

# ***INTERNATIONAL CYANIDE MANAGEMENT INSTITUTE***

## ***Cyanide Transportation Summary Audit Report***

***For the  
International Cyanide Management Code***

### **Africa Supply Chain**

**18 June 2024**

Samsung C & T Corporation



18 June 2024

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Name of Supply Chain Operator

Lead Auditor Signature

Date

# Transportation Summary Audit Report

## Operation General Information

Name Transport Operation : Samsung C & T Corporation Africa Supply Chain  
 Name of Facility Owner : Samsung C & T Corporation  
 Name of Facility Operator : Samsung C & T Corporation  
 Name of Responsible Manager : HyoSuk Kang / Head of Mining Materials Group  
HyoSub Kim / Mining Materials Group Professional  
 Address : 67, Sejong-daero, Jung-gu,  
 State / Province : Seoul  
 Country : Republic of Korea  
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## Operation Location Detail and Description

The head office of Samsung C & T Corporation is located in Seoul, Korea. They have four groups named as Trading & Investment Division, Engineering & Construction Division, Fashion Division and Resort Division. Related to supplying the sodium cyanide, the main jobs of Trading & Investment Division are making agreement with mining company, receiving customer order, review of customer order and arrangement of shipping. Those were conducted by Mining Materials Group in Trading & Investment Division of Samsung C & T Corporation.

The Africa Supply Chain of Samsung C & T Corporation was ICMC recertified during June 2021. Almost 3 years were elapsed so recertification audit for the Africa Supply Chain was conducted during 05~07 June 2024. Since June 2021 when the Africa Supply Chain was recertified, there was some changes in Africa Supply Chain as below.

- Shipping companies changed from Maersk, MSC and Safmarine to Maersk, MSC, Hapag-Lloyd and CMA-CGM
- Roadway transporters in Africa changed from Bollore Logistics to Africa Global Logistics

The main segments of Africa Supply Chain were organized as below.

1. Sodium cyanide manufactures : TaeKwang Industrial Co., Ltd. and TongSuh Petrochemical Co., Ltd. in Korea
2. Transportation from sodium cyanide manufactures to Pusan New Port in Korea : Hae Dong Logistics and Bukwang Logistics Co., Ltd.
3. Marine transportation from Pusan New Port in Korea to Africa : Maersk, MSC, Hapag-Lloyd and CMA-CGM
4. The ports and roadway transporters in Africa and final destinations were as below.

Departing port	Arriving ports in Africa	Final Destination	Road transporter in Africa	Recent ICMC certification date
Pusan New Port in Korea	Tema Port in Ghana	Mining in Ghana, Burkina Faso, Niger, Mali and Guinea	1) Vehrad Transport and Haulage Limited	23 Sep. 2021
			2) Africa Global Logistics Burkina Faso	01 May 2023
			3) Africa Global Logistics Ghana	18 Jan. 2023

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	<b>Conakry Port in Guinea</b>	<b>Mining in Guinea</b>	<b>Transport Terrassement Minier</b>	<b>01 May 2023</b>
	<b>Dakar Port in Senegal</b>	<b>Mining in Senegal and Mali</b>	<b>Africa Global Logistics Senegal</b>	<b>27 Feb. 2023</b>
	<b>Abidjan Port in Cote D'Ivoire</b>	<b>Mining in Cote D'Ivoire, Mali and Burkina Faso</b>	<b>Africa Global Logistics Cote D'Ivoire</b>	<b>01 April 2022</b>
	<b>Monrovia Port in Liberia</b>	<b>Monrovia Port in Liberia</b>	<b>Not Applicable</b>	<b>Not Applicable</b>
	<b>Mombasa Port in Kenya</b>	<b>Mining in Tanzania</b>	<b>Alistair James Company Ltd.</b>	<b>16 June 2022</b>
	<b>Dar Es Salaam Port in Tanzania</b>	<b>Mining in Tanzania</b>	<b>Alistair James Company Ltd.</b>	<b>16 June 2022</b>

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## Auditor's Finding

This operation is

- in full compliance
- in substantial compliance
- not in compliance

with the International Cyanide Management Code.

## Compliance Statement

This operation has not experienced any compliance issues or significant cyanide incidents during the previous three-year audit cycle.

## Auditor Information

Audit Company : QMS Consulting Co., Ltd.  
Lead Auditor : Mr. BongWon Kim  
Lead Auditor E-mail : kbw1999@naver.com  
Dates of Audit : 05~07 June 2024

## Auditor Attestation

I attest that I meet the criteria for knowledge, experience and conflict of interest for a Cyanide Code Certification Audit Lead Auditor, established by the International Cyanide Management Institute and that all members of the audit team meet the applicable criteria established by the International Cyanide Management Institute for Code Certification Auditors.

I attest that this Summary Audit Report accurately describes the findings of the certification audit. I further attest that the certification audit was conducted in a professional manner in accordance with the International Cyanide Management Code Cyanide Transportation Verification Protocol and using standard and accepted practices for health, safety and environmental audits.

