



MINSHAN ENVIRONMENTAL ENERGY HIGH TECH
CO., LTD.

2023 Refiner's Compliance Report

(Published in January 2021)

岷山环能高科股份公司
2023 年度精炼厂合规报告
(2023/01/01-2023/12/31)



为了符合《伦敦金银市场协会负责的白银指南》的要求，我司通过建立强大的管理体系，采用供应链尽职调查方法对所有供应商进行风险识别和评估，制定了高风险供应链的管理策略，确保供应链风险在可接受范围内，并通过独立的第三方审计的方式，确保本公司的白银供应链完全符合 LBMA 负责任白银指南的要求。

To meet the requirements of LBMA Responsible Silver Guidance, the Company formulates the management strategy of high-risk supply chains to ensure the risk of supply chains within the acceptable range by establishing strong management system, conducting risk identification and evaluation for all suppliers with the supply chains due diligence method. Besides, the Company also ensures that the silver supply chains of the Company fully meet the requirements of LBMA Responsible Silver Guidance through the method of independent third-party audit.

本报告总结了岷山环能高科股份公司 2023 财年内（2023 年 1 月 1 日-2023 年 12 月 31 日）对《伦敦金银市场协会负责的白银指南》要求的遵守情况。

This report summarizes the compliance of MINSHAN ENVIRONMENTAL ENERGY HIGH TECH CO., LTD. in the fiscal year 2023(January 1, 2023-December 31, 2023) with the requirements of the <LBMA Responsible Silver Guidance>.

Company Name:	岷山环能高科股份公司 MINSHAN ENVIRONMENTAL ENERGY HIGH TECH CO., LTD.
Location:	河南省安阳市龙安区 The Long'an District, Anyang City, Henan Province, China
Reporting year-end:	December 31th, 2023
Date of Report	January 20 th , 2024
Senior management responsible for this report	陈嫣伟/合规总监 Chen yanwei/Compliance Director

公司概况 Company Overview
岷山环能高科股份公司创立于 20 世纪 90 年代，是一家集城市矿山开发、危废固废资源综合回收循环再利用、有色及稀贵金属清洁生产、高新材料和智慧能源为一体的循环经济生态企业。岷山环能以具有自主知识产权的“底吹熔炼-熔融还原-富氧挥发”技术为核心，配套废旧铅酸电池资源再生利用、烟气回收制酸及有色稀贵金属提纯生产线，产品是用于高端装备制造、智能制造、电子信息行业和军工航天核电等领域的高纯铅、电子级硫酸、锌合金、黄金、白银、铜、锑、铋等有色稀贵金属。 经历了 20 多年的发展，岷山环能高科股份公司已经成为行业内技术成熟的环保企业。岷山环能还被认定为国家高新技术企业，国家绿色工厂，“岷山”商标被认定为驰名商标。同时为联合国开发计划署 CRT-铅玻璃定点处置企业，拥有省级企业技术中心，市级工程技术中心及杰出研发团队，其“底吹熔炼-熔融还原-富氧挥发”技术为国家发改委低碳技术创新及产业化示范工程项目，国家清洁生产示范项目，荣获国家科学技术进步二等奖，具有突出的技术优势。同时，公司为河南省 2019 年度绿色环保先锋企业。 岷山环能高科股份公司位于“京津冀 2+26 城”城市圈，目前已获得河南省生态环境厅颁发的总计 20.78 万吨危废综合回收循环再利用经营许可，涵盖铅蓄电池、阴极射线管、净化渣、熔铸浮渣、浸出渣、铅烟尘、除铜渣、精炼渣、阳极泥、碱渣和钢灰（含锌）等十多种危废产品；其中，2019 年，公司率先取得河南省钢灰处理业务许可。同时，岷山环能为河南省报废机动车回收行业协会授予的定点处置单位；在河南及其周边的山西、山东和“京津冀”地区的同类公司中，岷山环能的危废固废回收处置种类及吨位位居前列，具有良好的区位优势。岷山环能的危废固废综合回收循环利用，在整个生产作业过程实现废物资源化、处置无害化、产品高端化的协同处置，形成了“厂区要素循环”、“园区集聚循环”、“区域资源循环”和“社会生态循环”的四个循环系统。是落实“变废为宝，转危为安”，实现城市矿山深度开发，实现资源循环利用的战略支点。 Founded in the 1990s, MINSHAN ENVIRONMENTAL ENERGY HIGH TECH CO., LTD is a circular economy ecological enterprise integrating urban mine development, comprehensive recovery and reuse of hazardous waste and

solid waste resources, clean production of non-ferrous and rare precious metals, high-tech materials and smart energy. MINSHAN ENVIRONMENTAL ENERGY HIGH TECH CO takes the "bottom blow smelting-smelting reduction-oxygen-enriched volatilization" technology with independent intellectual property rights as the core, supporting the recycling of waste lead-acid battery resources, the recovery of flue gas and the purification of non-ferrous and precious metals production lines. High-purity lead, electronic grade sulfuric acid, zinc alloy, gold, silver, copper, antimony, bismuth and other non-ferrous and precious metals in high-end equipment manufacturing, intelligent manufacturing, electronic information industry, military aerospace nuclear power and other fields.

After more than 20 years of development, MINSHAN ENVIRONMENTAL ENERGY HIGH TECH CO., LTD has become a technologically mature environmental protection enterprise in the industry. MINSHAN ENVIRONMENTAL ENERGY HIGH TECH CO., LTD. has also been recognized as a national high-tech enterprise, a national green factory, and the "Minshan" trademark has been recognized as a well-known trademark. At the same time, it is a designated disposal company for CRT-lead glass by the United Nations Development Program. It has a provincial-level enterprise technology center, a municipal engineering technology center and an outstanding R&D team. The technological innovation and industrialization demonstration project, the national cleaner production demonstration project, won the second prize of the National Science and Technology Progress Award, and has outstanding technological advantages. At the same time, the company is the 2019 green environmental protection pioneer enterprise in Henan Province.

