Background of “Responsible Minerals Sourcing” and Administrative Work for the Survey

June 25, 2026

Japan Electronics and Information Technology Industries Association (JEITA)
Responsible Minerals Trade Working Group

【Notice】

This document was created by the JEITA Responsible Minerals Trade Working Group.
We endeavour to ensure to provide a wide range of information regarding Responsible Minerals Sourcing which is as accurate as possible, but please be aware that it may not always be accurate or the latest information.

Agenda

- Background and history of dealing with “Responsible Minerals Sourcing”
- Laws and regulations affecting “Responsible Minerals Sourcing”
- Changes in dealing with “Responsible Minerals Sourcing”
- Conclusion (Summary)

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Changes in dealing with "Responsible Minerals Sourcing"

Dealing with a wider range of ESG risks (human rights/environmental DD etc.)

Expand scope of Responsible Minerals Sourcing to include ESG

4. Dealing with expanded risk and minerals/related regulations

As of 2025

- Human Rights DD related regulations of EU, US, etc.
- Economic security/import and export regulations of each country/geopolitical risk
- Cobalt, Mica + **Copper, Nickel, Graphite (natural), Lithium (revised EMRT)** + Multi-Minerals
- ESG risk

3. Dealing with new regions, risks and minerals (Responsible Minerals Sourcing)

EU Conflict Minerals Regulation
Established:2017
Application:2021

- Conflict areas and high-risk areas (CAHRAs)
- Annex Ⅱ risks (OECD Guidance)
- Cobalt surveys

2. Conflict Minerals Management

OECD DD Guidance
Issued: 2011

- Define guidelines for mineral sourcing
- Conduct Due Diligence (DD)
- Take DD-based corrective measures

1. Identify and report on smelters

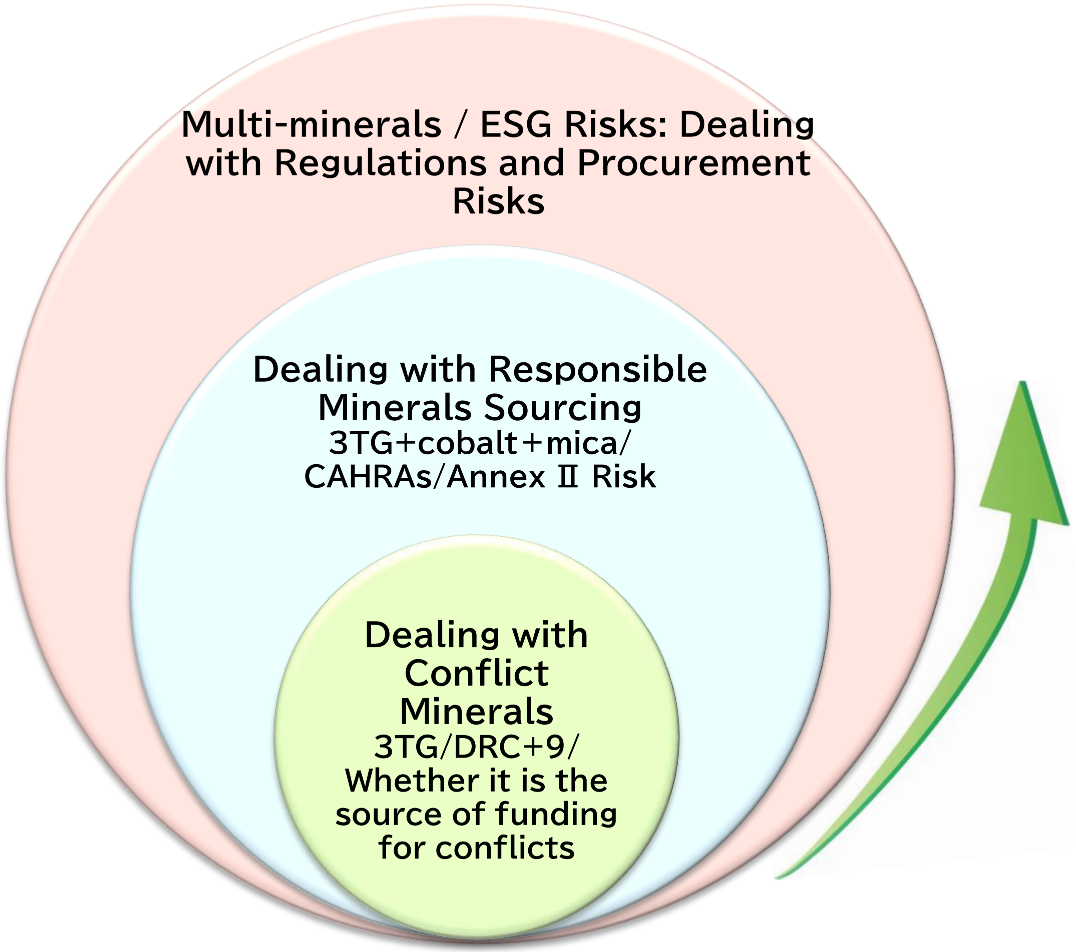
US Dodd-Frank Act
Enactment: 2010

- Verify 3TG contained in products
- Request conflict minerals survey to upstream companies in the supply chain
- Disclose information to downstream companies in the supply chain

Broader and more complex approach is required in dealing with “Responsible Minerals Sourcing”

"Responsible Minerals Sourcing"

"From the perspective of sustainability/ESG, companies must endeavor not to use minerals implicated in human rights violations"



Expanding Scope Covered by RMAP

2022-2026 Current Status (Full-scale Multi-Minerals and ESG Risks)

- All-Mineral Standards ・Addition of ESG/OHS standards ・EU's formal recognition of RMAP as an approved scheme

2018-2021 Scope Expansion (Expansion of Minerals, Risks, and Regions)

- Introduced RRA/CRT ・Addressed cobalt and mica ・Commenced official EMRT operations

2017-2018 Transition and Resolution (From Conflict Minerals to Responsible Minerals Sourcing)