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## Principles and Standards of Practice

### Principle 1 | TRANSPORT

Transport cyanide in a manner that minimizes the potential for accidents and releases.

#### Standard of Practice 1.1

Select cyanide transport routes to minimize the potential for accidents and releases.

**The operation is**  **X in full compliance with** **Standard of Practice 1.1**  
 in substantial compliance  
 not in compliance with

The Samsung C&T Corporation established and has implemented hazardous chemical transportation manual since 2010. According to the manual, the Samsung C&T Corporation considered overall transportation route from sodium cyanide manufacturers as TaeKwang Industrial Co., Ltd. and TongSuh Petrochemical Co., Ltd. Ulsan Plants in Korea to customer mining sites in Africa according to their hazardous chemical transportation manual. They identified several possible routes from sodium cyanide manufactures in Korea to customer mining sites in Africa. They evaluated the routes for several items such as availability, security, transportation quantity and cost and finally decided the transportation routes as below.

- 1) From cyanide manufactures in Korea to Pusan New Port in Korea : Roadway transportation by truck and trailer
- 2) Pusan New Port in Korea to Africa Tema Port in Ghana, Conakry Port in Guinea, Dakar Port in Senegal, Mombasa Port in Kenya, Dar Es Salaam Port in Tanzania, Abidjan Port in Cote D'Ivoire and Monrovia Port in Liberia : Marine transportation by ship
- 3) From Tema Port, Conakry Port, Dakar Port, Mombasa Port, Dar Es Salaam Port and Abidjan Port to mining sites in Ghana, Burkina Faso, Niger, Guinea, Mali, Senegal, Cote D'Ivoire and Tanzania : Roadway transportation by truck and trailer
- 4) The roadway transportation from Monrovia Port in Liberia to mining sites shall be controlled by customer

During March 2024, according to the subcontractor evaluation procedure the Samsung C & T Corporation reevaluated and chose sodium cyanide manufactures, transportation companies and shipping companies as below.

- 1) Sodium cyanide manufacture : TaeKwang Industrial Co., Ltd. and TongSuh Petrochemical Co., Ltd. in Korea
- 2) From cyanide manufactures to Pusan New Port in Korea
  - (1) From TaeKwang Industrial Co., Ltd. Ulsan Plant to Pusan New Port in Korea (Roadway transportation by truck) : Hae Dong Logistics
  - (2) From TongSuh Petrochemical Co., Ltd. Ulsan Plant to Pusan New Port in Korea (Roadway transportation by truck) : Bukwang Logistics Co., Ltd .
- 3) Pusan New Port in Korea to Africa Tema Port in Ghana, Conakry Port in Guinea, Dakar Port in Senegal, Mombasa Port in Kenya, Dar Es Salaam Port in Tanzania, Abidjan Port in Cote D'Ivoire and Monrovia Port in Liberia (Marine transportation by ship) : Maersk, MSC, Hapag-Lloyd and CMA-CGM
- 4) Tema Port in Ghana to mining sites in Ghana, Burkina Faso, Niger, Mali and Guinea (Roadway transportation by truck and trailer) : Vehrad Transport and Haulage Limited, Africa Global Logistics Burkina Faso and Africa Global Logistics Ghana
- 5) Conakry Port in Guinea to mining sites in Guinea (Roadway transportation by truck and trailer) : Transport Terrassement Minier
- 6) Dakar Port in Senegal to mining sites Senegal and Mali (Roadway transportation by truck and

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trailer) : Africa Global Logistics Senegal

- 7) Abidjan Port in Cote D'Ivoire to mining sites in Cote D'Ivoire, Mali and Burkina Faso (Roadway transportation by truck and trailer) : Africa Global Logistics Cote D'Ivoire
- 8) Mombasa Port in Kenya and Dar Es Salaam Port in Tanzania to mining sites in Tanzania (Roadway transportation by truck and trailer) : Alistair James Company Ltd.

The work scope of Africa Supply Chain includes repackaging plant operation in Tema Ghana. The Samsung C & T Corporation also evaluated and chose sub-contractor as below.

- Repackaging from woven bag to tank container in Tema Ghana : Operated by Vehard Transport and Haulage Limited

Vehard Transport and Haulage Limited is ICMC signatory and recently ICMC recertified during September 2021 for the operation of cyanide repackaging plant.

The Samsung C & T Corporation decided the control method for each segment in Africa Supply Chain as below.

- 1) Cyanide manufactures (TaeKwang Industrial Co., Ltd. and TonsSuh Petrochemical Co., Ltd. in Korea)

- (1) Periodic subcontractor evaluation by Samsung C & T Corporation

- (2) Implementation and certification of ICMC by TaeKwang Industrial Co., Ltd. and TongSuh Petrochemical Co., Ltd.

