

## Responsible Minerals Sourcing Policy Statement

Avon Specialty Metals is a UK based recycler of refractory metals and high temperature alloys, including Tantalum, Tungsten and Cobalt in their metallic and alloyed forms. Our company handles 1) Secondary (scrap) 2) recycled products made exclusively from scrap 3) primary products accredited under the RMI's Active and Conforming Facilities List. Our company does not handle any minerals or ores and as such is not involved in materials subject to Class 7 Transportation Regulations. Our company does not currently handle Tin or Gold.

We condemn the unlawful exploitation of mineral resources from any locations in the world and we fully support the goal of ending violence, human rights violations, and environmental devastation in the Democratic Republic of the Congo (DRC), and its surrounding countries – known as the “Conflict Region”. We are firmly committed to supporting a conflict-free not Congo-free supply chain. By that we mean responsible sourcing of conflict minerals (Tantalum, Tin, Tungsten, Gold “3TG” and Cobalt) from the region, provided that such minerals do not directly or indirectly finance or benefit armed groups. As part of this commitment, we have adopted a continuous improvement policy within our own organisation to only purchase materials that are guaranteed to be responsibly sourced and that meet all the relevant criteria stipulated by the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the Responsible Minerals Initiative.

We acknowledge the final “Conflict Minerals Rule” issued by the U.S. Securities and Exchange Commission (“SEC”) issued under Section 1502 of the 2012 Dodd-Frank Wall Street Reform and Consumer Protection Act and we are committed to assisting our customers with their due diligence and disclosure requirements required to comply with the legislation. To this end, ASM pledges to only source and procure metals from those companies who agree to abide by the requirements of our Supplier Code of Conduct, which prohibits human rights abuses including forced or compulsory labour, child labour and unethical practices.

Additionally, ASM's Shareholders are active voluntary supporters of the following initiatives and organisations – Responsible Minerals Initiative (RMI), United Nations Global Compact, World Economic Forum (Partnership Against Corruption), Global Reporting Initiative (GRI), Minor Metals Trade Association (MMTA), Tantalum Niobium International Study Centre (TIC).

In support of our Conflict Minerals Sourcing Policy, ASM undertakes to: -

- Exercise due diligence with relevant suppliers consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (CAHRAs) and encourage our suppliers in turn roll this out to their suppliers.
- Incorporate the principles of this Policy into our legally binding Purchase Contracts and monitor all transactions.
- Provide, and expect our suppliers to co-operate in providing, due diligence information to confirm that any 3TG and cobalt materials in our supply chain are conflict free.
- Voluntarily exercise the same due diligence for other metals out of scope - such as Cobalt.
- Rely on industry initiatives, such as the Responsible Minerals Initiative (RMI), to validate that all metals we procure are from either a) the RMI's Active and

Conformant Facilities List or b) scrap/recycled sources. For more information on please visit [www.responsiblemineralsinitiative.org](http://www.responsiblemineralsinitiative.org)

- Ensure that traceability data will be maintained and recorded by suppliers for 5 years and provided to ASM upon request.
- Collaborate with our suppliers and others on industry-wide solutions to enable products that are responsibly sourced from identified CAHRAs.
- Publicly communicate our policy and progress via our corporate website, annual Corporate Responsibility Report and Supplier Code of Conduct.
- Strive to assist our customers and supply chain partners in implementing their own conflict minerals compliance programs.
- Require all of our suppliers to provide us with completed conflict minerals declarations using the RMI Conflict Minerals Reporting Template (CMRT) or the RMI Extended Minerals Reporting Template (EMRT) found at [www.responsiblemineralsinitiative.org/conflict-minerals-reporting-template](http://www.responsiblemineralsinitiative.org/conflict-minerals-reporting-template) and <https://www.responsiblemineralsinitiative.org/reporting-templates/emrt/>
- Commission 3rd party audit of ASM's processes to assure our procurement processes remain conflict free.

ASM seeks to establish long-term relationships and work with suppliers to drive meaningful, lasting and sustainable improvements. Where risks in our supply chain are identified we will work with suppliers to assess and mitigate these risks in accordance with OECD Guidelines, and in particular *“Annex II: Model Supply Chain Policy for a Responsible Global Supply Chain of Minerals from Conflict-Affected and High-Risk Areas”*. We will cease trade relationships with any suppliers who are found to be in deliberate or persistent breach of our Sourcing Policy and OECD Guidelines.

## Grievance Mechanism & Reporting

This Policy will be reviewed regularly and updated as required. Concerns regarding the content or execution of this Policy can be reported directly to ASM's Board of Directors through our official grievance channels: - Email: [conflictfree@avonspecialtymetals.com](mailto:conflictfree@avonspecialtymetals.com) or alternatively please call our Hotline: + 44 1452 874506 (UK)