

INTERNATIONAL CYANIDE MANAGEMENT INSTITUTE

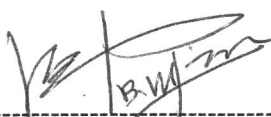
Cyanide Transportation Summary Audit Report

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

**Samsung C & T Corporation
South America Supply Chain**

07 July 2023

Samsung C & T Corporation



07 July 2023

Name of Supply Chain Operator

Lead Auditor Signature

Date

Transportation Summary Audit Report

Operation General Information

Name Transport Operation : Samsung C & T Corporation South America 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
JiHo Park / Mining Materials Group Assistant Manager
Address : 123, Olympic-ro 35-gil, Songpa-gu
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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. It has 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 South America Supply Chain of Samsung C & T Corporation was initially ICMC certified during July 2013. The sodium cyanide manufactures, roadway and railroad transportation in Korea, roadway transportation in Japan, shipping companies, ports in Korea, Japan, Peru, Mexico, Colombia and Chile and roadway transportation in Peru were included in South America Supply Chain. Solid briquette form sodium cyanide was packaged in polyethylene inner film and polypropylene woven bag and box or steel can and transported in containers. They have used three types of containers as 20 feet standard container, 40 feet standard container and 40 feet high cubic container for the transportation of sodium cyanide.

Since January 2020 when the South America Supply Chain was recertified, there were some changes in South America Supply Chain.

The current detail segments and subcontractors in South America Supply Chain are as below.

1. Sodium cyanide manufacture : TaeKwang Industrial Co., Ltd. and TongSuh Petrochemical Co., Ltd. Ulsan Plants in Korea and Asahi Kasei Corporation Mizushima Plant in Japan
2. Transportation from sodium cyanide manufactures Ulsan Plants to Pusan New Port in Korea : Hae Dong Logistics, Bukwang Logistics Co., Ltd. and Korea Railroad Corporation
3. Transportation from sodium cyanide manufacture Mizushima Plant to Mizushima Port in Japan : Senko Co., Ltd.
4. Marine transportation from Pusan New Port in Korea and Mizushima Port in Japan to Callao Port in Peru, Guaymas in Mexico, Buenaventura Port in Columbia and Peurto Angamos Port in Chile : MSC, Hapag-Lloyd and Hamburg Sud
5. Transportation from Guaymas Port to trans-loading and storage area and gold mining sites in Peru : Transportes Meridian SAC, Edewit S.R. Ltda. and Maersk Logistics and Services, S.A. in Peru

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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, 06 and 30 June 2023

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.

Samsung C & T Corporation

Name of Operation



Lead Auditor Signature

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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

According to hazardous chemical transportation procedure, during April 2023, Samsung C & T Corporation considered overall transportation route from sodium cyanide manufactures (TaeKwang Industrial Co., Ltd., TongSuh Petrochemical Co., Ltd. in Korea and Asahi Kasei Corporation Mizushima Plant in Japan) to the ports and customer gold mining sites in South America.


They identified several possible routes from sodium cyanide manufactures in Korea and Japan to the ports and customer gold mining sites in South America. They evaluated the routes for such items as availability, security, transportation quantity and cost. And then they finally decide the transportation routes as below.

- 1) From cyanide manufactures (TaeKwang Industrial Co., Ltd., TongSuh Petrochemical Co., Ltd.) Ulsan Plants to Pusan New Port in Korea : Roadway transportation by truck and trailer and railroad transportation by train.
- 2) From cyanide manufacture (Asahi Kasei Corporation) Mizushima Plant to Mizushima Port in Japan : Roadway transportation by truck and trailer
- 3) Pusan New Port in Korea and Mizushima Port in Japan to Callao Port in Peru, Guaymas Port in Mexico, Buenaventura Port in Columbia and Puerto Angamos Port in Chile : Marine transportation by ship
- 4) Callao Port to trans-loading and interim storage facility and to gold mining sites in Peru : Roadway transportation by truck and trailer

During April 2023, Samsung C & T Corporation reevaluated and chose sodium cyanide manufactures, transporters, shipping companies according to the sub-contractor evaluation procedure as below.

