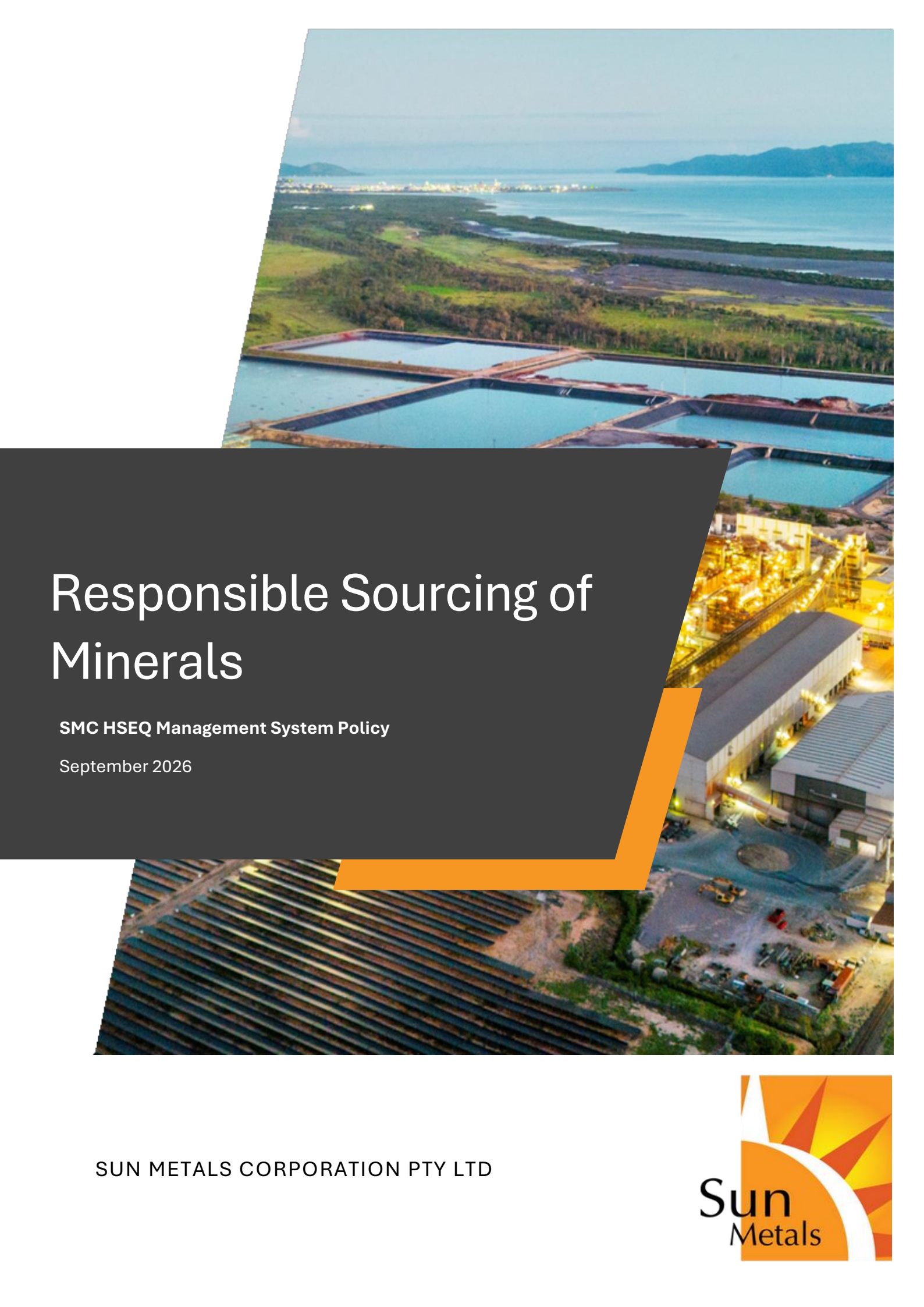




Responsible Sourcing of Minerals

SMC HSEQ Management System Policy

September 2026

SUN METALS CORPORATION PTY LTD



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1 Intent

This policy sets out Sun Metals’ requirements for sourcing minerals in a manner that ensures commitment to not contribute to conflict or de-stabilisation in Conflict-Affected and High-Risk Areas (CAHRAs) and seeks to establish a risk-based methodology and due diligence procedure to help Sun Metals identify and reduce conflict risks from current and potential suppliers.

2 Scope

This Policy applies to the sourcing of minerals from all existing and potential Sun Metals suppliers.

3 Introduction

At SMC, we process zinc concentrate using advanced refining technology and industry-leading innovation. Our products include zinc, sulphuric acid, lead, gold, cadmium, copper, and agricultural grade gypsum. The metals and products we supply help make modern life work and help the world grow.

Sun Metals recognises that there are particular risks associated with extracting, trading, handling and exporting minerals from CAHRAs. SMC also recognises that as an ethical supplier and producer of metals, we have a responsibility to respect human rights and not contribute to conflict.

