



DIAGNOSTICA STAGO COMMITMENTS CONCERNING CONFLICT MINERALS

In certain politically unstable regions, mineral trade can be used to finance armed groups, contribute to forced labour and other human rights violations as well as corruption and money laundering. These “conflict minerals”, which are tantalum, tungsten, tin and gold (also referred to as 3TG) can be used in many everyday consumer products, such as mobile phones, cars and jewellery.

That is why in 2011 the members of the United Nations unanimously approved the Guiding Principles on Business and Human Rights. These guiding principles state that businesses are responsible for ensuring that their activities do not contribute to harmful and abusive practices.

In this regard, the Organisation for Economic Co-operation and Development (OECD), an economic body that brings together 35 developed countries, published guidelines for its member countries on minerals that come from conflict areas. The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas is the international standard that helps businesses comply with their obligations.

China, the Democratic Republic of the Congo, Rwanda and more recently the European Union have adopted regulations that require businesses to carry out due diligence in their minerals supply chain. This due diligence means putting in place tools that can detect and manage risks in the supply chain and alert companies to them.

DIAGNOSTICA STAGO is not legally required to make declarations to the authorities as the company does not purchase or import minerals directly. Nonetheless, DIAGNOSTICA STAGO must contribute to the rollout of regulatory due diligence guidelines across its entire supply chain, and guarantee the traceability of 3TG in its products.

Firstly, this commitment to responsible supply has led DIAGNOSTICA STAGO to carry out an inquiry process with its primary suppliers in order to question them on their obligations in terms of due diligence, and so they may inform us of actions implemented to analyse and manage risks in their supply chain.

Based on the OECD guidance, this inquiry asks suppliers to:

1. Guarantee their compliance with Regulation (EU) 2017/821 of the European Parliament and of the Council of 17 May 2017, in particular by carrying out the following actions:

- Identify their products/components containing tin, tantalum, tungsten and/or gold, or their derivatives.
- Identify the smelters and refiners in their logistics chain which supply tin, tantalum, tungsten and/or gold. If they are not supplied directly by the smelters/refiners, transmit this request to their own suppliers.

2. Complete the questionnaire on minerals from conflict-affected areas drawn up by the Responsible Minerals Initiative (RMI), available on: <http://www.responsiblemineralsinitiative.org/reporting-templates/cmrt/>

3. Send the completed questionnaire to the Purchasing Department.



Secondly, to ensure the approach enters long-term practice, DIAGNOSTICA STAGO has included compliance with Regulation (EU) 2017/821 to its due diligence requirements for working with new suppliers.

In the longer term, DIAGNOSTICA STAGO will continue to work with its suppliers to improve the transparency of its supply chain.