JX Metals Smelting Co.,Ltd.

JX Metals Smelting LPPM Responsible Platinum and Palladium Guidance Compliance Report

The LPPM Responsible Platinum and Palladium Guidance Version 4 and the LPPM Responsible PGM Guidance Version 5 have been established for Good Delivery Refiners to adopt high standards of due diligence in order to combat systematic or widespread abuses of human rights, to respect environmental, social and governance (ESG) factors, to avoid contributing to conflict, to comply with high standards of anti-money laundering and combating terrorist financing practice.

This report summarizes how JX Metals Smelting Co., Ltd. (hereinafter, the "Company") complied with the requirements of the LPPM Responsible Platinum and Palladium Guidance Version 4 for the period from April to December 2025 and the requirements of the LPPM Responsible PGM Guidance Version 5 for the period from January to March 2026.

This report covers all divisions related to our precious metals business, including following companies and divisions.

- JX Metals Smelting Saganoseki Smelter & Refinery
- JX Metals Smelting Hitachi Works.
- JX Advanced Metals Corporation's Metals & Recycling Division and Marketing Dept.
- Nikko Metals Taiwan Co., Ltd.
- JX Metals Environmental Services Co., Ltd.
- JX Metals Tomakomai Chemical Co., Ltd.
- JX Metals Mikkaichi Recycle Co., Ltd.
- JX Metals Takasho Co., Ltd.
- JX Metals Circular Solutions Co., Ltd.
- JX Metals Trading Co., Ltd.
- Pan Pacific Copper Co., Ltd.'s Raw Materials Dept.

Table 1: Refiner's details	
Refiner's name	JX Metals Smelting Co., Ltd.
Location	14F Okura Prestige Tower 10-4 Toranomon 2-chome

	Minato-ku, Tokyo, Japan
Reporting year-end	March 31, 2026
Date of Report	June 30, 2026
Senior management responsible for this report 竹林一彰	Kazuaki Takebayashi President & Representative Director

JX Metals Smelting's evaluation

Table 2: Summary of activities undertaken to demonstrate compliance
Step 1: Establish strong company management systems
Compliance Statement with Requirement: We have fully complied with Step 1: Establish strong management systems.
JX Metals Smelting has adopted a supply chain policy regarding due diligence for supply chains of platinum and palladium.
Comments and Demonstration of Compliance: JX Metals Smelting has the Copper, Gold, Silver, Platinum and Palladium Supply Chain Policy (hereinafter referred to as "Policy"), which is consistent with the model set out in the Annex II of the OECD Due Diligence Guidance. The Policy sets out our responsibility to respect environmental, social and governance (ESG) factors, and not to contribute to conflict, and our commitment to refraining from any action which contributes to the financing of conflict. We at least annually review the Policy and revise it as necessary. We last revised the Policy in January 2026 with approval from the Board. The Policy is disclosed on our website (https://www.jx-nmm.com/english/sustainability/csr_procurement/conflict_minerals/), and is communicated to all our relevant staff by posting on our intranet and circulating via email. In accordance with the Policy, which requires that we make and receive payments for precious metal-bearing materials through appropriate financial institutions without exception, we do not accept cash.
JX Metals Smelting has set up an internal management structure to support supply chain due diligence.
Comments and Demonstration of Compliance: JX Metals Smelting operates an internal management system to support supply chain due diligence, which includes the definition of the governance, roles and

responsibilities, internal audit, communication and management review by the Board as per the Policy. Authority and accountability for supply chain due diligence are assigned to the Board. The Board members were provided training in September 2025 to update their knowledge. The Board has assigned the General Manager of Administration Division as the Compliance Officer who has suitable experience to take responsibility for the implementation of the due diligence process, and the Compliance Officer has a direct line of reporting to the Board. In addition, the following group companies (hereinafter referred to as the "Group Companies") perform supplier risk assessments as part of the due diligence process. The Group Companies' Due Diligence Officers, who are delegated by the Compliance Officer to conduct due diligence for each Group Company, carry out risk assessments of their supply chains:

- JX Advanced Metals Corporation's Metals & Recycling Division and Marketing Dept.
- Nikko Metals Taiwan Co., Ltd.
- JX Metals Environmental Services Co., Ltd.
- JX Metals Tomakomai Chemical Co., Ltd.
- JX Metals Mikkaichi Recycle Co., Ltd.
- JX Metals Takasho Co., Ltd.
- JX Metals Circular Solutions Co., Ltd.
- JX Metals Trading Co., Ltd.

