



ATERIAN PLC  
("Aterian" and/or the "Company")

Conflict Mineral Policy

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## **1. INTRODUCTION**

As many suppliers and customers have acknowledged publicly, the US-originated Dodd-Frank Act created a new expectation for product manufacturers, which may be far removed from the source of the raw minerals in their products.

In response to international and national pressure, US Congress included a measure to help address this financing in one section of the Dodd-Frank act, with the bill passed in 2010. Section 1502 of the bill requires companies to audit their supply chains and disclose whether they have purchased conflict minerals that have financed conflict in the DRC. The goal of Section 1502 is to eliminate the demand for conflict minerals by increasing transparency. The conflict minerals provision of the Dodd-Frank Act sparked a consumer awareness and drive for responsibly produced materials. This is not a ban on minerals from eastern DRC, it simply requires any company using these minerals to disclose whether those minerals originated from the war-torn eastern DRC.

While the Dodd-Frank regulations relating to conflict minerals were repealed in 2017, other international bodies, such as the Organization for Economic Cooperation and Development (OECD), and the European Union, have been putting in place regulations that build and improve on Dodd-Frank's successes.

Aterian plc is committed to the responsible sourcing of minerals for trading in our subsidiary companies and for the supply to refiners, smelters, and producers. We believe that our actions can contribute to sustainable development, and we are committed to complying with relevant laws and international standards. To that end, we have adopted this policy on conflict minerals.

This policy applies to all mining companies, traders and/or suppliers of mineral products and by-products to Aterian plc and/or our subsidiaries and affiliates, and we expect our suppliers to also adopt policies and practices consistent with this policy.

This document sets forth the policy of ATERIAN regarding Conflict Minerals.

### **1.1 OVERVIEW & FRAMEWORK**

As a responsible company, ATERIAN supports the goals of the Dodd-Frank Act, and subsequently the policy of the Organization for Economic Cooperation and Development (OECD), and the European

Union guidelines for preventing armed groups in the Democratic Republic of the Congo and adjoining nine countries from benefitting from the sourcing of Conflict Minerals from that region.

We will adopt the OECD Five-Step Framework for Responsible Mineral Supply Chains to guide our efforts to identify, assess, and address risks related to conflict minerals. The five steps of the framework are:

1. Establish strong company management systems

We will establish internal management systems to support our efforts to identify, assess, and address risks related to conflict minerals. These systems will include policies and procedures for managing risks related to conflict minerals, as well as mechanisms for monitoring and reporting on our progress.

2. Identify and assess risks in the supply chain

We will identify and assess risks related to conflict minerals in our supply chain. This will involve working with our suppliers to determine the origin of minerals used in our products and identifying any risks associated with their sourcing.

3. Design and implement a strategy to respond to identified risks

We will develop and implement a strategy to address the risks identified in step 2. This may involve working with our suppliers to improve their practices, engaging with stakeholders to increase transparency, or considering alternative sources of minerals.

4. Carry out independent third-party audit of supply chain due diligence at identified points in the supply chain

We will carry out independent third-party audits of our supply chain to ensure that our efforts to address risks related to conflict minerals are effective. We will select auditors with relevant experience and expertise, and we will require them to follow internationally recognized standards.

5. Report on supply chain due diligence

We will report on our efforts to address risks related to conflict minerals in our annual sustainability report. This report will include information on our policies and procedures related to conflict minerals, our risk assessments and mitigation strategies, and the results of our third-party audits.

## **1.2 What are 'Conflict Minerals'**

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. These so-called 'conflict minerals' such as tin, tungsten, tantalum, and gold, also referred to as 3TG, can be used in everyday products such as mobile phones and cars or jewellery. It is difficult for consumers to know if a product they have bought is funding violence, human rights abuses, or other crimes overseas.

## **2. OUR COMMITMENT**

At ATERIAN we are committed to conducting our business activities in accordance with the highest legal and ethical standards with active risk mitigation.

- I. Support the aims and objectives of the Dodd-Frank Act, the Organization for Economic Cooperation and Development (OECD), and the European Union guidelines concerning Conflict Minerals sourcing by working to educate our suppliers and partners about Conflict Minerals.
- II. Help our suppliers understand the due diligence steps they can take to investigate the source of any Conflict Minerals in the products they sell to ATERIAN.
- III. Not to source from a supplier of any product that contains Conflict Minerals if ATERIAN determines the product is not in conflict Free and the supplier fails to implement reasonable steps to transition to Conflict-Free sources.
- IV. Engage with our suppliers to promote responsible sourcing practices and to ensure that they are aware of our expectations.
- V. Require our suppliers to provide information on the origin of minerals used in our products and to demonstrate that they have implemented appropriate due diligence processes.
- VI. Conduct regular risk assessments of our supply chain to identify and address any potential risks related to conflict minerals.
- VII. Work with stakeholders, including industry associations and NGOs, to promote transparency and responsible sourcing practices throughout the supply chain.

### **3. ATERIAN'S CORPORATE POSITION ON CONFLICT MINERALS**

At ATERIAN, Corporate Social Responsibility ("CSR") is a proactive commitment to preserving the trust of all our stakeholders. The commitment contributes to sustainable economic and environmental development through all our business activities; how we operate, what we sell, how we give, and how we support our people, the communities in which we operate, and society at large. Any connection between ATERIAN and any materials and/or products that may originate from conflict situations and promote armed violence or human rights abuses is completely unacceptable.

### **4. RESPONSIBILITY**

All employees are required to:

- Understand this policy and its implications;
- Adhere to this policy at all times; and
- Report any alleged violations of applicable law or this policy to the Executive Committee as soon as possible. The steering committee will protect those who report violations in good faith.

ATERIAN plc is committed to responsible sourcing of minerals used in our products, and we recognize the risks associated with conflict minerals. We will adopt the OECD Five-Step Framework for Responsible Mineral Supply Chains to guide our efforts to identify, assess, and address these risks. We will also take measures to mitigate these risks and to promote responsible sourcing practices throughout our supply chain. We believe that these actions will contribute to sustainable development and to the well-being of the communities where we operate.