"O'ZBEKISTON TEXNOLOGIK METALLAR KOMBINATI" AJ

OECD-Step5-Annual-Due-Diligence-Report

1. Company Introduction

Joint-Stock Company "Uzbekistan Technological Metals Complex" (hereinafter – "UzTMK") is a leading company representing the critical and strategic minerals industry of Uzbekistan at the global level.

UzTMK operates in the field of technological metals such as tungsten, molybdenum, rhenium, graphite, selenium, tellurium, lithium, nickel and cobalt, and, as an important participant in global supply chains, has set as its strategic goal the development of a sustainable and responsible "Metals of the Future" ecosystem.

UzTMK is listed by the Responsible Minerals Initiative (RMI, formerly: Conflict Free Sourcing Initiative, CFSI) under smelter ID: CID002660 and is currently undergoing audit to move from the 'active' smelter list to the 'conformant' smelter list.

UzTMK is supporting its customers with their due diligence and disclosure requirements defined in section 1502 of the Dodd-Frank Wall Street Reform and Customer Protection Act pertaining to "Conflict Minerals" and the regulations promulgated thereunder by the U.S Securities and Exchange Commission.

UzTMK's tungsten products are Sodium Tungstate (ST), Ammonium Paratungstate (APT), Yellow Tungsten Oxide (YTO). The company currently sources its material from:

I. Tungsten concentrates from a mine wholly owned by the parent company and located within Uzbekistan.

II. Tungsten concentrates from other mines in Uzbekistan and other countries that the Combine determines as 'Low Risk' using its procedure for identifying CAHRA.

2. RMAP Assessment Summary

The most recent 3rd party audit of the Responsible Minerals Assurance Process (RMAP) was undertaken **from 2025.07.22 to 2025.07.23** for the one-year audit period. Findings are currently unfinalized.

3. Conflict Minerals Policy

UzTMK has a publicly available Conflict Minerals (Supply Chain) Policy that is aimed at further strengthening UzTMK's reputation as a reliable, sustainable and transparent partner in the global market, and sets out our commitment to only purchase materials that are conflict-free and that always meet the requirements of the "OECD Due Diligence Guidance for Responsible Supply Chains or Minerals from Conflict-Affected and High-Risk Areas", 3rd Edition. The policy has been reviewed and ratified by senior management who are committed to support its implementation. The policy is available on the parent company website at: https://uztmk.uz/en/responsible

4. Supply Chain Due Diligence Management Framework

The company follows through on its commitments in the conflict minerals policy and has developed an internal Management Framework for due diligence with the following controls:

- The company has nominated a member of the Management Board to have direct responsibility for the implementation of the framework, this position is independent of but closely collaborating with the direct purchasing group. Three specialists including the Head of Procurement, Procurement Commission, and Compliance Service Specialist are appointed to ensure implementation.

- Director of the HR Department is directly responsible for ensuring that appropriate training for employees directly involved in Due Diligence procedures is taking place on a regular cadence, and that any new employees are immediately trained in the requirements of the "OECD Due Diligence Guidance for Responsible Supply Chains or Minerals from Conflict-Affected and High-Risk Areas", 3rd Edition. The company conducts due diligence Management training once a year for key staff from all relevant departments required in the due diligence program.

- A comprehensive KYC and CAHRA procedure are in place and are used to ensure that Low Risk, High Risk, and Covered countries are appropriately identified and risks scored.

- A comprehensive documentary checklist is used to ensure that all shipments meet the required standards, are verified to have sufficient traceability and chain of custody and are kept on file.

5. Record Keeping

Risk management documentation and documents associated with Due Diligence are managed by the procurement function and is stored in the appropriate folders on the company server and retained for a period of five years in line with the company's data management policies.

6. Risk Assessment

Similar to the CFSP Supply Chain Transparency Smelter Audit Protocol for Tungsten effective from 2013, UzTMK procedures distinguish raw material supplies based on differentiation of country of origin and between mined materials, intermediates and secondary raw materials. The company maintains a KYC procedure and a CAHRA procedure which are diligently followed as part of the new supplier onboarding process to ensure plausibility and risk categorization. Final approval for onboarding new sources of supply is given by the Deputy Chairman of the Management Board for Commercial Affairs.

In the audit period **January 2024 to January 2025:**

- All incoming primary raw materials originated from a mine that is wholly owned and controlled by the parent company and located in Uzbekistan.

- All primary raw material shipments and deliveries were managed by an internal logistics department using equipment wholly owned and controlled by the parent company and employees of the parent company.

- No secondary tungsten materials were purchased.

7. Responding to Red Flags

Any identified red flag is communicated to the three responsible specialists and to the Deputy Chairman of the Management Board for Commercial Affairs who determine appropriate measures to be implemented to address the risks. UzTMK reserves the right to the following measures which it communicates in advance to all suppliers:

- Increased risk mitigation measures in the case of continued business relationships.

- Continuation of risk mitigation efforts taking place in the case of short-term suspension of business relationships.

- Termination of business relationships after failed attempts at risk mitigation.

- Termination of business relationship outright if risks are deemed incurable through mitigation.

The company maintains a non-conformance report (NCR) to flag any discrepancies that may be classified as red flags and notes the follow-on actions.

UzTMK purchase contracts include provisions allowing disengagement with a supplier upon breach by the supplier of undertakings to comply with OECD Guidance as applicable to their operations. Purchase contracts also clearly set out UzTMK expectations of its suppliers as pertains to Conflict Minerals compliance.

8. Reporting on Due Diligence Efforts

The present report aims to outline UzTMK's effort to align the Supply Chain Due Diligence with the OECD Guidance and is published annually after the RMAP audit conclusion.