If we identify a high-risk supply chain through our due diligence process, the Compliance Officer conducts enhanced due diligence and reports the results to the Board. The Board then determines whether to enter the transaction and gives appropriate instructions to the Compliance Officer. JX Metals Smelting provided training on due diligence to employees involved in the procurement of platinum and palladium during the reporting period. The training focused on an overview of the conflict minerals issue, the results of the third-party audit from the previous year, and the necessary actions to be taken by each department. A total of 243 employees attended the training. This number represents all employees involved in our due diligence process. In addition, the training materials and internal regulations are posted on the intranet to ensure they are known to all employees, and they are also communicated to employees of the Group Companies through email circulation.

JX Metals Smelting has established a traceability system over platinum and palladium supply chains, including chain of custody mapping and identification of supply chain actors.

Comments and Demonstration of Compliance:

JX Metals Smelting has a platinum and palladium -bearing materials receipt process.

Specific documents such as those showing the origin of raw materials, weight and assay, shipping/transportation documents, etc. must be received and transactional details entered before we process the platinum and palladium -bearing material. The received documents are stored in a prescribed database, and the information is accurately registered in our transaction system on a lot-by-lot basis. We have introduced a checklist for registration of information on new suppliers of recycled materials since fiscal 2021. Information on new suppliers now cannot be registered in the transaction system without attaching a completed checklist, which we expect to ensure that supplier risk assessments be implemented before commencing transactions. JX Metals Smelting identifies the origin of platinum and palladium -bearing materials by obtaining KYC Questionnaires and Certificates of Origin from suppliers and preparing due diligence screening tables. We also perform supply chain compliance checks using the Dow Jones Risk Database. As a result of the foregoing, we identified two potentially high-risk supply chains for fiscal year 2025, although there was no transaction determined zero-tolerance. Against the potentially high-risk supply chains that we identified, the Compliance Officer conducted enhanced due diligence and reported the results to the Board. Although the Board determined that these suppliers were not high-risk, it instructed the Compliance Officer to proceed with the transactions on the condition that the following continuous monitoring is implemented. 1. For each shipment, we shall confirm with our supplier whether there are any increases or decreases in the number of upstream suppliers of our supplier ("Secondary Suppliers"). 2. If there is an increase in the number of Secondary Suppliers, we shall obtain information on the locations and business types of the Secondary Suppliers and conduct a risk assessment for the supply chain. 3. We shall obtain approval from the Compliance Officer regarding whether to continue a business relationship with the supplier based on the result of the above 1 and 2.
JX Metals Smelting has strengthened company engagement with platinum and palladium supplying counterparties, and where possible, assisted platinum and palladium supplying counterparties in building due diligence capabilities.
Comments and Demonstration of Compliance:

