INTERNATIONAL CYANIDE MANAGEMENT INSTITUTE

Cyanide Transportation Summary Audit Report

For the International Cyanide Management Code

Turkey Supply Chain

04 February 2021

Name of Cyanide Supply Chain: Turkey Supply Chain
Name of Supply Chain Owner: Samsung C&T Corporation
Name of Supply Chain Operator: Samsung C&T Corporation
Name of Responsible Manager: Mr. Hyo Suk Kang / Head of Mining Chemicals Group, Trading & Investment Group, Samsung C & T Corporation
Address : 123, Olympic-ro 35-gil, Songpa-gu
State/Province: Seoul, 05510 Country :South Korea
Telephone : 82-2-2145-2747
Fax : 82-2-2123-2747
E-Mail : togyun.kim@samsung.com
Website: www.samsungcnt.co.kr

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

The Turkey Supply Chain of Samsung C & T Corporation was ICMC initially certified during January 2018. Almost three years were elapsed since initial certification for the Turkey Supply Chain, re-certification audit was conducted during 20, 21 & 22 January 2021.

The main segments of Turkey Supply Chain were organized as below.
1. Sodium cyanide manufacturer : TaeKwang Industrial Co., Ltd., Ulsan Plant in Korea.
2. Roadway transportation by truck from sodium cyanide manufacturer in located at Ulsan Plant to Pusan New Port in Korea : Hae Dong Logistics
3. Marine transportation from Pusan New Port in Korea to Mersin Port in Turkey : MSC
4. Roadway transportation from Mersin Port to trans-loading and interim storage facility in Mersin Tarsus Organize Sanayi Bolgesi and customer mining sites in Turkey : TO-PET A.S.
5. Operation of trans-loading and interim storage facility in Turkey : Unico Logistics

Auditor's Finding

This operation is

X in full compliance
in substantial compliance *(see below) with the International Cyanide Management Code
not in compliance

with the International Cyanide Management Code.

Audit Company : 3Points Co., Ltd.
Audit Team Leader : Mr. Sang Ho Ahn
E-mail : triplepoint@naver.com
Dates of Audit : 20, 21 & 22 January 2021

I attest that I meet the criteria for knowledge, experience and conflict of interest for Code Verification Audit Team Leader established by the International Cyanide Management Institute and that the audit team meet the applicable criteria established by the International Cyanide Management Institute for Code Verification Auditors.
I attest that this Summary Audit Report accurately describes the findings of the verification audit. I further attest that the verification audit was conducted in a professional manner in accordance with the International Cyanide Management Code Verification Protocol for Cyanide Transportation Operations and using standard and accepted practices for health, safety and environmental audits.

Samsung C&T Corporation	S.H.Ahn	04 February 2021
Name of Supply Chain Operator	Lead Auditor Signature	Date

Samsung C&T Corporation	S.H.Ahn	04 February 2021
Name of Supply Chain Operator	Lead Auditor Signature	Date

Summary Audit Report

1. TRANSPORT: Transport cyanide in a manner that minimizes the potential for accidents and release.

Transport Practice 1.1: Select cyanide transport routes to minimize the potential for accidents and releases.

The operation is **X in full compliance with** / in substantial compliance / not in compliance with **with Transport Practice 1.1**

Summarize the basis for this Finding/Deficiencies Identified:

The Samsung C&T Corporation established and have implemented hazardous chemical transportation manual since the year 2010. They shall consider population density, infrastructure, security, possibility of hijacking and cost effectiveness according to the manual, when they select the sodium cyanide transportation routes. When the Turkey Supply Chain was initially ICMC certified, the Samsung C&T Corporation considered overall transportation route from sodium cyanide manufacture TaeKwang Industrial Co., Ltd. ,Ulsan Plant in Korea to customer mining sites in Turkey according to their manual. They identified several possible routes from sodium cyanide manufacture in Korea to customer mining sites in Turkey. They evaluated the routes for such items as availability, security, transportation quantity and cost. It finally decided the transportation routes as below.

