

Policy Statement on Conflict Minerals

Iwaki America is a socially responsible company. We conduct business fairly and ethically, respecting human rights, and complying with international laws and regulations. We support the international effort to end conflict and violence in Central Africa, specifically the Democratic Republic of the Congo and adjoining countries. Much of the violence is funded by the sale of tin, tungsten, tantalum, and gold (3TG's) that are mined in that region. Proceeds from the sale of these "conflict minerals" finance militant groups that use forced labor, and fight for control of the mines.

In August 2012, the U.S. Securities and Exchange Commission (SEC) adopted final rules to implement reporting and disclosure requirements related to "conflict minerals," as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Section 1502. The rules require manufacturers who file certain reports with the SEC to disclose whether the products they manufacture, or contract to manufacture, contain "conflict minerals" necessary to the functionality or production of those products.

Iwaki America's Expectations of Suppliers

- Supply "DRC Conflict Free" materials. Under Iwaki America's conflict mineral's policy, suppliers are expected to provide materials that are "DRC conflict free," which means either: 1) any 3TGs necessary to the functionality or production of supplied materials must not directly or indirectly fund armed conflict in the DRC or adjoining countries, or 2) any 3TGs must be from recycled or scrap sources.
- Adopt conflict minerals policies. Suppliers to Iwaki America must adopt a policy regarding conflict minerals consistent with Iwaki America's policy, implement management systems to support compliance with their policy and require their suppliers to take the same steps.
- Send surveys to their suppliers and provide Iwaki America with Conflict Minerals Reports. Iwaki America's suppliers are expected to utilize the EICC-GeSI public Conflict Minerals Reporting Template (link below) to obtain information from their suppliers, and upstream until the smelter/refiner is identified. The survey information must then be passed back down through the levels of the supply chain to Iwaki America's direct supplier, who then can complete the template for Iwaki America.

Additional resources:

- EICC-GeSI public [Conflict Minerals Reporting Template](#) (for use by Iwaki America's suppliers with their supply chain)
- Conflict Free Smelters Program: <http://www.conflictreesourcing.org/>
- Conflict Minerals Resources: <http://www.eicc.info/Extractives.shtml>

Iwaki America's suppliers must undertake reasonable due diligence with their supply chain to ensure compliance. This due diligence includes having our suppliers provide written evidence documenting that raw materials used to produce tin, tungsten, tantalum and gold, used in the materials to manufacture components and products supplied to Iwaki America, originate from outside the "Conflict Region" or if they originate from within the "Conflict Region", that the mines or smelters be certified as "conflict free" by an independent third party. The aim is to ensure that only "conflict free" materials and components are used in products that we procure. If we discover that suppliers are not undertaking reasonable due diligence to ensure compliance, we will take appropriate action.