- 1) Sodium cyanide manufactures : TaeKwang Industrial Co., Ltd. Ulsan Plant and TongSuh Petrochemical Co., Ltd. Ulsan Plant in Korea and Asahi Kasei Corporation Mizushima Plant in Japan
- 2) Roadway transportation from cyanide manufactures to Ulsan Rail Center in Korea : Hae Dong Logistics and Bukwang Logistics Co., Ltd.
- 3) Railroad transportation from Ulsan Rail Center to Pusan New Port in Korea : Korea Railroad Corporation
- 4) Roadway transportation from cyanide manufacture to Mizushima Port in Japan : Senko Co., Ltd. Okayama Branch
- 5) Marine transportation from Pusan New Port in Korea and Mizushima Port in Japan to Callao Port in Peru, Guaymas Port in Mexico, Buenaventura Port in Columbia and Puerto Angamos Port in Chile : MSC, Hapag-Lloyd and Hamburg Sud
- 6) Roadway transportation by truck and trailer from Callao Port to trans-loading and interim storage facility and to gold mining sites in Peru : Transportes Meridian SAC, Edewit S.R. Ltda. and Maersk Logistics and Services, S.A.

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Samsung C & T Corporation decided the control measures for each segment in South America Supply Chain as below.

- 1) Cyanide manufactures (TaeKwang Industrial Co., Ltd. and Tongsuh Petrochemical Co., Ltd. Ulsan Plants in Korea and Asahi Kasei Corporation Mizushima Plant in Japan)
 - (1) Periodic subcontractor evaluation by Samsung C & T Corporation
 - (2) Implementation and certification of ICMC by cyanide manufactures TaeKwang Industrial Co., Ltd., TongSuh Petrochemical Co., Ltd. in Korea and Asahi Kasei Corporation Mizushima Plant in Japan
 - TaeKwang Industrial Co., Ltd was recertified in full compliance under the Cyanide Code on 24 July 2020
 - TongSuh Petrochemical Co., Ltd was recertified in full compliance under the Cyanide Code on 19 April 2023
 - Asahi Kasei Corporation Mizushima Plant was recertified in full compliance under the Cyanide Code on 15 December 2021
- 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 roadway transportation companies Hae Dong Logistics and Bukwang Logistics Co., Ltd.
 - Hae Dong Logistics was recertified in full compliance under the Cyanide Code on 16 March 2023
 - Bukwang Logistics Co., Ltd. was certified in full compliance under the Cyanide Code on 01 April 2021
- 3) Roadway transportation company in Japan
 - (1) Periodic subcontractor evaluation by Asahi Kasei Corporation Mizushima Plant and Samsung C & T Corporation
 - (2) Implementation and certification of ICMC by roadway transportation company Senko Co., Ltd. Okayama Branch
 - Senko Co., Ltd. Okayama Branch was certified in full compliance under the Cyanide Code on 20 October 2022
- 4) Control of storage, loading and unloading in Ulsan Rail Center by Hae Dong Logistics, Bukwang Logistics Co., Ltd. and Korea Railroad Corporation in Korea
 - (1) Periodic supplier evaluation for Hae Dong Logistics and Bukwang Logistics Co., Ltd. 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.
 - (3) Periodic due diligence investigation for Korea Railroad Corporation by Samsung C & T Corporation
- 5) Railroad transportation company in Korea (Korea Railroad Corporation)
 - (1) Periodic route evaluation by Samsung C & T Corporation
 - (2) Periodic due diligence investigation by Samsung C & T Corporation
- 6) Pusan New Port in Korea and Mizushima Port in Japan

The storage terminal was controlled by Pusan New Port Corporation and Mizushima Port Corporation as national agencies.

 - (1) Periodic route evaluation by Samsung C & T Corporation
 - (2) Periodic due diligence investigation for storage terminal of Pusan New port in Korea and Mizushima Port in Japan by Samsung C & T Corporation
- 7) Shipping companies MSC, Hapag-Lloyd and Hamburg Sud
 - (1) Periodic route evaluation by Samsung C & T Corporation
 - (2) Periodic due diligence investigation by Samsung C & T Corporation

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- 8) Callao Port in Peru, Guaymas Port in Mexico, Buenaventura Port in Columbia and Puerto Angamos Port in Chile
The storage terminals were controlled by national port agencies.
(1) Periodic route evaluation by Samsung C & T Corporation
(2) Periodic due diligence investigation for storage terminals of ports by Samsung C & T Corporation
- 9) Roadway transportation companies Transportes Meridian SAC, Edewit S.R. Ltda. and Maersk Logistics and Services, S.A.in Peru
(1) Periodic subcontractor evaluation by Samsung C & T Corporation
(2) Implementation and certification of ICMC by roadway transportation companies Transportes Meridian SAC, Edewit S.R. Ltda. and Maersk Logistics and Services, S.A.in Peru
- Transportes Meridian SAC was recertified in full compliance under the Cyanide Code on 10 Jan. 2020
- Edewit S.R. Ltda. was recertified in full compliance under the Cyanide Code on 15 July 2022
- Maersk Logistics and Services, S.A. was recertified in full compliance under the Cyanide Code on 08 July 2022

During April 2023, Samsung C & T Corporation have identified and re-evaluated the overall risks for the South America Supply Chain. Below risks were identified, control measures decided and implemented as below.

