



## MATERION CORPORATION ANNUAL DUE DILIGENCE REPORT 2020-2021

### 1. COMPANY INFORMATION

Materion Corporation (Materion) is an advanced materials supplier. Through its subsidiaries in the [Materion Advanced Materials](#) business, Materion operates a gold refining facility located at 2978 Main Street, Buffalo, NY 14214 and a tantalum refining facility located at 45 Industrial Place, Newton, MA 02461. Materion purchased and took operational control of the Newton facility from H.C. Starck Solutions on November 1, 2021.

At the Buffalo facility, the only conflict mineral it refines is gold with the vast majority of it being recycled gold. All mined gold received at Materion is refined at other refiners who have been audited conformant with the Responsible Minerals Assurance Process (RMAP) by the Responsible Minerals Initiative (RMI). Materion does not source or refine doré or unrefined mined gold.

At the Newton facility, the only conflict mineral it refines is tantalum with the vast majority of it being recycled tantalum. All mined tantalum received at Materion is refined at other refiners who have been audited conformant with RMAP by RMI. Materion does not source or refine unrefined mined tantalum.

Materion collects parts, equipment or materials to be refined at the Buffalo and Newton facilities from locations in the U.S., Asia and Europe that then send the materials or parts to the Buffalo or Newton facility for refining, as needed.

The RMI Smelter CID number for the gold refining facility is CID001113.  
The RMI Smelter CID number for the tantalum refining operation is CID002548

This report reflects the current Responsible Minerals Sourcing Management System that was updated and implemented on November 11, 2021.

### 2. RMAP ASSESSMENT SUMMARY

The Buffalo facility underwent a RMI RMAP assessment on September 12 – 14, 2021. The assessment is valid for one year. The assessment period was from September 1, 2019 to July 2, 2021. The assessment was conducted by SCS Global Services, an RMI appointed Sourcing Audit Firm. The facility is currently working with RMI to complete corrective actions to address findings from the assessment.

The assessment summary report is public and available on the [RMI Conformant Gold Refiners](#) page under CID number CID001113.

The Newton facility underwent a RMI RMAP assessment on January 26 – 28, 2021. The assessment is valid for one year. The assessment period was from October 1, 2018 to November 20, 2020. The assessment was conducted by SCS Global Services, a RMI

appointed Sourcing Audit Firm. Based on the results of the assessment, the facility was deemed “Conformant” on September 1, 2021.

The assessment summary report is public and available on the [RMI Conformant Tantalum Smelters](#) page under CID number CID002548.

### 3. COMPANY SUPPLY CHAIN POLICY

To avoid the use of conflict minerals, which directly or indirectly finance or benefit armed groups and/or involve other serious human right abuses in high-risk and conflict-affected regions, Materion has updated its Responsible Minerals Sourcing Policy. The policy is fully aligned with the third edition of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance). It covers all of the risks identified in Annex II of the OECD Guidance and its geographic scope is global. Materion is committed to addressing any Annex II risks if identified. The policy was reviewed and approved by senior management, which committed to support its implementation. The policy has been widely disseminated to relevant stakeholders (suppliers, customers, employees etc.) and is available on Materion website [here](#). The policy has been previously reviewed by RMAP auditors.

### 4. RESPONSIBLE MINERALS SOURCING MANAGEMENT SYSTEM

#### Management Structure

The Responsible Minerals Sourcing Management System is managed through three committees, each overseeing and managing system functions related to their business units, who collectively comprise the Responsible Minerals Management Team. The committees work together and continuously update one another in order to ensure the overall system works as intended and is effective across all relevant business units.

Individuals are responsible for ensuring each department follows up on their roles and responsibilities to implement the Responsible Minerals Sourcing Management System and report any red flags and potential risks identified. Three key positions responsible for implementing the Responsible Minerals Sourcing Management System are:

- Senior Director, Regulatory Affairs and Product Stewardship – Mayfield Heights: responsible for the corporate-wide oversight and due diligence of minerals that are not refined by Materion.
- Precious Metal Manager – Buffalo: responsible for implementation of all activities related to the Buffalo refining facility and process.
- Logistics Manager - Newton: responsible for implementation of the Responsible Minerals Sourcing Management System and the Newton refining facility and process.

Materion conducts Responsible Minerals Sourcing Management System training once a year for key staff from all relevant departments required in Responsible Minerals Sourcing Management System. If there is an update of the system, Materion conducts additional training as necessary.

## Internal Systems of Control

Materion has updated its Responsible Minerals Sourcing Management System to be aligned with the OECD Guidance and RMAP in November 2021. This includes updating the Responsible Minerals Sourcing Policy; communicating this policy to all suppliers of conflict minerals; incorporated responsible sourcing requirements into legally binding agreements with direct suppliers; and conducting due diligence of each supplier of conflict minerals and all gold material destined for refining.

Materion refers to [RMI's grievance mechanism](#) to collect information on grievances from interested parties.

## Record Keeping System

Materion requires that all records relating to the Responsible Minerals Sourcing Management System are maintained for a minimum of five years.

## Monitoring of Performance

All employees that implement some aspect of the Responsible Minerals Sourcing Management System are encouraged to identify gaps or opportunities for improvement the management system.

The effectiveness and consistent implementation of each element of the Responsible Minerals Sourcing Management System shall be reviewed and evaluated annually.

## 5. RISK IDENTIFICATION

Despite the fact that the vast majority of the gold and tantalum obtained by Materion originates from recycled gold and tantalum from Materion products originally supplied to and obtained from customers, posing a low risk of harm, Materion has a suite of procedures to identify risks in the supply chain that aligns with RMAP and OECD expectations. These procedures include:

- Procedures to Identify Material-related Risks and Red Flags
- Procedure to Identify CAHRAs
- Procedure to Know Your Counterparty
- Procedure to Identify Supply Chain Risks

## 6. RISK ASSESSMENT and MITIGATION

Materion has established a procedure to identify, manage or mitigate risks that centers on risks identified in OECD Guidance Annex II and aligns with RMAP OECD expectations. During the reporting period, several of the suppliers of gold and tantalum are located in areas determined to be high risk during our risk identification process. Materion has developed and implemented a procedure to conduct enhanced due diligence for these suppliers.