-TaeKwang Industrial Co., Ltd was ICMC recertified during 21 August 2023

-TongSuh Petrochemical Co., Ltd. was ICMC recertified during 19 April 2023

- 2) Roadway transportation companies in Korea

- (1) Periodic subcontractor evaluation by TaeKwang Industrial Co., Ltd., TongSuh Petrochemical Co., Ltd. and Samsung C & T Corporation

- (2) Implementation and certification of ICMC by Hae Dong Logistics and Bukwang Logistics Co., Ltd.

- Hae Dong Logistics was ICMC recertified during 16 March 2023

- Bukwang Logistics Co., Ltd. was ICMC recertified during 01 April 2022

- 3) Pusan New Port in Korea

The Korea National Port Agency has controlled the Pusan New Port.

- (1) Periodic route evaluation by Samsung C & T Corporation

- (2) Periodic due diligence investigation by Samsung C & T Corporation

\* Due to inability of consigner for National Port Agency to lead ICMC implementation and certification.

- 4) Shipping companies

- (1) Periodic route evaluation by Samsung C & T Corporation

- (2) Periodic due diligence investigation by Samsung C & T Corporation

\* Due to inability of consigner for shipping company lead to ICMC implementation and certification

- 5) Tema Port in Ghana, Conakry Port in Guinea, Dakar Port in Senegal, Mombasa Port in Kenya, Dar Es Salaam Port in Tanzania, Abidjan Port in Cote D'Ivoire and Monrovia Port in Liberia

The national port agencies in each country have controlled the ports.

- (1) Periodic route evaluation by Samsung C & T Corporation

- (2) Periodic due diligence investigation by Samsung C & T Corporation

\* Due to inability of consigner for national port agencies lead to ICMC implementation and certification.

- 6) Roadway transportation companies in Africa

- (1) Periodic subcontractor evaluation by Samsung C & T Corporation

- (2) Implementation and certification of ICMC by roadway transporters

- Vehrad Transport and Haulage Limited was ICMC recertified during 23 Sep. 2021

- Africa Global Logistics Burkina Faso was ICMC recertified during 01 May 2023

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- Africa Global Logistics Ghana was ICMC recertified during 18 January 2023
  - Africa Global Logistics Senegal was ICMC recertified during 27 February 2023
  - Africa Global Logistics Cote D'Ivoire was ICMC recertified during 01 April 2022
  - Transport Terrassement Minier was ICMC recertified during 01 May 2023
  - Alistair James Company Ltd. was ICMC recertified during 16 June 2022
- 7) Repackaging plant operation in Tema Ghana
- (1) Periodic subcontractor evaluation by Samsung C & T Corporation
  - (2) Implementation and certification of ICMC by Vehard Transport and Haulage Limited
    - Vehard Transport and Haulage Limited was ICMC recertified during 15 September 2021

During March 2024, the Samsung C & T Corporation have checked the overall routes of Africa Supply Chain and reevaluated the risks again according to their hazardous chemical transportation manual. The following high risks were identified.

- Release of sodium cyanide powder to road, land and surface water during roadway transportation by transporters
- Damage to sodium cyanide container and human contact with sodium cyanide in ports
- Release to sea water during marine transportation by shipping company
- Robbery during roadway transportation, storage in ports and marine transportation

The Samsung C&T Corporation prepared control measures for the high risks identified as below.

- 1) Release of sodium cyanide powder to road, land and surface water during roadway transportation by transporters
  - Complete the supplier evaluation for roadway transporters by Samsung C&T Corporation
  - Roadway transporters have maintained ICMC certification
  - Prepare and apply emergency response plan for the accident of sodium cyanide spillage
- 2) Damage to sodium cyanide container and human contact in ports
  - Due diligence investigation for ports by Samsung C&T Corporation
  - Prepare and apply emergency response plan for the accident of human contact with sodium cyanide
- 3) Release to sea water during marine transportation by shipping companies
  - Complete the supplier evaluation for shipping companies by Samsung C&T Corporation
  - Due diligence investigation for shipping companies by Samsung C&T Corporation
  - Prepare and apply emergency response plan for the accident of sodium cyanide spillage
- 4) Robbery during road transportation, storage in ports and marine transportation.
  - Complete the supplier evaluation for roadway transporters by Samsung C&T Corporation
  - Roadway transporters have maintain ICMC certification
  - Complete the supplier evaluation for shipping companies by Samsung C&T Corporation
  - Due diligence investigation for ports and shipping companies by Samsung C&T Corporation
  - Use of escort and convoy for roadway transportation in Africa

The Samsung C & T Corporation completed the route evaluation during 2021. Almost three year were elapsed since last route evaluation for Africa Supply Chain, they have reevaluated the routes of Africa Supply Chain during Africa 2024. According to the revaluation results, there was no severe change and difference since 2021.

According to hazardous chemical transportation manual, the Samsung C & T Corporation will receive information related to cyanide transportation routes from manufactures, roadway transporters, shipping companies and other sub-contractors. And the review of information to identify any other safety issues was defined in hazardous chemical transportation manual. Since 2021, there is no special information from manufactures, roadway transporters, ports and shipping companies.

The Samsung C & T Corporation documented the measures to address risks in Africa Supply Chain. They also established emergency response plan for sodium cyanide release and robbery.