- 1) Release of sodium cyanide powder to road, land and surface water during roadway and railroad transportation by transporters.
 - Roadway transporters maintain safety system and ICMC certification
 - Complete the supplier evaluation for roadway transporters by Samsung C & T Corporation
 - Due diligence investigation for railroad transportation company (Korea Railroad Corporation) was completed during March 2023 by Samsung C & T Corporation.
- 2) Damage to sodium cyanide container in ports.
 - Complete route evaluation by Samsung C & T Corporation
 - Due diligence investigations were completed during February, March and May 2023 by Samsung C & T Corporation.
- 3) Release to sea water during marine transportation by shipping companies
 - Complete route evaluation by Samsung C & T Corporation
 - Due diligence investigations were completed by Samsung C & T Corporation during March 2023 for MSC, Hapag-Lloyd and Hamburg Sud.
- 4) Robbery during roadway transportation, storage in ports and marine transportation.
 - Complete the supplier evaluation for roadway and railroad transporters and shipping companies by Samsung C & T Corporation
 - Roadway transporters maintain safety system and ICMC certification
 - Due diligence investigations were completed for ports and shipping companies by Samsung C & T Corporation during February, March and May 2023.

According to hazardous chemical transportation procedure, Samsung C & T Corporation should reevaluate the overall routes of South America Supply Chain every three year periodically. And if there are some changes related to routes, transporters, facilities and relevant legal requirements, they will re-evaluate the routes non-periodically.

So Samsung C & T Corporation organized South America Supply Chain and completed the route re-evaluation of South America Supply Chain during April 2023. According to hazardous chemical transportation procedure, Samsung C & T Corporation will receive information related to cyanide transportation routes from sodium cyanide manufactures, roadway and railroad transporters, shipping companies and other sub-contractors. And they have reviewed information to identify any other safety issues according to chemical transportation manual. Recently there is no actual case of receiving information related to South America Supply Chain.

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Samsung C & T Corporation documented the measures to address risks in South America Supply Chain as route evaluation, supplier evaluation, due diligence investigation, hazardous chemical transportation procedure and emergency response plan.

Samsung C & T Corporation have selected and maintained the sodium cyanide transportation route since 2013, developed and implemented the control measures for high risks identified in the route. When they selected the transportation route of South America Supply Chain and developed the control measures for high risks, they considered and reflected the comments from governmental agencies, communities and stakeholders.

Samsung C & T Corporation reviewed the overall route for South America Supply Chain. According to the review results, they decide with reasonable justification that convoys, escorts or additional measures are unnecessary for each segment in South America Supply Chain.

Samsung C & T Corporation do not contract any other entities to conduct activities required in Transportation Practice 1.1. Samsung C & T Corporation informed their hazardous chemical transportation procedure, emergency response plan and material safety data sheet to manufactures, roadway transporters, railroad transportation company, ports and shipping companies and requested awareness and implementation. As consigner Samsung C & T Corporation have used subcontractors registered as ICMC signatories and certification completed if possible. And they completed due diligence investigation for railroad transportation company, shipping companies and ports and ensure compliance with applicable code requirements.

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

Samsung C & T Corporation is trading company. So they do not actually operate cyanide handling and transport equipment. During the subcontractor evaluation and due diligence investigation, they checked and evaluated sodium cyanide transporters whether the sodium cyanide 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.

Samsung C & T Corporation have prepared and informed sodium cyanide handling manual to manufactures and transporters etc. to use in training, daily operation and emergency case.