1) From cyanide manufacturer, TaeKwang Industrial Co., Ltd., Ulsan plant to Pusan New Port in Korea : Roadway transportation by truck
2) Pusan New Port in Korea to Mersin Port in Turkey : Marine transportation by ship
3) Mersin Port to trans-loading and interim storage facility in Mersin Tarsus Organize Sanayi Bolgesi and customer mining sites in Turkey : Roadway transportation by truck

The Samsung C&T Corporation have operated the trans-loading and interim storage facility in Mersin Tarsus Organize Sanayi Bolgesi in Turkey to response promptly for gold mining's supplying request of sodium cyanide.

During December 2020, the Samsung C & T Corporation re-evaluated and chose sodium cyanide manufacturer, transporters, shipping company and operator of trans-loading and interim storage facility according to the sub-contractor evaluation procedure as below.

1) Sodium cyanide manufacturer: TaeKwang Industrial Co., Ltd. located Ulsan Plant in Korea.
2) Roadway transportation by truck from sodium cyanide manufacture in Ulsan Plant to Pusan New Port in Korea: Hae Dong Logistics
3) Marine transportation from Pusan New Port in Korea to Mersin Port in Turkey: MSC
4) Roadway transportation from Mersin Port to trans-loading and interim storage facility and customer mining sites in Turkey: TO-PET A.S.
5) Operation of Trans-loading and interim storage facility in Turkey: Unico Logistics

Considering the situations of cyanide manufacturer, transporters, shipping company and operator of trans-loading and interim storage facility, the Samsung C&T Corporation decided the control measure for each segment in Turkey Supply Chain as below.

1) Cyanide manufacture TaeKwang Industrial Co., Ltd. in Korea
   (1) Periodic subcontractor evaluation by Samsung C & T Corporation
   (2) Implementation and certification of ICMC by TaeKwang Industrial Co., Ltd.
   - TaeKwang Industrial Co., Ltd was ICMC recertified during July 24, 2020
2) Roadway transportation in Korea by Hae Dong Logistics
   (1) Periodic supplier evaluation by Samsung C&T Corporation

Samsung C&T Corporation — 04 February 2021

Name of Supply Chain Operator — Lead Auditor Signature — Date

(2) Implementation and certification of ICMC by Hae Dong Logistics
- Hae Dong Logistics Co., Ltd. was ICMC recertified during January 14, 2020

3) Pusan New Port in Korea
(1) Periodic route evaluation by Samsung C&T Corporation
(2) Periodic due diligence investigation by Samsung C&T Corporation

4) Marine transportation by shipping company MSC
(1) Periodic route evaluation by Samsung C&T Corporation
(2) Periodic due diligence investigation by Samsung C&T Corporation

5) Mersin Port in Turkey
(1) Periodic route evaluation by Samsung C&T Corporation
(2) Periodic due diligence investigation by Samsung C&T Corporation

6) Road transportation in Turkey by TO-PET A.S.
(1) Periodic supplier evaluation by Samsung C&T Corporation
(2) Implementation and certification of ICMC by TO-PET A.S.
- TO-PET was ICMC certified during November 13, 2019

7) Operation of trans-loading and interim storage facility in Turkey by Unico Logistics
(1) Periodic supplier evaluation by Samsung C&T Corporation
(2) Periodic due diligence investigation by Samsung C&T Corporation

During November 2020, the Samsung C & T Corporation have checked the overall routes of Turkey Supply Chain and re-evaluated 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 road transportation, storage in interim storage areas and 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 road transporters by Samsung C&T Corporation
- Roadway transporters Hae Dong Logistics and TO-PET A.S.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 company
- Complete the supplier evaluation for shipping company by Samsung C&T Corporation
- Due diligence investigation for shipping company 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 interim storage areas and ports and marine transportation.
- Complete the supplier evaluation for roadway transporters by Samsung C&T Corporation
- Roadway transporters as Hae Dong Logistics and TO-PET A.S. have maintain ICMC certification
- Complete the supplier evaluation for shipping company by Samsung C&T Corporation
- Due diligence investigation for ports and shipping company by Samsung C&T Corporation
- Complete due diligence investigation for the operation of trans-loading and storage facility by Unico Logistics in Turkey by Samsung C&T Corporation
- Use of escort and convey for road transportation in Turkey

