



The Copper Mark Summary Report

Site Information

Name of the Site	Toho Chigirishima Refinery Co., Ltd.
Unique identifier provided by the Copper Mark	S019
Address	562-1 Higashino, Osaki Kamijima, Toyota, Hiroshima
Country of Operation	Japan
Products produced on site. (e.g., concentrate, anodes, cathodes, sulphuric acid, slag, etc.)	Ingot
Metals produced on site. (e.g., copper, gold, nickel, silver, molybdenum)	Lead
Metals included in scope. (This must be all, or a sub-set of the metals produced on site)	Lead
Metals covered by other independent assessments for Criterion 31 (e.g., RMAP, LBMA, RJC, etc.)	NA
Types of operations included in scope	
Mining	<input type="checkbox"/>
Concentrate blending	<input type="checkbox"/>
Solvent extraction and electrowinning	<input type="checkbox"/>
Smelting	<input checked="" type="checkbox"/>
Refining	<input checked="" type="checkbox"/>
Other (<i>please explain</i>)	
Infrastructure owned or controlled by the site and included in scope	
Roads	<input type="checkbox"/>
Rails	<input type="checkbox"/>

Ports	<input checked="" type="checkbox"/>
Other (<i>please explain</i>)	

Equivalency Check

Upon receiving the pre-assessment checklist, the Copper Mark did a review of equivalent certificates and third-party assurances.

The following equivalent systems were applied:

Equivalent systems are determined by the Copper Mark to have standards and assurance requirements that are materially comparable in scope and intent to those of the Copper Mark, in accordance with the Copper Mark Recognition Process.

Equivalent System	Review Process	Criteria Covered by Equivalency
NA	NA	NA

Independent Site Assessment Information

Name of the Lead Assessor	Satoshi Hasegawa
Name of the Assessment Firm (if applicable)	KPMG AZSA Sustainability Co., Ltd.
Date(s) of Assessment Activities (dd/mm/yyyy – dd/mm/yyyy)	28 September 2023 (Company headquarters) 24 May 2023 (Chigirishima)
Assessment Period	1 October 2022 – 30 September 2023
Summary of the Assessment Methodology	<p>The assessment was conducted in accordance with ISO 19011:2018. Assessors first discussed and prepared the JDDS assessment programme for the assessment, which included objectives, risks identified and actions to address them, scope of assessment, assessment period, schedule, criteria, and team members.</p> <p>The assessment procedures mostly consisted of a documentation review prior to site visits to Toho Zinc headquarters and Toho Chigirishima Refinery Co., Ltd. (Chigirishima), site visits to the Toho Zinc headquarters and Chigirishima, and a review of the Toho Zinc's 'Step 5 Report'. During the site visits to the Toho Zinc's headquarters and Chigirishima, assessors held an opening meeting; conducted a site tour to obtain an understanding, in particular, of the production process and how raw materials were received, weighed, analysed and accepted; conducted interviews of relevant personnel on how the Chigirishima implemented due diligence management system; reviewed supporting documents such as collected KYC questionnaires and transaction documents (e.g. B/L and invoices)</p>

	<p>provided by the Chigirishima and tested samples; and finally held a closing meeting, where assessors reported any findings.</p> <p>Chigirishima is part of the Toho Zinc group, which, at corporate level, manages the due diligence system.</p>
Summary of the Assessment Activities	<p>Assessment procedures consisted of:</p> <ol style="list-style-type: none"> 1) reviews of documents (e.g. policies and internal procedures) and records (e.g. training records and collected KYC questionnaires) that Toho Zinc prepared; 2) interviews of personnel at the Toho Zinc headquarters and Chigirishima; 3) a site tour conducted at Chigirishima Smelter and Refinery to understand where received material is weighed, sampled, accepted and stored as well as the whole production process; and 4) a review of Chigirishima Step 5 report from a perspective of whether it included all the elements that the Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc Version 2.

Summary of Findings

Criteria	Rating <i>Fully meets, partially meets, does not meet, not applicable</i>	Comments
1. Management System	Fully meets	<p>Chigirishima has a medium complexity supply chain, with mined and recycled inputs coming from domestic and international sources.</p> <p>The due diligence system is carried out at corporate level, with implementation at site.</p> <p>Toho Zinc has a policy on responsible mineral supply chains is in line with the requirements of the JDDS, and is appropriate to the nature, scale and operational context. The policy is understood by managers and relevant personnel at Chigirishima.</p> <p>Senior management of Toho Zinc assumes responsibility for the implementation and maintenance of the management system and ensures that the management system requirements are integrated into business processes. Senior management also ensures the continual improvement of the management system.</p>

		<p>The resources provided to support the implementation of the policy and management system are appropriate and proportional to company's size, location and circumstances. Training covers all key aspects of the due diligence management system.</p> <p>Toho Zinc implements an appropriate grievance mechanism.</p> <p>Information on supply chain due diligence is appropriately communicated to suppliers mainly via the KYC questionnaire.</p> <p>An opportunity for improvement was identified:</p> <ul style="list-style-type: none"> Toho Zinc has not incorporated within contracts or agreements with immediate suppliers the requirement for them to provide data required to conduct risk assessment for supply chains where red flags are identified, since Chigirishima has not encountered any difficulty in obtaining data from suppliers. <p>This was confirmed through interviews with management; interviews with workers; facility walkthrough; and a review of documents including the policy, internal regulations, training records, organizational charts, the grievance mechanism and related records.</p>
<p>2. Red Flag Identification Process</p>	<p>Fully meets</p>	<p>At corporate level, Toho Zinc has a process to collect information on suppliers and material that is consistently carried out. It includes a KYC questionnaire returned from suppliers, reviewing public reports of suppliers, and collecting and reviewing materials such as invoices, bills of lading, certificates of quality, certificates of weight, and certificates of origin.</p> <p>Information is collected on upstream mining companies as well as on recycled material suppliers.</p> <p>The scope of information collected on suppliers and materials received is sufficient to identify red flags. All information obtained from suppliers and desk research is used to avoid potential inconsistencies or discrepancies. The identification process is executed by Material purchasing officer and Compliance Officer.</p> <p>Toho Zinc has a procedure to identify CAHRAs that is appropriate, using sufficient and credible</p>

		resources, consistently applied. The CAHRA list is reviewed annually, and results are kept for 5 years. No red flags were identified.
3. Risk Assessment Process	Not applicable	There were no confirmed red flags.
4. Risk Management Process	Not applicable	There were no confirmed red flags.
5. Public Reporting	Fully meets	Toho Zinc reports information on supply chain due diligence annually in a manner consistent with the requirements of the standard and includes information on Chigirishima. The report is available here .

Conclusions

Performance Determination	
The site is found to fully meet the conformance criteria of the Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc (Joint Due Diligence Standard).	<input checked="" type="checkbox"/>
The site is found to fully meet or partially meet the conformance criteria of the Joint Due Diligence Standard and has committed to continuous improvement at the site to fully meet the conformance criteria by 12 October 2024.	<input type="checkbox"/>
The site is found to miss some or all of the conformance criteria of the Joint Due Diligence Standard and has committed to continuous improvement at the site to fully meet all conformance criteria by 12 October 2024.	<input type="checkbox"/>
The site misses some or all of the conformance criteria of the Joint Due Diligence Standard and has not committed to continuous improvement.	<input type="checkbox"/>
Limitations:	None
Additional comments:	

Assurance Process Information

Date of Performance Determination (dd/mm/yyyy)	30 November 2023
Re-assessment Due Date (dd/mm/yyyy)	29 November 2026