

# Annual report 2021

Activities to implement the due diligence obligations for the import of tin according to Regulation (EU) 2017/821





## About thyssenkrupp Rasselstein GmbH

thyssenkrupp Rasselstein GmbH is one of the leading suppliers of high-quality packaging steel in the world. At the site in Andernach, Germany – the largest production facility of its kind in the world – around 1.5 million tons of tinned or special chromium-coated packaging steel are produced annually and distributed in the form of coils or sheets.

The 2,400 employees serve around 400 customers in 80 countries in a variety of markets – from manufacturers of food and pet food cans to manufacturers of beverage and aerosol cans, containers for chemical products, as well as for crown corks and twist-off closures.

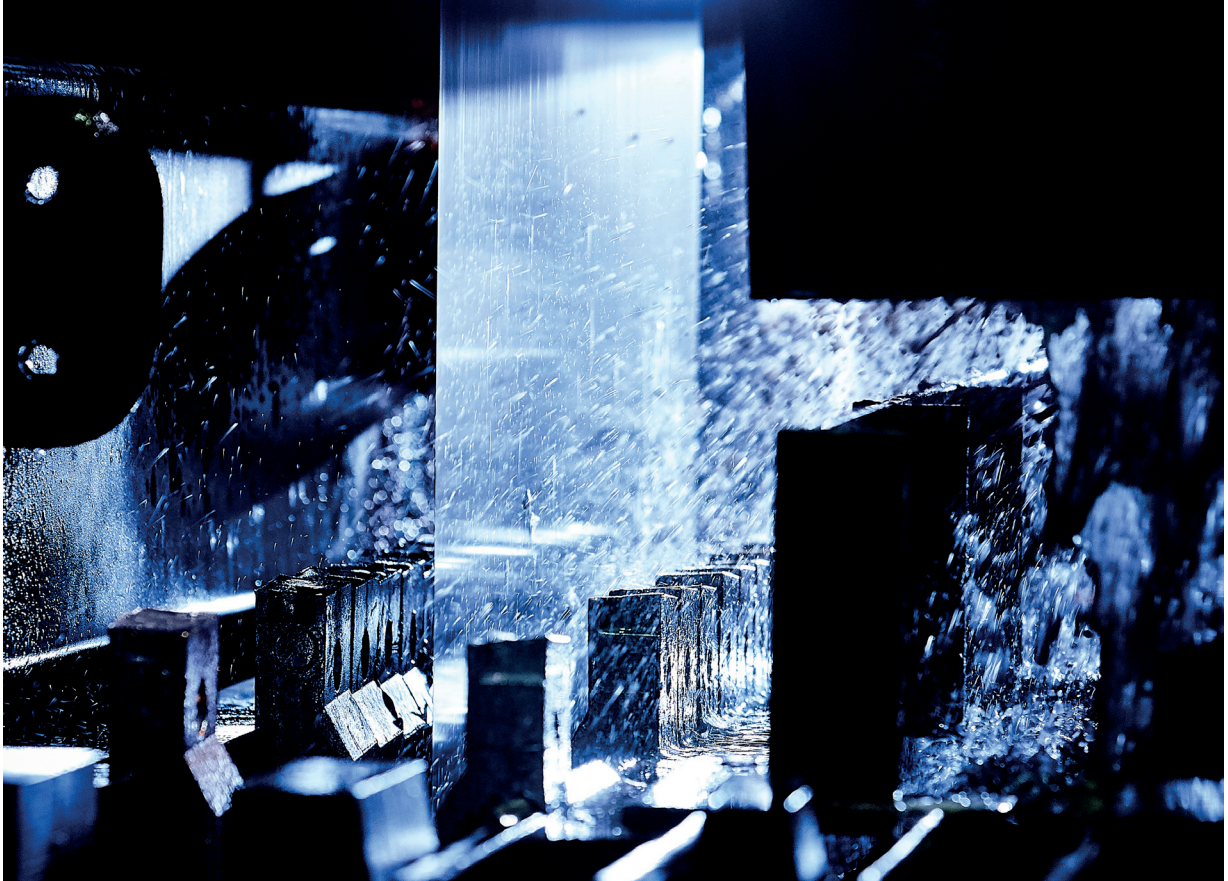
Expert teams in service, sales and technical customer service complete the product portfolio.



