

Identify Conflict-Affected and High-Risk areas (CAHRAs)

PT Cipta Persada Mulia's process for selecting suppliers and subcontractors is based on a risk-based due diligence approach. This process begins with a Conflict-Affected and High-Risk Areas (CAHRAs) risk assessment, which includes evaluating the country of origin of tin ores and identifying the locations where the materials are extracted, transported, and processed. The CAHRAs risk assessment is conducted at least annually by responsible senior management, including the General Manager and the Head of Mining Engineering (Kepala Teknik Tambang/ KTT), to ensure the sustainability of production and plant operations.

CAHRAs are defined as areas associated with risks such as armed conflict, widespread violence, rebellion, political instability, weak governance, and serious human rights violations. High-risk areas may also include regions characterized by political repression, institutional weakness, insecurity, collapse of civil infrastructure, and widespread violence. These areas are often associated with significant human rights abuses and violations of national or international law. In its operations, PT Cipta Persada Mulia ensures that it does not purchase or use minerals originating from conflict zones, thereby preventing any conflict minerals from entering its supply chain. This approach aligns with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (Third Edition, OECD Publishing, Paris, 2016). For more information, please refer to the website <http://dx.doi.org/10.1787/9789264252479-en>.

A. **Identification of CAHRAs Based on Country of Origin**

PT Cipta Persada Mulia determines the acceptance of suppliers and processing requests based on risk ratings associated with Conflict-Affected and High-Risk Areas (CAHRAs), in accordance with recognized international references, including the Responsible Minerals Initiative (RMI) guidelines. For more information, please refer to the website <https://www.responsiblemineralsinitiative.org/minerals-due-diligence/risk-management/conflict-affected-and-high-risk-areas/>.

In conducting CAHRAs identification and risk assessment, PT Cipta Persada Mulia refers to credible sources, including but not limited to:

1. **European Union (EU) CAHRAs Reference – Regulation (EU) 2017/821**

The European Union (EU) is committed to ensuring that imports of minerals and metals are sourced responsibly and in line with policies on conflict prevention and sustainable development. Regulation (EU) 2017/821 establishes mandatory supply chain due diligence obligations for EU importers of tin, tantalum, tungsten, and gold (3TG), based on the five-step framework of the OECD Due Diligence Guidance. This regulation requires companies to identify, assess, and mitigate risks in their mineral supply chains to prevent the financing of armed conflict and human rights abuses.

As part of its due diligence process, PT Cipta Persada Mulia refers to the indicative, non-exhaustive list of Conflict-Affected and High-Risk Areas (CAHRAs) developed under the EU framework. Based on this reference, PT Cipta Persada Mulia considers the following countries as CAHRAs (as per 2025 indicative list): **Afghanistan, Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Colombia, Democratic Republic of the Congo, Egypt, Eritrea, Ethiopia, India, Libya, Mali, Mozambique, Myanmar, Niger, Nigeria, Pakistan, Philippines, Russia, Somalia, South Sudan, Sudan, Ukraine, Venezuela, Yemen, and Zimbabwe.**

PT Cipta Persada Mulia establishes that if the country of origin of sourced raw materials is included in the above list, it will be classified as a CAHRAs and subject to enhanced due diligence measures or exclusion from the supply chain, in accordance with PT Cipta Persada Mulia’s responsible sourcing policy and OECD-aligned risk management framework.

For more information, please refer to the website <https://www.cahraslist.net/cahras>.

2. U.S. Dodd-Frank Act – Section 1502 Reference

Section 1502 of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act requires companies listed in the United States to disclose whether they use “conflict minerals” (tin, tungsten, tantalum, and gold) and to determine whether these minerals originate from the Democratic Republic of the Congo or its adjoining countries. This regulation aims to promote transparency in supply chains and to prevent the financing of armed conflict and human rights abuses associated with mineral sourcing in the region.

As part of its due diligence framework, PT Cipta Persada Mulia refers to the countries defined under Section 1502 of the Dodd-Frank Act, including the Democratic Republic of the Congo and adjoining countries (Angola, Burundi, Central African Republic, Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia). **PT Cipta Persada Mulia establishes that if the country of origin of sourced raw materials falls within these specified countries, it will be classified as a Conflict-Affected and High-Risk Area (CAHRAs) and will be subject to enhanced due diligence measures or exclusion from the PT Cipta Persada Mulia’s supply chain, in accordance with its responsible sourcing policy.**

For more information, please refer to the website <https://www.sec.gov/comments/s7-40-10/s74010-547.pdf>.

