

# Conflict Minerals Policy

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## 1 / INTRODUCTION

As a socially responsible company, IDEMIA has concern for the well-being of people and communities, conducting its business fairly and ethically, respecting human rights, complying with laws and regulations, and following a rigorous Code of Conduct.

IDEMIA supports the efforts of human rights organizations to end violence and atrocities in conflict-affected and high-risk areas. It has been widely reported that the major driver of this violence is the natural abundance of the minerals tin, tungsten, tantalum and gold, hereby referred to as “conflict minerals”. Forced labor and child labor are used to mine and sell the minerals, which in turn funds ongoing violence.

Furthermore, there have been many reports highlighting concerns over the social and environmental impacts of cobalt extraction, including child labor and unsafe working conditions in artisanal cobalt mining, particularly in the Democratic Republic of the Congo.

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## 2 / LEGISLATIVE FRAMEWORK

In August 2012, the United States Securities and Exchange Commission (SEC) approved the final rule regarding the sourcing of conflict minerals as defined in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502. Under this rule, publicly traded companies must report annually to the SEC the presence of conflict minerals originating from Central Africa in either the products they manufacture or contract to manufacture, or use in the production process. Many of IDEMIA’s customers have obligations related to conflict minerals under the Dodd-Frank Act.

More recently, the EU passed Regulation EU 2017/821 of the European Parliament and of the Council of May 2017 in order to stop:

- Conflict minerals and metals from being exported into the EU
- Global and EU smelters and refiners from using conflict minerals
- The abuse of mine workers

The new EU regulation also supports the development of local communities. It requires EU companies to ensure that they import tin, tungsten, tantalum and gold (3TG) from responsible sources only. Obligations under this new law will come into effect on 1 January 2021. It is anticipated that cobalt and other minerals will be incorporated into the EU regulation in due course.

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## 3 / COMMITMENT

IDEMIA is committed to ensuring that tantalum, tungsten, tin and gold (3TG), as well as cobalt, contained in its products are sourced with due respect for human rights, the need to avoid contributing to conflict, and the desire to support development through our supply chain practices. At the same time, IDEMIA accepts 3TG and cobalt sourced in accordance with existing international standards. IDEMIA understands that avoiding the sourcing of all 3TG and cobalt from certain areas could contribute to serious adverse impacts on the living conditions of local populations.



IDEMIA is committed to providing its customers with accurate data necessary to facilitate their SEC reporting under the Dodd-Frank Act and any other relevant legislative obligations.

IDEMIA commits to adopt, disseminate and incorporate in agreements with suppliers this Conflict Minerals Policy on the origin of minerals in the supply chain. In order to facilitate the commitment within this Policy, IDEMIA references the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance) as an international framework for meeting the sourcing expectations of its customers, regulators and stakeholders.

## 4 / EXPECTATIONS FOR SUPPLIERS

### 4.1 Conflict Minerals Policy Scope

This Conflict Minerals Policy applies to all IDEMIA suppliers involved in the upstream supply chain, starting from smelters or refiners and ending at IDEMIA. IDEMIA asks its suppliers to share this Conflict Minerals Policy with all procurement personnel and factory management for all of the supplier's facilities producing goods and to ensure their facilities' compliance with the obligations and requirements of this Conflict Minerals Policy.

IDEMIA may audit suppliers to check compliance with this Conflict Minerals Policy. In the event that IDEMIA determines that a supplier's efforts to comply with this Policy have been deficient and the supplier fails to co-operate in developing and implementing reasonable remedial steps, IDEMIA reserves the right to take appropriate actions, up to and including discontinuing purchases from the supplier.

### 4.2 Supplier Collaboration Requirements

- Suppliers shall adopt a conflict minerals policy, due diligence program and management systems that are compliant with this Conflict Minerals Policy, as well as with IDEMIA's General Purchasing Conditions and Supplier Code of Conduct, and consistent with the OECD Guidance. Suppliers shall distribute their conflict minerals policy to all of their sub-contractors and suppliers that provide materials for the manufacture of goods.
- Products, components and materials supplied to IDEMIA must be conflict-free. Under the definition conflict-free the supplier shall reasonably demonstrate that it has exercised due diligence in respect of OECD Guidelines regarding the source and chain of custody of the 3TG and cobalt. Any 3TG present in goods supplied to IDEMIA must only have come from scrap or recycled sources, or have been supplied from smelters that hold a current conflict-free validation by an independent private sector party. Certified conflict-free smelters meet the validation criteria of the Responsible Minerals Initiative (RMI) Responsible Minerals Assurance Process (RMAP). The up-to-date list of conformant smelters and refiners is available at <http://www.responsiblemineralsinitiative.org/conformant-smelter-refiner-lists/>
- IDEMIA suppliers shall be required to provide evidence that the cobalt supply chain has been mapped. The RMI provides an up-to-date list of cobalt refiners. These refiners have been validated by the RMI to meet the definition of a cobalt refiner. IDEMIA asks that its suppliers endeavor to source from refiners validated by the RMI as Active or Conformant according to the latest list: <http://www.responsiblemineralsinitiative.org/cobalt-refiners-list/>



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At least once per year, suppliers shall provide IDEMIA with a completed RMI Cobalt Reporting Template (RMI CRT) in its latest version.

- IDEMIA suppliers shall provide, at minimum once annually, 3TG information gathering using the RMI Conflict Minerals Reporting Template (CMRT) in its latest version. This exercise shall include mapping the supply chain back to the point at which the 3TG was processed by the mineral processor (typically a smelter or refiner). IDEMIA will compare smelters/refiners in supplier CMRTs against the RMAP Conformant Smelters and Refiners List and will follow-up with suppliers on any non-conformant smelters/refiners. Suppliers shall promptly communicate to IDEMIA any changes or exemptions affecting the information disclosed in the supplier CMRT.
- Should a supplier become aware that it may have sourced minerals that directly or indirectly financed or benefited armed groups that are perpetrators of serious human rights abuses, the supplier shall immediately notify IDEMIA in writing. Notification should include reasonable tracking information to identify which goods contain the affected 3TG or cobalt.
- Suppliers shall, upon request, provide to IDEMIA reasonable documentary evidence of their reporting, sourcing and due diligence activities and shall promptly notify IDEMIA of any failures to meet the requirements set out in this Conflict Minerals Policy.

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## 5 / RECOMMENDED REFERENCES FOR SUPPLIERS

- **OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas:** <http://www.oecd.org/corporate/mne/mining.htm>
- **Responsible Minerals Initiative:** <http://www.responsiblemineralsinitiative.org/>
- **Responsible Minerals Initiative – 3TG and cobalt due diligence:** [www.responsiblemineralsinitiative.org/minerals-due-diligence/](http://www.responsiblemineralsinitiative.org/minerals-due-diligence/)
- **IDEMIA Partnering for Value:** <https://www.idemia.com/partnering-value>