

Annual report 2023

of thyssenkrupp Rasselstein GmbH

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



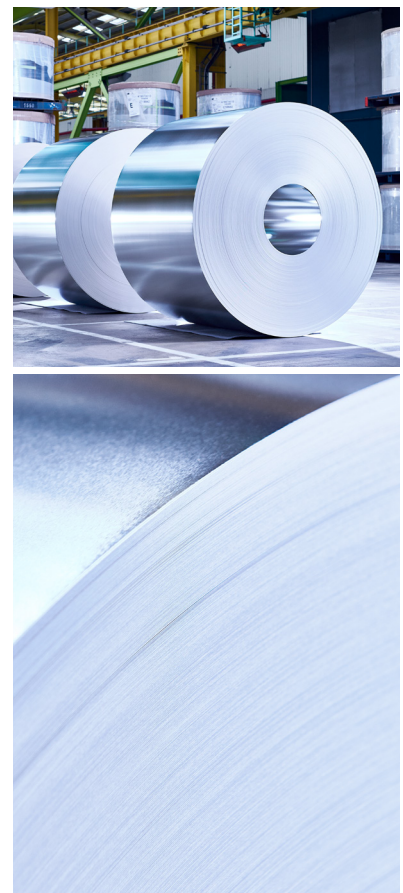


About thyssenkrupp Rasselstein GmbH

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.

About 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.

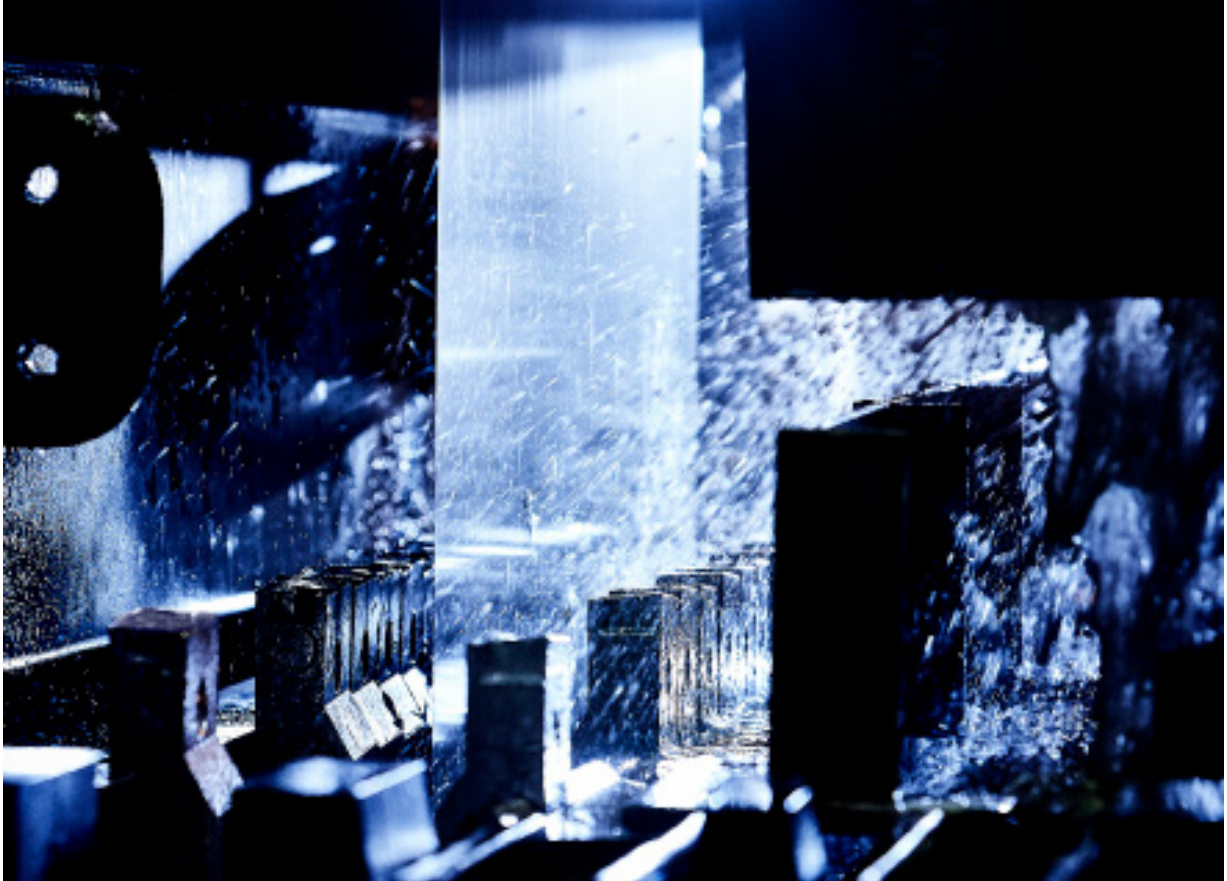
Expert teams in service, sales and technical customer service complete the product portfolio.



