

Annual due

Diligence Report Responsible Mineral Sourcing 2025



Introduction

In line with the commitments undertaken by Nexa Resources regarding integrity, sustainability, and respect for human rights, this is our first Annual Due Diligence Report on Responsible Mineral Sourcing. This report presents the progress made since the publication of our Responsible Sourcing Policy in March 2025 and reflects the company's efforts to implement the principles and guidelines established by the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the Joint Due Diligence Standard (JDDS) of the London Metal Exchange (LME). This document aims to provide transparency regarding the actions taken, the systems implemented, and the results achieved throughout the year.

Scope of the Report

This report covers all mineral sourcing activities related to Nexa's smelting and refining operations in Brazil and Peru, specifically the units located in Juiz de Fora and Três Marias (Brazil), and Cajamarquilla (Peru). These facilities are owned and operated by Nexa Resources and play a significant role in the company's value chain. The due diligence procedures described herein apply to the procurement of zinc concentrates processed at these units, based on the analysis of suppliers with active commercial agreements as of March 2025.



Commitment to Responsible Sourcing

Nexa acknowledges the importance of ensuring that mineral sourcing within its supply chain occurs ethically, legally, and sustainably. This commitment involves not only compliance with regulatory requirements but also the voluntary adoption of international standards that contribute to preventing human rights abuses, protecting local communities, and combating the financing of armed conflict or illicit practices.

Our goal is to ensure that our operations and those of our suppliers are free from any form of human rights violations and that they operate in accordance with principles of due diligence, mineral traceability, and transparency

This report marks the first public step in our journey toward making that ambition a practical and measurable reality.



Responsible Mineral Sourcing Policy

The Responsible Mineral Sourcing Policy was published in March 2025 and sets forth the guidelines that govern the conduct of the company and its suppliers regarding the origin and trade of minerals. Inspired by the OECD model and JDDS requirements, the policy outlines the principles for conducting due diligence, including the obligation to identify, prevent, and mitigate risks related to conflict-affected and high-risk areas (CAHRAs), human rights violations, corruption, money laundering, and poor environmental practices.

The policy applies to all direct mineral suppliers and requires them to conduct due diligence processes throughout their supply chain. The policy's publication was supported by internal training actions and direct communication with suppliers, reinforcing the importance of its content and laying the foundation for a continuous improvement process.

In addition to the Responsible Mineral Sourcing Policy, Nexa maintains a Supplier Code of Conduct that outlines the ethical, legal, environmental, and human rights standards expected from all business partners. Adherence to this Code is a prerequisite for establishing or maintaining any commercial relationship and is reinforced during the due diligence process.

Nexa's Responsible Mineral Sourcing Policy and Code of Conduct are available on the company's website.

<https://www.nexaresources.com/en/about-us/#corporate-policies>



Management System and Governance

The company had already established a governance structure and management system for third-party due diligence, aligned with leading practices in integrity, risk management, and compliance. In 2024, this process was further strengthened to meet the specific requirements of the mineral supply chain, in line with the Joint Due Diligence Standard (JDDS) and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

The enhanced management system encompasses the establishment of sector-specific risk criteria, the formalization of dedicated procedures for screening, risk assessment, and classification, and the implementation of mitigation

actions and continuous monitoring mechanisms in alignment with internationally recognized standards. These enhancements are designed to reinforce the traceability of mineral origins, mitigate risks associated with human rights violations, corruption, and socio-environmental impacts, and ensure adherence to regulatory requirements and the voluntary commitments assumed by the company

Governance of this matter is entrusted to the Compliance department, which operates in close coordination with the Procurement, Sustainability, and Legal teams. These departments share responsibility for developing operational tools, executing risk assessments, and reporting to senior leadership. The integration of due diligence procedures into supplier onboarding and renewal processes—already established under the previous system—has been maintained and further strengthened to ensure that verification is systematically performed prior to the initiation of any commercial engagement



Identification, Analysis, and Control of Red Flags

The improved due diligence procedure follows a structured and risk-proportional approach, consisting of successive steps including initial screening, document analysis, information validation (on-site if needed), and risk classification. As part of this process, due diligence activities include the review of public data sources to identify potential exposure to legal, regulatory, or reputational risks, alongside the collection of information through a structured questionnaire sent to mineral suppliers. The questionnaire requests information regarding mineral origin, corporate structure, governance practices, and the existence of internal compliance, human rights, and environmental policies. Geographic risk assessments are also carried out using updated maps of conflict-affected or high-risk areas (CAHRAs), based on guidelines from the European Union and OECD. These assessments consider specific categories of risk, including the presence of armed conflict, weaknesses in governance and corruption, human rights violations, and irregularities in mineral flows such as smuggling or misreporting of origin. In addition to this initial classification, a subnational analysis is conducted to confirm whether the location in question can indeed be considered a CAHRA, considering local dynamics and context-specific risk factors. All information collected is evaluated by the Compliance team and recorded in a secure system with access control for document protection.

