



**万洋集团**  
WANYANG GROUP

**JIYUAN WANYANG SMELTERY GROUP CO., LTD.**

**LBMA RSG**

**2024 Refiner's Compliance Report**

(Published in January 2024)

**济源市万洋冶炼（集团）有限公司**

**2024 年度精炼厂合规报告**

(2024/01/01-2024/12/31)

In order to meet the requirements of the LBMA Responsible Silver Guidance, our company has established a strong management system and using supply chain due diligence methods to identify and evaluate risks for all suppliers, established a high-risk supply chain management strategy to ensure that supply chain risks are within acceptable limits, and through independent third-party audits, make sure that the company's silver supply chain fully meets the requirements of the LBMA Responsible Silver Guidance.

为了符合《伦敦金银市场协会负责的白银指南》的要求，我司通过建立强大的管理体系，采用供应链尽职调查方法对所有供应商进行风险识别和评估，制定了高风险供应链的管理策略，确保供应链风险在可接受范围内，并通过独立的第三方审计的方式，确保本公司的白银供应链完全符合 LBMA 负责任白银指南的要求。

This report summarizes the compliance of JIYUAN WANYANG SMELTERY GROUP CO., LTD. in the fiscal year 2024 (January 1, 2024-December 31, 2024) with the requirements of the < LBMA Responsible Silver Guidance >.

本报告总结了济源市万洋冶炼（集团）有限公司 2024 财年（2024 年 1 月 1 日-2024 年 12 月 31 日）对《伦敦金银市场协会负责的白银指南》要求的遵守情况。

<b>Company Name:</b>	济源市万洋冶炼（集团）有限公司 <b>JIYUAN WANYANG SMELTERY GROUP CO., LTD.</b>
<b>Location:</b>	Sili Village, Sili Town, Jiyuan City, Henan Province
<b>Reporting year-end:</b>	December 31, 2024
<b>Date of Report</b>	January 28, 2024
<b>Senior management responsible for this report</b>	Mr. Li xiaoyong/Compliance Director

## 公司概况

### Company Overview

Jiyuan Wanyang Smelting Group Co., Ltd., founded in 1995, located in Wanyang Avenue, Sili Town, with a registered capital of 390 million yuan and total assets of 6 billion yuan. We have the business of metal refining, new energy, Jewelry, health industry, chemical industry, logistics and transportation. Since 2011, it has been honored as one of the "Top 500 Private Enterprises in China", and achieved sales revenue of 31.8 billion Yuan in 2022.

The company is committed to the development of green economy and circular economy. We have established a provincial scientific research center, trained a professional R & D team, and obtained more than 20 national patents.

"Bottom blowing smelting-smelting reduction-oxygen-rich volatile continuous lead smelting new technology and industrial application" project won the second prize of National Science and Technology Progress Award; Selenium product application and research laboratory won the title of "Henan Province's new research and development institution"; "Wang Yang" brand lead-acid battery is known as a "dark horse" in the power battery industry for its excellent product quality and good reputation, and has been recognized by customers.

The company has formed 4 circular economy industrial chains: based on electrolytic lead to develop alloy lead, battery and other products; based on precious metal recycling to develop gold and silver jewelry and other products; based on sulfuric acid to develop compound fertilizer, gypsum board and other products; Selenium is based on the development of health care, beauty and medical products.

济源市万洋冶炼（集团）有限公司,始建于1995年,位于思礼镇万洋大道,注册资金2.8亿元,总资产60亿元,涉及有色冶炼、新能源、综合回收、金银制品、珠宝首饰、健康产业、化工、物流运输等领域。2011年至今荣膺“中国民营企业500强”。

公司致力于发展绿色经济、循环经济。建立了省级研发中心,培养了专业研发团队,获得国家专利20余项。“底吹熔炼-熔融还原-富氧挥发连续炼铅新技术及产业化应用”项目获国家科技进步奖二等奖;硒产品应用与研究实验室获得“河南省新型研发机构”称号;“万洋”牌铅酸电池以其过硬的产品质量和良好的口碑被誉为动力电池行业的一匹“黑马”,获得了客户的一致认可。

公司形成了4条循环经济产业链条:以电解铅为依托发展合金铅、蓄电池等产品;以贵金属回收为依托发展金银

首饰等产品；以硫酸为依托发展复合肥、石膏板等产品；以有机硒为依托发展保健、美妆、医疗产品。

## 第一步：建立强大的公司管理体系

### Step 1: Establish strong company management systems

#### 合规声明

我们完全符合第一步：建立强大的管理体系

#### Compliance Statement with Requirement:

We have fully with Step 1: Establish strong management systems.

#### 1.1. Adopt and commit to a policy for silver supply chain due diligence

Compliance statement:

Based on the second edition of the LBMA Responsible Silver Guidelines, we have updated our supply chain due diligence policy, which was released and implemented on January 1, 2024.

Report scope: All priced silver-bearing materials purchased by Wanyang Group

Related facilities: Smelting workshop, precious metal workshop

Business departments: Raw Materials Department, International Business Center, Precious Metals Company, Quality Inspection Center, Trading Company, Finance Department, Production & Operations Department

The policy includes all threatening financing risks, including OECD Annex II risks, per Step 1.1 of the LBMA Responsible Silver Guidance. It also covers the Environmental, Social and Governance (ESG) factors considered in silver primary supply chains.

The company promises to strictly comply with the supply chain due diligence policy, which includes the following:

Systematic or widespread human rights abuses associated with the extraction, transport, or trade of silver, including:

- Any forms of torture, or inhuman and degrading treatment
- Forced or compulsory labour
- Worst forms of child labour
- Widespread sexual violence or other gross human rights violations
- War crimes, crimes against humanity or genocide.

Direct or indirect support to illegitimate non-state armed groups, or public or private security forces:

- Illegally control mines, sites, traders or other intermediaries, and transport routes through the supply chains; or
- Illegally tax or extort money or minerals through the supply chains.

Bribery and fraudulent misrepresentation of the origin of silver.

