Planta Recuperadora de Metales SpA

FINAL REPORT STEP 5

DUE DILIGENCE PRM SpA

2024

Antofagasta, December 2025

1.- Company Information:

Planta Recuperadora de Metales SpA, hereinafter PRM SpA, is a company belonging to a joint venture between LS-Nikko (Republic of South Korea) and Corporación Nacional del Cobre - CODELCO (Chile). The company was established in Chile with the purpose of adding value to the intermediate products generated in the copper refining process. This is how PRM SpA, after a commercial agreement with CODELCO, submitted its Environmental Impact Statement for evaluation, which was approved by the Environmental Assessment Service (SEA) in 2013, giving the green light to the construction and processing plant installation. The plant is located inside the town of Mejillones, in the second region of Antofagasta, starting its processing in the second half of 2016, mainly with the production of Copper Sulfates, Selenium Shot and Dore Anodes, and then continued with the production of Silver Ingots and Gold Ingots. It should be noted that PRM SpA has the company CODELCO as its sole supplier, from where it receives 100% of the raw material it processes, this being a by-product of copper mining, specifically, anodic slime from the electrolytic copper refining process, with a gold content between 0,1% to 0,5% and silver content between 9.8% a 39% during 2024, with othermetals. The process is based on the selective separation of contaminants and the concentration of materials of interest through various unit operations such as leaching, filtration, roasting, melting, etc.

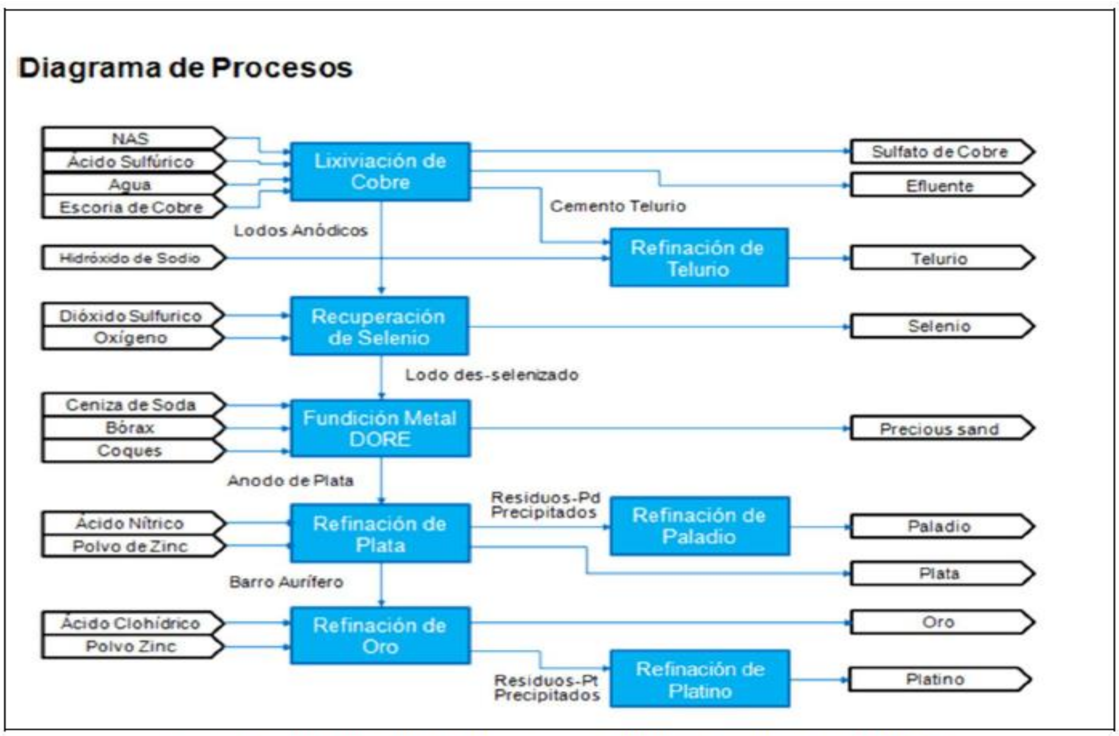

***Figura 2.1**. Diagrama general de proceso de la Planta Recuperadora de Metales.*
** NAS: "Precipitado de Refinería Rico en Cobre" (insumo principal)*

** Figure taken from the Environmental Impact Statement, 2013.*

According to the preceding figure, copper and tellurium are extracted from the copper-rich refinery precipitate through a leaching process using oxygen and sulfuric acid. This process produces both decoppered anode slime (DAS) and copper, the latter of which can be present as sulfate crystals or dissolved in PLS solution. The tellurium plant is not yet operational.

