


MANUAL FOR OPERATION		
Document: TKK2-4	Name of instruction: <b>COBALT SUPPLY CHAIN POLICY</b>	 Jervois Finland Oy
Date: 03.11.2021	Prepared by: Thomas Slotte	
Version: 4	Accepted by: Sami Kallioinen	
		1 (2)

## COBALT SUPPLY CHAIN POLICY

### 1. General

Jervois Finland Oy (JFO) is committed to operate based on strict safety, environmental and ethical standards as outlined by Jervois Global Ltd.'s (JRV) corporate policies. This policy is developed to adopt the corporate policies as well as the OECD Guidelines for Responsible Supply Chain of Minerals from Conflict-Affected and High-Risk Areas to the sourcing of cobalt raw materials to meet stringent expectations of various stakeholders.

JFO commits itself to manage its cobalt raw material supply chain 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

Cobalt raw material suppliers and their sub-suppliers are expected to conduct their activities and operations in a responsible manner as described in JRV's [Code of Ethics and Business Conduct](#) and the attached Supplier Standard.

If sourcing from high-risk areas: Where our raw material sources are located in high risk areas, we will directly refer to Annex II of the OECD Due Diligence Guidance for our risk management approach. We commit to working cooperatively with organizations and agencies such as the OECD, Responsible Minerals Initiative and the Cobalt Institute's CIRAF 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".

### 2. Definitions

- 2.1 Safety standards refers 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 OHSAS 18001.
- 2.2 Environmental standards refers 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.
- 2.3 Business and operational ethics refer to the respect for human rights, including prohibiting forced labor, child labor, discrimination and harassment. The terms also refer to topics

MANUAL FOR OPERATION		
Document: TKK2-4	Name of instruction: <b>COBALT SUPPLY CHAIN POLICY</b>	 Jervois Finland Oy
Date: 03.11.2021	Prepared by: Thomas Slotte	
Version: 4	Accepted by: Sami Kallioinen	
		2 (2)

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 Labor Organization (ILO) guidelines and principles.

### 3. Minimum expectations

- 3.1 Suppliers must comply with all applicable local and international laws and regulations.
- 3.2 Suppliers must demonstrate their intent and strive for high operating standards in the areas of safety, environment, and business ethics.
- 3.3 Suppliers must be able to track and maintain custody of their raw material flow from the mine site to delivered product.
- 3.4 Suppliers must cooperate with JFO to conduct on site evaluations to assess compliance with this policy.

### 4. Assessment of compliance

- 4.1 Each supplier is assessed to review the level of compliance with this policy and to identify potential risks related to compliance.

### 5. Non-compliance

- 5.1 A risk management plan will be developed in the event a supplier assessment identifies a reasonable risk that the supplier is not able to meet the minimum expectations.
- 5.2 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, JFO will reassess the situation to conclude appropriate actions.

Kokkola 7th October 2021



Sami Kallioinen  
President

# Jervois

## Supplier Standard

Jervois Global Ltd. (“Jervois”) is on a mission is to become the leading Supplier of responsibly sourced cobalt and nickel-based materials and related chemical products, and to provide a secure supply to consumers. We believe that our ability to deliver on this mission is directly linked to our efforts to responsibly manage business risks and opportunities and fulfill our **sustainability commitments**, within our supply chains.

Our Suppliers of goods and services play an essential role by ensuring that our supply chains are socially and environmentally responsible, ethical, and ultimately support broader sustainability aims.

Jervois will do business with Suppliers of goods and services whose business conduct is consistent with our **core values and principles** and who, at a minimum, adhere to the principles outlined in this Supplier Standard. Accepting the Supplier Standard is a pre-requisite for a contractual business relationship with Jervois.

This Supplier Standard outlines general requirements for all Suppliers as well as specific conditions related to:

1. Ethical business conduct
2. Human and labour rights
3. Health and safety
4. Social responsibility
5. Environmental responsibility
6. Responsible mineral sourcing

The Supplier Standard (or the “Standard”) applies to all suppliers, vendors, consultants, contractors and subcontractors (“Suppliers”) who provide goods and/or services to Jervois Global Ltd., including the parent, subsidiaries and any affiliated entities.

Jervois and designated 3<sup>rd</sup> parties will oversee and, where applicable, audit implementation of the Standard by our Suppliers. In the event a Supplier has or is suspected to have violated the Standard, Jervois reserves the right to require corrective actions and/or to take disciplinary action. Depending on the nature and seriousness of a violation, this may include reduced business or termination of the business relationship.