Non-compliance with taxes, fees, and royalties due to governments related to mineral extraction, trade, and export from Conflict-Affected and High-Risk Areas (CAHRAs).

Money laundering or terrorism financing.

Contribution to conflict.

Unauthorised sourcing from World Heritage Sites and Protected Areas.

Using mercury and cyanide.

The supply chain due diligence policy has been approved by the Board of directors.

The supply chain due diligence policy will be reviewed and updated annually based on changes in the internal and external environment.

The updated supply chain due diligence policy has been communicated to all relevant employees through training and published on the official website at <http://www.wanyanggroup.cn/content/?948.html>

合规陈述:

基于 LBMA 负责任白银指南第二版标准，我们更新了供应链尽职调查政策，于 2024 年 1 月 1 日发布和实施。报告范围：万洋集团采购的所有计价含银物料

相关设施：冶炼车间、贵金属车间

业务部门：原料部、国际业务中心、贵金属公司、质量检验中心、贸易公司、财务部、生产运营部

该政策包含了根据《负责任白银指南》第 1.1 步，所有威胁性融资风险，包括经济合作与发展组织附件二所列风险。同时，涵盖了供应链中需考虑的环境、社会和治理（ESG）因素。

公司承诺并严格遵守供应链尽职调查政策，内容如下：

与白银开采、运输或贸易相关的系统性或广泛的侵犯人权行为，包括：

- 任何形式的酷刑或不人道和有辱人格的待遇
- 强迫或强制劳动
- 最恶劣形式的童工
- 普遍存在的性暴力或其他严重侵犯人权行为
- 战争罪、危害人类罪或种族灭绝罪。

直接或间接支持非法的非国家武装团体或公共或私人安全部队：

- 非法控制矿山、场地、贸易商或其他中介机构，以及通过供应链的运输路线；或
- 通过供应链非法征税或勒索金钱或矿产。

贿赂和对白银来源的欺诈性虚假陈述。

不遵守与受冲突影响和高风险地区（CAHRA）的矿产开采、贸易和出口有关的政府应缴纳的税款、费用和特许权使用费。

洗钱或恐怖主义融资。

对冲突的贡献。

未经授权从世界遗产地和保护区采购。

使用汞和氰化物。

供应链尽职调查政策得到了公司董事会的批准。

供应链尽职调查政策将根据内外部环境的变化，每年审查和更新。

更新的供应链尽职调查政策已经通过培训传达给所有相关员工，并发布在官方网站上，网址为

<http://www.wanyanggroup.cn/content/?948.html>

## 1.2. Establish management structures to support supply chain due diligence

Compliance statement:

According to the requirements of the LBMA Responsible Silver Guidelines, the company's board of directors has authorized a compliance management team, including a compliance director, two compliance managers, and several compliance team members, the responsibilities were defined.

The compliance management team reports directly to the company's board of directors, which is responsible for coordinating internal and external resources to support due diligence on the silver supply chain.

The board of directors has appointed a compliance director to lead and supervise the implementation of responsible sourcing projects. He is mainly responsible for the company's trading company, Wanyang Group product sales, and imported raw material sourcing. He has served as the vice president of domestic raw material procurement and sales, and the chairman of the subsidiary. He also has rich theoretical knowledge and practical experience in business management.

Compliance Manager: Assist the Compliance Director to carry out due diligence on the silver supply chain, develop a supply chain due diligence management system based on the LBMA Responsible Silver Guidelines, provide training to relevant employees, conduct risk assessments on supply chain due diligence documents, and promptly report red flag and high-risk supply chains.

The Raw Materials Department and International Business Center conduct due diligence on the domestic and international silver supply chain, sign procurement contracts, supervise the transportation process, and ensure that the quantity and type of silver containing materials are consistent with the contract.

Quality Inspection Center: Weighing and testing the purchased silver-bearing materials; Each business unit is responsible for the inventory records of raw materials; The Precious Metals Division is responsible for weighing and marking the output of silver ingots. The workshop organizes feeding production and keeps records of feeding and output of silver

ingots. A closed process is adopted in the production process to ensure the safety and traceability of silver production and processing.

The Production and Operations Department is responsible for coordinating with the Raw Materials Department and the International Business Center to ensure the accuracy of receiving silver-bearing materials. The Precious Metals Division is responsible for counting the quantity of silver bar before sales to ensure the safety of silver bar leaving the factory.

The silver sales and financial personnel of Wanyang Group confirm the identity information of the delivery person and adopt a supervision mechanism to ensure the security of the transaction during the transaction process, ensuring that the company does not participate in terrorist financing. The compliance officer of the finance department is responsible for keeping all transaction documents.

In 2024, the compliance team developed the LBMA training plan and implemented 2 training sessions, 1 internal audit, and 1 management review meeting according to the plan.

- March 01, 2024, LBMA Responsible Silver Guidance Upgrade Training to compliance team members, communicated the key updating of provision, the training evaluation was conducted to make sure all attendance have good understanding of guidance.
- March 01, 2024, Supply chain due diligence training to compliance team members, communicated the due diligence requirement with purchase to make sure the investigation shall be completed before the contract.
- December 27, 2024, Internal assessment meeting to prepare the assessment, plan the date, assessment plan, etc.
- January 20, 2025, management review meeting, to discuss the unsolved issue and how to improve the supply chain due diligence.

Training session	Number of participants	%
LBMA Responsible Silver Guidance Upgrade Training	20	100% compliance team member attended
Supply chain due diligence training	20	100% compliance team member attended
Internal audit meeting	11	55% attended
Management review meeting	19	95% attended, including the Board of Directors

Payment Policy: The company required all payments must be made through bank transfer, cash transactions are not allowed. In 2024, all business transactions were paid through official banking channels, without any cash transactions. Payment for imported products is made through a letter of credit by bank, while payment for domestic products is made through bank transfer.

According to the management system requirements, we conduct transaction supervision for each batch of silver-bearing materials and retain relevant payment evidence. The compliance officer of the finance department is responsible for transaction monitoring. We have established anti-money laundering cooperation with the local government, and we will notify the local government of any money laundering as soon as possible and cooperate with the government in conducting money laundering investigations.