- CFSI to RMI ・CFSP to RMAP ・Expanded the scope to CAHRAs

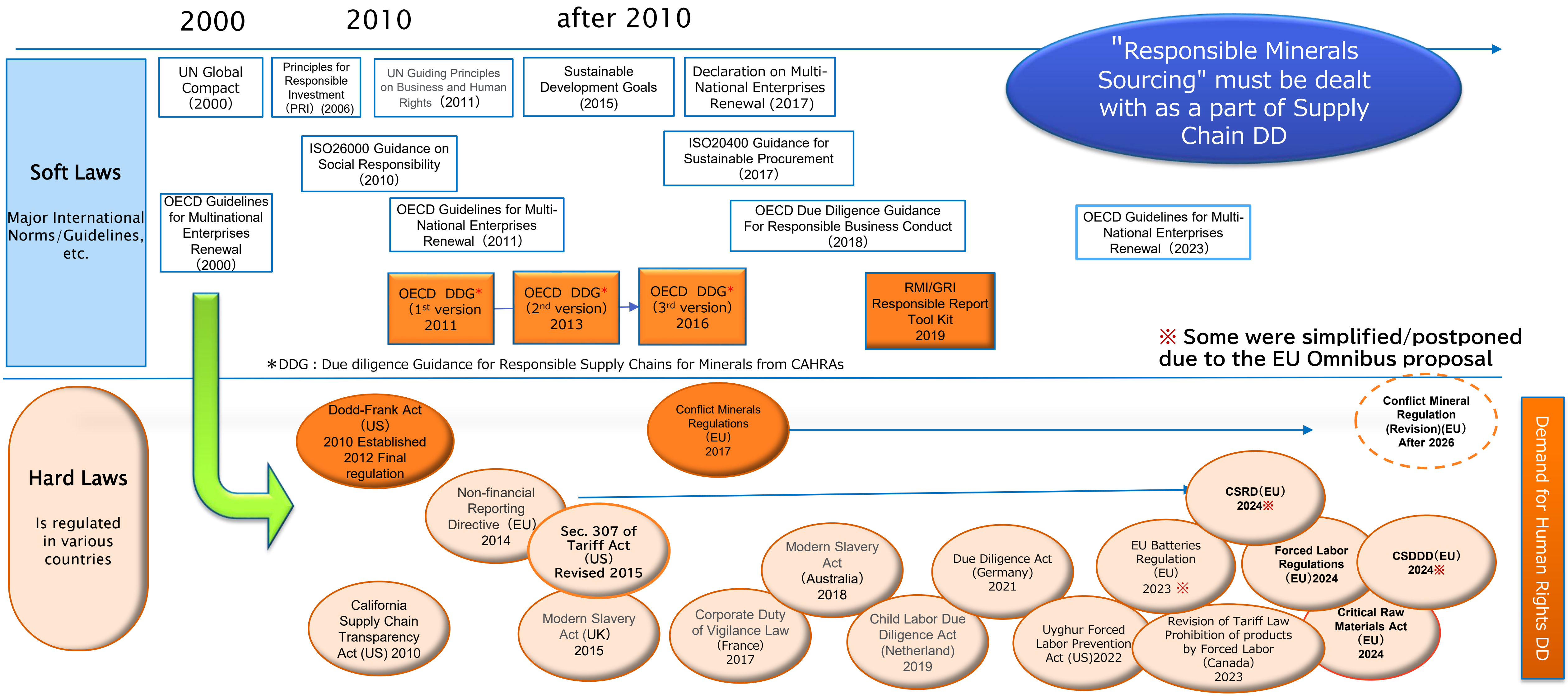
2011-2013 Institutionalization (Start of Conflict Minerals Surveys)

- Established 3TG audit protocols ・Launched CMRT
- Published/operated the Smelter Reference List

Agenda

- Background and history of dealing with "Responsible Minerals Sourcing"
- **Laws and regulations affecting "Responsible Minerals Sourcing"**
- Changes in dealing with "Responsible Minerals Sourcing"
- Conclusion (Summary)

Global trends surrounding “Responsible Minerals Sourcing”



Shift from International Norms/Guidelines (Soft Laws) to Mandatory Requirements (Hard Laws)

US Financial Regulatory Reform Act (Dodd-Frank Act)

- In the Democratic Republic of the Congo (DRC) and nine neighboring countries, the human rights violations and environmental destruction, etc. caused by armed groups funded by illegally mined mineral resources became an international problem.
- In July 2010, Article 1502 was consequently added to the US Financial Regulatory Reform Act (the "Dodd-Frank Act").

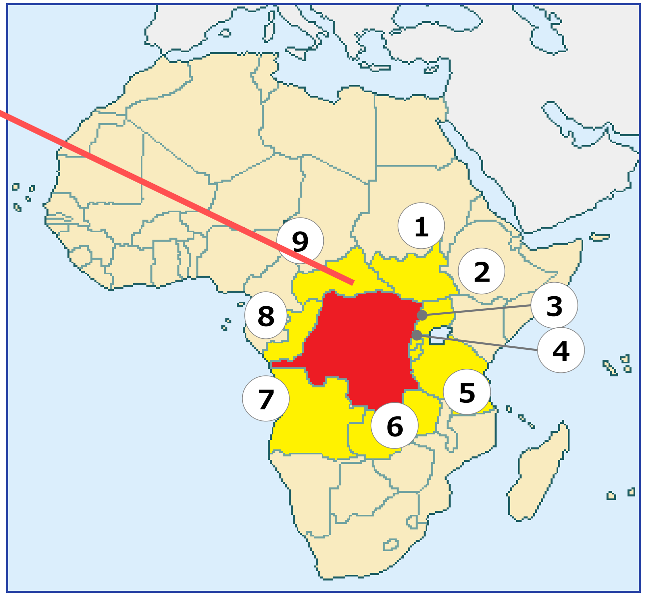
① Tantalum, tin, tungsten, gold (3TGs) was defined as conflict minerals

② US listed companies subject to the Act were required to investigate whether conflict minerals used in its own products manufactured (or commissioned) during Jan.-Dec. every year are providing funding to armed groups in such areas and disclose this by the end of May of each following year.

- The final implementation rules were adopted in August 2012, and conflict minerals surveys began in earnest in 2013.

DRC

① South Sudan
② Uganda
③ Rwanda
④ Burundi
⑤ Tanzania
⑥ Zambia
⑦ Angora
⑧ Congo
⑨ Central Africa



- The Act that led to the start of conflict minerals survey
- Objective: Cutting off funding sources for non-state armed groups in the DRC and neighboring countries
- The reporting obligations imposed on US-listed companies affect the survey frequency (annual) and the revision cycle of templates (around April each year)

US Financial Regulatory Reform Act (Dodd-Frank Act)

■ US Dodd-Frank Act Latest Trends

- On January 15, 2026, a bill (H.R. 7085) to repeal (delete) the Conflict Minerals Provision (Section 1502) was introduced to the House Financial Services Committee, and is currently awaiting deliberation on the House floor (as of May 2026)

→Deliberations in the House have not progressed, and it remains uncertain whether the bill will be put to a vote in the House

- Even if the bill is passed by the House, it must subsequently undergo committee referral, deliberation, and a floor vote in the Senate, followed by procedures such as the signing of a presidential order

→Consequently, there is expected to be no impact on the 2026 survey at least

■ Impact and Response if the Repeal Bill is Enacted

- As legally mandated disclosure obligations will be removed, the obligation to submit Form SD/CMR to the U.S. Securities and Exchange Commission (SEC) will, in principle, cease to exist.