Jervois recognizes the different capacities and resources of our Suppliers and aims to increase local benefits from our activities. When appropriate, we will take measures to build our Supplier’s capacity to comply with the expectations and requirements outlined in the Supplier Standard.

## General Requirements

All Suppliers of goods and services to Jervois are required to:

- Designate an executive, supervisor or other senior staff member to ensure compliance with the Standard and respond to any violation of the Standard in a timely and satisfactory manner.
- Honestly and openly share data and information with Jervois related to compliance with the Standard, including with respect to risks of violation and the status of corrective actions.
- Be willing to adopt internal policies and codes of conduct and keep accurate, up-to-date records indicating compliance with all applicable laws and the Standard.
- Ensure a procedure is in place to enable employees and/or subcontractors to freely bring issues, concerns or complaints to the Supplier’s management without fear of intimidation, retaliations or reprisal, including any issues related to implementation of the Standard.

# Jervois

- Comply with any other site- or project-specific rules or requirements that may be imposed.

All Suppliers are also encouraged to develop internal policies, standards and procedures to support their continuous improvement in their Environmental, Social and Governance (ESG) performance and manage related risks in their own operations and supply chains.

## 1. Ethical Business Conduct

We earn and sustain the trust and respect of our stakeholders by acting with integrity, operating within the letter and spirit of the law, honoring our commitments, treating others with dignity and respect and caring for our environment, ourselves, our coworkers, our families and host communities.

Our standards and expectations for ethical business conduct, including for our Suppliers, are outlined in Jervois' **Code of Ethics and Business Conduct**. These expectations extend beyond those outlined in the Supplier Standard to include issues related to anti-corruption, fair dealing, conflicts of interest, trade restrictions, confidentiality, and intellectual property rights, among others. Behavior reflecting high ethical standards is expected of all directors, employees and others who are bound by our Code of Ethics and Business Conduct, including our Suppliers.

## 2. Human and Labour Rights

Jervois strives to create inclusive, supportive and fair working conditions by acting intentionally to ensure our employees, community members, suppliers and other stakeholders are treated with dignity and respect; by creating diverse, safe and welcoming working environments; and by integrating human rights and fair labour practices in both principle and practice at all levels.

We expect our Suppliers to follow the same practices by respecting all internationally-recognized human rights with particular sensitivity to the rights of indigenous people, women, children, disabled-people and vulnerable groups, including within communities affected by our operations.

We strongly encourage our Suppliers to, wherever feasible, employ, sub-contract and procure goods from local communities affected by our operations, including from indigenous people, women, disabled-people and vulnerable groups within those communities.

Suppliers shall comply with requirements related to the following:

### (A) **Non-discrimination, harassment, bullying and other forms of violence**

Suppliers shall adopt measures to ensure that its workplaces are free from acts of discrimination, harassment, bullying and similar acts of violence.

This includes:

- Non-discrimination in hiring, promotion, or other employment practices because of age, race, color, religion, creed, national origin, ancestry, ethnicity, sex, pregnancy, gender, gender identity, transgender status, physical or mental disability, including gender-related conditions, alienage or citizenship status, military status, actual or perceived sexual orientation, unemployment status, caregiver status, partnership status, credit history, salary history, or any other characteristics protected by applicable laws.
- Zero tolerance for physical, verbal or sexual harassment, intimidation or other offensive behaviour that interferes with another's work environment or creates a hostile work environment. This may include but is not limited to words, signs, jokes, derogatory remarks, gestures, inappropriate physical contact, or other actions intended to harass, intimidate, bully, coerce or extort. This also includes efforts to extort sexual favours in exchange for granting, withholding, or revoking a potential benefit (e.g. a job, promotion, raise).
- Zero tolerance for acts of physical, verbal or sexual violence, intimidation, abuse or harassment in communities where we and our Suppliers operate.

# Jervois

## (B) **Child Labour**

Jervois prohibits child labour in any aspect of its operations and supply chains. According to the International Labour Organization, child labour includes work that “deprives children of their childhood, their potential and their dignity, and that is harmful to their physical development” including by interfering with their schooling.

Suppliers of raw materials and/or services agree to follow *OECD Due Diligence Guidelines for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*. Suppliers are not allowed to employ any children exposed to the worst forms of child labor as defined in the *Due Diligence Guidelines*.

Suppliers of non-mineral goods and services will only employ workers who meet the legal minimum age for employment, the age of completion of compulsory school or who have reached the age of 15 years, whichever is highest in the jurisdiction. Young employees will not be exposed to working environments that may harm their physical, mental or moral well-being.

