



**Super Ligas**<sup>®</sup>

Soluções Completas em Metais e Fundição de Estantho



## DUE DILIGENCE REPORT – 2024

### 1. Company Information

Super Ligas Indústria e Comércio De Metais Ltda. is a Brazilian company and it was founded in 1996 by experienced professionals in the mining and smelting market and operates throughout the tin production chain, from the smelting of cassiterite ore, production of grade A tin and alloys and welds to the correct management of their waste. The company is registered by RMI under the number CID002756. Our industrial park is located Estr. Mun. Srg. Florêncio Ferreira, s/n - City Piracicaba, state of São Paulo, country Brazil and has 5000m<sup>2</sup> of built area and 10,000m<sup>2</sup> of to-such area. The foundry has nominal capacity to process annually 1,000 tons of steel.

### 2. Summary of the RMAP assessment

In pursuit of best market practices and being committed to ensuring a supply chain free from any conflict occurrence, human rights violation or financial irregularities Super Ligas has undergone external audit with SCS Global Services on 11 and 12 December 2023. The assessment period was from 01/01/2021 to 10/27/2023. Assessment Report from last audit is available in <https://www.responsiblemineralsinitiative.org/media/docs/Public%20Reports/Super%20Ligas%20Public%20Report.pdf>.

Listed as “Conformant Tin Smelters” by RMI under number CID002756, Super Leagues was recertified on 06/25/2023. To ensure the sustainability of the business, we guarantee an efficient due diligence management system and constantly evaluate our raw material suppliers, checking whether they adhere to healthy and sustainable negotiations, through the acquisition of cassiterite only from suppliers selected as not involved or contributors. for illegal armed groups, transparent human rights or financial irregularities as defined in Annex II of the OECD Guideline.



### 3. Supply Chain Policy - Super Ligas

In order to avoid the use of conflict minerals that are directly or indirectly financing and benefiting armed groups, human rights violations or financial irregularities in supply chains, Super Ligas has implemented a Supply Chain Policy on 09/28/2020, with revision on 10/05/2022.

The policy is aligned with that defined by the Organization for Economic Cooperation and Development Due Diligence Guidance for Responsible Mineral Supply Chains in Conflict-Affected and High-Risk Areas (3rd edition - OECD Guidance) reinforcing that Super Ligas does not tolerate or in any way make a profit, contribute, help or facilitate the practice of:

- Any form of torture, cruel, inhuman and degrading treatment;
- Any forms of forced or compulsory labour;
- The worst forms of child labor;
- Other serious human rights violations and abuses, such as widespread sexual violence;
- War crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.
- Direct or indirect support for non-state armed groups.
- Direct or indirect support to public or private security forces.
- Bribery and fraudulent misrepresentation of the origin of minerals.
- Laundering of money.
- Failure to pay taxes, fees and royalties to governments.

The Supply Chain Policy of Super Ligas is available on the website <https://www.superligasmetais.com.br/en/quality/> (Each Process within the norms: RMI - Supply Chain) and it can also be found directly on the <https://drive.google.com/file/d/1PEQ9dwtKy8Sh5bxm8KNUKS11jR36gBzX/view?pli=1> and it is communicated to all employees and suppliers of cassiterite.

### 4. Company Management System

Super Ligas is annually audited according to the requirements of ISO 9001, in addition to the evaluations of the RMAP (Responsible Minerals Assurance Process). Super Ligas management system involves procedures and controls for each department responsible for the process.

The Department of Cassiterite Procurement collects and applies information about applicants to suppliers through the following documents:



Due Diligence Procedure, including Complaints Channel; Procedure To Identify Conflict-Affected And High-Risk Areas (Cahra); Raw Material Acquisition – Cassiterite, Supply Chain Policy, KYC Questionnaire - know your counterpart; check supplier registration and licensing documents.

The Industrial Manager is responsible for the due diligence system, overseeing the supply chain and managing risk. He is also responsible for checking the list of sanctions for beneficiaries, as well as requiring audits of suppliers and applying training to internal members involved throughout the process.

The Quality Management Coordinator and Human Resources Coordinator are responsible for collecting and evaluating dealing with the complaints system.

Each of the sectors involved in the due diligence system has records of actions taken in all parts of the process:

- Negotiation of acquisition;
- Verification of the legality and suitability of the supplier;
- Material origin records;
- Lot checking, weights and analyses;
- Tax Document;
- Casting of cassiterite;
- Result and closing;
- Negotiation of sale of obtained tin.