→3TG surveys initiated by U.S.-listed companies may slightly decrease

- However, surveys based on the EU Conflict Minerals Regulation, CSDDD, and product certification standards, as well as mineral due diligence requests from customers and investors, will continue

→Abruptly stopping the collection of supply chain data (3TG origin/smelter information) could result in disadvantages regarding business requirements

EU Conflict Minerals Regulation (EU CMR)

	US Dodd-Frank Act (DFA)	EU Conflict Minerals Regulation
Effective Date	July 2010 Establishment Aug. 2012 SEC finalized rules pursuant to DFA	July 2017 Effective Jan. 2021 Fully applicable（DD obligations)
Target	US listed manufacturers	Importers of minerals to EU (mineral ore/ unprocessed metal) ＊ Excluding parts and product importers
Risks	Based on whether such mineral funds armed groups	Based on OECD Due Diligence Guidance ANNEX II (Human rights violations, including child labor)
Minerals	Tin, tantalum, tungsten, gold	Tin, tantalum, tungsten, gold
Areas	DRC + surrounding 9 countries	Conflict Affected and High Risk Areas (CAHRAs)
To do	1. Survey on 3TG use, country of origin 2. Supply chain DD 3. Submit annual report	1. Supply chain DD 2. Submit annual report 3. Ex post factor review by EU member nations

- Substantially expands covered risks（OECD Annex II risks）and covered areas（CAHRAs）under this regulation
- Mandates not only the ”reporting” obligation required by the DFA, but also ”preventive and corrective actions”
- Compliance with the OECD Due Diligence Guidance has become the practical standard

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EU Conflict Minerals Regulation (EU CMR)

■ Major developments since the previous (2024) regulation review

- ✓ In 2025, the European Commission formally certified RMAP as a recognized scheme (while LBMA is only partially aligned and remains uncertified)

  → Although this is expected to reduce the administrative burden on EU importers, the utilization of a certified scheme does not exempt importers from obligations such as establishing management systems and conducting risk assessments

- ✓ In October 2025, the European Commission established ReMIS (Responsible Minerals Information System) as a mechanism through which companies can voluntarily disclose their mineral sourcing due diligence policies and implementation status

  【ReMIS】 https://ec.europa.eu/responsible-mineral-sourcing/

  → With the aim of ensuring transparency in mineral supply chains, there is a possibility that customers or investors may request companies to input information into this system

〇 Future Points to Watch

- Discussions and reviews are scheduled regarding the addition of recognized schemes, the development of a responsible smelters list, and revisions to import volume thresholds and the operation of the CAHRA list
- There is a possibility that mandatory obligations for downstream companies may be added through the review
- Under the regulation, the next official review is, in principle, scheduled on a three-year cycle. Heading toward around 2027, the outcomes of these operational improvements will serve as critical criteria for the review of the regulation

EU Corporate Sustainability Due Diligence Directive (CSDDD/CS3D)

■Basic Information of CSDDD

<table>
<tr><th>Category</th><th colspan="3">Overview</th></tr>
<tr><td>Official Name</td><td colspan="3">Corporate Sustainability Due Diligence Directive (CSDDD / CS3D)
Enacted as Directive (EU) 2024/1760, subsequently partially amended by Omnibus I.</td></tr>
<tr><td>Purpose</td><td colspan="3">To encourage sustainable and responsible corporate behavior by identifying, preventing, and mitigating adverse human rights and environmental impacts in companies' own operations, their subsidiaries, and their chains of activities</td></tr>
<tr><td>Schedule</td><td colspan="3">CSDDD entered into force on July 25, 2024. Under the post-Omnibus I framework, the deadline for Member States to transpose it into national law is July 26, 2028, and the application to covered companies starts on July 26, 2029</td></tr>
<tr><td rowspan="2">Main Covered Companies</td><td>EU Companies</td><td>More than 5,000 employees on average and a net worldwide annual turnover of more than EUR 1.5 billion</td><td rowspan="2">Applicable on July 26, 2029</td></tr>
<tr><td>Non-EU Companies</td><td>EU companies with an annual net EU turnover of more than EUR 1.5 billion</td></tr>
<tr><td>Main Obligations</td><td colspan="3">Covered companies are required to identify actual or potential adverse human rights and environmental impacts, take appropriate measures to address them, and establish a complaints procedure, monitoring, and stakeholder engagement. Post-Omnibus I, companies can prioritize areas where impacts are most likely to occur and be most severe based on reasonably available information (risk-based approach)</td></tr>
<tr><td>Covered Themes</td><td colspan="3">Focused on human rights risks (such as forced labor and child labor) and environmental risks (such as pollution and ecosystem destruction)</td></tr>
<tr><td>Implications for Japanese Companies</td><td colspan="3">Japanese companies can be directly covered if their net turnover in the EU exceeds the threshold. Even if not directly covered, they are highly likely to face increased indirect requests as suppliers to large EU companies</td></tr>
</table>

Corporate Sustainability Due Diligence Directive (CSDDD / CS3D)

■ Latest Updates and Application Schedule after Entering into Force in July 2024

- ✓ Enacted in July 2024, followed by Omnibus I (effective March 18, 2026) to simplify regulations and streamline compliance
- ✓ EU Member States must transpose the directive into national law by July 2028, with corporate compliance obligations taking effect from July 2029 (reporting obligations from 2030 onwards)
- ✓ The scope of application covers EU companies with more than 5,000 employees on average and a net worldwide annual turnover of more than EUR 1,500 million, and non-EU companies with a net annual EU turnover of more than EUR 1,500 million
- ✓ European Commission will issue operational guidelines by July 2027 to guide corporate risk assessments

■ Impact on Responsible Minerals Sourcing

- **Scope extends far beyond 3TGs to cover all minerals, metals, and raw materials used in the supply chain**
- **Risk-based prioritization requires focusing on areas with the highest likelihood and severity of impacts. CAHRAs, artisanal mining (ASM), and battery materials practically become top-priority targets**
- **Aligning with OECD Due Diligence Guidance is essential. Documenting and systematizing CMRT/EMRT surveys based on RMI standards provides a solid defense**
- **Mitigation and corrective action plans must be used to drive supplier improvement, ensuring both compliance and long-term supply stability**

EU Batteries Regulation (EUBR)

■Basic information of EUBR

Category	Overview
Official Enactment	Published in the Official Journal of the EU on July 28, 2023, and entered into force on August 17, 2023
Application Date	Battery due diligence (DD) obligations apply from August 18, 2027 (postponed by two years from the originally scheduled August 18, 2025)
Guidance Scheduled	The European Commission is scheduled to publish official guidelines on DD requirements by July 26, 2026. Scope is expected to focus on 4 key minerals and their compounds used in active materials and electrolytes
Covered Operators	Targets economic operators who place batteries on the EU market or put them into service. Covers not only stand-alone batteries but also those incorporated into products In principle, operators with an annual net turnover of less than EUR 40 million are exempt from due diligence (DD) obligations, with group-level evaluations also taken into consideration Under Omnibus IV, an increase of the threshold to EUR 150 million in annual turnover has been proposed and is currently undergoing trilogue, with the finalization expected between late 2026 and early 2027
Covered Minerals	Four key minerals: Cobalt, Natural Graphite, Lithium, and Nickel, including raw materials, secondary raw materials, and related chemical compounds
Main Obligations	① Formulate and publicize a battery supply chain DD policy ② Establish a management and traceability system ③ Identify, assess, and mitigate human rights/environmental risks ④ Undergo third-party verification ⑤ Reporting and Disclosure of DD Status
Risk-Based Approach	Aligned with OECD Due Diligence Guidance and the UNGPs. Operators must prioritize significant human rights, social, environmental, and business ethics risks, conducting deep-dives on high-risk nodes, materials, and regions

EU Batteries Regulation (EUBR)

■ Points of EUBR

- ✓ DD obligations postponed by 2 years to August 18, 2027
- ✓ Official guidelines scheduled for July 26, 2026, leaving an extremely narrow 1-year window for corporate preparation and system alignment
- ✓ In principle, DD obligations exclude operators with an annual net turnover of less than EUR 40 million, with group-level determination also considered
- ✓ Omnibus IV proposes raising this to EUR 150 million, undergoing trilogue with finalization expected late 2026/early 2027