Record keeping policy: According to the Silver Supply Chain Due Diligence Management System, all supplier due diligence documents, including KYC, risk assessment forms, contract, inspection records, transportation records, inbound and outbound records, etc., are kept for at least five years.

#### 合规陈述:

根据 LBMA 负责任白银指南的要求，公司董事会授权成立了合规管理团队，包括一名合规总监、两名合规经理以及若干名合规组成员，定义了所有人的职责。

合规管理团队直接向公司董事会汇报，董事会负责协调内外部资源支持白银供应链尽职调查。

董事会任命一名合规总监负责主导和监督负责采购项目的实施，他主要负责公司贸易公司、万洋集团产品销售以及进口原料采购，先后担任国内原料采购、销售副总、分公司董事长，对经营管理也有着丰富的理论知识和实操经验。

合规经理：协助合规总监执行白银供应链尽职调查工作，根据LBMA负责任白银指南文件，制定供应链尽职调查体

系文件，对相关员工进行培训，对供应链尽职调查文件进行风险评估，及时上报警示信号和高风险供应链。原料部、国际业务中心，对国内外白银供应链实施尽职调查，签订采购合同，监督运输过程，确保含银物料的数量和类型与合同保持一致。

质量检验中心：对采购含银原料进行过磅称重，化验；各事业部负责原料的出入库记录；贵金属事业部负责对产出银锭进行称重、打标记录，车间组织投料生产并做好投料记录和产出银锭记录，在生产过程中采用封闭式流程，确保白银生产加工的安全性与可追溯性。

生产运营部负责与原料部，国际业务中心结合，保证含银原料接收的准确性，贵金属事业部负责对白银销售前的数量的统计，保证白银实物出厂的安全性。

万洋集团白银销售人员和财务人员对交货人身份信息进行确认，并在交易过程中，采用监督机制确保交易的安全性，保证公司不参与恐怖主义融资。财务部合规专员负责保存所有客户的交易凭证。

2024年，合规小组制定了LBMA培训计划，并按照计划实施了2次培训，1次内部审核和1次管理评审会议。

-2024年3月1日，LBMA负责的白银指导升级培训向合规团队成员传达了条款的关键更新，进行了培训评估，以确保所有与会者都对更新的标准有很好的理解。

-2024年3月1日，对合规团队成员进行供应链尽职调查培训，与采购部门沟通尽职调查要求，以确保在合同签订前完成调查。

-2024年12月27日，内部评估会议，准备评估、计划日期、评估计划等。

-2025年1月20日，管理评审会议，讨论未解决的问题以及如何改进供应链尽职调查。

Training session 培训课程	Number of participants 参与人数	% 百分比
LBMA Responsible Silver Guidance Upgrade Training LBMA 责任白银指引升级培训	20	100% compliance team member attended
Supply chain due diligence training 供应链尽职调查培训	20	100% compliance team member attended
Internal audit meeting 内部审核会议	16	80% attended
Management review meeting 管理评审会议	19	95% attended, including the Board of Directors

付款政策：公司规定所有付款均通过银行转账，不得进行现金交易。2024年公司所有业务均通过官方银行渠道收款和付款，没有任何现金交易。国外进口产品结算是通过信用证付款，国内是通过银行转账付款。

根据管理体系要求，我们对每批白银产品都进行交易监督，保留相关付款凭证。财务部合规专员负责交易监控。我们与当地政府建立了反洗钱合作关系，任何洗钱行为我们都会第一时间通知当地政府，并配合政府进行洗钱调查。

记录保留政策：根据<白银供应链尽职调查管理体系>，所有供应商尽职调查文档，包括KYC、风险评估表、合同文本、检验记录、运输记录、出入库记录等均至少保存五年。

### 1.3 Establish a silver traceability system

Compliance statement:

The company has established a supply chain traceability map that identifies all entities in the entire supply chain of each batch of silver-bearing materials from the refinery to the mine, including traders, importers, exporters, transporters, and mines.

The supply chain traceability map records all information, including contracting parties, origin, the type of silver-bearing material, etc. The compliance team conducted KYC investigations on all entities based on the information identified by the supply chain traceability map, and collected relevant documents such as certificates of origin, Customs declarations, packing lists, formal invoices, transportation route maps, etc. In addition, warehouse staff double confirmed the type, weight, and arrangement of sampling inspections of silver-bearing materials to ensure that the silver-bearing materials specified in the contract are consistent with the actual receiving.

If any information is found to be inconsistent, it will be immediately reported to the compliance team and the Board of Directors to isolate the batch of silver-bearing materials.

合规陈述：

公司建立了供应链追溯地图，识别了每一批含银物料从精炼厂到矿山整个供应链中的所有实体，包括贸易商、进口商、出口商、运输商和矿山。

供应链追溯地图中记录了所有信息，包括合同方、原产地、含银物料类型等。合规小组根据供应链追溯地图识别的信息，对所有实体进行 KYC 调查，搜集了相关文件如原产地证明、报关单、装箱单、形式发票，运输路线图等。此外，仓库人员在收货时核对含银物料类型、重量、安排抽样检验等信息，确保合同中约定的含银物料与实际保持一致。如果发现任何信息不一致，将立即上报合规小组和董事会，隔离该批次含银物料。

#### 1.4 Strengthen company engagement with silver-supplying counterparties

Compliance statement:

According to the requirements of the management system, before signing contracts with suppliers, our business personnel signed a "Supply Chain Due Diligence Commitment Letter" with all silver-bearing materials suppliers in accordance with the company's compliance requirements to ensure that they understand the company's LBMA management requirements and supply chain policies. In the commitment letter, the silver supplier shall undertake in writing that there are no serious human rights violations related to mineral extraction, transportation, or trade, no direct or indirect support for non-state armed organizations, no direct or indirect support for public or private security forces, no bribery or false reporting of mineral sources, and no money laundering. In addition, taxes and royalties related to mineral extraction, trade, and export in conflict affected and high-risk areas are also paid to the government.

