

## **Conflict Mineral Statement Berlac AG**

### **Introduction**

As a responsible company in the coatings industry, Berlac AG in Switzerland is committed to maintaining the highest ethical standards in the procurement of materials and chemical substances in accordance with its Code of Conduct. This statement on the subject of conflict minerals reaffirms our commitment to avoiding the use of materials that contribute to the financing of conflicts or human rights violations in conflict regions.

Berlac AG is guided by the following legislation and industry standards:

- Swiss Code of Obligations (Art. 964j ff. CO: Due diligence obligations and transparency with regard to minerals and metals from conflict regions and child labour.
- Ordinance on Due Diligence and Transparency with regard to Minerals and Metals from Conflict-Affected Areas (VSoTr).
- EU Regulation 2017/821 laying down supply chain due diligence obligations for Union importers of tin, tantalum, tungsten, their ores and gold from conflict-affected and high-risk areas.
- Also includes those ores (cobalt and mica) covered in the "Extended Minerals Reporting".
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance on Conflict Minerals), April 2016.
- Section 1502 of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act. These regulations require companies to conduct due diligence on the source and supply chain of conflict minerals necessary to the functionality or manufacture of one or more of their products. The regulations also establish mandatory annual disclosure and reporting requirements for companies that use conflict minerals originating in the Democratic Republic of the Congo (DRC) or an adjacent country.

### **Definition of conflict minerals**

Conflict minerals are raw materials whose extraction and trade contribute directly or indirectly to the financing of armed groups that commit serious human rights violations in conflict areas. The most commonly affected minerals are tin, tantalum, tungsten and gold (known as 3TG), as well as mica and cobalt, which are used in numerous industrial applications, including coating production.

### **Our commitment**

We are committed to not using conflict minerals that directly or indirectly promote conflict, human rights abuses or environmental damage in mining areas. To ensure this, we have implemented the following measures:

### **Supply chain transparency**

We work closely with our suppliers to ensure complete transparency regarding the origin of the minerals we use. Our suppliers are required to follow equivalent standards of transparency and ethical sourcing.

**Due diligence and verification**

We conduct regular audits of our supply chain to ensure that the minerals we source do not originate from conflict regions. This includes reviewing suppliers and introducing stricter controls and audits.

**Employee training**

All relevant employees are trained on the issue of conflict minerals and how they can contribute to compliance with this policy.

**Collaboration with industry initiatives**

We participate in industry initiatives and cooperate with international organizations that promote the responsible sourcing of minerals.

**Reporting and communication**

We regularly report on our progress and challenges in relation to conflict minerals in our sustainability and annual reports.

**Cooperation with our partners**

We expect all our business partners to share this commitment and actively work to identify and eliminate conflict minerals in the supply chain. Any confirmation of the use of conflict minerals that violates our policy will be immediately investigated and addressed.

Our commitment to avoiding the use of conflict minerals is an integral part of our corporate ethics and our responsibility to society. We are determined to continuously improve our practices and make a positive contribution to the promotion of peace and human rights in the affected regions.

Sissach, in August.2024

Willy Scheuchenpflug  
CEO