

Supplier Code of Conduct

For Upstream Minerals Operators

2nd May 2022

Supplier Code of Conduct For MINEXX And Local Minerals Exporters							
Rev No:	1.0	Rev Date:	2 nd May 2022	Approved by	Marcus Scaramanga	Date:	2 nd May 2022

Minexx Code of Conduct

Dear suppliers, customers, colleagues, investors, governments, and civil society communities.

Minexx has a mission to secure the mineral supply chain from earth to tech, with traceability, transparency, and trust.

It is our ambition to ensure all minerals are extracted in a fair way for people and planet.

Our technology, operations and activities are guided by the responsible practices stated in a Code of Conduct. At its core this standard is aligned with OECD's responsible supply chain policy, we also detail further aspirational practices in line with our ambition.

In the following document you will find:

- [Minexx Supply Chain Policy](#)
- [Minexx Supply Chain Procedures](#)
- [Minexx Aspirational Supplier Practices](#)

At Minexx, we operate within an ethical and responsible framework so that our company continues to be successful and profitable, enjoying the trust of investors, suppliers, customers, governments, and civil society communities.

It is the responsibility of each Minexx colleague, supplier or customer to follow this code of conduct to ensure we are working in an ethical, socially responsible and environmentally sound manner.

The Code is intended to help you make informed decisions if you face with an ethical dilemma, and to give you the means and courage to speak out if you feel that others are not acting according to the same standards.

Yours sincerely,

Marcus Scaramanga
CEO & Co-founder

Minexx Supply Chain Policy

Recognizing that risks of significant adverse impacts which may be associated with extracting, trading, handling and exporting minerals from conflict-affected and high-risk areas, and recognizing that we have the responsibility to respect human rights and not contribute to conflict, we commit to adopt, widely disseminate and incorporate in contracts and/or agreements with suppliers the following policy on responsible sourcing of minerals from conflict-affected and high-risk areas, as representing a common reference for conflict-sensitive sourcing practices and suppliers' risk awareness from the point of extraction until end user. We commit to refraining from any action which contributes to the financing of conflict and we commit to comply with relevant United Nations sanctions resolutions or, where applicable, domestic laws implementing such resolutions.

Regarding serious abuses associated with the extraction, transport or trade of minerals:

- 1) While sourcing from, or operating in, conflict-affected and high-risk areas, we will neither tolerate nor by any means profit from, contribute to, assist with or facilitate the commission by any party of:
 - a) any forms of torture, cruel, inhuman and degrading treatment;
 - b) any forms of forced or compulsory labour, which means work or service which is exacted from any person under the menace of penalty and for which said person has not offered himself voluntarily;
 - c) the worst forms of child labour;
 - d) other gross human rights violations and abuses such as widespread sexual violence;
 - e) war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.

Regarding risk management of serious abuses:

- 2) We will immediately suspend or discontinue engagement with upstream suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party committing serious abuses as defined in paragraph 1.

Regarding direct or indirect support to non-state armed groups:

- 3) We will not tolerate any direct or indirect support to non-state armed groups through the extraction, transport, trade, handling or export of minerals. "Direct or indirect support" to non-state armed groups through the extraction, transport, trade, handling or export of minerals includes, but is not limited to, procuring minerals from, making payments to or otherwise providing logistical assistance or equipment to, non-state armed groups or their affiliates who:
 - a) illegally control mine sites or otherwise control transportation routes, points where minerals are traded and upstream actors in the supply chain and/or
 - b) illegally tax or extort money or minerals at points of access to mine sites, along transportation routes or at points where minerals are traded; and/or
 - c) illegally tax or extort intermediaries, export companies or international traders.

Regarding risk management of direct or indirect support to non-state armed groups:

- 4) We will immediately suspend or discontinue engagement with upstream suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party providing direct or indirect support to non-state armed groups as defined in paragraph 3.

