

POLICY

Conflict Minerals

Purpose: Conflict minerals get their name because they are mined and sold by regions experiencing some type of conflict. It could be military, economic, etc. In these areas, countless human rights violations occur in the pursuit of valuable minerals. This policy document covers Fagerhult Group's commitment to have high ethical standard and to be a good corporate citizen by identifying products and material from suppliers that may contain conflict minerals.

Areas of responsibility: Purchasing, Quality, Sustainability

Fagerhult Group works comprehensively to ensure ethical, sustainable business in all areas of its operations. The guiding document is the Group's Code of Conduct, which includes underlying policies and principles for how to conduct responsible business.

Everyone within the Group, from the Board of Directors and management to individual employees must follow the Group's Code of Conduct.

We are heavily committed to sustainable development and we therefore address issues in the extractives sector. Fagerhult Group does not directly source minerals from mines or smelters and our direct suppliers are multiple tiers from the extractive operations.

In our position in the supply chain as a downstream purchaser and user of components which possibly contain minerals, we are able to play a role in addressing conflicts, human rights abuses, as well as environmental issues related to mining of minerals only through a strong due diligence of our direct suppliers and their sourcing of materials as well as through partnerships with environmental organisations.

For us, the responsible procurement of minerals is an important part of Fagerhult Group's commitment to sustainability.

It is our intention to do everything in our power to ensure that the products and components in our procurement chain do not contain minerals that have contributed to conflicts in geographical areas (regions, countries, continents), such as – but not limited to – the Democratic Republic of Congo (DRC) or any bordering countries (Angola, Burundi, the Central African Republic, the Republic of Congo, Ruanda, Southern Sudan, Tanzania, Uganda and Zambia).

In accordance with the requirements of the Dodd-Frank Act and EU regulation EU2017/821, we expect a similar commitment from our suppliers and the adoption of measures guaranteeing that the tantalum, tin, tungsten and gold (also known as '3TG minerals') contained in their manufactured products are not connected - either directly or indirectly - to the Democratic Republic of Congo or any bordering countries (hereafter referred to as the 'Conflict Region').

We undertake to design and develop products that are free of 'Conflict Minerals' and, in particular, to not intentionally purchase materials or components containing 3TG originating from mines and foundries in the Conflict Region and are not certified as 'Conflict Free'.

More specifically, Fagerhult Group undertakes to:

- Request our suppliers to analyse and confirm whether the components/products supplied contain one or more of the 3TG;
- Request our suppliers to share their policy on Conflict Minerals and raise awareness with any who do not have one in order to apply and promote within their sphere of influence a policy aimed at guaranteeing that the 3TG metals present in their products do not finance or encourage, directly or indirectly, armed groups in the Conflict Region;
- Request our suppliers to share or adopt due diligence measures and a management system designed to guarantee that the products supplied are 'Conflict Minerals Free';
- Ask our supply chain to collaborate by promptly indicating to Fagerhult Group whenever a product supplied is not 'Conflict Minerals Free'; and
- React without delay upon suspicion or knowledge that products and/or components sourced by Fagerhult Group from any of its suppliers contain Conflict Minerals.

In the sphere of our supplier selection, qualification and monitoring process, Fagerhult Group undertakes to:

- Increase the points score for suppliers with a specific policy on 'Conflict Minerals' procurement; and
- Help suppliers, with dedicated training if necessary, to find out more about and implement a management process.

Process: This policy is to be adopted and complied with by all companies within the Fagerhult Group. The policy also take aim at our suppliers and business partners and therefore important to ensure adoption and compliance there.

This policy has been approved by the GMT in November 2022.