

Policy Statement on Conflict Minerals

The U.S. Securities and Exchange Commission ("SEC") issued the "Conflict Minerals Rule," which requires publicly traded companies to report annually the presence of conflict minerals (tin, tungsten, tantalum and gold or "3TG") originating from the Democratic Republic of Congo ("DRC") or adjacent countries ("Included Countries"). The objective of the SEC's regulation is to assist in the resolution of civil conflict and human rights violations in the DRC region.

GONVARRI INDUSTRIES supports the goal of ending violence, human rights violations and environmental devastation and is therefore committed to complying with any requirements under the Conflict Minerals Regulation.

As part of this commitment, *"the GI Group is committed to purchasing only products and services from companies that share our values on working conditions, human rights, business ethics and environmental responsibility".*

As a result of our commitment to responsible sourcing of minerals/materials used in our products, we recognize that we have a responsibility to **respect human rights and not contribute to conflict**.

GONVARRI INDUSTRIES is therefore committed to consistently apply this Policy in the responsible sourcing of minerals from conflict-affected areas, as they represent conflict-sensitive sourcing practices and Supplier awareness from the point of extraction to the end user.

Specifically, GONVARRI INDUSTRIES is committed to comply with the applicable requirements under the conflict minerals laws and to implement the internal processes required to comply with the obligations set forth in the legislation.

In compliance with the aforementioned commitments, the GI Group has a **"Third Party Management Policy"** which establishes, as part of the approval processes, the obligation of our collaborators to comply with the provisions of the **"Code of Conduct for Suppliers"** or, failing that, the **"Letter of Acceptance of Ethical Principles"**. This Code urges our suppliers to verify that no purchases are made from sources that are present in or use minerals that come from areas affected by high-risk conflicts, unless they have the corresponding independent certification that their extraction has not encouraged armed conflicts and/or human rights abuses in those areas.

The GI Group is committed to periodically review the commitment of our suppliers by verifying that they have signed our **"Code of Conduct for Suppliers"** or **"Letter of Acceptance of Ethical Principles"**, which includes compliance with these conflict minerals review requirements.

Additionally, as part of the supplier approval processes, GONVARRI INDUSTRIES requests information on the absence of conflict minerals, through **CSR questionnaires**, with an established periodicity between 3 and 5 years, depending on the supplier's characteristics and in compliance with the GI Group's procedures.

GONVARRI INDUSTRIES reserves the right to request additional evidence from its suppliers on the traceability of conflict minerals in their supply chains.

In addition, the GI Group has a **"Trade Sanctions Corporate Policy"**, which establishes minimum compliance standards for economic sanctions applicable worldwide.

In accordance with the provisions of this Policy, the GI Group is committed to identify and evaluate its third parties according to the level of Risk, for the performance of procurement activities, sales, mergers and acquisitions with governments, countries or territories identified under a trade sanctions program and assess their risk in accordance with the risk management policies with third parties. For third parties/transactions considered risky, screening by the **Internal Audit and Compliance Department** will be required.

Furthermore, in accordance with this Policy, the GI Group states its commitment to comply with any requirements under the Conflict Minerals Regulation, with the objective of having a conflict-free supply chain.

The Supplier's willingness to comply with these initiatives will be a **deciding factor in new project awards**. In the event the GROUP determines that a Supplier has not developed and implemented reasonable measures to comply with this Policy, the GROUP reserves the right to take appropriate action, up to and including termination of the business relationship with the Supplier.

GONVARRI INDUSTRIES will continue to evaluate its policies to ensure compliance with the Conflict Minerals Regulation and make rectifications as necessary.