Minco

Conflict Minerals Policy Statement

Background

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") of 2010 required the U.S. Securities and Exchange Commission ("SEC") to issue rules specifically relating to the use of “Conflict Minerals” within manufactured products. Conflict Minerals are defined by the U.S. Department of State as tin, tantalum, tungsten and gold (also known as the “3TGs”) and related derivatives originating from the Democratic Republic of the Congo ("DRC") and adjoining countries (collectively, “DRC Region”). The SEC rules require all SEC registrants whose commercial products contain any 3TGs to determine whether the minerals originated from the DRC Region and, if so, whether they are conflict free.

The Democratic Republic of the Congo ("DRC") is a Central African country with vast mineral wealth, including reserves of 3T Gs. These metals are used in many manufactured goods across many industries, including the aerospace, appliances, automotive, electronics, jewelry, medical and tool & die industries. By enacting this provision, Congress intends to further the humanitarian goal of ending the extremely violent conflict in the DRC Region, which has been partially financed by the exploitation and trade of Conflict Minerals originating in the DRC Region.

Commitment

Minco is committed to ethical practices and compliance with applicable laws and regulations wherever we do business and support the efforts to enable supply chain transparency and responsible sourcing. We are committed to complying with our customers’ requests related to the new conflict minerals reporting and disclosure requirements to determine the use, country of origin, and source of 3TGs in our products.

Minco does not directly source conflict minerals from mines, smelters or refiners and is, in most cases, several levels removed from these market participants. As such, we do not knowingly source conflict minerals from sources that directly or indirectly finance or benefit armed groups in the covered countries.

Responsibility of our Suppliers

The supply chain for the metals of concern consists of many tiers, including mines, traders, exporters, smelters, refiners, alloy producers and component manufacturers, before reaching Minco’s direct suppliers. The combination of a lengthy, complex and regularly changing supply chain and the refining process makes it challenging to track and trace the minerals back to the mine of origin.

Minco may ask our suppliers to engage in a reasonable country of origin inquiry or to perform due diligence on their supply chains related to these metals. We expect our suppliers to undertake reasonable efforts to provide us with pertinent information in a timely manner, and to otherwise support our efforts to comply with Dodd-Frank’s conflict minerals reporting rules.

Specifically:

(i) upon request, complete Minco’s Conflict Minerals survey, identifying 3TG product they sell to Minco and the smelter that provided the original 3TG material (this may require successive upstream suppliers to complete Minco’s Conflict Minerals survey until the smelter is identified); and

(ii) agree to cooperate with Minco in connection with any due diligence required with respect to country of origin inquiries.

For more information:
http://www.conflictfreesourcing.org/

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