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

Samsung C & T Corporation is trading company. So they do not actually use transport equipment. During the subcontractor evaluation and due diligence investigation, they checked and evaluated sodium cyanide transporters, ports and shipping companies whether the transport equipment is suitable for sodium cyanide transportation, use of procedure to verify the adequacy of the equipment and prevent overloading of the transport vehicle. And also during the due diligence investigation, they checked the ports and shipping companies whether the transport equipment is suitable or not. According to the

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subcontractor evaluation and due diligence investigation results, the transporters, ports and shipping companies used suitable equipment. And transporters, ports and shipping company have preventive maintenance procedure to verify the adequacy, prevent overloading of transport equipment 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**
 in substantial compliance **Standard of Practice 1.4**
 not in compliance with

Samsung C & T Corporation is a trading company. So they do not actually need the detail safety program for transport of sodium cyanide. During the subcontractor evaluation, they checked and evaluated sodium cyanide transporters, ports and shipping companies whether the safety program was developed and implemented. Samsung C & T Corporation confirmed that the road transporters, ports and shipping companies have implemented their work instruction to maintain the integrity of sodium cyanide packaging. And also according to the evaluation and investigation results, the transporters, ports and shipping companies developed and implemented the safety program. As a consigner, they requested to transporters for the compliance of local regulation, international standards and safety program. If the transporters violate the local regulation and international standards, they are not able to be registered as approved sub-contractor to Samsung C & T Corporation.

Transport Practice 1.5

Follow international standards for transportation of cyanide by sea.

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

Samsung C & T Corporation is trading company. So they do not actually perform the transportation of cyanide by sea. They evaluated shipping companies according to subcontractor evaluation procedure. They applied three evaluation items as compliance with IMDG Code, compliance of legal requirements and possibility of actual evaluation and investigation by Samsung C & T Corporation.

During April 2023, Samsung C & T Corporation re-evaluated shipping companies and after the re-evaluation, they selected MSC, Hapag-Lloyd and Hamburg Sud as shipping companies for sodium cyanide marine transportation in South America Supply Chain.

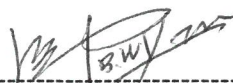
Samsung C & T Corporation completed due diligence investigation during March 2023 for MSC, Hapag-Lloyd and Hamburg Sud. according to hazardous chemical transportation procedure. According to the due diligence investigation results, Samsung C & T Corporation confirmed that the shipping companies MSC, Hapag-Lloyd and Hamburg Sud complied with the requirements of IMO DG Code.

Transport Practice 1.6

Track cyanide shipments to prevent losses during transport.

The operation is **X in full compliance with**
 in substantial compliance **Standard of Practice 1.6**
 not in compliance with

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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 transporters, manufactures, mining sites and emergency responders defined. And also during the subcontractor evaluation, they evaluated and confirmed that the transporters have tested communication equipment periodically. Samsung C & T Corporation checked the overall routes of South America Supply Chain. And found no blackout area. And they requested to transporters to identify blackout area and operational procedure to control the blackout area. Until now they have not received any identified blackout area from transporters.

Samsung C & T Corporation have procedure to track the progress of cyanide shipments. And if needed, they tracked the progress of cyanide shipments by contact with sodium cyanide manufactures (Twakwang Industrial Co., Ltd. and Tonsuh Petrochemical Co., Ltd. in Korea and Asahi Kasei Corporation Mizushima Plant in Japan) and transporters (Hae Dong Logistics, Bukwang Logistics Co., Ltd., Korea Railroad Corporation in Korea, Senko Co., Ltd. Okayama Branch in Japan, Transportes Meridian SAC, Edewit S.R. Ltda. and Maersk Logistics and Services, S.A. in Peru) and website check of shipping companies (MSC, Hapag-Lloyd and Hamburg Sud).

As Samsung C & T Corporation receive purchasing orders from customers as gold mining sites, they review the delivery and quantity and input the orders in computer network system. They requested to sodium cyanide manufactures to dispatch the amount of sodium cyanide and nominate the shipping companies. Each customer 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 each customer order in web-site of MSC, Hapag-Lloyd and Hamburg Sud. So the inventory control and custody documentation were properly implemented to prevent loss of sodium cyanide during transportation.

And according to subcontractor evaluation results, the manufactures of cyanide input the dispatch amount and date for individual order in their computer network system. They record the same items in dispatch sheet and issued to roadway transporters. So the amount of cyanide in transit also can be checked in computer network system of cyanide manufactures and dispatch sheet maintained by transporters. According to subcontractor evaluation results, the sodium cyanide manufactures, roadway transporter, railroad transporter 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

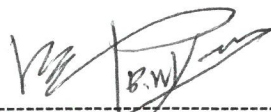
Store cyanide in a manner that minimizes the potential for accidental releases.