MINSHAN ENVIRONMENTAL ENERGY HIGH TECH CO., LTD is located in the "Beijing-Tianjin-Hebei 2+26 City" urban circle. It has obtained a total of 207,800 tons of hazardous waste comprehensive recovery and recycling business license issued by the Henan Provincial Department of Ecology and Environment, covering lead storage batteries, cathode ray tubes, purification More than ten types of hazardous waste products including slag, molten casting scum, leaching slag, lead fume, copper removal slag, refining slag, anode mud, alkali slag and steel ash (containing zinc); among them, in 2019, the company took the lead in obtaining Henan Steel Ash processing business license. At the same time, Minshan Environmental Energy is a designated disposal unit awarded by the Henan Scrap Motor Vehicle Recycling Industry Association; among similar companies in Henan and surrounding Shanxi, Shandong, and the "Beijing-Tianjin-Hebei" region, Minshan Environmental Energy's hazardous waste The types and tonnage of waste recycling and disposal are in the forefront, with a good location advantage.

Minshan Environmental Energy's comprehensive recovery and recycling of hazardous waste and solid waste has realized waste recycling, harmless disposal, and high-end product co-processing throughout the production process, forming a "factory element cycle", "park agglomeration cycle", The four circular systems of "regional resource recycling" and "social ecological recycling". It is a strategic fulcrum for implementing "turning waste into treasure, turning danger into safety", realizing in-depth development of urban mines and realizing resource recycling.

第一步：建立强大的公司管理体系

Step 1: Establish strong company management systems

合规声明

Compliance Statement with Requirement:

我们完全符合第一步：建立强大的管理体系

We have fully with Step 1: Establish strong management systems.

公司政策 Company Policy

合规陈述:

公司于 2024 年 1 月 20 日发布了《LBMA 负责任白银供应链尽职调查管理体系》(https://www.aymsys.com/news/16_793)，该政策符合经合组织《来自受冲突影响和高风险地区矿石负责任

供应链尽职调查指南》附件 II 中规定。体系中规定了白银供应链尽职调查政策、内部的组织架构及责任、尽职调查流程、白银供应链的风险识别方法、评判标准以及管理策略，此外还规定了白银供应链尽职调查培训、供应链追溯系统、记录的保存期限、交易监控等事宜。

2023 年度，我司严格按照体系要求完成所有白银供应商尽职调查，并进行风险识别和评估，有效的管控了白银供应链的风险。

我司的白银供应链尽职调查政策严格禁止白银供应商有如下行为：

1. 人权侵犯行为，包括使用童工、酷刑、非人道以及侮辱人格对待方式、广泛的使用暴力或其他严重反人权强迫劳动、战争罪、反人类罪或种族灭绝罪；
2. 向非法武装组织或向通过供应链非法控制矿区、交易商、其他中介机构、运输线路的公共或私人安全部队提供直接或间接支持，或在整个供应链内非法征税或敲诈钱财或矿产品（“非法武装组织、公共或私人安全部队”）；
3. 通过贿赂或欺诈掩盖白银原产地；
4. 为遵照政府有关来自受冲突及高风险区域的矿产品的提取、贸易及出口税费要求；
5. 洗钱或恐怖主义融资；
6. 资助冲突；
7. 从事高风险经营业务，例如武器、赌博、古董和艺术品、教派和其领导人；
8. 受益人是政治敏感人物或通缉人员；

Compliance statement:

The company has established the "LBMA Responsible Silver Supply Chain Due Diligence Management System" (https://www.aymsys.com/news/16_793) on January 20th, 2024, which is consistent with the model set out in Annex II of OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. The system included the silver supply chain due diligence policy, internal organizational structure and responsibilities, due diligence process, and silver supply chain risks Identification methods, evaluation criteria, and management strategies. In addition, it also stipulates the silver supply chain due diligence training, supply chain traceability system, record retention period, transaction monitoring and other matters.

According to the system requirements, documents were generated such as "Risk Assessment Method and Evaluation Form" and "Action Strategy".

In 2023, our company completed the due diligence of all silver suppliers in strict accordance with the requirements of the system, and conducted risk identification and evaluation to effectively control the risks of the silver supply chain.

Our silver supply chain due diligence policy strictly prohibits silver suppliers from doing the following:

All Silver-bearing minerals provided to your company are legitimate (the silver bars purchased from your company are used for legal purposes), which does not involve the following situations:

1. Systematic or widespread human rights abuses associated with the extraction, transport or trade of silver, including worst forms of child labor, any forms of torture, inhuman and degrading treatments, widespread sexual violence or other gross human rights violation forced or compulsory labor, war crimes, crimes against humanity or genocide;
2. Direct or indirect support to illegitimate non-state armed groups, public or private security forces which illegally control mines sites, traders, others intermediaries, transport routes through the supply chains or illegally tax or extort money or minerals through the supply chains;
3. Bribery and fraudulent misrepresentation of the origin of silver;
4. Non-compliance with taxes, fees and royalties due to Governments related to mineral extraction, trade and export from conflict affected and high-risk areas;
5. Money laundering or terrorism financing;
6. Contribution to conflict;
7. Higher-risk business activity such as arms, gaming and casino industry, antiques and art, sects and their leaders;
8. Upstream companies or their beneficial owners with significant influence are PEPs;

管理架构 Internal management structure

合规陈述:

根据体系要求,我们设立了专门的管理团队,包括一名合规总监、两名合规经理以及若干名合规组成员,并明确了所有人的职责。

合规总监:公司授权的高级管理者总经理陈嫣伟,总经理陈嫣伟,高级人力资源管理师、助理工程师。2005年入厂至今一直为我司重要高管,负责公司经营管理工作,对经营管理有着丰富的理论知识和实操经验。对外根据我司原料采购政策和公司的生产、财务以及销售情况等,负责审批与供应商合作合同的签订(包括是否与高风险供应商合作的合同签订),并负责对供应商进行审查等相关事宜。对内根据 LBMA 负责任的白银指南文件,对相关员工进行培训,使相关负责人清楚地理解这一体系的目的和意义,明白自己在尽职调查政策承担的职责,并半年一次开展业务培训。

合规经理(王军):协助高级管理人员全面负责白银供应链尽职调查事务,对白银供应链上的所有事情负责,确保在高风险供应链交易时采取恰当的措施,提交风险评估报告。并有义务就责任供应链方面进行业务培训,起草和更新白银供应链政策,为高级管理者履责提供准确的信息。