Regarding public or private security forces:

- 5) We agree to eliminate, in accordance with paragraph 10, direct or indirect support to public or private security forces who illegally control mine sites, transportation routes and upstream actors in the supply chain; illegally tax or extort money or minerals at point of access to mine sites, along transportation routes or at points where minerals are traded; or illegally tax or extort intermediaries, export companies or international traders.
- 6) We recognise that the role of public or private security forces at the mine sites and/or surrounding areas and/or along transportation routes should be solely to maintain the rule of law, including safeguarding human rights, providing security to mine workers, equipment and facilities, and protecting the mine site or transportation routes from interference with legitimate extraction and trade.
- 7) Where we or any company in our supply chain contract public or private security forces, we commit to or we will require that such security forces will be engaged in accordance with the Voluntary Principles on Security and Human Rights. In particular, we will support or take steps, to adopt screening policies to ensure that individuals or units of security forces that are known to have been responsible for gross human rights abuses will not be hired.
- 8) We will support efforts, or take steps, to engage with central or local authorities, international organisations and civil society organisations to contribute to workable solutions on how transparency, proportionality and accountability in payments made to public security forces for the provision of security could be improved.
- 9) We will support efforts, or take steps, to engage with local authorities, international organisations and civil society organisations to avoid or minimise the exposure of vulnerable groups, in particular, artisanal miners where minerals in the supply chain are extracted through artisanal or small-scale mining, to adverse impacts associated with the presence of security forces, public or private, on mine sites.

Regarding risk management of public or private security forces:

- 10) In accordance with the specific position of the company in the supply chain, we will immediately devise, adopt and implement a risk management plan with upstream suppliers and other stakeholders to prevent or mitigate the risk of direct or indirect support to public or private security forces, as identified in paragraph 5, where we identify that such a reasonable risk exists. In such cases, we will suspend or discontinue engagement with upstream suppliers after failed attempts at mitigation within six months from the adoption of the risk management plan. Where we identify a reasonable risk of activities inconsistent with paragraphs 8 and 9, we will respond in the same vein.

Regarding bribery and fraudulent misrepresentation of the origin of minerals:

- 11) We will not offer, promise, give or demand any bribes, and will resist the solicitation of bribes to conceal or disguise the origin of minerals, to misrepresent taxes, fees and royalties paid to governments for the purposes of mineral extraction, trade, handling, transport and export.

Regarding money laundering:

- 12) We will support efforts, or take steps, to contribute to the effective elimination of money laundering where we identify a reasonable risk of money-laundering resulting from, or connected to, the extraction, trade, handling, transport or export of minerals derived from the illegal taxation or extortion of minerals at points of access to mine sites, along transportation routes or at points where minerals are traded by upstream suppliers.

Regarding the payment of taxes, fees and royalties due to governments:

- 13) We will ensure that all taxes, fees, and royalties related to mineral extraction, trade and export from conflict-affected and high-risk areas are paid to governments and, in accordance with the company's position in the supply chain, we commit to disclose such payments in accordance with the principles set forth under the Extractive Industry Transparency Initiative (EITI).

Regarding risk management of bribery and fraudulent misrepresentation of the origin of minerals, money-laundering and payment of taxes, fees and royalties to governments:

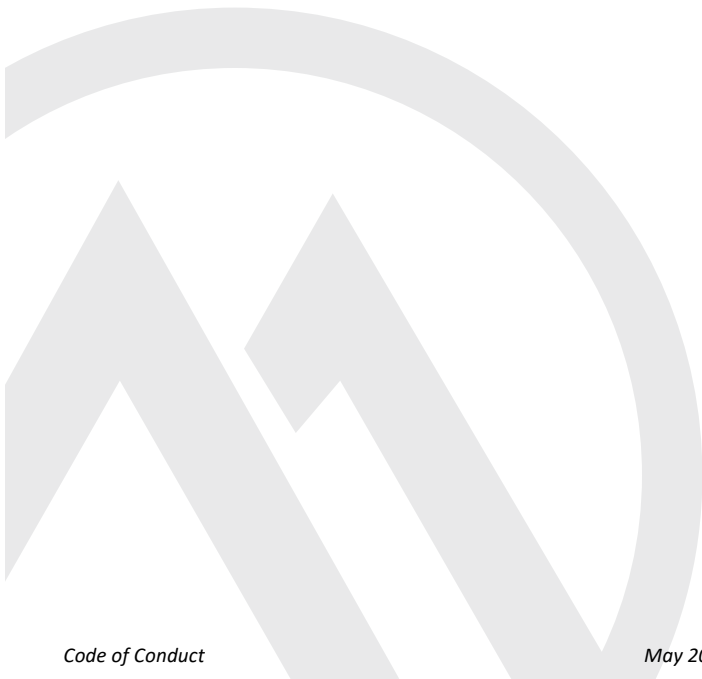
- 14) In accordance with the specific position of the company in the supply chain, we commit to engage with suppliers, central or local governmental authorities, international organisations, civil society and affected third parties, as appropriate, to improve and track performance with a view to preventing or mitigating risks of adverse impacts through measurable steps taken in reasonable timescales. We will suspend or discontinue engagement with upstream suppliers after failed attempts at mitigation.

