict, Governance and Human Rights) are assessed through the complementary resources that White Solder Metalurgia e Mineração LTDA with a high-risk classification.

The CAHRA identification assessment record will be carried out according to SGRM.015 - CAHRA assessment form.

The CAHRA's procedure is reviewed at least every 12 months, but may be reviewed sooner if there are any relevant changes to some of the criteria listed above. Based on our CAHRA procedure, none of our raw materials are sourced or transported through a CAHRA.

### **Step 2: Analysis to identify Red Flags:**

After identifying CAHRAS and, to determine the scope of the risk assessment, White Solder Metalurgia e Mineração Ltda begins the analysis of its supply and transport chain through the process of collecting information about business partners, ore suppliers and transporters in high-risk chain, a process we call “Know Your Counterparty (KYC)”. The basic principle of KYC is to determine the identity, type of business relationship and legality of business operations for each ore supplier. We developed a specific form for ore suppliers that combines the basic principles of the KYC method with the OECD (Conflict, Governance and Human Rights) evaluation criteria to bring impartiality and transparency in the evaluation to identify possible Red Flags in the chain of supplies: SGRM.009 – Red Flag Analysis.

No material originates from or transited through a CAHRA and Brazil is a plausible country of origin. Based on this review, no red flags were identified.

We were able to identify the cooperative's tax payments that had been raised to severity 2 in last year's Due Diligence report, resuming operations with them and removing severity 2.

Throughout the period covered by this report, we had two cooperatives elevated to severity 2 as per the details described below:

1<sup>a</sup> Cooperative: Its exploration license is a “mining decree”, that is, it is responsible for paying the CFEM and we were unable to identify such payments using the BI (Business Intelligence) of the National Mining Agency (ANM). The cooperative is negotiating with the government to regularize this situation, and this is the reason that its operating and exploration license remains active, so we determined that, by the end of 2024, we will monitor this supplier more closely, monitoring such negotiations together with the government through available public consultations and also requesting relevant documentation from the supplier.

2<sup>a</sup> Cooperative: In December 2023, this cooperative was investigated by the competent authorities in Brazil for a possible fraudulent misrepresentation of the origin of material that would have occurred in 2021. To date, this process remains only under investigation, without having evolved into a formal accusation for which the cooperative would need defend yourself. We are closely monitoring the process and the cooperative was able to present all the documentation requested by the competent authorities in Brazil and also everything we requested as evidence according to our procedures. Even though the possible event occurred outside the period covered by this report (2021), we will maintain this cooperative as severity 2 until the process is closed.

### **Step 3: Due Diligence advanced;**

After the analysis to identify the CAHRA's and Red Flag specified above, if there´s a CAHRA's classification or its identified some red flag, White Solder Metalurgia e Mineração Ltda continues to carry out advanced due diligence, carrying out an assessment and gathering information related to the cassiterite ore supply chain under the following aspects:

1. Knowledge of the context of the area of origin, transit and/or export of minerals affected by conflicts and high risk;
2. Knowledge of your suppliers and business partners;

3. Knowledge of mineral extraction conditions in areas affected by conflicts and high risk;
4. Knowledge of the conditions of transportation, handling and trade of minerals in conflict-affected and high-risk areas;
5. Knowledge of export conditions from conflict-affected and high-risk areas.

Advanced due diligence of operations with business partners identified as CAHRA's or Red Flag to evaluate aspects 1 to 5 listed above, is obtained by applying the questions necessary for prior knowledge of the business partner's supply chain regarding tin. Better details are specified according to procedure SGRM.010 – Advanced due diligence.

As none of the raw materials originate or transit through a CAHRA, Advanced Due Diligence would not be applicable at this time, however we made use of such a tool as an additional measure that was defined in our mitigation plan for severity 2 classification, identified in the previously mentioned cooperatives. Additionally, we also used this tool for other cooperatives just to formalize the visits we make to monitor our suppliers.

Both in the cooperatives that are classified as severity 2, and in the other cooperatives where we carried out advanced due diligence, no irregularities or serious points of attention were found.

