



OCTOBER, 2021

# **Conflict Minerals Compliance**

Training for Suppliers

Conflict Minerals Team

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## Content overview

- Core information on the rule
- Implications for Suppliers
- ABB Policy and Supplier Code of Conduct
- Our Supplier requirements
- Additional information and resources

# What are conflict minerals and...

Why should the world care?

- The Second Congo War since 1998; 5.4 million people killed
- Over 100 mines in eastern Congo controlled by armed forces
- Local communities subject to serious human rights abuses
- Proceeds from mines used to finance weapons purchases

## Conflict Minerals

- 3TG – Tin, Tantalum, Tungsten, Gold
- Mined in conditions of war
- Covered Countries = DRC + 9 adjoining countries\*

\*Angola; Burundi; Central African Republic; the Republic of the Congo; Rwanda; South Sudan; Tanzania; Uganda, Zambia.



Image credit: Marcus Bleasdale via Google images under a creative commons license

# Conflict Minerals and Dodd-Frank Act Section 1502

## Scope

### Section 1502 Dodd-Frank Act

- Supply chain due diligence inquiry
- Transparency
- Disclosure

### Who is impacted?

**Directly** - companies listed on the New York Stock Exchange (SEC\* registrants)

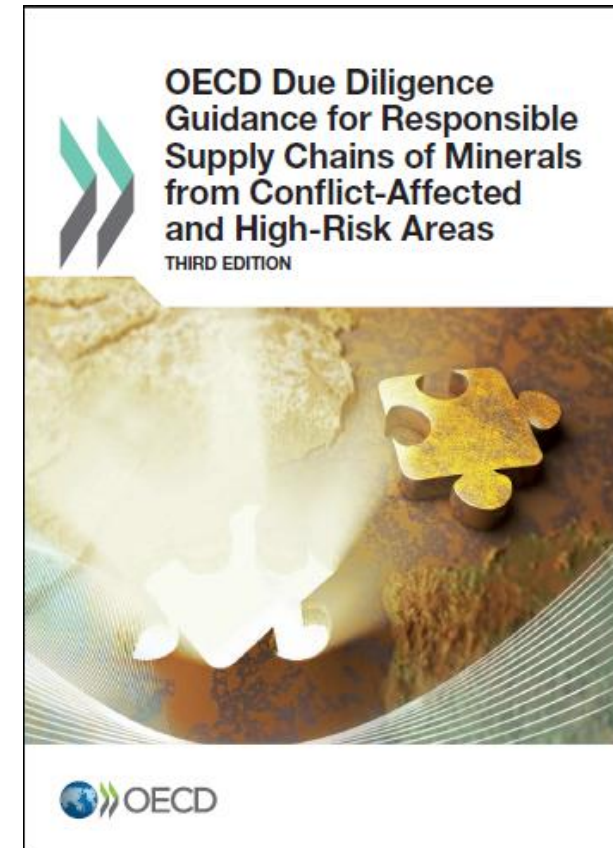
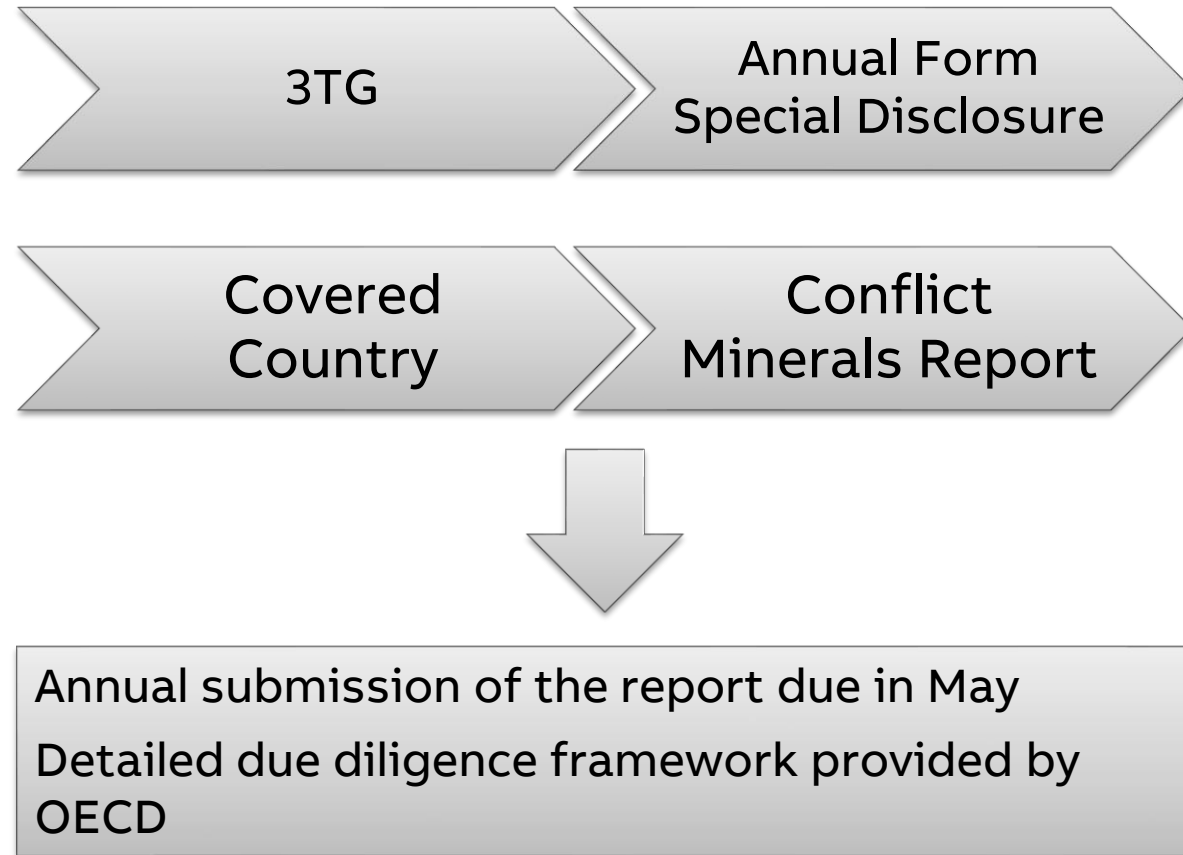
**Indirectly** - suppliers to SEC registrants

