

## **Standard Policy and Procedure to Identify and Assess Conflict Affected and High Risk Areas (CAHRAs)**

PT. ARTHA CIPTA LANGGENG, Implements due diligence as a continual, on during process. The process complies with the **OECD** Guidance for Identification and Assessment of Supply Chain Risk (s). All sources are reviewed in accordance with this policy to assure compliance. Risk assessment and mitigation is based upon the criteria listed in this policy. In order to identify and assess mineral supply chain risks. PT. ARTHA CIPTA LANGGENG has implemented the following process:

1. Identification of Supplier and Material Source
2. Identification of Conflict-affected and High-Risk Areas
3. Determination of the Scope of the Risk Assessment
4. Identification of Supply-Chain Risk(s)
5. Assessment of Supply-Chain Risk(s)

### **1. Identification of Supplier and Material Source**

We ensure all supplier and material are identified and sufficient documentation is obtained or the origin and chain of custody of material in accordance with the requirements of RMI-RMAP standard and its Annexes.

Our source is from own mines located only in Bangka-Belitung provinces, Indonesia. We not purchase ore from secondary supplies. As such it assures that the supply chain for the primary raw materials, as defined by the RMI-RMAP standard, are consistent with a supplier with the definitions listed for each category of material.

#### **a. Identifications of counterparty**

We establish and implement the basic Know Your Counterparty (KYC) requirements to determine the identity, type of business relationship and legality of business operations for each artisanal miner and transporter of the tin concentrates from its mines. The KYC process include verification of individuals and entities. The KYC is performed on all suppliers before entering in to a business relationship with a supplier as long business relationship.

#### **b. Identifications of material**

We identify the origin of materials and categorize the materials in accordance with their source using Table 4 of the RMI-RMAP Tin & Tantalum Standard. Full disclosure requirements on the origin and chain of custody of material will be

demonstrated by the Delivery Orders issued for each delivery in to the smelter. The documentation required is determined in accordance with the category and source of the material using annex I for guidance on the documentation requirements.

## 2. Identification of Conflict-Affected and High-Risk Areas

PT. Artha Cipta Langgeng has established a procedure to identify CAHRAs. The objective of the following procedure is to allow the company to identify possible Conflict-Affected and High-Risk Areas (CAHRAs) and will apply to all cassiterite providers (including origin and transit routes for all primary material and the identification of any Conflict-Affected and High-Risk Areas in their supply chains).

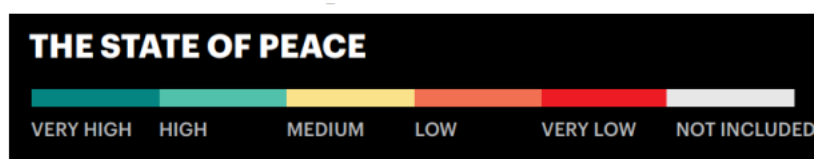
PT. Artha Cipta Langgeng determines qualification once a year or if there are any relevant occurrences, whether or not the country of operation of smelter and mine is considered a CAHRA, based on the following criteria as identified by the OECD Due Diligence Guidance, from the link below:

<https://www.responsiblemineralsinitiative.org/minerals-due-diligence/risk-management/conflict-affected-and-high-risk-areas>

### a. Conflict

GPI is the world's leading measure of global peacefulness. Its report presents the most comprehensive data-driven analysis to date on trends in peace, its economic value, and how to develop peaceful societies.

The Global Peace Index (GPI) measures more than just the presence or absence of war. It captures the absence of violence or the fear of violence across three domains: Safety and Security, Ongoing Conflict, and Militarisation. Both the Ongoing Conflict and Safety and Security domains recorded deteriorations, with only the Militarisation domain recording an improvement. GPI is a composite index measuring the peacefulness of countries made up of 23 quantitative and qualitative indicators each weighted on a scale of 1-5. The lower score is the more peaceful country.