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4 Policy Commitments

4.1 Human Rights

Sun Metals will take reasonable and proportionate steps to ensure that, while sourcing from or operating in CAHRAs, our business does not tolerate, contribute to, profit from, or assist any other party to:

- a) Any form of torture, cruel, inhumane and degrading treatment;
- b) Any form of forced or compulsory labour;
- c) Child labour;
- d) Other gross human rights abuses or violations; or
- e) War crimes or other serious violation of international humanitarian law, crimes against humanity or genocide.

4.2 Non-State Armed Groups

Sun Metals will take reasonable and proportionate steps to ensure that, while sourcing from or operating in CAHRAs, our business does not contribute to, or directly or indirectly support, non-state armed groups through its business operations, including prohibition of directly or indirectly:

- a) procuring minerals from non-state armed groups;
- b) making payments of any kind to non-state armed groups;
- c) providing logistical support to non-state armed groups; or
- d) providing equipment or collateral deals / benefits to non-state armed groups,

including in circumstances where the non-state armed group (or their affiliates):

- e) illegally control mine sites or otherwise control transportation routes, points where minerals are traded, and upstream actors in the supply chain;
- f) illegally tax or extort money or minerals at points of access to mine sites, along transportation routes or at points where minerals are traded; or g) illegally tax or extort intermediaries, export companies or international traders.

4.3 Private or Public Security Forces

Sun Metals will take reasonable and proportionate steps to prevent direct or indirect support of public or private security forces from engaging in:

- a) illegal control of mine sites and transportation routes;
- b) illegal taxation or extortion of money or minerals at points of access to mine sites, along transportation routes or at points where minerals are traded; or
- c) illegally taxing or extorting intermediaries, export companies or international traders. Sun Metals recognises however, the role of public or private security forces in CAHRAs and the utility they bring in CAHRAs.

Sun Metals' position and commitment in relation to the conduct listed above does not extend to the legitimate and lawful use of public or private security forces who act in accordance with the Voluntary Principles on Security and Human Rights, and whose primary purpose is to provide security to workers, equipment, facilities, and mine sites, by upholding the rule of law and preventing unlawful disruption or interference.

Where Sun Metals engages with public or private security forces, we will take reasonable and proportionate steps to ensure that any engagement is vetted to ensure compliance with the standards and expectations set out above.

4.4 Payment of Taxes, Fees and Royalties due to Governments

Sun Metals will take reasonable and proportionate steps to ensure, in relation to minerals it sources, that all taxes, fees, and royalties related to mineral extraction, trade, and export from CAHRAs are paid to governments in accordance with the law.

4.5 Bribery, Fraudulent Origin of Minerals, Money Laundering

Sun Metals will not offer, promise, give or demand any bribes, and will resist the solicitation of bribes that are aimed at concealing the origin of minerals, or for the purpose of misrepresenting taxes, fees, and royalties paid to governments for mineral extraction, trade, handling, transport and export.

Sun Metals will take steps to engage with suppliers, central or local governments, authorities, international organisations and other parties, where it is appropriate to do so, to improve and track performance in relation to these matters.

We will further support efforts to contribute to the effective elimination of money laundering that is connected with money illegally made from the extraction, trade, handling, transport or export of minerals.

5 Policy Implementation

Sun Metals will take reasonable and proportionate steps to ensure that the policy commitments set out herein are integrated into our sourcing practices, or where sourcing is carried out by its affiliated entities, the sourcing practices of such affiliated entities.

We have established an approach to minerals sourcing and supplier engagement that seeks to identify and manage risks with our suppliers and their supply chains. As part of this approach, we may take some or all of the following actions to assist us meet responsible sourcing of mineral requirements:

- a) Develop, implement, and reasonable review, an appropriate methodology for identifying CAHRAs.
- b) Review our minerals supply chain to identify suppliers operating in CAHRAs;
- c) Undertake a risk assessment and due diligence, based on appropriate risk indicators, to determine the level of risk of such suppliers engaging in conduct contrary to this policy;
- d) Give directions to and work with suppliers where appropriate to mitigate responsible sourcing risks; and
- e) Where appropriate to do so, limiting business, suspending, or terminating contracts or business arrangements, with suppliers who actively engage in conduct contrary to this policy.

6 CAHRA Methodology

For the purpose of this policy, CAHRA means:

Conflict-Affected and High-Risk Areas: Areas identified by the presence of armed conflict, widespread violence, including violence generated by criminal networks, or other risks of serious and widespread harm to people. Armed conflict may take a variety of forms, such as a conflict of international or non-international character. Such conflicts may involve two or more states, or take the form of wars of liberation,

insurgencies, or civil wars. High-risk areas are those where there is a high Sun Metals Corporation 4 risk of conflict or of widespread or serious abuses. Such areas are often characterised by political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure, widespread violence and violations of national or international law.

Sun Metals applies a risk-based approach to identifying CAHRAs and conducts assessments in alignment with the principles of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Risk area assessments comprehensively consider a range of factors, including international regulations related to conflict minerals, as well as risks associated with money laundering and financing of terrorism, together with governance risk, financial risk, human rights risk, and conflict risk.

