

ANNUAL DUE DILIGENCE REPORT
FOLLOWING THE OECD GUIDANCE RECOMMENDATIONS
FOR THE YEAR 2024

I. New Bugarama Mining Company Ltd Conflict Mining Policies

- New Bugarama Mining Company Ltd (hereafter “NBMC”) is a private company incorporated in Rwanda. It has the right to extract and export minerals from its Bugarama Mining Concession, located in Burera District, Kagogo Sector.
- NBMC only extracts minerals from its mining concession using the mining license received from the Rwanda Mining Board (RMB).
- NBMC is concerned and avoids being related to minerals that are extracted from mining operations that fuel military conflicts, related human rights violations, and environmental degradation. This conflict mineral policy aligns with the company code of conduct, and the company’s strong commitment to ethical business principles and promotion of human rights and environmental protection.
- NBMC has never and will not mine or trade any such conflict minerals and has implemented RMB and iTSCi chain of custody system that shows the source of minerals from the minerals site through the exporter and up to the smelter.
- NBMC supports seeking a sustainable solution to the issue of conflict minerals through collaboration and traceability of minerals and transparency of global supply chains in collaboration with the iTSCi, the Rwanda Mining Board, NBMC is committed to the highest standards of ethical conduct and full compliance with all applicable national and international laws, and we make sure that the managers are well- trained and inform our workers and security staff of the level of commitment the Company expects from them on those issues.
- NBMC is committed to being fully compliant with all the relevant United Nations and international sanctions, and domestic laws implementing such resolutions.
- NBMC’s policies follow the OECD guidelines and recommendations.

II. Due diligence plan and Investigation of complaints at NBMC

- The compliance officer will investigate all alleged violations fully in doing so respect the confidentiality and sensitivity of the matter in an as short time as possible to complete a thorough investigation report and send it to the Director of Operations who must report directly to the Managing Director, Chairman, and other board members by email or if urgent by phone or text message.

III. Management Responsibility and Corrective actions at NBMC

- The NBMC compliance officer will recommend corrective action to the Director of Operations and the board of Directors.
- If needed and for urgent matters the compliance officer can inform directly the Resident Director who will inform the Chairman and the other members of the Board.
- NBMC, its compliance officer, its director of operations, and the Board make sure that there is no retaliation for whistle-blowers, and they ensure anonymity and confidentiality of the source of information for its protection.

IV. Resources/Staff to manage due diligence.

- NBMC has trained new staff for the post of risk and compliance officer reporting to the Director of Operations for him to report to the Managing Director, Chairman, and its Board.
- The Director of Operations on the mining site is the one responsible for all activities and all incidents that may happen. He is the one proposing corrective actions or measures to address the incident that may arise in the mining operations, and he is the one reporting any breach of the company's policies by a member of the staff or any stakeholders.

V. NBMC's Due Diligence Management Systems

The NBMC's Due Diligence Management System has been in place for almost two decades and we continue to update and improve its quality and efficiency every year. The system includes the following:

- Education/Training with a checklist to be used for the Due diligence, Risk assessment requirements, and the OECD guidance for all staff members across all NBMC departments from managers to the staff.
- NBMC trained its managers to be in a position to report well to the Board and inform the staff and other employees dedicated to the filing of all documents relating to the chain of custody, or the employees collecting information needed for the NBMC's Due diligence and risk assessment; Experienced NBMC miners (170) have received a certificate for their experience and knowledge from the ministry of public services and labor and another 30 miners have completed their training in 2024.
- Appointment of a responsible officer: The director of Operations is well trained, and he regularly communicates with the Managing Director, Chairman, and other NBMC board members. Furthermore, NBMC is employing a senior officer in charge of CSR (corporate social responsibility) and ESG (environment, social and governance). The company issues a Corporate Sustainability Report annually.
- Creation of a dedicated email address and phone number to be contacted in case a risk is identified and to inform each member of staff of NBMC from the staff to the senior management, Board, and shareholders if needed.
- NBMC's sole shareholder has hired additional resources with experience in mining and metals to strengthen due diligence on a timely basis and check on compliance with OECD guidance regarding conflict-free minerals, ensuring capacity building of the senior managers of NBMC on the requirements, checklist for the due diligence and improve the skills of the compliance officer who can report within promptly any incident and ask advice or recommendations when needed.
- The Director of Operations is connected by Internet/skype and WhatsApp and he exchanges and reports every day with the senior management using the NBMC's iPad and/or by smartphone.

