

Zavi SRL – CONFLICT MINERAL POLICY

Conflict minerals refer to Tantalum (Ta), Tungsten (W), Tin (Sn) and Gold (Au). Conflict minerals are feared to finance the armed forces of "covered countries" causing massacres, forced labor and the abuse of women and children.

In response to these concerns, the United States Congress enacted the Dodd – Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"). Section 1502 of the Dodd-Frank Act ("Conflict Minerals Rule") requires US listed companies to detect if the products they manufacture or contract for manufacture contain conflict minerals.

One of the most important sectors exposed to conflict minerals is the electronics industry. Electronics companies, such as production components and the final product, as well as major brands and retailers have been dealing with it for years.

For over a decade civil society has had to deal with end products, and for years the main brands and retail stores.

As a result, a number of electronic operators have taken a joint first step towards the conflict-free foundry initiative; however, many companies only became active after the introduction of the American Dodd-Frank Act 1502 on Conflict Minerals in 2010, which came into effect in 2013. It established a company to conduct minerals from the DRC or neighboring countries.

A series of different industrial schemes and multi-stakeholder initiatives was born.

Some of them introduce the certification system and commitment in the region; others focus on conflict-free foundries and top-tier suppliers.

Taking a policy on conflict minerals means:

- Implement compliant procedures and support the activities of the EOC-GeSI Conflict Free Sourcing Initiative and the OECD Due Diligence Guidance;
- Strive to trace the minerals of the conflict at the source, at least at the foundry or refinery level through the use of the EOC-GeSI conflict minerals reporting form ("Form");
- Request our suppliers to send the Form or otherwise verify in writing that all the products supplied do not contain conflict minerals from the Covered Countries that directly or indirectly finance or benefit armed groups in these Covered Countries;
- Direct our suppliers, where possible, to find conflict minerals from the foundries validated through the conflict-free foundry program;
- Establish a due diligence process in the supply chain to identify the source of conflict minerals based on the OECD Guidelines on due diligence and, if necessary, perform due diligence on the source of the suppliers and on the chain of custody of the minerals of conflict;
- Disclose the use of conflict minerals in accordance with the Final Conflict Mineral Rule.

To know or to have reason to suspect that a supplier is procuring mineral conflicts from a covered country that directly or indirectly finance or benefit armed groups in those covered countries, Zavi SRL will notify this supplier in writing and give the supplier reasonable time to take care of the non-compliance and present documentation certifying the non-use of these mineral conflicts. If the supplier does not care or is unable to provide adequate documentation proving a change in the supply of conflict minerals, or it turns out that it has provided false data or information at any time, Zavi SRL can stop its activity with that supplier.

As part of a commitment to corporate responsibility, Zavi SRL will voluntarily contribute to preventing the violation of human rights in the covered countries through collaboration with our and suppliers. We will continue our efforts to find conflict-free minerals to reach a conflict-free supply chain.