

FREE OF CONFLICT MINERALS DECLARATION

Monbat Group is an economic group engaged in the production of lead-acid batteries, batteries for industrial applications and energy storage systems, and recycling activities. To achieve its goals, the Group procures metals and concentrates from international markets and engages with them in the form of financing, logistics, and other services. Monbat does not manufacture or contract for the manufacture of products in the high-risk areas defined by the OECD.

The Monbat Economic Group is firmly committed to conducting business with integrity and transparency, in accordance with best practices and all applicable laws and regulations. In sourcing metals and concentrates, Monbat strives to acquire and positively impact the supply chain and follow the Organization for Economic Co-operation and Development's (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and high-risk areas ("OECD Guidance"), as well as Regulation (EU) 2017/821 of the European Parliament and of the Council of 17 May 2017 on due diligence obligations in the supply chain of conflict minerals. The Regulation itself is in line with the OECD Guidance.

In addition, Monbat audits its supply chain also at the request of customers and other contractors. This follow-up examines the five-step framework of the OECD Guidance for Due Diligence Reports and covers the supply of tin, tantalum, tungsten, and gold.

When supplying metals and their needed compounds, Monbat only considers products from smelters that are compliant with the Responsible Minerals Initiative (RMI) and are listed as RMI producers who have successfully gone through the Responsible Minerals Assurance Process (RMAP). RMAP uses an independent third-party assessment of smelter/refinery management systems and procurement practices to confirm compliance with RMAP standards. The RMAP standards have been developed to meet the requirements of the OECD Due Diligence Guidance, Regulation (EU) 2017/821 of the European Parliament.

Monbat Economic Group only buys materials that can be certified as conflict-free, and also undertakes its own cross-checks for knowledge of the supplier and assessments of its credibility. When suppliers are featured in incident reports or intensified due diligence lists, Monbat requests additional information and reports on assessment to determine whether the activities observed on the spot correspond to the reported production.

All documentation, including payment records, certificates of origin, customs declarations, transport documents and others are being properly stored.

Monbat Economic Group does not undertake cash purchases and pays to all suppliers via international bank transfers. No payments have been made to public or private parties falling under EU Regulation 2017/821 of the European Parliament and of the Council of 17 May 2017.