



**IVANHOE**  
MINES

**Responsible  
Sourcing  
Policy**

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## Introduction

The Ivanhoe Mines Ltd. (Ivanhoe Mines, Ivanhoe, we, us, our) aspires to follow best environmental, social, and governance practices in our sourcing and contracting of products and services, and when managing our relationship with business partners in our supply chain. As part of this, Ivanhoe acknowledges its role in the management of risks related to human rights and environmental violations, and governance-related infringements in our supply chain.

Through our policies, standards, and procedures, we commit to:

1. Upholding our responsibility to respect internationally recognised human rights and are guided by the UN Guiding Principles on Business and Human Rights (UNGPs).
2. Implementing measures to contribute towards responsible environmental stewardship at all our operations and projects (Sites).
3. Implementing appropriate governance measures to operate responsibly and avoid involvement with bribery and corruption.

Our Human Rights Policy, Sustainability Policy and Code of Business Conduct and Ethics sets out, more generally, our commitment to respecting human rights, practicing good environmental stewardship and governance, as well as embed sound health and safety practices into our business. This Responsible Resourcing Policy applies to how and from whom we source products and services.

## Policy Statement

Ivanhoe recognises that we operate in and environment with risks related to actual or potential adverse human rights impacts, labour rights impacts, environmental, health and safety violations and governance infringements through the procurement of products and services and as a result of our business relationships.

Accordingly we acknowledge that we have a responsibility to respect human rights, uphold good practice in environmental stewardship and health and safety, and ensure implementation

of our Code of Business Conduct and Ethics through the responsible management of our supply chains.

Our commitment to responsible sourcing means that we pledge to make reasonable efforts to identify, assess, and manage material human rights impacts that we cause, contribute to, or are directly linked to through our supply chains.

These commitments relate to both our corporate offices as well as our Sites.

In managing our relationships with our suppliers, we are intent on embedding responsible principles and practices across supplier contracts. Our responsible sourcing management procedures are commensurate with the risk that the execution of the supplier's contract poses to stakeholders and the environment, taking into account the existing human rights, environmental, health and safety and governance landscape.

We acknowledge that the most salient potential human rights risks linked to our supply chain may include, but are not limited to, unfair working conditions, forced and child labour, human trafficking, workplace health and safety risks, the use of force by security forces, the socioeconomic well-being, and the health and safety of communities.

We further acknowledge that the most salient potential environmental impacts in our supply chain are related, but not limited to, water management, competing land-use needs and deforestation, and responsible waste management.

We also understand that the governance risks we face in connection with the management of our supply chain are most likely related to a lack of transparency from some or all of the parties that we may work with directly or indirectly, which may be beyond our reasonable control.

However, we are aware, in particular, of the risks of significant adverse impacts associated with the extraction, smelting, trading, handling, and exporting of minerals from conflict-affected and high-risk areas. Accordingly, we recognise our responsibility to take reasonable steps to manage any risk of causing, contributing to, or being directly linked with human rights abuses, environmental, health and safety violations, and governance infringements in our upstream supply chains.

Responsibility to implement this Policy applies across all functions and to all Company personnel and contractors under our direct supervision, working at the global corporate offices and at Sites. We expect all Company and contractor employees, particularly those involved in supply chain management and contracting, to be aware of and commit to the implementation of the requirements in this Policy.

This Responsible Sourcing Policy is intended to manage our supply chain risks and impacts and forms the core of our commitment to responsible sourcing. With the oversight of senior management, this Policy is progressively integrated into existing business processes and procedures through collaboration and coordination across different functions in our corporate offices and Sites, with a view to ensuring its full realisation.

## Specific Requirements

We commit to aligning with the applicable country laws (wherever our Sites are situated), the *United Nations Voluntary Principles on Security and Human Rights (VPSHR)*, the *United Nations Guiding Principles (UNGPs)*, the *OECD Guidelines for Multinational Enterprises*, *The London Platinum and Palladium Market's Responsible Platinum/Palladium Guidance*, the *London Metal Exchange Policy*, the *Conflict-Free Gold Standard*, the *International Sustainability Standards Board's (ISSB) Sustainability Disclosure Standards*, *Sustainable Finance Disclosure Regulations (SFDR)*, the *Corporate Sustainability Reporting Directive (CSRD)*, the *Extractive Industry Transparency Initiative (EITI)*, the *International Labour Organisation (ILO) on Fundamental Principles and Rights at Work*, the *International Finance Corporation (IFC) and Equator Principles (EP)* in our supply chain due diligence processes at our corporate offices and Sites across all functions relevant to supply chains and sourcing. As a listed company on the Toronto Stock Exchange, Ivanhoe is also committed to comply with Canadian legislative requirements including *Fighting Against Forced Labour and Child Labour in Supply Chains Act (S.C. 2023, c.9)*

Ivanhoe maintains a zero-tolerance approach to forced labour and child labour regardless of with whom we work and where we do business.