For intermediate refineries, in addition to signing commitment letters, detailed supply chain due diligence was conducted to understand the origin of their silver-bearing materials and ensure that there are no procurement conflicts or high-risk areas for raw materials.

The company supports the implementation of the Mining Industry Transparency Action Plan principles. During the reporting period, there were four EITI countries we sourced, Argentina, Mongolia, Mexico (suspended), and Peru. The first trades payment by the company to state-owned enterprises in EITI countries is 0, and the first trades payment by the company to state-owned enterprises in non EITI countries is 0. No state-owned enterprises was identified.

During the assurance, the auditor suggested that the company needs further improvement in training engagement with intermediate refiner.

合规陈述：

根据管理体系的要求，与供应商签订合同前，我司业务人员依据公司的合规要求，与所有白银供应商签署《供应链尽职调查承诺书》，以确保他们了解公司 LBMA 管理的要求和供应链政策。在承诺书中，白银供应商应以书面形式承诺，不存在与矿产开采、运输或贸易有关的严重侵犯人权行为，没有直接或间接支持非国家武装组织，没有直接或间接支持公共或私人安全部队，没有贿赂或虚假误报矿产来源，没有洗钱。此外，还向政府支付与受冲突影响地区和高风险地区的矿产开采、贸易和出口有关的税费和特许权使用费。

对于中间精炼厂，除了签署承诺书外，还对其进行详尽的供应链尽职调查，了解其含银物料的产地来源，确保其没有采购冲突和高风险区域的原料。

公司支持实施采掘业透明度行动计划原则，报告期内，公司的含银物料原产地是 EITI 国家有 4 个，他们是阿根廷、蒙古、墨西哥（暂停）、秘鲁。公司向 EITI 国家的国有企业支付的所有首笔交易款为 0，公司向非 EITI 国家的国有企业支付的所有首笔交易款为 0。未发现与国有企业合作。

本年度评估中，评估员建议公司在与中间精炼厂培训方面还需要进一步改进。

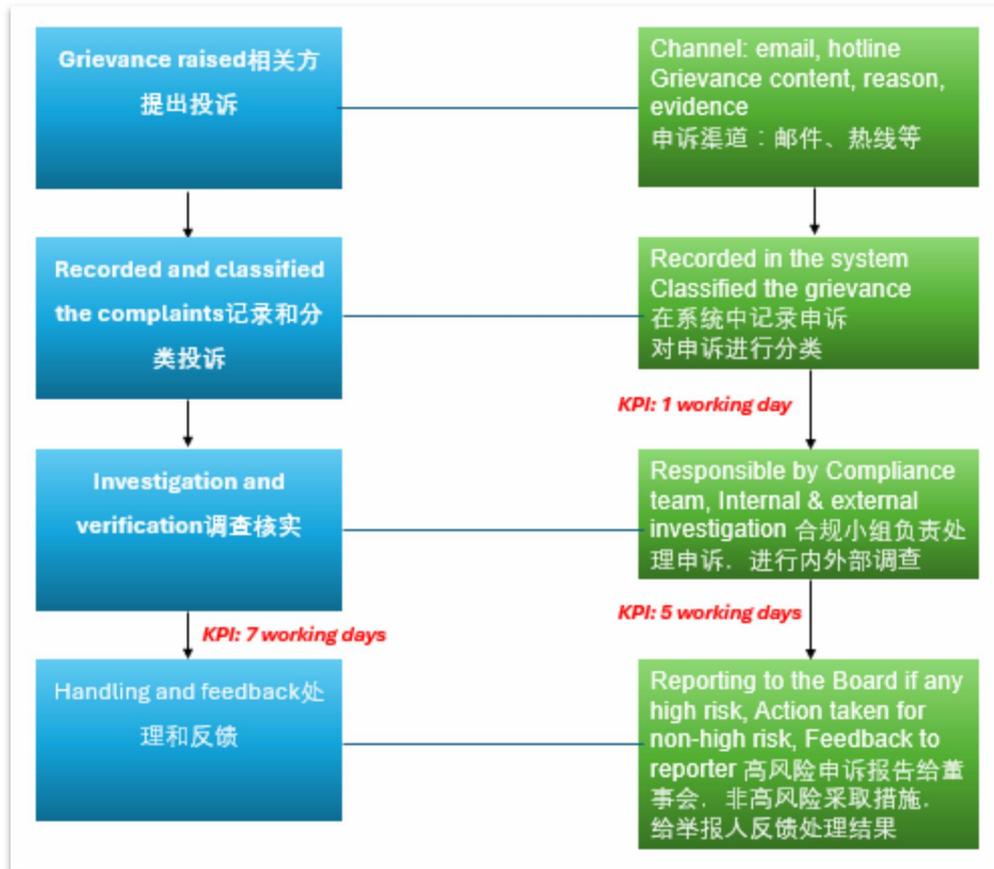
#### 1.5 Establish a confidential grievance mechanism

**Compliance statement:**

The company has established a grievance mechanism, and the grievance mechanism is carried out with suppliers during the procurement of silver-bearing materials, internal and external stakeholders can anonymously report violations in the silver transaction process. Website of grievance mechanism <http://www.wanyanggroup.cn/content/?929.html>. There was no reporting in the year of 2024.

In addition, The company keeps confidential the information of whistleblowers, prevents retaliation against whistleblowers, and effectively protects the rights and interests of whistleblowers.

**The grievance process**



In 2024, the company received a total of 9 complaints and suggestions, including 3 complaints and suggestions regarding salary and benefits, 1 complaint regarding health and safety, and 5 complaints regarding the dormitory and canteen. No grievance on silver supply chains. The compliance team conducted the investigations and verifications on all complaints, feedback to the whistleblowers within the deadline. The company conducts an annual employee satisfaction survey, which includes 20 questions covering management methods, work environment, health and safety, career development, etc. The satisfaction survey results show that employees are generally satisfied with the company.