The decoppered anode slime is deposited in trays, which are then loaded into a roasting furnace to recover the selenium content. This produces crude selenium, which is marketable in the form of granules with a purity greater than 99.5% and deselenized slime (calcine). The calcine undergoes a pyrometallurgical process, where it is mixed with fluxes in a melting furnace. Due to density differences, the Doré metal is separated from the slag. The slag produced at the end of the batch process is crushed and fed back into other batches of doré metal, while the slag, which is poorer in gold and silver, is marketed as Precious Sand. The doré metal obtained in the form of anodes, has concentrations greater than 98% silver, 1% gold, and contaminants, which are separated in subsequent stages. Doré anodes are seeded in electrolytic cells, electrically separating the silver from gold, platinum, and palladium. Thus, silver is electrochemically dissolved in the electrolyte and subsequently reduced at the cathode, depositing in the form of crystals at the bottom of the cells. From there, they are extracted and transported to the washing, drying, and melting process to obtain silver ingots with 99.99% purity. After electrolysis, the silver sludge is collected and leached, yielding gold sludge. The latter is sent to a subsequent stage (gold plant), while the filtered and concentrated solution begins the palladium recovery stage. The gold refining process is carried out in electrolytic cells, fed with gold anodes obtained from the melting of the leached gold sludge. The gold cathodes collected in the electrolysis cells are melted and cast into 99.99% pure gold ingots.

Auditee Name	*Planta Recuperadora de Metales SpA- PRM*
CID Number	*CID002919*
Facility Address	*Sexta Industrial 8147, Mejillones, Antofagasta, Chile*
Assessed Material (3TG)	*Gold and Silver*
Conformance Validity Oro	*07/01/2023 - 02/16/2024*
Conformance Validity Plata	*01/01/2023 - 12/31/2023*

2.- Resumen de Evaluación (auditoría):

Date of Last Evaluation	*26~28 de Febrero 2025*
Gold Evaluation Period	*02/17/2024 - 01/31/2025*
Silver Evaluation Period	*01/01/2024 - 12/31/2024*
Evaluating Entity	*SCS Global Services*
Type of Audit	*RMAP-RMI (Oro) y GDL-LBMA (Plata)*
URL to most recent summary	https://prm.cl/wp-content/uploads/2024/08/RMI_RMAP_Report_Final-Closed_2023.pdf

Global and Responsible Supply Chain Policy in Conflict-Affected or High-Risk Areas

1. Objective and Scope

Planta Recuperadora de Metales SpA (PRM SpA), is committed to maintaining a responsible global gold and silver supply chain, in accordance with Annex II of the OECD Due Diligence Guidance. PRM SpA recognizes that the risks of generating negative impacts may be related to the extraction, marketing, transport, and export of minerals from conflict and high-risk areas (CAHRA), and accepts the responsibility to respect human rights, not contribute to conflicts or financial irregularities, complying with standards on combatting the financing of terrorism (CFT) and integrate ESG factors throughout its supply chain. PRM SpA extends this policy to all employees, suppliers, and business partners involved in the mineral supply chain, incorporating it into contracts and/or agreements with raw material suppliers.

2. General Principles

Our commitment is to refrain from any action that contributes to the financing of conflicts, and we are committed to complying with the relevant United Nations sanctions resolutions, or failing that, with national laws that implement such resolutions. In this regard:

• PRM SpA will not tolerate, nor for any reason obtain benefits from, nor act to contribute to, assist or facilitate any form of human rights abuses, torture or cruel, inhuman or degrading treatment, forced labor, child labor, war crimes or other serious violations of international humanitarian law, as well as crimes against humanity or genocide.

• PRM SpA will not directly or indirectly support non-state armed groups. Direct or indirect support includes, but is not limited to, obtaining gold and/or silver ore, making payments, or providing logistical or equipment assistance to groups that illegally control mining sites or that otherwise control transportation routes, mineral trading points, illegally collect taxes, or extort money or minerals from intermediaries, exporting companies, or international traders.

• PRM SpA will eliminate direct or indirect support for public or private security forces that illegally control mining sites, transport routes, and upstream actors in the supply chain, and/or that illegally collect taxes or extort money or minerals. PRM SpA recognizes that the role of public or private security forces should be limited to maintaining the rule of law, protecting human rights, and providing security for workers, facilities, mining sites, and transport routes. Therefore, when PRM SpA or any other company involved in the gold and/or silver supply chain engages the services of public or private security forces, we commit to requiring that they interact in accordance with the Voluntary Principles on Security and Human Rights. Inspection policies will be adopted to ensure that individuals or security force units responsible for serious human rights violations are not engaged. Furthermore, support will be provided, or measures will be taken, to engage with local and central authorities, international organizations, and civil society organizations to help find viable solutions for improving transparency, proportionality, and accountability in payments made to public security forces. Likewise, measures will be taken to avoid exposing vulnerable groups, particularly artisanal and small-scale miners, to the adverse impacts associated with the presence of public or private security forces at mining sites.

• PRM SpA will not offer, promise, grant, or demand any bribe, and will not comply with requests that seek to hide or falsify the origin of minerals, to fraudulently declare taxes, sums, and royalties paid to governments, in accordance with the purposes of extraction, trade, handling, transportation, and export of minerals.

• PRM SpA will contribute to the elimination of money laundering when a reasonable risk is identified related to the extraction, marketing, handling, transport or export of minerals.

• PRM SpA will ensure that all taxes, sums and royalties related to the extraction, trade and export of minerals from conflict and high-risk areas are paid to governments and in accordance with the company's position in the supply chain and undertakes to disclose information about such payments, according to the principles established by the Extractive Industries Transparency Initiative.