The operation is	X in full compliance with	Standard of Practice 2.1
	<input type="checkbox"/> in substantial compliance	
	<input type="checkbox"/> not in compliance with	

Samsung C & T Corporation do not actually control the interim storage areas. However they checked overall routes of South America Supply Chain and identified interim storage areas as Ulsan Rail Center, Pusan New Port in Korea and Mizushima Port in Japan, Callao Port in Peru, Guaymas Port in Mexico, Buenaventura Port in Columbia and Puerto Angamos Port in Chile. Those rail center and ports are controlled by national railroad corporation and port agencies and interim storage areas are rent and controlled by transporters and shipping companies as MSC, Hapag-Lloyd and Hamburg Sud. Samsung C & T Corporation completed the due diligence investigation for rail center and ports during February, March and May 2023.

The due diligence investigation activities are site visit and web site check for those rail center and ports, national railroad corporation, port agencies, interim storage areas and shipping companies. They confirmed that the interim storage areas were controlled properly in compliance with legal requirements and ICMC code requirements. During the due diligence investigation for rail center and ports, they confirmed that security measures in place to prevent unauthorized access to cyanide, cyanide was separated from incompatible material, cyanide stored in a manner designated to prevent potential contact of solid cyanide with water, cyanide containers were stored in port yards nominated as hazardous chemical storage areas no need ventilation to prevent build-up of hydrogen cyanide gas and dust and there were systems in place with capacity to contain any spilled cyanide materials in Ulsan Rail Center, Pusan New Port in Korea and Mizushima Port in Japan, Callao Port in Peru, Guaymas Port in Mexico, Buenaventura Port in Columbia and Puerto Angamos Port in Chile.

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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**
 in substantial compliance **Standard of Practice 3.1**
 not in compliance with

Samsung C & T Corporation have maintained emergency response plan since 2011 when they developed safety system and ICMC certified. During April 2023, they reviewed and update the possible emergency cases as sodium cyanide release to road, land, surface water and sea water, robbery during transportation and interim storage. And define the emergency response plan in hazardous chemical transportation procedure. They defined what they should do, communication channel and relevant external responders such as sodium cyanide manufactures, transporters, shipping companies, mining, safety agency, police and hospitals located mainly in Korea. Recently they updated the emergency response plan and communication channel to reflect changes in South America Supply Chain during April 2023. Such changes as cyanide manufacture in Japan, roadway transporters in Korea, Japan and Peru were reflected to emergency response plan.

Samsung C & T Corporation prepared and updated the emergency response plan appropriate to overall emergency cases possibly expected in South America Supply Chain. The emergency response plan considered the transportation route and interim storage areas. They arranged the transportation of solid sodium cyanide. The emergency response plan considered the solid sodium cyanide packaged in polyethylene inner film and polypropylene woven bag and box or steel can and transported in container. The emergency response plan considered the roadway transportation by truck and trailer, marine transportation by ship and interim storage areas as rail center and ports. And also the emergency response plan considered the infrastructure as road condition, ports facilities and transporters vehicles.

Samsung C & T Corporation defined the response actions including identification of emergency cases, internal and external communication, control of released sodium cyanide and contaminated soil and water, aid of employees and drivers exposed to sodium cyanide in the emergency response plan. They have identified external responders to control the potential emergency cases including sodium cyanide manufactures, roadway transporters, railroad transportation company, shipping companies, port agencies, safety agency, fire fighting agency and hospitals. The roles and communication channels were reflected and updated in the emergency response plan. They informed their emergency response plan, MSDS of sodium cyanide and advised their roles to relevant external responders.

Transport Practice 3.2

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

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

Samsung C & T Corporation have maintained training procedure and annual training plan in which initial and refresher trainings for emergency response related to sodium cyanide export were reflected.

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According to the training procedure and plan, they conducted initial training for new employees and refresher training for existing employee of Mining Materials Group. The emergency response plan, updated communication channel, duties of relevant external agency and main activities of Samsung C & T Corporation were trained and records were maintained. The use of personnel protective equipment, first aid and control method of released sodium cyanide were trained with sodium cyanide handling manual.

In the emergency response plan prepared by Samsung C & T Corporation, the roles and responsibilities of team leader, team member, other relevant team and external agencies and emergency response, health and safety equipment including personnel protective equipment were defined.

During subcontractor evaluation and route investigation, Samsung C & T Corporation checked cyanide manufactures and transportation companies and confirmed that they have procedures for inspecting emergency response equipment and assuring its availability.