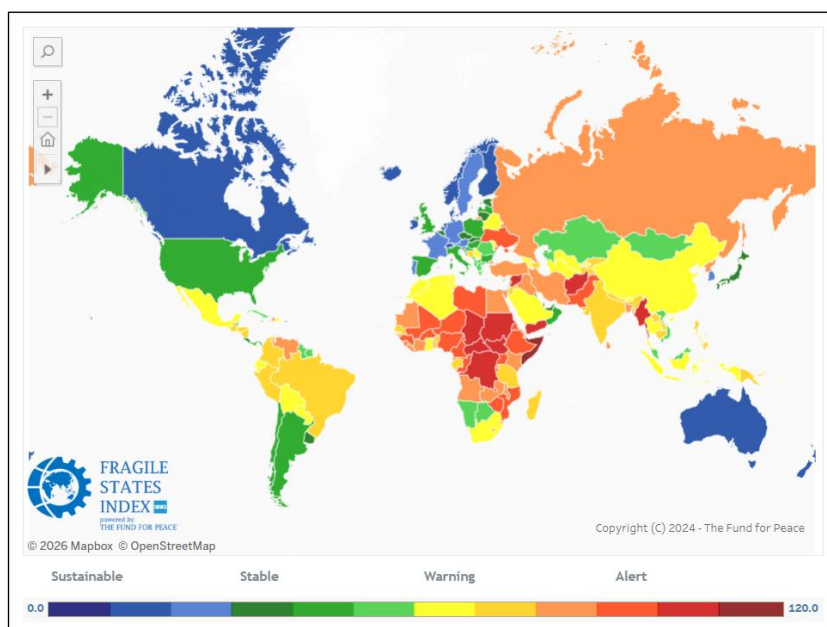
Source: <https://www.visionofhumanity.org/maps/#/>

PT. Artha Cipta Langgeng determines that the country stated as **High-Risk Area** if its global average score is 2.35 and above (indicated by the orange until the red color from The State of Peace Bar).

## b. Governance

The Fragile States Index (FSI) produced by The Fund for Peace (FFP), is a critical tool in highlighting not only the normal pressures that all states experience, but also in identifying when those pressures are outweighing a states' capacity to manage those pressures. By highlighting pertinent vulnerabilities which contribute to the risk of state fragility, the Index — and the social science framework and the data analysis tools upon which it is built — makes political risk assessment and early warning of conflict accessible to policy-makers and the public at large.

Content Analysis used with each of the twelve indicators of the CAST framework are broken down into sub-indicators, and for each of these, hundreds of Boolean search phrases are applied to global media data to determine the level of saliency of issues for each of those sub-indicators in each country. The overall assessment is based on 4 indicators including: cohesion indicators, economic, political, and social.



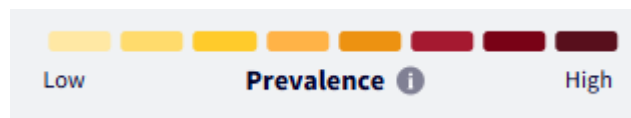
Source: <https://fragilestatesindex.org/>

PT. Artha Cipta Langgeng determines that the country was stated as High Risk Area if the score above to 70.

### c. Human Rights

The Global Slavery Index (GSI) is an international report published by Walk Free that measures and analyzes modern slavery worldwide, including forced labor, human trafficking, debt bondage, forced marriage, and severe child exploitation, by estimating how many people are affected in each country, assessing vulnerability to slavery, and evaluating how effectively governments are responding through laws, policies, and enforcement, with the goal of informing policy, supporting advocacy, and raising global awareness about hidden forms of exploitation.

There are three categories, low, prevalence, and high. Starting with bright color until dark color, bright color means **Low-Risk Area** and dark color means **High Risk Area**. And other color which is in the middle of that's call prevalence.



PT. Artha Cipta Langgeng determines that the country stated as High-Risk Area if its global indicated by the dark color or high category from The State of Peace Bar.

## 2.1 Identifying Conflict-Affected and High-Risk areas for EU importers of minerals

The European Union (EU) is committed to ensuring that its imports of minerals and metals are sourced responsibly and align with European policies on conflict prevention and development. In light of this commitment, the indicative list of CAHRAs provided by the European Commission pursuant to Article 14.2 of the European Union Regulation 2017/821 requires EU importers of tin, tantalum, tungsten, and gold (and the minerals containing them) to carry out supply chain due diligence based on the five-step approach established by the OECD. The list of EU CAHRAs as of 2025 are Afghanistan, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Colombia, Democratic Republic of the Congo, Egypt, Eritrea, Ethiopia, India, Libya, Mali,

Mozambique, Myanmar, Niger, Nigeria, Pakistan, Philippines, Somalia, South Sudan, Sudan, Turkey, Ukraine, Venezuela, Yemen, Zimbabwe.

(source: <https://www.cahraslist.net/cahras>)

PT. Artha Cipta Langgeng determines the country mentioned on the list of The European Union (EU) will be automatically stated as **CAHRAs**.

## **2.2 Section 1502 of The U.S. Dodd-Frank Act**

United States Dodd Frank Act section 1502 requires listed companies to disclose whether they use “conflict minerals” (tin, tungsten, tantalum and gold) and whether those minerals originated in the Democratic Republic of the Congo (DRC) or its nine adjoining countries as outlined in Section 1502 of the Dodd Frank Act, namely Angola, Burundi, Central African Republic, Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia. We determine if any sourced from the Democratic Republic of the Congo and or its nine adjoining countries as outlined in Section 1502 of the Dodd Frank Act automatically as **CAHRAs**.

