


<p><b>POLITIIKKA</b></p> <p>Versio 6</p> <p>Julkaisu pvm5.7.2024</p>	<p><b>SUPPLY CHAIN POLICY</b></p> <p>Laatija 07 Raaka-aineiden hankinta ja kaupalliset palvelut</p> <p>Hyväksyjä Hautojärvi Joni</p>	<p style="text-align: right;">1 (4)</p> 
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# NORNICKEL HARJAVALTA SUPPLY CHAIN POLICY – BASED ON THE OECD DUE DILIGENCE GUIDANCE FOR RESPONSIBLE SUPPLY CHAINS OF MINERALS FROM CONFLICT-AFFECTED AND HIGH-RISK AREAS

## General

Norilsk Nickel Harjavalta Oy (NNH) is part of OJSC MMC Norilsk Nickel, the world’s biggest producer of nickel and palladium and a leading producer of platinum and copper. The Company also produces cobalt, rhodium, silver, gold, iridium, ruthenium, selenium, tellurium, sulphur and sulphuric acid.

The purpose of this policy is to define the procedures in place for NNH’s compliance in respect to OECD Guidelines for Responsible Supply Chain of Minerals from Conflict Affected and High Risk Areas.


NNH commits itself to manage its all raw material supply chains (nickel, cobalt, copper and PGM) based on the five steps framework in Annex 1 of the OECD guidelines:

1. Establish strong company management systems
2. Identify and assess risk in the supply chain
3. Design and implement a strategy to respond to identified risks
4. Carry out independent third party audit of supply chain at identified points
5. Report on supply chain due diligence

NNH raw material suppliers and their sub-suppliers are expected to conduct their activities and operations in a responsible manner as described in **Supplier Code of Conduct** document found here as an appendix.

Each and every one of NNH raw material sources will be evaluated according to Annex II of the OECD Due Diligence Guidance for our risk management. Generally, at least the following perspectives will be covered in our risk analysis:

- The worst forms of child labor;
- Any forms of forced or compulsory labor;
- Other gross human rights violations and abuses such as widespread sexual violence;

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- Direct or indirect support to non-state armed groups;
- Fraudulent misrepresentation of the origin of minerals; and
- Money laundering
- Any forms of torture, cruel, inhuman, and degrading treatment; and
- War crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.

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 here above.

NNH will commit to working cooperatively with organizations and agencies such as the OECD, Responsible Minerals Initiative and The Joint Due Diligence Standard (JDDS) for Cu, Zn, Ni and Pb program and relevant industry associations to establish credible and effective processes that isolate and eliminate non-ethical mining and trade, and allow continuation of legitimate activity in “conflict regions”.


## Standards and rules

**Safety standards** refer in general to topics such as safe work environment, safe work practices, process safety, equipment safety, fire safety and emergency plans. Applicable standards are covered by management system such as ISO 45001.

**Environmental standards** refer in general to topics such as emission control, waste handling, environmental protection, hazardous material handling, energy and efficient use of natural resources. Applicable standards are covered by management systems such as ISO 14001.

**Business and operational ethics** refer to the respect for human rights, including prohibiting forced labour, child labour, discrimination and harassment. The terms also refer to topics including corruption and bribery. Applicable guidelines are defined by OECD guidelines for Multinational Enterprises, OECD Due Diligence Guidance for Responsible Supply Chains, United Nations Guiding Principles on Business and Human Rights, and International Labour Organization (ILO) guidelines and principles.

We support the principles of the Extractive Industry Transparency Initiative (EITI) and, in EITI implementing countries, implement the criteria of the EITI.

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## Responsibilities

NNH process is managed by a following group of company employees:

- Process Owner – Managing Director
- Process Manager – Commercial Director
- Competence of Supplier – NNH steering group for Due Diligence of supply chain

## Compliance procedures in place

### Minimum expectations

Suppliers must comply with all applicable local and international laws and regulations.

Suppliers must demonstrate their intent and strive for high operating standards in the areas of safety, environment and business ethics as defined in this policy at paragraph "Standards and rules"

Suppliers must be able to track and maintain custody of their raw material flow from the mine site to delivered product.


Suppliers must cooperate with NNH to conduct on site evaluations to assess compliance with this policy, when found to be needed as a part of NNH enhanced due diligence actions.

### Assessment of compliance

NNH does CAHRA evaluation and Know Your Supplier analysis to assess the potential Red Flags along the Chain of Custody.

Each supplier and all operators along the chain of custody are assessed to review the level of compliance with this policy and to identify potential risks related to compliance.

When Red Flags are found, enhanced Due Diligence Actions are made. When "Zero Tolerance" findings, as described above, are made or suspected, On Ground Assessment as minimum action will be made. Based on the findings made during the On Ground Assessment – Corrective Action Plan of the Assessment is expected as minimum. This Corrective Action Plan is then included to NNH Risk Management Plan.

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## Non compliance

A risk management plan will be developed in the event that a) a supplier assessment identifies a reasonable risk that the supplier is not able to meet the minimum expectations and/or b) the On Ground Assessment is made in all cases.

In the event that a supplier is not willing to adopt a risk management plan or repeatedly fails to mitigate the identified risk as set out in the risk management plan, NNH reserves the right to suspend or discontinue any engagement with upstream suppliers.