Samsung C&T Corporation S.H Ahn 04 February 2021

Name of Supply Chain Operator | Lead Auditor Signature | Date

According to hazardous chemical transportation manual, the Samsung C&T Corporation should reevaluate the overall routes of Turkey Supply Chain every three year periodically. In case that there is any change related to routes, transporters, facilities and relevant legal requirements, it will reevaluate the routes non-periodically. Almost three year were elapsed since last route evaluation for Turkey Supply Chain, the Samsung C&T Corporation have re-evaluated the routes of Turkey Supply Chain during November 2020.
Samsung C&T Corporation is to also receive information related to cyanide transportation routes from sodium cyanide manufacturer, road transporters, ports, shipping company and other sub-contractors. The review of information to identify any other safety issues was defined in their manual. Since January 2018 when the Turkey Supply Chain was initially ICMC certified, there is no special issue from received information related to Turkey Supply Chain.

The Samsung C & T Corporation documented the measures to address risks in Turkey Supply Chain. They have completed the control measures such as supplier evaluation, check the certification of ICMC by applicable subcontractors and due diligence investigation for ports, shipping company, road transportation and operation of trans-loading and interim storage facility in Turkey.
They also established emergency response plan for sodium cyanide release, robbery and taken away by criminal suspect. The communication channel with government body, safety agency, police, manufactures and transporters was defined in emergency response plan.

When the Samsung C&T Corporation selected the transportation route of Turkey Supply Chain and developed the control measures for high risks, they considered and reflected the comments from communities and stakeholders such as Ulsan government office, Pusan government office, hospitals in Ulsan and Pusan, sodium cyanide manufacture, road 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 the overall route for Turkey Supply Chain from cyanide manufacture to customer mining sites in Turkey. According to the review results and mining customer requests, they have used convoys and escorts for roadway transportation from Mersin Port, trans-loading and interim storage facility to customer mining sites in Turkey. They finally decided that convoys, escorts or additional measures are unnecessary for other segments with their reasonable justification. For roadway transportation from Mersin Port, trans-loading and interim storage facility to customer mining sites in Turkey, the roadway transporter TO-PET A.S. have used escort and convoy for their transportation by trucks.

The Samsung C&T Corporation have established emergency response plan for sodium cyanide release to land and water and human exposure. In the emergency response plan, role and mutual aid with sodium cyanide manufacture, transporters, ports, safety agency, police, fire fighting agency, hospital etc. were defined. They advised the emergency response plan to relevant bodies and delivered the sodium cyanide handling manual as pocket book and material safety data sheet.
The Samsung C&T Corporation communicated the emergency response plan, their sodium cyanide handling manual as pocket book and material safety data sheet to manufacturer, road transporters, ports, shipping company and operator of trans-loading and interim storage facility and requested 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** in substantial compliance not in compliance with	**with Transport Practice 1.2**

Summarize the basis for this Finding/Deficiencies Identified:

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 communicated sodium cyanide handling manual as pocket book to manufacture, transporters, ports and shipping company to use during training, daily operation and emergency situation.

Transport Practice 1.3: Ensure that transport equipment is suitable for the cyanide shipment.

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

Summarize the basis for this Finding/Deficiencies Identified:

According to hazardous chemical transportation manual, the Samsung C&T Corporation evaluated subcontractors in December 2020. During the subcontractor evaluation, they checked and evaluated sodium cyanide transporters whether the transport equipment is suitable for sodium cyanide transportation. They found that roadway transporters have used only equipment designed and maintained to operate within the designed capacity.
Through the due diligence investigation, they checked the ports and shipping company 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 company have preventive maintenance procedure to control the transport equipment and they confirmed that the transporters and operators of interim storage facility have procedure 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 not in compliance with	**with Transport Practice 1.4**

Summarize the basis for this Finding/Deficiencies Identified:

The Samsung C&T Corporation evaluated subcontractors in December 2020. According to the

subcontractor evaluation results, they found that transporters and operator of interim storage facility have maintained procedure and work instruction to maintain the integrity of manufacture's packaging. And the Samsung C&T Corporation found that transporters used placard and signage to identify the shipment of sodium cyanide.
According to the subcontractor evaluation results, the Samsung C&T Corporation found transporters established and implemented safety program related to transportation equipment and drivers.