We are committed to complying with all relevant laws concerning forced labour and child labour in all the countries where we operate and to preventing forced labour and child labour throughout our network of suppliers.

It is also against this Responsible Sourcing Policy and domestic law to conceal acts of forced labour and child labour. This includes knowingly providing any false or misleading statements regarding Ivanhoe's efforts to prevent and reduce the risk of forced labour or child labour within its supply chains.

## Corporate Policies

Our commitment to uphold responsible sourcing principles in our supply chain is defined and delineated in three key documents: this Responsible Sourcing Policy, our Responsible Sourcing Standard, and our Supplier Code of Conduct (including our procurement policies and plans at the Site-level). This Policy sets out clear guidelines and expectations that complement our existing policies and processes in pro-actively identifying, assessing, and managing risks in our supply chain.

### Site-level Processes and Plans

At each Site, Ivanhoe adheres to corporate-level standards while also developing and implementing Site-specific policies, processes and plans to support its supplier management procedures. Our Sites shall implement supply chain due diligence processes with regards to human rights, environmental stewardship, health and safety requirements and governance across different functions. Where applicable, we also expect Sites to implement mineral supply chain due diligence policies as per the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*, to manage human rights risks, environmental, health and safety impacts and governance issues that may be associated with the extraction, smelting, trading, handling, and exporting of minerals.

### Supply chain management framework between Sites and Corporate levels

#### Identifying and assessing actual and potential impacts in the supply chain

We are committed to leveraging onboarding and prequalification processes to identify and assess the human rights risks, environmental stewardship, health and safety, and governance issues related to potential materials suppliers, and ensure these risks are considered as part of the supplier

selection process. Human rights, environmental stewardship, health and safety aspects and governance considerations will be included in specifications for supply chain requirements.

These considerations are also integrated into contractual requirements, and may include contractual provisions to address non-compliance or serious human rights claims, environmental stewardship, health and safety impacts and governance issues. In the event of serious human rights and/or governance issues or lack of improvement, we aim to include provision for termination of contract.

For existing suppliers, we will conduct mapping exercises to understand the scope of the supply chain. This exercise ensures better understanding of the risks associated with the supplier and our linkage to them. Once identified, these risks will be integrated into our enterprise risk management system. Subsequently, a process to assess and prioritize suppliers based on their associated salient risks will be implemented. High-risk suppliers may require an in-depth assessment in order to identify and assess specific potential adverse impacts.

We expect our suppliers to take all reasonable steps to prevent and remediate the use of forced labour and child labour within their supply chains,

both directly and indirectly. Should credible concerns be reported in good faith or the presence of forced labour or child labour be identified in a current or potential supplier's supply chains, we will conduct a thorough assessment of our collaboration with that supplier. Business relationships can be impacted if such issues are found and can lead to consequences (including not commencing or temporarily or permanently terminating business relationships) where appropriate.

In addition, commensurate with the level of risk, we are intent on including supply chain assessments feature in human rights impact assessments and management plans (HRIAs/HRMPs), and environmental and social impact assessments and management plans (ESIAs/ESMPs), and ensuring that these assessments are reviewed as appropriate to reflect relevant changes in Project context.

### **Integrating findings into supplier management processes**

We intend to gradually integrate the Supplier Code of Conduct into all supplier contracts and communicate the requirements of this Policy to suppliers.

Using our leverage to the extent possible, we endeavour to ensure that suppliers avoid, minimize, and prevent adverse human rights impacts, environmental, health and safety violations and governance infringements. We are intent on cooperating with suppliers to develop

and implement plans to address identified supply chain human rights risks, environmental impacts and governance issues. Plans need to be built into supplier management processes and must define timeframes and clear responsibilities. We encourage Sites to promote cross-functional supply chain risk management through internal collaboration, at least between functions responsible for procurement, human rights, security, environment, governance, health and safety.

