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# Conflict Minerals Policy

**BALKANCAR ZARYA AD**  
CORPORATE SOCIAL RESPONSIBILITY

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### 1.0 Introduction and Commitment

Balkancar ZARYA is committed to corporate responsibility, ethical sourcing, and maintaining high standards in the supply chain, thereby creating conditions for the company's sustainable success. Transparency is a critical factor in building trust and fostering successful collaboration. The foundation for this lies in our Ethical Code of Conduct and Supplier Code. Although Balkancar ZARYA's position in the supply chain is "down-stream user" and the raw materials (primarily steels) used in our products are procured from our suppliers, who are several levels removed from the direct purchase of minerals known as "conflict minerals," we recognize the possibility that such minerals may be part of our supply chain.

Conflict minerals, as defined by Regulation (EU) 2017/821, include tin, tantalum, tungsten, and gold (3TG), and any other minerals defined by regulations applicable to the sourcing of conflict minerals. These minerals, mined in conflict-affected and high-risk areas, as well as regions with weak or absent governance and security, are associated with human rights violations, hazardous health and safety conditions, illegal mining, and environmental harm.

In response to these challenges, Balkancar ZARYA adopts and integrates into its processes the "[OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#)." This policy outlines our approach to responsible sourcing and the requirements we place on our suppliers to uphold high social, environmental, and human rights standards. Balkancar ZARYA is committed to assisting and supporting its clients in meeting their disclosure obligations.

### 2.0 Policy Objectives

Balkancar ZARYA is dedicated to transparency and accountability in the supply chain. Our primary objectives include:

- **Traceability and transparency in sourcing:** We strive to identify and use materials that do not finance conflicts, violate human rights, or cause environmental harm, while maintaining an active stance on traceability and transparency.
- **Supplier compliance:** We expect our suppliers to apply due diligence in their sourcing practices and ensure that conflict minerals do not enter our supply chain from conflict-affected or high-risk areas.

### 3.0 Supplier Requirements

To uphold this policy, Balkancar ZARYA implements pre-selection processes for suppliers. Suppliers identified as relevant for the supply of materials potentially containing conflict minerals are required to comply with the following requirements:

1. **Supply chain due diligence:** Suppliers must conduct thorough verification of the source of their materials, adhering to the 5-step framework outlined in the [OECD Due Diligence Guidance](#).
2. **Conflict Minerals Reporting Template (CMRT):** Suppliers must use the [Conflict Minerals Reporting Template \(CMRT\)](#) of the Responsible Minerals Initiative (RMI) to disclose the presence and origin of conflict minerals in the supply chain.
3. **Use of RMI-conformant smelters and refineries:** Suppliers must ensure that the 3TG minerals they supply originate from smelters and refineries listed as conformant by the RMI audit protocols. [RMI conformant smelters list](#) is regularly updated and can be found [here](#).
4. **Human Rights Standards Compliance:** Suppliers must verify that their sourcing practices do not contribute, intentionally or unintentionally, to human rights violations or other unethical practices in high-risk areas.
5. **Timely and transparent communication:** Suppliers must respond to Balkancar ZARYA's requests for documentation and evidence of compliance. Failure to provide information or demonstrate commitment to responsible sourcing may result in a reevaluation of business relationships.

### 4.0 Implementation and Accountability

Balkancar ZARYA will actively monitor and assess its suppliers to ensure compliance with the conflict minerals policy requirements. We work collaboratively with suppliers to improve traceability and transparency within the supply chain. However, if suppliers fail to meet these standards, Balkancar ZARYA reserves the right to take further actions, including reconsidering the continuation of the business relationship.

### 5.0 Conclusion

Balkancar ZARYA is committed to maintaining a socially responsible and conflict-free supply chain. Through our policies and supplier partnerships, we aim to minimize the risk of conflict minerals entering our products, thereby supporting ethical and sustainable sourcing practices. We will continue to adapt our practices to align with regulatory changes and best practices, ensuring our commitment to responsible sourcing remains robust.

This policy was approved by the Board of Directors on October 29, 2024.