After a thorough analysis of the information considering the supplier's geographic location, corporate structure, reputational history, ESG practices, and transparency regarding the origin and transport of minerals each supplier receives a final risk classification. This classification determines whether corrective action plans are required or, in extreme cases, whether the commercial relationship should be suspended.



Traceability and Chain of Custody Practices

To ensure the traceability of minerals throughout the supply chain, Nexa has implemented a set of chain of custody procedures. These include the systematic collection of transport documentation (e.g., waybills, bills of landing), verification of shipping routes, and validation of the declared country of mineral origin. Additionally, Nexa conducts seal inspections upon receipt of materials and collects representative samples for laboratory analysis, to confirm the consistency between declared and delivered mineral content. All documentation and verification records are stored in a centralized and access-controlled system, forming part of the supplier's risk profile.



Methodology and Red Flag Assessment Results

The red flag assessment methodology was improved to consider OECD principles and adapted to Nexa's operational reality. Initially, all active mineral suppliers were subject to a preliminary screening, based on three key dimensions: geographic location, reputational integrity, and the strength of internal controls.

All mineral suppliers have a valid due diligence (IDD) in place, conducted under the company's previous model. The process was updated to meet the specific requirements of the mineral supply chain, and the new model began to be applied to all direct suppliers. To date, of the suppliers assessed under the updated criteria, three have shown preliminary indications that warrant further analysis — one was classified as high risk and two as medium risk. The main concerns identified were the absence of formal compliance policies and operations in regions considered sensitive from a conflict-risk perspective.

In all cases where red flags were identified, suppliers were contacted to provide additional clarifications or submit supporting documentation. The document review process, response analysis, and on-site visits (when applicable) are ongoing, with results expected to be consolidated by the third quarter of 2025.



Training, Engagement, and Communication

The implementation of an effective due diligence system requires the active engagement of employees and business partners. In 2025, the company conducted internal training sessions with the teams directly

involved in mineral procurement, including professionals from Compliance and Concentrate Procurement. In addition, all suppliers within the initial scope were formally informed of the Responsible Mineral Sourcing Policy and received a set of guidelines outlining the due diligence process. The communication package included data collection forms and explanations of the criteria adopted.

An online training module on the Nexa Code of Conduct and Responsible Mineral Sourcing Policy was also made available to strategic suppliers to promote alignment and encourage stronger supply chain controls.



Transparency of Government Payments

Nexa annually discloses payments to governments in accordance with the Extractive Sector Transparency Measures Act (ESTMA - Enacted by section 376 of chapter 39 of the Statutes of Canada, 2014, in force June 1, 2015, see SI/2015-43), as part of its commitment to good governance and transparency in the extractive industry. These reports include detailed information on taxes, royalties, fees, and other payments made to local, regional, and national authorities in the countries where Nexa operates. All disclosures are publicly available and aim to strengthen stakeholder trust and accountability in our operations.

For more details, please visit: <https://www.nexaresources.com/estma/>



Independent Assessment

In March 2025, the system underwent its first independent external audit conducted by ARCHE Consulting, covering the period from January to December 2024. The goal of the audit was to assess the consistency of the implemented framework with OECD principles and JDDS criteria and evaluate the practical application of defined controls. The audit made a significant contribution to strengthening the process, generating constructive recommendations that were incorporated into the company's action plan.

Nexa recognizes that external audits are a key pillar of our governance model. They enhance transparency, promote continuous improvement, and strengthen stakeholder confidence in the robustness of our due diligence system.

The next external audit is expected to take place in 2027, in line with the recommended biennial assessment cycle.



Next Steps

To ensure ongoing improvement and long-term effectiveness, the upcoming months will focus on strengthening key elements of the due diligence process within the mineral supply chain while enhancing its alignment with the company's broader risk and compliance strategy. Our priorities for the second half of the year will include:

- Finalizing in-depth analysis of suppliers with open red flags, including on-site audits when necessary to validate submitted information.
- Improving the digital repository to ensure traceability of information and evidence of risk mitigation action plans.

The knowledge gained during this first year will be essential to improving our practices and strengthening our mineral supply chain governance system.



Conclusion

Nexa Resources is actively engaged in enhancing and refining its existing due diligence practices to ensure that its mineral supply chain remains responsible, ethical, and transparent. This report represents a significant milestone in the progress of these initiatives and reaffirms the company's firm commitment to establishing a sourcing model that upholds human rights, complies with international regulations, and aligns with societal expectations.

We reaffirm our commitment to continuous improvement and transparent disclosure of information related to the due diligence process. New updates will be shared as actions progress.

Contact:

For questions, suggestions, or further information about our responsible sourcing program or this report, please contact:

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