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RESPONSIBLE SOURCING POLICY FOR CONFLICT MINERALS

General introduction

COMELF S.A. (the "Company") expresses its firm commitment to adhere to the principles of social responsibility, ethics, and sustainability throughout its entire business, including its supply chain. We recognize the risks associated with the exploitation and trade of minerals that may originate from conflict or high-risk areas, particularly the Democratic Republic of Congo (DRC) and neighboring countries, as well as other internationally recognized conflict zones.

This policy sets out the principles and framework of due diligence that Comelf S.A. undertakes to apply in order to prevent our purchases of tin, tantalum, tungsten, gold, cobalt, and mica (hereinafter referred to as "Conflict Minerals" or "CMS") from contributing directly or indirectly to the financing or perpetration of armed conflicts, serious human rights violations, or corruption.

This policy is developed in accordance with:

- ⇒ EU Regulation 2017/821 of the European Parliament and of the Council of 17 May 2017 laying down due diligence obligations for responsible suppliers for Union importers of tin, tantalum, tungsten and gold from conflict-affected or high-risk areas.
- ⇒ OECD Guidance for Responsible Supply Chains of Minerals from conflict-affected or high-risk areas. (Third Edition, 2016).
- ⇒ Relevant Romanian national legislation, including the provisions of the Commercial Code and Law No. 31/1990 on commercial companies, republished, regarding the social responsibility of business.

SCOPE

This policy applies to:

- ⇒ **Internal:** All departments, divisions, and employees of Comelf S.A. involved in the procurement, supply, quality control, reception, and logistics chain management processes.
- ⇒ **External:** All suppliers, subcontractors, and business partners of Comelf S.A. who supply, use products, components, or raw materials that may contain CMS. This includes both direct suppliers and those in higher levels of the supply chain.

FUNDAMENTAL PRINCIPLES

Comelf S.A. is committed to:

- a) Not support the conflict: Not contribute, directly or indirectly, to the financing of armed groups or violence through the acquisition of CMS.
- b) Promote human rights: To respect and promote human rights, avoiding involvement in human rights abuses associated with the extraction, transport or trade of MCS.
- c) Apply Due Diligence: Implement a continuous risk management process, in line with the OECD Guidelines' 5-step framework, to identify, assess, and mitigate risks in the supply chain.



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- d) **Transparency:** Transparently communicate responsible sourcing policies and practices to stakeholders (customers, investors, authorities).
- e) **Collaboration:** Collaborate with suppliers to improve responsible sourcing practices and participate in industry initiatives where possible.

SPECIFIC OBLIGATIONS OF THE COMPANY

4.1. Supply chain assessment

The Material Procurement Department, hereinafter referred to as DABM, shall identify and maintain a register of all purchased products, components, or materials that may contain CMS (e.g., electronic components, alloys, paints, batteries).

For these categories, direct suppliers will be required to complete a Conflict-Free Sourcing Template (CFS or internal equivalent) and provide documentation proving origin and due diligence.

4.2. Risk management and mitigation

Based on the information received from suppliers, Comelf S.A. will assess the risk that CMS originate from conflict areas. The level of risk will determine subsequent actions:

- ⇒ **Low risk:** Cooperation shall continue and periodic (annual) updates of the declarations shall be requested.
- ⇒ **Increased or undetermined risk:** A thorough investigation is initiated, additional information is requested, an on-site audit is conducted (if feasible), or alternative sources of supply are sought. A corrective plan may be imposed on the supplier.
- ⇒ **Severe and unacceptable risk:** If a supplier refuses to cooperate or if it is proven that the source of the minerals is linked to armed conflicts or serious human rights violations, Comelf S.A. will terminate its collaboration with that supplier, in accordance with the contractual clauses.

4.3. Reporting and documentation

All supplier declarations, risk assessments, mitigation measures, and investigation reports shall be documented and archived for a minimum period of 5 years.

Comelf S.A. will prepare an annual internal due diligence report on CMS, to be reviewed by senior management.

4.4. Personnel training

The Human Resources Department, in collaboration with the DABM Directorate, will ensure that key personnel involved in procurement and supply chain management receive adequate training on the content of this policy and the procedures for its implementation.

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SUPPLIERS' OBLIGATIONS

Comelf S.A. expects all its suppliers to:

- ⇒ Adopt and implement a similar responsible Conflict Minerals (CMS) sourcing policy.
- ⇒ Conduct due diligence on their own supply chain, in accordance with the OECD Guidelines or equivalent international standards.
- ⇒ Voluntarily and promptly provide statements and supporting documents at the request of Comelf S.A.
- ⇒ Cooperate in investigations and implementation of risk mitigation measures.
- ⇒ Pass on the same requirements to its own suppliers.

PUBLIC STATEMENT

Comelf S.A. publicly declares that:

"We are committed to not purchasing minerals (tin, tantalum, tungsten, gold, cobalt, mica) and products containing them that originate from mines or transactions controlled by armed groups in the Democratic Republic of Congo or other conflict zones. We implement a due diligence process for managing risks in the supply chain, in accordance with EU Regulation 2017/821 and OECD Guidance.

We will cease working with suppliers who do not demonstrate credible efforts to prevent the financing of conflict and human rights abuses."

RESPONSIBILITIES FOR IMPLEMENTATION

- ⇒ **General Manager** The ultimate responsible for implementing the policy.
- ⇒ **DABM:** Direct implementation, supplier relationship management, statement tracking, review of supplier contracts.
- ⇒ **Quality Department:** Support in interpreting regulations, internal audit, conducting risk assessments.
- ⇒ **Legal department:** Support in interpreting regulations, reviewing contracts with suppliers.
- ⇒ **All employees:** Employees are required to comply with this policy and report any compliance concerns to their supervisor, the Quality department, or the Legal department.

REVIEW AND UPDATE

This policy will be reviewed annually or whenever significant changes in legislation or company activity make it necessary. All changes will be approved by the general manager of Comelf SA.

General Manager

Dipl. eng. Cenușă Gheorghe