



Independent Practitioner's Limited Assurance Report

To the Management of Nihon Material Co., Ltd.

Report on Nihon Material Co., Ltd.'s Compliance Report for the year ended 31 March 2026

Conclusion

We have performed a limited assurance engagement on whether Nihon Material Co., Ltd.'s (the "Company") Compliance Report, except for the Annex for the Refiners Transparency Roadmap disclosures, for the year ended 31 March 2026 has been prepared in accordance with the LBMA's Responsible Sourcing Guidance, including the Responsible Gold Guidance version 9 and the Disclosure Guidance version 3, as well as the Company's Responsible Precious Metals Sourcing Policy, available on its website: <https://www.material.co.jp/eng/policy.php> ("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 2026 is not prepared, 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 LBMA Responsible Sourcing Programme - Third Party Assurance Guidance version 2. 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 Metals Sourcing Policy.

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 Company's policies and standard operating procedure documentation to determine if they are conformance with the Criteria;
- interviewed the Company's management to identify any significant changes to the Company's governance and internal control environment from the prior year to assess the impact of these against the Criteria;
- interviewed the Company's management to identify any significant changes to the Company's supply chain risk identification, classification and mitigation processes and systems from the prior year, to assess the impact of these against the Criteria and our experience and understanding of risks in the precious metals supply chains;
- performed walkthroughs of identified changes in key processes and controls to corroborate information provided by the Company;
- conducted analytical procedures and trend analyses of transaction volumes and country of origin data and inquired about any material anomalies;
- designed a sample selection methodology to obtain sufficient, appropriate coverage of precious metals supply chains, including new suppliers, new types of material, and across risk classification categories, and transactions in the reporting period;
- for the sample selected, inspected suppliers know-your-counterparty and due diligence files to assess complete and accurate classification against the Criteria;
- for the sample selected, compared details of transactions against supporting documentation and corroborated them with supplier files;
- evaluated the completeness of the Company's Compliance Report against the Disclosure Guidance version 3; and
- evaluated the assertions in the Company's Compliance Report based on our overall knowledge and understanding of the Company's internal controls and supply chain due diligence processes, systems and results.

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

26 June 2026