



TRANCERIE EMILIANE S.p.A. WITH REGISTERED OFFICE IN STRADA MANARA 22/24, 43126 PARMA (PR) ITALY- informs that: on 1st January 2021 a new legislation entered into force throughout EU, REGULATION (EU) 2017/821 OF THE EUROPEAN PARLIAMENT AND THE COUNCIL, establishing supply chain due diligence obligations for metal importers: tin, tantalum, tungsten, gold, cobalt, and mica, originating from areas in conflict or at high risk of conflict.

Conflict Mineral Regulations

- The European Regulation 821/2017, which entered into force in 2017, also entails some obligations for importers, which apply starting from 1st of January 2021.
- The Regulation can be considered the European equivalent of the US law regarding Conflict Minerals (article 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act), in fact it was created with the aim of preventing profits from the trade of certain minerals and metals from being used to finance the armed groups, responsible for conflicts and human rights violations in some countries, where mines are present.
- The scope of application pertains the four minerals already subject to the American Legislation (Tin, Tungsten, Tantalum, Gold) , including their metals.
- Nevertheless, the European Legislation has important differences; for example about "conflict or high risk areas", which the Regulation does not list, in order to be able to include any area of the World, which corresponds to certain criteria, described in the recommendation 2018-1149.
- In addition yearly imported quantities thresholds are defined, different for each single mineral or metal, below which the regulation does not apply.
- The Regulation distinguishes between upstream companies (for ex. mines, foundries, and refineries), and downstream companies (up to who makes the finished product).
- The importers must implement 5-step management, that OECD has established in its Guidelines (5-Steps Framework):
 1. Establish solid business management systems
 2. Identify and assess risks in the supply chain
 3. Manage the identified risks
 4. Perform an independent third-parties audit to verify the due diligence in the supply chain.
 5. Elaborate a yearly report.

The three main regulations in the world, governing the supply of Conflict Minerals, are: the US law Dodd-Frank, the European Regulation on minerals from conflict areas, and the Chinese law Conflict Mineral Standard. They have points in common since they all are based in part on the Guidelines of the OECD. Nevertheless, the scope of the European Regulation on minerals coming from conflict areas is broader than the law Dodd-Frank, due to the fact that it contemplates all origin countries, involved in conflicts, and applies to all companies, which import more than certain volumes in EU (please refer to Attachment I of the Regulation). Trancerie Emiliane S.p.A. fully supports these laws and its position is to avoid use of minerals, which are not certified as "conflict free".

Due to the above, Trancerie Emiliane S.p.A. declares that the goods supplied by our company DO NOT CONTAIN metals coming from conflict areas ("conflict-minerals").

For any further details needed, please do not hesitate to get in touch with our contact person, Mr. Di Grandi Vincenzo, by sending him an e-mail to following address: v.digrandi@trancerieemiliane.it .

Parma 27th October 2022

Trancerie Emiliane S.p.A.