Minexx Supply Chain Procedures

Due diligence Component	Requirements
Management Structure	<p>Responsibility for implementing procedures lies with:</p> <p><i>Operations supervisors</i> in each market with field assessors</p> <p><i>Business Development</i> person responsible if no Operations Supervisors.</p> <p><i>Responsible Sourcing Manager</i> responsible for reviewing due diligence and designing procedures.</p> <p>Each supplier shall appoint a due diligence officer at managerial level, who will be acting as one of the focal points to Minexx</p>
Export, Government Fees & Taxes	<p>Official government export documentation is required.</p> <p>Minexx or Supplier must not purchase minerals that have been transported illegally across borders.</p> <p>Minexx and Supplier will not offer, promise, give or demand any bribes</p> <p>Minexx will not disguise the origin of minerals and must not misrepresent discrepancies in declarations.</p>
Chain of Custody	<p>Identify the material flow in country of origin</p> <ul style="list-style-type: none"> When, where and by who minerals are produced When and how minerals are transported, processed/blended? When minerals change ownership and exported <p>Self-reported tracking of mineral by the Suppliers who must provide:</p> <ul style="list-style-type: none"> Date of purchase Type and nature of mineral Weight of mineral Reference/lot number (tag from the supplier) Negotiant/broker bought from (Name with ID – if available) Mine site bought from Location of mine site Transport route/itinerary Names and position of responsible person(s) Names of responsible person(s) from government entities (if any) in country of origin <p>It is the responsibility of the Supplier to provide this information and permit Minexx in country staff to get the data from and the facilitate data entry.</p> <p>Minexx review this data to check reasonable assumptions on origin.</p>

	<p>Information should be logged directly MineSmart platform or if not possible on excel.</p> <p>It is the responsibility of the supplier to maintain all traceability records up to 5 years</p>
Due Diligence	<p>Minexx conduct due diligence of sites sourced by suppliers including site assessments.</p> <p>Minexx and suppliers will not source from sites:</p> <ul style="list-style-type: none"> ▪ In red zones, as determined by national government. ▪ In national parks ▪ With evidence or torture, cruel, inhuman and degrading treatment; ▪ With any form of forced or compulsory labour ▪ With children engaged in dangerous activities likely to harm health ▪ Widespread sexual violence; ▪ War crimes or funding conflict ▪ Support illegal occupation by private or public security forces <p>Minexx will disengage with sites involved in any of the above activities.</p> <p>For any identified risk (other than red flag zones), Mitigation Action Process will be initiated to insure appropriate corrective actions are discussed by key supply chain actors and the timely implementation progress is tracked and clearly communicated across the supply chain.</p> <p>Minexx will use the CRAFT template to conduct assessment of mine sites twice per year.</p> <p>Minexx staff and auditors will be allowed to visit and access the suppliers mine(s) and records when needed.</p> <p>Minexx adopt an 'engage to improve' strategy, we should report baseline against improvements.</p>
KYC	<p>Minexx will record all UBO shareholders over 20% ownership and IDs</p> <p>Minexx will record IDs of senior management team</p> <p>Minexx will conduct a name check.</p> <p>Any PEPs in ownership will be investigation to understand role in entity and source of funds contributed.</p>
Grievance Mechanism	<p>Anyone can contact Minexx using hello@minexx.co email address. During site assessments community are spoken to as per procedure above.</p> <p>Minexx encourages suppliers to develop and disseminate own grievance mechanism as tool to report, communicate and address issues between concession owners and mine communities</p>
Report Annually	Minexx's annual report will be created by the Responsible Sourcing Manager.
Data Sharing	<p>Data belong to Minexx Suppliers.</p> <p>Minexx supplier data will be accessed by Minexx internal staff, including local and international staff. Minexx staff are permitted to add data to the platform. All Minexx</p>

	<p>staff are bound by confidentiality agreements and are not permitted to share data externally to Minexx without permission.</p> <p>With consent from suppliers, Minexx will share information with buyers, regulators, banks and partner governments where required to do so to maintain alignment with OECD guidance.</p> <p>Minexx will do this appropriately whilst complying with data holder regulations, protecting sensitive information (e.g.: prices) sources and following normal business expectations to avoid influencing competition.</p>
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Minexx Aspirational Supplier Practices

Minexx's minimum requirement for engagement with a mine site are detailed in Minexx Procedures.. Minexx realizes that mine sites are at various level of conformance to many of our requirement. It may not be possible to initially implement all elements immediately. Minexx expects that over time and through continuous improvement programs mine sites will fully become aligned with these requirements. An initial site assessment will be conducted and action plan put in place to over time bring the mine site in conformance with these requirements. If any items contradict national law, national law will take precedence.

