



## **Responsible sourcing policy of minerals from conflict-affected and high-risk areas**

**Dated: August 2021**

VARTA AG produces and markets a comprehensive battery portfolio ranging from micro batteries, household batteries, energy storage systems to customized battery solutions for a variety of applications.

This policy applies to the minerals tin, tungsten, tantalum, gold and cobalt. Although the company has no industrial, mining or trading activities in conflict-affected and high-risk areas, minerals or metals acquired by VARTA during its activities may in certain cases originate from such areas.

Recognizing the potential negative consequences of mineral extraction, trade, handling and export from conflict-affected and high-risk areas, and in order to fulfill its commitment to respect human rights and to prevent exacerbation of conflict in its business, VARTA acknowledges this policy on responsible sourcing of relevant minerals from conflict-affected and high-risk areas and is committed to incorporating it into its contracts with suppliers in order to promote risk awareness. VARTA bases this policy on the current established OECD guidelines.

VARTA does not wish to participate in any activity that could contribute to the financing of conflicts and further commits to comply with all relevant UN and EU sanctions resolutions or, where applicable, with all national legislation implementing such resolutions.

VARTA will procure relevant minerals from conflict-affected and high-risk areas in accordance with its VARTA Code of Conduct and will neither tolerate nor profit from, contribute to, assist with or facilitate the commission of:

- any form of torture, cruel, inhuman and degrading treatment;
- any form of forced or compulsory labor;
- any form of child labor;
- other serious human rights violations and abuses, such as sexual violence;
- war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.

If we identify a reasonable risk that a supplier is sourcing its goods from a party that is committing serious abuses, we will suspend or terminate our relationship with that supplier.

VARTA will also not provide or tolerate direct or indirect support to non-state armed groups or to public or private security forces that unlawfully control mine sites, transportation routes, and other upstream actors in the supply chain; unlawfully tax or extort money or minerals at access points to mine sites, along transportation routes or at points where minerals are traded; or unlawfully tax or extort intermediaries, exporters or international traders.

VARTA will not offer, promise, hand over or demand bribes, or give in to any request for bribes, to conceal or disguise the origin of minerals, to misrepresent taxes, fees, and royalties paid to governments for the purposes of mineral extraction, trading, handling, transportation and exportation.

VARTA will make every effort to assist in effectively combating money laundering or take appropriate action if there is a reasonable risk of money laundering as a result of or in connection with the mining,



trading, handling, transportation or export of minerals obtained through unlawful taxation or extortion at access points to mining sites, along transportation routes, or at upstream company handling sites.

VARTA will support efforts to help effectively eliminate money laundering when we identify an appropriate money laundering risk resulting from or associated with the extraction, trading, handling, transportation, or export of minerals obtained from illegal taxation or extortion at access points to mine sites, along transportation routes, or at points where minerals are traded by upstream actors.

VARTA does not tolerate any health and safety violations, negative environmental impacts or indigenous peoples' and affected communities' rights impacts at the mine, transport, trading or processor level of the supply chain.

VARTA require our suppliers to comply with our policy when mining, sourcing, transporting, trading, handling or exporting minerals from conflict-affected and high-risk areas. We are willing to work with suppliers, central or local government authorities, international organizations, civil society and concerned third parties, in accordance with our position in the supply chain, to improve and track performance to avoid or mitigate risks. If we have reasonable suspicion that a supplier is not complying with this policy, we will suspend or terminate the questionable supply.

### **Anonymous whistleblower system**

If there should be reasonable suspicion or concern that misconduct is occurring with respect to the circumstances surrounding the extraction, trade, handling and export of minerals in conflict and high-risk areas, please bring it to our attention via the following link:

VARTA Integrity Line: <https://varta.integrityline.org/>

Through this whistleblower system, you can report any misconduct, including but not limited to violations of applicable laws and internal policies and procedures. Thank you for your cooperation.