Before entering transactions, we send via e-mail the Policy and the KYC Questionnaire to our suppliers of platinum and palladium-bearing materials and request them to commit to the Policy or submit their own policy, and to fill out the KYC Questionnaire. We have obtained the commitment from all of our suppliers of platinum- and palladium bearing materials to the Policy in fiscal 2025. In addition, when the Policy is revised, we also send via e-mail the Policy to all of our suppliers of platinum- and palladium-bearing materials and obtain the commitment from all of our suppliers to the revised Policy. There were no due diligence issues on which suppliers/counterparties were specifically engaged during reporting period. There were no purchases of platinum- and palladium-bearing raw materials from state-owned companies operating in the Extractive industry Transparency initiative (EITI) compliant countries for fiscal 2025.
JX Metals Smelting has established a company-wide confidential grievance mechanism.
Comments and Demonstration of Compliance: JX Metals Smelting has established a mechanism that allows employees and external stakeholders to voice concerns anonymously over the platinum and palladium supply chain or a newly identified risk via an e-mail contact form(English: https://www.jx-nmm.com/english/sustainability/csr_procurement/conflict_minerals/, email address: conflict_minerals@jx-nmm.com, Japanese: https://www.jx-nmm.com/company/purchase/csr_procurement/supplier_hotline.html). Additionally, a functional hotline has been established for reporting concerns, which is regularly reviewed by the Compliance Officer. Reports received through the hotline shall be investigated by top management. Whistleblowers shall be provided with updates on the status of their investigation, except in cases of anonymity. JX Metals Smelting has established internal regulations, such as the "JX Advanced Metals Group Detailed Regulation on Handling of Whistleblowing" for handling reports from outside the company. These regulations define the organizational structure for receiving reports and the procedures for responding to them. In fiscal year 2025, there were no reports received from outside the company. There were no concerns raised regarding the platinum and palladium supply chains, either from within the company or externally, in fiscal 2025, and there are no outstanding issues to close.
Step 2: Identify and assess risks in the supply chain
Compliance Statement with Requirement:

We have fully complied with Step 2: Identify and assess risks in the supply chain.
JX Metals Smelting has a process to identify risks in the supply chain.
Comments and Demonstration of Compliance: JX Metals Smelting identifies and assesses risks in the supply chain. The Group Companies, with personnel who have the suitable skills and experience gained through regular supplier transactions, perform supplier risk assessments and continuous transaction monitoring as part of the due diligence process. This includes obtaining KYC Questionnaires and Certificates of Origin from suppliers, preparing a due diligence screening table, and checking compliance matters using the Dow Jones risk database. The Group Companies' Due Diligence Officers are informed of the results of assessment as above. They review the results of assessment and approve transactions. The Compliance Officers submit an annual report to the Board of Directors on the results of supply chain due diligence operations, based on the results of internal audits regarding conflict minerals and other factors. If a high-risk or zero-tolerance supply chain is not identified, the Group Companies' Due Diligence Officers approve the transaction. The Group Companies' Due Diligence Officers periodically report the results of approval to the Compliance Officer. If zero-tolerance is identified, the transaction must not commence or be suspended immediately. If a high-risk supply chain is identified, enhanced due diligence must be conducted and the results must be reported to the Board through the Compliance Officer. The Board then determines whether to enter the transaction and gives appropriate instructions to the Compliance Officer. In case the Board determines to enter the transaction with high-risk supply chain, we request the supplier to prepare and implement an improvement plan to eliminate the high-risk, and if there is no progress in eliminating the high-risk in accordance with the improvement plan within six months, we shall suspend the transaction. The Board continues to monitor the progress of the improvement plan.
JX Metals Smelting classifies identified risks in light of the standards of its due diligence system.
Comments and Demonstration of Compliance: Supply chain due diligence comprising all measures required by the LPPM Responsible Platinum and Palladium Guidance Version 5 shall be performed before entering a business relationship with any platinum and palladium supplying counterparties. Additionally, this due diligence shall be conducted at least once every

three years thereafter. We use KYC Questionnaires filled out by suppliers, information provided by Teikoku Databank., Ltd. and Dow Jones and Company, Inc. to assess the risks in our supply chain.

We conduct appropriate scrutiny and monitoring of transactions undertaken through the course of the relationship following a risk-based approach. The Group Companies perform supplier risk assessments as part of due diligence process.

JX Metals Smelting has established a process for the identification of Conflict Affected and High-Risk Areas (hereinafter referred to as "CAHRAs"). We shall review the list at least once a year and make changes to it as necessary. The Compliance Officer is responsible for keeping the CAHRAs list up-to-date and accessible to anyone involved in our platinum and palladium raw material supply chain Due Diligence.

We include in the definition of CAHRAs the Democratic Republic of the Congo and its neighboring countries, other conflict-affected and high-risk countries identified by us, and countries where minerals from the aforementioned countries are known or reasonably suspected to transit.

We shall define CAHRAs based on the following information sources.

- Sanctions lists (US, UK, EU, UN, and relevant sanctions lists)
- Dodd Franks. 1502
- EU CAHRA list
- Heidelberg Barometer
- Fragile States Index or equivalent
- UN Human Rights Office of the High Commissioner or equivalent
- Reports (including relevant country reports) by the Financial Action Task Force (FATF)
- Credible market intelligence on high-risk platinum centers/transit hubs and on countries where there is a high risk of money laundering
- - The newsletter from a precious metals trade association

In May 2025, we revised the CAHRAs list according to the process stipulated in our manual.

We determine platinum or palladium supplied to us is zero-tolerance when platinum or palladium supplied to us i) originates from areas designated as World Heritage Sites; ii) is provided by suppliers that are located in countries or regions designated by us as zero-tolerance target countries or regions; iii) is confirmed or reasonably suspected to originate from, or pass through, countries or regions designated by us as zero-tolerance target countries or regions; or (iv) is sourced in breach of international sanctions; or supplier, other known upstream companies or their Ultimate Beneficial Owners (UBOs) are known money launderers, fraudsters or terrorists, or have been implicated in serious human rights abuses, or in direct or indirect support to illegitimate non-state armed groups. We determine that platinum or palladium supplied to us is high-risk when platinum or palladium supplied to us meets any of the following criteria.

(1) Mined platinum and palladium

(i) for location-based high risks, the mined platinum or palladium;

- originates from, has transited or has been transported via CAHRAs;
- is claimed to originate from a country through which platinum and palladium from CAHRAs in known, or reasonably suspected to transit;
- is claimed to originate from a country that has limited known reserves or stocks, likely resources or expected production levels of platinum or palladium;
- is claimed to originate from recyclable/scrap or mixed sources and has been refined in a country where platinum or palladium from CAHRAs is known or reasonably suspected to transit;.

(ii) for supplier-based high risks, the supplier;

- or its UBOs are located in CAHRAs or are Politically Exposed Persons (PEPs);
- has activities in a higher-risk business activity such as arms, gaming and casino industry, antiques and art, and sects and their leaders;
- has sourced platinum and palladium-bearing raw materials from CAHRAs in the last 12 months; or
- has material discrepancies/inconsistencies in the documentation provided or have refused to provide requested documentation.

(iii) for type of material based high risks, the mined platinum or palladium is;

- sourced from Artisanal and Small-scale Mines (ASM);
- produced with the use of mercury; or
- contributing to catastrophic harm or highly adverse ESG factors, to the extent that we are able to identify this (e.g., through a record in the public domain or in our due diligence file).

(2) Recycled platinum and palladium

(i) for location-based high risks, the recycled platinum or palladium;

- originates from, has transited or has been transported via CAHRAs;
- originates from an area that is vulnerable to illegal mining and theft.
- is claimed to originate from a country through which platinum from CAHRAs is known, or reasonably suspected, to transit, and/or is unjustifiably claimed to have originated from a country that has limited exports of platinum.

(ii) for supplier-based high risks, the supplier;

- or its UBOs are located in CAHRAs or are Politically Exposed Persons (PEPs);

- operates in a money laundering high-risk country;
- engages in high-risk business activities, such as arms dealing, the gaming and casino industry, trading of antiques and art, or religious sects and their leaders;
- has sourced platinum and palladium-bearing raw materials from CAHRAs in the last 12 months;
- has significant unexplained geographic routing from their supplier or counterparty in the supply chain;
- refuses to provide documentation, or the documentation provided contains significant discrepancies or inconsistencies; or
- Suppliers of platinum/palladium-bearing materials derived from automotive catalysts have not formulated or published policies in accordance with OECD guidelines.

(iii) for type of material based high risks, the recycled platinum or palladium is;

- from an intermediate refinery or trader with a high-risk supply chain or a trading counterparty sourcing from an intermediate refinery with a high-risk supply chain;
- from a primary supplier that sources platinum/palladium-bearing materials from an intermediate processor known to make full or partial payments in cash; or
- contributing to catastrophic harm or highly adverse ESG factors, to the extent that we are able to identify this (e.g., through a record in the public domain or in our due diligence file).

If our due diligence finds that a particular supply chain is high-risk because either platinum/palladium supplied to us or a supplier meets any of the above high-risk criteria, we conduct enhanced due diligence, namely, a site visit as well as checks and assessments using appropriate information sources, so that the Board can determine whether or not to proceed with the transaction.

JX Metals Smelting has undertaken EDD measures for identified high-risk supply chains.

Comments and Demonstration of Compliance:

If high-risk supply chains are identified, the Compliance Officer shall report to the Board the process and results of enhanced due diligence conducted. We shall conduct enhanced due diligence by conducting a site visit using the LPPM Site Visit Template to substantiate findings from document-based supply chain due diligence.

The site visits are conducted no later than six months after the start of trading, and annually as long as the transaction is deemed high-risk in the due diligence review.

If we are unable to conduct mandatory site visits due to unavoidable circumstances—such as the supplier being located in an area affected by war, a major incident, civil unrest, or other extraordinary circumstances, we will implement alternative measures, such as online meetings with the supplier's representatives.

The Board must determine whether to approve or disapprove all suppliers classified as high risk. The Board retains the ultimate control and responsibility for the platinum or palladium supply chain.

If we source recycled platinum or palladium from intermediate refiners directly, we shall identify the intermediate refiners' UBOs, and obtain independent assurance reports on the intermediate refiners' responsible sourcing practices to confirm whether the independent assurance report i) includes conformance with an OECD aligned responsible sourcing scheme; ii) is commissioned by the intermediate refiner; and iii) is completed before the start of a new business relationship with us.

If we source recycled platinum or palladium from intermediate refiners indirectly, we shall use best efforts to identify the intermediate refiners and their UBOs. We shall conduct due diligence to determine if the supply chain of the intermediate refiners is high-risk. If the supply chain including the intermediate refiner is determined to be a high-risk supply chain, we shall determine whether the intermediate refiner's supply chain due diligence process is audited against an OECD aligned responsible sourcing scheme, and the Board must determine whether to enter the transaction and give appropriate instructions to the Compliance Officer. We did not source any platinum or palladium from intermediate refiners for fiscal year 2025.

Since there were two transactions identified as potentially high-risk supply chains during the reporting year, the Compliance Officer conducted enhanced due diligence for the potentially high-risk supply chains and reported the results to the Board. As part of the enhanced due diligence process, two site visits were conducted at the recycled materials supplier's location in a CAHRA before entering into the transactions. The visits were undertaken by employees responsible for high-risk supply chain transactions, who had received periodic training on due diligence provided by JX Metals Smelting. During the site visits, we used the LPPM Site Visit Template to verify information on the supplier's business operations and entire supply chain and assess risk in terms of money laundering, workers and security. As a result of the risk assessment based on the site visits, we identified no specific underlying issues. The Board determined to proceed with the transactions and directed the