## (C) **Forced Labour and Human Trafficking**

Jervois prohibits all forced, bonded, indentured, compulsory, prison or slave labour and all forms of human trafficking in any aspect of its operations and supply chains. This includes but is not limited to confiscation or destruction of identity or immigration documents, passports or work permits; withholding wages; movement restrictions; and other kinds of violence, abuse or exploitation.

## (D) **Working Hours and Leave**

Jervois requires its Suppliers to comply with applicable laws and, where applicable, collective bargaining agreements related to working hours and leave. This includes those terms related to allowable regular, overtime and resting hours and annual, sick, parental, and other types of leave.

## (E) **Wages and Benefits**

Jervois requires its Suppliers to comply with applicable laws and, where applicable, collective bargaining agreements, including in relation to payment of wages, overtime, benefits, and allowable deductions. Suppliers shall also provide related information to employees in an understandable form including wage statements and employment terms and conditions.

## (F) **Freedom of Association and Collective Bargaining**

Jervois requires its Suppliers to comply with applicable laws and respect international conventions, including those related to the rights of employees to lawfully form, associate or not associate with labour unions, workers' councils or any third party, to bargain collectively and seek representation.

## 3. **Health and Safety**

Jervois adheres to highest standards for health and safety to eliminate fatalities and prevent workplace illnesses, accidents and serious injuries through consistent, accountable leadership and by providing every worker with the resources, knowledge, skills and individual responsibility needed to work safely every day.

Jervois requires its Suppliers to provide a safe and healthy workplace in compliance with all applicable laws and regulations. Suppliers shall implement satisfactory procedures to identify, assess and control hazards; manage physically demanding work; prevent and respond to emergencies; maintain equipment and machines; ensure satisfactory sanitation and hygiene including through access to clean water, toilets and eating facilities; and provide satisfactory safety information, training, first aid requirements and appropriate personal protective equipment (PPE).

Suppliers must report to work free from the influence of alcohol or illegal or unauthorized drugs. The use, possession, or distribution of alcohol or illegal or unauthorized drugs is prohibited in the workplace.

# Jervois

## 4. Environmental Responsibility

Jervois commits to ensuring excellence in environmental stewardship by responsibly, safely and efficiently managing our carbon footprint and all water, tailings and other waste and materials; minimizing impacts on biodiversity, land, air, water and human beings; and reclaiming, rehabilitating and restoring ecosystems.

Jervois requires its Suppliers to identify, assess and manage environmental risks and impacts in compliance with all applicable laws and regulations. Suppliers shall implement satisfactory procedures to manage all wastes, discharges, emissions and hazardous materials and shall strive to continuously improve in the efficient consumption of energy, water and other resources.

## 5. Responsible Mineral Sourcing

For those who are supplying cobalt, nickel or other raw mineral materials, we expect our Suppliers to be aligned with the *OECD Due Diligence Guidelines* and meet Jervois' minimum requirements.

Jervois commits to fostering ethical supply chains and sourcing minerals and battery raw materials responsibly, with particular consideration of risks associated with minerals sourced, extracted, processed or handled within conflict-affected and high-risk areas (CAHRAs). Jervois commits to manage its mineral supply chains in accordance with the *OECD Due Diligence Guidelines for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* and is working cooperatively with the Cobalt Institute and other industry initiatives and associations to ensure continuous improvement within our due diligence systems and processes.

In conjunction with Jervois' due diligence on our current and potential Suppliers, we expect Suppliers to implement measures to ensure that the minerals do not directly or indirectly support armed conflict and/or are not connected to human rights violations, such as child labour, forced labour and human trafficking, among others.

Jervois expects our current and potential Suppliers of cobalt, nickel or other raw mineral materials to be aligned with the *OECD Due Diligence Guidelines* and are required, at a minimum, comply with our Cobalt Supply Chain Policy and to:

- Implement management and internal control systems, including record keeping as needed to track and maintain custody of cobalt raw materials from the mine site to delivery;
- Assess, review and share data, information and records that: demonstrate adequate levels of compliance with due diligence measures and other aspects of this Supplier Standard; to notify Jervois of any potential or existing risks related to compliance with this Standard; and affirm the status of corrective actions; and
- Honestly and transparently cooperate and take measures to implement corrective actions including, where applicable, risk management plans in the event that a reasonable risk exists that the Supplier is unable to meet minimum requirements.

In the event that any warning signs or evidence of a "red flag" (as described in the *OECD Due Diligence Guidance*) is identified by the Supplier of cobalt, nickel or other raw mineral materials, Jervois must be notified immediately in writing to [compliance@jervoisglobal.com](mailto:compliance@jervoisglobal.com).