No.	Grievance type 申诉类型	Number of occurrences 次数	Action % 已处理%
1	Salary and benefits 工资福利	3	67%
2	Health and safety 健康安全	1	100%
3	Dormitory and canteen 宿舍食堂	5	80%
4	Silver supply chains 白银供应链	0	/
5	Other 其他	0	/

The grievance received by the company will be input into the year-end management review to ensure continuous improvement.

**合规陈述:**

公司建立了申诉机制，并且申诉机制在含银物料采购过程中均向供应商进行了必要的沟通，内外部利益相关方可以匿名举报有关白银交易过程中的违规行为。该申诉机制网站 <http://www.wanyanggroup.cn/content/?929.html>.

此外，公司对举报人信息严格保密，防止对举报人进行打击报复，有效保护举报人的权益。

2024年，公司共计收到了9次投诉和建议，其中工资福利3次，健康安全1次，宿舍食堂5次，没有针对白银供应链相关投诉和举报。合规小组针对所有投诉都进行了内部调查核实，并在规定时间内给举报人进行了反馈。公司每年会进行员工满意度调查，调查表设置了20个问题，涵盖了管理方式、工作环境、健康安全、职业发展等，满意度调查结果显示员工对公司基本满意。

公司接收到的申诉将作为年终管理评审的输入，确保持续改进。

**交易付款和交易监控 Transaction Payment & Monitoring**

**第二步：识别和评估供应链风险**

**Step 2: Identify and assess risks in the supply chain**

**合规声明**

我们完全符合第二步：识别和评估供应链风险

**Compliance Statement with Requirement:**

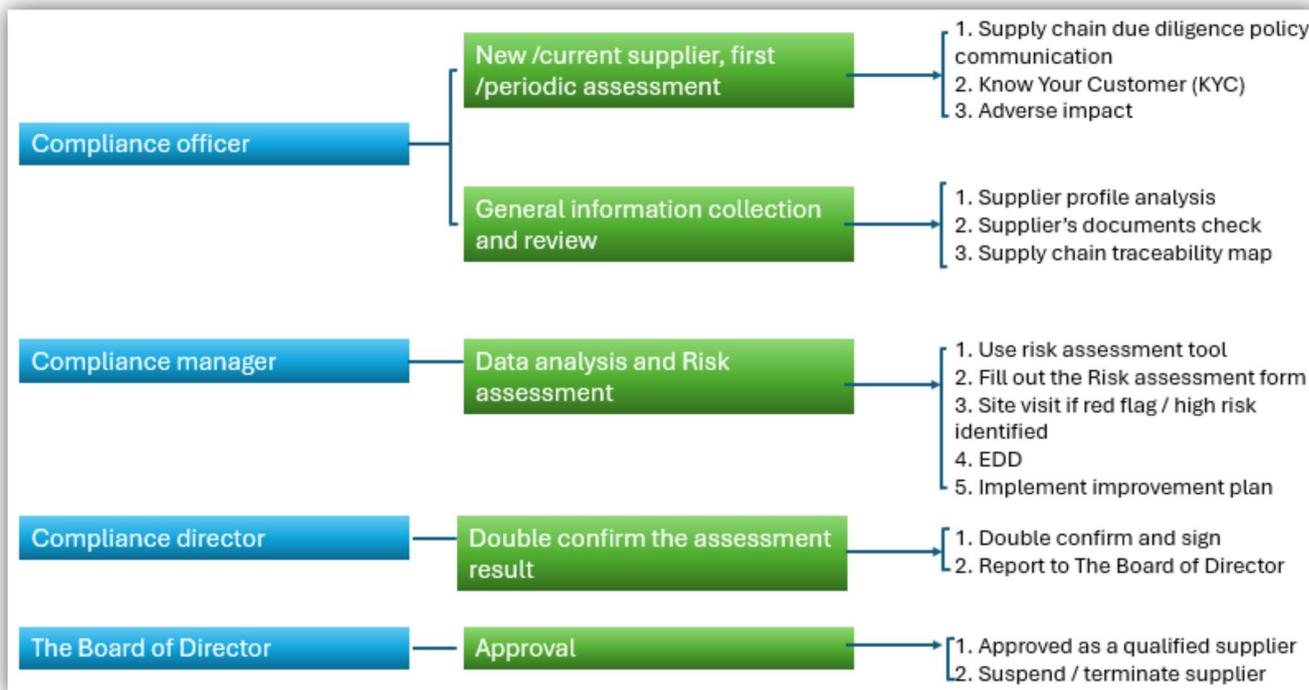
We have fully complied with Step 2: Identify and assess risks in the supply chain.

**2.1 Conduct supply chain due diligence to identify potential risks**

Compliance statement:

The company has established <LBMA responsible silver supply chain due diligence management system>. Based on the upstream supply chain identified by the supply chain traceability map, KYC investigations are conducted on all entities, and relevant documents such as certificates of origin, Customs Declarations, packing lists, formal invoices, transportation route maps, etc. are collected.

**Due diligence process for silver supply chain**



Location risk identification: The company has established a CAHRAs identification process, using internationally recognized standards to identify risks for each country of origin, ensuring that silver-bearing materials sourcing from/transit non conflict and high-risk countries and regions.

No.	Category	Source
1	Zero tolerance 零容忍	Sanction list by UN/US/UK/EU 制裁清单
2	Conflict and high-risk area 冲突和高风险区域	<ul style="list-style-type: none"> <li>EU CAHRAs list 欧盟冲突和高风险清单</li> <li>Heidelberg barometer 海德堡晴雨表</li> </ul>

		· Fragile States Index 脆弱国家指数
3	Human right 人权	· Office of the United Nations High Commissioner for Human Rights 联合国人权事务高级专员办事处 · Social Accountability International (SAI) 社会责任国际
4	Money Laundering 洗钱	Financial Action Task Force (FATF) 金融行动特别工作组
5	Transparency 透明度	Extractive Industries Transparency Initiative (EITI) 采掘业透明度倡议
6	Terrorist 恐怖主义	The terrorist sanctions list released by the United Nations Security Council 联合国安理会公布的恐怖主义制裁名单
7	Mining data 采矿数据	National Minerals Information Center 国家矿产信息中心
8	Adverse impact of ESG 可持续发展负面影响	Google, ChatGPT, deepseek or other public media 谷歌或其他公共媒体

Supplier risk identification: The LBMA Responsible Silver Supply Chain Due Diligence Management System specifies supplier risk identification methods, covering all entities of silver containing materials from origin to refiner. Through KYC, all entity company information is collected, and supply chain customer files are established, including: company name, UBO, address, contact information, operating information, finance information, transaction contract, etc. Regular verification is required for existing supply chain customers, if there are any changes, the information should be updated in a timely manner; Identify each customer, business, and business owner, and verify their identity using reliable independent source documents, data, or information.

