

## **H.C. Starck Tungsten Powders Raw Material Procurement Statement**

The following statement applies to H.C. Starck Tungsten Powders with its sites in Goslar, Sarnia, and Ganzhou.

H.C. Starck Tungsten Powders is one of the leading global manufacturers of the technology metal tungsten and its products such as the chemicals sodium tungstate, tungsten acid ammonium meta- and -paratungstate, tungsten oxides and tungsten powders as well as cast tungsten carbides and tungsten carbides. We understand ourselves as a company with a high social responsibility and thus focus on safety, health, the environment and of the protection of the people who come in contact with our products. We meet and are continually striving to exceed governmental, industrial and environmental standards worldwide.

H.C. Starck Tungsten Powders condemns all activities in connection with the unlawful exploitation of mineral resources, no matter where such activities take place. As part of this commitment we have implemented an on-going policy of only purchasing raw materials that are conflict-free and that always meet the requirements of the OECD (relevant version of the "OECD Due Diligence Guidance for Supply Chains of Minerals from Conflict-Affected and High-Risk Areas"), and the "Regulation (EU) 2017/821 of the European Parliament and of the Council of 17 May 2017 laying down supply chain due diligence obligations for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas".

Recognising the significant adverse impacts which may be associated with extracting, trading, handling and exporting minerals from conflict-affected and high-risk areas, and recognising that we have the responsibility to respect human rights and not contribute to conflict, we commit to respect and implement the guidelines of the "OECD Due Diligence Guidance for Supply Chains of Minerals from Conflict-Affected and High-Risk Areas", Annex II in its entirety. The adherence to this commitment is confirmed by regular independent third-party audits on behalf of the Responsible Minerals Initiative (RMI).

In 2023, the German "Lieferkettensorgfaltspflichtengesetz" (LkSG; Supply Chain Duty of Care Act) came into force. Due to its size, H.C. Starck Tungsten Powders is not an obligated company within the meaning of the LkSG. Nevertheless, we are aware of our responsibility within the supply chain and have therefore voluntarily committed ourselves to comply with the requirements of the law as far as applicable to us. This concerns, for example, the risk analysis in accordance with the LkSG. As part of a gap analysis, our RSCM was reviewed by independent third parties with regard to the LkSG and the resulting recommendations were implemented.

H. C. Starck Tungsten Powders is a member of the ITRI Tin Supply Chain Initiative (iTSCi), which has developed a due diligence system for a transparent raw material supply chain in conflict regions and monitors the implementation of the system in their member companies. In addition to that, H.C. Starck is a founding member of the Tungsten Industry—Conflict Minerals Council (TI—CMC) and is represented directly by filling one board position.

We are committed to actively support our customers with their diligence and disclosure requirements defined in section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act pertaining to so-called "Conflict Minerals" and the regulations promulgated thereunder by the U.S. Securities and Exchange Commission.

- H.C. Starck Tungsten Powders does not tolerate serious abuses associated with the extraction, transport or trade of minerals according to OECD-guidelines. This means that under no circumstances will we accept, profit from, participate in, assist or support the following actions carried out by any party:
  - any form of torture or cruel, inhuman or degrading treatment;
  - any form of forced labour;
  - the worst forms of child labour;
  - other serious violations and abuses of human rights, such as the widespread occurrence of sexual violence;
  - war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.
- We do not accept direct or indirect support of non-state armed groups.
- We recognise that the role of public or private security forces at the mine sites and/or surrounding areas and/or along transportation routes should be solely to maintain the rule of law. We refrain from direct or indirect support of public or private security forces that do not meet these guidelines.
- H.C. Starck Tungsten Powders condemns bribery and fraudulent misrepresentation of the origin of minerals.
- We will support efforts, or take steps, to contribute to the effective elimination of money laundering where we identify a reasonable risk of money-laundering.
- We will ensure that all taxes, fees, and license fees related to mineral extraction, trade and export from conflict-affected and high-risk areas are paid to governments.

As soon as the H.C. Starck Tungsten Powders obtains knowledge, that a supplier is in breach of one or more of these guidelines, we will take corresponding measures, after making a risk assessment. Depending on the dimension of the risk or if the attempts of a risk mitigation have failed (see also OECD-guideline, annex III), this can result in a temporary suspension or immediate termination of the business relationship with the supplier. Before starting a business relationship we expect that our supplier is committed to the current OECD and EU regulations.

With a variety of control mechanism we check the abidance of the guidelines throughout the whole business relationship. This system ensures that we only source from suppliers that act in accordance with environmental and social sustainability.

We continuously strive to become independent from surging volatility and speculations on the raw materials market. Therefore, the development of our metal recycling technology is one of our strategic objectives.



Dr. Hady Seyeda

CEO H.C. Starck Tungsten Powders

Goslar, February 2024