



SPECIALTY
METALS
RESOURCES

SPECIALTY METALS RESOURCES GROUP

CODE OF CONDUCT AND BUSINESS ETHICS



Introduction

Specialty Metals Resources Group is an international company actively in the mining, toll converting, trading and marketing of materials and commodities with its supply chain operations globally. The foundation of SMR's business success lies on our values and the commitment of our people in operating the business in a responsible, honest, ethical and compliance manner.

This Code of Conduct and Business Ethics provides the general principles to our employee on their business practice to ensure we are conducting the businesses anywhere are always compliance with the applicable laws and ethically. These are minimum principles apply to each and every employee of the SMR Group. Any non-compliance shall be reported immediately to your Business Manager or Group's Board of Directors for proper action to be taken.

Human Rights

We are committed to support and respect internationally recognized human rights as set out in the Universal Declaration of Human Rights and in a manner consistent with the United Nations (UN) Guiding principles on Business and Human Rights as our fundamental working principles.

Labour Rights

We are also committed to support the International Labor Organization's Declaration on Fundamental principles and Rights at Work. SMR ensure no child labor or any form of forced labor, involuntary prison labor, slavery or trafficking of persons shall be used in our workplace or for the purposes of exploitation. All employees are free to terminate their employment at any time.

We recognize that each and every employee is unique. We highly value on this diversity that contribute to our success and continue business growth in different countries. We take a zero tolerance on any discrimination, harassment or offence based on gender, race, color, religion, age, ethnic or national origin, cultural background, social group, disability, sexual orientation, marital status, pregnancy, political affiliation, union membership or/and family status.

Every employee receives a fair treatment in human resource matter, including recruitment, compensation and benefits, training, performance assessment, discipline, redundancy and dismissal, etc depending on work criteria and performance, and never based on the forms of discrimination stated above.



We ensure to conform with any international, national, regional, local laws, rules, regulations or/and agreements regarding working hours and applicable legal minimum levels of wages.

Health and Safety

Ensure safety of our employee is always on high priority. Everyone must maintain our working environment in a clean, healthy, safe and free of physical violence environment.

We ensure that every employee is trained about identifying potential hazards, avoiding work related injuries and reporting any health and safety issues in the workplace. Where potential hazards cannot be controlled by means of proper design, engineering, preventive maintenance, etc. employees shall use the personal protective equipment which are provided to them. Any known potential hazard (biological, chemical, physical, etc.) shall be checked regularly and necessary actions shall be taken appropriately. We also provide guidelines to employee who are responsible to perform heavy duty tasks.

Emergency plans and response procedures shall be implemented in order to minimize the impact of an emergency event. These procedures shall be executed, practiced or performed on a regular basis according to OHSAS guidelines.

Environmental Protection

We have a high focus on environmental responsibility and adopting good environmental practices for offices, equipment and conserve resources by supporting regulations and practical measures to minimize any negative effects on the environment, community, or/and natural resources of the countries we operate or when we handle the waste.

We ensure to possess any legally necessary documents regarding environmental permits, mining license, exporting license and other certifications.

Business Integrity, Ethics and Conflict of Interest

We are committed to do the business in a responsible, honest, ethical and compliance manner. We are operating our businesses adhere to all applicable laws, regulations, rules and SMR code of conduct including requirements relating to Anti-bribery; Anti-competitive practices; Sanctions and trade controls and Anti-money laundering.

We shall always alert on any conflict of interest exist when performing our duties and dealing with the business counterparties. We shall avoid any potential conflict of interest that may influence your behavior or decision in operating the business. Every and each



employee shall always work in the company's interest and never for personal interest. In case the employee is confronted with a possible conflict of interest or an uncertain situation, the situation shall be reported to your Business Manager immediately.

Anti-Bribery and Anti-Corruption

We are committed to comply with all applicable anti-bribery laws in operating our business. We take a zero tolerance on any bribery behavior in SMR. Every employee shall always maintain the highest form of business integrity and must not offer nor accept any form of bribery or corruption. We must not offer, accept, solicit or provide any financial benefits or other advantages directly or indirectly to the other party for the purpose to exert improper influence on the business decision or improper conduct on the business transactions. Any concerns about the potential bribery shall be reported to your Business Manager immediately.

For more information about the guidelines relating to anti-bribery, please refer to our **Anti-Bribery Policy**.

Antitrust and Fair Competition

We shall not have any arrangements made with competitors or market partners regarding pricing, customers, or/and specific market conditions. We fully support the antitrust laws and all rules of fair competition.

Supplier Code of Conduct

We expect our suppliers also operate their businesses with the highest business integrity, compliance to all applicable laws, regulations, and internationally accepted standards to ensure their business practice are respect and responsible to the ethical business conduct, human and labour rights, safety and environmental protection.

For more information about the expectation on supplier's code of conduct, please refer to our **Supplier Code of Conduct Policy**.

Mineral Sourcing

We assure that any activity whether it being trading, tolling or marketing of conflict minerals is totally conflict free. These conflict minerals are tantalum, tungsten, tin and gold according to the US Security and Exchange Commission (SEC) and Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2020). This includes



the above listed metals that originate from the Democratic Republic Congo and the adjacent countries. A due diligence is performed on the source and supply chain of these minerals.

For more information about the guidelines on sourcing policies, please refer to our **Sourcing Policy** and **Conflict Minerals Policy**.

Quality and Product Safety

We must always use our best effort to promptly fulfill customer needs with good quality goods and services that meet high standards of safety and reliability throughout our supply chains.

Protection of Company Assets

Every employee shall take appropriate measures to protect the company assets which are under his or her custody from thief or lost.

We shall use the company's assets for its intended use and never intentionally brake or destroy any of these assets. The use of company's assets, including financial, monetary, physical, intangible and others, for purposes not directly related to the SMR business is prohibited without permission from the Business Manager.

Protection of Company Information and Intellectual Property

We shall respect all forms of intellectual property rights, including information regarding business activities, trade secrets or practices. All company confidential information including staff personnel records, computer system data, non-public data of company operations, sales and marketing strategies, product information, financial information, customer information, intellectual property, copyright, etc. obtained in the process of employee's work duties or accidentally obtained outside employee's work duties shall not be disclosed to any third party.

All information regarding the company regarding the company's performance shall remain strictly confidential unless otherwise stated or permitted.

Reporting of Concerns and Misconduct

We encourage everyone to raise concerns on any suspected breach of the Code, policies or laws to your Business Manager. We will investigate and impose disciplinary action on



any material violation of this Code. In case the concern remains unresolved by the Business Manager or shall report on an anonymous basis, you may raise your concern to corporate management – Arthur Agneessens or our legal counsel for their assessment. They can be reached at info@smr.hk