Compliance Officer to continue proper monitoring for the supply chains. As a result of the foregoing, there was no transaction determined zero-tolerance and no high-risk supply chain for fiscal year 2025. In the end, there were no high-risk transactions that required a Step 3 response.
Step 3: Design and implement a management system to respond to identified risks
Compliance Statement with Requirement: We have fully complied with Step 3: Design and implement a management system to respond to identified risks.
JX Metals Smelting has devised a strategy for risk management of an identified risk by either (i) disengagement from the risk, (ii) mitigation of the risk while suspending trade or (iii)mitigation of the risk while continuing to trade.
Comments and Demonstration of Compliance: JX Metals Smelting has devised a strategy for risk management according to the nature of the identified risk whereby the Board decides on one of the following. (i) in case money laundering, terrorist financing, fomenting conflict, human rights abuses, theft of platinum/palladium-bearing materials, direct or indirect support for illegal non-state armed groups, or fraudulent misrepresentation of the country of origin of platinum or palladium is being taking place, or is highly likely to be, the transaction must not commence or be terminated immediately; (ii) in case money laundering, terrorist financing, fomenting conflict, human rights abuses, theft of platinum/palladium-bearing materials, direct or indirect support for illegal non-state armed groups, or fraudulent misrepresentation of the country of origin of platinum or palladium may be taking place or significant impact on ESG factors has been recognized the transaction must be suspended and investigated; or (iii) in case due diligence has concluded that there has been (a)direct or indirect assistance, bribes or thefts in the Supply Chain to public or private security forces, (b)misrepresentation of country of origin of platinum or palladium without fraud, (c)non-compliance with taxes, fees and mining fees payable to the government, or (d)violations of environmental, occupational health and safety, local community laws or (e) material regulatory violations of ESG factors, but the supplier is acting proportionately and in good faith, the transaction may be continued but risk mitigation plan must be implemented. In the case of implementation of a risk mitigation plan, JX Metals Smelting requires suppliers to implement an improvement plan with clear performance targets within a reasonable period, continuously monitors the implementation status of the plan, and reports the findings to the Board. If the improvement plan fails to produce results

within six months, JX Metals Smelting shall consider suspending or dissolving the relationship with the supplier. No reasonable risk of our involvement in money laundering, terrorist financing, conflict, human rights abuses or violations of ESG factors-related legal requirements was identified in our due diligence, including enhanced due diligence, conducted in fiscal 2025. Therefore, there were no cases of cooperation with national or local government authorities regarding high-risk supply chains.
Step 4: Independent third-party assurance
Compliance Statement with Requirement: We have fully complied with Step 4: Obtain Independent Third-Party Assurance on Supply Chain Due Diligence Practices.
Comments and Demonstration of Compliance: JX Metals Smelting engaged the services of the assurance provider KPMG AZSA Sustainability Co., Ltd. (hereinafter referred to as "KPMG AZSA"), and their independent assurance report is attached. At the Board meeting held in December 2025, the Board ensured that KPMG AZSA is independent of the organization and has the necessary effectiveness to carry out the engagement and approved to enter into Assurance Service Agreement with KPMG AZSA.
Step 5: Report on supply chain due diligence
Compliance Statement with Requirement: We have fully complied with Step 5: Report on supply chain due diligence.
The Policy is available on JX Advanced Metals Corporation's website, and our Compliance Report with the independent assurance report is available on JX Advanced Metals Corporation's website (https://www.jx-nmm.com/english/sustainability/csr_procurement/).

JX Metals Smelting's overall conclusion

Table 3: Management conclusion
Is the Refiner in compliance with the requirements of the LPPM Responsible Platinum and Palladium Guidance Version 4 and the LPPM Responsible PGM Guidance Version 5 for the reporting period? Yes

In conclusion, JX Metals Smelting implemented effective management systems, procedures, processes and practices to conform to the requirements of the LPPM Responsible Platinum and Palladium Guidance V4 for the period from 1 April to 31 December 2025 and the requirements of the LPPM Responsible PGM Guidance Version 5 for the period from 1 January to 31 March 2026. JX Metals Smelting is committed to continuous improvement, and any corrective actions identified will be monitored internally on a regular basis.

Table 4: Other report comments
If users of this report wish to provide any feedback to JX Metals Smelting with respect to this report, they can send an e-mail to the functional mailbox: conflict_minerals@jx-nmm.com.