Occupational Health and Safety

Minexx will work, through the risk assessments and with expertise to look to achieve the following for supply sites:

Underground mining safety (where relevant)

- Pits and tunnels should be well-marked and, where applicable, mine shafts should be timbered.
- The Supplier should maintain a maximum depth for pits or tunnels, as directed by national law.
- Tunnels should be well-ventilated.
- Workers should not be underground for more than two hours at a time.

Surface mining safety

- The Supplier should require terracing and ensure that the incline of the terraces is no more than 45°.
- Piles of overburden should also be shaped to a safe angle of 30-45°.
- Any wall, slope or bench should be inspected regularly for instability, weakness or cracks. If weaknesses are discovered, then work should be ceased in that area until it is repaired.

Safe-work practices

- All Workers should be suitably qualified and skilled for their respective position.
- All workers should wear high quality PPE
- Workers should be allowed regular rest and meal breaks.
- Potable drinking water should be available on site.
- Alcohol and narcotics should not be permitted at the Mine Site.
- First aid training should be provided to one individual for every 10 Workers.
- The Supplier should appoint a safety point of contact at the Mine Site (it could be the Supplier, a gang leader or the Mine Manager) who supervises daily operations and rectifies any hazards or dangerous behaviour immediately.

Worker Welfare Practices

- Supplier should construct a clean and shaded structure for Workers to eat and take rest.
- Supplier should appoint a trusted point of contact to be onsite at all times, such as a Mine Manager or other leader, with whom Workers can raise any concerns about health and safety.

- Supplier should make a first aid kit available onsite. There should be a trusted point of contact onsite at all times, such as a Mine Manager or gang leader, with whom he/she can raise any concerns around health and safety.
- Supplier should develop a record-keeping system for health and safety incidents and subsequent preventative/remedy measures taken.
- Supplier should develop and implement a health and safety management plan for the Mine Site. This plan should account for gender differentiated health impacts of Artisanal and Small-Scale Mining work.
- Workers should have free use of appropriate equipment (e.g. hard hats, safety glasses, dust masks and head lamps (for underground mining), rain gear, sun protective clothing, ear plugs/muffs, as needed and appropriate).
- Supplier should build gender-segregated latrines.
- Supplier should construct adequate drainage mechanisms, such as water collection pits and channels.

Education and enforcement of safety standards

- The Supplier should develop procedures on the above and make all new and existing Workers aware of said procedure.
- The Supplier should conduct regular safety checks of equipment.
- All Workers should be instructed in safe use of equipment.

Environmental Impact

Minexx will endeavor to work with suppliers to improve their environmental management and co-create an environmental impact assessment.

Minexx expect the Supplier to look to:

- Develop appropriate environmental procedures, starting with managing and/or mitigating the most serious potential environmental impacts of the mining operation and monitoring their consistent implementation;
- Manage waste, emissions, dust and the use of potentially harmful substances so as to prevent pollution (e.g. fuel should not be dumped into nearby waterbodies);
- Regularly monitor the Mine Site's environmental performance using a government or Minexx template (as relevant); and
- Not carry out any mining activities in legally Protected Areas or World Heritage Sites.
- Minexx can assist by financing solar power plants
- Back-filling open pits: Encourage the preservation of overburden, which can later be used for back-filling. Employ backfilling techniques when a pit is depleted. Carry out an education campaign with miners in the area to demonstrate that the pit is indeed depleted.
- Waste rock/ tailings disposal: Marine or lake tailings or waste rock disposal is not permitted. Take tangible steps to reduce wastewater and tailings contamination.
- Dredging (if applicable): If the Supplier's operations involve dredging a riverbed or streambed, a site-specific environmental monitoring plan should be developed.
- Water: Take a proactive approach to water management, particularly if there is water scarcity. Where possible, pit water should be used for washing ore.