原材料采购中心(国内和国外),确保矿粉、原材料供应的长期性、稳定性、安全性,并拒绝与高风险地区的相关企业、组织或国家合作。

质检中心对采购含银原料进行过磅称重,化验;生产部负责原料的出入库记录;贵金属事业部负责对产出银锭进行称重、打标记,车间组织投料生产并做好投料记录和产出银锭记录,在生产过程中采用封闭式流程,确保白银生产加工的安全性与可追溯性。

生产部负责与原料采购中心结合,保证含银原料接收的准确性,贵金属事业部负责对白银销售前的数量的统计,保证白银实物出厂的安全性。

营销中心需对交货人身份信息进行确认,并在交易过程中,采用监督机制确保交易的安全性,保证公司不参与恐怖主义融资。

2023 年度,我司借助对资源处理的成熟经验和前沿的核心技术全力支持和监测尽职调查流程,并时刻记录,带领管理团队按照体系文件要求对所有白银供应商开展了尽职调查,其中合规经理对所有调查结果进行了监督和审核,确保所有含银物料供应商在合作前都满足 LBMA 要求,并得到了合规总监的批准。

Compliance statement:

According to the system requirements, we have set up a special management team, including a compliance director, a compliance specialist, and several compliance team members, their responsibilities were defined.

Compliance Director: The company's authorized senior manager is General manager Chen Yanwei, general manager Chen Yanwei, senior human resource manager and assistant engineer. Since joining the factory in 2005, she has been an important executive of our company, responsible for the company's operation and management, and has rich theoretical knowledge and practical experience in operation and management. According to our company's raw material procurement policy and the company's production, finance and sales, etc., responsible for approving the signing of cooperation contracts with suppliers (including whether to sign contracts with high-risk suppliers), and responsible for reviewing suppliers and other related matters. Conduct internal training for relevant staff in accordance with the LBMA Responsible Silver Guide document, so that relevant leaders clearly understand the purpose and significance of the system, understand their responsibilities under the due diligence policy, and conduct business training on a semi-annual basis.

Compliance Manager (Mr. Wang Jun): Assist senior management personnel to be fully responsible for the due diligence of the silver supply chain, to be responsible for all matters in the silver supply chain, to ensure that appropriate measures are taken in high-risk supply chains or transactions, and to submit risk assessment reports. It is also obliged to train responsible supply chains, draft and update silver supply chain policies, and provide accurate information for senior managers to perform their duties.

The Raw Materials procurement center (domestic & overseas) are responsible for purchasing raw materials, ensuring

the long-term, stability, and safety of the supply of mineral powder and raw materials, and refusing to cooperate with relevant companies, organizations, or countries in high-risk areas.

The quality inspection center weighs and tests the purchased silver-bearing raw materials; the Precious metals department is responsible for the storage and entry records of the raw materials; and the weighing and marking records of the output silver ingots, and the workshop organizes the input production and makes the input records and the output of silver ingot records adopts a closed process in the production process to ensure the safety and traceability of silver production and processing.

The production department is responsible for combining with the raw materials department to ensure the accuracy of receiving silver-bearing raw materials. the precious metals department is responsible for the statistics of the amount of silver before sales to ensure the safety of the physical delivery of silver.

The sales center needs to confirm the identity information of the delivery person, and in the transaction process, use a monitoring mechanism to ensure the security of the transaction and ensure that the company does not participate in terrorist financing.

In 2023, with the help of mature experience in resource processing and cutting-edge core technology, our company fully supported and monitored the due diligence process, kept records at all times, and led the management team to carry out due diligence on all silver suppliers in accordance with the requirements of the system documents, in which the compliance manager supervised and reviewed all the investigation results. Ensure that all suppliers of silver containing materials meet LBMA requirements and are approved by the Compliance Director before working with them.

培训 Training

合规陈述:

公司定期组织所有关于白银相关部门进行培训, 2022-2023 年度共计进行了两次培训。

1. 2023 年 5 月 23 日, 合规团队于 101 培训室召开主题为“白银供应链尽职政策及管理体系”的第一次培训, 计划参培人数 7 人, 实际参培人数 7 人, 参培比例 100%;
2. 2023 年 10 月 16 日, 合规团队于 101 培训室召开主题为“白银供应链政策”的第二次培训, 计划参培人数 7 人, 实际参培人数 7 人, 参培比例 100%;

两次培训后分别进行了效果评价, 并且保留培训记录。

在进行内部尽职调查期间, 未出现违反内部尽职调查流程的行为数量, 严格落实内部尽职调查流程。

Compliance statement:

The company regularly organizes silver relevant departments to carry out the training, and two training were performed in 2022-2023.

1.May 23rd, 2023, the compliance team held the first training with the theme of "Silver Supply Chain Due Diligence Policy and management System" in the 101 training room. The planned number of participants was 7, and the actual number of participants was 7, with a participation rate of 100%.

2.Octobre 16th,2023, the compliance team held the second training with the theme of "Silver Supply Chain Policy" in the 101 training room. The planned number of participants was 7, and the actual number of participants was 7, with a participation rate of 100%.

After these trainings, the effectiveness evaluation was carried out and the training records were kept.

During the internal due diligence, there was no number of violations of the internal due diligence process, and the internal due diligence process was strictly implemented.

记录保留 Records keeping

合规陈述:

根据公司<白银供应链尽职调查管理体系>要求,所有供应商相关文档,包括尽职调查文件、风险评估表、合规文件、合同文本、检验记录以及出入库记录等均至少保存五年。

Compliance statement:

According to the management system requirements, all supplier-related documents, including due diligence documents, risk assessment forms, compliance documents, contract texts, inspection records, and warehouse records are kept for at least five years.

交易付款和交易监控 Transaction Payment& Monitoring

合规陈述:

公司所有业务均通过官方银行渠道收款和付款,没有任何现金交易。国外进口产品结算是通过信用证付款,国内是通过银行转账付款。

根据管理体系要求,我们对每批白银产品都进行交易监督,保留相关付款凭证。合规专员负责交易监控工作,对不符或以任何形式疑似不符的交易背景进行检查,并书面确认调查结果,报告给合规总监。此外,我们与当地政府建立了反洗钱合作关系,任何洗钱行为我们都会第一时间通知政府,并配合政府进行洗钱调查。2023年度的交易全部采用银行转账方式,未出现异常现象。

Compliance statement:

All the company's businesses receive and pay through official bank channels without any cash transactions. Foreign imported products is paid by letter of credit, and domestic payment is made by bank transfer.

According to the requirements of the management system, we conduct transaction supervision on each batch of silver products and retain the relevant payment vouchers. The Compliance Specialist is responsible for transaction monitoring, checks the background of transactions that do not match or is suspected of being inconsistent in any form, confirms the investigation results in writing, and reports to the Compliance Director. In addition, we have established an anti-money laundering cooperation relationship with the local government. We will notify the government of any money laundering actions as soon as possible and cooperate with the government in conducting money laundering investigations. All transactions in 2023 were conducted by bank transfer, no abnormalities occurred.

可追溯系统和其他供应链参与者的识别 Traceability and identification of other supply chain actors

合规陈述:

公司根据管理体系以及《负责任白银指南》中对于贵金属的来源定义,确定了供应链追溯体系,并在业务过程中,收集和保存相对供应商所提供的信息,其中包括合约对方、原产地、材料类型、到达日期和最终日期、合同评审表、合同文本、结算方式、运输过程、重量和检验报告等。

根据保留的所有记录,可以完成从成品追溯到原料、从原料追溯到成品这一过程,并能追溯每个供应商每批产品的采购合同,根据合同内容可以追溯包括贵金属类型、采购重量、分析报告以及相关尽职调查文件等信息。

Compliance statement:

The company has established a supply chain traceability system based on the management system and the definition of the source of precious metals in the Responsible Silver Guide, and collects and maintains information from relative suppliers in the course of its business. This includes the counterparty, origin, type of materials, date of arrival and final date, contract review form, contract text, method of settlement, shipping process, weight and inspection report, etc.

According to all the records kept, traceability can be completed from finished product to raw materials, from raw materials to finished products, and can be traced to the purchase contract of each supplier and each batch of products.

According to the content of the contract, the traceability includes the type of precious metal, purchase weight, analysis report and related information such as due diligence documents.

交易方互动, 并协助交易方建立尽职调查能力 Engagement with silver supplying counterparties, and where possible, assisted silver supplying counterparties in building due diligence capabilities

合规陈述:

根据管理体系的要求, 在对供应商风险评估时, 与供应商签订合同前, 我司业务人员依据公司的合规要求, 与所有白银供应商签署《LBMA 合规承诺书》, 以确保他们了解公司 LBMA 管理的要求和供应链政策。在承诺书中, 白银供应商们应以书面形式承诺并承认, 不存在与矿产开采、运输或贸易有关的严重侵犯人权行为, 没有直接或间接支持非国家武装组织, 没有直接或间接支持公共或私人安全部队, 没有贿赂或虚假误报矿产来源, 没有洗钱。此外, 还向政府支付与受冲突影响地区和高风险地区的矿产开采、贸易和出口有关的税费和特许权使用费。在签订合同期间, 我司积极与供应商们开展交流和合作, 及时开展关于尽职调查事宜相关培训, 根据管理体系的要求, 双方就尽职调查开展的形式和内容充分讨论并落实。

2023 年度签约的所有供应商均签署了相关的承诺书。

在尽职调查进行期间, 我司严格遵守 EITI(采掘业透明度倡议)之原则, 并支持实施相关倡议(如采掘业透明度倡议(EITI))。

Compliance statement:

According to the requirements of the management system, during the supplier risk assessment, before signing the contract with the supplier, our business personnel has signed the "LBMA Compliance Commitment" with all silver suppliers according to the company's compliance requirements to ensure that they understand our company's LBMA management requirements and supply chain management policies. In the commitment, the silver supplier shall commit in writing documents with signature and stamp that there are no serious human rights violations related to mineral extraction, transport or trade, no direct or indirect support for non-state armed organizations, and no direct or indirect support for public or private security forces, no bribe or falsely misreport mineral sources, and no launder money. In addition, the government is also paid taxes and royalties related to mineral extraction, trade and export in conflict-affected areas and high-risk areas. During the signing of the contract, our company actively carried out exchanges and cooperation with suppliers, timely carried out due diligence related training, and fully discussed and implemented the form and content of due diligence according to the requirements of the management system.

All suppliers signed in 2023 signed relevant commitments.

During the due diligence process, we strictly adhere to the principles of the EITI (Extractive Industries Transparency Initiative) and support the implementation of relevant initiatives such as the Extractive Industries Transparency Initiative (EITI).

沟通和申诉机制 Communication & Complaint mechanism

合规陈述:

公司建立了申诉机制, 并且申诉机制在含银物料采购过程中均向供应商进行了必要的沟通, 内外部利益相关方可以匿名举报有关白银交易过程中的违规行为。工厂设立了意见箱, 作为内部员工的举报途径, 并由相关人员定期开箱检查汇总举报内容。2023 年度没有内部举报事件发生。同时, 公司在我司的官方网站上展示了举报电话和举报邮箱, 作为外部人员的举报和申诉途径, 并由相关人员负责接听该电话并记录举报内容。2023 年度没有外部举报事件发生。

此外, 公司也制定了保护举报人制度, 对于出现的申诉和举报信息适当尊重保密性, 防止出现对举报人进行打击报复的恶劣行为, 有效的保护了举报人的权益。

Compliance statement:

The company has established a complaint mechanism, and the complaint mechanism has carried out necessary communication with suppliers during the procurement process of silver-containing materials, and internal and external stakeholders can anonymously report violations in the silver trading process. The factory has set up a suggestion box as a reporting channel for internal employees, and relevant personnel regularly open the box to check and summarize the reporting content. There were no internal reporting incidents in 2023. At the same time, the company displays the report telephone number and report email on the official website of our company, as a way for external personnel to report and appeal, and relevant personnel are responsible for answering the phone and recording the report content. There were no external reported incidents in 2023.

In addition, the company has also developed a whistleblower protection system, which appropriately respects the confidentiality of complaints and reported information, prevents bad acts of retaliation against whistleblowers, and effectively protects the rights and interests of whistleblowers.

第二步：识别和评估供应链风险

Step 2: Identify and assess risks in the supply chain

合规声明

我们完全符合第二步：识别和评估供应链风险

Compliance Statement with Requirement:

We have fully complied with Step 2: Identify and assess risks in the supply chain.

供应链风险识别 Identify risks in the supply chain

合规陈述：

对于识别供应链中风险的尽职调查流程，我司根据经合组织《受冲突影响和高风险地区矿产负责任供应链尽职调查指南》的指示，搭建成熟的尽职调查团队，吸纳适用体系的相关经验丰富的人员通过实地考察、电话联系、线上沟通等多途径开展了了解合约对方（KYC）评估的程序，并取得了合约对方的所需信息，所获信息符合我司以及经合组织《受冲突影响和高风险地区矿产负责任供应链尽职调查指南》要求的关于对风险识别的标准，所获信息有效。

Compliance statement:

For the due diligence process to identify risks in the supply chain, we have established a mature due diligence team in accordance with the OECD Guidelines for Responsible Supply Chain Due Diligence for Minerals in Conflict-Affected and High-risk Areas. Through field visits, phone calls, and online communication, experienced personnel involved in the applicable system carried out the know-you-counterparty (KYC) assessment process and obtained the required information of the counterparty. The information is valid and meets the criteria for risk identification required by our company and the OECD Guidelines for Responsible Supply Chain Due Diligence for Minerals in Conflict-Affected and High-risk Areas.

对于开采白银和回收白银，我司根据经合组织《受冲突影响和高风险地区矿产负责任供应链尽职调查指南》附件 II，识别从产地到精炼厂的以下供应链相关风险，包括：

- 与白银的开采、运输或贸易相关的系统性或广泛性的侵犯人权行为，包括最恶劣形式的童工、任何形式的酷刑、不人道和有辱人格的对待、广泛的性暴力或其他严重侵犯人权的强迫或强制劳动、战争犯罪、危害人类罪和种族灭绝罪；
- 直接或间接支持非法非国家武装团体、非法控制矿场的公共或私人安全部队、贸易商、其他中间人、通过供应链的运输路线或通过供应链非法征税或敲诈金钱或矿物（“非法非国家武装团体、公共或私人安全部队”）；
- 白银资源贿赂和欺诈性误报

- 在受冲突影响和高风险地区的矿产开采、贸易和出口方面，不遵守应向政府缴纳的税收、特许权使用管理费；
- 洗钱或恐怖组织融资；
- 助长冲突；
- 不符合环保和可持续发展的合法要求。

Whether for mined silver or recovered silver, the Company identifies below supply chain risks from the origin to the refinery in strict accordance with the regulations of Appendix II to *OECD Guidelines on Due Diligence in the Supply Chain of Minerals Liability in Conflict-Affected Areas and High-Risk Areas*, include:

- Systematic or widespread human rights abuses associated with the extraction, transport or trade of silver, including worst forms of child labor, any forms of torture, inhuman and degrading treatments, widespread sexual violence or other gross human rights violation forced or compulsory labor, war crimes, crimes against humanity or genocide;
- Direct or indirect support to illegitimate non-state armed groups, public or private security forces which illegally control mines sites, traders, others intermediaries, transport routes through the supply chains or illegally tax or extort money or minerals through the supply chains;
- Bribery and fraudulent misrepresentation of the origin of silver;
- Non-compliance with taxes, fees and royalties due to Governments related to mineral extraction, trade and export from conflict affected and high-risk areas;
- Money laundering or terrorism financing;
- Contribution to conflict;

供应链风险评估及对识别到的风险分类 Risk assessment in the supply chain and Categorize the identified risks

合规陈述：

管理体系中规定了供应商风险识别方法，涵盖了含银物料从原产地到精炼厂的所有风险，我司通过《供应商尽职调查表》进行风险识别，识别方法包括，建立供应链客户档案，包括：企业名称、法定代表人、地址、联系方式、营运方式、生产方式、交易合同等；对既有供应链客户需定期进行核查，如有新建或变更的客户，需及时对其进行档案资料检查，保持档案资料库处于最新状态；识别每一客户、企业和企业收益所有人，使用可靠的独立来源文件、数据或者信息来验证其身份；确定供应链中每一客户、企业和企业收益所有人不在任何政府的洗钱、诈骗或恐怖主义通缉名单上；定期获取供应链客户商业和财务方面的详细情况、从事白银交易目的及商业运作情况。

Compliance statement:

The management system specifies the supplier risk identification method, covering all risks of silver-bearing materials from the origin to the refinery. Risks are identified through the "Supplier Due Diligence Form", identification method including, establish supply chain customer files, including: company name, legal representative, address, contact information, operation method, production method, transaction contract, etc.; Existing supply chain customers need to be checked regularly. If there are new or any changed, we need to check their archives in time to keep the archives database up to date. Identify each customer, businesses and business owner, and use reliable independent source documents, data or information to verify their identity. Make sure that every customer, business and business owner in the supply chain is not on any government money laundering, fraud or terrorism wanted list. Regularly obtain the commercial and financial details of customers in the supply chain, the purpose of engaging in silver transactions, and the status of commercial operations.

在进行尽职调查期间，我司根据其尽职调查体系标准，从三个维度出发对识别到的风险以及进行分类，其中第一是从地区出发，针对供应商的来源地区以及对原料的运输过程中所涉及到的地区进行评估，纳入风险分类的

考核要求中；第二从供应商出发，针对供应商的公司结构、内部股东架构、最终受益者的有效身份证件以及供应商的 2023 财年的财务报表进行审核，纳入风险分类的考核中；第三从原材料出发，针对供应商所提供到的原材料，通过实地考察、信息调查等方式评估其风险的等级，严格管控贵金属原材料的风险。

基于以上三个维度，我司在与供应商业务关系建成之前，业务部门填写《白银供应链尽职调查表》，依据管理体系要求和三个维度的参照标准，针对所有含银原料新客户和老客户进行评估，我司全部含银原料均为矿产银。

（矿产银供应商需要提供营业执照、采矿许可证、承诺书、尽职调查表、运输方式以及受益人等相关调查内容。）根据以上信息的考量，其风险评估结果分为两种，高风险和非高风险。在评估过程中，所确定的零容忍和高风险供应商的数量为 0，占比 0%。为时刻跟进所评估的风险变动，我司积极与相应监管机构进行有效沟通，以便于进行及时调整。

During the due diligence process, our company classifies and classifies the identified risks from three dimensions according to its due diligence system standards. The first one is based on the location, the supplier's source location and the region involved in the transportation of raw materials are evaluated and included in the assessment requirements of risk classification. Second, from the perspective of the supplier, the supplier's corporate structure, internal shareholder structure, valid identity documents of the final beneficiaries and the supplier's financial statements for the fiscal year 2023 are reviewed and included in the assessment of risk classification; Thirdly, starting from raw materials, we assess the risk level of raw materials provided by suppliers through field visits and information investigations, and strictly control the risks of precious metal raw materials.

Based on the above three dimensions, before the establishment of the business relationship with the supplier, the business department filled in the "Silver Supply Chain Due Diligence Form" and evaluated all new and old customers of silver-containing raw materials according to the requirements of the management system and the reference standards of the three dimensions. All silver-containing raw materials of our company are mineral silver. (Mineral silver suppliers are required to provide business licenses, mining permits, commitment letters, due diligence forms, modes of transportation and beneficiaries.) Based on the above information, its risk assessment results are divided into two types, high risk and non-high risk. During the evaluation process, the number of zero-tolerance and high-risk suppliers identified was 0, accounting for 0 percent. In order to constantly follow up the assessed risk changes, our company actively and effectively communicate with the corresponding regulatory authorities in order to make timely adjustments.

如若出现高风险矿产供应商，那么对于高风险矿产供应商，我们将暂停交易，封存该供应商所有产品并立即进行强化尽职调查（EDD），对所涉及的供应商进行实地考察或参观其高风险供应链，实地考察团将由联合评估小组、内部人员构成，必要时联系独立的第三方顾问进行考察，确保考察内容符合事实，证实供应链尽职调查结果的文件记录真实，并在调查结束后出具现场审计报告。实地考察的开展次数根据考察结果为依据开展。如若无法进行强制性的实地考察，我们安排远程的信息审核来对相应风险进行考核和进一步评估。

对于大规模开采的白银：使用可信的独立来源的文件、数据和信息来核实情况，从矿山到精炼厂，供应链中的每一家企业（包括白银生产商、中间商、白银交易商、出口商和运输商）的收益所有人和政府监控名单信息都要求要核实。对于手工或小型矿开采的白银（ASM）：使用可靠的独立来源的文件、数据和信息来核实情况，从白银出口商到精炼厂，供应链中的每一家企业（包括国际白银交易商和运输商）的收益所有人和政府监控名单信息都要求要核实。

最后，根据搜集的信息和供应链风险识别的结果，对每个供应商进行单独的风险评估，填写风险评估表，由负责评估的合规总监签字，并填写最终评估日期。

2023 年我们共计完成了 51 家矿产白银供应商的尽职调查，根据风险评估结果，51 家供应商均为非高风险供应商。

Compliance statement

In the event of a high risk mineral supplier, we will suspend trading of the high risk mineral supplier, seal all products of the supplier and immediately conduct an enhanced due diligence (EDD) to conduct a site visit to the supplier involved or visit their high risk supply chain, which will consist of a joint assessment team, internal personnel, When necessary, contact independent third party consultants to conduct inspections, ensure that the content of the inspections is factual, verify the authenticity of the documentation of the supply chain due diligence results, and produce an on-site audit report after the investigation is completed. The number of field visits conducted is based on the results of the visits. If a mandatory site visit is not possible, we arrange a remote information audit to assess and further assess the corresponding risks.

For silver mined on a large scale: Use documents, data, and information from trusted, independent sources to verify the status of every business in the supply chain from mine to refinery (including silver producers, middlemen, silver traders, exporters, and shippers) and government watchlist information. For artisanal or small-scale mined silver (ASM) : Use reliable, independent sources of documentation, data and information to verify the status of every business in the supply chain, from silver exporters to refiners, including international silver traders and shippers, revenue owners and government watchlist information are required to verify.

Finally, according to the collected information and the results of the supply chain risk identification, each supplier should be individually assessed. The risk assessment form should be filled in, signed by the compliance director responsible for the assessment, and the final assessment date should be filled in.

In 2023, we completed due diligence on a total of 51 mineral silver suppliers, and according to the risk assessment results, 51 suppliers are non-high-risk suppliers.

交易监测 Transaction monitoring

合规陈述:

我司对在建立关系的过程中所作的交易开展适当的审查和监测, 以确保交易与我司供应链和风险状况的了解一致。交易监测应采用基于风险的方法进行。

关于此点, 我司接收并记录收到的每批次的以下信息:

开采白银:

- 估计重量和分析结果 (来自交易对方);
- 装运/运输文件 (货运单/空运单、形式发票 (如可行));
- 高风险交易的进出口表格 (如可行);
- 参考供应链尽职调查文件。

我司基于尽职调查结果验证文件和材料是否相互一致, 以及是否了解供应链。我司验证收到的装货与装运/运输文件是否相符。应检查不一致或检查在任何方面可疑的交易背景, 并以书面形式确定调查结果以及向合规部报告。在不一致的问题得到解决前, 白银应按照本指南第 3 步的要求接受物理隔离和保护。应向有关当局报告这些调查结果 (如可行)。

Compliance statement:

The situation of all trades is under the supervision of the Company to ensure that the trade is consistent with supply chain investigation. Trade monitoring is based on risks methods.

The refinery should collect and record below information for each batch of silver-bearing materials:

For mined silver:

- Estimated weight and assay (from trade counterpart)
- Shipping/transportation documents (transportation bill/Airway bill, pro forma invoice (if applicable));
- Import/export form of high risk trade (if applicable)
- Supply chain due diligent documents.

Refinery should verify documents and materials are the same base on due diligence and know the supply chain.

Refinery should verify if the received material is consistent with transportation documents. Any inconsistent or suspicious trade should be identified in written the investigation outcome and report to compliance department. Before resolved, the material should be isolated and protected as per the Step 3 of LBMA RSG. Should report to relative authorities the investigation outcome (if applicable).

风险评估结果的汇报 Report risk assessment to the designated manager

合规陈述:

合规经理每年代表高级管理团队向合规总监和最高管理层提供一份评论报告。高级管理层保留对白银供应链的最终控制权和责任。如果评估为高风险供应商，视情况暂停或脱离合约，并按照有关规定上报相关部门。

Compliance statement:

The Compliance Manager provides a commentary report to compliance director and senior management on a yearly basis, Senior management retains the ultimate control and responsibility for the silver supply chain. If it is assessed as a high-risk supplier, suspend or terminate from the contract according to the circumstances, and report to the relevant departments in accordance with the relevant regulations.