3. Risk Management

PRM SpA will apply due diligence measures to identify, prevent and mitigate risks, including:

• Serious human rights abuses: Immediate suspension with the provider in the event of a reasonable risk of serious abuses.

• Support for armed groups: The business relationship will be suspended in the event of reasonable risks.

• Public or private security forces: Upon identifying a reasonable risk, a management plan will be developed with the provider to prevent or mitigate those risks. If mitigation attempts fail within six months of the plan's adoption, the relationship will be terminated.

• Corruption, bribery, money laundering, and fraudulent disclosure: Interaction with affected parties (supplier, government, organizations, etc.) will be promoted, as appropriate, to prevent or mitigate the risks of impacts, using quantifiable measures taken within a reasonable timeframe. Interaction with the supplier will be suspended after unsuccessful mitigation attempts.

4. Risk Classification

a. Minor or mitigable: work with the supplier on an improvement plan with defined deadlines and strict monitoring.
b. Serious and unmitigable risk: temporary suspension of the business relationship until the cause of the risk is resolved.
c. Critical risk: terminate business relationship immediately, informing the relevant authorities if applicable.

5. ESG Commitments and Risk Management

PRM SpA reinforces its commitment to environmental, social and governance principles, committing to the continuous assessment of risks for all actors in its gold and silver supply chain.

Environmental: Minimize negative impacts, promote the sustainable management of natural resources, and protect biodiversity, water, and soil. Avoid practices that cause illegal deforestation, pollution, or irreversible loss of ecosystems. Support responsible mining practices. Comply with applicable environmental regulations and implement environmental management systems.

Social: Guarantee safe, dignified, and fair working conditions. Promote community development. Respect human, labor, and trade union rights. Provide effective complaint and remediation mechanisms.

Governance: Working ethically and transparently. Complying with local and international regulations, establishing internal controls and independent audits. Ensuring traceability and transparency in the supply chain.

PRM SpA, will identify ESG risks in its supply chain, classifying them according to their severity and probability, thus defining a management strategy, which it will apply, as appropriate: i) suspending refining when it is concluded that catastrophic ESG impacts have been reported, ii) continuing the refining of silver and gold, when there are minor material violations of environmental, health, safety, labor and local legislation, related to the community, and/or ESG risks that have a high probability of resulting in highly adverse impacts, with the consequent mitigation plan to be applied.

6. Implementation y Supervision

PRM SpA expresses its commitment to due diligence through:

- The designation of the COO as Due Diligence Manager, being responsible for the Management System.
- The performance of an annual audit conducted by third parties.
- Generation of an annual public due diligence report.
- Supervision and training of relevant personnel on due diligence matters. - Demand traceability from Codelco, the sole supplier of copper anode slime (with gold and silver).
- When dealing with a new supplier, KYC assessment and risk analysis will be applied, in accordance with the OECD Guide.
- Maintaining a secure and accessible complaints channel for workers and the community through the PRM website: https://prm.cl/reclamos-quejas/
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Ho Cheol Shin
CEO, PRM

Policy established in August 2017. Modified in June 2019 according to the OECD's Due Diligence Guidance for Responsible Mineral Supply Chains. In April 2021, the scope was modified to include gold and silver. The RMI claims mechanism was eliminated in February 2025. ESG issues were considered starting in August 2025. https://prm.cl/#POLITICAS

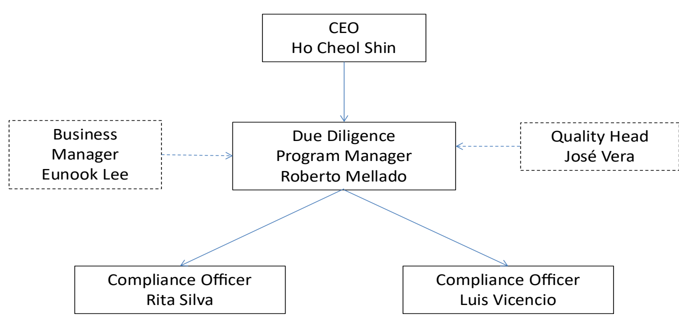
The policy is communicated to employees through training sessions, with attendance records kept. To date, all relevant personnel are aware of the policy, and over 90% of PRM SpA's direct and indirect employees have been trained. The policy is also publicly available on the PRM SpA website in both English and Spanish. It is also displayed as a bulletin board in high-traffic areas of the plant (such as the main entrance, plant entrances, and the visitor and employee reception area). Our sole raw materials supplier is also aware of the policy, which they have understood and accepted as an integral part of the contract between PRM SpA and CODELCO, thus incorporating due diligence into legally binding agreements with their direct suppliers. It should be noted that the policy covers all risks identified in Annex II of the OECD Guidelines and has a global scope.

4. Diligence Management System

4.1. **Management Structure**

The senior management of PRM SpA, in order to fulfill and enforce the commitments mentioned in the gold and silver supply chain policy, set out to develop a Due Diligence Management System, for which it created an organizational structure, with functions and clear responsibilities, dedicated to ensuring compliance at all times with the Gold and Silver Supply Chain Policy, which is consistent with the standards set out in Annex II of the OECD Due Diligence Guide, in its third edition.