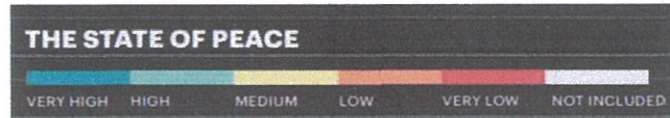
3. Global Peace Index (GPI) – Conflict Risk Indicator

The Global Peace Index (GPI) is a widely recognized benchmark for measuring the level of peacefulness across countries worldwide. It provides a comprehensive, data-driven analysis of global peace trends, including the economic impact of violence and the factors that contribute to peaceful societies. The GPI evaluates countries based on indicators such as the level of societal safety and security, the extent of ongoing domestic and international conflict, and the degree of militarization.

The GPI in 2025 shows that global peacefulness continues to decline, with the average level of peace deteriorating for the sixth consecutive year. Peace has reached its lowest level on record, with rising internal and international conflicts, increased militarisation, and geopolitical fragmentation contributing to this trend. The report notes that there are more active state-based conflicts than at any time since World War II, and a growing number of countries are involved in conflicts beyond their borders. Despite this overall decline, some regions and countries continue to rank as relatively peaceful, while others are among the least peaceful worldwide

PT Cipta Persada Mulia utilizes the GPI as part of its external reference framework to assess conflict-related risks in its supply chain. PT Cipta Persada Mulia establishes that countries or regions with a

GPI score above 2.35 (categorized from “Low Peace” to “Very Low Peace”) are considered high risk and are therefore subject to enhanced due diligence measures or exclusion from the supply chain.



For more information, please refer to the website <https://www.visionofhumanity.org/resources/?type=research>.

4. **Corruption Perceptions Index (CPI) – Governance Risk Indicator**

Good governance is characterized by the absence of corruption, which includes the abuse of entrusted power for private gain. Corruption can be categorized as grand, petty, or political, depending on the scale of resources misappropriated and the sector affected (Source: Transparency International). Transparency International is a global network leading efforts against corruption, with more than 100 established national chapters. These chapters operate independently and are self-financed, working with governments, civil society, businesses, and media to promote transparency in elections, public administration, procurement, and commercial activities. Transparency International also conducts advocacy campaigns to encourage governments to implement anti-corruption reforms.

PT Cipta Persada Mulia incorporates the Corruption Perceptions Index (CPI) as part of its external risk assessment framework to evaluate governance-related risks in its supply chain. **PT Cipta Persada Mulia considers countries or regions with a CPI score below the global average to be higher risk. Materials sourced from such countries are subject to enhanced due diligence, including additional verification of supplier legal compliance, permits, and operational integrity. If governance risks cannot be sufficiently mitigated, PT Cipta Persada Mulia may exclude materials from these areas to ensure alignment with responsible sourcing standards and RMI due diligence requirements.**

For more information, please refer to the website <https://www.transparency.org/en/cpi/2025>.

5. **United Nation Human Rights Council**

The United Nations Human Rights Council (UNHRC) is an intergovernmental body within the United Nations system responsible for promoting and protecting human rights globally, as well as addressing situations involving human rights violations and making recommendations. The Council addresses a wide range of thematic human rights issues and country-specific situations throughout the year. The UNHRC consists of 47 Member States elected by the United Nations General Assembly and was established to replace the former United Nations Commission on Human Rights.

PT Cipta Persada Mulia uses information from the United Nations Human Rights Council (UNHRC) as part of its external reference framework for assessing country-level human rights risks within its supply chain. **In line with this approach, PT Cipta Persada Mulia considers countries or regions that receive fewer than 95 votes in UN General Assembly elections for UNHRC membership representing less than half of the total UN Member States as higher risk areas. Materials**

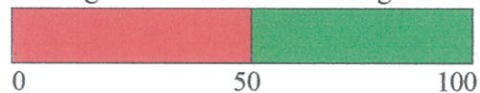
sourced from these regions are subject to enhanced due diligence, including verification of supplier compliance with human rights, labor standards, and relevant legal requirements. This framework ensures that PT Cipta Persada Mulia’s supply chain practices align with internationally recognized human rights standards and RMI due diligence guidelines.

For more information, please refer to the website <https://www.ohchr.org/en/hr-bodies/hrc/about-council>.

6. ACLED Conflict Index 2025

The ACLED Conflict Index is a global assessment published annually by the Armed Conflict Location & Event Data Project (ACLED), an independent non-profit organization. The Index evaluates conflict levels in every country and territory in the world based on four key indicators: deadliness (number of fatalities from political violence), danger to civilians (events specifically targeting civilian populations), geographic diffusion (spatial spread of conflict across the country), and fragmentation (number of active armed groups involved). The Index ranks the top 50 countries and territories experiencing the most extreme, high, or turbulent levels of conflict globally. Countries not appearing in the top 50 are considered to have a relatively low level of armed conflict.