■ Impact on Responsible Minerals Sourcing

- Preparing 'evidence' on a regular basis is critical (raw material origin, smelting/processing facilities, business partners, risk assessments, grievance logs, corrective actions)

  →Covered customers will demand audit-ready evidence from suppliers, making rapid responsiveness to requests a prerequisite for winning orders

- Practical DD steps: ① Policy development, ② Management and traceability systems, ③ Risk assessment and mitigation, ④ Third-party verification, ⑤ Public reporting

  → Build and improve DD mechanisms aligned with OECD Guidelines immediately

U.S. Uyghur Forced Labor Prevention Act (UFLPA) Overview

■Basic Information of UFLPA

Category	Overview
Official Name	Uyghur Forced Labor Prevention Act
Enactment	December 23, 2021
Effective Date	Fully enforced from June 21, 2022
Purpose	To prevent goods produced through forced labor in the Xinjiang Uyghur Autonomous Region (XUAR) of China, etc., from entering the U.S. market
Basic Mechanism	Goods mined, produced, or manufactured in the Xinjiang region, or involving entities on the UFLPA Entity List, are in principle presumed to be made with forced labor, and their importation is prohibited
Rebuttable Presumption	Unless the importer can submit clear and convincing evidence, the subject goods are deemed to be forced labor products
Target Region	Mainly Xinjiang. However, if Xinjiang materials are integrated into third-country supply chains, goods imported via third countries can also be subject.
UFLPA Entity List	Managed by the DHS. As of August 2025, there are 144 listed companies and entities
Enforcement Agency	U.S. Customs and Border Protection (CBP) primarily conducts import detentions, reviews, and exclusions
High-Priority Sectors	Cotton, apparel, tomatoes, polysilicon, PVC, aluminum, and seafood. In 2025, Steel, Copper, Lithium, Caustic Soda, and Jujubes (red dates) were added
Response at Import	If CBP detects a potential UFLPA violation, it will withhold release of the shipment and conduct document reviews, electronic data verification, and, in some cases, physical inspections
Post-Detention Options	Importers can request an "applicability review" to show that the goods are out of scope, or submit an "exception request." From January 21, 2026, these must, in principle, be submitted via CBP's Forced Labor Portal
Required Evidence	Documentation that traces the entire supply chain, including origin of raw materials, supplier information, manufacturing processes, transaction records, shipping records, BOM, and purchasing proof
Japanese Corporate Impact	Even if not exporting directly to the U.S., supplying parts or raw materials for U.S.-bound products exposes companies to customer requests for UFLPA compliance documents (especially in batteries, electronics, metals, chemicals)

U.S. Uyghur Forced Labor Prevention Act (UFLPA)

■UFLPA Latest Trends

- ✓ **Latest Major Change: Expansion of High-Priority Enforcement Sectors**
  The August 19, 2025 UFLPA Strategy Update added steel, copper, lithium, caustic soda, and jujubes (red dates) to the priority enforcement sectors. This expands practical risk to batteries, EVs, electronic components, building materials, chemicals, and metallic parts

- ✓ **The UFLPA Entity List Continues to Expand**
  144 companies and entities are listed as of August 2025
  <UFLPA Entity List> https://www.dhs.gov/uflpa-entity-list

- ✓ **Enhanced Visibility of Enforcement Data**
  On January 28, 2026, the UFLPA Enforcement Statistics Dashboard was updated to allow analysis of cargo data—including detentions, releases, denials, and pending status—by fiscal year, industry, country of origin, 4-digit HTS code, shipment count, and value

- ✓ **Mandatory Use of the Forced Labor Portal from 2026**
  On January 21, 2026, CBP launched the Forced Labor Portal, mandating that submissions for UFLPA applicability reviews, exception requests, WRO/Finding reviews, and CAATSA exception requests be made through the portal

- ✓ **Updated Operational Guidance for Importers**
  In June 2026, CBP published the "Forced Labor Enforcement Operational Guidance for Importers," which organizes the respective processes, due diligence, responsible departments within CBP, and post-detention review procedures for UFLPA, WRO, Finding, and CAATSA. In practice, rapid responsiveness in providing evidentiary documents is required not only from U.S. importers but also from the supplier side
  CBP Forced Labor Enforcement Operational Guidance for Importers

U.S. Uyghur Forced Labor Prevention Act (UFLPA)

■Reference)UFLPA Enforcement Statistics (As of April 2026)

Shipment (Line) Metrics

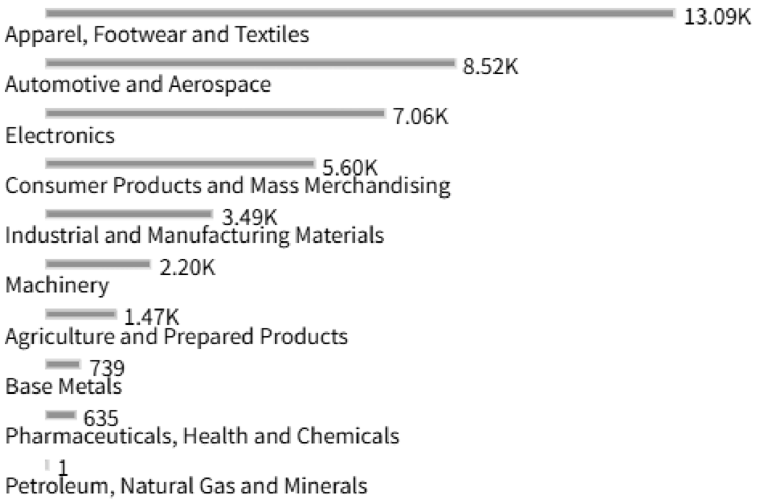
Total	Pending	Denied	Released	Value (USD)
42,807	1,663	24,344	16,800	$3.96B
(16,100)	(－)	(9,436)	(5,708)	(＄3.67B)

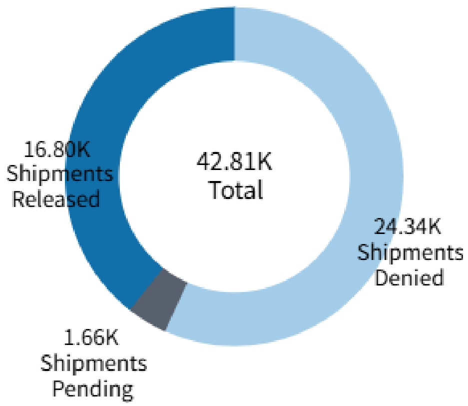
＊ Numbers in brackets are numbers at the time of last year’s seminar

2022
2023
2024
2025
2026 (FYTD)