To ensure the correct control process, we have robust internal procedures within our company, ensuring all our cassiterite is tracked and compliant. We have the procedure for purchasing cassiterite, the procedure for receiving and checking mandatory points, a procedure for sampling and finally the mass balance to ensure that productivity is as expected of purchase.

All procedures and documents are checked, re-evaluated and reviewed if necessary by the Due Diligence Manager. Documentation is also updated due to continuous improvement or process changes. Super Ligas applies an anti-corruption term for all administrative employees in its integration process. Also during the integration, the new employees are presented with a summary of the 5 steps of the OECD, with the Supply Chain Policy and Complaints Channel (Grievance Mechanism).

Annually all employees receive standard training to understand the importance of the RMAP program. It is also presented the Due Diligence Report and updates that might happen during the year. The last training was performed on 08/21/24.

In addition, Super Ligas has management and production processes guided by ISO 9001:2015. Records generated by due diligence are archived for 5 years.



## 5. Identifying risks

Super Ligas has established a procedure to identify CAHRAs, allowing the company to identify potential conflict-affected and high-risk areas (CAHRAs) and will apply to all our raw material suppliers of tin.

These procedures establish the scope, sources, resources, criteria for defining an area as CAHRAs, plus procedure with well-defined criteria for identifying red flags.

The following resources will be used to evaluate each of these supply chain elements to identify CAHRAs at a country level:

US Dodd-Frank: Presence of armed conflict and widespread violence (Democratic Republic of the Congo) or transit risks (nine surrounding countries). listed on Dodd-Frank or EU List and ranked “high or extremely high on RMI’s Global Risk Map Tool o European Union CAHRAs List: The indicative, non-exhaustive and regularly updated list of CAHRAs o RMI’s Global Risk Map Tool : Ranking of risk level for the following criteria (using the overall risk ranking under the RMI Risk Profile):

- Governance (including risks associated security forces, financial wrongdoings, etc.)
- Conflict
- Human right

The criterial to indentify CAHRA is if a country is listed on Dodd-Frank, listed on EU List and/or ranked “high or extremely high on RMI’s Global Risk Map Tool.

CAHRAs are identified by the presence of armed conflict, widespread violence or other risks of harm to people. Using the information obtained through the document Know your counterpart (KYC) from all our suppliers, including the origin and transit route of all primary material, we identify and evaluate all countries of supply chain. The KYC document collects information about the contractor and its partners.

Super Ligas has also created a Risk Management (GRO Primary Material) and a Procedure to Identify Supply Chain Risks And Red Flags.

All the ore acquired by Super Ligas is 100% Brazilian source. Brazil is considered CAHRA by the RMI Risk Profile and Global Risk Map Tool and therefore due diligence must be enhanced. Thus, Super Ligas is committed to annual internal audits in its supply chain to mitigate risks and ensure that the Supply Chain Policy is being followed by all involved. The last audits at the mine based on OECD Annex II was assessed in 03/12/24, 05/29/24 and 06/05/24, in all audited suppliers, no violations were found according to OECD Annex II, were presented samples and documentation as requested. In addition, all documentation, interviews and visual observations were evidenced.

When a potential supplier classified as a high risk for governance, corruption and security forces is verified, negotiations are only initiated after evaluation by the competent departments of legal documents, environmental and operating licenses, operation permit, Federal Technical register IBAMA and ANM Registry.



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The Purchasing Department also sends the Letter to the High Risk Supply and applies the KYC Questionnaire - know your counterparty.

Any worries regarding to our policy or due diligence system must be reported to the Complaints Channel available on: (<https://www.superligasmetais.com.br/canal-de-denuncias/>)

## **6. Risk Mitigation**

Super Ligas requires all documents proving that the supplier is suitable and that he is legally and ethically able to provide material.

Until the issuance of this report, Super Ligas has never experienced episodes in which its suppliers were at odds with company policies that follow the requirements of RMI and OECD.

If the due diligence analysis raises red flags, we have a Risk Management (GRO Primary Material) and a Procedure to Identify Supply Chain Risks And Red Flags with appropriate control measures that will assess whether negotiations will be delayed while due diligence is in progress or whether they will be suspended temporarily or permanently.

**Vinicius Soares Regno**  
*Gerente Industrial*

Reviewed 11/13/2024