

REVISION LIST

Revision	Issue date	Cause
0	16/07/2024	First issue
1		
2		
3		
4		

PREAMBLE

This document, along with the Sustainability Policy, the Code of Ethics, the Supplier Code of Conduct, and the Anti-Corruption Policy, should be considered as the foundation upon which TOMET MECHANICS SRL builds all its internal and external relationships. It is believed that ethics in the workplace are comparable to and complementary with the quality of the products provided. For this reason, it is necessary to establish guidelines that purchasing personnel must adhere to regarding the procurement needs of the company. However, this process must also be embraced by Tomet's entire supply chain, as the commitment of a single company is not enough to bring about an effective change in direction on a global scale. Therefore, it is considered essential to become aware of the impact on the supply chain as a crucial step in the sustainability journey that the company has decided to undertake. This process must be periodically monitored and assessed for its effectiveness through specific risk analyses, the creation of KPIs, and discussions with Suppliers

PURPOSE

- Reduce the environmental impact caused by the supply chain necessary to support the company's overall activities.
- Comply with the guidelines of internationally recognized documents such as the Global Compact, the 2030 Agenda, and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.
- Raise awareness about the use of materials and products that meet internationally recognized sustainability standards.

PRACTICES TO BE IMPLEMENTED BY PURCHASERS:



In line with the commitment already introduced from an environmental perspective, the company commits to:

- Raise awareness among Suppliers about the importance of creating a sustainable supply chain.
- Sending the QS 001 REV00 questionnaire to suppliers:
 - To current partners of Tommet Mechanics srl (Class A-B):
 - a. Initially, to provide a snapshot of the current situation
 - b. Annually, to assess improvements
 - To new Class A-B suppliers:
 - a. During the annual review of partner suppliers
- Conduct on-site audits on sustainability for suppliers deemed critical based on the questionnaire results.
- Supplier development initiatives.
- Request compliance with Conflict Minerals regulations for raw materials through the annual collection of the RMI_CMRT.
- Purchase products and raw materials from sustainable sources.
- Reduce the impact of transportation and deliveries by favoring local Suppliers and markets.
- Reuse materials at the end of their life cycle as much as possible or dispose of them in the most environmentally friendly way.
- Raise employee awareness regarding the use of disposable items, such as rags and plates, highlighting the responsibility of each person in recycling.
- Train staff involved in purchasing on appropriate environmental practices.
- Transparently share all documents related to company ethics and sustainability with Suppliers, aiming to establish monitoring criteria and a common goal.

APPENDIX A – CONFLICT MINERALS

Conflict minerals are extracted in the Democratic Republic of the Congo (DRC) and in nine neighboring countries. They can be present at all stages of a supply chain but must be identified at their origin in the mines or smelters in the Democratic Republic of the Congo or one of the nine neighboring countries. The combination of prolonged instability and

Pag. 2/5



unrest in these areas, which contain abundant deposits of minerals like tin, tantalum, tungsten, and gold (3TG), has unfortunately made them notorious as hotspots for human rights violations, corruption, and money laundering to finance armed groups. In these politically unstable areas, armies, rebel groups, and external actors have exploited mining activities, contributing to violence and exploitation. Armed groups often use forced labor and other human rights abuses to extract the minerals. They then sell these minerals to fund their activities, such as the purchase of weapons.

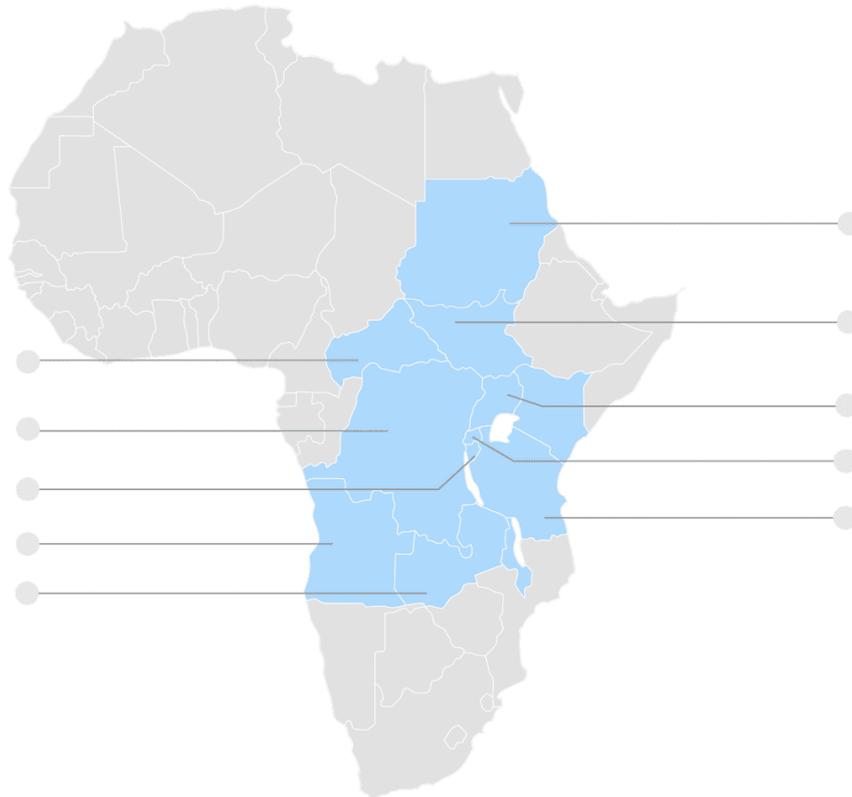
Definition

Conflict minerals include tin, tantalum, tungsten, and gold; they are sometimes referred to as tin, tantalum, tungsten, and gold minerals (3TG), the four most extracted conflict minerals. These are considered conflict minerals wherever they are mined. For example, tin is regarded as a conflict mineral whether it is extracted in Canada, Russia, or Argentina. These 3TG minerals are used in cell phones, automobiles, jewelry, and other products. Legally, the definition of conflict minerals includes only the African Great Lakes region (Burundi, Democratic Republic of Congo, Ethiopia, Kenya, Malawi, Mozambique, Rwanda, Zambia, Tanzania, and Uganda). Some organizations, such as the EU Directive, classify conflict minerals as those originating from any high-risk area.

Various armies or rebel groups exploit the extraction of common minerals, which contributes to violence and exploitation in vulnerable regions. The DRC has a long history of conflicts in this region and is one of the main areas for 3TG mineral extraction. Companies must conduct due diligence in their supply chain to ensure "DRC conflict-free" products.

Here is the map highlighting in blue the areas where conflict minerals are extracted





“DRC Conflict-Free” Minerals are **3TG** minerals that are extracted and do not directly or indirectly benefit armed groups in conflict countries, including the Democratic Republic of the Congo (DRC) and neighboring countries. For example, tin extracted in Canada is considered “DRC conflict-free.”

The **Organization for Economic Cooperation and Development (OECD)** is an intergovernmental economic body comprising 35 developed countries, which has established guidelines for responsible sourcing for companies operating in member states within conflict-affected and high-risk areas.

The earliest regulations, such as the **Conflict Minerals Provision**, focused on conflict minerals from specific regions, particularly the Democratic Republic of the Congo (DRC) and surrounding territories in the African Great Lakes region.



However, **the new European Union Conflict Minerals Regulation** now broadens the scope to include 3TG minerals from conflict-affected and high-risk areas that could potentially be located **worldwide**.

