

Due Diligence Report 2021

负责任矿产尽职调查报告2021

1. Company Information

公司信息

- a. Company name : Guangdong Xianglu Tungsten Co., Ltd.
 - b. CID number : CID000218
 - c. Company location : Guantang Ind. Zone Chaozhou Guangdong China
 - d. 3TG material processed : Tungsten
- 1) 公司名称 : 广东翔鹭钨业股份有限公司
 - 2) CID 号 : CID000218
 - 3) 公司地址: 广东省潮州市湘桥区官塘工业区
 - 4) 3TG 加工材料 : 钨

2. RMAP Assessment Summary

- a. Date of last RMAP assessment per facility : 28-29 October 2020
 - b. Assessment period : From September 1, 2017 to August 31, 2020.
 - c. Assessment firm: UL
 - d. Due Diligence Report period: From January 1, 2021 to December 31, 2021
- 1) 最后一次审计时间 : 2020年10月28-29日
 - 2) 审计周期: 2017年9月1日到2020年8月31日
 - 3) 审计公司: UL
 - 4) 尽职调查报告周期 : 2021年1月1日到2021年12月31日

3. Company Supply Chain Policy

公司供应链政策 (所有来源)

To avoid the use of conflict minerals, which directly or indirectly finance or benefit armed groups and/or involve other serious human right abuses in high-risk and conflict-affected regions, Our company has developed a supply chain policy. The supply chain policy is fully aligned with the third edition of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance). It covers all of the risks identified in Annex II of the OECD Guidance and its geographic scope is global. Our company is committed to addressing any Annex II risks if identified. The policy was reviewed and approved by senior management, which committed to support its implementation. The policy has been widely disseminated to relevant stakeholders (suppliers, customers, employees etc.) and is available on Our company website at

<http://www.xl-tungsten.com/?p=28&a=view&r=49>

为避免使用直接或间接为武装团体提供资金或使他们得益的冲突矿物及/或涉及在高风险和受冲突影响地区进行其他严重侵犯人权行为的冲突矿物, 公司制定了供应链政策。本供应链政策完全符合第三版经合组织关于来自受冲突影响和高风险区域的矿石的负责任供应链尽职调查指南(经合组织指南)。它涵盖了经合组织指南附录二中确定的所有风险, 适用全球范围。公司承诺一经发现任何附录二风险, 将立即处理。本政策经高级管理层审查和批准, 管理层致力于支持本政策的实施。本政策已向相关利益相关者(供应商、客户、员工等)广泛传播, 可于公司网站

<http://www.xl-tungsten.com/?p=28&a=view&r=49> 查阅

4. Company Management Systems

公司管理体系

Management Structure

- a. Our company follows through on its commitments in the supply chain policy and has developed an internal procedure for due diligence with the following aspects:
- b. Our company's deputy general manager is responsible to oversee the due diligence program and risk management design and implementation.
- c. Our company has assigned a due diligence program manager to coordinate the work of the relevant departments (including the Purchasing Department, Financial Department, Production Department and Warehouse Management Department) to ensure each department follows up on their roles and responsibilities to implement the due diligence program and report any red flags and potential risks identified.
- d. Our company conducts due diligence management system training once a year for key staff from all relevant departments required in due diligence program. If there is an update of the program, the company conducts additional training as necessary.

管理结构

- 1) 公司恪守在供应链政策方面的承诺，并制定了以下方面的尽职调查内部流程：
- 2) 公司副总经理负责监督尽职调查计划和风险管理的设计和实施。
- 3) 公司已任命尽职调查计划经理协调相关部门（包括采购部、财务部、生产部和仓库管理部）的工作，确保各部门恪尽职守，执行尽职调查计划并报告所发现的任何示警信号和潜在风险。
- 4) 公司按照尽职调查计划的要求每年对所有相关部门的主要人员开展一次尽职调查管理体系培训。如计划有更新，公司会根据需要开展额外培训。

Internal Systems of Control

- a. Our company has established/updated its due diligence management system to be aligned with the OECD Guidance and RMAP.
- b. Our company communicated the updated supply chain policy and sourcing requirements to all identified upstream suppliers.
- c. Our company has incorporated due diligence requirements into legally binding agreements with direct suppliers.
- d. Our company collect information on grievance from interested parties through our website contact us <http://www.xl-tungsten.com/index.php?p=14> .

内部控制系统

- 1) 公司已设立/更新其尽职调查管理系统，使其与经合组织指南及 RMAP 保持一致。
- 2) 公司已向所有已确定上游供应商传达了最新的供应链政策和采购要求。
- 3) 公司已将尽职调查要求纳入与直接供应商达成的具有法律约束力的协议中。
- 4) 通过我司网站-联系我们 <http://www.xl-tungsten.com/index.php?p=14> 收集相关的申诉信息。

Record Keeping System

Our company requires that all records relating to the due diligence program are maintained at least for five years and that they be properly used and safely stored in our online company database.

记录保留系统

公司要求与尽职调查计划相关的所有记录至少保存五年，要求正确使用并安全存储在我們的在线公司数据库中

5. Risk Identification

Our company has a robust process to identify risks in the supply chain.

Firstly, referring to the risks in the company's supply chain policy, our company established a procedure to identify CAHRAs. The procedure includes the resources used, the criteria to define a "conflict-affected and high-risk" area as well as the frequency with which our determination is reviewed. The company uses the following resources to determine CAHRAs:

The Heidelberg Conflict Barometer provides conflict maps, representing an annual snapshot of the presence of armed conflict.

Secondly, our company designed a Know Your Supplier (KYS) to include information concerning supplier legal status and identity, supplier mapping and potential risks. Whenever inconsistencies, errors or incomplete information were identified in the KYS form, our company communicated the improvement areas to suppliers and requested an updated form. If red flags were identified, our company would further engage with its suppliers to clarify and improve the documents as needed. During this reporting period, no red flags were identified related to submitted KYS forms.

Thirdly, our company requested origin information and ensured that it was able to understand the transaction origin, as well as direct suppliers' names and locations.

Fourthly, all information collected was reviewed by our company against CAHRAs, local laws and internal sourcing requirements.

风险识别

公司设有一套健全的流程来识别供应链中的风险。

首先，参考公司供应链政策中的风险，公司制定了识别 CAHRA 的程序。程序包括使用的资源、确定“受冲突影响和高风险”地区的标准以及我们检讨决定的频率。公司使用以下资源来确定 CAHRA：

海德堡冲突晴雨表提供了冲突地图，是武装冲突存在地区的年度快照。参考其供应链政策和外部资源，公司已制定确定 CAHRA 的标准和基准指标。

其次，公司设计了一套了解供应商（KYS）流程，纳入关于供应商法律地位和身份信息、供应商分析和潜在风险。我们的大部分供应商（占我们全年销量的 80%）已完成并交回 KYS 表格。公司的尽职调查计划经理与采购团队一起审查了获提供的信息和联合国制裁名单。只要在 KYS 表格中发现不一致、错误或不完整信息，公司将告诉供应商需改进之处并索要更新后的表格。一旦发现示警信号，公司将与供应商进一步合作，在需要时明确和改进文件。在本报告期间，没有发现与所提交的 KYS 表格相关的示警信号。第三，公司要求提供每起重大交易的原产地信息，并确保能够了解交易来源、运输路线以及直接供应商的名称和地点。

第四，公司对照 CAHRA、制裁清单、当地法律和内部采购要求审查所收集的所有信息。

本报告所涉及的交易记录都属于低风险采购！