Due Diligence Organization Chart



Note: The Business and Quality areas provide relevant information for the identification of potential new suppliers, potential warning signs and traceability in the reception of dispatches, among others.

4.2 Roles and Responsibilities

General Manager

The General Manager is the maximum authority in PRM SpA and guarantees compliance with the Due Diligence policy in the organization and delivers the guidelines, financing, and structure necessary for its proper compliance.

Due Diligence Program Manager

Check that all areas work according to the Responsible Supply Chain Policy for Minerals, coordinating the relevant tasks of the production, processes, quality control, HR, and commercial areas, to ensure that each department implements the due diligence program and reports possible warning signs and potential risks that can be identified. Must be a link to the entire structure and manage the improvements of the system together with the General Manager, when these are necessary. He is responsible for communicating to senior management the impacts, if any, together with the results of the risk assessments carried out.

Marketing and Sales Manager

Ensure full compliance with the contract with CODELCO and any other supplier of raw materials in the future, emphasizing the Supply Policy as an integral part of it. With any new potential supplier, the Sales Manager must ensure that it complies with the requirements of the standard in relation to KYC and CAHRA identification, etc.

Head of Laboratory and Anodic Slime Warehouse

Ensure that all raw material (copper anodic slime), which is received at PRM SpA, comes as according to the CODELCO contract, and guarantee that all reception, inspection and sampling protocols and procedures are met, and alerting the Due Diligence Manager to any deviation in the supply chain and custody.

Compliance Officer

Execute the activities necessary to comply with the Responsible Supply Chain Policy and determine, together with the Program Manager, the real or potential risks in the supply chain, evaluating the circumstances, in order to implement Due Diligence measures, to avoid or mitigate any contribution to adverse effects in conflict and high-risk areas.

4.3 Description of Relevant Departments

With the appointment of a Due Diligence Manager, the company provides the possibility of a fluid coordination of the relevant departments, ensuring that each department monitors its functions and responsibilities in the implementation of the Due Diligence Program and reports on possible signs of alert and potential risks that are identified.

According to this structure, the obligations of the different areas of PRM SpA. involved with the internal control of the supply chain, are specified below:

- Commercial and Sales Area: Generate, in accordance with the company's legal and internal policies, contracts for the supply of raw materials (in this case, anodic copper slime), for its treatment, establishing the technical and commercial bases of the process to be carried out.
- Human Resources Area: Ensure that the personnel working inside the process plant are in

compliance with all Chilean legal regulations. Maintain control of protocols, both for vehicle access and exits, so that the established security measures are met. Ensure staff competencies.

- Plant Management Area (Processes): Ensure that the security, reception, and processes areas are in a position to carry out the processing of material safely, with the necessary protocols for the adequate control of raw materials, by-products and finished products.
- Quality Control and Chemical Laboratory Area: Maintain updated procedures related to the reception, inspection, handling, preparation and analysis of raw materials and keep weighing equipment calibrated and verified. Maintaining the NChISO17025.of2017 certification, which accredits the competence, impartiality, and constant operation of the chemical laboratory, ensuring that its results are valid, reliable, and traceable, facilitates the acceptance of its reports at the national and international level and improves confidence in the industry.

4.4. Internal Control Systems

Due to the importance of complying with the OECD Guide, RMAP, and LBMA, and at the same time responding to the commitments acquired, PRM SpA has had to take specific actions in this regard.

During 2018, a profound modification was made to the Global Supply Chain Policy and Responsibility for Areas Affected by Conflict or High Risk of PRM SpA, along with the creation of an organizational chart that will support Due Diligence, the appointment of a Program Manager, the implementation of a Due Diligence Management System and the incorporation of due diligence in legally binding agreements with its direct suppliers.

During 2024-2025, work was done to develop a Management Manual to address, evaluate and comply with ESG issues, according to the criteria required. On the other hand, understanding that we are weak in the public disclosure of information, KPIs and PRM results, management has begun a quotation process for a service that considers advice and support, for the development of a Sustainability Report that can respond to what is expected in RMAP and LBMA. In turn, we worked with an external specialist company to develop a Crime Prevention Management System that guarantees business integrity and legal compliance. This is currently being implemented through a Crime Prevention model that addresses all the risks that may arise from money laundering, bribery, incompatible negotiations, conflicts of interest, and relationships with public officials. To this end, we worked on a Donations, Gifts, and Invitations Policy, a Policy for Collaborators Representing PRM, a Policy on Interaction with Third Parties, and a strengthened Complaints and Investigation Policy.

In relation to the controls that must be carried out at the different stages of the supply reception process, the protocol remains in force, without the need for modifications, according to:

Step 1: Communication of the monthly reception program

CODELCO sends by email, a summary form of dispatches to be made during the following month. This information is sent to the Plant Management, Plant Operations personnel, process engineers, surveyor personnel (representative of the supplier in the plant) and quality control area, through the CODELCO Programming Engineer.

Any changes in the program are previously informed to all the interested parties through the same means.

Step 2: Confirmation and details of timely shipment

The day prior to the arrival of the shipment of raw materials, CODELCO send through email to all interested parties, a summary of the shipment of copper anodic slime, which includes gross and net weights, preliminary chemical characteristics of the payable and punishable elements, as well as the as well as the data of the carrier and license of the vehicle that will carry out the transfer (and escort in case it is so).