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The communication channel with government body, safety agency, police, manufactures and transporters was defined in emergency response plan. And also the due diligence actions can be taken by the Samsung C & T Corporation as defined in emergency response plan.

When the Samsung C&T Corporation selected the transportation route of Africa Supply Chain and developed the control measures for high risks, they considered and reflected the comments from applicable governmental agencies, communities and stakeholders such as Ulsan government office, Pusan government office, hospitals in Ulsan and Pusan, sodium cyanide manufactures, roadway transporters, shipping company, Korea Occupational Health and Safety Agency and local fire fighting agency. The Samsung C&T Corporation informed the sodium cyanide transportation and received some general comments.

The Samsung C & T Corporation reviewed periodically the overall route for Africa Supply Chain. According to the review results, they decided that convoys and escorts are necessary for roadway transportation from Tema Port in Ghana, Conakry Port in Guinea, Dakar Port in Senegal, Abidjan Port in Cote D'Ivoire, Mombasa Port in Kenya and Dar Es Salaam Port in Tanzania to mining sites in Ghana, Burkina Faso, Niger, Mali, Guinea, Senegal and Tanzania.

And decide that convoys, escorts or additional measures are unnecessary for other segments with justification. For roadway transportation from Monrovia Port in Liberia to mining sites shall be controlled by customers.

Since 2010 when the Samsung C&T Corporation started the supply of sodium cyanide to Africa , for roadway transportation from Tema Port in Ghana, Conakry Port in Guinea, Dakar Port in Senegal, Abidjan Port in Cote D'Ivoire, Mombasa port in Kenya and Dar Es Salaam Port in Tanzania to mining sites in Ghana, Burkina Faso, Niger, Guinea, Mali, Senegal, Cote D'Ivoire and Tanzania, the transportation companies (Vehrad Transport and Haulage Limited, Transport Terrassement Minier, Africa Global Logistics and Alistair James Company Ltd.) have used escort and convoy for their transportation by trucks and trailers. The Samsung C & T Corporation checked roadway transportation by ICMC certified transporters and also found that some segments were curved, near the high population density and surface water areas. But they concluded that those risks can be controlled by ICMC certified transporters.

The Samsung C&T Corporation informed their sodium cyanide handling manual as pocket book, emergency response plan and material safety data sheet to manufacturers, roadway transporters, ports and shipping company and requested awareness and implementation.

### Transport Practice 1.2

Ensure that personnel operating cyanide handling and transport equipment can perform their jobs with minimum risk to communities and the environment.

**The operation is**       **X in full compliance with**      **Standard of Practice 1.2**  
                                  in substantial compliance  
                                  not in compliance with

During the subcontractor evaluation and due diligence investigation, the Samsung C&T Corporation checked and evaluated sodium cyanide transporters whether the operators were trained, qualified and licensed. They confirmed that the transporters have used operators and drivers trained, qualified and licensed according to national legal requirements. The Samsung C & T Corporation have prepared and informed sodium cyanide handling manual as pocket book to transporters, ports and shipping company to use during training, daily operation and emergency situation.

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### Transport Practice 1.3

Ensure that transport equipment is suitable for the cyanide shipment.

**The operation is** **X in full compliance with** **Standard of Practice 1.3**  
 in substantial compliance  
 not in compliance with

According to hazardous chemical transportation manual, the Samsung C&T Corporation reevaluated subcontractors during March 2024. During the subcontractor evaluation, they checked and evaluated sodium cyanide transporters whether the transport equipment is suitable for sodium cyanide transportation. They confirmed that roadway transporters have used only equipment designed and maintained to operate within the designed capacity.

During the due diligence investigation, they checked that ports and shipping companies whether the transport equipment are suitable or not. According to the due diligence investigation results, the ports and shipping companies used suitable equipment.

According to the results of subcontractor evaluation and due diligence investigation, the Samsung C&T Corporation confirmed that transporters, ports and shipping companies have maintained and implemented procedure to verify the adequacy of transport equipment. And they confirmed that the transporters have procedure to prevent overloading and container itself designated to prevent overloading.

### Transport Practice 1.4

Develop and implement a safety program for transport of cyanide.

**The operation is** **X in full compliance with** **Standard of Practice 1.4**  
 in substantial compliance  
 not in compliance with

The Samsung C&T Corporation reevaluated subcontractors during March 2024. According to the subcontractor evaluation results, they confirmed that transporters have maintained procedure and work instruction to maintain the integrity of manufacture's packaging. And the Samsung C&T Corporation confirmed that transporters used placard and signage to identify the shipment of sodium cyanide. According to the subcontractor evaluation results, the Samsung C&T Corporation confirmed that transporters established and implemented safety program related to transportation equipment, driver, suspension of transportation as severe condition, drug abuse prevention and retention of records documenting the safety program implementation.

### Transport Practice 1.5

Follow international standards for transportation of cyanide by sea.