Transport Practice 1.5: Follow international standards for transportation of cyanide by sea and air.

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

Summarize the basis for this Finding/Deficiencies Identified:

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 results, they selected MSC as shipping company for sodium cyanide transportation from Pusan New Port in Korea to Mersin Port in Turkey.
The Samsung C&T Corporation completed the due diligence investigation for the shipping company MSC in December 2020. According to the due diligence investigation results, the Samsung C&T Corporation confirmed that shipping company MSC was comply with IMDG Code. The Samsung C&T Corporation does not transport sodium cyanide by air.

Transport Practice 1.6: Track cyanide shipments to prevent losses during transport.

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

Summarize the basis for this Finding/Deficiencies Identified:

The Samsung C&T Corporation conducted the subcontractor evaluation for transporters in Turkey Supply Chain. According to the evaluation results, the Samsung C&T Corporation found that the transportation vehicles have means to communication with relevant bodies. They also confirmed that transporters periodically tested their communication equipment according to their work instruction. The Samsung C&T Corporation checked the overall routes of Turkey Supply Chain and found no blackout area. The Samsung C&T Corporation requested to transporters to identify blackout area and alternative process to control the blackout area. Until now, they have not received any identified blackout area from transporters.

Since the year 2010, 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. The process was also applied to Turkey Supply Chain. As necessary, they tracked the progress of cyanide shipments by contact with sodium cyanide manufacture, transporters and website check of shipping company.

According to annual sales plan, the Samsung C&T Corporation requested sodium cyanide manufacturer to dispatch the sodium cyanide and nominate the shipping company. The individual dispatch order (order number, target delivery and amount), dispatched date and quantity of sodium cyanide from manufacture to shipping company were registered in computer network system of Samsung C&T Corporation. The progress of marine transportation by shipping company can be checked for individual dispatch order in web-site of shipping company.
According to the subcontractor evaluation results, the Samsung C&T Corporation confirmed that the manufacturer controlled the dispatch amount and date for individual order in their computer network system. They recorded the same items in dispatch sheet and issued to roadway transporter. As the road transporter transport the sodium cyanide to Pusan New Port, the dispatch sheet and sodium cyanide delivered to shipping company. The shipping company checked the dispatch sheet and sodium cyanide containers and input the shipping results in their computer network system. The inventory control and custody documentation were properly implemented to prevent the loss of sodium cyanide during transportation.
The Turkey agent of Samsung C&T Corporation conducted the customs clearance in Mersin Port and requested transportation to transporter from Mersin Port to trans-loading and interim storage facility in Mersin Tarsus Organize Sanayi Bolgesi in Turkey. The input, output and current stock quantity of sodium cyanide in trans-loading and interim storage facility in Mersin Tarsus Organize Sanayi Bolgesi in Turkey were controlled in computer network system of Samsung C & T Corporation.

The Samsung C&T Corporation receive purchasing orders from gold mining customers in Turkey, and review the delivery target date and quantity, and inputs the orders in computer network system. They requested the operator of trans-loading and interim storage facility to dispatch and to transporter to transport the sodium cyanide as purchasing orders from customers. The individual customer order (order number, target delivery and amount), dispatched date from trans-loading and interim storage facility in Turkey and quantity of sodium cyanide were registered in computer network system of Samsung C&T Corporation. The progress of roadway transportation from trans-loading and interim storage facility to gold mining sites in Turkey can be tracked by contact with transporter.