### **Tracking implementation and effectiveness measures**

We intend on monitoring and evaluating our suppliers' commitment to and implementation of the requirements in this Policy, and mitigating identified impacts through our procurement processes, with a view to improve their performance and address potential or actual impacts. Where appropriate, we commit to engaging with suppliers, customers, central and local government authorities, international organisations, civil society organisations, consulting experts, and affected parties to support these processes. Where suppliers operate in high-risk contexts, we intend on ensuring heightened tracking and monitoring of risks.

We commit to maintaining Ivanhoe internal data management systems for documenting supply chain due diligence processes, outcomes, and improvements. This will ensure that the mitigation of identified risks and impacts of suppliers are tracked.

In cases of non-compliance with this Policy and our Supplier Code of Conduct, we commit to investigating the causes and contributing factors underlying non-compliance and taking appropriate actions to rectify this.

Where Sites find that a supplier cannot or will not take actions to demonstrate compliance within an agreed timeframe, we encourage Sites to consider approaches to support suppliers in managing their risks and use their leverage to ensure alignment. In serious cases, Ivanhoe will consider disengagement from the supplier.

### **Communicating and reporting on steps in addressing responsible sourcing risks and impacts**

We commit to communicating internally the performance of the supply chain management processes with senior management, employees, and contractors. Sites are required to report on supply chain risks and management procedures, quarterly at a minimum, to ensure corporate oversight. This provides a comprehensive view of Ivanhoe's supply chain risks and performance and allows for identification of trends, emerging risks, high-risk Sites and areas of concerns across different Sites.

We commit to transparency with regard to our identified key supply chain risks and the mitigation measures.

### **Grievance management**

We commit to ensuring access to remedy by maintaining a functioning, accessible, and effective grievance mechanism that enables stakeholders, particularly affected right-holders, to raise concerns regarding the impacts linked to our supply chain.

Where we identify that we have caused or contributed to an adverse human rights impact, environmental, health and safety violations or governance infringements linked to our supply chain, we commit to providing for, or cooperating in, processes to enable appropriate remediation. We may play a role in remediating harm that we are directly linked to through our products, services, or relationships.

In addition to this, we commit to make available anonymous channels to support suppliers in raising concerns related to compliance with this Policy and the Supplier Code of Conduct.

In this regard, a Company-wide hotline, Ethicspoint, is available to all stakeholders who wish to log a concern (1-888-581-2173 (toll free)) or <https://secure.ethicspoint.com/domain/media/en/gui/35636/index.html>

Finally, we expect our suppliers to have their own grievance mechanisms, which provide access to remedy for adverse human rights impacts.



### Sites support and resources

We commit to provide Site-level teams with the necessary support and oversight to effectively implement supply chain due diligence processes. This includes tools for risks assessment, and expert guidance on addressing specific challenges.

### Training Programmes

Pursuant to this Policy, we shall provide access to tailored training programmes that address the specific needs and challenges related to our supply chain and across our business. These trainings will be adapted to reflect the operational context, risk-level of the Sites, and the contracts and relationships that have the most salient responsible sourcing risks. We are committed to making training available to our key suppliers to support capacity development in the management of their responsible sourcing obligations.

### Specific Restrictions

The implementation of this Policy should be supportive of Ivanhoe Mines values, principles, and processes, including the Code of Business Conduct and Ethics. It should promote a cohesive organisational approach to sustainability across the Company.

### Related Documents

The following internal non-exhaustive list of resources supplements our commitment towards responsible sourcing:

- Ivanhoe Mines Code of Business Conduct and Ethics
- Ivanhoe Mines Companion Booklet to the Code of Business Conduct and Ethics
- Ivanhoe Mines Health and Safety Policy
- Ivanhoe Mines Community Relations Policy
- Ivanhoe Mines Group Victimisation Policy
- Ivanhoe Mines Sexual Harassment Policy
- Ivanhoe Mines Human Rights Position Statement
- Ivanhoe Mines Socio-Economic Development Policy
- Ivanhoe Mines Managing Diversity Policy
- Ivanhoe Mines Corporate Social Investment Policy
- Ivanhoe Mines Sustainability Policy
- Ivanhoe Mines Crisis Management Policy
- Ivanhoe Mines Corporate Citizenship Statement
- Ivanhoe Mines Personal Development of Employees Policy
- Ivanhoe Mines Occupational Injuries and Diseases Policy, SA
- Ivanhoe Mines Grievances Policy



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**Mining with a greater purpose**

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