# 1. Obligations under the EU regulation for conflict minerals

On January 1, 2021, new obligations from Regulation (EU) 2017/821 which regulates the trade of four minerals – tin, tantalum, tungsten and gold – came into force in the European Union. With the regulation, the EU wants to prevent that the trade of these minerals supports armed conflicts and forced labor. Since then, companies importing these raw materials into the EU have been subject to extensive due diligence and inspection obligations along the supply chain.

As one of Germany's biggest tin importers, tinplate manufacturer thyssenkrupp Rasselstein GmbH welcomes the regulation coming into force, because already in 2010, the company implemented the specified obligations into its procurement policy. In addition, the management systems of the medium-sized company structure were adjusted accordingly in the last years.





## 2. Risk assessment in the supply chain

Tin is needed to protect tinplate from corrosion and is therefore a necessary raw material to ensure high quality products such as the food can. The tin coating on tinplate is extremely thin: usually only between 1.0 g/m<sup>2</sup> to 11.2 g/m<sup>2</sup>. However, to make sure that these requirements do not come at the expense of people and the environment, thyssenkrupp Rasselstein ensures the sustainability of its supply chain – and not just since today. The Andernach-based company has not sourced tin from conflict regions in more than a decade. Human rights, fair working conditions, environmental protection and the fight against corruption – these values are not only important within the group of enterprises, they also apply to the supply chain. thyssenkrupp is therefore committed to the United Nations Global Compact by means of its Supplier Code of Conduct.

Already years ago, thyssenkrupp Rasselstein established procedures in the company to review tin supply chains and identify risks. The company's supply chains are transparent and are subject to regular audits. They also comply with the regulations of the United States of America, commonly called the Dodd-Frank Act<sup>1</sup>, even though the company is not subject to SEC oversight and therefore has no legal obligation to comply with these requirements on conflict minerals.

In countries such as the Democratic Republic of the Congo (DRC) and neighboring states, the extraction of certain raw materials sometimes contributes to significant human rights violations as well as

the financing of violent conflicts in this region. thyssenkrupp Rasselstein therefore does not source raw materials that directly or indirectly finance or benefit armed groups and is in close contact with its suppliers at all times in order to increase the transparency of the products supplied by them. The aim is to further expand cooperation with customers, suppliers and other stakeholders to ensure even better approaches and more practical solutions. thyssenkrupp Rasselstein has frequently verified the conditions at its tin suppliers on site or commissioned third parties to regularly monitor the situation there. Due to the Corona pandemic, the latter option was mostly used in 2021.

thyssenkrupp Rasselstein sources its tin from long-standing partners in Peru, Bolivia, Brazil and Thailand. From the outset, thyssenkrupp Rasselstein has taken a holistic approach to its cooperation with suppliers: The mining and processing of tin is not only in accordance with human rights, but also complies with the highest labor and environmental standards. In the past, the company, as a responsible tinplate manufacturer, therefore repeatedly removed suppliers from its sources that did not meet the requirements. These requirements include not only the method of procurement, but also the quality of the raw material itself: At 99.95 percent, the tin required by thyssenkrupp Rasselstein has a particularly high degree of purity.