**The operation is** **X in full compliance with** **Standard of Practice 1.5**  
 in substantial compliance  
 not in compliance with

The Samsung C&T Corporation evaluated shipping company according to hazardous chemical transportation manual. They evaluated such items as compliance of target delivery, compliance with International Maritime Dangerous Goods (hereinafter IMDG) code, legal requirements and international standards and accident cases during marine transportation. Considering the evaluation

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results, they selected Maersk, MSC, Hapag-Lloyd and CMA-CGM as shipping companies for sodium cyanide transportation from Pusan New Port in Korea to Tema Port in Ghana, Conakry Port in Guinea, Dakar Port in Senegal, Mombasa Port in Kenya, Dar Es Salaam Port in Tanzania, Abidjan Port in Cote D'Ivoire and Monrovia Port in Liberia in Africa.

The Samsung C&T Corporation completed the due diligence investigation for the shipping companies Maersk, MSC, Hapag-Lloyd and CMA-CGM during May 2024. According to the due diligence investigation results, the Samsung C&T Corporation confirmed that shipping companies were comply with IMDG Code.

### Transport Practice 1.6

Track cyanide shipments to prevent losses during transport.

<b>The operation is</b>	<input checked="" type="checkbox"/> <b>X in full compliance with</b>	<b>Standard of Practice 1.6</b>
	<input type="checkbox"/> in substantial compliance	
	<input type="checkbox"/> not in compliance with	

The Samsung C & T Corporation is trading company. So they do not actually perform the transportation of cyanide. During the subcontractor evaluation, they checked and evaluated the sodium cyanide transporters whether the transport vehicles have means to communication with relevant bodies. According to the evaluation results, the vehicles have pager, mobile phone and communication channel sheet in which telephone numbers of transportation companies, manufactures, mining and emergency responders were defined.

During the subcontractor evaluation, they checked and evaluated the transporters whether they periodically test the communication equipment or not. They confirmed that the transporters have periodically tested their communication equipment.

The Samsung C & T Corporation checked again during March 2024 the overall routes of Africa Supply Chain. And found no blackout area. They have requested to transporters to identify blackout area and alternative procedure to control the blackout area. Until now they have not received any identified blackout area from transporters.

The Samsung C&T Corporation has the process to track the progress of cyanide shipments, inventory control and custody documentation for the export of sodium cyanide products. They tracked the progress of cyanide shipments by contact with sodium cyanide manufactures, transporters and website check of shipping companies.

The Samsung C&T Corporation have implemented the process of inventory control and custody documentation for the export of sodium cyanide products.

According to annual sales plan of sodium cyanide in Africa, the Samsung C & T Corporation requested to sodium cyanide manufactures to dispatch the sodium cyanide and nominate the shipping company Maersk, MSC, Hapag-Lloyd and CMA-CGM. The individual dispatch order (order number, target delivery and amount), dispatched date and quantity of sodium cyanide from manufactures to shipping companies were registered in computer network system of Samsung C & T Corporation. And also the progress of marine transportation by shipping companies can be checked for individual dispatch order in web-site of Maersk, MSC, Hapag-Lloyd and CMA-CGM.

As the local office of Samsung C & T Corporation in Africa was informed the arrival of sodium cyanide in ports in Africa, they conducted the customs clearance and requested transportation to roadway transporters from ports to repackaging plant and interim storage facility in Tema Ghana or mining sites. The input, output, current stock and transportation quantity of sodium cyanide are controlled in computer network system of Samsung C & T Corporation.

The Samsung C & T Corporation receive purchasing orders from mining customers in Africa, they

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review the delivery target date and quantity and input the orders in computer network system. And then they requested to repackaging plant and interim storage facility to dispatch and to roadway transporters to transport sodium cyanide as purchasing orders from customers. The individual customer order (order number, target delivery and amount), dispatched date from repackaging plant and interim storage facility and quantity of sodium cyanide were registered in computer network system of Samsung C & T Corporation.

The progress of roadway transportation from repackaging plant and interim storage facility to mining sites in Africa can be tracked by contact with roadway transporters.

According to the subcontractor evaluation results, the Samsung C & T Corporation confirmed that the sodium cyanide manufactures, roadway transporters and shipping companies controlled the Material Safety Data Sheet properly.

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## Principle 2 | INTERIM STORAGE

Design, construct and operate cyanide interim storage sites to prevent releases and exposures.

### Transport Practice 2.1

Store cyanide in a manner that minimizes the potential for accidental releases.

**The operation is**  **X in full compliance with** **Standard of Practice 2.1**  
 in substantial compliance  
 not in compliance with

The Samsung C & T Corporation do not actually control the interim storage areas. However they checked overall route of Africa Supply Chain and considered the several ports and repackaging plant as interim storage areas as below.

1) Pusan New Port in Korea, Tema Port in Ghana, Conakry Port in Guinea, Dakar Port in Senegal, Mombasa Port in Kenya, Dar Es Salaam Port in Tanzania, Abidjan Port in Cote D'Ivoire and Monrovia Port in Liberia

2) Repackaging plant and interim storage facility in Tema Ghana

Those ports were controlled by national port agencies and interim storage areas in ports were rent and controlled by shipping companies. The site visits and due diligence investigation for those ports as interim storage areas were conducted during May to June 2024.

