



LCM RESPONSIBLE SOURCING POLICY FOR RAW MATERIALS

Less Common Metals Ltd is a world leader in the manufacture and supply of metals and complex alloy systems; specialising in those based on rare earth metals. In conducting our business LCM is committed to ensuring the ethical and responsible sourcing of our metal supplies, in particular those, such as cobalt, cobalt oxide and tin, which we recognise are associated with high-risk areas. The aim of this policy is to mitigate all risks associated with our sourcing, including conflict, human rights abuses and environmental threats.

As part of our externally accredited ISO14001 environmental management system, and on-going commitment to corporate responsibility, we meet and continually strive to exceed all relevant environmental legislation and ethical standards. As such we condemn all activities globally associated with the illegal exploitation of mineral resources and have a policy in place for purchasing metal supplies only from areas that are either conflict-free or meet OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD DDG). We expect our suppliers to procure minerals responsibly and to avoid all forms of slavery and forced labour, including child labour. This will be communicated to our suppliers through our Supplier Code of Conduct Policy, which will be aligned with Annex II of the OECD Due Diligence Guidance.

We certify to all customers of LCM Ltd that all our products containing tin are conflict-free materials within the provisions of the Wall Street Reform and Consumer Protection Act 2010. Cobalt and cobalt oxide, although not defined as 'conflict materials' within the provisions of the legislation, nonetheless are covered by this responsible sourcing policy.

LCM is a member of the Cobalt Institute and is currently undertaking to implement the Cobalt Institute Responsible Assessment Framework (CIRAF), which is aligned with OECD DDG. As such we undertake to regularly assess our supply chain risks and implement a due diligence management system, with appropriate policies and procedures in place, to mitigate any risks associated with our sourcing of cobalt and cobalt oxide. Our assessment of risk indicates that our supply of cobalt is not sourced from a Conflict-Affected and High Risk Area (as per OECD DDG). The assessment also indicates that, with regard to products containing cobalt oxide, the raw material supply originates from large-scale mining activities in the Democratic Republic of Congo. However, this supplier has an externally accredited, due diligence management system in place that is aligned with OECD Guidance, and is one of few smelters certified by RMI as meeting sustainable procurement standards.

Ian Higgins

Managing Director, Less Common Metals Ltd

Dated: 17 March 2020