

RE: Conflict Minerals and Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010

On August 22, 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. 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” that are “necessary to the functionality or production” of these products.

“Conflict minerals” refers to gold, as well as tin, tantalum, and tungsten, the derivatives of cassiterite, columbite-tantalite (coltan), and wolframite, regardless of where they are sourced, processed or sold. The intent of these requirements is to further the humanitarian goal of ending violent conflict in the “covered countries”, which has been partially financed by the exploitation and trade of conflict minerals. The “covered countries” include the Democratic Republic of the Congo, Angola, Burundi, Central African Republic, the Republic of Congo, Rwanda, Sudan, Tanzania, Uganda and Zambia.

Pursuant to Section 1502 (“the Provision”) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Act”) (Pub. L. 111-203, 124 Stat. 1376, July 21, 2010) also referred to as the “Conflict Minerals Act”, Elmet Technologies only purchases “DRC conflict-free” minerals from smelters on the Conflict-Free Smelter Program (CFSP) Compliant Smelter list. Elmet Technologies is committed to a socially responsible supply chain that, among other requirements, is conflict-free. The issues addressed include Human Rights, Conflict and Good Governance, including: Serious abuses associated with the extraction, transport or trade of minerals; Direct or indirect support to non-state armed groups; Public or private security forces; Bribery and fraudulent misrepresentation of the origin of minerals; Money laundering; Payment of taxes, fees and royalties due to governments.

To this end, we continue working with our supply chain to strengthen compliance and ensure only “DRC conflict-free” materials are used.