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To ABC Technologies (ABC) supplier partners:

On August 22, 2012, the U.S. Securities and Exchange Commission (SEC) adopted final rules to implement section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which imposes reporting requirements on manufacturers that use conflict minerals. The term "conflict minerals" is used to describe certain minerals such as gold, wolframite, casserite, columbite-tantalite and their derivative metals, which include tin, tungsten, tantalum and any other compounds designated by the U.S. Secretary of State that are sourced from mines under the control of parties in the Democratic Republic of Congo (DRC) or the surrounding countries. Tantalum, tin, tungsten, gold and their derivatives used in numerous automotive components with various applications.

This U.S. legislation requires all publicly traded companies to report annually to the SEC whether they use conflict minerals that are "necessary to the functionality or production" of a product that they either manufacture, or contract to be manufactured. The intention is to cut the funding to armed groups that commit violent human rights violations in the DRC.

It is our intention to comply with this law as well as to ensure that our supply chain provides the cooperation necessary to determine whether their products and assemblies contain conflict minerals. Clear understanding and accurate reporting can only be achieved through both engagement and transparency of the supply chain.

In order to support accurate reporting, suppliers should:

- Review ABC requirements found at www.abcgroupinc.com/suppliers
- Determine which parts/assemblies incorporate one or more of the identified minerals or their derivatives;
- Map the supply chains associated with those same parts/assemblies; and
- Review your IMDS submissions to substantiate/verify potential minerals and
- Engage with its suppliers to identify the smelters used in the supply chain to process the raw materials (or validate the origin of materials as being from recycled/scrap) and

• This directive should be passed on and acted in the same manner down through your supply chain.

In closing, ABC recognizes that it may be difficult for your company to identify the country or mine of origin for the minerals that you use. However, the new conflict mineral rules went into effect on January 1, 2013. Manufacturers and suppliers are required to report on their conflict minerals with a CMRT form using The EICC-GeSI latest template (version 6.2) or higher that can be found at the Conflict Free Smelter website at http://www.conflictfreesourcing.org/conflict-minerals-reporting-template/. which is to be filed annually so we can upload and report to our customers. This report covers the prior period on items supplied or plan to supply by your firm between the periods of January 1st till December 31st current year. For this reason, our intended deadline for our supplier's reporting would be 25th of August current year. Please note form cannot be modified in any way other than input data and PDF versions are not acceptable. Submissions should be inputted through <u>ABC 1-Point address 2975</u>. (www.conflictminerals.com).

For supplier input there is no charge for this access. Once you provide conflict minerals data, any next steps required to address concerns in the supply chain will be handled on a companyby-company basis.

In order to learn more about this new U.S. Legislation and about this subject of Conflict Minerals, please consult the SEC website: <u>http://secsearch.sec.gov</u>. You may also want to visit AIAG's Corporate Responsibility website: <u>www.aiag.org</u> for additional information and updates regarding industry collaboration.



