



GROUP CONFLICT MINERALS POLICY

The Group is committed to ensuring that conflict minerals do not enter its supply chain.

Basis

Some countries which have access to natural resources that are in high demand are suffering from armed conflict, such as civil war; a state of fragile post-conflict; or witnessing weak or non-existing governance; and systemic violations of international law, including human rights abuses. At the same time profits from mining around the world may be being used to fund armed conflict, as many mines are under the control of armed groups.

Principles

Hill & Smith PLC and its operating companies (the 'Group') will ensure that natural resources mined in areas of conflict, where human rights abuses may have occurred and were resources maybe sold to fund armed groups, do not enter the Group's supply chain.

Adoption

This Policy has been adopted by the Group and will be updated or modified as appropriate.

Implementation

The Executive Board of Hill & Smith PLC has overall responsibility for ensuring that the group's operating companies comply with this Policy. The senior leaderships teams of each operating company are responsible for ensuring the employees of their business understand and comply with this Policy.

Our Commitment

All operating companies, when sourcing new products and/or new suppliers must ensure that they follow the Group's Sanctioned Countries and Restricted Parties Trading Policy, whereby operating companies must comply with all valid international economic sanctions and the legal requirements for the import and export of goods, technology and services in the countries with whom it has trading relationships. And must not engage, directly or to the best of our knowledge, indirectly, in any trade, business or other activities with or to or for the benefit of and countries and organisations listed below:

Groups which are known to mine conflict minerals

- Democratic Forces of the Liberation of Rwanda (FDLR)
- Armed Forces of the Democratic Republic of Congo (FARDC)
- Congolese national army
- Several industrial gold mining companies are moving from exploration to production of gold in northern and eastern DRC and adjoining countries.

High risk countries for sourcing conflict minerals

- Democratic Republic of Congo (DRC)
- Rwanda
- Columbia (Gold)
- Afghanistan
- Zimbabwe
- Myanmar (Burma)
- Adjoining countries to DRC:
 - Angola
 - Republic of the Congo
 - Central African Republic



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- South Sudan
- Uganda
- Zambia
- Tanzania
- Burundi

Conflict Minerals and the supply chain

The most widely cited instance of conflict minerals is in the Democratic Republic of Congo and neighbouring countries, where tin, tungsten, tantalum and gold are mined. Other examples of minerals with potential links to conflict include copper, cobalt, platinum and diamonds and companies, whether at the 'upstream' stage of the supply chain (i.e. from mine to smelter) or at the 'downstream' stage (i.e. from smelter to end user), are at risk of using conflict minerals. Minerals are traded and processed by upstream stakeholders, before being used in downstream manufacturing products.

Conflict Minerals to look out for:

Mineral	Description	Major uses
Cassiterite (tin)	Ore from which tin is extracted	Plating and solders for joining pipes and electronic circuits
Columbite-tantalite (tantalum)	Ore from which tantalum is extracted	Electrical components (including those used in mobile phones, computers, videogame consoles), aircraft and surgical components
Wolframite (tungsten)	Ore from which tungsten is extracted	Metal wires, electrodes and contacts in lighting, electronic, electrical, heating and welding applications
Gold	Rare metal found in a native (pure) form and obtained as a by-product of other	Jewellery, electronic, communications and aerospace equipment

Violations

Violations of this Policy will be treated seriously by the Group and may result in disciplinary action (including dismissal). Non-compliance with this Policy will result in a breach of the standards required by the Group as a socially responsible business. Furthermore, violations of international trade compliance laws may also result in prosecutions for individuals, operating companies, or members of the Group and/or fines or terms of imprisonment.

If you become aware of a violation you should report it either via your Managing Director or report using the Group's our online 'SPEAK UP' portal, provided by Navex Global EthicsPoint at <https://hsgroup.ethicspoint.com>.

Further Information

In the event of any questions or concerns, please contact the Company Secretary and Head of Legal on +44 (0)121 704 7430 or email: compliance@hsgroup.com.