Risk identification of silver mining from LSM: Verified based on KYC questionnaire and collected information, including mining license, certificate of origin, mining data, human rights policy, environmental policy, health and safety policy, community plan, business ethics policy, anti-money laundering and terrorist financing policy, etc.

Risk identification of silver mining from ASM: Verified based on KYC questionnaire and collected information, including: mine processing plants and mine collectors, legality of mining, use of mercury, mining operation methods, human rights policies, environmental policies, health and safety policies, etc.

Members of the risk assessment compliance team, compliance manager, compliance director, and board of directors have all undergone LBMA Responsible Silver Guidance training and evaluation (see 1.2) to ensure that everyone has sufficient skills and experience to implement exact the risk assessment.

#### 合规陈述:

公司建立了 LBMA 负责任白银供应链尽职调查管理体系, 根据供应链追溯地图识别的上游供应链, 对所有实体进行 KYC 调查, 收集相关文件如原产地证明、报关单、装箱单、形式发票, 运输路线图等。

位置风险识别: 公司建立了 CAHRAs 识别流程, 采用国际公认的标准, 对每个产地来源的国家进行风险识别, 确保含银物料来自/途径非冲突和高风险国家和地区。

供应商风险识别: LBMA 负责任白银供应链尽职调查管理体系中规定了供应商风险识别方法, 涵盖了含银物料从原产地到精炼厂的所有实体, 通过 KYC 搜集所有实体公司信息, 建立供应链客户档案, 包括: 企业名称、最终受益人、地址、联系方式、生产信息、财务信息、交易合同等; 对既有供应链客户需定期进行核查, 如变更的信息, 需及时对其进行档案资料更新; 识别每一客户、企业和企业收益所有人, 使用可靠的独立来源文件、数据或者信息来验证其身份。

来自 LSM 的开采银的风险识别: 根据 KYC 调查问卷, 根据收集到的信息进行验证, 搜集的信息包括: 采矿许可证、产地证明、采矿数据、人权政策、环境政策、健康安全政策、社区计划、商业道德政策、反洗钱和资助恐怖主义政策等。

来自 ASM 的开采银的风险识别: 根据 KYC 调查问卷, 根据收集到的信息进行验证, 搜集的信息包括: 矿石加工厂和矿石汇集商、是否合法采矿、汞的使用、采矿作业方法、人权政策、环境政策、健康安全政策等。

执行风险评估合规小组成员、合规经理、合规总监和董事会均经过 LBMA 标准学习和评价 (见 1.2), 确保大家有足够技能和经验, 保证风险评估过程的准确性。

## 2.2 Classify supply chains based on risk profiles

### Compliance statement:

The company has defined supply chain risk classification in the LBMA responsible silver supply chain due diligence management system.

### Zero tolerance supply chains:

- International sanctions by UN, EU, UK and US
- Mine origin from World Heritage Sites
- Any money launderers, terrorists, serious human rights abuses
- Support to illegitimate non-state armed groups

### High-risk supply chains:

- Origin/transit from CAHRAs areas
- Origin from a country through which silver from CAHRAs is known
- Origin from a country that has limited known reserves
- UBO is PEPs
- High risk activities
- Refused to provide requested documentation
- Sourced from ASM
- Using banned chemicals, such as mercury
- highly adverse ESG factors

During the risk identification and assessment process in 2024, zero tolerance and high risk were not triggered, therefore all suppliers were classified as low-risk.

If any zero tolerance and high risk are identified during the risk assessment process, the company will promptly report to the London Bullion Market Association.

### 合规陈述:

公司在 LBMA 负责任白银供应链尽职调查管理体系中定义了供应链风险分类。

#### 零容忍供应链标准

- 联合国、欧盟、英国和美国的国际制裁
- 世界遗产地的矿山起源
- 任何洗钱者、恐怖分子、严重侵犯人权的行为
- 支持非法的非国家武装团体

#### 高风险供应链标准

- 从 CAHRAs 地区出发/过境
- 原产于一个已知来自 CAHRAs 的银的国家
- 来源于已知储量有限的国家
- UBO 是政治公众人物
- 高风险活动
- 拒绝提供所要求的文件
- 来源于 ASM
- 使用禁用化学品，如汞
- 高度不利的 ESG 因素

