

Conflict Minerals/Cobalt Reporting guidelines for deliveries to the companies of the DRAEXLMAIER Group

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This correspondence is used to clarify the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act).

In August 2012, the US Securities Exchange Commission ("SEC") adopted the final provisions of the Dodd-Frank Act, including reporting and disclosure requirements for conflict minerals.

As a result of this legal DRAEXLMAIER as Tier I, our suppliers and their sub-suppliers in the supply chain must meet the reporting and publicity requirements of the Dodd-Frank-Act. In order to ensure compliance with the rule, DRAEXLMAIER must request information about the use of conflict minerals from its suppliers, who in turn must request this information from the next level of suppliers and further along the supply chain.

"Conflict Minerals" are defined as columbite-tantalite (coltan), cassiterite, gold, wolframite, tantalum, tin, tungsten and other minerals or their derivatives determined by the US Secretary of State to fund conflicts in the Democratic Republic of the Congo or an adjacent country .

In order to ensure compliance with these requirements, DRAEXLMAIER will require our delivery partners to immediately take the following measures:

- ✓ Register your company for the iPoint Conflict Minerals Platform (iPCMP) <https://sustainhub.ipoint-systems.com/authserver/login> - tool approved by DRAEXLMAIER, many Tier 1 suppliers and OEM customers. This tool will be used extensively by many and increases the ability of manufacturing companies to exchange data up and down the supply chain at company level and Schmelzer. This tool can also be used to request data from your own supplier. Training is available directly through iPoint or through the AIAG to learn how to create and send reports with the iPCMP software. (DRAEXLMAIER group IPCMP ID is 2694).
- ✓ If it is not possible to provide reports via the iPCMP tool, send an email with a completed Conflict Minerals Reporting Template (CMRT latest version) available at <https://www.responsiblemineralsinitiative.org/> , including all smelter information for all of the named minerals to conflict-minerals@draexlmaier.de
- ✓ Report the required data at company level for all applications of the named minerals and derivatives, for all materials, components or products that were sent to the DRAEXLMAIER Group in the relevant year.
Deadline date:
 - The first preliminary report is due: 4Q - The exact time will be given in the official request
 - Final report due: 1Q of the following year - the exact time will be given in the official request
- ✓ The reports should be completed at company level with all mandatory fields (marked with an asterisk). If "yes" is selected as the answer to one or more of the minerals from the first two questions in the report, then the smelter information is required for the minerals in question.
- ✓ Please include the full list of smelters and their respective mines in your CMRT or iPCMP template, including the following information:
 - (1) related metal,
 - (2) Smelter location: country,
 - (3) Smelter ID,
 - (4) Smelter location: Street,
 - (5) Smelter location: city,
 - (6) Smelter location: State / Province,
 - (7) Smelter contact names,
 - (8) Smelter contact e-mail,
 - (9) Mine names and
 - (10) Country Location of the mine where the 3TG originate

- ✓ For smelters that are not on the Compliant Smelting and Refining Lists (<https://www.responsiblemineralsinitiative.org/smelters-refiners-lists/>), please inform if you have performed supply chain due diligence procedures to determine DRC Conflict Free Status?
 - for known smelters who are not yet CFSI certified. Please encourage these smelter to start / complete the CFSI audit certification process.
 - for smelters who are not on the CFSI known Smelters list. Please provide information that shows that this is a known smelter and also contact information or check whether this smelter should be included on your list

- a. If you do not intend to complete this process by the end of the calendar year please provide your Estimated schedule and the additional steps you will take for the completeness of the process.

- b. If so, did the supply chain due diligence help you determine whether the minerals were funding or benefiting armed groups (conflict free or not DRC conflict free)?
 - b.1. If so, please provide documentation to justify your determination. This does not apply to CFSI certified Smelter.
 - b.2. If not DRC Conflict Free (i.e. the conflict minerals were funding or benefiting armed groups), do you take or will you take action in the future to be DRC conflict free?

Conflict minerals reporting is also required for companies that do not use / buy / include these minerals in their products. In this case a report can be sent with all mandatory fields (marked with an asterisk) completed and with the answer "No" to the first two questions.

When filling out the conflict minerals report template (CMRT latest version), please make sure to select the answers from the drop-down list or, if necessary, just insert text as a value (the Excel file should not be manipulated, filters, formulas, etc.).

General information on the Dodd-Frank Act requirements and the iPCMP tool can be found at www.aiag.org.

Cobalt reporting

Similar to Conflict Minerals we may also require a Cobalt reporting as part of OEM specific requirements. The template for the Cobalt report (CRT latest version) is available at <https://www.responsiblemineralsinitiative.org/>,

- ✓ The reports should be completed at company level with all mandatory fields (marked with an asterisk). If "yes" is selected as the answer to one of the first two questions in the report, then the smelter information is required.

- ✓ Please include the full list of smelters and their respective mines in your CRT, including the following information:
 - (1) related metal,
 - (2) Smelter location: country,
 - (3) Smelter ID,
 - (4) Smelter location: Street,
 - (5) Smelter location: city,
 - (6) Smelter location: State / Province,
 - (7) Smelter contact names,
 - (8) Smelter contact e-mail,
 - (9) Mine names and
 - (10) Country Location of the mine where the mineral originate

- ✓ Report the required data at company level including all smelter information to conflict-minerals@draexlmaier.de for all applications of the named minerals and derivatives, for all materials, components or products that were sent to the DRÄXLMAIER Group in the relevant year.

Deadline date:

- The first preliminary report is due: 4Q - The exact time will be given in the official request
- Final report due: 1Q of the following year - the exact time will be given in the official request

If you have any questions, please contact our team,

Contact:

E-Mail conflict-minerals@draexlmaier.de .