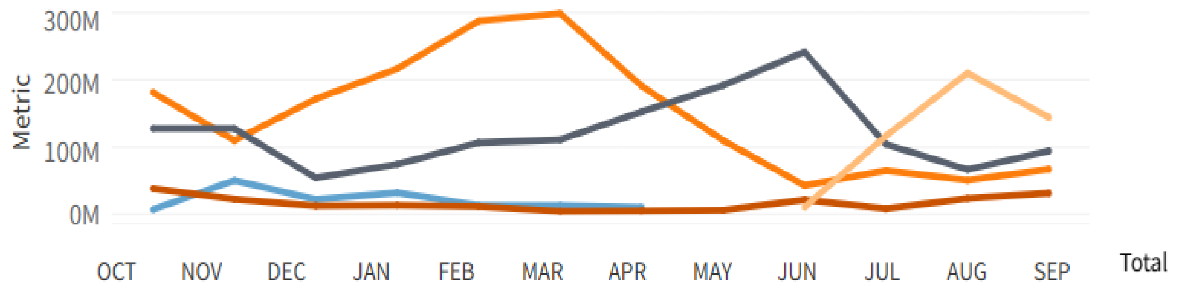
Reset Filters

Shipment Count by Industry and Exam Result

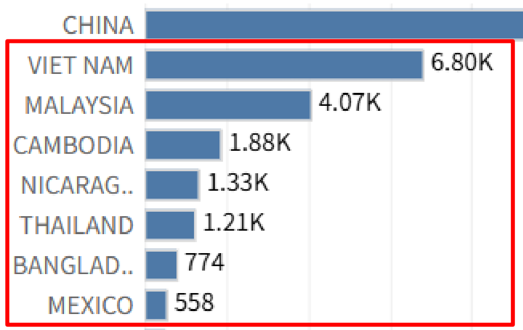




Shipment Value (USD) by Month



Shipment Count by Country-of-Origin



✓ Attention should also be paid to import via third countries

Source: U.S. CBP Website(https://www.cbp.gov/newsroom/stats/trade/uyghur-forced-labor-prevention-act-statistics)

EU Forced Labour Regulation(FLR)

■Basic Information of FLR

Japanese companies that sell, export, supply, or supply products as an OEM to the EU may be directly or indirectly covered

Category	Overview
Name of Regulation	Regulation (EU) 2024/3015: An EU regulation aimed at banning products made with forced labor from the Union market
Purpose	To prohibit the placing and making available on the Union market, as well as the export from the Union, of products made with forced labor, thereby contributing to the proper functioning of the internal market and the fight against forced labor
Date of Application	The regulation was published and entered into force in December 2024. The main rules shall apply from December 14, 2027
Prohibited Acts	Prohibiting the (1) placing on the Union market, (2) making available on the Union market, and (3) export from the Union of products made with forced labor
Covered Products	Applies to all products, regardless of the industry, product type, or geographic origin, covering both imported goods and those produced within the EU. Products are also targeted even if forced labor is used only in part of their components or raw materials. Online and distance sales targeting EU end-users are also subject to the prohibition
Covered Processes	Targeted if forced labor was used at any stage of the product's life cycle, including extraction, harvesting, production, manufacturing, or processing
Definition of Forced Labor	Based on the ILO definition: "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily"
Covered Operators	Targets economic operators who place, make available, or export products to/from the EU market. There are no general exemptions based on company size or industry sector
Enforcement Agency	Forced labor cases occurring outside the EU are primarily investigated and decided upon by the European Commission, while cases within the EU are handled by the competent authorities of the Member States. Customs authorities are responsible for supporting the enforcement of prohibition decisions and halting the entry of non-compliant products into the Union market, as well as their export from the Union
Investigative Approach	Authorities conduct investigations based on a risk-based approach, taking into consideration high-risk products, industries, geographic regions, and the degree of involvement within the supply chain
Investigation Process	A preliminary assessment is conducted first, during which authorities may request information from operators if necessary. If concerns remain unresolved, they proceed to a formal investigation. Operators are typically granted a 30-working-day period to respond
Formal Investigation	During the formal investigation, additional information may be requested, and in exceptional cases, on-site inspections may be carried out. Investigations must be completed within 9 months where possible
Measures upon Violation	If a product is determined to be made with forced labor, decisions will be issued prohibiting its placing on the market, making available, or exporting, and ordering its withdrawal from the Union market and disposal
Information Infrastructure	Frameworks will be established, including a database of forced labor risk areas and products, an information submission portal, and the Forced Labour Single Portal
Guidelines	The European Commission is scheduled to issue guidelines on due diligence, risk indicators, best practices, etc. * Note: As of June 14, 2026 (the original target date), the guidelines have not yet been issued
Penalties	Member States shall lay down the rules on penalties applicable to infringements of this regulation
Relationship with CSDDD, etc.	This regulation is positioned as part of the EU's suite of supply chain regulations, alongside CSDDD, the Deforestation Regulation, the Conflict Minerals Regulation, and the Batteries Regulation

EU Forced Labour Regulation(FLR)

■Point of FLR

- ✓ Scope: Applies to all products and industries, regardless of origin. Electronic equipment, components, semiconductor-related materials, batteries, and mineral-derived materials produced outside the EU are also in scope
- ✓ Targets not only finished goods but also components and raw materials. Products are subject to the ban if forced labor is used at any stage of the supply chain, including extraction, harvesting, production, manufacturing, or processing
- ✓ Practical Impact: Affects Japanese headquarters, domestic factories, and overseas manufacturing subsidiaries supplying the EU. High probability of requests from EU importers, distributors, or customers for Bill of Materials (BOM), country of origin, smelter information, supplier audits, and corrective action records. Online sales targeting EU consumers are also subject to the regulation
- ✓ Definition of Forced Labor: Aligns with ILO standards. Beyond violence and intimidation, risk indicators include debt bondage, withholding of identity documents, non-payment of wages, excessive overtime, restriction of movement, and threats of reporting to immigration authorities

■Top Priorities in Responsible Minerals Sourcing

1. Prioritize Tracing of 3TGs and Battery Materials

   Target 3TGs (tin, tantalum, tungsten, gold) alongside battery materials (cobalt, natural graphite, lithium, and nickel) as high-priority items for intensive control

   (Integrated management and response with EU Conflict Minerals Regulation & EU Batteries Regulation)

2. Link Product-Specific BOMs with Smelter/Refiner Information

   For each product destined for the EU, it is crucial to maintain a state of readiness to explain which components contain the target minerals and which suppliers and smelters/refiners they pass through. Forced labor at the component or raw material stage—not just in finished products—can also be subject to the regulations

3. Transition to Evidence-Based Risk Management, Rather than Declarations

   Beyond supplier declarations, compile objective evidence such as CMRTs/EMRTs, third-party audits, conformant smelter validations, corrective action records, and contractual rights to information disclosure and audits. As requests for information from EU authorities typically require a response within 30 working days, organizing evidentiary materials on a routine basis is critical.

