

Materials Eco-Refining Co., Ltd Responsible Minerals Control Policy

Establishment date: 1th Jan 2020

The Materials Eco-Refining Co., Ltd (hereinafter the "MERC") engages in bullion manufacturing for platinum and palladium. The MERC does not procure materials originating from high risk areas, such as conflict-affected areas, connected to human rights abuses, terrorist financing, money laundering and illegal trade. To rigidly maintain this practice of nonuse, the MERC has adopted a control system that follows the London Platinum Palladium Market (LPPM) guidance for responsible platinum/palladium undergoes regular audits by third-party bodies.

The MERC hereby sets out its responsible minerals control policy applicable to platinum and palladium as follows and will implement the following measures.

1. General Provisions

(1)The MERC will respect human rights and avoid direct or indirect involvement with inhumane acts. For this purpose, the MERC will not use suspicious minerals which may be connected to conflict-affected and high risk areas where armed conflict, widespread violence and other risks may harm individuals.

(2)The MERC will perform risk controls on material procurement and will immediately stop a transaction when it becomes known that the MERC is purchasing minerals originating from and connected to those in power in conflict-affected and high risk areas.

(3)The MERC annually receives third-party assurance on its procurement of materials containing platinum and palladium, and reports the audit results concerning to LPPM.

2. Control System and Responsibility

(1)The MERC's headquarters deals with all operations for mineral control smelters and refineries do not procure materials independently.

(2)The compliance officer appointed by the MERC assumes authority and responsibility stipulated in the control manual, including those for overseeing relevant sections and divisions and for operating the control system.

(3)The supply chain officer appointed by the MERC assumes authority and responsibility stipulated in the control manual, including those for overseeing the entire control system and for regularly conducting management reviews.

3. Judgment Criteria for Material Procurement from Conflict-Affected and High-risk Area

The MERC considers procurement of materials containing platinum and palladium with definite or highly suspicious connections to specific conflict-affected areas as determined by the MERC and high risk areas connected to human rights abuses, terrorist financing, money laundering and illegal trade as high risk.

4. Implementation of Due Diligence on Material Suppliers

The MERC will practice due diligence and perform risk assessments on all suppliers of materials containing platinum and palladium. The MERC will immediately stop a transaction when it is deemed by the supply chain officer as being high risk, as a result of the risk assessment.

5. Monitoring of Materials Purchased by the MERC's Headquarters

(1)Materials purchased by the MERC headquarters are supplied to smelters and refineries, which will check the actual goods and analyze the content of platinum, palladium and/or other metals for every lot, to examine consistency with the information from suppliers provided in advance by the MERC headquarters and to report the findings to the MERC headquarters.

(2)The MERC will effectively utilize the monitoring system for incoming materials, which has long been in place, for the purpose of responsible minerals procurements control at the MERC headquarters and operate it as a system for the prevention of contamination with high risk minerals.

6. Operation of the Responsible Minerals Sourcing Control System

(1)The compliance officer will provide education and training to the relevant sections and divisions of the MERC headquarters and to the smelters and refineries as needed.

(2)The compliance officer will perform at least one internal monitoring per year of the relevant sections and divisions of the MERC headquarters and of the smelters and

refineries to assess if operations are properly performed in accordance with the responsible minerals sourcing control system or if there are any deviations from the system.

(3) In the event of starting transactions with a new supplier for material procurement, the MERC will ensure that the information is communicated to the compliance officer in an effort to prevent contamination with high risk minerals.

(4) The compliance officer will keep the records of all operations concerning responsible minerals sourcing control and retain them for five years. The relevant documents of the control manual will be revised as needed and properly managed.