



CONFLICT MINERALS POLICY

It is the policy of Pemco International (“Pemco”) to ensure compliance with all laws applicable to the use of conflict minerals. There has been increased awareness of violence and human rights violations in connection with the mining of certain minerals from locations in the Democratic Republic of Congo (the “DRC”) and its adjoining countries. Under U.S., EU and other applicable laws 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.

These laws are intended to reduce a significant source of funding for armed groups that are 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 therefore require the cooperation of our suppliers in the implementation of this policy and in enabling Pemco to meet its obligations on a timely basis.

In particular, Pemco is committed to conducting the appropriate level of review to determine whether it is using any conflict minerals. Suppliers need to be similarly vigilant about sourcing products.

Pemco customers are often subject to the conflict mineral rules. Our customers expect us, as a trusted business partner, to both comply with the rules and ensure that our actions do not jeopardize our customers’ compliance with those rules.

Supplier Expectations

Suppliers who supply or manufacture components parts or products containing conflict minerals are expected to source those minerals from socially and environmentally responsible sources that do not directly or indirectly contribute to conflict. Specifically, Pemco expects suppliers to maintain the necessary processes to comply with all conflict mineral rules including taking the following steps as appropriate:

- Implement and communicate to their personnel and their own suppliers policies that are consistent with this policy
- Put in place procedures for the traceability of conflict minerals at least to the smelter or refiner level, working with tier one (direct) and tier 2 (indirect) suppliers as applicable
- Whenever possible, source conflict minerals from smelters and refiners validated as being conflict free
- Maintain reviewable business records supporting the source of conflict minerals
- Otherwise establish policies, due diligence frameworks and management systems that are consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk areas
- Require tier 1 (direct) and tier 2 (indirect) suppliers to adopt policies and procedures that are consistent with those contained herein.

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

Pemco reserves the right to request from any supplier at any time such information, certification, and or documentation as it shall deem necessary to monitor or assess compliance with this policy.

Pemco may also conduct targeted audits or other reviews of supply chain partners including with the support of outside consultants, to promote compliance.

Assessing and Responding to Identified Risks

Pemco believes in establishing and maintaining long term relationships with suppliers wherever possible. If we determine that a supplier may be violating this policy, we may require them to commit to and implement a corrective action plan within a reasonable time frame. Continued failure to adhere to Pemco policies and refusal to address issues of concern may lead to termination of our business relationship with the supplier. Nothing contained in this policy shall be interpreted to preclude Pemco from terminating any supplier relationship at any time for any reason.



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.