The dispatch orders (order number, target delivery and amount), dispatched date and quantity of sodium cyanide from manufacture to shipping company were registered in computer network system of Samsung C&T Corporation. The progress of marine transportation by shipping company can be checked for each dispatch orders in web-site of shipping company.
The purchasing orders (order number, target delivery and amount) of mining customers, dispatched date and quantity of sodium cyanide from trans-loading and interim storage facility to mining sites in Turkey were also registered in computer network system of Samsung C&T Corporation. The Samsung C&T Corporation records the same items in dispatch sheet and issued to roadway transporter in Turkey. So the amount of cyanide in transit also can be checked in computer network system of Samsung C&T Corporation and dispatch sheet maintained by transporter. According to the subcontractor evaluation results, sodium cyanide manufacture, roadway transporters and shipping company controlled the Material Safety Data Sheet properly.

2. *INTERIM STORAGE: Design, construct and operate cyanide trans-shipping depots and 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** / in substantial compliance / not in compliance with **with Transport Practice 2.1**

Summarize the basis for this Finding/Deficiencies Identified:

The Samsung C & T Corporation identified interim storage areas in Turkey Supply Chain as below.
1) Pusan New Port in Korea and Mersin Port in Turkey
2) Trans-loading and storage facility in Mersin Tarsus Organize Sanayi Bolgesi in Turkey

The Samsung C & T Corporation completed the due diligence investigation for Pusan New Port in Korea and Mersin Port in Turkey during January 2021.
The due diligence investigation was conducted on site visit, change review and web-site check for those ports, national port agency and shipping company. They found the interim storage areas in Ports were controlled properly in compliance with legal requirements and ICMC code requirements. They delivered the sodium cyanide handling manual as pocket book to ports and shipping company.
The trans-loading and storage facility in Mersin Tarsus Organize Sanayi Bolgesi in Turkey was controlled by subcontractor Unico Logistics. The Samsung C & T Corporation conducted subcontractor evaluation in March 2017 and December 2020 and chose the Unico Logistics for the operation of trans-loading and storage facility in Mersin Tarsus Organize Sanayi Bolgesi in Turkey. During June 2021, the Samsung C&T Corporation have conducted the due diligence investigation for trans-loading and interim storage facility controlled by Unico Logistics. According to the results of subcontractor evaluation and due diligence investigation, the Samsung C&T Corporation found the trans-loading and interim storage area was properly controlled in compliance with legal requirement and ICMC code requirements. The Samsung C&T Corporation delivered the sodium cyanide handling manual as pocket book to Unico Logistics.

During the due diligence investigation for ports and subcontractor evaluation for trans-loading and interim storage facility, the Samsung C & T Corporation have found 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 storage, the sodium cyanide was stored to prevent the contact with water.

The Samsung C & T Corporation found 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 from solid sodium cyanide in ports, the warehouse in trans-loading and storage facility in Mersin Tarsus Organize Sanayi Bolgesi in Turkey designed and maintained with ventilation to prevent the build-up of hydrogen cyanide gas, 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.
During subcontractor evaluation, the Samsung C & T Corporation confirmed that the warehouse in trans-loading and storage facility in Mersin Tarsus Organize Sanayi Bolgesi in Turkey designed and maintained with enough capacity to contain any spilled sodium cyanide.

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 / not in compliance with **with Transport Practice 3.1**

Summarize the basis for this Finding/Deficiencies Identified:

The Samsung C&T Corporation established emergency response plan considering the possible emergency situations 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 solid sodium cyanide packaged in polyethylene inner film & 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 manufacture, transporters, shipping company, mining customers, safety agency, police and hospitals. Detail emergency response plans considering road 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, trans-loading and interim storage facility 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** / in substantial compliance / not in compliance with **with Transport Practice 3.2**

Summarize the basis for this Finding/Deficiencies Identified:

The Samsung C & T Corporation have responsibility for the overall emergency response and cyanide handling within the Turkey Supply Chain. Related to emergency response training, they implemented their role as training their team member, encouraging cyanide manufacture and transporters implementing emergency response training.
They implemented the training for their team members for the overall emergency response plan and cyanide handling manual twice per 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 Chemicals Group 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. The roadway transporters have trained their employee as annual training program and also shipping company have implemented training for their employee to comply with IMDG Code.
For interim storage ports areas, they have informed the sodium cyanide handling manual in which handling and treatment for released sodium cyanide defined. For interim storage ports areas, the training or introduction with that manual is enough for emergency situations in ports.
In the emergency response plan prepared by Mining Chemicals Group, the roles and responsibilities of team leader, team member, other relevant team and external agency defined.
The Samsung C & T Corporation is trading company. So they do not actually implement the transportation works. They do not need the list of emergency response equipment. But in the sodium cyanide handling manual, the emergency response equipment defined. The Samsung C&T Corporation have checked that the road transporters delineated the roles and responsibilities to subcontractors as individual vehicle driver. They found that road transporters applied the emergency response procedure including roles and responsibilities to subcontractor as the same level of transporters.