#### **Step 4: SCA - Upstream Engine Data Analysis**

In the hypothetical event of purchasing materials from a CAHRA, White Solder's rule is to use Upstream Assurance mechanisms 100% recognized by the RMI to support part of its on-site due diligence activities and reinforces that:

- Will carry out field due diligence (In loco), if the documentation provided by the upstream mechanism presents any type of inconsistency or discrepancy;
- Field due diligence (In loco) if we carry out a high-risk operation without using an upstream mechanism.

We also reinforce that we will use the upstream mechanism for the supply chain and transport chain for high-risk cases.

In the hypothetical situation of carrying out a transaction in CAHRA's area using the upstream mechanism as part of due diligence, data and information will

be analyzed, the objective of the SCA is to consolidate and analyze in a single report all the documentation provided by the upstream mechanism, before the operations are approved. as a due diligence factor; As it is a living organism, the SCA will be updated with each operation and will include all other documentation and information that will be generated after the material is shipped to its final destination.

No upstream mechanisms were used during the analyzed period, as 100% of the raw material entering our smelter originates from Brazil, which is a low-risk country according to our CAHRA procedure.

## Risk management

Our procedure SGRM.007 - Scope, Identification, Assessment and Management of Risk determines all the criteria we use for the risk management. Below we will present a summary of the main points that are determined in this procedure.

### **Assessment and identification**

White Solder Metalurgia e Mineração Ltda, through its advanced due diligence that is applied to high-risk actors, identifies and assesses the presence and severity of risks in the supply chain, comparing the facts and circumstances against the risks included in Annex II OECD, specifically:

- Serious violations of human rights:
- Support for armed groups:
- Hiring security:
- Bribery and fraud
- Money laundry
- Non-payment of debts

### **Risk classification and management**

As specified in OECD Annex II and detailed in its SGRM.004 - Supply Chain Policy White Solder Metalurgia e Mineração Ltda classifies the possible risks identified as Severity 3 (high) and Severity 2 (medium) and the actions that mitigate them as described below:

- We consider serious human rights violations associated with the extraction, transport or trade of minerals as Severity 3 and will take the following measures when identified:

- We will immediately suspend or cease engagement with suppliers when we identify a reasonable risk that they are procuring or linked to any party committing serious human rights abuses..

- When risks linked to direct or indirect support to non-state armed groups are identified, they will be considered a Severity 3 risk and will receive the following treatments:

- We will immediately suspend or cease engagement with upstream suppliers when we identify a reasonable risk that they are acquiring or linking to any party that provides direct or indirect support to non-state armed organizations.

- In relation to public or private security forces and the exposure of artisanal miners to this risk, White Solder considers it Severity 2 and will adopt the following measures:

- When we identify that a reasonable risk exists, we will suspend or discontinue contracting with suppliers after failed mitigation attempts within 6 months of adopting the risk management plan.

- In relation to the management of risks of bribery and fraudulent misrepresentation of the origin of minerals, money laundering and payment of taxes, fees and royalties to governments, the identified risk will be considered Severity 2 and we will adopt the following stance:

- If within 6 months from the adoption of the risk management plan, there are no measurable and significant improvements to prevent or mitigate the risks of bribery and fraudulent misrepresentation of the origin of minerals, money laundering and payment of taxes, fees and royalties to governments, we will suspend the contract with the supplier for a minimum period of 3 months. If the company is interested in continuing operations after the established minimum period, the suspension must be accompanied by

a revised risk management plan, indicating the performance objectives for progressive improvement that must be met before resuming the commercial relationship.

When identifying a risk, in addition to developing, implementing and monitoring the risk management and mitigation plan, White Solder Metalurgia e Mineração Ltda:

- Report conclusions to Senior Management through reports describing the information collected and potential risks;
- Seeks to build and/or exert influence on those actors in the chain who can most effectively mitigate risks;
- Consults other affected stakeholders to align on the risk management strategy;
- Implements and monitors the risk management plan and reports to Senior Management to consider suspension or discontinuation of the business relationship after failed mitigation attempts;
- Supports network-based communities to monitor risk mitigation;
- Maintains continuous risk monitoring:
  - Measurable evidence to eliminate the risk must be forwarded within a maximum of 6 months from adoption, if this does not happen, White Solder Metalurgia e Mineração Ltda will suspend or discontinue the operation/involvement for a minimum of 3 months.

