Daye Nonferrous Metals Co., LTD.

Multi-metal Combined RGG and RSG Compliance Report

Year 2023

Daye Nonferrous Metals Co., LTD.

PART A. REFINER'S DETAILS

Table 1.

Refiner's Name:	Daye Nonferrous Metals Co., LTD.
Location:	115, Xialu Road, Xialu District, Huangshi City, Hubei, China
Reporting period:	1st January 2023 to 31st December 2023
Date of Report:	29th March 2024
Senior Management Responsible for this Report:	Name: Zhang, Guangming Title: President

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

Table 2.

STEP 1: COMPANY MANAGEMENT SYSTEMS
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Material Supplier Annual Additional Assessment Flowchart, the LBMA RGG (RSG) Questionnaire, the LBMA RGG (RSG) Checklist, LBMA Supply Chain Assessment Form and etc. The policy has been made public on Company's official website in English (http://www.dyys.com/dyys/lib/tempalte/scheme/images/637832058133877953.pdf) and all relevant staff are informed.
1.2 Has the Refiner set up an internal management structure to support supply chain due diligence?

The Gold Supply Chain Compliance Committee was founded by the Company on 8th December 2014. Under the requirements of LBMA RSG, the committee was renamed as Gold and Silver Supply Chain Compliance Committee (hereinafter referred to as "Compliance Committee") since 2018. The Executive Director is the leader of Compliance Committee, and Mr. Yu, Hongqiang, the leader of Legal Affairs Department is the Compliance Officer. The members of Compliance Committee also include Managers or

The Daye Nonferrous Metals Co., LTD. Responsible Gold and Silver Supply Chain Due Diligence Management Policy, in line with the LBMA RGG V9, provides guidance for determining origins of precious metal materials. The Company collects origins and counterparties' information through due diligence questionnaire, site visit report and transaction documents, such as contracts, customs declarations, waybills etc. The Company also keeps records of goods receipt, including supplier name, types of precious metal materials, country of origins, route of transportation, date and number of purchase orders, and etc.
1.4 Has the Refiner strengthened company engagement with gold and silver supplying counterparties, and, where possible, assisted gold and silver supplying counterparties in building due diligence capabilities?

According to the requirement of the LBMA RGG, LBMA RSG and Annex II of OECD Due Diligence Guidance, Company has adopted the Supplier Responsible Gold and Silver Commitment Letter. Gold (silver)-bearing material procurement departments are responsible for communicating with external counterparties on the requirements of LBMA RGG, LBMA RSG, and the Company's policies and procedures regarding responsible gold and silver supply chain management. We are in efforts to make sure the external counterparties understand and follow our policies and procedures under LBMA responsible gold and silver requirements. In order to decrease the engagement risks, Gold (silver)-bearing material suppliers are required to sign the Supplier Responsible Gold and Silver Commitment Letter before commencing

The assessment of responsible gold and silver supply chain is conducted with respect to Location Risk, Supplier Risk and Material Risk. The Location Risk involves the gold (silver)-bearing material originated or transported

suppliers at different risk levels. If conclusive evidence proves that the supplier is involved in money laundering, financing of terrorism, encouraging conflict or human rights violations, direct or indirect support to illegitimate non-state armed groups, fraudulent misrepresentation of the origin of minerals and non-compliance with ESG requirements, the Company terminates trading and cooperating with the supplier immediately. In other cases, the Company suspends the cooperation until more information and evidence being obtained to prove that the risk level has been decreased to Media or Low.

The Company reports the results of monitoring and evaluation of high-risk suppliers to the Board Committee and LBMA to decide whether to continue the cooperation with the suppliers.

STEP 4: INDEPENDENT THIRD-PARTY Ab1 0 0 1 199.JETQq64.344 576.89 458.57 22.08 re0 g0 G[(C)-9(o)

As of 31st December 2023, we have followed the Gold and Silver Supply Chain Due Diligence Management Policy according to the management system of gold and silver supply chain. We have collected the information for due diligence, identified and assessed risk in supply chain, designed and implemented the risk management strategy, arranged the independent third-party audit of supply chain due diligence and compiled a report on supply chain due diligence. Therefore, we have fully complied with the LBMA RGG and LBMA RSG.

In the next phase of work, we are committed to continuous improvement on the basis of current gold