The due diligence investigation activities are site visits, change reviews and web site check for those ports, national port agencies, interim storage areas and shipping companies. They confirmed the interim storage areas in ports were controlled properly in compliance with legal requirements and ICMC code requirements. The Samsung C & T Corporation have conducted subcontractor evaluation and chose the Vehard Transport and Haulage Limited to control the repackaging plant and interim storage facility in Tema Ghana. The Vehard Transport and Haulage Limited is ICMC certified for both transportation and production to operate the interim storage facility and repackaging plant in Tema Ghana.

During the due diligence investigation for ports and subcontractor evaluation for repackaging plant and interim storage facility, the Samsung C & T Corporation confirmed the interim storage areas were controlled properly as security measures in place, the sodium cyanide storage areas were fenced and locked to prevent unauthorized access, the interim storage areas were separated from materials as acids, oxidizers and explosives with burns and fence to prevent mixing, the sodium cyanide maintained in container itself in ports as dispatched from manufactures and maintained in warehouse used only for sodium cyanide in repackaging plant and interim storage facility, the sodium cyanide was stored to prevent the contact with water.

During due diligence investigation and subcontractor evaluation, the Samsung C & T Corporation confirmed in the interim storage areas that the sodium cyanide containers were stored in open port yards as no need the ventilation for hydrogen cyanide gas and cyanide dust from solid sodium cyanide in ports, the warehouse in repackaging plant and interim storage facility in Tema Ghana designed and maintained with ventilation to prevent the build-up of hydrogen cyanide gas and cyanide dust. And also they confirmed the interim storage areas in ports were controlled properly by national port agency and shipping companies to contain the spilled sodium cyanide in storage areas, bunds were installed around interim storage areas in ports and the sodium cyanide maintained in containers in ports so the spilled sodium cyanide can't release out of the containers. And during subcontractor evaluation, the Samsung C & T Corporation confirmed that the warehouse in repackaging plant and interim storage facility in Tema Ghana designed and maintained with enough capacity to contain any spilled sodium cyanide.

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### Principle 3 | EMERGENCY RESPONSE

Protect communities and the environment through the development of emergency response strategies and capabilities

#### Transport Practice 3.1

Prepare detailed emergency response plans for potential cyanide releases.

**The operation is**  **X in full compliance with** **Standard of Practice 3.1**  
 in substantial compliance  
 not in compliance with

The Samsung C&T Corporation established emergency response plan considering the possible emergency cases as sodium cyanide release to road, land, surface water and sea water, robbery during transportation and interim storage areas.

The emergency response plan considered the transportation route and interim storage area, transportation of solid sodium cyanide packaged in polyethylene inner film and polypropylene woven bag or box and transported in container, transportation method, interim storage areas, infrastructure as road condition, ports and marine transportation. In the emergency response plan, they defined what they should do, communication channel and relevant external responders such as sodium cyanide manufactures, transporters, shipping company, mining customers, safety agencies, fire-fighting agencies and hospitals. Detail emergency response plans considering roadway transportation were already prepared by transporters and checked by Samsung C&T Corporation. The Samsung C&T Corporation checked that shipping company issued commitment to comply with IMDG Code in which the emergency response plan required. For interim storage areas such as ports they informed the emergency response plan and MSDS of sodium cyanide in which handling and treatment for released sodium cyanide defined.

#### Transport Practice 3.2

Designate appropriate response personnel and commit necessary resources for emergency response.

**The operation is**  **X in full compliance with** **Standard of Practice 3.2**  
 in substantial compliance  
 not in compliance with

The Samsung C&T Corporation have implemented the initial training for new employee of Mining Materials Group and refresher training for their team members for the emergency response plan and cyanide handling manual during March and September every year. They also have training plan in which the emergency trainings are scheduled. The communication channel, duties of relevant external agency and main activities of Mining Materials Group were trained and records were maintained. In the emergency response plan prepared by Mining Materials Group, the roles and responsibilities of team leader, team member, other relevant team and external agency were defined.

As the Samsung C & T Corporation is trading company, they do not actually implement the transportation works. So they do not need the list, availability and inspection of emergency response equipment. However in the sodium cyanide handling manual of Samsung C&T Corporation, the emergency response equipment was defined. The roadway transporters in Africa Supply Chain have the lists of emergency response equipment. And also shipping companies Maersk, MSC, Hapag-Lloyd and CMA-CGM have the lists to comply with IMDG Code. During the subcontractor evaluation and due diligence investigation, the Samsung C&T Corporation confirmed that roadway transporters and shipping companies maintained the emergency response equipment according to their lists. And they

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confirmed that roadway transporters and shipping companies implemented the procedure to inspect emergency response equipment. For interim storage ports areas, they informed the sodium cyanide handling manual as pocket book in which the emergency response equipment introduced.