During the subcontractor evaluation and due diligence investigation, Samsung C & T Corporation checked that the roadway transportation companies as Hae Dong Logistics, Bukwang Logistics Co., Ltd., Senko Co., Ltd. Okayama Branch, Transportes Meridian SAC, Edewit S.R. Ltda. and Maersk Logistics and Services, S.A. delineated their roles and responsibilities to subcontractors as individual vehicle driver. They confirmed that roadway transportation companies applied their emergency response procedures including roles and responsibilities to subcontractor drivers as the same level of transporters.

Transport Practice 3.3

Develop procedures for internal and external emergency notification and reporting.

The operation is	<input checked="" type="checkbox"/> in full compliance with	Standard of Practice 3.3
	<input type="checkbox"/> in substantial compliance	
	<input type="checkbox"/> not in compliance with	

Samsung C & T Corporation prepared and updated the emergency response plan appropriate to overall emergency cases possibly expected South America Supply Chain. In the emergency response plan, contact information as telephone number, relevant person name and address of sodium cyanide manufactures, rail center, roadway transporters, shipping companies, safety agency, firefighting agency and hospital were defined. Recently they updated the emergency response plan and communication channel to reflect changes in South America Supply Chain.

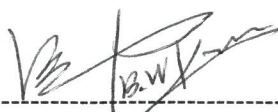
According to hazardous chemical transportation procedure, Samsung C & T Corporation have checked the emergency response plan twice per year, updated the internal and external emergency notification and kept as current. Current internal and external notification was updated during April 2023 to include the changes as roadway transporters in Korea, Japan and Peru.

During April 2022, they updated their hazardous chemical transportation procedure including notification of ICMI of any significant cyanide incidents to comply with ICMC requirement.

And according to subcontractor evaluation for cyanide manufactures and transporters, due diligence investigations for rail center, ports and shipping companies, Samsung C & T Corporation confirmed that those manufactures, transporters, rail center, ports and shipping companies have procedures or manuals in which reporting any significant incidents to exporters and relevant interested parties. So Samsung C & T Corporation can report any significant incidents during roadway transportation, handling in rail center and ports and marine transportation to ICMI.

There was no significant cyanide incident in South America Supply Chain of Samsung C & T Corporation since June 2013 when initially ICMC certified.

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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** **Standard of Practice 3.4**
 in substantial compliance
 not in compliance with

Samsung C & T Corporation prepared and updated the emergency response plan appropriate to the overall emergency cases possibly expected in South America 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, the prohibit of the use of sodium hypochlorite, ferrous sulfate and hydrogen peroxide to treat sodium cyanide that has been released into surface water were defined.

The ICMC certified sodium cyanide manufactures and transporters have developed and implemented their own detail emergency response plans appropriate to each segment in South America Supply Chain. So the emergency response plan prepared by Samsung C & T Corporation is supplement to the emergency response plans developed by each certified manufactures and transporters.

The sodium cyanide handling manual was informed to roadway transporters, rail center, shipping companies and ports in Korea, Japan, Peru, Mexico, Columbia and Chile.

Transport Practice 3.5

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

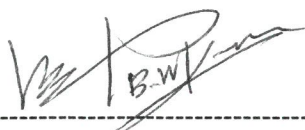
The operation is **X in full compliance with** **Standard of Practice 3.5**
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 not in compliance with

According to hazardous chemical transportation procedure, Samsung C & T Corporation have checked the emergency response plan twice per year and update the contact information and detail process with the reflection of changes in South America Supply Chain. The emergency response plan was prepared and updated during April 2023. Such changes as as roadway transporters in Korea, Japan and Peru were reflected to emergency response plan.

According to hazardous chemical transportation procedure, Samsung C & T Corporation have implemented the mock emergency drill once per year. The mock emergency drill was implemented in their Korea office during April 2023. They checked the overall process and adequacy of emergency response plan and recorded the results.

After the mock drill and training during April 2023, they updated and changed communication channel in emergency response plan to reflect the changes in South America Supply Chain.

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Summary of Due Diligence Investigations

1. Background of due diligence investigation

1) Inability of consigner for rail center, railroad transportation, ports and shipping companies lead to ICMC implementation and certification

The South America Supply Chain includes sodium cyanide manufactures, roadway transporters, rail Center, railroad transportation, ports and shipping companies as below.