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/m² to 11.2 g/m². 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 Act¹, 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. In recent years, thyssenkrupp Rasselstein has frequently verified the conditions at its tin suppliers on site or commissioned third parties to regularly monitor the situation there.

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.

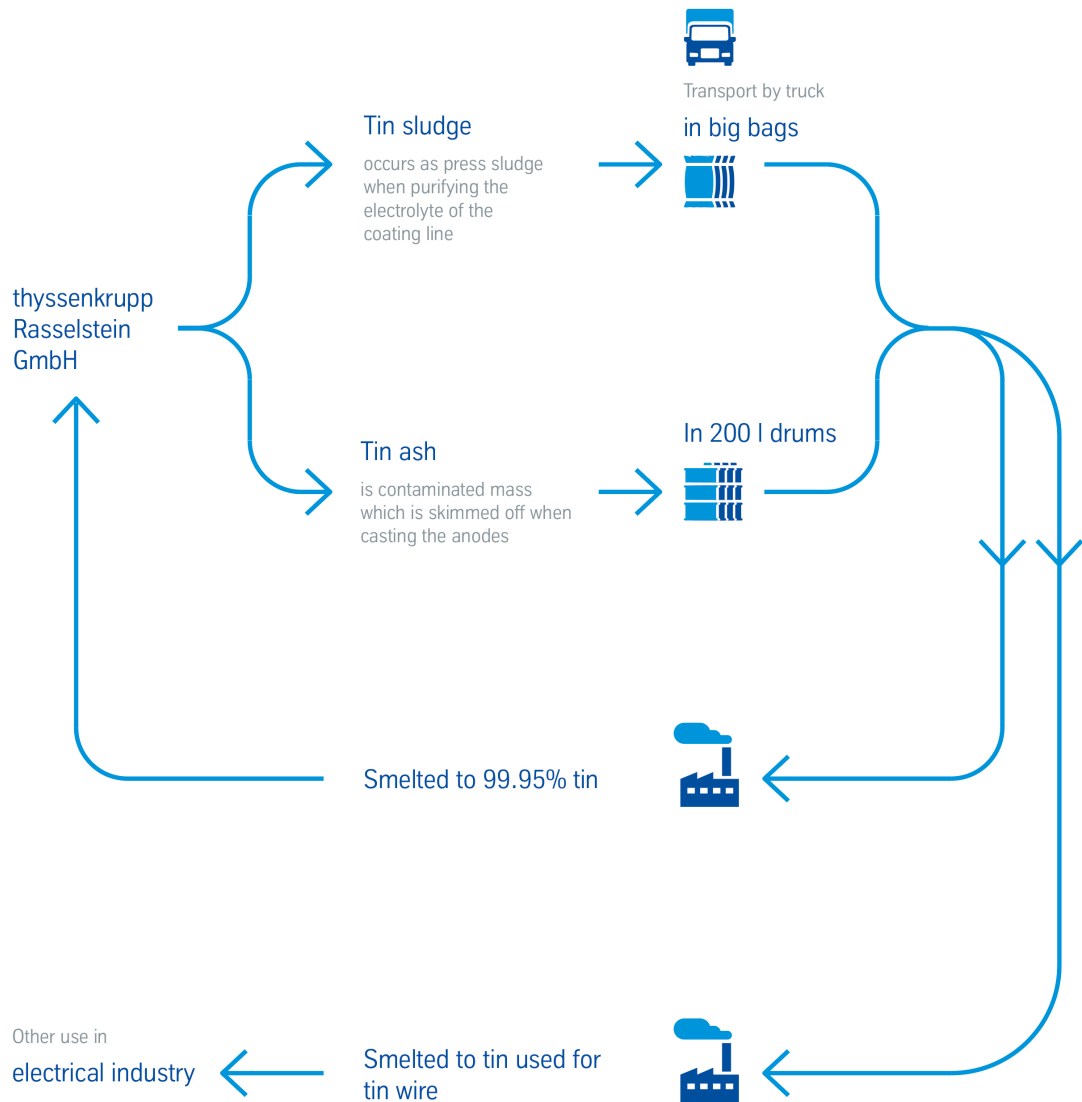
¹ Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502

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

In 2023, thyssenkrupp Rasselstein's supply flows continued to be managed by proven suppliers to transparent risk assessment. All of the company's non-European tin suppliers have been audited in recent years. The audits were aimed at verifying compliance with the globally applicable social standards as defined by UN Global Compact.