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 not in compliance with	**with Transport Practice 3.3**

Summarize the basis for this Finding/Deficiencies Identified:

The Samsung C & T Corporation prepared the emergency response plan appropriate to the overall emergency situations possibly expected in Turkey Supply Chain. In the emergency plan, contact information as telephone number, relevant personnel and address of sodium cyanide manufacture, road transporter, shipping company, safety agency, fire fighting agency and hospital were defined. During December 2020, the communication channel and external responders were revised to reflect current information and relevant personnel in Turkey 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 December 2020.

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 not in compliance with	**with Transport Practice 3.4**

Summarize the basis for this Finding/Deficiencies Identified:

The Samsung C & T Corporation prepared the emergency response plan appropriate to the overall emergency situations possibly expected in Turkey 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 road transporters, shipping companies and ports.
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** in substantial compliance not in compliance with	**with Transport Practice 3.5**

Summarize the basis for this Finding/Deficiencies Identified:

According to the 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 with the reflection of changes in Turkey 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 revised during December 2020. The communication channel and external responders were revised to reflect current information and relevant personnel in Turkey 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 December 2020. The mock emergency drill simulated transport related 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 Chemicals Group member have participated the emergency mock drill and training conducted every year by TongSuh Petrochemical Co., Ltd. Ulsan plant.

Summary of Due Diligence Investigations

1. Background of due diligence investigation

1) Inability as consigner for ports, shipping company and operator of trans-loading and interim storage facility in Turkey lead to ICMC implementation and certification
The Turkey Supply Chain includes sodium cyanide roadway transporters, shipping company and operator of trans-loading and interim storage facility in Turkey as below.
(1) Sodium cyanide manufacture: TaeKwang Industrial Co., Ltd. Ulsan Plant in Korea.
(2) Roadway transportation by truck from sodium cyanide manufacture in Ulsan Plant to Pusan New Port in Korea : Hae Dong Logistics
(3) Marine transportation from Pusan New Port in Korea to Mersin Port in Turkey : MSC
(4) Roadway transportation from Mersin Port to trans-loading and interim storage facility in Mersin Tarsus Organize Sanayi Bolgesi and customer mining sites in Turkey : TO-PET A.S.
(5) Operation of trans-loading and interim storage facility in Turkey : Unico Logistics

As consigner the Samsung C&T Corporation controls overall Turkey Supply Chain and will choose ICMC certified subcontractors or lead the ICMC implementation and certification to sodium cyanide manufacture, roadway transporter, ports and shipping company. So they successfully have chosen ICMC certified subcontractors as TaeKwang Industrial Co., Ltd., Hae Dong Logistics and TO-PET A.S.
However they can't choose the ICMC certified ports, shipping company and operator of trans-loading and interim storage facility in Turkey. They can't lead the ports, shipping company and operator of trans-loading and interim storage facility in Turkey to ICMC implementation and certification due to their inability to affect the operating practices of those transportation facilities and companies.
So the Samsung C&T Corporation planned and implemented the due diligence investigation for ports, shipping company and operator of trans-loading and interim storage facility in Turkey as required by ICMC.

2) Scope of due diligence investigation
The due diligence investigation was implemented for Pusan New Port in Korea, shipping company MSC, Mersin Port in Turkey and operator of trans-loading and interim storage facility Unico Logistics in Turkey.

