

## THE BEKAERT POLICY ON CONFLICT MINERALS

SP-Q-45007-BCQA

**1 PURPOSE OF THE PROCEDURE**

Bekaert is committed to use raw materials of legal and sustainable origin. Bekaert refrains from sourcing conflict minerals as these might contribute to the financing of armed conflicts and enable human rights abuses. As such, Bekaert maintains due diligence processes to achieve compliance with this commitment and requests all relevant suppliers to fully cooperate in achieving this.

**2 MOTIVATION FOR CHANGE**

Complete revision

**3 SCOPE**

The Bekaert Policy on Conflict Minerals is mandatory for all suppliers delivering minerals potentially originating from conflict-affected and high-risk areas to the Bekaert Group. The Bekaert Policy on Conflict Minerals is applicable to all wholly and majority owned subsidiaries of Bekaert. Joint ventures in which Bekaert has a minority shareholding are strongly encouraged to apply the procedure.

**4 DEFINITIONS/ABBREVIATIONS**

“Conflict Minerals” means columbite-tantalite (coltan), cassiterite, gold (Au), wolframite, including their derivatives tin (Sn), tungsten (W), and tantalum (Ta)

CMRT – Conflict Minerals Reporting Template

CPD – Central Purchasing Department

CQA – Central Quality Department

DRC – Democratic Republic of Congo

EICC – Electronic Industry Citizenship Coalition

GeSi – Global e-Sustainability Initiative

OECD – Organization for Economic Co-operation and Development

RBA – Responsible Business Alliance

RMI – Responsible Minerals Initiative

**5 SUMMARY OF RESPONSIBILITIES**

The Procurement Excellence Team at the Central Purchasing Department (CPD), in cooperation with the local purchasing teams and the Central Quality Department (CQA), is responsible for the communication to and liaison with the suppliers and Bekaert customers to obtain the required information regarding compliance to the Bekaert Policy on Conflict Minerals and to assess the addressed risks from the inputs gathered.

The Legal Department gives advice to maintain the Bekaert Policy on Conflict Minerals conform the applicable standards and legislation. The Communications Department has the final responsibility to publish

publicly on a yearly basis a sustainability report which includes substantiation of the approach and the performance regarding sourcing of minerals potentially originating from conflict-affected and high-risk areas.

## 6 **BACKGROUND**

Bekaert believes that economic success and conducting business in a sustainable way go hand in hand. Bekaert's global sustainability strategy is centered on four main pillars: our responsibility in the workplace, in the marketplace, towards the environment and towards society. Our efforts and activities are focused in such a way that balanced consideration is given to the interests of all respective stakeholders, i.e. employees, customers, suppliers, shareholders, partners, local governments and the communities in which we are active.

To this end, Bekaert requires that its suppliers adhere to high social, quality, environmental and ethical standards. Bekaert has developed a [Supplier Code of Conduct](#) (SP-Q-45001-BCQA) which outlines the minimum requirements to be met by our suppliers regarding fair business practices and ethics, labor practices, impact on the environment and health and safety performance. The Supplier Code of conduct is available on the Bekaert website in different languages. Bekaert requires every supplier to sign the Bekaert Supplier Code of Conduct or to provide evidence that their own equivalent Code of Conduct covers the same principles. Each supplier is strongly encouraged to apply this practice with their upstream suppliers in the supply chain.

Responding to the Bekaert obligations with respect to Conflict Minerals is part of Bekaert's commitment. Bekaert is handling conform the applicable local legislations and the OECD Due Diligence Guidance by using the Conflict Minerals Reporting Template (CMRT) issued by Responsible Minerals Initiative (RMI). This is an initiative of the Responsible Business Alliance (RBA), formerly known as the Electronic Industry Citizenship Coalition (EICC), and the Global e-Sustainability Initiative (GeSi), that help companies from a range of industries address issues regarding the sourcing of minerals potentially originating from conflict-affected and high-risk areas in their supply chain.

## 7 **OUR COMMITMENT**

Bekaert is committed to ensure that all components, parts and materials used to manufacture its products contain minerals from conflict-free sources.

Bekaert is committed not to buy any products and materials containing conflict minerals originating directly from conflict mines in the Democratic Republic of Congo (DRC) and the countries that share an internationally recognized border with the DRC ('High Risk Area').

Indirectly, Bekaert requires its suppliers to ensure that any minerals supplied to the Bekaert Group are not sourced from Conflict Mines in the High Risk Area.

## 8 **OUR ACTIONS AND OUR REQUIREMENTS TOWARDS OUR SUPPLIERS**

- Bekaert requires its suppliers to provide components, parts or materials containing tantalum, tin, tungsten, and/or gold from conflict-free sources only. Components, parts or materials which either directly or indirectly contribute to conflict, are unacceptable and will be rejected.
- Bekaert engages with suppliers that respond in a timely manner to Bekaert's requests for evidence of compliance.

- Bekaert engages with suppliers that allow auditors to have their due diligence practices and relevant company records audited.
- Bekaert has included these requirements in the Bekaert Supplier Code of Conduct.
- Bekaert requires its suppliers to implement a policy regarding Conflict Minerals and to exercise due diligence to investigate the source of these minerals and to demonstrate evidence hereof to Bekaert upon request. In case the supplier has not yet developed a conflict minerals policy or due diligence procedure, a corrective action plan including timings should be presented and agreed upon between Bekaert and the supplier.
- Bekaert requires its direct suppliers to define, implement and communicate to their suppliers their own policies, outlining their commitments to responsible sourcing, legal compliance and measure for implementation.
- Bekaert requires its direct suppliers to create transparency and traceability about their minerals sourcing flows.
- Bekaert requires its suppliers to complete the latest version of the Conflict Minerals Reporting Template (CMRT) created by the RMI (<http://www.responsiblemineralsinitiative.org/conflict-minerals-reporting-template/>) for the datasheets : Declaration, Smelter List (if applicable) and Product List regarding the delivered minerals to Bekaert within one month after request date from the Purchasing Department. The request will be sent for every new version of the Conflict Minerals Reporting Template within one month after publication date. Suppliers are required to communicate each relevant modification in the supply chain immediately to Bekaert.

## 9 **GRIEVANCE MECHANISM AND REPORTING**

This policy will be reviewed regularly and updated as needed. Our employees, suppliers and other parties can report concerns any alleged violations of the Bekaert Policy on Conflict minerals to [integrity@bekaert.com](mailto:integrity@bekaert.com).

Our suppliers are encouraged to contact their regular Bekaert purchasing contact if they wish to seek guidance on the application of the Bekaert Policy on Conflict Minerals.

## 10 **CORRECTIVE ACTIONS**

Bekaert reserves the right to disengage from upstream supply agreements when reasonable risk exists that the actual sourcing does involve conflict-affected and high risk areas, and/or when suppliers do not meet the requirements set forth by the Bekaert Policy on Conflict Minerals, and/or do not want to cooperate to reach the requirements based on a corrective action plan, and/or do not disclose information on their upstream supply channels within the requested due date.

## 11 **REFERENCES/ANNEX**

[SP-Q-45001-BCQA](#)

The Bekaert Supplier Code of Conduct

[SP-Q-45001-F00-BCQA](#)

The Bekaert Supplier Code of Conduct – Compliance form

Both documents are available on the Bekaert Website – Suppliers – [The Bekaert Supplier Code of Conduct](#) is available in different languages.