2024 年度风险识别和评估过程中未触发零容忍和高风险，因此所有供应商均判定为低风险。

如果在风险评估过程中发现零容忍和高风险，公司将及时与伦敦金银市场协会进行报告。

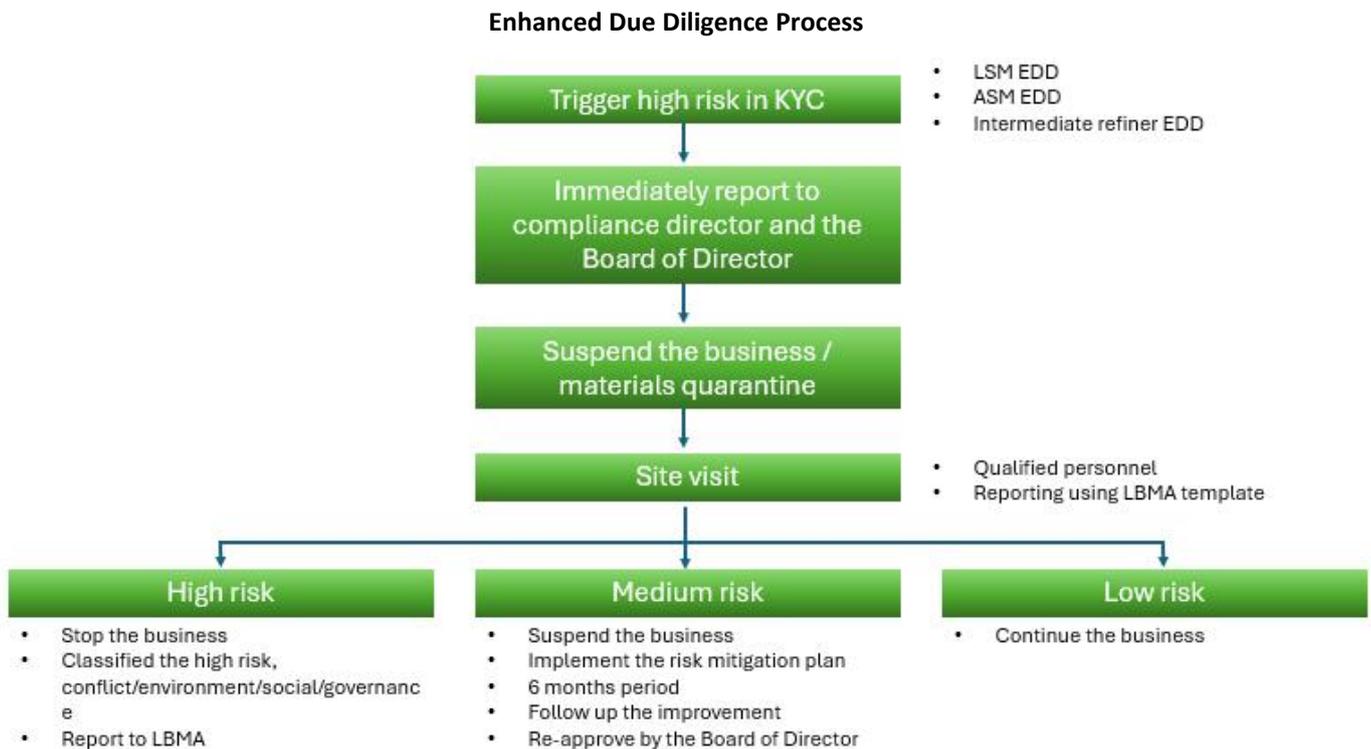
## 2.3 Undertake Enhanced Due Diligence measures for high-risk supply chains

**Compliance statement:**

The company has established EDD process in the LBMA responsible silver supply chain due diligence management system. Enhanced due diligence will be carried out by qualified and experienced members of the compliance team, ensuring that no conflicts of interest. If travel restrictions are imposed due to relevant country risks, the company will use an independent third party or trader to conduct enhanced due diligence.

For suppliers to implement improvement plans, we will increase the time and frequency of site visit (once a year) until they fully meet the company's risk management requirements.

The risk identification and assessment process for 2024 did not trigger high risk, therefore, enhanced due diligence was not triggered.



**合规陈述:**

公司在 LBMA 负责任白银供应链尽职调查管理体系中规定了强化尽职调查的流程。强化尽职调查将由有资质和经验的合规小组成员执行，并确保不产生任何利益冲突。如果因相关国家风险导致旅行限制，公司将委托独立的第三方或贸易商执行强化尽职调查。

对于实施改进计划的供应商，我们将增加实地考察的时间和频率（每年一次），直到其完全满足公司风险管理要求。

2024 年度风险识别和评估过程中未触发高风险，因此未触发强化尽职调查。

**第三步：对已识别的风险实施管理策略**

**Step 3: Design and implement a management system to respond to identified risks**

**合规声明:**

我们完全符合第三步：设计和实施一项管理策略应对已识别的风险

**Compliance Statement with Requirement:**

We have fully complied with Step 3: Design and Implement Risk Management Strategies

**3.1 Devise a risk management strategy for the identified risk**

**Compliance statement:**

The company has established a Risk Mitigation Strategy, Compliance Manager is responsible for implementing the mitigation strategy through the following methods for risk management:

#### Termination relationship

When the EDD found the following situations, the relationship will be terminated immediately and reported to the local authorities and LBMA immediately.

- Money laundering
- Terrorist Financing
- Serious violations of human rights
- Directly or indirectly supporting non-state armed groups
- Falsely reporting the origin of minerals

#### Suspend relationship

When there are reasonable doubts about the following situations during EDD, the refining of silver will be immediately suspended. When the supplier provides effective evidence of rectification and verifies that it meets the requirements, the board of directors will re-approve the supplier qualifications.

- Money laundering
- Terrorist Financing
- Serious violations of human rights
- Directly or indirectly supporting non-state armed groups
- Falsely reporting the origin of minerals
- Serious ESG negative impact

#### Maintain relationships, but implement improvement plans

When the results of the EDD are not fully satisfactory, but the supplier has made reasonable efforts, we accept continuing to refine the silver. In order to reduce the risk to an acceptable level, we will develop an improvement plan, which will be approved by the board of directors, continuously follow up and verify its corrective measures, and complete the improvement within a limited time.