2. Progress of due diligence investigation

1) Development of checklist
The Samsung C&T Corporation reviewed the ICMC requirements, IMDG Code, Turkey Supply Chain, property of sodium cyanide and information from TaeKwang Industrial Co., Ltd. They have developed checklist for due diligence investigation applicable to the control of sodium cyanide in interim storage areas and marine transportation.
2) Nomination of investigation team leader and member
Considering the work experience and knowledge of ICMC, General Manager of Mining Chemicals Group nominated team leader and member for due diligence investigation as below.
- Team Leader : Mr. Ryan Kim (Manager of Samsung C & T Corporation)
Mr. Selman Turac / Manager of Istanbul Office of Samsung C&T Corporation in Turkey

Samsung C&T Corporation — 04 February 2021

Name of Supply Chain Operator — Lead Auditor Signature — Date

- Team Member : Phillip Jung / Manager from Samsung C&T Corporation HQ

3) Scheduling of due diligence investigation
They planned the due diligence investigation for Pusan New Port in Korea, shipping company MSC and operator of trans-loading and interim storage facility Unico Logistics in Turkey during June 2020 and January 2021

4) Implementation of due diligence investigation
The Samsung C&T Corporation implemented due diligence investigation as planned during June 2020 and January 2021. Due to COVID19, site visit was conducted by local office member, change review and web-site check were conducted remotely by Mining Chemicals Group member.
They used the checklist and recorded the investigation results in checklist. After the investigation, they issued the completed checklist to ports, shipping company and operator of trans-loading and interim storage facility and requested corrective actions for some nonconformities. The Samsung C&T Corporation checked the action results and confirmed that corrective actions for the nonconformities were completed.

3. Results of due diligence investigation

The Samsung C&T Corporation have developed and used the checklist for due diligence investigation. And record the investigation results in checklist.

1) Pusan New Port in Korea including shipping company MSC
   (1) Due diligence investigation results
   Investigation Area: Storage, loading, unloading and marine transportation activities
   Investigation Item: Storage area control, responsible personnel, emergency plan, mock drill, equipment control and training
   Investigation Date: 13 January 2021
   (2) Conclusion
   According to the due diligence investigation results, the Samsung C&T Corporation concluded that the Pusan New Port and shipping company MSC comply with ICMC, IMDG and national legal requirements.

2) Mersin Port in Turkey
   (1) Due diligence investigation results
   Investigation Area: Storage, loading and unloading activities
   Investigation Item: Storage area control, responsible personnel, emergency plan, mock drill, equipment control and training
   Investigation Date: 13 January 2021
   (2) Conclusion
   According to the due diligence investigation results, the Samsung C&T Corporation concluded that the Pusan New Port comply with ICMC and national legal requirements.

3) Trans-loading and interim storage in Turkey
   (1) Due diligence investigation results
   Investigation Area: Control of trans-loading and interim storage facility by Unico Logistics
   Investigation Item: Trans-loading and interim storage facility control, equipment control, Responsible personnel, emergency plan, mock drill and training
   Investigation Date: 13 June 2020
   (2) Conclusion
   According to the due diligence investigation results, the Samsung C&T Corporation concluded that the Unico Logistics comply with ICMC and national legal requirements.

Samsung C&T Corporation	S.H.Ahn	04 February 2021
Name of Supply Chain Operator	Lead Auditor Signature	Date

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

During the ICMC certification audit in January 2021 for Turkey Supply Chain, the auditor Mr. Sang Ho Ahn reviewed the due diligence investigation process and the results implemented by Samsung C&T Corporation.

The due diligence investigations included the storage yard in ports, marine transportation and operation of trans-loading and interim storage facility in Turkey.

The Samsung C&T Corporation comprehensively implemented the due diligence investigations for the ports, marine transportation and operation of trans-loading and interim storage facility in Turkey as below;

- Study and develop checklist applicable to sodium cyanide storage and transportation.
- Nominated competent personnel as due diligence investigation team leaders and members.
- Implement due diligence investigation with checklists and record the results.
- Issue corrective actions for a few nonconformities identified during the due diligence investigation.
- Checked corrective action results

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

Samsung C&T Corporation — S.H.Ahn — 04 February 2021

Name of Supply Chain Operator | Lead Auditor Signature | Date