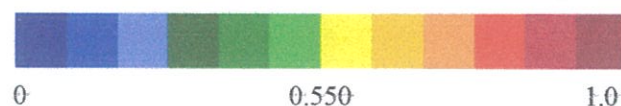
According to PT Cipta Persada Mulia, a country that appears in the ACLED Conflict Index Top 50 ranking is considered to be at high risk.



For more information, please refer to the website <https://acleddata.com/conflict-index-2026-watchlist>.

7. UNDP Human Development Index (HDI) 2025

The Human Development Index (HDI) is a composite statistic published annually by the United Nations Development Programme (UNDP) that measures a country’s average achievement in three key dimensions of human development: a long and healthy life (measured by life expectancy at birth), knowledge (measured by mean years of schooling and expected years of schooling), and a decent standard of living (measured by Gross National Income per capita). The HDI was created to emphasize that people and their capabilities should be the ultimate criteria for assessing the development of a country, not economic growth alone. Countries with high HDI scores tend to have stable governance, strong institutions, rule of law, and respect for human rights, which are direct indicators of reduced conflict and political risk. The HDI scale ranges from 0 to 1.0, with scores above 0.700 classified as High Human Development, indicating a stable and well-governed society. PT Cipta Persada Mulia stated that if a country has an HDI score below 0.550 (Low Human Development category), then it is declared as high risk.



For more information, please refer to the website <https://hdr.undp.org/data-center/human-development-index>.

Conclusions:

Based on our latest assessment, PT Cipta Persada Mulia confirms that all countries and regions from which we source materials are currently not listed in the EU CAHRAs or under the U.S. Dodd-Frank Act Section 1502. PT Cipta Persada Mulia risk management framework defines that if two or more of the three key risk criteria (conflict, governance, and human rights) are identified as high risk, the relevant country or region will be classified as a CAHRAs.

In such cases, **PT Cipta Persada Mulia will not source materials from those areas to maintain responsible sourcing and supply chain integrity. The CAHRAs assessment is reviewed and updated at least annually by designated senior management, including the General Manager and Head of Mining Engineering (Kepala Teknik Tambang/ KTT) to ensure ongoing compliance with international standards and the sustainability of production and plant operations.**

Person In Charge (PIC):

Name : Robin
Position : Head of Production Department

B. Identification of CAHRA Using External Resources

PT Cipta Persada Mulia holds three (3) Mining Business Licenses (Izin Usaha Pertambangan/ IUP) covering a total area of 11,550 hectares in Cibia Waters, meanwhile PT Prima Nusa Artha Unggul area of 4,241 hectares in Karimun Waters. PT Cipta Persada Mulia's business operations are fully integrated, from mining to processing and refining. The relationship between PT Cipta Persada Mulia and PT Prima Nusa Artha Unggul is formalized through a toll smelt agreement, and PT Cipta Persada Mulia sources exclusively from its own mining areas. In addition to the national CAHRAs identification methodology, PT Cipta Persada Mulia has developed enhanced supplier selection and qualification procedures to address additional risks associated with responsible sourcing. These procedures involve comprehensive review and documentation for all potential new suppliers.

When collaborating with suppliers, PT Cipta Persada Mulia prioritizes compliance with the laws and regulations of the Republic of Indonesia. PT Cipta Persada Mulia ensures that all suppliers possess valid permits and legal documents, including:

- 1) Company legal registration and permits.
- 2) Legal status of directors and shareholders.
- 3) Deed of incorporation.
- 4) Business license (Nomor Induk Berusaha/ NIB).
- 5) Taxpayer Identification Number (NPWP).
- 6) Mining business license (Izin Usaha Pertambangan/ IUP) for production operations.
- 7) Clear and Clean certification.

PT Cipta Persada Mulia requires original information and supporting documents for every transaction involving the procurement of tin ores. Suppliers who fail to meet the established criteria and requirements are subject to sanctions. All suppliers are required to certify that every material delivered to PT Cipta Persada Mulia is sourced in accordance with PT Cipta Persada Mulia's supply chain policy, and all documentation follows CAHRAs related procedures. PT Cipta Persada Mulia conducts screening of all suppliers against international sanctions lists and lists of prohibited persons using the SAP Global Trade

Services (GTS) compliance system. This includes official lists from the EU and other countries, which are updated regularly. This process provides additional assurance that PT Cipta Persada Mulia's business partners are not affiliated with terrorist organizations, narcotics traffickers, or other illegal groups.

