"O'ZBEKISTON TEXNOLOGIK METALLAR KOMBINATI" AJ

APPROVED BY

Chairman of the board of JSC "Uzbekistan Technological metals complex"

__________________ F. Abdullayev

"17" [illegible] 2026 y.

SUPPLY CHAIN DUE DILIGENCE MANAGEMENT FRAMEWORK

1. Introduction

This procedure must be followed for Tungsten Raw Material purchases and for rework or 'tolling' transactions undertaken by the Combine.

The procedure described herewith is to come into effect as soon as a risk is identified in the UZTMK supply chain, with such a 'risk' being defined by the OECD Guidance or the corresponding EU Regulation 2017/821 and national laws. The purpose of this procedure is to identify the negative impacts of the risk and inform corrective, namely:

i) Risk mitigation efforts in the case of continued business relationships.
ii) Continuation of risk mitigation efforts taking place in the case of short-term suspension of business relationships.
iii) Termination of business relationships with the supplier in question after failed attempts at risk mitigation.
iv) Termination of business relationship outright if the risks are deemed incurable through mitigation.

2. Monitoring and Accountability

The person assigned as responsible for UzTMK's Supply Chain Due Diligence Management Framework:

Abdurauf Abdukarimovich Turdibayev – Deputy Chairman of the Management Board for Commercial AffairsEmail: a.turdibaev@uztmk.uz

Specialists appointed to ensure implementation of the Policy:

- **U. Salohutdinov**– Head of the Commercial Department, responsible for the procurement of raw materials, goods and services;
- **Approved Procurement Commission** – responsible for the evaluation and selection of contractors (suppliers) of raw materials, materials, goods and services;
- **U. Shaxizirova** – Compliance Service, responsible for checking supplier conformity and assessing risks in the supply chain (CAHRA).

Employees directly responsible for implementing Due Diligence procedures:

- **U. Salohutdinov** – Head of the Commercial Department;
- **G. Aliyev** – Head of Legal Department;
- **M. Yunusov**– Head of Finance Department;
- **J. Ikramov** – Head of Security Department;
- **D. Kholmuratov** – Head of Warehouse Operations Department.

The person, responsible for organizing appropriate training for employees directly involved in Due Diligence procedures is:

- **S. Eshnazarov** – Acting Director of the HR Department.

3. Due Diligence and Audit Procedure

- For new suppliers the KYC process is carried out, and a Due Diligence evaluation is to be conducted following the initial CAHRA review, regardless of material classification.
- For secondary raw materials, the KYC process is carried out, and a self-declaration form is requested for every transaction. UZTMK continues to monitor all suppliers of secondary materials and aims to conduct an on-site review of the processing facility in case of risk identification.
- A Due Diligence review is to be immediately undertaken if there is suspicion that risks may arise in the supply chain.

4. Risks and Response

Source	Risk	Risk Response
OECD	Serious abuses associated with the extraction, transport or trade of minerals: a) Torture, cruel, inhuman and degrading treatment. b) Forced or compulsory labor, which means work or service which is exacted from any person under the menace of penalty, and for which said person has not offered himself voluntarily. c) The worst forms of child labor. d) Other gross human rights violations and abuses such as widespread sexual violence. e) War crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.	UZTMK may suspend or discontinue engagement where the identified risk cannot be adequately mitigated in accordance with the OECD Guidance
OECD	Direct or indirect support to non-state armed groups, who: a) Illegally control mine sites or otherwise control transportation routes, points where minerals are traded and upstream actors in the supply chain; and/or b) Illegally tax or extort6 money or minerals at points of access to mine sites, along transportation routes or at points where minerals are traded; and/or c) Illegally tax or extort intermediaries, export companies or international traders.	UZTMK may suspend or discontinue engagement where the identified risk cannot be adequately mitigated in accordance with the OECD Guidance.
OECD	Regarding public or private security forces – no indirect or direct support to those who: a) Illegally control mine sites, transportation routes and upstream actors in the supply chain; illegally tax or extort money or minerals at point of access to mine sites, along transportation routes or at points where minerals are traded; or illegally tax or extort intermediaries, export companies or international traders. b) Act in any way contrary to maintaining the rule of law, including safeguarding human rights, providing security mine workers, equipment and facilities and protecting the mine site or transportation routes from interference with legitimate extraction and trade.	In accordance with the specific position of the company in the supply chain, UZTMK may suspend or discontinue engagement where the identified risk cannot be adequately mitigated in accordance with the OECD Guidance., adopt and implement a risk management plan with upstream suppliers and other stakeholders to prevent or mitigate the risk of direct or indirect support to public or private security forces, where we

	c) Violate the Voluntary Principles on Security and Human Rights.	identify that such a reasonable risk exists. In such cases, we will suspend or discontinue engagement with upstream suppliers after failed attempts at mitigation within six months from the adoption of the risk management plan.
OECD	Regarding bribery and fraudulent misrepresentation of the origin of minerals: offer, promise, give or demand or accept any bribes, to conceal or disguise the origin of minerals misrepresent taxes, fees and royalties paid to governments for the purposes of mineral extraction, trade, handling, transport and export. Regarding money laundering: money-laundering resulting from, or connected to, the extraction, trade, handling, transport or export of minerals derived from the illegal taxation, or extortion of minerals at points of access to mine sites, along transportation routes or at points where minerals are traded by upstream suppliers. Regarding payment of taxes, fees and royalties due to governments: non-payment of taxes, fees, and royalties related to mineral extraction, trade and export CAHRAs are paid to governments and disclosed in accordance with the principles set forth under the Extractive Industry Transparency Initiative.	In accordance with the specific position of the company in the supply chain, we commit to engage with suppliers, central or local governmental authorities, international organizations, civil society and affected third parties, as appropriate, to improve and track performance with a view to preventing or mitigating risks of adverse impacts through measurable steps taken in reasonable timescales. We will suspend or discontinue engagement with upstream suppliers after failed attempts at mitigation.

