

SGC-CMP

Conflict Mineral Policy Declaration

Chapter	8.2. Requirements for Products and services (ISO 9001-2015)
Version	V.01
Updated	18/3/20
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Introduction

The United States Securities and Exchange Commission's and the European Union's Conflict Minerals Regulation (collectively the "SEC Rule"), requires that companies to undertake due diligence in an effort to determine the source and chain of custody of *conflict minerals* that are necessary to the functionality or production of their products. Companies must then publicly report on an annual basis whether any such *conflict minerals* originate from the Democratic Republic of the Congo (DRC) or adjoining countries, and whether trading in those minerals benefited armed groups. The *conflict minerals* are tin, tantalum, tungsten and gold. Although ALBEDO does not directly purchase conflict minerals from our suppliers, ALBEDO purchases component parts and materials that contain metals, some of which contain conflict minerals.

What is ALBEDO doing?

ALBEDO has initiated a comprehensive process to meet these obligations, taking steps to increase our supply chain due diligence measures and internal controls for conflict minerals. Since the initial adoption of the US regulation, the scope of diligence guidance has expanded to cover other Conflicted Affected and High Risk Areas (CAHRA's). These areas are identified by the presence of armed conflict, widespread violence or other risks of harm to people. ALBEDO supports an industry-wide approach to addressing social responsibility issues throughout the supply chain and are committed to improving conditions, including the elimination of activities related to obtaining minerals that finance or benefit armed groups, (directly or indirectly) or contribute serious human rights abuses in CAHRA's. ALBEDO is taking actions to increase supply chain transparency, support smelter audit processes to verify minerals are conflict-free, and implement robust due diligence supply chain reporting processes in accordance with the SEC Rule, and OECD due diligence.

ALBEDO has modified the ISO-9001/2015 Article 8.4 *Control of Externally Provided Products & Services* to include Conflict Mineral Policy as part of the Quality procedure PRC-SSE {8.4}.

ALBEDO has been working closely with the Responsible Business Alliance (RBA) (formerly the Electronic Industry Citizenship Coalition (EICC)), Responsible Minerals Initiative (RMI) (formerly Conflict-Free Sourcing Initiative (CF-SI)) Smelter Engagement Team (SET) and our direct suppliers to trace 3TG back to their origin in order to ensure responsible sourcing.

As part of its due diligence, ALBEDO distributes the RMI Conflict Minerals Reporting Template (CMRT) to our production suppliers and requires them to provide information regarding any smelters/refineries in their supply chains, in order for ALBEDO to establish Reasonable Country of Origin Inquiry. Our current standard supplier contracts also require our suppliers to adopt a policy on the responsible sourcing of minerals, implement due diligence processes to support that policy, and complete and return to ALBEDO the RMI Conflict Minerals Reporting Template.

In 2020 ALBEDO will be expanding our Conflict Minerals program to also cover Cobalt. The RBA has recently issued a reporting template which enables industry to collect information from its supply chain. In the first year we will focus on battery producers who are the largest users of cobalt globally.

Our Expectation of Suppliers

ALBEDO expects each of its suppliers to do the following:

- Adopt a policy of sourcing of minerals and pass it through its supply chain
- Implement due diligence processes to support that policy
- Comply with the RBA supplier code of conduct, as required
- Use RMI eligible smelters, identified in the latest CMRT smelter list
- Complete and return the RMI Conflict Minerals Reporting Template in a timely manner and provide all other information requested regarding the sourcing of minerals in products supplied to ALBEDO.

ALBEDO reserves the right to monitor and audit its suppliers to evaluate their compliance with ALBEDO policies and contractual commitments. If ALBEDO becomes aware of a supplier who is not in compliance with these expectations, we will take the appropriate actions to remedy the situation, including, if necessary, terminating the supplier relationship. Feedback or violations regarding this policy can be reported to <calidad.telecom@albedo.biz>

Sincerely,



A handwritten signature in blue ink, appearing to read "Jose M Caballero".

JOSE M CABALLERO - GENERAL MANAGER

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