

beeline Policy

Sourcing of Conflict Minerals

Due diligence regarding the sourcing of conflict minerals

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0	01.03.2023	New document.
1	01.01.2024	Position titles changed according to organizational changes.

1. Introduction

On May 17th, 2017 the EU adopted a new EU Regulation (EU 2017/821) introducing a compulsory due diligence scheme for the trade in conflict minerals. This regulation is the latest milestone in the process of tightening the supply chain requirements concerning tin, tungsten, tantalum and gold. The aim of this process is to encourage companies to respect human rights and avoid contributing to conflict through their mineral sourcing practices by cultivating transparent mineral supply chains and sustainable corporate engagement in the mineral sector. Measures already in place include the US Dodd-Frank Act and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Afflicted and High-Risk Areas. However, the former applies only to the Democratic Republic of Congo and its neighboring countries in Africa, where armed groups controlling local mines are using mining proceeds to fund regional conflicts. Moreover, it explains the details of the new EU Regulation and discusses the extent to which it stipulates new and stricter rules for the trade in (conflict) minerals.

2. Objectives

This policy describes beeline's approach to be compliant with the mentioned regulations, subsequent sales partner requirements, and to assure the transparency in beelines supply chain.

3. Applicability

This policy is applicable to the purchasing of merchandise goods.

4. Definitions

Conflict minerals

“Conflict minerals, as defined by the US legislation, currently include the metals tantalum, tin, tungsten and gold, which are the extracts of the minerals cassiterite, columbite-tantalite and wolframite, respectively. [...] Conflict minerals can be extracted at many different locations around the world including the Democratic Republic of Congo (DRC). The SEC [U.S. Securities and Exchange Commission] rules define conflict minerals as 3TG metals, wherever extracted. For example, tin extracted in Canada, Russia or Argentina is considered a conflict mineral by definition. In the SEC rule, “DRC conflict-free” is defined as minerals that were extracted and did not directly or indirectly benefit armed groups in the covered countries. Therefore, tin extracted from Canada is considered “DRC conflict-free” under the definitions of the SEC rule.”²

Responsible Minerals Initiative

“Founded in 2008 by members of the Responsible Business Alliance and the Global e-Sustainability Initiative, the Responsible Minerals Initiative has grown into one of the most utilized and respected resources for companies from a range of industries addressing responsible mineral sourcing issues in their supply chains.”³

They describe themselves “as an umbrella organization for the voice of progressive industry to support responsible mineral sourcing broadly and convenes stakeholders to continually shape dialogue and practices.”⁴

Their members follow a collaborative approach: “Working together, we are evolving business practices to support responsible mineral production and sourcing globally, including but not limited to conflict-affected and high-risk areas, providing companies with tools and resources that improve regulatory compliance, align with international standards, and support industry and stakeholder expectations.”⁵

Source Intelligence

Source Intelligence⁶ is a US-based company providing a data platform for a transparent supply chain. They are designated partner from beeline’s strategic US-partner Old Navy to be

² Definition quoted from the Responsible Minerals Initiative: <https://www.responsiblemineralsinitiative.org/about/faq/general-questions/what-are-conflict-minerals/> (22.11.2022)

³ Quoted from the Responsible Minerals Initiative: <https://www.responsiblemineralsinitiative.org/about/rmi-initiative/> (06.12.2022)

⁴ Quoted from the Responsible Minerals Initiative: <https://www.responsiblemineralsinitiative.org/about/rmi-initiative/> (06.12.2022)

⁵ Quoted from the Responsible Minerals Initiative: <https://www.responsiblemineralsinitiative.org/about/rmi-initiative/> (06.12.2022)

⁶ <https://www.sourceintelligence.com/>

compliant with the US Dodd-Frank Act⁷. Thus, beeline also works together with Source Intelligence who manages Old Navy's supply chain transparency.

5. Roles & responsibilities

Suppliers

Suppliers of merchandise goods are requested to complete the "Conflict Minerals Reporting Template" at least once a year or upon request.

Corporate Sustainability Department

The Corporate Sustainability Department is responsible for the risk handling as outlined in section 6. Risk handling. The Corporate Sustainability Department is also responsible for the operative management of this policy: requesting the Conflict Minerals Reporting Template from each affected supplier and process it with Source Intelligence.

Source Intelligence

Source Intelligence receives the updated Conflict Minerals Reporting Templates from the affected suppliers and process them on their platform.

6. Risk handling

To assure the compliance with the partner requirements Old Navy imposes on beeline as well as compliance with European and US legislations all requirements as well as this policy, its subsequent procedures and the scope of affected suppliers have to be reviewed annually.

7. Policy statement

beeline, together with its supply chain, is committed to corporate social responsibility, to respecting human rights in its own operations, its global supply chain and to complying with the EU regulation on conflict minerals-affected and high risk-areas⁸ as well as with partner requirements Old Navy imposes on beeline. We recognize that businesses have a role to play in helping to address any adverse human rights impacts associated with their activities. We believe in treating people with respect and dignity. We incorporate these principles into our business processes and relationships. As a buyer of finished product, we expect our suppliers to adhere to the same high standards to which we adhere, including any disclosure obligations they may have related to conflict minerals. This disclosure obligations include declaration through all our suppliers showing full transparency about sourcing information on tin, tantalum, tungsten and

⁷ [Dodd-Frank-Act](#)

⁸ [EU Conflict Minerals Regulation \(EU 2017/821\)](#)

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gold used in product (Responsible Minerals Initiative Conflict Minerals Reporting Template (RMI_CMRT)).

8. Communication

The policy is shared with all suppliers along the supply chain. It is part of the beeline Supplier Code of Conduct Guidelines and is shared with both new and existing suppliers.

9. Monitoring and improving

The Corporate Sustainability Department requests the RMI questionnaires annually and is also responsible for forwarding them to Source Intelligence.

10. Appendices

- RMI Company Identification Questionnaire 2022_v4
- beeline Supplier Code of Conduct Guidelines

11. References

- Regulation (EU) 2017/821 of the European Parliament and of the Council from 17 May 2017
- Dodd-Frank Wall Street Reform and Consumer Protection Act