- (1) Sodium cyanide manufactures : TaeKwang Industrial Co., Ltd. Ulsan Plant and TongSuh Petrochemical Co., Ltd. Ulsan Plant in Korea and Asahi Kasei Corporation Mizushima Plant in Japan
- (2) Roadway transportation from cyanide manufactures to Ulsan Rail Center in Korea : Hae Dong Logistics and Bukwang Logistics Co., Ltd.
- (3) Railroad transportation from Ulsan Rail Center to Pusan New Port in Korea : Korea Railroad Corporation
- (4) Roadway transportation from cyanide manufacture to Mizushima Port in Japan : Senko Co., Ltd. Okayama Branch
- (5) Marine transportation from Pusan New Port in Korea and Mizushima Port in Japan to Callao Port in Peru, Guaymas Port in Mexico, Buenaventura Port in Columbia and Puerto Angamos Port in Chile : MSC, Hapag-Lloyd and Hamburg Sud
- (6) Roadway transportation by truck and trailer from Callao Port to trans-loading and interim storage facility and to gold mining sites in Peru : Transportes Meridian SAC, Edewit S.R. Ltda. and Maersk Logistics and Services, S.A.

2) Scope of due diligence investigation

The due diligence investigation was focused to the activities of rail center and ports such as loading, unloading and storage of sodium cyanide and railroad transportation by railroad company and marine transportation by shipping companies.

The shipping company's activities can be checked during the due diligence investigation of ports. So the due diligence investigation for Pusan New Port and shipping companies were implemented at the same time. And the results of due diligence investigation for Pusan New Port and shipping companies were recorded in combined reports.

2. Progress of due diligence investigation

1) Development of checklist

The Mining Materials Group of Samsung C & T Corporation reviewed the ICMC requirements, IMDG Code, Supply Chain, property of sodium cyanide and information from sodium cyanide manufactures. And then developed checklist for due diligence investigation applicable to the control of sodium cyanide storage yard, loading to ship and marine transportation. Recently they updated the checklist considering the route of South America Supply Chain.

2) Nomination of investigation team leader and member


Considering the work experience and knowledge of ICMC, General Manager of Mining Material Group nominated team leader and member for due diligence investigation as below.

- Team Leader : Mr. JiHo Park (Assistant Manager / Mining Materials Group)
Mr. MiHo Takeshita (Manager / Japan Office)
Mr. Carlos Maza (Manager / Lima Office)
Mr. Isaac Calvo (Manager / Mexico Office)
Mr. Felipe Aros Ysksic (Santiago Office)
- Team Member : Mr. DooYoung Kim (Team Member / Mining Materials Group)
Mr. Daniela Ganoza (Assistant Manager / Lima Office)

3) Scheduling of due diligence investigation

According to hazardous chemical transportation procedure, Samsung C & T Corporation need to conduct due diligence investigation for rail center, ports and shipping companies every 3 year.

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Samsung C & T Corporation have planned and conducted due diligence investigation for ports and shipping companies from February to May 2023.

4) Implementation of due diligence investigation

Samsung C & T Corporation implemented the due diligence investigation for Ulsan Rail Center and railroad transportation by Korea Railroad Corporation, Pusan New Port in Korea during March 2023. The activities of shipping companies as MSC, Hapag-Lloyd and Hamburg Sud were also checked during the due diligence investigation of Pusan New Port.

They implemented the due diligence investigation for Mizushima Port in Japan, Callao Port in Peru, Guaymas Port in Mexico, Buenaventura Port in Columbia and Puerto Angamos Port in Chile during February to May 2023.

They use the checklist and record the investigation results in checklist and log sheet. After the investigation, they issued the completed checklist to rail center, ports and shipping companies and requested corrective actions for some findings. Investigation team checked the action results from rail center, ports and shipping companies and confirmed that corrective actions were completed for findings identified during due diligence investigation.

3. Results of due diligence investigation

Samsung C & T Corporation use the checklist, record the investigation results and prepared reports as below.

1) Ulsan Rail Center and railroad transportation by Korea Railroad Corporation

(1) Due diligence investigation results

Investigation Area : Storage, loading, unloading and railway transportation in Korea

Investigation Item : Storage area control, responsible personnel, emergency plan, mock drill, equipment control and training

Investigation Date : 23 March 2023

(2) Conclusion

According to the due diligence investigation results, Samsung C & T Corporation concluded that the control of the sodium cyanide in Ulsan Rail Center and railway transportation comply with ICMC code and national legal requirements.

2) Pusan New Port in Korea including shipping companies as MSC, Hapag-Lloyd and Hamburg Sud.

