

July 2019

## CONFLICT MINERALS POLICY

US legislation and OECD due diligence guidelines currently define Conflict Minerals as cassiterite (tin), coltan (tantalum), wolframite (tungsten) and gold (or derivatives of these minerals), which are mined in the Democratic Republic of Congo (DRC) or adjoining countries, and fund conflict. These four minerals are commonly referred to as 3TG. This policy shares our approach to managing Conflict Minerals in line with all legal requirements and international good practice.

Swissbit complies with all applicable laws and commits to work towards improving traceability of Conflict Minerals and ensure responsible sourcing. We have implemented measures in conformance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas<sup>1</sup> and support the Responsible Minerals Initiative ("RMI") formerly Conflict-Free Sourcing Initiative "CFSI".

Swissbit recognizes the potential adverse impacts associated with mining 3TG in conflict regions of Central Africa. With proper care, however, market access for legitimate sources of supply from within the DRC is possible to support a compliant supply chain. Like the majority of companies using these four materials, Swissbit is not a direct purchaser of conflict minerals and is several tiers downstream from the smelters or refiners of such minerals. As a result, we rely on processes developed by the CFSI and on information received from our in-scope direct suppliers relating to sources of supply.

To neutralize these impacts, we expect our suppliers and, in turn, their suppliers to adhere to the Responsible Business Alliance (RBA) code of conduct<sup>2</sup> and only source 3TG from responsible conflict-free sources.

Swissbit requires that suppliers whose products contain conflict Minerals to provide information regarding the Conflict Minerals throughout their supply chain using the RMI's Conflict Minerals Reporting Template (CMRT)<sup>3</sup>. Swissbit expects suppliers to take similar measures with their suppliers to ensure compliance throughout their supply chain of the Conflict Minerals used in their parts / components / materials, and to have in place policies and due diligence measures that will enable us to reasonably assure that products and components supplied to us containing conflict minerals are DRC conflict free.

In-scope direct suppliers with CMRTs containing SORs that are not progressing toward, or not already, conflict free are required to remove those SORs from products provided to Swissbit.

We are taking action to increase transparency, ensure responsible procurement by our suppliers and sub-suppliers, and support positive change. Swissbit is committed to source its raw materials, components and parts from suppliers that respect human rights, integrity and environmental regulations. We have put measures in place to ensure our program continues to grow and develop in line with emerging legal requirements and stakeholder interests.

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<sup>1</sup> [https://www.oecd-ilibrary.org/governance/oecd-due-diligence-guidance-for-responsible-supply-chains-of-minerals-from-conflict-affected-and-high-risk-areas\\_9789264185050-en](https://www.oecd-ilibrary.org/governance/oecd-due-diligence-guidance-for-responsible-supply-chains-of-minerals-from-conflict-affected-and-high-risk-areas_9789264185050-en)

<sup>2</sup> [https://www.responsiblebusiness.org/media/docs/RBACodeofConduct6.0\\_English.pdf](https://www.responsiblebusiness.org/media/docs/RBACodeofConduct6.0_English.pdf)

<sup>3</sup> <http://www.responsiblemineralsinitiative.org/conflict-minerals-reporting-template/>