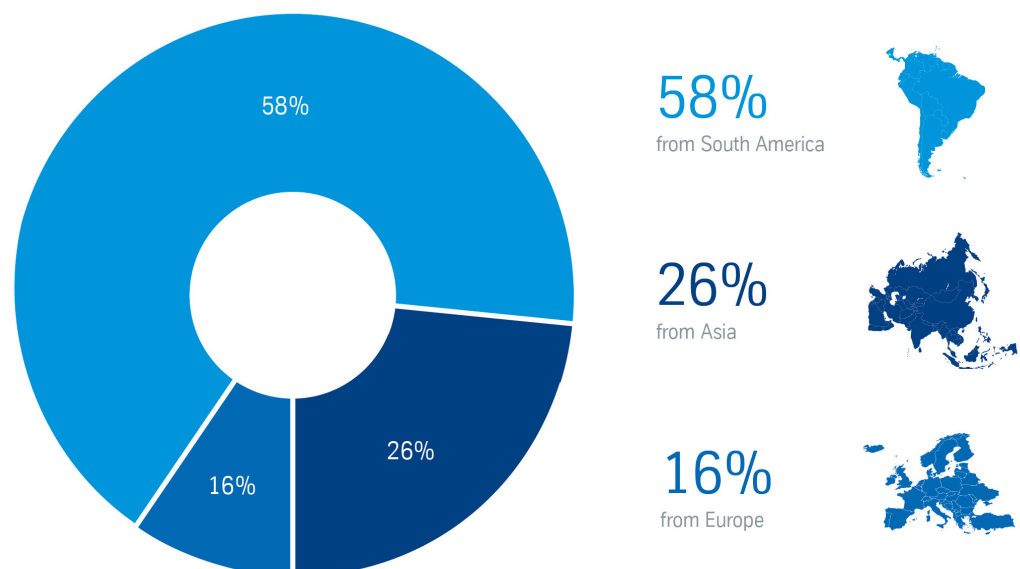
The results of the audits are incorporated into a risk matrix to present the obligations arising from the Supply Chain Duty of Care Act. For this purpose, thyssenkrupp AG has set up a corresponding organisation at segment level. A Maple Croft tool is used to analyse the results of the assessment.

In 2023, supply flows returned to normal and did not lead to any restrictions in supply. As in previous reporting periods, thyssenkrupp Rasselstein intentionally diversified its tin procurement globally.

This strategy aimed at ensuring a seamless year-round supply of aggregates in order to minimise supplier risks. The approach with partners on most continents proved to be effective.

Of the tin purchased by thyssenkrupp Rasselstein, 58 per cent came from South America, 6 per cent from Asia and 16 per cent from Europe. The deliveries from South America and Asia were fresh, refined tin, and the deliveries from Europe originated from secondary smelters. In these smelters, tin residues were reprocessed and placed on the market as new goods. In line with the sustainability strategy of thyssenkrupp Rasselstein, the route through secondary smelters further expanded as it is the company's explicit goal to significantly reduce CO₂ emissions in the supply chain in the long term. This also includes the option of procuring tin from secondary refineries in Europe instead of having material delivered from South America or Asia.

Percentage of pure tin purchased



5. Audit by third parties

In 2023, we were subjected to an on-site inspection for the first time by the authorised inspection authority DEKSOR (German Control Authority for EU Due Diligence in Raw Material Supply Chains).

As one of the results of this control procedure, thyssenkrupp Rasselstein as a company was requested to undergo a third-party audit to identify and implement further development potential in the processes. On 30 and 31 October 2023, DEKRA carried out an audit at the Andernach plant of thyssenkrupp Rasselstein by the aforementioned regulation.

Following a further recommendation, thyssenkrupp Rasselstein GmbH will present the implementation of the improvements to DEKRA in further audits in April 2024 and October 2024. The aim is to demonstrate to customers and the public a future-oriented system for avoiding risks in the supply of conflict minerals, in this case, tin, by the end of 2024.

In addition, thyssenkrupp Rasselstein will carry out third-party combination audits (conflict minerals and CSR) at selected non-European suppliers in 2024.



6. 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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