Step 3: Access Authorization

The quality control area sends an email to the industrial safety department requesting entry of the truck with the described load. In return, said department reviews the background information and authorizes the entry, carrying out all the established protocols to ensure that the indicated load corresponds to what is indicated in the documents and dispatch guide.

Step 4: Truck Weighing

Once the truck is entered, it is weighed on the weighing platform and the data is stored and sent to the interested parties for their knowledge and control.

Step 5: Inspection and unloading

The inspection and unloading of the product are carried out in the slime warehouse, in the presence of quality control personnel, industrial security personnel, and surveyor personnel. The driver delivers the dispatch guide for his control, which is reviewed and approved. The signed document is delivered to the driver, the security booth checkpoint, and the quality control area for subsequent controls.

Step 6: Truck dispatch

Once the truck is unloaded it is taken to the weighing platform to be inspected, all of this being witnessed by industrial security personnel. The printed copy of the record of this task and the dispatch guide are delivered to the driver.

Step 7: Custody of documents

Copies of documents are stored in the security booth and the weight control record, upon entering and leaving the checkpoint, is sent via email to the quality control area.

Step 8: Weighing and sampling of material

Once in the slime warehouse the units (maxi sack or drums) containing the raw material are weighed one by one, according to procedure GP-P47-R01, “Reception and unloading of anodic slime form trucks”.

The sampling of the material to obtain the humidity and the payable and punishable elements is carried out in the presence of surveyor personnel, according to procedure GP-P06 / R01, "Weighing, sampling and humidity determination".

Step 9: Conformity of the received material and exchange of laws

The quality control area informs the client, CODELCO, via email of the conformity or non-conformity of the received material indicating the result of the calculation of the preliminary laws of the payable elements.

Quality Control personnel perform the sampling of the received material, through the sampling tower, forming sub-batches and the samples are sent to the laboratory for moisture analysis and sample preparation, in accordance with the provisions of the GP- procedure. P06 / R01; Surveyor personnel supervise and inspect each of these activities. The rest of the material is delivered to operations for processing.

The samples are distributed to the interested parties, CODELCO, PRM SpA, and Surveyor, for the corresponding analysis of the payable and punishable elements; PRM SpA performs these activities according to procedures GP-P03 / R01 and GP-P09 / R01, respectively.

Step 10: Chemical characterization of the received anode slime

The chemical characterization of the products is carried out according to the procedures established and accredited under NCHISO17025.of 2017.

Once both parties have the corresponding chemical analyzes available, the exchange of laws between PRM SpA and CODELCO is carried out.

Finally, and accordance with procedure GP-P07-R01, "Exchange of trials and arbitration", the fines of the payable and punishable elements are obtained for the final settlement.

Step 11: Standard compliance of produced ingots

The compliance with the physical and chemical quality standards of the final products are established according to the protocols defined between the parties in the parent contract.

Step 12: Anomaly detection

In the event of any anomaly detected in the stages of receiving the information, transferring and / or receiving the material, weighing the truck (difference in weights), and / or unloading the material (foreign material) or any deviation in the supply chain and processing of the material, the activity that is being carried out must be stopped immediately and the material under repair must be kept in custody. As soon as possible, form GP-P71-F01 “Claim to Supplier” will be sent via email, in order for CODELCO to carry out the investigation, determine the cause of the irregularity and implement the necessary actions to correct the detected event. Once the actions have been implemented, CODELCO sends the record with cause analysis, implementation of actions and all the documentation related to the problem, so that PRM SpA can evaluate whether it considers it appropriate to continue with the process. If PRM SpA considers that the evidence and the proposed corrective actions make it possible to raise the claim, the processing of slime continues.

If the concerns are related to the origin, the transporter, or the supplier, PRM SpA must identify warning signs and carry out the necessary Due Diligence, according to the identification procedures of CHARA and Red Flags.

Mecanismo de Reclamos

Published on the PRM website, at https://prm.cl/reclamos-quejas/, for any information, query, claim, or accusation from its stakeholder group, and will refer to it to collect information, investigate, respond, and follow up, according to the procedure indicated in this regard (GG-DD-P04) "Complaint Management - PRM SpA Complaints" and leaving a record on form GG-DD-F05 "Follow-up of Complaint and Claim Management." During 2024, no complaints were received through this platform. However, the procedure indicates that the compliance officer will identify the complaint and proceed to record the type of complaint on the form provided and inform the Program Manager, who will form a working group to investigate, analyze, respond, and close the cycle, depending on its relationship with the origin, transportation route, supplier location, or human rights violations, among others, practicing due diligence if necessary.

It is important to mention that PRM keeps a record of each claim or complaint received, and has committed to integrating into its Management System activities that allow it to eliminate or reduce the risks of a claim or complaint occurring again. For this, the causes that deserve to be considered will be identified, according to severity, recurrence and nature of the matter, which will be integrated at least every six months as part of PRM's strategic plans, in the process of continuous improvement applied in its management, processes and relationships.