C. **Risk Assessment**

PT Cipta Persada Mulia has not identified any potential risks related to Conflict-Affected and High-Risk Areas (CAHRAs), as all sourced raw materials originate from countries and areas that are classified as non-conflict. However, PT Cipta Persada Mulia maintains a proactive approach to risk management. Should potential CAHRAs-related risks be identified in the future, PT Cipta Persada Mulia will immediately assess, document, and address them in accordance with the guidelines and recommendations of the Responsible Minerals Initiative (RMI). This ensures ongoing compliance with responsible sourcing practices and continuous improvement of the PT Cipta Persada Mulia's supply chain due diligence program.

D. **CAHRAs Assessment**

Based on the Conflict-Affected and High-Risk Areas (CAHRAs) assessment procedure, the sourcing areas of PT Cipta Persada Mulia's resources are all classified as **low-risk**, as determined through multiple internationally recognized reference sources:

- 1) **EU CAHRAs List – Regulation (EU) 2017/821**: None of the PT Cipta Persada Mulia sourcing origins are from countries listed in the EU CAHRAs list.
- 2) **U.S. Dodd-Frank Act – Section 1502 Reference**: None of the PT Cipta Persada Mulia's sourcing origins are from countries listed under the U.S. Dodd-Frank Act Section 1502.
- 3) **Global Peace Index (GPI)**: The sourcing areas are exclusively within PT Cipta Persada Mulia's mining operations in Indonesia. The Republic of Indonesia has a Global Peace Index (GPI) score of approximately 1.8–1.9 in 2025, which is categorized as a relatively high level of peace. Therefore, Indonesia is considered a low-risk area in terms of conflict-related risks.
- 4) **Corruption Perceptions Index (CPI)**: According to the latest Corruption Perceptions Index (CPI), The Republic of Indonesia's score remains below the global average, indicating relatively elevated governance risks. Therefore, Indonesia is classified as a higher-risk area in terms of governance and is subject to enhanced due diligence measures.
- 5) **United Nations Human Rights Council (UNHRC)**: The Republic of Indonesia has previously held a seat in the United Nations Human Rights Council (UNHRC), reflecting a level of international recognition in human rights engagement. Based on available international references and the absence of widespread or systematic human rights violations relevant to PT Cipta Persada Mulia's operations, The Republic of Indonesia is considered a relatively low-risk area in terms of human rights.
- 6) **ACLED Conflict Index 2025**: The Republic of Indonesia does not appear in the Top 50 most conflict-affected countries and territories in the world. This means Indonesia is not categorized as a high-conflict country, so we declared Indonesia is a Low Risk.
- 7) **UNDP Human Development Index (HDI) 2025**: The Republic of Indonesia has an HDI score of 0.728 (High Human Development category, ranked 113th out of 193 countries) based on the UNDP Human Development Report 2025, which is above our threshold of 0.550, so we declared Indonesia is a Low Risk Area.
- 8) **Frequency of CAHRAs Assessment**: PT Cipta Persada Mulia conducts CAHRAs assessments whenever updated or new information on sourcing areas becomes available and/or at least once per year, to ensure ongoing compliance with responsible sourcing standards.

Based on the most recent assessment of external sources, **PT Cipta Persada Mulia confirms that the countries and regions from which it sources materials are not included in the EU CAHRAs list or identified under the U.S. Dodd-Frank Act Section 1502.** In evaluating country-level risks across the three key criteria (conflict, governance, and human rights), the Corruption Perceptions Index (CPI) indicates that the Republic of Indonesia presents relatively elevated governance risks. However, PT Cipta Persada Mulia applies a risk-based approach whereby a country or region is classified as a Conflict-Affected or High-Risk Area (CAHRAs) only if at least two of the three criteria are assessed as high-risk. As only one criterion (governance) is identified as higher risk, while conflict and human rights indicators remain within acceptable levels, the Republic of Indonesia is currently considered a low-risk sourcing area. This assessment is subject to periodic review in line with the PT Cipta Persada Mulia's ongoing due diligence process. Furthermore, the mining sites located in the Riau Islands Province are not identified as CAHRAs based on current assessments using internationally recognized references. In this case, the Republic of Indonesia maintains a regulatory framework governing mining activities, including licensing, environmental management, and operational compliance, which supports legal and responsible mining practices.

We will not be involved in any conflicts, as in collaborating with our suppliers, we always prioritize compliance with the laws and regulations of the Republic of Indonesia. We ensure that our suppliers possess all necessary permits and legal documentation required under Indonesian law, which can be verified through official records.

Batam, 09th January 2026
Assessment Teams

General Manager

Robin

Head of Mining Engineering

Ali Sadikin

Acknowledged

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Director