

Policy on Conflict Minerals of Pan Dacom Direkt GmbH (PDD)

In conflict-affected and high-risk areas, armed conflicts are financed by sales of tin, tantalum and tungsten, their ores, and gold, so called Conflict Minerals. Such areas may also be areas in a state of fragile post-conflict as well as areas witnessing weak or non-existent governance and security, such as failed states, and widespread and systematic violations of international law, including human rights abuses.

To stop the financing of these areas and conflicts, the USA enacted the Dodd–Frank Act, which states in Sec. 1502 transparency regulations about the Conflict Minerals for companies listed on the US stock exchange.

The European Union enacted Regulation (EU) 2017/821. According to this regulation, companies importing Conflict Minerals in the EU have to fulfil due diligence and inspection obligations within it's supply chain. Importers also have to maintain an audited risk management.

Even though PDD is not obliged by the above stated regulations, PDD seeks for its products to be free of Conflict Minerals, which finance conflict-affected and high-risk areas.

Therefore, PDD sets itself the target

- to identify Conflict Minerals which finance conflict-affected and high-risk areas within its products,
- to cooperate with its supplier, if there are any products with Conflict Minerals which finance conflict-affected and high-risk areas, to find sources of Conflict Minerals, which doesn't finance conflict- affected and high-risk areas,
- if a supplier can't provide such products, to find alternative sources for products with Conflict Minerals, which doesn't finance conflict-affected and high-risk areas

To reach these targets, PDD established the following measures:

- Integrate the measures about Conflict Minerals in the processes of PDD
- Adding a section about Conflict Minerals in the PDD Code of Conduct. Suppliers of PDD are asked to comply with the PDD Code of Conduct.
- Evaluation of suppliers and comparison with other suppliers, whether they complied with the PDD Code of Conduct and therefore with regulations to Conflict Minerals and/or if a supplier complies with other regulations of Conflict Minerals (i. e. own regulations of the supplier or regulations of governments).