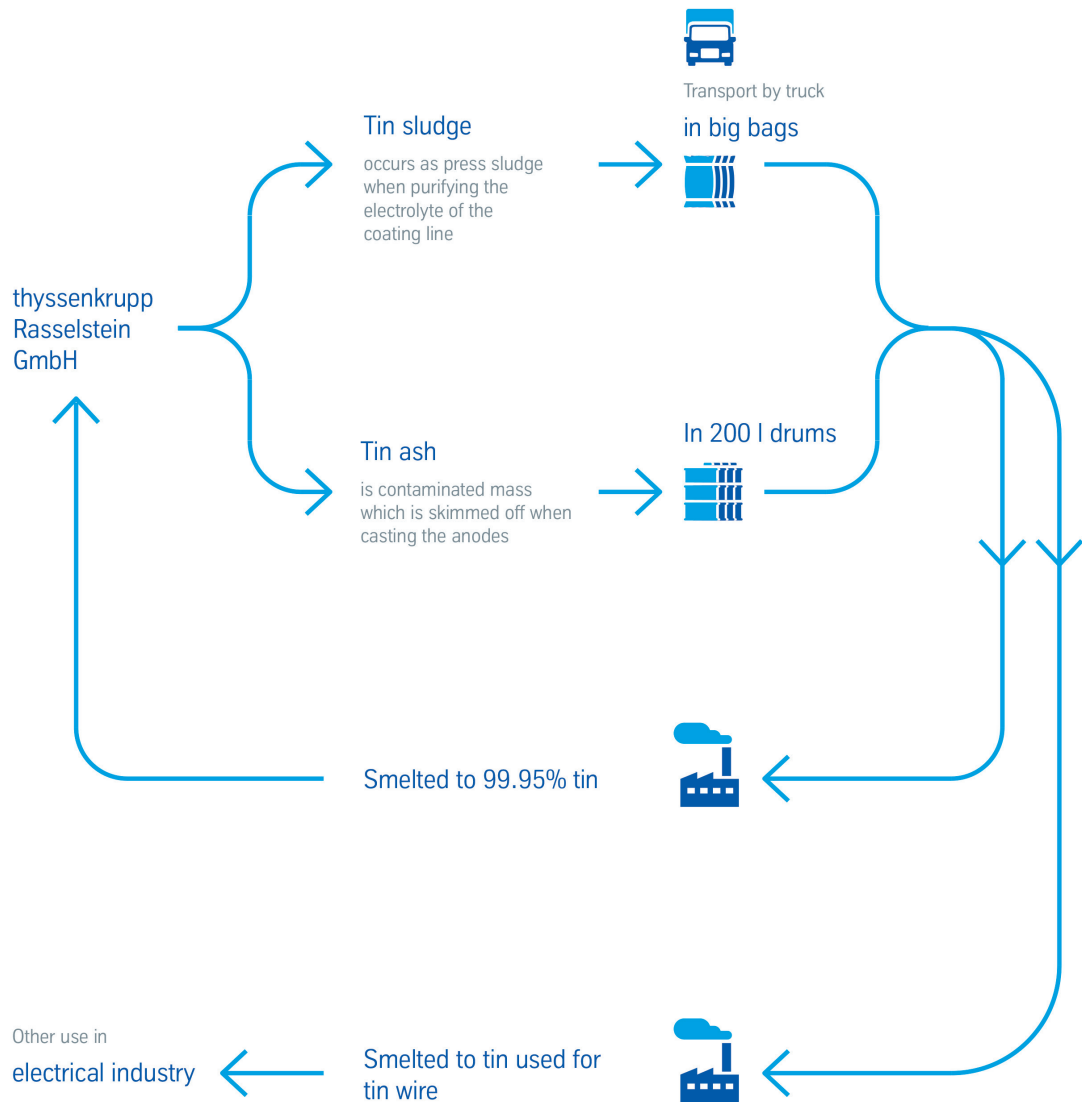
<sup>1</sup> Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502

# Source countries for tin

(worldwide)



### 3. Strengthening the recycling process by sourcing secondary tin



Tin can also be recovered from the valuable sludge or slag materials which are generated during the smelting process. At European secondary smelters, the waste materials are processed to recover pure tin. Nowadays, the tin recovered in recycling processes is in no way inferior in quality to directly mined tin and meets the highest requirements of the demanding specifications of thysenkruupp Rasselstein's tinplate grades. In order

to further expand these cycles, corresponding supply contracts have been concluded with partners in Poland and Belgium. In this way thysenkruupp Rasselstein recovers pure tin from waste materials, which can then be cast into new anodes in its own anode foundry.