### Transport Practice 3.3

Develop procedures for internal and external emergency notification and reporting.

**The operation is**  **X in full compliance with**  
 in substantial compliance **Standard of Practice 3.3**  
 not in compliance with

The Samsung C & T Corporation prepared the emergency response plan appropriate to the overall emergency cases possibly expected in Africa Supply Chain. In the emergency response plan, contact information as telephone number, relevant personnels and address of sodium cyanide manufactures, roadway transporters, shipping companies, ports, safety agencies, fire fighting agencies and hospitals were defined.

During March 2024, the communication channel and external responders were revised to reflect current information and relevant personnel in Africa Supply Chain.

According to Samsung C & T Corporation's hazardous chemical transportation manual, they should check the emergency response plan twice per year and revise the contact information and detail process as needed. Current internal and external notification is revised during March 2024. The communication channel and external responders were revised to reflect current information and relevant personnels in Africa Supply Chain. should check the emergency response plan twice per year and update the contact information and detail process as needed. Current internal and external notification was updated during April 2019 year to include the changes as one road transporter in Korea and operator of trans-loading and storage facility in Mexico.

The should check the emergency response plan twice per year and update the contact information and detail process as needed. Current internal and external notification was updated during April 2019 year to include the changes as one road transporter in Korea and operator of trans-loading and storage facility in Mexico.

Finding: Is the operation in full compliance, substantial compliance, or non-compliance with Production Practice 3.3? Explain the basis for the finding.

- The operation is in full compliance.

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### Transport Practice 3.4

Develop procedures for remediation of releases that recognize the additional hazards of cyanide treatment chemicals.

**The operation is**  **X in full compliance with**  
 in substantial compliance **Standard of Practice 3.4**  
 not in compliance with

The Samsung C & T Corporation prepared the emergency response plan appropriate to the overall emergency cases possibly expected in Africa Supply Chain. And in the sodium cyanide handling manual, the remediation as recovery and protect for released sodium cyanide, decontamination of soil and water, control and disposal of wastes etc. were defined. The sodium cyanide handling manual as pocket book was informed to roadway transporters, shipping companies and ports.

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According to sodium cyanide handling manual, the prohibit of the use of sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat sodium cyanide that has been released into surface water was defined.

### Transport Practice 3.5

Periodically evaluate response procedures and capabilities and revise them as needed.

**The operation is**  **X in full compliance with** **Standard of Practice 3.5**  
 in substantial compliance  
 not in compliance with

According to the Samsung C & T Corporation's hazardous chemical transportation manual, they should review the adequacy of emergency response plan twice per year and revise the contact information and detail process with the reflection of changes in Africa Supply Chain. And after the check, actual incident and mock emergency drill, they should evaluate and revise the plan as needed. The emergency response plan was reviewed and revised during March 2024. The communication channel and external responders were revised to reflect current information and relevant personnels in Africa Supply Chain.

According to the Samsung C & T Corporation's hazardous chemical transportation manual, they should do the mock emergency drill once per year. The mock emergency drill was implemented in their office during March 2024. The mock emergency drill simulated cyanide exposure of employee and release to land and surface water. They checked the overall process and adequacy of emergency response plan and recorded the results. And also the Samsung C & T Corporation Mining Materials Group member have participated the emergency mock drill and training conducted every year by sodium cyanide manufacture's Ulsan Plants.

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## Summary of Due Diligence Investigations

### 1. Background of due diligence investigation

- 1) Inability of consigner for ports and shipping companies to lead to ICMC implementation and certification

As consigner the Samsung C & T Corporation control overall Africa Supply Chain and will lead the ICMC implementation and certification to sodium cyanide manufactures, road transporters, ports and shipping companies. So they successfully lead the sodium cyanide manufactures and transporters to ICMC implementation and certification.

However they cannot lead the ports and shipping companies to ICMC implementation and certification due to their inability to affect change in operating practices of ports and shipping companies . So the Samsung C & T Corporation planned and implemented due diligence investigation for ports and shipping companies included in Africa Supply Chain.

- 2) Scope of due diligence investigation

The ports and shipping companies in Africa Supply Chain are as below.

- Pusan New Port in Korea
- Maersk, MSC, Hapag-Lloyd and CMA-CGM as shipping companies
- Tema Port in Ghana, Conakry Port in Guinea, Dakar Port in Senegal, Abidjan Port in Cote D'Ivoire, Monrovia Port in Liberia, Mombasa Port in Kenya and Dar Es Salaam Port in Tanzania

### 2. Progress of due diligence investigation

- 1) Development of checklist

When Samsung C & T Corporation certified ICMC for Africa Supply Chain, the Mining Materials Group members reviewed the ICMC requirements, IMDG Code, Africa Supply Chain, property of sodium cyanide and information from TaeKwang Industrial Co., Ltd. and TongSuh Petrochemical Co., Ltd. And they developed checklist for due diligence investigation applicable to the control of sodium cyanide storage yard, loading to ship and marine transportation. They revised some contents in the checklist and used for due diligence investigation during May to June 2024.