- Machinery maintenance: Machinery used in the extraction and processing of Diamonds should be in good condition and free of leakages so as to avoid diesel and other fuels contaminating the soil or waterbodies.
- Pollution prevention: Measures should be taken to prevent pollution from fuels and oils from machinery and where this occurs, to dispose of the waste correctly.
- Waste management: Establish a centralised area for waste. Waste should be disposed of responsibly and, where possible, recycled. Burning of rubbish should be avoided, where possible. If burning of waste must occur, it should take place in a contained and managed area.

Mercury use

The Supplier and mine sites should not use mercury where possible. Mercury should be replaced with less toxic alternatives. Minexx will assist in the financing of mercury free processing equipment and training.

Community Impact

Minexx and supply partners should ensure supply sites have a positive impact on their local communities.

- The Supplier should be aware of the different stakeholders from whom consent should be sought.
- The Supplier should carry out early and ongoing engagement with the neighbouring community and community leadership to his/her mining operation, including during the pre-licensing phase.
- A written agreement between the Supplier and the affected community's leadership should be in place and updated annually.
- The Supplier should maintain ongoing and transparency communications with affected communities and stakeholders, particularly with respect to major decisions relating to mining operation that may impact the community.
- If a community is directly impacted by a mining operation (e.g. the mining takes place in the village), express written permission should be given by the village's leadership and renewed once a year, at minimum.

Use of public or private security forces

Where Suppliers interact with public or private security forces, or sites that use them. It will look to ensure:

- Where a Supplier has hired a public or private security force, he/she should exercise his/her best endeavours to reduce and avoid any tensions between Workers and the surrounding community and public and private security forces. Where these tensions are difficult to maintain, the Supplier should seek the advice of law enforcement.
- Where a Supplier contracts public and/or private security forces, there should be a clear Work Agreement in place. Any payments made to public and/or private security forces should be transparent and disclosed to Minexx upon request.
- The security forces contracted by the Supplier should have received training on the Voluntary Principles on Security and Human Rights.

Child Labor

Suppliers much look to eliminate the use of child labour by looking at:

1. Expert advice about the options available to children in the local context;
2. The best interests of the children affected; and
3. Encourage the supply Supplier or local organisations to provide economic and/or logistical support to allow children to attend and remain in school or training for as long as they are 'children' under the International Labour Organization's definition of 'child labour' and per national law.
4. Encourage community to ensure that the time that children spend at work (non-mining related) when added to the time that children spend at school and in travelling there and back should not total more than 10 hours a day, to help prevent the child from transitioning into "similar or worse forms of child labour". Suppliers are encouraged the setup of creche or childcare on site to enable women to participate in work without the children.

The requirements should be clearly communicated to Workers, parents in the mining area, local authorities and teachers.

Gender Equality

- Supplier should take steps to ensure that female Miners have equal access to resources and roles as men.
- Supplier should carry out an extended sensitisation campaign with Workers on gender equity at the Mine Site. This shall extend to information dissemination on basic financial literacy, environmental health and nutrition, sexual and reproductive health and rights, not only for women but for men as well.
- Supplier rent or purchase time-saving equipment, s/he is required to provide compensation or reassignment to any resulting displaced ancillary Workers, including women.

LSM and ASM Coexistence

Minexx will look to assist in the coexistence of LSM and ASM:

- Where the Supplier's operations are adjacent to an LSM operation, the Supplier should maintain cordial relations with the Company and instruct Workers to do the same.
- Where the Supplier should make Workers aware of any adjacent LSM concession and its boundaries.
- Supplier and relevant Workers (e.g. the Mine Manager and gang leader) should participate in any meetings or consultations requested by either the government or the Company.
- Supplier should develop and disseminate a procedure for Workers on how to raise concerns or grievances regarding the Company. The procedure should be user-friendly and aligned with existing grievance mechanisms.
- Supplier should participate in and provide feedback on any efforts led by the Company to provide training, support or any other form of formalisation or professionalisation of the Supplier's operations.
- Before LSM site closure the, Supplier should collaborate with the Company on a site closure plan.

Agreement to Code of Conduct

I confirm that:

- I have read and understand the principles of the Code of Conduct (the "Code").
- I will comply with the standards contained in the Code.
- I will speak up using the resources listed in the Code if I am unsure of the proper course of action or become aware of any violations of the Minexx Code or related policies.

Date signed:

Supplier Signature:

Names:

Title / Position:

Entity Name:

