

# Conflict Minerals Due Diligence Report

Reporting Period: January 1, 2021, through December 31, 2021

## Introduction

Since 1992 the CANPACK Group has become one of the largest global metal packaging manufacturers. The CANPACK Group manufactures aluminium beverage packaging and steel cans for the food industry; easy-open ends; aerosol cans; bottle closures; packaging for the chemical and cosmetic industries; and glass bottles, as well as services related to the production of packaging.

In line with our three sustainability pillars: care, sustain, and recycle, we are committed to procuring ethically and environmentally sustainable raw materials. As such we prohibit the procurement of materials containing minerals that originate from entities that finance conflicts or benefit armed groups specifically in the Democratic Republic of the Congo or adjoining countries. The extraction of these minerals often entails human rights infringements including using forced labour and abuse of women and children. These so-called conflict minerals include tungsten, tantalum, tin, and gold and are known as 3TG.

While CANPACK does not directly procure any of these minerals, a nominal amount of tin is used to manufacture cans and metal closures to prevent corrosion.

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## Due Diligence Process Design and Company Management Systems

To ensure a more structured approach to the issues surrounding Conflict Minerals, in 2020 the CANPACK Group put in place a Conflict Minerals Policy publicly available on our website. The Group's Procurement Office, in cooperation with CANPACK's Group Sustainability Office, is responsible for implementing the policy.

To ensure the tin we use is sourced from conflict-free areas, we follow strict procedures based on applicable national and international guidelines, including "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas" issued by the OECD.

We have implemented the following preventative measures:

- 100% of our suppliers are required to sign our supplier code of conduct.
- We require our suppliers of components, parts, or products that contain tin (or any other conflict minerals as may be or become applicable) to obtain it from conflict-free sources.
- This policy is available to our suppliers, and we expect them to establish similar guidelines for their suppliers.
- Suppliers are expected to establish a strict due diligence process to ensure compliance throughout their supply chain.

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## Identification and Assessment of Supply Chain Risk

The CANPACK Group requests all its strategic materials suppliers to complete an extensive self-assessment questionnaire that covers, amongst other topics, Conflict Minerals issues. All relevant suppliers must submit a formal statement regarding conflict minerals usage, and they are asked to verify this signed statement.

## Response to Supply Chain Risk

Should the CANPACK Group suspect that a supplier is procuring or using tin (or any other conflict minerals as may be applicable) from a source that directly or indirectly finances or benefits armed groups in conflict areas, CANPACK will inform the supplier in writing and give the supplier a reasonable amount of time to correct the non-compliance by submitting certificates of origin to prove the non-use of such mineral(s) from such conflict areas. Should a supplier fail to provide the appropriate evidence, correct use, or procurement practices in violation of this policy, or is found to have provided false information, CANPACK reserves the right to terminate its business relationship with the supplier in question. All employees are required to report any suspicions they may have to CANPACK directly or via the speak-up procedure.

## Support for Smelter Due Diligence

As CANPACK does not directly purchase tin, tungsten, tantalum, or gold; and given that its direct suppliers do not smelt or refine these metals at their premises, CANPACK does not conduct on-site audits related to Conflict Minerals. Instead, we rely on and monitor audits and information provided to us by our direct suppliers.

## Annual Report on Supply Chain Due Diligence

This is the second CANPACK Group's Conflict Minerals Due Diligence Report, as we have committed ourselves to publishing an annual update on the issue.

In 2021, only one aluminium coil supplier and two chemical compound suppliers declared they supplied CANPACK with materials containing 3TG minerals. All the remaining suppliers reporting the use of 3TG materials were steel suppliers.

In 2021, 80% of our active steel suppliers sent us completed CMRTs. According to received CMRTs and conflict mineral statements none of the minerals was sourced from conflict areas (please refer to the list of countries in Appendix 1).

## Steps to Improve Future Due Diligence Measures

For the next reporting period, we aim to execute a Conflict Minerals risk analysis, that will cover 100% of our strategic suppliers globally and collect statements from 100% of suppliers classified as potentially using 3TG minerals in their products. As a first step to achieving that goal, we will execute a first webinar for our strategic suppliers in 2022, covering the Conflict Minerals issue. In addition, to supporting less informed yet strategic suppliers, we organize a series of individual meetings with our strategic suppliers to further discuss the key points of our sustainability strategy, including responsible sourcing.



**CANPACK**

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Our goal is to have a 100% response rate from our steel, aluminium, and chemicals suppliers and have 100% 3TG-containing steel sourced from conflict-free areas.

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## Appendix 1 Countries of Origin of 3TG (2021)

| Country                          | # of Smelters/Refiners |
|----------------------------------|------------------------|
| BELGIUM                          | 3                      |
| BOLIVIA (PLURINATIONAL STATE OF) | 4                      |
| BRAZIL                           | 3                      |
| CHINA                            | 10                     |
| CANADA                           | 3                      |
| GERMANY                          | 1                      |
| INDONESIA                        | 18                     |
| JAPAN                            | 2                      |
| MALAYSIA                         | 1                      |
| MEXICO                           | 1                      |
| PERU                             | 1                      |
| POLAND                           | 1                      |
| RWANDA                           | 1                      |
| SINGAPORE                        | 1                      |
| SPAIN                            | 1                      |
| SWITZERLAND                      | 1                      |
| THAILAND                         | 1                      |
| UNITED STATES OF AMERICA         | 5                      |