ROHS, REACH and Conflict minerals

ROHS - Restriction on Hazardous Substances Directive (2015/863/EU)

The RoHS Directive (2011/65/EU) and its subsequent amendment (2015/863/EU) restricts the use of dangerous substances lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls-PBB or polybrominated diphenyl ethers-PBDE, Bis(2-ethylhexyl) phthalate (DEHP), Butylbenzyl phthalate (BBP), Dibutyl phthalate (DBP), Diisobutyl phthalate (DIBP) in new electrical and electronic equipment, placed on the market from 1 July 2006, so as to contribute to protecting the environment and human health and preventing the generation of hazardous waste.

This Directive does not apply to spare parts for repair or reuse of electrical and electronic equipment placed on the market before 1 July 2006.

Datalogic has reviewed its internal purchasing, designing and manufacturing processes in order to ensure, through contracts with suppliers setting requirements, technical documentation and process control, that non-compliant materials do not enter the manufacturing process.

Datalogic ensures that it sells on the European Union market only products that comply with the requirements of the 2011/65/EU Directive concerning Restriction of the Use of certain Hazardous Substances in Electrical and Electronic Equipment (RoHS) and relevant and applicable law.

<u>REACH - Registration, Evaluation, Authorization and Restriction of Chemicals</u> (1907/2006/EC)

The EU chemicals policy REACH (Registration, Evaluation, Authorization and restriction of Chemicals) came into effect on June 1, 2007. REACH aims to improve protection of human health and the environment from the risks arising from the use of chemical substances. REACH is intended to make manufacturers and importers responsible for understanding and managing the risks associated with the use of certain chemical substances throughout their life cycle. Chemicals and products that do not meet these requirements cannot be sold in the EU, unless specifically exempt.

The initial stage of REACH requires registration of a substance on its own, or in an article, totaling more than 1 ton per producer, per importer, per year and the substance is intended to be released under normal conditions of use. Datalogic's products are not designed to intentionally release a chemical or a substance into the environment, nor do we use substances identified in REACH, in excess of one ton per year in their manufacture. Therefore, Datalogic is not required to register substances to the European Chemical Agency (ECHA) and is in compliance with the requirement. Additionally, Article 7.2 of REACH requires notification if a 'substance of very high concern' (SVHC) is published on a formal list ("candidate list") provided by the ECHA, where the substance is contained within an article and the substance weighs more than 0.1% (weight on weight of the complete article). This obligation becomes effective in June 2011 and takes effect six months after the substance is published on the ECHA candidate list If applicable, Datalogic will take all appropriate steps to comply with this requirement.

Datalogic S.r.I. Società con socio unico | Gruppo Datalogic | Direzione e Coordinamento Datalogic S.p.A. Sede legale e amministrativa: via San Vitalino, 13 | 40012, Lippo di Calderara di Reno |Bologna | Italy Stabilimento: via Lavino 265 | 40050, Monte San Pietro | Bologna | Italy Tel. +39 051 3147011 | Fax. +39 051 3147288 | Email srl@pec.datalogic.com | www.datalogic.com

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The REACH regulation includes several lists of substances of concern. One of these is Annex XIV, a list of substances that require specific authorization for use. Another is Annex XVII, a list of substances, mixtures and articles with restrictions on manufacture, placing on the market and use of. These annexes are regularly reviewed, amended, and updated.

Datalogic is committed to maintaining our compliance with the REACH requirements. Following the official release of the SVHC list on October 28, 2008, and all succeeding amendments to the SVHC list, we are determining our supplier's usage of SVHCs, if any, and we will continue to take reasonable actions to maintain and communicate our compliance to customers.

Datalogic is fully compliant with SCIP (**S**ubstances of **C**oncern **I**n articles as such or in complex objects (**P**roducts)) Database requirements.

SCIP is the database for information on Substances of Concern In articles as such or in complex objects (Products) established under the Waste Framework Directive (WFD). This implies that companies supplying articles containing substances of very high concern (SVHCs) on the Candidate List in a concentration above 0.1% weight by weight (w/w) on the EU market have to submit information on these articles to ECHA, as from 5 January 2021. The SCIP database ensures that the information on articles containing Candidate List substances is available throughout the whole lifecycle of products and materials, including at the waste stage. The information in the database is then made available to waste operators and consumers.

Conflict Minerals – Dodd-Frank Act

Currently a large portion of the mines in the DRC are being controlled by armed groups. These armed groups have been cited for terrorism, murder and forced labor. This forced labor is used to work the mines and minerals extracted from these mines are considered Conflict Minerals. The Conflict Minerals are Gold, Tin, Tungsten and Tantalum. And the proceeds from selling these forced labor minerals fund the armed groups. To suspend the funding of these armed groups the Dodd-Frank Wall Street Reform and Consumer Protection Act was passed into law. This law requires that U.S companies that are on the stock exchange will have to report to the Securities and Exchange Commission (SEC) showing due diligence whether or not their products contain Conflict Minerals or not. However the task of collecting this information if quite time consuming for both the manufacturer and the suppliers. Hence SEC legislation permits large companies that cannot currently provide information on the presence or origin of Conflict Minerals can report Conflict Mineral Undeterminable for 2 years (small companies can report Conflict Mineral Undeterminable for four years). U.S companies that are on the stock exchange will also be required to be audited by a third party to validate that companies due diligence. Though Datalogic is not openly traded on the stock exchange and is not required by the Frank-Dodd

Act, Datalogic policy in no way supports terrorism or the acts of violence being perpetrated by armed groups in the DRC. For this reason Datalogic has begun a diligent effort in contacting all our suppliers and requesting EICC (Electronic Industry Citizenship Coalition) certification and documentation. Currently this documentation is in review and until further notice all products are DRC Conflict Mineral Undeterminable.

Ruggero Cacioppo | Product Quality Leader | Datalogic SpA

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Via San Vitalino 13 -40012 Lippo Calderara di Reno-Bologna-Italy Dir . +39 051 3147 393| Fax +39 051 3147 288 <u>www.datalogic.com</u>

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