- Bribery
- Non fraudulent false reporting of mineral origin
- Unpaid government taxes, fees, and royalties
- Serious violations of local legislation related to the environment, health, safety, labor, and community, and/or ESG risks that are highly likely to cause highly adverse impacts

#### 合规陈述:

公司建立了的《风险缓解策略》，合规经理负责缓解策略的实施，通过以下方式进行风险管理:

#### 终止关系

当强化尽职调查发现存在如下已知情况，将立即终止关系，并立即向主管机构和 LBMA 报告。

- 洗钱
- 恐怖主义融资
- 严重侵犯人权
- 直接或间接支持非国家武装团体
- 谎报矿物原产地

#### 暂停关系

当强化尽职调查存在以下情况的合理怀疑时，将立即暂停精炼白银，当供应商提供了有效的整改证据，经过验证满足要求后，由董事会批准恢复合格供应商资格。

- 洗钱

- 恐怖主义融资
- 严重侵犯人权
- 直接或间接支持非国家武装团体
- 谎报矿物原产地
- 严重的 ESG 负面影响

维持关系，执行改进计划

当强化尽职调查结果不能完全满意，但供应商已经做出合理努力，我们接受继续精炼白银。为了把风险降低到可接受水平，我们将制定改进计划，经董事会批准，持续跟进并验证其整改措施，在有限的时间内完成改进。

- 贿赂
- 非欺诈性误报矿物原产地
- 未支付政府税收、费用和特许权使用费
- 严重违反与环境、健康、安全、劳工和社区有关的地方立法，及/或存在极有可能造成高度不利影响的 ESG 风险

### 3.2 Monitor the improvement plan 监控改进计划

Compliance Statement:

Based on the company's risk management strategy, the company has implemented an improvement plan for suppliers who have suspended or maintained relationships (due diligence results not fully satisfactory). The improvement plan includes the following contents:

Corrective action plan established: Communicate the rectification plan with the supplier and obtain their confirmation

Corrective action plan deadline: eliminate risks within 6 months

Performance evaluation: through third-party independent audits, on-site visit, or remote.

If the supplier fails to make measurable improvements within the 6-month period, the company will continue to suspend or terminate the relationship until the supplier completes the improvement plan.

The compliance team communicates with the board of directors on a monthly basis to ensure timely communication of relevant information, including information on high-risk supply chains, progress in implementing risk mitigation strategies, and progress in improvement plans.

In 2024, the company made the engagement with an intermediate refinery, communicated the expectations for supply chain due diligence training. The training plan has been confirmed by the supplier and will be implemented within 6 months. The company will conduct a performance evaluation before June 30th.

合规陈述:

基于公司的风险管理策略，公司针对暂停关系和维持关系（尽职调查结果不完全满意）的供应商实施改进计划，改进计划包含如下内容：

整改计划制定：与供应商沟通整改计划，并得到供应商的确认

整改计划期限：6 个月内消除风险

绩效评估：通过第三方独立审计、实地考察或远程审查

若供应商在 6 个月整改期内无可衡量的改进，公司将继续暂停关系或终止关系，直至供应商完成改进计划。

合规小组每月与董事会沟通，确保相关信息及时传达，沟通的内容包括：高风险供应链的相关信息、实施风险减缓策略的进展、改进计划的进展等。

2024 年，公司与一家中间精炼厂进行沟通，向他们传达了供应链尽职调查培训的期望，目前已得到供应商的确认，培训计划将在 6 个月内实施，公司将在 6 月 30 日之前进行对其绩效评估。

#### 第四步：安排独立的第三方审计

##### Step 4: Arrange for an independent third-party audit of the supply chain due diligence

合规声明：

我们完全符合第四步：安排独立的第三方审计

**Compliance Statement with Requirement:**

We have fully complied with Step 4: Arrange for an independent third-party audit of the supply chain due diligence.

Compliance Statement:

The company selects the assurance providers to provide an annual assessment based on their service network, professional capabilities, and industry reputation.

Bureau Veritas is an independent third-party with no conflict of interest with our company. The auditors are also independent and do not provide us with any services other than annual assessment.

In the previous assessment cycle, a total of 1 low-risk non-conformance was raised. We conducted root cause analysis and corrective measures, the non-conformance has been verified during this year's assessment. There was no medium to high risk nonconformities in this year's assessment.

The reasonable assurance report for the previous year has been disclosed on the company website at <http://www.wanyanggroup.cn/content/?948.html>

合规陈述：

公司根据保证提供者的服务网络、专业能力以及行业声誉，选择合适的保证提供者提供年度评估服务。

必维是一家独立的第三方，与我司没有利益冲突，审核员也是独立的，没有为我们提供除评估以外的任何服务。

上一评估周期中，共计开具了 1 低风险不符合项，我们实施了根本原因分析和整改措施，不符合项已经在本次评估中进行了验证。本年度审计，无中高风险不符合项。

上一年度的合理保证报告已经披露在官方网站上，网址为：<http://www.wanyanggroup.cn/content/?948.html>

#### 第五步：供应链尽职调查报告

##### Step 5: Report on supply chain due diligence

合规声明：

我们完全符合第五步：供应链尽职调查报告

**Compliance Statement with Requirement:**

We fully complied with Step 5: Report on supply chain due diligence.

Compliance statement:

According to the LBMA disclosure guidelines, the compliance team has prepared a compliance report for the fiscal year 2024, which has been disclosed on the official website at [http://www.wanyanggroup.cn/list/?70\\_1.html](http://www.wanyanggroup.cn/list/?70_1.html).

合规陈述：

根据 LBMA 披露指南要求，合规小组编写了截至 2024 年 12 月 31 日的合规报告，合规报告已经披露在官方网站上，网址为：[http://www.wanyanggroup.cn/list/?70\\_1.html](http://www.wanyanggroup.cn/list/?70_1.html)。

## 结论 Conclusion

### 管理层结论 Management conclusion

我司在截至 2024 年 12 月 31 日的年度报告中，实施了有效的管理系统，程序，流程和实践，符合 LBMA 负责任白银指南的要求。

我司致力于持续改进，并且将定期对内部发现的所有纠正措施进行监控。持续满足 LBMA 负责任白银指南的要求。

The company implemented effective management systems, procedures, processes and practices to conform to the

requirements of the LBMA Responsible Silver Guidance, as explained above in Table 2, for the reporting year ended 31 December 2024.

The company is committed to continuous improvement, and any corrective actions identified will be monitored internally on a regular basis. Ensure that the management system continue meeting the requirements of the LBMA Responsible Siler Guidance.

#### **其他 Other report comments**

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If users of this report wish to provide any feedback to our company with respect to this report, Please call telephone at +86-16613819677 or send email to hudandan56@163.com.