
Public Due Diligence Report for Responsible sourcing

Date: May 18th, 2021

Responsible Senior Manager: Peter Boeckx

Responsible Manager: Vanessa Germonpré

Company Information

Metallo is a recycling and refining company, valorizing complex non-ferrous secondary scrap and materials and returning metals (including Tin Metal) back into the value chain.

Metallo consists of two companies, Metallo Belgium (CID 002773), located in Beerse (B), established in 1919 and Metallo Spain (CID 002774), located in Berango (E), established in 1991. Both companies work closely together using a unique technology and know-how, accepted as Best Available Technique, to minimize the impact of our activities on people, environment and climate.

As of February 1, 2018 both companies form one company, the Metallo group.

Metallo Spain produces "black copper" from low grade copper bearing materials (ashes, residues, slag, copper/irony scrap, ...) in the same way as the "smelting process" of Metallo Belgium (see below). The black copper produced in Spain can be sold to third parties, but will be normally further processed at Metallo Belgium. Metallo Spain consumes also lead- tin bearing materials for the production of solder shots, which will be further used by Metallo Belgium.

Metallo Belgium produces Copper, Lead and Tin materials and intermediates.

Metallo is a member of the International Tin Association (ITA) and participates in the Responsible Minerals Initiative (RMI) RMAP audit program. Metallo is certified according to ISO 9001:2015 and ISO 14001:2015.

As of June 1st, 2020 Metallo Group is owned by Aurubis AG, a leading worldwide provider of non-ferrous metals, processing complex metal concentrates and diverse recycling raw materials. Aurubis is the global leader for copper recycling.

RMAP Assessment Summary

Metallo was last assessed against the Tin and Tantalum Standard (2017) under the Responsible Minerals Assurance Process (RMAP), on August 24-25, 2020 in Beerse and on August 31 – September 1, 2020 in Berango. The next assessment under the Responsible Minerals Assurance Process (RMAP) is scheduled for 21-23 June, 2021 in Beerse and 21-23 June, 2021 in Berango for the following assessment period: January 1, 2020 – December 31, 2020.

Company Supply Chain Policy

Metallo has developed and implemented a Supply Chain Policy in order to avoid the use of conflict minerals, which directly or indirectly finance or benefit armed groups or other serious human rights abuses in Conflict Affected and High-Risk Areas. The Supply Chain Policy is fully aligned with the 3rd edition of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-risk Areas. It covers all the risks listed in Annex II of the guidance.

Metallo is committed to addressing these identified risks. Metallo has made the policy publicly available on the website and has communicated the policy to relevant stakeholders.

Company Management Systems**Management structure**

Metallo is lead by the board of directors and management team, who all are committed, each in their own responsibilities to the Due Diligence requirements covered by the policy.

The daily management of Metallo is in the hands of the CEO Mr. Dirk Vandenberghe in Beerse and Valentin Casado in Berango.

The company has assigned the Chief Purchasing Officer, Mr Peter Boeckx, responsible for the Tin supply chain as Senior Manager for the Due Diligence Program. Responsible to coordinate the work of all the relevant departments (including the Sales Department, the Logistics Department, the Quality Department and the Sustainable Development Department) involved, and to respond to any potential risks or red flags identified.

Internal Systems of Control

Metallo has started to implement the new standard and align its Due Diligence program further with the OECD Guidance as of May 2018, after the training held by RMI in Budapest.

The company updated the Supply Chain Policy on May, 14th 2021. The Policy is publicly available at the website. The company has incorporated the due diligence requirements via the KYC inquiry and via agreements with direct suppliers. During visits at and meetings with direct suppliers, Due Diligence requirements and KYC are part of the conversation.

To prevent sourcing from CAHRAs, Metallo provides annual training to increase awareness towards Responsible Sourcing in the supply chain. Three sessions have been organized in August and September 2020 to involve a broad group of stakeholders, including but not limited to the Back Office, Commercial People, Finance, Legal, Logistics, Quality and Production. Next training will be scheduled in summer 2021.

Record Keeping System

Metallo requires that all records relating to the supply chain like contracts and the due diligence program are maintained for at least 5 years and stored in the company database as stated in the Management systems.

The program used by Metallo Belgium and Spain is GAN software.

Risk identification

Referring to the Supply Chain Policy, Metallo aims at preventing or mitigating all risks identified in Annex II of the OECD Guidance:

- Serious abuses associated with the extraction, transport or trade of minerals;
- Direct or indirect support to non-state armed groups;
- Direct or indirect support to public or private security forces who control mine sites, transportation routes and upstream actors;
- Bribery and fraudulent misrepresentation of the origin of minerals;
- Money laundering;
- Payments of taxes, fees and royalties to governments.

For this, Metallo has implemented a few steps to identify these risks in the supply chain.

In a first step, Metallo has implemented a Know Your Counterparty (KYC) due diligence procedure to include information concerning supplier legal status and identity and potential that any risks identified in Annex II of the OECD Guidance exist.

All suppliers have completed or will have to complete and return a KYC form before any transaction is possible. Incomplete information or inconsistencies in the KYC form will lead to a request to update the form before a transaction will take place.

In a second step, Metallo has implemented a procedure to identify "Conflict Affected and High-Risk Areas" (CAHRAs) and to identify red flags in the supply chain. The procedure will apply to all suppliers of primary material. The procedure includes the resources used, the criteria to define a CAHRA and the frequency to review the procedure.

The following resources are used to determine the CAHRAs:

- The Heidelberg Conflict Barometer: this indicator allows companies to detect the presence of armed conflict and violence through the use of an annually updated world listing of countries. The country or area which has a (sub)national ranking of 4 or higher in the region of origin or transit routes will be identified as CAHRA and transaction will be considered as a red flag.
- The Fragile States Index: this indicator detects risks of harm to human rights. The country (or sub-region) is classified as a CAHRA when the indicated score is 100 or higher.
- The EU CAHRA list: this is an indicative list of CAHRAs, assessed down to a subnational level, provided by the European Commission in the light of the Conflict Minerals Regulation (EU) 2017/821. This resource considers all non-EU countries.

All high risk countries will be registered in an overview "CAHRAs Metallo". This list will be applicable to the country of origin and transit routes. Metallo's CAHRA list has been reviewed early May 2021.

It is the intention and policy at Metallo not to source primary material from a CAHRA. Not only to prevent from sponsoring and promoting conflicts, armed groups or human rights violations, but also to prevent from the required assessments when sourcing from CAHRAs.

Identified risks Metallo Belgium

There were no risks identified at Metallo Belgium.

The majority of material sourced in Metallo Belgium comes from secondary sources, except for Hardhead material from RMI conformant smelters. Hardhead is a by-product generated during the primary processing of tin concentrates, and is considered as a primary material.

Identified risks Metallo Spain

There were also no risks identified at Metallo Spain. Metallo Spain is, just like Metallo Belgium, mainly sourcing secondary materials except for Hardhead material.

In general

It should be noted that of all sourced material at Metallo, only less than 1% of the total sourced shipment weight is primary material. So only a small part of the total sourced material at Metallo is primary material for which a risk identification is required.

As stated above, Metallo will not source primary material from CAHRAs.

In such rare case where this would happen, Metallo will follow the high risk sourcing methodology and chain of custody assessment as described in the OECD guidance. For this, all primary material sourced from a CAHRA would be classified as high risk.

Risk Assessment (high Risk Sourcing only)

Not applicable