# 4. Supply flows

The year 2021 was characterized by the often desolate situation in global logistics flows. There were virtually no standard deliveries, which would have allowed for a predictable production. Again and again thyssenkrupp Rasselstein was forced to carry out previously unimaginable logistical measures (airfreight) in order to have sufficient tin for production. These exceptional circumstances continue to shape the sourcing and delivery performance of tin in 2022.

In the first reporting period of the new conflict minerals regulation thyssenkrupp Rasselstein purchased a total of over 4,500 t pure tin. Of this, 21 percent of the demand came from Asia, 72 percent from South America and 7 percent from Europe.

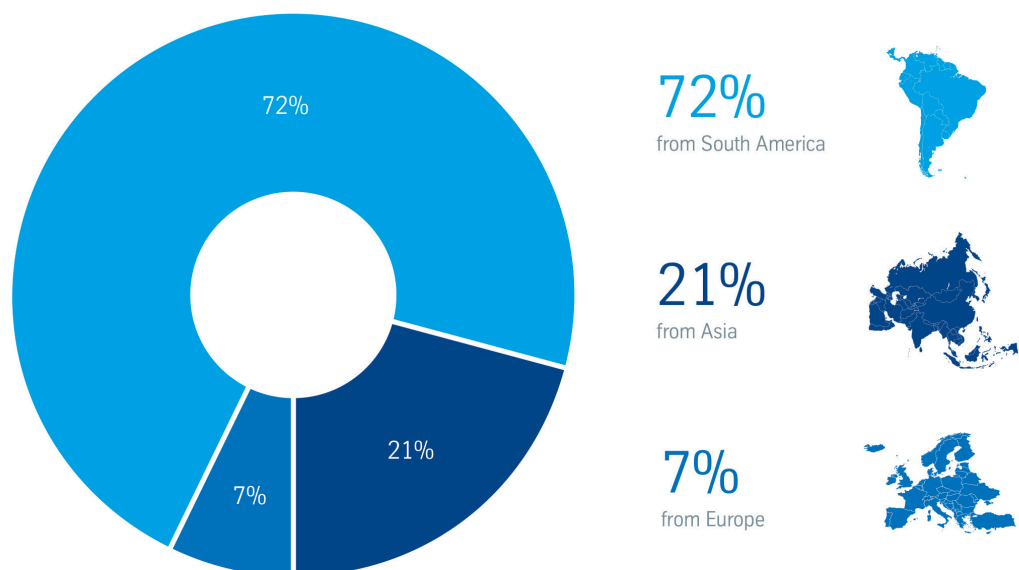
The free sources of supply are based on the list of audited suppliers of the EICC according to their current status.

A risk management strategy has been established to map the supply flows with the respective suppliers, which is verified by neutral audits. The aim is to provide permanent information to the Management Board.

For communication with customers, thyssenkrupp Rasselstein prepares a revision of the CMRT form every year after the framework agreements have been concluded. The CMRT form was developed by the Conflict-free Sourcing Initiative (CFSI) and shows the tin supply chains for interested groups and customers.

## Sourced pure tin in percent

(more than 4500 t)



# 5. Complaints

If you have any questions about the procurement process for tin, please contact the thyssenkrupp Rasselstein GmbH employees named at the end of this report. Complaints may be directed to:

thyssenkrupp AG  
CO/L&C-INV  
Thyssenkrupp Allee 1  
D- 45143 Essen

Phone: +49 201 844 505050  
whistleblowing@thyssenkrupp.com

The complaints received here are only visible to the Compliance Officer. In his function, the Compliance Officer can decide on further steps or procedures in connection with the complaint received.

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