



Independent Practitioner's Limited Assurance Report

To the Management of Nihon Material Co., Ltd.

Report on LBMA Responsible Gold Guidance Compliance Report

Conclusion

We have performed a limited assurance engagement on whether Nihon Material Co., Ltd. (the "Company")'s Compliance Report for the year ended 31 March 2025 has been prepared in accordance with the requirements of the LBMA Responsible Gold Guidance Version 9 (the "Criteria").

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company's Compliance Report for the year ended 31 March 2025 does not describe fairly the activities undertaken during the year to demonstrate compliance, and the management's overall conclusion contained therein is not, in all material respects, in accordance with the Criteria.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board (IAASB) and the guidance set out in the LBMA Responsible Sourcing Programme - Third Party Audit Guidance (the "Audit Guidance"). Our responsibilities under these are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities for the Compliance Report

Management of the Company are responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Compliance Report that is free from material misstatement, whether due to fraud or error;
- selecting suitable criteria for preparing the Compliance Report and appropriately referring to the criteria used; and
- preparing the Compliance Report in accordance with the Criteria.

Inherent limitations in preparing the Compliance Report

Non-financial information, such as that included in the Company's Compliance Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The methods used by Refiners to comply with the Criteria may differ. It is important to read the Company's Responsible precious materials management policy available on the Company's website:

www.material.co.jp/eng/policy.php



Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Compliance Report is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the management.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Compliance Report that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Compliance Report and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we:

- evaluated the suitability in the circumstances of the Company's use of the criteria for determining the compliance with each step;
- evaluated the appropriateness of the policies and procedures used by the Company;
- inquired the management to gain an understanding of the Company's processes and risk management protocols in place;
- inquired the relevant personnel of the Company responsible for the preparation of the Compliance Report;
- performed a site visit at the Noda Plant which was determined through our risk assessment procedures;
- reviewed a selection of the supporting documentation, including Gold supplier counterparty due diligence file and transaction's documentation;
- tested a selection of the underlying processes and controls that support the information in the Compliance Report; and
- evaluated the overall presentation of the information presented in the Compliance Report.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Kazuhiko Saito, Engagement Partner

KPMG AZSA Sustainability Co., Ltd.

Tokyo Office, Japan

24 June 2025