\*SEC = Securities and Exchange Commission.



# Conflict Minerals and Dodd-Frank Act Section 1502

## Reporting requirements



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# Conflict Minerals

## Implications for ABB's suppliers

In order to enable ABB to file the Special Disclosure Form (Form SD) and Conflict Minerals Report to the SEC, you as an ABB supplier need to:

- Adhere to our Supplier Code of Conduct
- Respond to our information requests in an accurate, honest and timely manner
- Conduct your own due diligence and engage with your own supply chain on conflict minerals

**Risk mitigation is imperative  
Suppliers are an integral part of this process**

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# ABB's Conflict Minerals Policy

## Purpose



Ensure that we do not have Conflict Minerals  
sourced from Conflict Mines

Demonstrate compliance through actions in line  
with the ABB Group strategy

# ABB's Supplier Code of Conduct

## Purpose

To communicate requirements on material compliance and conflict minerals to suppliers

To manage ABB's cooperation with suppliers in order to meet reporting requirements of the SEC



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# Supplier requirements

## Overview

- Comply with the ABB Supplier Code of Conduct
- Work towards ensuring that any conflict minerals contained in the products supplied to ABB do not originate from mines that support or fund conflict within the Democratic Republic of Congo and adjoining countries
- ABB High Risk Smelters Due Diligence
- CMRT submission by Distributors
- Extend the due diligence through your supply chain to be able to determine the source of your conflict minerals

Our suppliers' willingness to comply with these requests will be a factor in our future sourcing decisions

# Supplier requirements

## ABB Supplier Code of Conduct

### 1. Comply with the ABB Supplier Code of Conduct

ABB's Supplier Code of Conduct has been updated to include requirements specific to conflict minerals:

- “Implement a policy regarding conflict minerals and exercise due diligence to investigate the source of these minerals”
- Respond in a timely manner to ABB's requests for evidence of your compliance with these requirements”

#### Sustainability & Integrity in the Supply Chain

Sustainability and integrity are a key part of ABB's Supply Chain Management strategy.  
Discover more here!