第三步：对已识别的风险实施管理策略

Step 3: Design and implement a management system to respond to identified risks

合规声明:

我们完全符合第三步：设计和实施一项管理策略应对已识别的风险

Compliance Statement with Requirement:

We have fully complied with Step 3: Design and implement a management system to respond to identified risks.

针对已识别的风险实施一项风险管理策略 a strategy for risk management of an identified risk

合规陈述:

我司建立了文件化的《风险缓解策略》，合规官负责缓解策略的落实工作，根据风险的分类不同，主要通过以下方式对其进行风险管理：

高风险供应商：如果供应链尽职调查结果得出的结论是，存在洗钱、恐怖主义融资、严重的侵犯人权、直接或间接支持非法的政府武装组织或通过欺诈误导矿产品的原产地，我们将立即脱离与该供应商的交易，对已交易的贵金属数量进行核实并封存，并向相关主管机构和 LBMA (如适用)报告此类情况。

如果供应链尽职调查结果得出的结论是，可能存在洗钱、恐怖主义融资、严重的侵犯人权、直接或间接支持非法的政府武装组织或通过欺诈误导矿产品的原产地，我们将立即暂停与该供应商的交易，对已交易的贵金属数量进行核实并封存，对该供应商进行强化尽职调查，通过实地考察、委托有能力的第三方或有资质的人员对该供应商进行现场审核，出具审核报告，若现场审核的结果为高风险供应商，则脱离该交易并上报有关部门；若该供应商无重大风险且愿意配合整改，则监督该供应商在六个月内整改至满足 LBMA 准则的要求，可以继续进行交易。若在六个月内无法整改至满足要求，则脱离该交易。如果尽职调查的结果无法充分满足要求，不能为风险评估提供有效的证据，缺少相关资质证明，如营业执照、采矿许可证、进出口相关单据、贵金属原产地、运输方式等，则暂停与该供应商的交易，直至提供完整的资料并通过了风险评估。

非高风险供应商：不存在洗钱、恐怖主义融资、严重的侵犯人权、直接或间接支持非法的政府武装组织或通过欺诈误导矿产品的原产地等零容忍问题，并且提供了所有的相关尽职调查的资料，通过风险评估，结论为非高风险供应商，则继续进行交易，并定期对其进行风险监控。

Compliance statement:

Our company has established a documented Risk Mitigation Strategy, and the compliance officer is responsible for overseeing its implementation. Risk management is primarily conducted in accordance with various risk

classifications:

High-risk suppliers: If the supply chain due diligence determines that there is involvement in money laundering, terrorist financing, serious human rights violations, direct or indirect support to illegal armed government groups, or misrepresentation of the origin of mineral products through fraud, we will immediately terminate the transaction with that supplier, verify and secure the amount of precious metals traded. We will also report such cases to the relevant authorities and, where applicable, the LBMA.

If the supply chain due diligence results conclude that there may be money laundering, terrorist financing, serious human rights violations, direct or indirect support to illegal government armed groups, or misleading the origin of mineral products through fraud, we will immediately suspend transactions with the supplier, verify and seal the amount of precious metals traded, and conduct enhanced due diligence on the supplier. Through on-site inspection, entrust a competent third party or qualified personnel to conduct on-site audit of the supplier, issue audit report, if the on-site audit result is a high-risk supplier, it will be terminated from the transaction and reported to the relevant department; If the supplier has no significant risk and is willing to cooperate with the rectification, the supplier can continue to trade after monitoring the rectification to meet the requirements of the LBMA code within six months. If it cannot be rectified to meet the requirements within six months, it will terminate the transaction. If the results of due diligence cannot adequately meet the requirements, cannot provide valid evidence for the risk assessment, lack of relevant qualifications, such as business license, mining license, import and export documents, precious metal origin, mode of transportation, etc., then suspend the transaction with the supplier until the complete information is provided and the risk assessment is passed.

Non-high-risk suppliers: There are no zero tolerance issues such as money laundering, terrorist financing, serious human rights violations, direct or indirect support to illegal government armed organizations, or misleading the origin of mineral products through fraud and provide all relevant documents for due diligence and risk assessment, concluded as non-high-risk suppliers through risk assessment, will continue the trading and regularly monitor their risks.

量化措施, 绩效监督, 重新评估以及定期汇报 Quantitative measures, monitoring of performance, periodic reassessment, regular reporting to designated senior management.

合规陈述:

量化手段和绩效评估: 根据《LBMA 风险缓解策略》, 如果尽职调查的结果处于低风险, 但仍存在轻微不符合时, 只要该公司在规定的时间内采取了明确绩效目标的改进策略, 我们将继续从其处获取白银原材料。如果白银供应链尽职调查提交的资料不完善, 或者不愿意配合的, 这说明存在洗钱、恐怖主义融资、助长冲突、侵犯人权的行为可能性很高, 我们将立即终止从其处获取白银原材料, 直到其他信息或数据能证实其低风险。根据 2023 年的尽职调查结果, 所有供应商均为低风险, 无供应商需要进行风险缓解的管理策略。

定期重新评估与持续监控:

1、每年, 原料采购部门的合规专员组织人员收集供应商信息的所有变更情况, 持续监控交易结果并进行年度供应链尽职调查重新评估, 以决定是否继续合作。

2、采购的每一批次的白银原料在运输、出入库、生产、付款过程都有合规专员的监控, 其中出入库必须有押运 LBMA 合规专员的签字, 付款必须有财务的 LBMA 合规专员的批准。

定期报告: 每季度合规专员根据 LBMA 管理的实际情况, 向合规总监和最高管理层提交汇报。报告本季度 LBMA 管理体系运行情况进行总结, 提出不足及改进措施。

2023 年, 我司采取了量化的手段对供应商进行评分管理, 对除新供应商外的所有供应商进行年度补充风险评估。合规总监已对评估结果进行审核。并且每季度向最高管理层提交了报告。

Compliance statement:

Measures steps and performance monitoring: According to the "LBMA Risk Mitigation Strategy", if the result of due

diligence is at a low risk, but there is still a minor non-compliance, as long as the company adopts an improvement strategy with clear performance targets within the specified time frame, we will continue to obtain silver raw materials from them. If the due diligence information submitted by the silver supply chain is incomplete or unwilling to cooperate, it means that there is a high possibility of money laundering, terrorist financing, conflict promotion, and human rights violations. We will immediately terminate the obtain of silver raw materials from them. Until other information or data can confirm they have low risk status.