(1) Due diligence investigation results

Investigation Area : Storage, loading, unloading and marine transportation in Pusan New Port in Korea including shipping companies' activities

Investigation Item : Storage area control, responsible personnel, emergency plan, mock drill, equipment control, training and marine transportation

Investigation Date : 24 March 2023

(2) Conclusion

According to the due diligence investigation results, Samsung C & T Corporation concluded that the control of the sodium cyanide by Pusan New Port and shipping companies comply with ICMC, IMDG code and national legal requirements.

3) Mizushima Port in Japan

(1) Due diligence investigation results

Investigation Area : Storage, loading, unloading in Mizushima Port in Japan

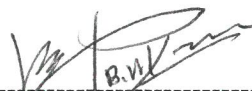
Investigation Item : Storage area control, responsible personnel, emergency plan, mock drill, equipment control and training

Investigation Date : 17 March 2023

(2) Conclusion

According to the due diligence investigation results, the Samsung C & T Corporation concluded that the control of the sodium cyanide by Mizushima Port comply with ICMC, IMDG code and national legal requirements.

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- 4) Callao Port in Peru
 - (1) Due diligence investigation results
 - Investigation Area : Storage, loading, unloading in Callao Port in Peru
 - Investigation Item : Storage area control, responsible personnel, emergency plan, mock drill, equipment control and training
 - Investigation Date : 28 February 2023
 - (2) Conclusion

According to the due diligence investigation results, the Samsung C & T Corporation concluded that the control of the sodium cyanide by Callao Port comply with ICMC, IMDG code and national legal requirements.
- 5) Guaymas Port in Mexico
 - (1) Due diligence investigation results
 - Investigation Area : Storage, loading, unloading in Guaymas Port in Mexico
 - Investigation Item : Storage area control, responsible personnel, emergency plan, mock drill, equipment control and training
 - Investigation Date : 30 March 2023
 - (2) Conclusion

According to the due diligence investigation results, the Samsung C & T Corporation concluded that the control of the sodium cyanide by Guaymas Port comply with ICMC, IMDG code and national legal requirements.
- 6) Buenaventura Port in Columbia
 - (1) Due diligence investigation results
 - Investigation Area : Storage, loading, unloading in Buenaventura Port in Columbia
 - Investigation Item : Storage area control, responsible personnel, emergency plan, mock drill, equipment control and training
 - Investigation Date : 30 May 2023
 - (2) Conclusion

According to the due diligence investigation results, the Samsung C & T Corporation concluded that the control of the sodium cyanide by Buenaventura Port comply with ICMC, IMDG code and national legal requirements.
- 7) Puerto Angamos Port in Chile
 - (1) Due diligence investigation results
 - Investigation Area : Storage, loading, unloading in Puerto Angamos Port in Chile
 - Investigation Item : Storage area control, responsible personnel, emergency plan, mock drill, equipment control and training
 - Investigation Date : 27 March 2023
 - (2) Conclusion

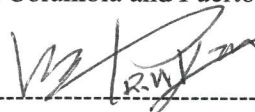
According to the due diligence investigation results, the Samsung C & T Corporation concluded that the control of the sodium cyanide by Puerto Angamos Port comply with ICMC, IMDG code and national legal requirements.

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

During the ICMC re-certification audit 2023 for South America Supply Chain, the auditor Mr. BongWon Kim reviewed the overall due diligence investigation processes and results implemented by Samsung C & T Corporation.

The due diligence investigations included the control of storage yard in rail center, railroad transportation and ports and marine transportation by shipping companies. The Samsung C & T Corporation implemented the due diligence investigations comprehensively for Ulsan Rail Center, railroad transportation and Pusan New Port in Korea, Mizushima Port in Japan, Callao Port in Peru, Guaymas Port in Mexico, Buenaventura Port in Columbia and Puerto Angamos Port in Chile during February to May 2023 as below.

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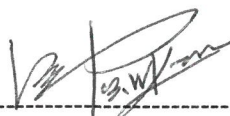
Lead Auditor Signature

Date

- Study and develop checklist applicable to sodium cyanide storage and transportation
- Nominated competent personnel as investigation team leader and member
- Implement due diligence investigation with checklist for rail center, railroad transportation ports and shipping companies responsible for the control of sodium cyanide storage and marine transportation
- Issue corrective actions for findings identified during site visits
- Checked corrective action results from rail center, ports and shipping companies

The audit team finally concluded that the due diligence investigations for South America Supply Chain implemented by Samsung C & T Corporation were comply with ICMC requirements.

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