VI. How does NBMC assess risk?

- NBMC is assessing risks in several ways;
- By reading all available reports including the UN, NGO, iTSCi, RMB, and their on-the-ground teams who are present at the mining concession.
- NBMC is closely following up on all iTSCi tools like Incident reports, mine visit recommendations, and Monthly country or region reports which generally include governmental or provincial meetings, production reports by region, and governance assessment reports.

- NBMC has reinforced its health and safety department by hiring a mining engineer in charge of Health, Safety, and Environment (HSE) to ensure overall monitoring of risk assessment in its mine sites and processing plants and our team is working in close collaboration with the local authorities to ensure that the environment is well protected not only in the mining sites but also in the district where we operate.
- Incidents that may occur at our site are recorded by independent monitors (deployed by the senior management and reporting also to the board members) on an ongoing basis to our mine site. The independent monitors have also a duty to recommend solutions.
- Every incident is investigated for root causes. Corrective and preventive action reports are issued and executed. Identified risks are entered into the company's risk register with its risk potential number (RPN). Mitigation factors are applied to bring the RPN down year on year.
- The NBMC sole shareholder is sending trained metals & mining professionals on the ground on due diligence trips following the iTSCi mine visit recommendation thereby asking in-depth questions about the operations of NBMC and drafting reports which are available at NBMC's mining site and the HQ office.
- NBMC is expanding a variety of projects involving the construction of treatment plants washing minerals and also constructed ponds for Mine water recovery and reuse, , to avoid the water flowing from the mine to the community farms and natural waterways as we are working at the Shore of Burera Lake.
- We are also following all email alerts related to East African Regional and especially to Rwanda mining operations, regulations, and information in newspapers and on TV.

VII. How does NBMC share data and information on the supply chain with its customers?

- A full transparency is offered to the shareholder, client, regulator, and stakeholders.
- The inspectors from RMB visited NBMC in 2024, to get on field information on the ways NBMC comply with Environmental Mining law and regulations for its concessions and the surrounding communities and they appreciate the working conditions doing Rehabilitation plans, Mine closure plan and the monitoring of the HS policy, gender policy, etc. They have also appreciated our social responsibility activities and community development plan.
- NBMC can ensure its client & ITSCI that all processes and measures are put in place to guarantee that all minerals striving from NBMC are conflict-free.
- NBMC is also visited by reputed NGOs and senior managers of the Rwanda Mining Board who were offered full transparency and ended up issuing positive reports about NBMC.

VIII. What kind of risks you may face and whether you stop buying for certain reasons to manage the risks?

- NBMC is investing significant time and effort in security and controlling on-site and is working with a well-known security company called "ISCO" which is represented at the site permanently. ISCO is hired to prevent bribes and ensure security on site.
- Established in 1995, ISCO is the leading provider of security services in Rwanda. ISCO provides forward-thinking solutions that have been streamlined and digitized for efficient and timely operational standards.
- ISCO rebranded from Intersec Security company transforming itself from a traditional security company to an innovative service provider allowing NBMC to secure the mining concession from intrusion.

- NBMC has an Anti-Bribery and Corruption policy. Therefore, NBMC ensures that its corporate culture discourages conduct that violates the bribery and corruption laws.
- NBMC will immediately terminate the employment contract of any employee or business partner involved in illegal influence vis à vis any public or private official in the exercise of their official duties. NBMC's bribery and Corruption policy also ensures that NBMC remains conflict-free.

IX. IS NBMC participating in EITI reporting?

- As far as Rwanda is concerned the country is not part of EITI reporting countries.

X. Is NBMC participating in stakeholder discussions either locally (CLS/PPP) or internationally (OECD)?

- NBM representatives have been active stakeholders involved either in local or international level discussions regarding conflict-free minerals.
- At the level of NBMC, the Director of Operations and senior managers have participated in numerous meetings organized by local, national, or international authorities to discuss conflict minerals issues.
- NBMC senior managers, managing director, Chairman, representative of the shareholder, and board members participated in OECD meetings and are recognized as active members promoting OECD guidance regarding conflict-free minerals issues across the international tungsten industry association.
- NBMC ensures that our members are aware and represented in the main discussions, training, and conferences that could improve our awareness, efficiency, and performance in our mining operations and we also ensure that NBMC is represented in meetings related to the following themes:
 - How to improve our working conditions, health and safety
 - How to improve our environment Protection
 - How to improve the education system in the district
 - How to Improve the professional development, and capacity building of our staff
 - How to improve our positive impact on the local community
 - How to improve the level of engagement with the stakeholders and local community

XI. How NBMC monitor the performance of its supplier in terms of due diligence?

- NBMC is a mining house that extracts ore from its mine deposits and therefore has no external suppliers.

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Managing Director
New Bugarama Mining Company Ltd