

Conflict Minerals Policy

Date: July 2022

Dear Customers and Partners,

The procurement of 3TG (tin, tungsten, tantalum and gold) carries the risk of funding organizations in high-risk locations (the Democratic Republic of the Congo or adjoining countries). This includes potential threats to human rights such as child labor, harsh working conditions and corruption. SES-imagotag recognizes these risks and strives to minimize them by advocating for the responsible procurement of minerals.

SES-imagotag's suppliers were initially assessed by the strategic sourcing team using a template drawn from the Responsible Minerals Initiative. To widen the scope of CSR activities, SES-imagotag partnered with EcoVadis in the second half of 2021. EcoVadis offers methodologies to assess suppliers using a three-level verification and assurance system.

EcoVadis is one of the world's most recognized and trusted partners for business sustainability ratings, intelligence and collaborative performance improvement tools for global supply chains. EMS and suppliers of merchandise and components covering the largest purchase volumes, representing up to 90% of this volume, are now regularly appraised using the EcoVadis assessment methodology. This consists of a scorecard of 80 specific areas of analysis, structured into a framework that covers Labor & Human Rights, Environment, Social issues and Business Ethics.

EcoVadis uses a methodology on conflict minerals that is in line with the OECD's Due Diligence Guidance. This is designed to:

- Identify if rated companies use or sell 3TG in their supply chain based on their activities;
- Examine if rated companies have a comprehensive management system on risk control of conflict minerals.

SES-imagotag uses the EcoVadis ratings to benchmark and monitor and to help suppliers improve their sustainability performance. SES-imagotag can then shortlist the appropriate business partners and maintain transparency across its supply chain.

The sourcing team will continue to follow the OECD's Due Diligence Guidance for conflict-affected and high-risk areas. Suppliers are required to comply with this guidance. They must also provide SES-imagotag with information on smelters and refineries to maintain transparency across the supply chain. SES-imagotag will continue to participate in international efforts to ensure the responsible procurement of 3TG minerals.

The policy is reviewed annually by the strategic sourcing team in tandem with EcoVadis to ensure it is in line with current international standards.

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