U.S. OFAC (Office of Foreign Assets Control) Regulations

■Overview of OFAC

- The Office of Foreign Assets Control (OFAC) of the U.S. Department of the Treasury imposes economic sanctions, such as asset freezing and prohibiting transactions by U.S. persons, against specific countries, regions, individuals, and entities based on foreign policy and national security goals
- Sanctions measures vary by program, ranging broadly from comprehensive trade embargoes to targeted, limited restrictions
- Countries, regions, and specific individuals or entities designated by the U.S. are placed on the SDN List, and transactions with them by U.S. persons are, in principle, prohibited

Countries and Regions Requiring Caution in Transactions

＜Comprehensive/Broad Sanctions＞

Iran, Cuba, North Korea, Syria, Russia, Belarus, Crimea Region, Donetsk and Luhansk regions (Ukraine)

＜Country-Based or Broad-Scope Programs＞

China (military-related, advanced technology), Hong Kong (political figures), Venezuela, Myanmar, Zimbabwe, Nicaragua, Ethiopia, Central African Republic, DRC, Mali, Sudan (limited), South Sudan

＜Specific Organizations / Terrorist Groups＞

Afghanistan (Taliban), Lebanon (Hezbollah), Yemen (Houthis), Somalia (Al-Shabaab), Iraq (specific militias), Balkan Region (former Yugoslavia), Darfur (Sudan)

(Source：OFAC Website)

Sanctions Programs and Country Information
https://ofac.treasury.gov/sanctions-programs-and-country-information

Specially Designated Nationals and Blocked Persons List：
https://ofac.treasury.gov/specially-designated-nationals-and-blocked-persons-list-sdn-human-readable-lists

Past Enforcement Cases：
https://ofac.treasury.gov/civil-penalties-and-enforcement-information

U.S. OFAC (Office of Foreign Assets Control) Regulations

■OFAC Cases Impacting Responsible Minerals Sourcing

Case Study	Mineral	Overview
Ugandan Smelter	**Gold**	On March 17, 2022, OFAC designated a gold refinery in Uganda as an SDN for involvement in the illicit gold trade from the DRC, explaining that gold smuggling from the DRC funds armed groups.
Russian Smelters (6 companies)	**Gold, Silver**	Following Russia sanctions RMI announced in March 2022 that it updated its list to reflect the impact on Russian refiners participating in RMAP, after LBMA suspended 6 Russian gold refiners.
North Korean Smelters on CMRT	**3TG**	North Korea sanctions are comprehensive. RMI discovered a widely reported smelter was located in North Korea during CMRT verification, highlighting a typical case where CMRT smelter information must be cross-checked against OFAC SDN lists.
DRC Rubaya-related Supply Chain	**Tantalum, Coltan**	On August 12, 2025, OFAC added DRC armed groups, mining cooperatives, and a Hong Kong exporter to the SDN list. Private investigations pointed out that conflict coltan from DRC Rubaya may have flowed to smelters in China and Kazakhstan via Rwanda.
Cuban Nickel/Cobalt Business	**Nickel, Cobalt**	A Canadian refiner was involved in a joint venture with a Cuban state-owned nickel company. Reuters reported that after the U.S. imposed Cuba sanctions, the refiner suspended its direct joint venture activities in Cuba.

- ✓ U.S. companies are prohibited from direct or indirect transactions with sanctioned entities/individuals. Therefore, customers may request the exclusion of specific smelters based on OFAC regulations.
- ✓ RMI also cannot conduct audits on regulated smelters, making compliance critical for Japanese companies to avoid transaction violations.

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U.S. Product Certification Standards (EPEAT)

■ Overview of EPEAT

- ✓ Is an ecolabel for the purpose to promote environmentally preferable electronic products.
- ✓ Is one of the ecolabels that have high market needs (for example, in US public procurement, EPAT products are procured on a priority basis)
- ✓ Under the latest (2025) criteria revision, "Responsible Supply Chain Standards" including conflict minerals were added. A Conformant rate of 65% or higher was set as a mandatory criterion for obtaining the label (3TG is a mandatory criterion; cobalt is an optional criterion)
- ✓ Application under the new criteria will start from Nov. 2025. Application under the previous criteria will not be accepted from July 2026

【Covered Products】

① Imaging equipment (multifunction printers, printers, etc.); ② PCs, displays;
③ Servers; ④ TVs; ⑤ Mobile phones

*** Scheduled to be expanded to solar facilities, network equipment, wearable appliance**

- ✓ It is expected that requests to use only conformant smelters from client companies handling covered products will increase.
- ✓ It is necessary to conduct periodic monitoring as the conformant status of smelters constantly vary
- ✓ It is important to enhance efforts such as checking supplier's responses and conduct corrective measures

U.S. Product Certification Standards (EPEAT)

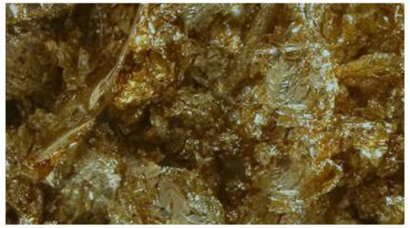
■ Conformant Status by Mineral (As of June 22, 2026: From RMI Website)

https://www.responsiblemineralsinitiative.org/facilities-lists/indicators/

Since the conformant status of smelters and refiners fluctuates constantly, it is essential to verify the latest Conformant List and cross-reference it with the smelter lists in the collected templates before responding to customers

${}_{79}\mathrm{Au}$

Gold Refiners List



Active	3
Conformant	91
Eligible	180

View Gold Refiners List

52.2%

${}_{73}\mathrm{Ta}$

Tantalum Smelters List

Active	0
Conformant	32
Eligible	34

View Tantalum Smelters List

94.1%

${}_{50}\mathrm{Sn}$

Tin Smelter List

Active	2
Conformant	52
Eligible	75

View Tin Smelter List

72.0%

${}_{74}\mathrm{W}$

Tungsten Smelter List

Active	2
Conformant	32
Eligible	54

View Tungsten Smelter List

63.0%

${}_{27}\mathrm{Co}$

Cobalt Refiners List

Active	4
Conformant	60
Eligible	109

View Cobalt Refiners List

58.7%

(Note) Since EPEAT criteria also recognize Active smelters, the percentage is calculated as the sum of Conformant + Active

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Agenda

- Background and history of dealing with "Responsible Minerals Sourcing"
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Laws and regulations dealing with RMI Templates (CMRT, EMRT, AMRT)

■ Contents of templates differ by covered mineral due to applicable regulations

	CMRT Conflict Minerals Reporting Template	EMRT Extended Minerals Reporting Template	AMRT Additional Minerals Reporting Template
Covered minerals	Tin, tantalum, tungsten, gold (3TG)	Cobalt, mica, copper, graphite, lithium, nickel	Minerals not covered by CMRT and EMRT
Release of 1st ver.	2011.7.19	2021.10.20 (CRT:2018.3.1、MRT:2020.10.28)	2022.11.11 (at the time of PRT release)
Major applicable laws and regulations	Dodd-Frank Act EU Conflict Minerals Regulation EU-CSDDD	EU Battery Regulation EU-CSDDD (No applicable law at the time of the 1st ver. of EMRT. Objective: DD for child labor risks in cobalt・mica mines)	EU-CSDDD
Basic due diligence elements	Included	Included	Not included (Objective: To specify the pinch point)
Enforceability arising from legal basis	Strong	Strong only in regard to battery materials	Weak
Others		Minerals are scheduled to added in stages	Expected to be integrated into EMRT

Moves to expand covered risks

RRA(Risk Readiness Assessment)V3: Published Oct.19, 2023

- A self-assessment tool by which companies in the mineral supply chain assess their due diligence efforts in regard to ESG risks (33 items). Companies that undergo RMAP Assessment or Downstream Assessment Program are required to comply with RRA
- RRA 3.0 is a cross-commodity standard and a framework to assess responsible practices for the production, sourcing, processing, and recycling of minerals and metals
- Version 3 (V3) is a cross-commodity standard aligned with the UN Guiding Principles and the OECD Due Diligence Guidance, applicable to both upstream and downstream companies
- **It is also aligned with The Copper Mark's criteria guide and is used as part of the requirements for obtaining the Copper Mark, Nickel Mark, Zinc Mark, and Molybdenum Mark**