## **2.3 Conclusion**

We conclude if 2 out of 3 criteria was found to be “High Risk Area”, then the area will be considered as CAHRAs and will not source any materials from that CAHRAs. The areas listed in European Commission pursuant to Article 14.2 of the European Union Regulation 2017/821 and Section 1502 of the Dodd Frank Act will automatically state them as CAHRAs and will not source any materials from that CAHRAs. The following procedure is used to review the new supply chain if the current supply chain is no longer sufficient.

## **3. Determination of the Scope of the Risk Assessment**

We review the information noted in steps 1 and 2 above on the category and source of material to identify CAHRA and will note any red flags, inconsistencies, or discrepancies related to the counterparty or material, especially with respect to primary raw material sources. The proper corrective actions will be taken in accordance with the standard and the guidelines.

**a. Grievances**

We had an opened door policy for any instead party to report concerns regarding circumstances as they related to the supply chain. The concern can be sent to the Managing Director of the Company (Mr. Isa M. Suhardiman) to file. The concern received will be documented and investigated and if applicable, corrective actions will be implemented in accordance with the RMI-RMAP standard.

**b. Reviewer for Discrepancies**

- Shall determine whether there are any inconsistencies or discrepancies related to the material and KYC, origin and/or transportation documentation submitted by the supplier
- Shall validate links between documents
- Shall inspect all material received for conformity with information available on the type of material, weight and quality of the material.
- Shall implement a procedure to investigate and address any discrepancies, inconsistencies or other issues identified during the review of material and documentation received.

**c. Determine plausibility**

We assess the plausibility of material coming from the declared sources to confirm that it matches the expectations set at the time of purchase.

**If necessary**

- Efforts will be made to understand production and sources for all primary material.
- Consider the type, volume and tin content of material received to assure compliance with the definitions of the standard.

**d. Assess Red Flags**

Although we only sources from own mines located in Bangka-Belitung province, we will still assess the occurrence of OECD red flags related to primary material origin, transit and suppliers.

OECD red flags are defined by the OECD Guidance Supplement on Tin as:

- The minerals originate from or have been transported via CAHRA.
- The minerals are claimed to originate from a country that has limited know reserves, likely resources, or expected production levels of the mineral in

question (i.e. the declared volumes of mineral from that country are out of keeping with its know reserves or expected production levels).

- The minerals are claimed to originate from a country where materials from CAHRAs areas are know to transit, legally or illegally.
- The company’s suppliers or other know upstream companies have shareholder or other interests in companies that supply minerals from or operate oi one of the above mentioned red flag locations of mineral origin and transit.
- The company’s suppliers and/or other upstream companies are known to have sourced minerals from red flag location of mineral origin and transit in the last 12 months. (if using an upstream assurance mechanism, they may have this information).

We shall also take into account any other red flag(s) based on industry knowledge or external resources related to CAHRAs and any publicly available information.

**e. Determine Sourcing Risk Level**

We will determine the sourcing risk level for each transaction of primary material in accordance with table 5 of the RMI-RMAP Protocol.

**Primary Material Risk Level**

Type of Material	Sourcing Risk Level	Definition
Primary Material	Low-Risk	For low-risk supply chains, all of the following criteria apply: 1. Supply chains where tin or tantalum material is not mined or transported through a CAHRA; AND 2. Material originates in a country with know active ore production for tin and/or tantalum; AND 3. There are no red flags identified

Type of Material	Sourcing Risk Level	Definition
Primary Material	High-Risk	For high-risk chains, all of the following criteria apply: 1. Supply chains where tin or tantalum material is mined or transported through a CAHRA; and/or tantalum; and/or there are discrepancies, inconsistencies or other issues identified during the review of material and documentation that have not been addressed; 2. There is one or more red flag identified.

#### 4. Identification of Supply-Chain Risk(s)

Any High-Risk sources as identified in table 5 of the protocol will require completion of the audit High-Risk Sources workbook prior to the audit program. In accordance with the RMI-RMAP protocol. Given the supply chain. We currently use the Low-Risk workbook.

#### 5. Assessment of Supply-Chain Risk(s)

We will assess presences and severity of risks in the supply chain by comparing the tactual circumstances against the risks included in the OECD Guidance Annex II Model Supply Chain Policy.

##### a. Supplier Engagement

We required its primary material counterparties to engage in the basic KYC screening process. Supply Chain promotes the basis KYC with all its counterparties.

This Policy and Procedure has been effective since 08<sup>th</sup> January 2026 and will be reviewed annually.

Sungailiat, 08<sup>th</sup> January 2026

**PT Artha Cipta Langgeng**

**Management**