



RESPONSIBLE MINERALS SOURCING POLICY

It is the policy of Pemco International (“Pemco”) to ensure compliance with all laws applicable to the use of conflict minerals, and to source other minerals in a responsible, ethical manner.

Background. There has been increased awareness of violence and human rights violations in connection with the mining of certain minerals from locations in and near the Democratic Republic of Congo (the “DRC”). These conflict minerals are defined as cassiterite, columbite-tantalite (coltan), wolframite and the metals – tin, tantalum, tungsten, and gold sometimes known as 3TG - extracted from these minerals.

In addition, minerals including cobalt, copper, graphite, lithium, mica, and nickel are sometimes sourced from areas that are conflict-affected or otherwise high risk. For purposes of this policy, these minerals and the designated conflict minerals are referred to as “Sensitive Minerals.”

Laws maintained by the United States, UK, EU, and others seek to ensure that Sensitive Minerals are not a source of funding for groups committing human rights abuses in and around the DRC, including with respect to the following countries:

1. Angola
2. Burundi
3. Central African Republic
4. Republic of Congo
5. Rwanda
6. South Sudan
7. Tanzania
8. Uganda
9. Zambia

Policy Statement. Pemco has adopted this policy as part of our effort to encourage suppliers to respect human rights and not contribute to conflict. We require the cooperation of suppliers in the implementation of this policy and in enabling us to meet our ethical obligations.

In particular, we are committed to conducting an appropriate review to determine whether we are sourcing Sensitive Minerals from responsible suppliers. This is important to ensure both that we are acting ethically and are serving as trusted business partner for customers.

Supplier Expectations. Our suppliers also need to be similarly vigilant about sourcing products. Suppliers who supply or manufacture components, parts or products containing any Sensitive Minerals are expected to source those minerals from socially and environmentally responsible sources that do not directly or indirectly contribute to conflict.



In addition to the responsibilities that suppliers have under our Supplier Code of Conduct, to ensure Sensitive Minerals are sourced responsibly, we expect suppliers to take steps such as the following:

- Implement and communicate to personnel and their own suppliers policies consistent with this policy
- Put in place procedures for the traceability of Sensitive Minerals at least to the smelter or refiner level, working with tier one (direct) and tier 2 (indirect) suppliers as applicable
- Source Sensitive Minerals from validated smelters and refiners
- Maintain reviewable business records supporting the source of Sensitive Minerals
- Establish policies and systems that comply with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk areas
- Require direct and indirect suppliers to adopt policies consistent with this policy

Suppliers also are encouraged to support industry efforts to enhance traceability and responsible practices in global mineral supply chains.

Pemco may request from any supplier at any time such information, certification, and or documentation as it shall deem necessary to monitor compliance with this policy. Pemco may also conduct targeted audits or other reviews of supply chain partners to promote compliance.

Assessing and Responding to Identified Risks. Pemco seeks long term relationships with suppliers wherever possible. If we determine that a supplier may be violating this policy, we may require them to implement a corrective action plan. Continued failure to adhere to Pemco policies and refusal to address issues of concern may lead to termination of the relationship.

Questions and Reporting. If you have any questions regarding this policy, please contact the Compliance Officer. If you have any concerns about an actual or possible violation of this policy, either by Pemco or by any other entity or individual working on behalf of Pemco, you must report that concern. You may report your concern to the Compliance Officer at compliance@pemcointernational.com, your manager, or by using our anonymous hotline.

Pemco strictly prohibits retaliation of any kind against any person who makes a report in good faith.