Risk Sectors/Items(33 Items) Items in red do not apply to downstream companies

E:Environmental

- Climate Action
- Greenhouse Gas Emissions Reductions
- Water Stewardship
- Waste Management
- Circular Economy
- **Tailings Management**
- Biodiversity and Productive Land
- Pollution

S:Social

- No Child Labor
- No Forced Labor
- Freedom of Association and Collective Bargaining
- Non-Discrimination and Harassment
- Diversity, Equity and Inclusion
- Employment Terms
- Occupational Health & Safety
- Emergency Preparedness
- Community Health & Safety
- Community Development
- Artisanal & Small-Scale Mining (ASM)
- Security & Human Rights
- Indigenous Peoples' s Rights
- Land Acquisition & Resettlement
- Culture Heritage

G:Governance

- Management System
- Risk Assessment
- Business Integrity
- Revenue Transparency
- Legal Compliance
- Sustainability Reporting
- Grievance Mechanism
- Stakeholder Engagement
- Mine Closure & Reclamation
- Responsible Supply Chains

Moves to expand covered risks

Re-examination of ESG standards

RMI released two optional standards on April 30, 2025, to address ESG risks required by national regulations

① Facility Standard: Targets pinch points
(Facility Standard for Social, Environmental, OHS and Governance Risks)

② Supply Chain Due Diligence Plus (SCDDP) Module: Targets first-tier suppliers to mines from pinch points
(Supply Chain Due Diligence Plus : SCDDP)

① Facility Standard for Social, Environmental, OHS and Governance Risks

Purpose:
For facilities to assess ESG risk management within its own operation

Available as a stand-alone assessment or in combination with the Responsible Minerals Assurance Process (RMAP) and/or Downstream Assessment Program (DAP)

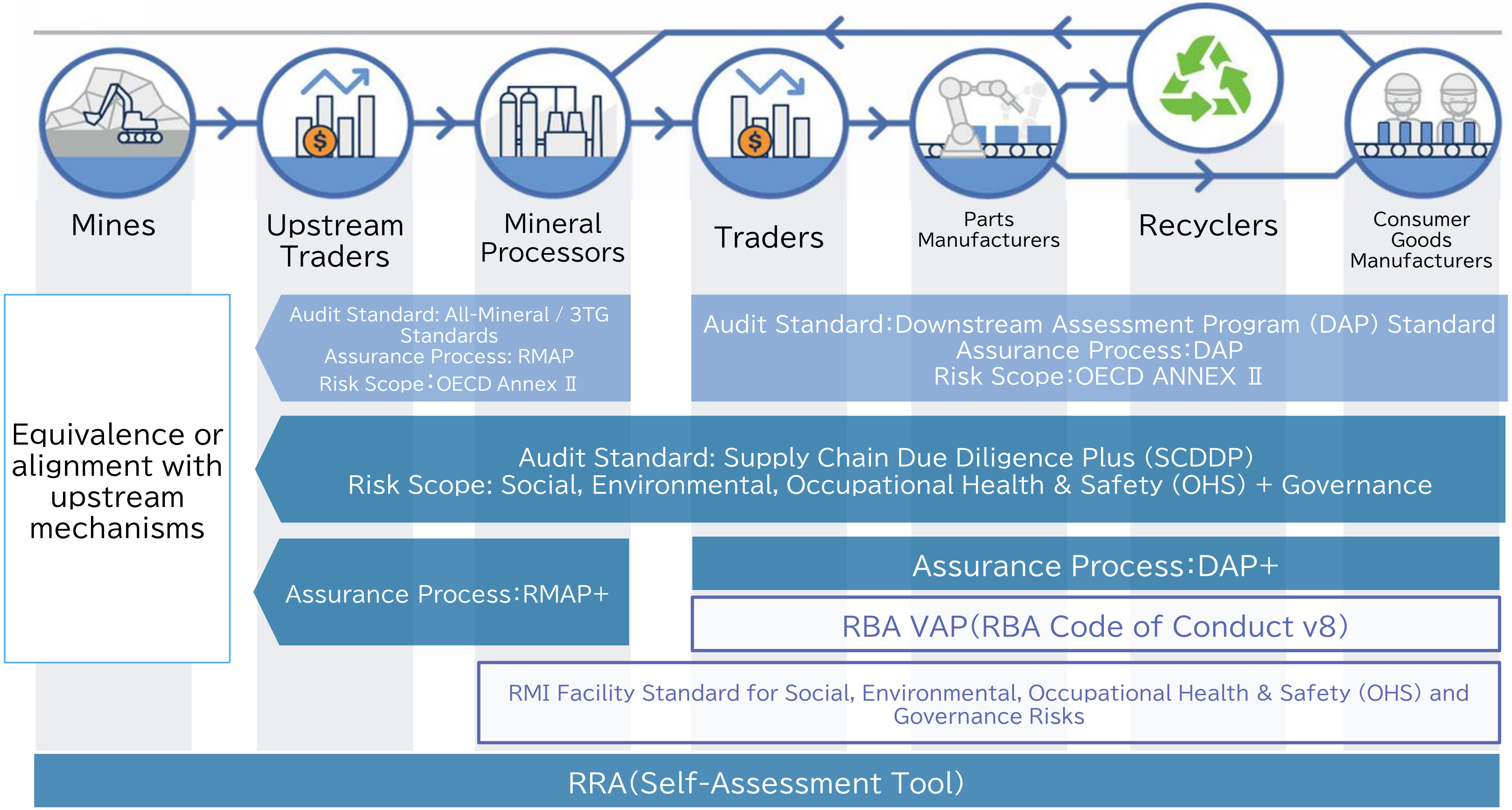
② Supply Chain Due Diligence Plus

Purpose:
For facilities to assess ESG due diligence and verify ESG risk management practices within their mineral supply chains

Available only in combination with the Responsible Minerals Assurance Process (RMAP) and/or Downstream Assessment Program (DAP)

Overall Framework of RMAP Supply Chain Risk Assessment

■ RMAP aims to cover risks from mines to downstream users as required by national laws and regulations through a combination of upstream mechanisms and various audit standards; therefore, it is crucial to closely monitor the content and maturity of these new audit standards



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What is RMAP+ (Plus)?