- 2) Nomination of investigation team leader and member

Considering the work experience and knowledge of ICMC, leader of Mining Materials Group nominated team leader and member for due diligence investigation.

- 3) Scheduling of due diligence investigation

The Samsung C & T Corporation have implemented the due diligence investigation for shipping companies and ports every three year according to ICMC Protocol and their hazardous chemical transportation manual.

According to the manual, they have implemented the due diligence investigation for shipping companies and ports in Africa Supply Chain during May to June 2024.

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4) Implementation of due diligence investigation

The Samsung C&T Corporation implemented due diligence investigation as planned during May to June 2024.

They used the checklist and recorded the investigation results in checklist. After the investigation, they issued the completed checklist to ports and shipping companies and requested corrective actions for nonconformity and opportunity for improvement. The Samsung C&T Corporation checked the action results and confirmed that corrective actions were completed for nonconformity.

**3. Results of due diligence investigation**

The Samsung C & T Corporation used the checklist, recorded the investigation results and prepared reports as below.

1) Due diligence investigation for Pusan New Port in Korea including shipping company Maersk, MSC, Hapag-Lloyd and CMA-CGM

(1) Activities : Control of storage yard, handling and loading sodium cyanide in port and marine transportation

(2) Investigation Date : 10 May 2024

(3) Conclusion

According to the due diligence investigation results, the Samsung C&T Corporation concluded that the Pusan New Port, Maersk, MSC, Hapag-Lloyd and CMA-CGM comply with ICMC and national legal requirements.

2) Due diligence investigation of Tema Port in Ghana

(1) Activities : Control of storage yard, handling and loading sodium cyanide in port

(2) Investigation Date : 23 May 2024

(3) Conclusion

According to the due diligence investigation results, the Samsung C&T Corporation concluded that the Tema Port comply with ICMC and national legal requirements.

3) Due diligence investigation of Conakry Port in Guinea

(1) Activities : Control of storage yard, handling and loading sodium cyanide in port

(2) Investigation Date : 03 June 2024

(3) Conclusion

According to the due diligence investigation results, the Samsung C&T Corporation concluded that the Conakry Port comply with ICMC and national legal requirements.

4) Due diligence investigation of Dakar Port in Senegal

(1) Activities : Control of storage yard, handling and loading sodium cyanide in port

(2) Investigation Date : 03 June 2024

(3) Conclusion

According to the due diligence investigation results, the Samsung C&T Corporation concluded that the Dakar Port comply with ICMC and national legal requirements.

5) Due diligence investigation of Abidjan Port in Cote D'Ivoire

(1) Activities : Control of storage yard, handling and loading sodium cyanide in port

(2) Investigation Date : 11 June 2024

(3) Conclusion

According to the due diligence investigation results, the Samsung C&T Corporation concluded that the Abidjan Port comply with ICMC and national legal requirements.

6) Due diligence investigation of Monrovia Port in Liberia

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- (1) Activities : Control of storage yard, handling and loading sodium cyanide in port
- (2) Investigation Date : 03 June 2024
- (3) Conclusion  
According to the due diligence investigation results, the Samsung C&T Corporation concluded that the Monrovia Port comply with ICMC and national legal requirements.

- 7) Due diligence investigation of Mombasa Port in Kenya
  - (1) Activities : Control of storage yard, handling and loading sodium cyanide in port
  - (2) Investigation Date : 04 June 2024
  - (3) Conclusion  
According to the due diligence investigation results, the Samsung C&T Corporation concluded that the Mombasa Port comply with ICMC and national legal requirements.

- 8) Due diligence investigation of Dar Es Salaam Port in Tanzania
  - (1) Activities : Control of storage yard, handling and loading sodium cyanide in port
  - (2) Investigation Date : 04 June 2024
  - (3) Conclusion  
According to the due diligence investigation results, the Samsung C&T Corporation concluded that the Dar Es Salaam Port comply with ICMC and national legal requirements.

#### 4. Review of the due diligence investigation results by ICMC audit team

During the ICMC recertification audit June 2024 for the Africa Supply Chain, the auditor Mr. BongWon Kim reviewed the overall due diligence investigation processes and results implemented by Samsung C & T Corporation.

The Samsung C & T Corporation implemented the due diligence investigations comprehensively for several ports and shipping companies in Africa Supply Chain as below.

- Study and develop checklist applicable to sodium cyanide storage, handling and transportation
- Nominated competent personnel as due diligence investigation team leader and member
- Implement due diligence investigation with checklist for the control of sodium cyanide storage areas and shipping operation
- Issue corrective actions for some nonconformity identified during site visit
- Checked corrective action results from ports

The due diligence investigations concluded that the ports and shipping companies in Africa Supply Chain have appropriate measures in place for safe management and transport of cyanide.

The audit team finally concluded that the due diligence investigations for several ports and shipping companies in Africa Supply Chain implemented by Samsung C & T Corporation were comply with ICMC requirements.

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