



## **Ambatovy Due Diligence (“OECD Step 5”) Report**

Prepared for the Responsible Minerals Initiative (RMI)  
August 2023





## **Ambatovy Due Diligence (“OECD Step 5”) Report April 2022 – August 2023**

### **1. Company Information**

- a. Ambatovy is a joint venture enterprise held by two shareholders: Sumitomo Corporation and Korea Mine Rehabilitation and Mineral Resources Corporation (KOMIR). Ambatovy is comprised of two companies: Ambatovy Minerals S.A. (AMSA) and Dynatec Madagascar S.A. (DMSA), which, together, are responsible for the day-to-day operations. AMSA is the holder of the mining title and operates the Mine Site, and DMSA manages the Pipeline as well as the Plant Site and all the activities related to it.
- b. RMI CID number for Cobalt: 003232  
RMI CID number for Nickel: 003968
- c. The company’s Mine Site is located just north of the town of Moramanga, Madagascar, approximately 80 km east of the country’s capital. The company’s Plant Site, comprised of a processing plant and a refinery, is located at Toamasina, Madagascar. A 220 km closed pipeline connects the Mine with the Plant Site and is operated exclusively by Ambatovy. An auxiliary office in Antananarivo provides administrative, legal and communications support to both locations and serves as a liaison with government offices and international organizations as well as with the media and business sectors. Ambatovy also operates a port facility and a Tailings Management Facility.
- d. The materials produced are Class 1 (99.9%) Nickel briquettes and pure (99.9%) Cobalt briquettes or powder. By-products of the refining process are Ammonium Sulphate and Copper-Zinc alloy. No external ore is used. The ore body at our Mine consists of two lateritic ore deposits, entirely and exclusively located in Madagascar: the Ambatovy and Analamay deposits. The nickel and cobalt feed, sourced solely from our own mining operations, is delivered as slurry from the Mine to the Plant Site through the 220 km closed Pipeline.
- e. This is the first “Step 5” report and it coincides with the period of the Conformity certificates issued to Ambatovy by the Responsible Minerals Initiative (RMI). The period is April 13<sup>th</sup> 2022 through April 13<sup>th</sup> 2023. As the re-certification audit by RMI is scheduled for September 11<sup>th</sup> – 12<sup>th</sup> 2023, this report is extended through to August 25<sup>th</sup> 2023 (to be uploaded on the RMI-RMAP audit platform).

### **2. Responsible Minerals Assurance Process (RMAP) Assessment Summary**

- a. Date of last RMAP assessment: April 13<sup>th</sup> 2022 (validity period: one year)
- b. Assessment period: December 6<sup>th</sup> 2020 to December 6<sup>th</sup> 2021
- c. Assessment firm: Arche Advisors
- d. URL link to R-MAP initial assessment report: [RBA-Online](#).

### 3. Company Supply Chain Policy

- a. In consultation with third-party risk assessment consultants, Ambatovy has assessed all risks described in the OECD Annex II, and a company policy on Responsible Sourcing was subsequently approved by Ambatovy’s Senior Management in March 2023 and posted publicly on Ambatovy’s website. The company also has a Supplier Code of Conduct and a Health & Safety, Environment, Community and Quality policy. Of further relevance are our Human Rights Policy, our Integrity Guide and our Security Policy.
- b. All policies of relevance to suppliers are accessible through: [Our Policies - ambatovy](#).

### 4. Company Management System

- a. **Management Structure.** Ambatovy follows through on its commitments in its Responsible Sourcing Policy and its Supplier Code of Conduct Policy. As due diligence in general and responsible sourcing in particular cut across several departments, overall responsibility for policy implementation lies with Ambatovy Senior Management. Day-to-day implementation responsibility lies with the Supply Chain Director. The company’s Management System was deemed compliant as part of the last RMAP Assessment.
- b. **Internal Systems of Control.** Ambatovy is committed to adhering to the five-step due diligence process outlined in the OECD Guidance. Specifically, Ambatovy commits to:
  - Establishing strong company management systems
  - Identifying and assessing risks in the supply chain
  - Designing and implementing a strategy to respond to such risks
  - Carrying out independent third-party audits along identified points in the supply chain
  - Reporting on supply chain due diligence
- c. **Record and document keeping.** Ambatovy adheres to ISO 9001 requirements for “documented information”. Depending on the nature of the records, different times are followed for different types of records (IMS-PRO-001, 24 February 2023).

Document	Archive duration
Policies, Scope	1 year
Manuel, Datasheet process, procedure	1 to 3 years
SOP, Form, ....	1 to 3 years
Records	- Technical plans, fatality records, Environment records, etc...: no archive limits. - For legal compliance: 10 years at least. - Critical operational: 5 years at least - For ISO compliance: 3 years at least Others: 1 to 3 years.

Documents related to company operations, such as risk assessments or Standard Operating Procedures (SOPs), are stored for  $\geq 5$  years.

Archiving is done digitally on Secured Company Drives. Records and documents of interest across the company are stored on the company drive, allowing company-wide access. Other documented information is kept on secured departmental drives.