Record Keeping Systems

In relation to the Record Keeping System, PRM SpA requires that all records related to the due diligence program be kept for at least five years, keeping an adequate control of documents and safely stored according to the procedure "Management of Documentation" (GG-DD-P05), in the databases available from the company.

4.5 Risk Identification and Mitigation

PRM SpA, at least once a year, through the application of procedures that form part of its Due Diligence Management System, seeks to identify, prevent, and/or mitigate the risks outlined in Annex II of the OECD Due Diligence Guidance for its mineral supply chain. The application of the Know Your Counterparty (KYC) procedure (GG-DD-P01) covers the risk assessment of a supplier, determining whether it may be high or low risk. This procedure includes gathering information on the supplier's legal status, identity, issues related to money laundering, combating financial terrorism, and whether the beneficiaries or the supplier have been involved in any financial irregularities, etc. With this information, along with a site visit (using the LBMA site visit report as a guide, specifically the LBMA Responsible Sourcing Programme MSM/LSM Site Visit Report), the organization's capabilities in production, human resources, controls, implementation, etc., can be directly verified. It is possible to gather information that allows us to analyze potential risks in the supply chain. It is important to mention that site visits will always be mandatory when there is a change in the supply chain, when evaluating a new supplier, or when there are reasons to believe that the supply chain is high-risk. In this regard, and if access to a supplier's facilities is impossible for various reasons, such as conflicts, health restrictions, security measures, or others that prevent gathering information on-site, a remote review should be conducted using the GG-DD-I01 instruction manual, which outlines the steps to follow for remote information gathering.

On the other hand, by applying the procedure to identify CAHRA (GG-DD-P02) that considers the review and analysis of international resources (in force according to the latest review), it is possible to define whether we are in the presence of a CAHRA, according to:

- US Dodd-Frank, which provides the presence of armed conflict and generalized violence or transportation risks, whose threshold indicator of a CAHRA corresponds to whether the origin or transportation is registered in the list of the evaluation method.
- The Heidelberg conflict barometer, which provides conflict maps, with an annual snapshot of the presence of armed conflict and generalized violence, considering a CAHRA if the national or sub-national classification has an index level 4 or higher in the region of origin or transport route of the raw materials of PRM SpA.
- Fragile State Index, which uses conflict risk indicators to measure the condition of a state at a given time, providing a measure of a country's fragility, risks, and vulnerability in economic, political, cohesion, and social contexts. PRM will consider a CAHRA if the P3 Human Rights and Rule of Law indicator scores 8 or higher for Chile in the assessment method.
- The World Governance Index (WGI), which measures the government's ability to effectively formulate and implement sound policies; and the respect of citizens and the state for the institutions that govern economic and social interactions between them, considering a CAHRA if the Corruption Control index has a percentile of 80 or less for Chile.
- List of the European Union of CAHRA, which provides an indicative list, non-exhaustive, updated on a quarterly basis, of Areas Affected by Conflict and High Risk (CAHRA) worldwide, whose indicator threshold corresponds if the country of origin or the transport route, is registered in the list of the evaluation method.
- Know Your Country Indicator: Provides a measure of a country's corruption risk, with a focus on money laundering and sanctions, being considered a CAHRA if the indicator is below 60 points.

Within the risk identification processes, the application of the Red Flag identification procedure (GG-DD-P03) is highlighted. Although designed for enhanced due diligence, it is applied regularly during each annual review process (similar to the CAHRA identification procedure). This procedure allows for a more in-depth investigation of the supplier, covering aspects such as business legality, bribery, money laundering, material origin, transportation routes, production capacity, and more.

It is considered an alert sign, whenever the commercial registry of the supplier cannot be verified, when the owners or beneficiaries of the supplier are on the UN Sanctions List, when the supplier is listed on sanctions at the country level, when the KYC questionnaire is inconsistent, when the supplier does not accept the responsible Supply Policy of PRM SpA, when the supplier is located in a CAHRA, when the raw material originates or is transported through a CAHRA, when there are discrepancies in the documentation of transaction, when the country of origin has a low volume of production, when the inspection of the material (visual or by chemical tests) does not seem to be what was expected according to the contract.

It should be noted that CODELCO completed the KYC questionnaire, which was reviewed and evaluated by the Due Diligence team at PRM SpA, no warning signs were found. In this sense, and because CODELCO is a state-owned company, belonging to the State of Chile, the latest directory was compared with the UN Sanctions List, the EU Sanctions List, the US Sanctions List (OFAC) and the country-level financial analysis report, with the investigation being supported by the Sanctions Registry. CODELCO is a company that maintains a robust Anticorruption Management System, with very clear guidelines and directives in this regard, led by the person in charge of Crime Prevention, Mr. Patricio Veliz, who works as Corporate Risk and Control Manager.

