



CORPORATE POLICY

ON CONFLICT MINERALS

In July 2010, the US Congress approved Section 1502 in the Dodd-Frank Wall Street Reform Act and Consumer Protection Act (“Conflict Minerals Rules”) that was ruled by the Securities and Exchange Commission on 22nd August 2012 and enforced as of 1st January 2013.

The regulation aims at ruling the use of minerals from Countries involved in conflicts or characterised by massive violations of the human rights, i.e. the Democratic Republic of Congo and the neighbouring Countries (Covered Countries: Rwanda, Burundi, Angola, Central-African Republic, Sudan, Tanzania, Uganda and Zambia), whose related activities (mining, processing, etc.) are funding armed conflicts and do not guarantee the respect of the human rights. The regulation also aims at making the financial interests supporting them more transparent.

Thus, the US Government intends to discourage companies and the whole supply chain from using any minerals from those areas in their production processes, since their exploitation feeds regional conflicts.

The regulation does not forbid resorting to not “conflict-free” minerals – e.g. those from conflict areas – however, it requires informing the consumers about the origin of the minerals thus allowing them to choose which companies to purchase products from.

To do so, companies must trace the origin of some minerals used in their products (Gold, Columbite-Tantalite – Coltan, Cassiterite, Wolframite and their derivatives, currently Tantalum, Tin and Tungsten only, independently upon their origin; however, the list might be updated in the future according to the US regulation; these metals are defined as 3TGs in the regulation).

The regulation on Conflict Minerals aims at fostering the collaboration between the companies in the supply chain to trace with reasonable certainty the origin of the minerals and metals used in the final products and discouraging them from funding and supporting – even indirectly – any conflicts and violations of the human rights in the region of the Republic of Congo and in high-risk areas.



Reference documents

1. Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502.
2. OECD Due Diligence Guidance for Responsible Supply-chains of Minerals from conflict-affected and high-risk areas.
3. Conflict-Free Sourcing Initiative (CFSI); Conflict-Free Smelter Program (CFSP) and Conflict-Free Minerals Reporting Template (CMRT).

Minifaber S.p.a. Policy on Conflict Minerals.

Minifaber S.p.a. is aware that mining, trading, processing and exporting minerals like columbite-tantalite, cassiterite, gold, wolframite and their derivatives, from conflict and high-risk areas, can affect the respect of human rights.

In its position, Minifaber S.p.a. shall commit to operate constantly in a socially responsible way by respecting the human rights and not to contribute in any way to funding these conflicts, not even indirectly.

To this purpose, the Company complies with the “Universal Declaration of Human Rights” and the main UN resolutions and sanctions or, if applicable, the laws and regulations that implement these resolutions.

Minifaber S.p.a. formally rejects:

- all forms of torture, cruelty, inhuman and degrading treatment;
- forced labour;
- child labour;
- all forms of abuse or violations of the human rights;
- war crimes violating international humanitarian laws, crimes against humanity and genocides.

To attain these important results, Minifaber S.p.a. shall commit to the following:

- draw up a Conflict Minerals Policy and communicate it to the counterparties;
- adopt a due diligence program to guarantee that the supply chain produces DRC Conflict-free final products pursuant to the OECD Due Diligence Guidance for Responsible Supply-Chains of Minerals from Conflict-Affected and High-Risk Areas;
- regularly review and monitor the compliance of the suppliers’ declarations in the CFSI CMRT to the CFSI CFSP;
- guarantee the traceability of the information linked to Conflict Minerals, both owned and from suppliers;



- make the whole supply chain aware of the adoption and compliance with the principles in the regulations;
- provide clear and transparent information to the counterparties;
- foster the responsible purchase of minerals from conflict-free or low-risk areas;
- when potential risks are identified, work to improve the supply chain and, if required, suspend or minimize the connections with potentially critical suppliers.

Minifaber S.p.a. requires all the suppliers supplying materials or components containing tin, tantalum, tungsten and/or gold to the following:

- guarantee that all the products supplied to the company or its subsidiaries are “DRC conflict-free”, pursuant to the Conflict Minerals Rules;
- fill in and send the CFSI CMRT document;
- react immediately and report any possible changes in the information contained in the CFSI CMRT statement sent.

Minifaber S.p.a. shall comply with the legal norms, the industrial requirements and the customers' specific requests in order not to suffer any direct and/or indirect liabilities by way of its suppliers, and any potential risks connected with the use of materials from conflict-affected or high-risk areas.

Seriate, on 06th June 2017

The Chairman
(Raffaello Melocchi)

A handwritten signature in black ink, appearing to read 'Raffaello Melocchi', with a small flourish at the end.