# Supplier requirements

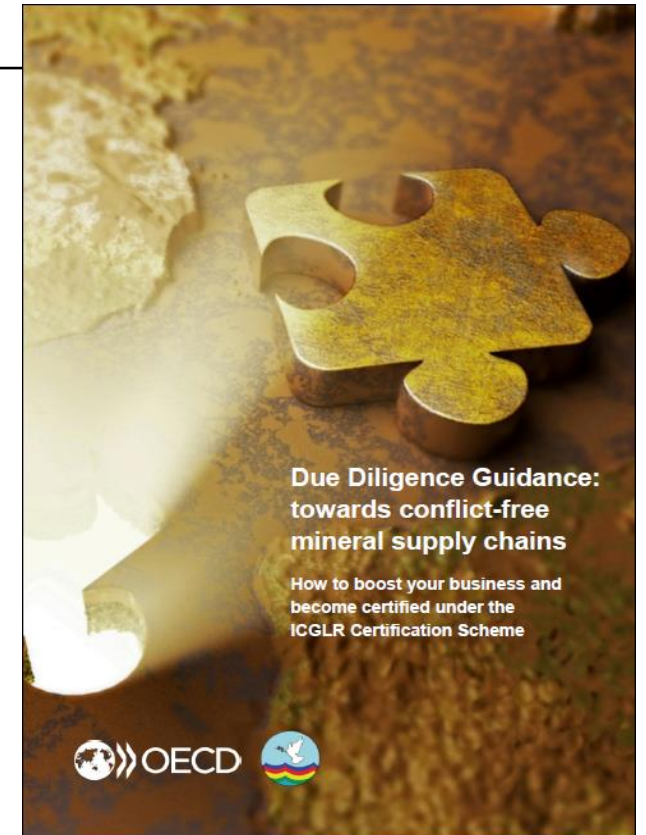
## Compliance standards

### 2. Meeting compliance standards

Work towards ensuring that any conflict minerals contained in the products supplied to ABB do not originate from mines that support or fund conflict within the Democratic Republic of Congo and adjoining countries

– How?

- Undertake due diligence efforts
- Establish company management systems
- Identify and assess risks in the supply chain
- Design and implement a strategy to respond to identified risks



# Supplier requirements

## Due Diligence

### 3. ABB High Risk Smelters Due Diligence

Work towards ensuring that any conflict minerals contained in the products supplied to ABB do not originate from mines that support or fund conflict within the Democratic Republic of Congo and adjoining countries

– How?

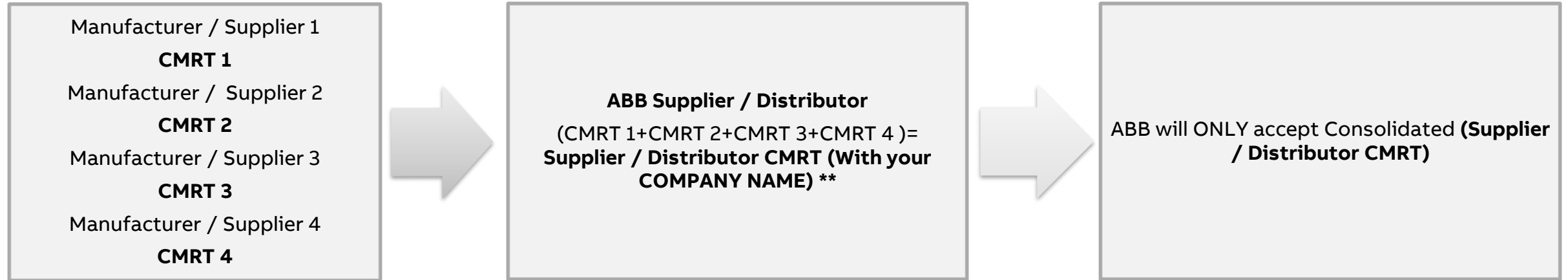
- Undertake due diligence efforts
- Establish company management systems
- Identify and assess risks in the supply chain
- Design and implement a strategy to respond to identified risks

