

## **Annex 1 - Dealing with conflict minerals at RENK**

### **Legislation and background**

In various countries, particularly in the Democratic Republic of the Congo and its neighboring states, the proceeds from the mining of "conflict minerals" directly or indirectly finance armed conflicts. The term "conflict minerals" refers to tantalum, tin, tungsten, gold (3TG), cobalt and mica and all other minerals that are defined as such in the applicable regulations for the procurement of conflict minerals. Serious human rights violations have occurred in connection with the mining of these minerals. Therefore, legal bases and world-wide initiatives were created in order to prevent the use of conflict minerals.

According to EU Regulation 2017/821 of May 17, 2017 on curbing the trade of conflict minerals, minerals from other conflict and high-risk areas are also considered to be regulated conflict minerals. This includes areas in which there is an armed conflict or which are in a weakened situation following a conflict, as well as areas with weak or lacking governance and security structures. It also affects states that systematically violate international law, including human rights violations.

In addition, RENK is orientated towards the global requirements and guidelines for the procurement of conflict minerals, and Section 1502 of the US Dodd-Frank Act.

### **Our claim**

At RENK we are aware of our corporate responsibility, and thus create the conditions for sustainable corporate success. The importance of this topic to RENK is illustrated by our efforts to collect data from upstream sources, and to support due diligence reviews of the supply chain. RENK demands of itself and its suppliers that all products are free from conflict minerals.

Even if RENK does not purchase the minerals concerned directly, we are aware that conflict minerals can be part of the supply chain. With this in mind, at RENK, we have set ourselves the goal of responsible procurement of these minerals by implementing the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

For this reason, RENK has introduced an internal reporting regulation.

### **Requirements for RENK suppliers**

RENK expects its suppliers to support compliance with the applicable rules and specifications for the procurement of minerals from conflict and high-risk areas. The implementation of the necessary due diligence in the supply chain is crucial for this. RENK therefore obliges its suppliers to submit all necessary reports, documents, and written confirmations upon request.

In particular, RENK obliges its suppliers

- not to buy products and materials containing conflict minerals directly from "conflict mines",
- not to discriminate against legitimate sources of conflict minerals, and thereby contribute to conflict-free trade,
- to provide reports that document the presence and origin of materials based on the report template of the Responsible Minerals Initiative "RMI Conflict Minerals Reporting Template" and „Extended Minerals Reporting Template“ from legitimate sources,
- obtain materials from smelters that have been declared compliant through audit protocols of the Responsible Minerals Initiative or mutually recognized audit protocols, and
- to comply with EU Regulation 2017/821.

RENK carries out a responsible pre-selection of suppliers and expects that they make the same demands on their direct suppliers. In this way, the goal of conflict-free procurement and the protection of human rights can be achieved.

The feedback regarding the use of conflict minerals is mandatory for RENK suppliers without exception. A missing response from a supplier can lead to further measures, up to and including the abandonment of future cooperation.

## Annex 2 – Internal Reporting

The following Annex forms an integral part of this Governance Rule.