In relation to origin, and as indicated in the OECD Guide, in its third edition: "The risk assessment in a supply chain begins at the origin of the gold and silver supply", stating, "For mined gold (or silver), the origin is the same mine, whether it is a small-scale artisanal mine or a medium and large-scale mine. An exception to the above is the **Mining By-product, such as gold and silver obtained from copper mining**, a mineral that is outside the scope of this Guide". It continues stating, "… **The origin of gold and silver that is a Mining By-product should be considered as the point at which the gold and silver trace was separated for the first time from the original mineral (for example, the refinery**). In this sense, it should be noted that the supply of gold and silver in PRM SpA is only limited to the recovery of gold and silver from the anode sludge generated in the copper refining process, coming from the supplier's refineries. Therefore, PRM SpA confirmed that each transaction clearly indicated the information of origin, making sure to understand the place, the transport route, as well as the location of the direct supplier, according to the different divisions of Coldelco, from which anode slime is supplied, all of which are located in the territory of Chile, as indicated by CODELCO in the declaration of origin, according to:

- Chuquicamata Division: Town of Chuquicamata, II Region of Antofagasta
- Salvador Division: Town of, III Region of Atacama
- Ventanas Division: Town of Ventanas, V Region of Valparaiso

It should be noted that the three divisions of CODELCO have current Copper Mark certification (guarantee framework to promote responsible practices in the copper value chain), whose Joint Due Diligence Standard is 100% aligned with the OECD.

It is worth mentioning that the GP-P47/R01 procedure called "Procedure for Receiving and Unloading Anodic Sludge from Trucks" was applied to all supply transactions with CODELCO, carrying out a review and control of all receptions, whose final document is stored for traceability of the origin and weight of the material.

In the CAHRA “Identification Form” (GG-DD-F03), corresponding to the year 2024, there is a record of the information collected against the CAHRA and in the "Red Flags Identification Form" (GG-DD-F04), a record of warning signs is kept, which are reviewed annually, even when the supplier is considered low risk. PRM SpA also considers the control, registration, information, and communication, each time gold bars and silver bars are returned to our supplier CODELCO, according to: "Procedure for the Preparation and Dispatch of Shipments" GP-P19/R02.

PRM SpA develops a monthly metallurgical balance of gold and silver, according to "Metallurgical Balance Procedure" GP-Iv00 / R02, which shows the closing of the income, inventory, and exit of the metal.

In accordance with aforementioned and the review of resources, the following is obtained:

- US Dodd-Frank Act: Does not apply, because material is not provided from the Republic of the Congo, as well as from the nine neighboring countries, origin and transport does not apply.

- Heidelberg Conflict Barometer: The Heidelberg conflict barometer for the year 2024 is not yet available, however, for the year 2023 Chile is declared at level 3 in intensity (violent crisis) at the national level. However, it is also indicated that these conflicts are not related to the mining industry, in which CODELCO and/or PRM SpA may be involved. It also considers these zones to be situated far away from the our supplier’s refineries for anodic slime.

- Fragile State Index: The “2024 FRAGILE STATE INDEX”, which provides measures of political instability, insecurity, widespread human rights abuses, violations of national or international law, declares Chile as a “STABLE” country, reaching the P3 Human Rights and Rule of Law indicator 3.3 points, therefore, it is not considered a CAHRA.

- World Governance Index (WGI): The WGI index is used by PRM SpA to find out how Chile is perceived in Corruption Control issues, and although there is no information for the year 2024, the year 2023 resulted in 80,66. Value above the 80th percentile, indicating that the perception of the extent to which public power is exercised for private benefit, including minor and gross forms of corruption, as well as that of the state by elites and private interests, is in control with respect to the identification criteria of a CAHRA.

- EU CAHRA LIST: Chile is not mentioned on the European Union CARHA list.

- Know Your Country Indicator: Indicator that is presented as a measure of the corruption risk of a country, with a focus on money laundering and sanctions, Chile registers with 72.26 points for 2024. Therefore,Chile is not a CAHRA.

During 2024, Business Legality issues were reviewed, in which tax files and public reports were reviewed, among which sustainability reports were found, which confirm that the operations are low risk. It can be verified that the supplier is a member of several national and international organizations, such as: Member of the International Copper Association (ICA), Member of the International Council on Mining and Metals (ICMM), Member of the Global Reporting Initiative (GRI), etc. In addition, Codelco joins The Copper Mark, achieving certification for all its divisions. It should be noted that transparency information was reviewed in relation to its facilities and the income statements for the year 2024.

PRM SpA ensured that all the material received during the year 2024, was included in CODELCO's monthly delivery schedules, all material dispatch orders were reviewed, it ensured that all material control and inspection protocols were complied with, it reviewed all transit maps of the trucks and ensured that they traveled through the authorized highways in Chile, that the current transport regulations according to the Chilean legislation related to dangerous cargo were complied with, that the stamps of origin of the material could be identified and verified, that the transit trucks could be identified, in other words, PRM SpA mapped the supply chain from the origin of the gold and silver contained in the copper anode mud to PRM SpA, making sure not to identify a CAHRA.

Although the refiner's due diligence must guarantee that fraudulent declarations are not produced to hide the origin of the gold and silver, PRM has verified that the Mining By-products, which it receives at its processing plant, are within the legal framework of the contract between CODELCO and PRM SpA., and do not contribute to conflict or high-risk areas.

On the other hand, as indicated in the Management report corresponding to the year 2023, (https://www.codelco.com/prontus_codelco/site/docs/20240404/20240404191040/memoria_codelco_2023.pdf), Codelco complies with the regulations in force in environmental, health, safety and labor issues. It is also recognized for its collaborative work with the communities where its operations are based.