Smelter ID	Mineral	Smelter name	Country
CID003185	Gold	African Gold Refinery (Gold processed in Uganda, a covered country under Dodd-Frank 1502. Refiner hasn't undergone the RMI-RMAP Assessment)	UGANDA
CID002515	Gold	Fidelity Printers and Refiners Ltd. (The refiner may have relations with SINO ZIM DEVELOPMENT (PVT) LTD. which is referenced in the Treasury Sanctions: <a href="https://www.treasury.gov/press-center/press-releases/Pages/jl2363.aspx">https://www.treasury.gov/press-center/press-releases/Pages/jl2363.aspx</a> )	ZIMBABWE
CID002563	Gold	Kaloti Precious Metals (Removed from the "Dubai Good Delivery" list in 2015.Hasn't provided documentation to RMI for the RMAP (Responsible Minerals Assurance Process)	UNITED ARAB EMIRATES
CID002587	Gold	Tony Goetz NV (Non-Conformant to the RMI audit protocol. Public Reports that Refinery source is from covered countries)	BELGIUM
CID002567	Gold	Sudan Gold Refinery (Concerns over gold smuggling in Sudan – UN Security Council)	SUDAN
CID000927	Gold	Russian Federation) Reason: Ownership with Renovo Group referenced in US Treasury Sanctions - <a href="https://home.treasury.gov/news/press-releases/sm0338">https://home.treasury.gov/news/press-releases/sm0338</a>	RUSSIAN FEDERATION

# Supplier requirements

## CMRT

### 4. CMRT Submission by distributors



1. Please request CMRT's from your suppliers.
2. Consolidate all CMRT's into one Company Level CMRT under your Company name and submit to ABB.
3. Please NOTE **ABB will ONLY accept CMRT's** and **NOT** your policies or any alternate information.

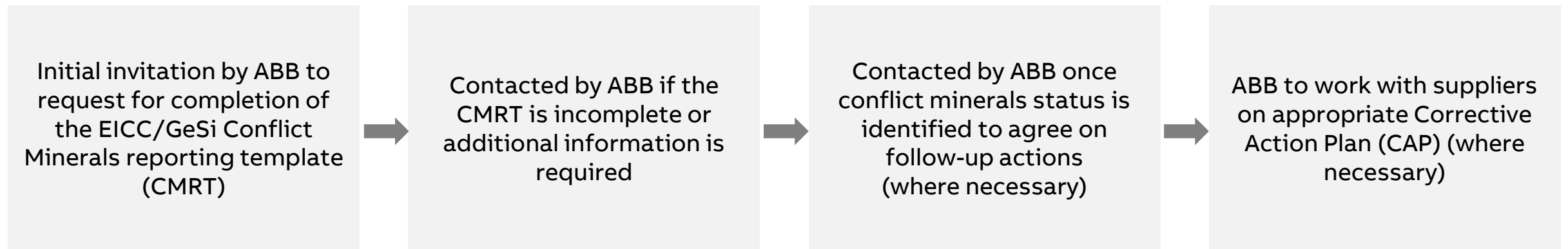
**Important : Please update your Company name to the consolidated CMRT being submitted to ABB**



# Supplier requirements

## Response

### 5. Respond to ABB's requests for evidence



[Click here to download latest CMRT from RMI](#)

It is imperative that your responses are: Accurate, Honest, Timely

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# Supplier requirements

## Submitting CMRT

### ABB provides two ways of submitting the CMRT:

- 1) Via email directly to system
- 2) Via upload link directly to system

Sample e-mail with the request from the system will look like the following message.