■ RMI developed 'RMAP+ (Plus)' as an extension of RMAP, establishing a new framework to address and comply with new ESG regulations

Category	RMAP (Traditional)	RMAP+ (Plus)
Positioning	Core RMI program (standalone)	Expanded module added to RMAP (add-on)
Primary Objective	Assuring responsible sourcing of conflict minerals	Strengthening supply chain due diligence, including ESG
Target Risks	Conflict minerals, human rights abuses, financing of armed groups (Annex II)	Overall ESG (Environmental, Social, OHS, and Governance) risks
Evaluation Scope	Mainly "procurement processes"	Procurement + Operations + Supply chain-wide ESG management
Target Players	Smelters (upstream pinch points)	Upstream + Downstream (entire supply chain)
Evaluation Content	• Sourcing policies • Sourcing risk assessment • OECD DDG compliance	• ESG risk management system • Environmental impacts & working conditions • Supply chain DD depth
Conforming Framework	Centered on OECD Due Diligence Guidance	OECD + UNGP + Responsible Business Conduct Guidelines, etc.
Regulatory Match	Dodd-Frank Act, EU Conflict Minerals Regulation	EU Batteries Regulation, CSDDD, and other new ESG regulations
Implementation	Used standalone	Must be used in combination with RMAP or DAP
Evolution of Role	Compliance response (minimum requirement)	Sustainability management and information disclosure response

(Reference) RMI Public List

■ How to Verify the Risk Response Status of Identified Smelters and Refiners

https://www.responsiblemineralsinitiative.org/facilities-lists/public-list/

- ✓ This list allows users to verify the operational status, audit status, and risk response/mitigation progress (regarding Annex II and ESG risks) of each smelter or refiner
- ✓ Furthermore, it enables the tracking of assessment status not only for smelters and refiners serving as supply chain pinch points, but also for other upstream and downstream companies and facilities

Metal	Facility ID	Standard Facility Name	Facility Operational Status	Supply Chain Level	Country Location	DD Assessment (Annex II risks)	DD Assessment (ESG risks)	Facility Standard Assessment	Company Supply Chain Policy	Public DD Report
Cobalt	CID005253	PT Obi Nickel Cobalt	In Operation	Pinch Point	INDONESIA	✓	✓		View Report (PDF)	View Report (PDF)
Nickel	CID005247	PT Obi Nickel Co...	In Operation	Pinch Point	INDONESIA	✓	✓		View Report (PDF)	View Report (PD...
Cobalt	CID004802	PT Halmahera P...	In Operation	Pinch Point	INDONESIA	✓	✓		View Report (PDF)	View Report (PD...
Nickel	CID004453	PT Halmahera P...	In operation	Pinch Point	INDONESIA	✓	✓		View Report (PDF)	View Report (PD...
Tin	CID001482	PT Timah Tbk M...	In Operation	Pinch Point	INDONESIA	✓	✓	✓	View Report (PDF)	View Report (PD...
Tin	CID001477	PT Timah Tbk Ku...	In Operation	Pinch Point	INDONESIA	✓	✓	✓	Link	View Report (PD...
Nickel	CID005670	SungEel HiTech ...	In Operation	Pinch Point	KOREA, REPUBL...	✓		✓		
Cobalt	CID005669	SungEel HiTech ...	In Operation	Pinch Point	KOREA, REPUBL...	✓		✓		
Silver	CID005655	Coimpa Industria...	In Operation	Pinch Point	BRAZIL	✓			View Report (PDF)	View Report (PD...
Nickel	CID005526	PT NICOLE MET...	In Operation	Pinch Point	INDONESIA	✓			View Report (PDF)	View Report (PD...
Lithium	CID005537	Lianhe Chemical ...	In Operation	Pinch Point	CHINA	✓		✓		
Nickel	CID005375	Quzhou Huayou ...	In Operation	Pinch Point	CHINA	✓			View Report (PDF)	View Report (PD...
Manganese	CID005386	Jingmen GEM C...	In Operation	Pinch Point	CHINA	✓			View Report (PDF)	View Report (PD...
Nickel	CID005385	Jingmen GEM C...	In Operation	Pinch Point	CHINA	✓			View Report (PDF)	View Report (PD...
Nickel	CID005360	COBCO S.A.	In Operation	Downstream	MOROCCO			✓		
Manganese	CID005359	COBCO S.A.	In Operation	Downstream	MOROCCO			✓		
Cobalt	CID005358	COBCO S.A.	In Operation	Downstream	MOROCCO			✓		
Platinum	CID005370	Zimbabwe Platin...	In Operation	Upstream	ZIMBABWE	✓			View Report (PDF)	View Report (PD...
Nickel	CID005342	Huayou New Ene...	In Operation	Downstream	CHINA			✓		
Manganese	CID005341	Huayou New Ene...	In Operation	Downstream	CHINA			✓		

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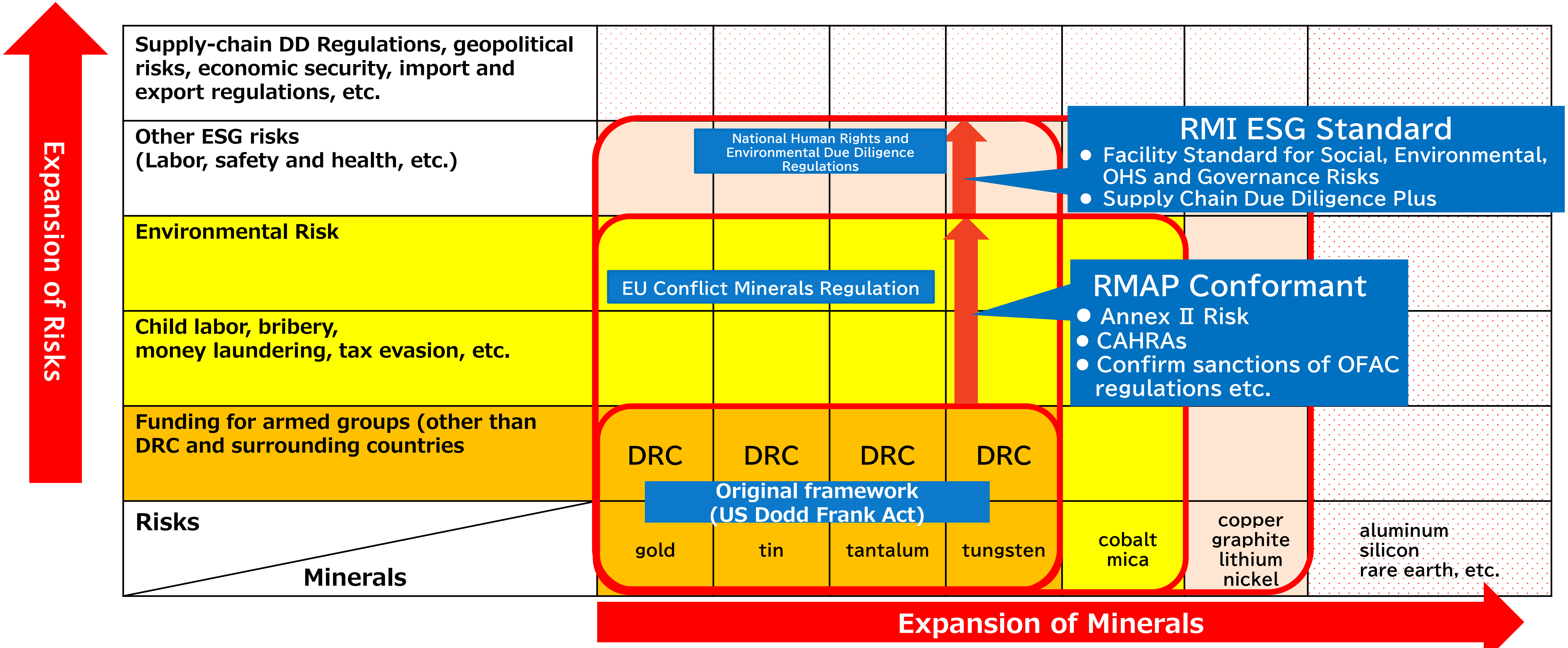
Latest trends of Responsible Minerals Sourcing(Change of trends)



To prepare for new regulations, RMI is undertaking to arrange a Responsible Minerals Sourcing framework that covers all minerals