With the above, we cover the potential to identify some risk, involving in addition to the supplier, the origin and the transport route. The result of the risk assessment for the origin of the anode sludge and its suppliers did not reveal high risks of adverse impacts associated with:
- Serious abuses related to the extraction, transport or trade of the raw material.
- Direct or indirect support to non-state armed groups or public or private security forces.
- Bribery and fraudulent misrepresentation of the origin of the raw material, money laundering, etc.
- Non-compliance with relevant labor laws.
- Non-compliance with relevant environmental management laws.
- Non-compliance with international regulations and standards on health and safety measures at work.
- Non-compliance with legal and/or regulatory commitments agreed with the communities.
- No warning signs were identified regarding materials from high-risk countries (CAHRA)
- In turn, it was confirmed that all the origins of gold and silver come from anode mud, a by-product of the copper refining process.

Since no risks of adverse impacts on the supply chain were identified, it was not necessary to implement risk management plans.

4.6 Risk Mitigation and Management

If, during the risk assessment process, a risk of adverse impact is identified, including the risk associated with non-compliance with the law, enhanced due diligence should be carried out, which may include an on-site assessment. Once the enhanced due diligence process has been completed, the results must be presented to PRM SpA's senior management for decision-making.

In cases where the presence of adverse impacts (potential or existing) is confirmed, PRM SpA will make the results known to its supplier and work together to agree on a risk management plan within a certain period of time. During this process, and depending on the nature of the risk, it may be possible to:

- Continue with the supplier's supply activities, while risk mitigation plans are carried out;
- Temporarily suspend the supplier's supply activities, while risk mitigation plans are carried out
- Although it would also be possible to opt for decoupling the risk, this is an option that would only be applied as a last resort

The risk management plan, although it will depend on the nature of the potential or actual risk, will include mitigation measures with clear performance objectives, and measurable qualitative or quantitative indicators, in order to promote significant improvements within reasonable timeframes.

The Due Diligence team will be in charge of monitoring, measuring and following up on the supplier's mitigation and performance measures, according to agreed indicators. If after six months there are failed mitigation attempts, the commercial relationship with the supplier may be suspended.

Clearly, this is the last option, since PRM SpA. was established in Chile for the purpose of treating Codelco's anode sludge. Therefore, monthly meetings between the management of both companies, the use of good industry practices, continuous visits of all kinds (commercial, sales, inventory control, etc.), adherence to compliance with relevant laws and regulations and board meetings are the most effective way to understand the business, its progress and its risks, with joint work being the most safe way to work towards maintaining a low-risk commercial business and an ethical value chain, with transparent and long-term business relationships.

In conclusion:

PRM SpA has developed and implemented a Due Diligence Management System for its Responsible Supply Chain for Conflict-Affected and High-Risk Areas, which complies with RMAP-RMI and GDL-LBMA. When applying it, no CAHRAs are identified, confirming that no risks of harm were established within its supply chain. PRM SpA also did not have the need to report events to national or local government authorities during the reporting period. It should also be noted that during 2024-2025, work was done to develop a Management Manual to address, assess and comply with ESG issues, according to the criteria required in RBA. PRM addresses adverse ESG external factors in the refiner's primary gold and silver supply chain. PRM SpA also worked on a Crime Prevention Model to address issues of business integrity, legal compliance and threat financing risks, globally, which is in the implementation stage with the support of an expert company.

It is also worth mentioning that PRM SpA supports its operation in the General Environmental Bases Law of the Republic of Chile No. 19,300 and currently has the Environmental Qualification Resolution RCA No. 359/2013 granted by the Environmental Assessment Service (SEA) of the city of Antofagasta and has all the environmental permits and registrations as a minimum standard. Likewise, it has an HSEC area (Occupational Health and Safety of Workers, Environment and Community), which is responsible for managing occupational risks, environmental impacts and community commitments. In this sense, taking as a basis the international management models of the ISO 14001 and 45000 standards respectively, the legal, labor and environmental compliance of the national regulatory systems that protect the life and health of workers and safeguard the environment is continuously managed. For its part, the HR area is responsible for complying with the directives generated in the Labor Code, according to Chilean legislation for the benefit of workers, and on the other hand, community development works under the pillars of education, local labor, social commitment and sport, with 2024 being a year of great progress in community issues.

It should be noted that the Due Diligence process is subject to an independent annual audit, a process that is carried out jointly for the Silver Supply Chain (LBMA) and for the Gold Supply Chain (RMI), ensuring that the company chosen is part of the LBMA and RMI Approved Service Providers List and considers Chile as its geographical scope, that the auditors who visit the plant are Spanish-speaking and are authorized to carry out third-party audits for refineries according to the ISAE 3000 standard, who must also comply with the requirements of RMI and LBMA, regarding the time that the same auditor can repeat at the site.

In this regard and based on the research carried out, the procedures applied and the resources used, we can indicate that Planta Recuperadora de Metales SpA has developed and applied an effective Due Diligence management system, which represents a low risk based on Annex II of the OECD Due Diligence Guide, and therefore, we conclude, that it is presented in compliance with Annex II of the OECD Guide, third edition.