



Conflict Minerals Policy Statement

In response to the violence and the human rights violations following the extraction of tin, tantalum, tungsten and gold (also known as 3TG or "conflict minerals") from the "Conflict Region" located in the eastern part of the Democratic Republic of Congo (DRC) and taking into consideration all CAHRAs (Conflict-Affected and High-Risk Areas), Villa Sistemi Medicali is committed to supporting the humanitarian goal of ending the violent conflict in those areas.

The US Securities and Exchange Commission (SEC) has issued a rule to implement the new detection and disclosure requirements relating to "Conflict Minerals" required by the 2010 "Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502". The term "conflict minerals" makes explicit reference to gold, tin, tantalum and tungsten.

Villa Sistemi Medicali is committed to complying with the OECD (Organisation for Economic Co-operation and Development) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and recognizing its responsibility to respect human rights and not contribute to conflict, wherever violations might occur, by:

- avoiding the intentional supply of materials and components containing the specified metals sourced from mines and foundries wherever violations might occur
- ensuring compliance with the above requirements and asking its suppliers to set up a suitable evaluation process with their supply chain, in order to ensure that the specified metals are sourced exclusively from mines and foundries that have been certified "Conflict Free" by an independent notifying body

The commitment of Villa Sistemi Medicali is extended also to the areas of risk including:

- Serious abuses associated with the extraction, transport or trade of minerals
- Direct or indirect support to non-state armed groups
- Direct or indirect support of public or private security forces
- Bribery and fraudulent misrepresentation of the origin of minerals
- Money laundering
- Payment of taxes
- Fees and royalties due to governments

Villa Sistemi Medicali also commits to apply the principles illustrated in the OECD 'Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas', in particular:

- by adopting procedures integrated in its own company management system
- by requiring its own Suppliers to adhere to the same principles of due diligence
- by identifying the risks through its supply chain mapping allowing to trace the conflict mineral origin and in particular the origin of the foundries certified by an independent third-party
- by starting a reactive dialog with the actors downstream the supply chain in order to mitigate the identified risks
- by making this policy public by publishing it on its website

The company's purchasing department has implemented an internal procedure whereby suppliers must disclose, on submitting their PPAP (Production Part Acquisition Protocol) documentation, whether the products they make or use for the production of parts sold to Villa Sistemi Medicali contain "conflict minerals", by completing the Conflict Minerals Reporting Template (CMRT).

Each affected supplier will be required to provide a completed CMRT evidencing such supplier's commitment to becoming conflict free and documenting countries of origin for the tin, tantalum, tungsten, and gold that it purchases. The goal is to ensure that the products and processes purchased make exclusive use of "Conflict Free" materials and parts. Should minerals extracted or processed in facilities NOT considered "Conflict Free" be detected in any material, part or component purchased by Villa Sistemi Medicali, appropriate measures will be taken in order to ensure the product sold is "Conflict Free".