### **Mitigation and Indicators**

White Solder Metalurgia e Mineração Ltda may adopt measures to reduce and mitigate risks that may be identified, whether individually or through associations, joint assessment teams or other appropriate means to carry out such activities, following the guidelines presented in Annex III of the OECD “Suggested Measures for Risk Mitigation and Indicators for Measuring Improvements”.

Considering the two suppliers that were elevated to severity 2, we can divide the situations found into two of the topics mentioned in Annex III of the OECD guide: Transparency about taxes, fees and royalties and possible false representation of the origin of materials.

In relation to the cooperative that could be classified under the item transparency on taxes, fees and royalties, in addition to the monitoring that was carried out within our mineral responsibility management system (SGRM), we can highlight two risk mitigation measures suggested by Annex III of OECD:

- support the implementation of the Extractive Industry Transparency Initiative;
- support the public disclosure, in a disaggregated manner, of all information on taxes, fees and royalties paid to governments for the purposes of extracting, trading and exporting minerals from conflict-affected and high-risk areas;

In the link on our website where we support the EITI, we also include the business intelligence (BI) link of the National Mining Agency (ANM). With this, we are informing and demonstrating to all market players (national and international) how to consult mining tax payments (CFEM), but also reinforcing with the cooperative the need for its regularization with the government.

Regarding the measure of supporting public disclosure, this previous action also fits into this topic, and we also demonstrate a much more complete example for other companies to follow, which is the data that we make public about our company through our integrated report that was prepared according to the GRI (Global Reporting Initiative) standard.

In relation to the cooperative that could be classified under the item possible false representation of the origin of materials, we also carried out all the monitoring within our mineral responsibility management system (SGRM) and followed the path of cooperation to develop supplier capabilities that Annex III suggests.

Some improvements were already underway and were implemented, such as having a third party audit the cooperative's financial reports, and others will be implemented together throughout the year, for example, providing data that we were able to obtain through the system we contracted from Big Data Analytics aimed at compliance, to contribute to the KYC process of the cooperative's members.



## Conclusion

The last RMI assessment that White Solder Metalurgia e Mineração LTDA underwent was from October 23 to 26, 2023, while the last ITA assessment took place between November 9 and 10, 2023. RMI certification by the Responsible Minerals Assurance Process Standard was renewed in October 2023 and we were certified by the ITA in Tin Code Standard 7.3 in December 2023, being the first tin smelter in the world to be certified by ITA. As a result, we are one of the few tin foundries in the world to be certified in responsible sourcing by the two entities recognized by LME for this purpose, certifications that are required for all LME Brand companies, such as White Solder Metalurgia e Mineração LTDA.

Considering that the two responsible sourcing audits have their renewal processes in the second half of the year, we chose to standardize the preparation of our due diligence report for the period from July 1st to June 30th of the following year, so we will have a 12-month evaluation of operation, but with a cutoff line closer to the audit dates. Therefore, this report covered the period from July 1, 2023 to June 30, 2024.

Our production continues to use only primary materials as raw material and 100% of the cassiterite acquired throughout the analyzed period originates from Brazil, being supplied by cooperatives that have long-term supply agreements and also by our Group's own mining, NBF Mineração S/A.

In the evaluated period we had a total of 1105 ore inputs with a total weight of 6813 tons (already discounted moisture) and an average tin content in this ore of 58.36%. Of the total weight, 13.8% came from NBF Mineração S/A and the remainder (86.2%) came from cooperatives.

It is important to highlight that we had an increase from 6.82% to 13.8% of total inflows from NBF Mineração S/A. This clearly demonstrates the White Solder Group's strategy in developing its own sources of supply for our smelter. In the coming months, in addition to continuing with the operational development of NBF Mineração S/A with a view to increasing its productivity, the White Solder Group intends to start a new mining area, also within the State of Rondônia.

Therefore, we did not have any entry of ore from areas identified as CAHRA, we not identified any red flags, we did not have any entry into our reporting channel in relation to the Mineral Responsibility Management System



(SGRM) and we had two cooperatives that were elevated to severity 2, where we applied the SGRM procedures for appropriate risk management.

We consider that our mineral responsibility management system (SGRM) continues to evolve, and we remain invested in continuous improvement of this system, including hiring third-party companies to assist us in this process, such as a consultancy specialized in responsible sourcing and a specialized Big Data service Compliance-oriented analytics.