For this purpose, Sun Metals refers to multiple criteria and indicators provided by internationally recognised sources for its identification of CHARAs (set out in Table 1).

The identification and classification of high-risk areas is updated annually and is integrated into our raw material procurement and supplier due diligence processes.

Table 1 Sources for CAHRA Identification

• Dodd Frank s. 1502 and related guidance; • European Union CAHRA List • World Bank Worldwide Governance Indicators (WGI) • Fragile States Index • Financial Action Task Force “black and grey” lists • UN Human Rights Office of the High Commissioner – mandated Investigative Bodies Heidelberg Institute for International Conflict Research Conflict Barometer
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7 Supplier Management and Due Diligence

Sun Metals takes the following reasonable and proportionate steps:

- Establish a system based on the 'OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas' (Hereinafter referred to as the OECD Guidance).
- To identify risk factors, we follow global standards (RMI: Responsible Minerals Initiative, LME: London Metal Exchange, LBMA: London Bullion Market Association) to designate and manage high-risk areas. Our efforts are aimed at producing products that conform to international standards.
- We adhere to the OECD Due Diligence Guidance to ensure that the minerals used in our products are ethically sourced. We also guide our partner companies to adopt the OECD Due Diligence Guidance. Set out below are summary of our mineral sourcing management processes

Table 1 Mineral Sourcing Management Processes

Step	Further Detail
Step 1: Raise awareness of partner company	- Request partner company agreement prohibiting use of conflict minerals. - Distribute conflict minerals policy and support for practical training. - Require partner companies to implement policies that prohibit use of conflict minerals.

Step 2: Investigate conflict minerals in the supply chain	- Investigate and monitor conflict minerals information and usage in the supply chain for primary suppliers.
Step 3: Systematic due diligence and verification of results	- Where relevant suppliers are identified, require those suppliers to provide information via a responsible sourcing questionnaire so that Sun Metals may assess the risk level in relation to those suppliers and their supply chain. - Conduct on-site inspection of submitted information from partner companies and carry out risk inspection and management based on the results of the on-site inspection.
Step 4: Identify and assess risk within the supply chain	- Identify relevant suppliers, including parent companies, subsidiaries, and parties involved in the supplier's upstream supply chain, to determine whether minerals are being produced by, sourced from, or transported through, countries identified as a CAHRAs.
Step 5: Develop a risk improvement plan and report relevant information	- Implement the relevant strategy for risk management, which may be through contractual requirements, auditing and verification processes, provision of information, or potentially where appropriate and possible transporting minerals through non-CAHRA countries. - If initial mitigation measures do not adequately address identified risks, sourcing may be suspended while pursuing risk mitigation or it may be necessary to disengage with a supplier if risk mitigation measures have failed or is otherwise not feasible or unacceptable. - Where ongoing mitigation is required, or where there is a change in circumstances, additional fact and risk assessments will be carried out to ensure identification, assessment and mitigation remain effective.

8 Responsible Sourcing Concerns Mechanism

Concerns in relation to responsible sourcing of minerals by Sun Metals or its suppliers or any other matters set out in this policy, can be raised by persons affected by Sun Metals' or its suppliers' mineral sourcing activities by email to integrity@sunmetals.com.au or by submitting the relevant form on Sun Metals' website – <https://www.sunmetals.com.au/contact/>.

Concerns may be raised anonymously. Any complaint will be assessed and managed under Sun Metals' grievance procedure and/or, subject to assessment, treated as a whistleblower complaint.

Concerns will be assessed by Sun Metals' General Counsel or their delegate to determine appropriate steps and will take reasonable and proportionate steps to address matters raised.

9 Quality Assurance & Control

- This policy shall be reviewed and approved by the document owner in accordance with *SMSPMG02 Document and Record Control* as required to maintain all relevant compliance requirements, or at intervals no longer than 1 year.
- Organisational practices identified in this document shall be subject to periodic internal and external audit in accordance with *SMSPMG12 Auditing*.

10 Communication & Training

- All SMC employees must receive information, instruction, or training on the relevant sections of this Policy.

11 Compliance References

The following external publications shall be referred to in order to satisfy the requirements of this document.

Related Content	Revision
Dodd–Frank Wall Street Reform and Consumer Protection Act (US)	2010
European Union CAHRA List	2025
World Bank Worldwide Governance Indicators	2025
Fragile States Index	2025
Financial Action Task Force	2026
Heidelberg Institute for International Conflict Research – Conflict Barometer	2026
Financial Action Task Force	2026
UN Human Rights Office of the High Commissioner	2026
OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas	2016
Responsible Minerals Initiative	2025
London Metal Exchange	2019
London Bullion Market Association	2024

12 Related Forms/Templates

The following SMC Management System controlled documents shall be used in accordance with the requirements of this document.

Document ID	Document Name	Location
N/A	Concerns & Complaints	SMC Website