5. Procedure for Insufficient or non-existent traceability or chain of custody

i) Low Risk

There is sufficient evidence obtained through formal documentation and on-the-ground information to make a reasonable determination on origin and chain of custody or traceability. Due Diligence has not found any circumstances inconsistent with OECD Guidance.

ii) Indeterminable

The origin and chain of custody cannot reasonably be determined. Due Diligence has not yielded sufficient information to make a reasonable determination on origin and chain of custody, nonetheless there is no evidence to suggest a risk that suppliers are non-conformant with Annex II of the OECD guidance.

iii) Mitigation Risks

Evidence obtained through Due Diligence identified no risk that the direct supplier is sourcing from or linked to any party that is non-conformant with Annex II of the OECD guidance, but evidence suggests a reasonable risk that the supplier is sourcing from or linked to a party associated with fraudulent information on origin and chain of custody. This category also includes circumstances where the risk is discovered retroactively i.e., after the mineral has been traded under false pretense.

iv) Risk of Contributing to Conflict

Evidence obtained through due diligence identifies a reasonable risk that direct suppliers are sourcing from or linked to a party that is non-conformant with Annex II of the OECD guidance. This category also includes circumstances where the risk is discovered retroactively i.e. after the mineral has been traded under false pretense.

6. Risk response strategies for minerals with Insufficient or non-existent traceability or chain of custody

Risk	Risk Response
Type 1 (low risk)	• Accept or dispatch any segregated minerals. • Continue to monitor the supply chain. • Collaborate with upstream participants to strengthen due diligence.
Type 2 (indeterminable)	• Work with national authorities, suppliers, service providers, regional or industry due diligence programs and other stakeholders to implement a stronger chain of custody or traceability systems. • Accept or dispatch segregated minerals if relevant. • Improve internal due diligence system, e.g., improve internal data-management, any chain of custody or traceability systems, and identify and manage any risks over time as Annex II of the Guidance. • Support efforts of national authorities to improve governance of the mineral sector, e.g., in the inspection and classification of mine sites (e.g. green, yellow, or red-flagged) for sourcing purposes; establishment and implementation of chain of custody or traceability and due diligence systems; mineral export certification; data management and exchange. • Consider applying a share of mineral sales, as agreed by stakeholders, to help finance implementation of due diligence, through national, multi-stakeholder or industry programs; and • Publicly report on due diligence in accordance with Step 5 of the Guidance.
Type 3 (mitigation risk)	• Same risk response as Type 2 above; also • Alert authorities and national; multi-stakeholder or industry due diligence programs of the risk
Type 4 (risk of contributing to conflict)	• Suspend engagement with the supplier for the period reasonably necessary to assess implementation of the agreed mitigation measures. Such suspension should normally not exceed six (6) months unless documented circumstances justify a longer period. Suspension may be accompanied by a revised risk management plan, stating the performance objectives for progressive improvement that should be met before resuming the trade relationship. • Alert authorities and national; multi-stakeholder or industry due diligence programs of the risk and involve them and other affected stakeholder in risk management. • Work with national authorities, suppliers, service providers, regional or industry due diligence programs and other stakeholders to implement stronger chain of custody or traceability systems, risk management and on-going monitoring. • Improve internal due diligence awareness and capacity. • Support efforts of national authorities to improve governance of the mineral sector, e.g., in the inspection and classification of mine sites (e.g. green, yellow, or red-flagged) for sourcing purposes; establishment and implementation of chain of custody or traceability and due diligence systems; mineral export certification; data management and exchange. • Publicly report on due diligence in accordance with Step 5 of the Guidance.

7. Measuring Improvement

If the procedure mandates that a business relationship should be continued with decisive risk mitigation efforts, then the Risk Response should include qualitative or quantitative methods for measuring improvement and track performance. Should there be no attempt to mitigate the identified risks within a 6-month period, a new risk management plan will be drawn up in order to describe the actions necessary to prevent the re-emergence of identified risks. The Senior Compliance Manager will assess and review the progress of the risk mitigation plan on a quarterly basis. For possible measures or further steps to minimize risks, explicit reference is made to Annex. III of the OECD Due Diligence Guidance and shall be formally recorded in any Risk Management plan.

8. **Summary**

   Should the due diligence review identify one of more of the risks listed above, then the Executive Management will be guided by the suggested Risk Response and together with the Compliance Officer will make a mutually agreeable decision in accordance with the remedies covered under Clause 2.