According to the results of the due diligence in 2023, all suppliers were assessed as low risk, no supplier needs a risk mitigation management strategy.

Regular re-evaluation and continuous monitoring:

1. Every year, the Compliance officer of the raw material procurement department organizes personnel to collect all changes in supplier information, continuously monitor the transaction results and conduct an annual supply chain due diligence re-evaluation to decide whether to continue cooperation.

2. Each batch of purchased silver raw materials is monitored by a compliance officer during the transportation, storage, production, and payment process. Among them, the deposit and withdrawal must be signed by the escort LBMA compliance officer, and the payment must have financial LBMA compliance officer's approval.

Periodic report: Every quarter, the compliance officer submits reports to the compliance director and top management according to the actual situation of LBMA management. The report summarizes the quarterly operation of the LBMA management system, proposes deficiencies and improvement measures.

In 2023, our company took a quantitative approach to score management of suppliers, and conducted an annual supplementary risk assessment of all suppliers except new ones. The compliance director has reviewed the evaluation results. And every quarter to submit a report to the top management.

第四步：安排独立的第三方审计

Step 4: Arrange for an independent third-party audit of the supply chain due diligence

合规声明:

我们完全符合第四步：安排独立的第三方审计

Compliance Statement with Requirement:

We have fully complied with Step 4: Arrange for an independent third-party audit of the supply chain due diligence.

合规陈述:

为确保供应链尽职调查政策和流程更加规范和科学，我们已委托由 LBMA 认可的鉴证服务供应商 BV 就 2023 年 1 月 1 日至 2023 年 12 月 31 日期间，进行 LBMA 负责任的白银审计进行独立鉴证。

Compliance Statement:

To ensure that supply chain due diligence policies and processes are more standardized and scientific, we have commissioned BV, an LBMA accredited assurance service provider, to conduct an independent assurance of the LBMA Responsible Silver Audit for the period from 1 January 2023 to 31 December 2023.

就 2023 年 1 月 1 日至 2023 年 12 月 31 日期间的审核周期中，未见高风险和中风险等不符合项。同时我司已明确，若有不符合项，针对风险分类情况分别给予处理：若归属为高风险项，我们将立即暂停与该供应商的交易，对已交易的贵金属数量进行核实并封存，对该供应商进行强化尽职调查，通过实地考察、委托有能力的第三方或有资质的人员对该供应商进行现场审核，出具审核报告，若现场审核的结果为高风险供应商，则脱离该交易并上报有关部门；若该供应商无重大风险且愿意配合整改，则监督该供应商在六个月内整改至满足 LBMA 准则的要求，可以继续进行交易。若在六个月内无法整改至满足要求，则脱离该交易。

For the audit period from 1 January 2023 to 31 December 2023, no high risk and medium risk non-conformities were found. At the same time, our company has made it clear that if there are non-conformance items, they will be dealt with separately according to the risk classification: If it is classified as a high-risk item, we will immediately suspend the transaction with the supplier, verify and seal the amount of precious metals that have been traded, strengthen due diligence on the supplier, conduct on-site audit on the supplier through on-site inspection, entrust a competent third party or qualified personnel, and issue an audit report. If the on-site audit results are high-risk suppliers, terminate from the transaction and report it to the authorities; If the supplier has no significant risk and is willing to cooperate with the rectification, the supplier can continue to trade after monitoring the rectification to meet the requirements of the LBMA code within six months. If it cannot be rectified to meet the requirements within six months, it will terminate the transaction.

我司回顾上一个审计周期中（就 2022 年 1 月 1 日至 2022 年 12 月 31 日）所发现并提出的不符合项（中风险）为鉴于业务保密原因，导致的供应商供应原料的原产地证据不足。针对这一不符合项，我司在本次审核过程中尽最大努力联系、收集和确认原产地信息。但由于供应商的业务保密需求，短期未能向我司提供准确的矿山名称。未来，我司也会继续加大和供应商的沟通力度，以期获取原料矿山的进一步信息。

We recall that the non-conformity (medium risks) found and raised in the last audit cycle (from January 1, 2022 to December 31, 2022) were insufficient evidence of the origin of raw materials supplied by suppliers due to business confidentiality reasons. In view of this non-conformity, our company has done our best to contact, collect and confirm the origin information in the process of this audit. However, due to the business confidentiality requirements of the supplier, the accurate mine name cannot be provided to our company in the short term. In the future, our company will continue to increase communication with suppliers in order to obtain further information about raw material mines.

第五步：供应链尽职调查报告

Step 5: Report on supply chain due diligence

合规声明：

我们完全符合第五步：供应链尽职调查报告（详细可见公司网站 https://www.aymsys.com/news/16_796 ）

Compliance Statement with Requirement:

We have fully complied with Step 5: Report on supply chain due diligence. （Visible in detail the company's web site https://www.aymsys.com/news/16_796 ）

合规陈述：

我们的白银供应链政策中列出了有关如何实施供应链尽职调查政策、程序、过程和控制，以符合 LBMA 负责任白银指南中特定要求的更多信息和具体细节，详见公司网站 https://www.aymsys.com/news/16_793。

Compliance statement:

Further information and specific details of how to perform due diligence systems for supplier chains, procedures, processes and controls have been implemented to align to the specific requirements in the LBMA Responsible Silver Guidance have been set out in our silver supply chain policy, which is available on our company website https://www.aymsys.com/news/16_796 。

结论 Conclusion

管理层结论 Management conclusion

我司在截至 2023 年 12 月 31 日的报告年度报告中，实施了有效的管理系统，程序，流程和实践，以符合 LBMA

负责任白银指南的要求。

我司致力于持续改进，并且将定期对内部发现的所有纠正措施进行监控。持续满足 LBMA 负责任白银指南的要求。

The company implemented effective management systems, procedures, processes and practices to conform to the requirements of the LBMA Responsible Silver Guidance, as explained above in Table 2, for the reporting year ended 31 December 2020.

The company is committed to continuous improvement, and any corrective actions identified will be monitored internally on a regular basis. Ensure that the management system continue meeting the requirements of the LBMA Responsible Siler Guidance.

其他 Other report comments

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