Supplier ID : G000000000

Supplier Name :

**Important request for information on the use of Conflict Minerals (3TG) in the products you supply to ABB**

Dear valued supplier,

Please find attached a request for information on the use of Conflict Minerals in the products you supply to ABB, includi

A Guidance Document is attached, which provides information on how to complete the Conflict Minerals Section of the links.

ABB provides two ways to submit the CMRT file directly to system, either **via email** OR **via upload link**.

1. Please click [here](#) to submit your CMRT via e-mail.
2. CMRT [Submission via link](#).

If you are not the correct point of contact, please ensure this email is forwarded to the right person in your organization

# Supplier requirements

## Submitting CMRT

### Submitting CMRT via e-mail

- Click the email link (see below)
- Do NOT click reply to send CMRTs via email
- Do NOT edit subject line

The screenshot shows an email from 'balu.sharma@suppliersoft.com' to 'cmrt.submission@abb.com'. The subject line is a long alphanumeric string. An Excel file named 'CMRT Without Errors.xlsx' (1 MB) is attached. The email body contains the ABB logo, Supplier ID (G000000000), and Supplier Name. It includes instructions for submitting the CMRT, mentioning a Guidance Document and two submission methods: clicking a link or attaching the CMRT file. A red box highlights the 'Submission via link' option, and a red arrow points from this box to the 'cmrt.submission@abb.com' email address in the 'To' field. Below the email content, there are instructions: 'PLEASE DO NOT EDIT THE SUBJECT LINE.' and 'Please attach your CMRT and click send.'

### Submitting CMRT via link

- Click the upload link (see below) in e-mail
- Step 1 – Submitter Information
- Step 2 – Upload the CMRT
- Step 3 – Click Submit

The screenshot shows the ABB web portal for submitting the CMRT via link. It includes the ABB logo, Supplier ID (G000000000), and Supplier Name. The page title is 'Survey: Conflict Minerals Survey' and the section is 'Upload CMRT'. The instructions are the same as in the email. A red box highlights the 'Submission via link' option, and a red arrow points from this box to the 'Submitter Name' field in the form. The form has fields for Submitter Name, Submitter Email, and Submitter Phone. Below these fields, there is a section for uploading the CMRT file, with a 'Choose File' button and a link to download an empty template. At the bottom, there are 'Submit' and 'Cancel' buttons.

Within a few minutes you will receive an email with feedback from the system.  
If your CMRTs has errors, they MUST be fixed.

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# ABB general and specific information

## General information

- SEC Conflict Minerals Ruling ([link](#))
- OECD Guidelines ([link](#))
- Simplified guide to the OECD Guidelines ([link](#))

## Additional information for suppliers

- ABB Supplier Code of Conduct ([link](#))
- ABB Policy on Conflict Minerals ([link](#))
- Supplying to ABB ([video](#))
- Supplying to ABB Portal ([link](#))
- ABB Material Compliance for Suppliers ([link](#))
- Conflict Minerals ([video](#))
- Guide to Supplier Response Template ([link](#))

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# Disclaimer

The purpose of this training material is to provide background information to ABB suppliers on conflict minerals, communicate ABB's requirements regarding conflict minerals and provide guidance on how to fulfil these requirements. The recommendations in this training material are based on ABB's understanding and experience and do not relieve ABB suppliers from their obligations to follow all applicable legal requirements, including contractual obligations.

This training material does not claim to interpret any such laws, regulations, requirements, standards or contracts. While reasonable efforts have been made to check the accuracy of this training material, ABB does not make any representations or warranties with respect to the accuracy or completeness of the contents of this training material, and ABB specifically – but without limitation – disclaims any implied warranties of merchantability or fitness for a particular purpose as concerns this training material.

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**ABB**