

## 1. Introduction & Justification

In politically unstable areas, the minerals trade can be used to finance armed groups, fuel forced labour and other human rights abuses, and support corruption and money laundering. It is Bodycote plc Group (“Bodycote”) policy to ensure that we do not knowingly procure Conflict Minerals. Bodycote’s aim is to ensure its procurement practices do not fuel or exacerbate conflict and therefore avoid harm to people, avoid reputational damage and potential legal liability. Bodycote will execute this commitment through due diligence, including prudent procedures and assessments, and it will require relevant suppliers to provide certifications and to complete questionnaires.

## 2. Definitions

- 2.1 Conflict Minerals: consist of tin, tantalum, tungsten, and gold (including their ores or derivatives) (3TG) that come from the Conflict Region.
- 2.2 Conflict Region: consists of the Democratic Republic of Congo and adjoining countries.
- 2.3 Supplier: a party that provides a good or service to Bodycote.
- 2.4 Metal suppliers: those who provide Bodycote with any 3TG.
- 2.5 Smelters: those who extract valuable metals from ores or other raw materials using melting and heating.
- 2.6 Refiners: Those who extract valuable metals from ores or other raw materials by increasing the grade or purity.
- 2.7 Metal buyer: a Bodycote employee or agent making metal purchases on Bodycote’s behalf.
- 2.8 Mineral Supply Chain: this consists of extraction, transport, handling, trading, processing, smelting, refining and alloying, manufacturing and sale of end-product.

## 3. Procedure

What actions are required and when, including recordkeeping

- 3.1 Metal buyers shall identify all metal suppliers Bodycote has purchased from in the last twelve (12) months.
- 3.2 Annually metal buyers shall send Conflict Minerals Certifications and Questionnaire (CMCQ) and the Conflict Minerals Reporting Template (CMRT) to the identified metal suppliers for completion.

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3.3 Metal buyers must also send the CMCQ and CMRT to new metal suppliers prior to purchasing from them.

3.4 Metal buyers shall ensure metal suppliers complete the CMCQ and CMRT within thirty days.

3.5 Completed CMCQs and CMRTs are to be retained for Audit purpose.

3.6 Metal buyers shall review completed CMCQs and CMRTs for red flags as described below.

3.6.1 A red flag is any circumstance that indicates Bodycote may be receiving conflict minerals. The absence of affirmative evidence that Bodycote is not receiving conflict minerals from the conflict region is a red flag.

3.6.2 Red flags include, without limitation, the following: i) the minerals originate or have been transported from the conflict region; ii) the minerals are claimed to originate from a country that has limited known reserves; iii) metal supplier does not timely respond to the CMCQ and CMRT; iv) metal supplier does not certify or sign the CMCQ and CMRT or it is only partially completed.

3.6.3 Metal buyers shall notify the Divisional President and General Counsel of any red flags.

3.6.4 In the case of a red flag notification, the Divisional President and General Counsel will evaluate the notification and determine whether to engage in corrective action. This may include:

- a. Completing the questionnaire and certifications again.
- b. Explaining their responses in further detail.
- c. Engaging in good faith risk mitigation plans

3.6.5 Bodycote may also take the following action:

- i. Continue to trade during risk mitigation and corrective action.
- ii. Temporarily suspend trade while pursuing risk mitigation and corrective action.
- iii. Disengage with the supplier if they fail to make good faith attempts or otherwise observe corrective action management, or where Bodycote deems the risk unacceptable.

3.7 Annually each division, as part of the divisional CSA process, will certify that they have complied with this procedure.

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3.8 Customer surveys, questionnaires, certifications, and similar documents related to conflict minerals sent by Bodycote customers will be completed by metal buyers and forwarded for approval prior to return to the customer to the General Counsel.

**If you have any further questions please contact the Group General Counsel Bodycote plc registered office +44 (0)1625 505300.**

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<b>Second policy owner:</b>	Group CFO
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