

PRECICAST POLICY AGAINST USE OF CONFLICT MINERALS

1. Introduction and Policy Regarding Conflict Minerals

1.1 Precicast Code of Ethics, dated June 2014 (“the Code of Ethics”), defines the company’s overall principles and commitment towards legal compliance, ethical conduct, human rights, anti-corruption work and environmental protection. These high expectations extend to Precicast partners, subcontractors and suppliers, whom we encourage to strive beyond merely fulfilling legal compliance. This Policy provides further clarification to the principles of the Code of Ethics with respect to Conflict Minerals (as defined in 2.1).

1.2 Precicast Policy regarding Conflict Minerals is as follows :

All raw materials, products, parts and components purchased by Precicast containing Conflict Minerals shall be “conflict free” (which term is described in more detail in 2.2).

2. Background

2.1 In July 2010, President Obama signed into law the Wall Street Reform and Consumer Protection Act, also known as the Dodd-Frank Act. Although the focus of the Dodd-Frank Act is financial market regulatory reform, Section 1502 of the Dodd-Frank Act requires publicly-traded companies that purchase or use Conflict Minerals, or purchase products containing Conflict Minerals, that are necessary to the manufacturing of a product to begin tracking as of 1 January 2013 whether such Conflict Minerals originated from the Democratic Republic of Congo (“DRC”) or any countries adjoining the DRC (which countries are Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda and Zambia) (the DRC together with such adjoining countries, collectively, the “DRC Region”). As used in the Dodd Frank Act and in the final rules issued by the U.S. Securities and Exchange Commission (“SEC”) in August 2012 implementing Section 1502 of the Dodd-Frank Act (the “SEC Conflict Minerals Rules”), the term “Conflict Minerals” includes, among other minerals and/or their derivatives, tantalum, tin, tungsten and gold.

2.2 The SEC Conflict Minerals Rules also impose reporting requirements upon publicly-traded companies whose products contains metals derived from Conflict Minerals. Specifically, the Dodd-Frank Act and the SEC Conflict Minerals Rules require that publicly-traded companies report annually to the SEC on :

- their worldwide use of Conflict Minerals in products they manufacture or contract to manufacture, and
- the actions of their supply chains in identifying the use of Conflict Minerals, identifying the country of origin for any Conflict Minerals so used, and, if any such Conflict Minerals originate/originated from the DRC Region determining whether such Conflict Minerals from the DRC Region are “conflict free.” The term “conflict free” means that the Conflict Minerals do not directly or indirectly finance armed groups through mining or mineral trading in the DRC Region.

2.3 Note that the requirements of the SEC Conflict Mineral Rules set forth in 2.1 and 2.2

- apply to both U.S. and non-U.S. suppliers,
- require reporting by companies that are not SEC-registrants if they are determined to be members of the manufacturing supply chain for an SEC-registered company, and
- require publicly-traded companies in the U.S. to report on Conflict Minerals in their products that originate in the DRC or the other nine countries in the DRC Region on an annual basis with effect from 1 January 2013. Please also note that annual submission to the SEC may require an independent third-party audit, and, therefore, proper documentation of information related to our supply chain is critical for both Precicast and Precicasts’ customers.

3. Precicast Activities with Suppliers

3.1 Precicast complies with applicable laws and commits to drive best industry practice. We will use the standardized EICC-GeSI Conflict Minerals Reporting Template to map and to monitor our suppliers’ commitment and activities relative to this Policy. (For a link to the current version of the template, see 4.2). Additional details shall be requested from suppliers and request them to map and monitor such commitment and activities as needed.

3.2 We will incorporate the principles of this Policy into our contractual arrangements with our suppliers and we will work with our suppliers to increase transparency in the supply chain. We aim to create awareness and build capacity within our supplier base through regular supplier meetings and other means. We will communicate the principles of this Policy to our suppliers and request them to set similar policies for their supply chain.

4. Precicast Supplier Requirements for “Conflict Free” Conflict Minerals

- 4.1 Precicast policy requires that our suppliers who manufacture components, parts, or products and/or who supply materials containing the Conflict Minerals tin, tantalum, tungsten, and/or gold must commit to sourcing such materials, components, parts, or products from environmentally and socially responsible sources only. Materials, components, parts, or products which, either directly or indirectly, contribute to conflict are unacceptable. Thus, suppliers shall only supply to Precicast materials, products, parts and components containing Conflict Minerals that are entirely “conflict free.”
- 4.2 Suppliers shall define, implement and communicate to sub-suppliers their own policy, outlining their commitment to responsible sourcing of materials (including, the purchase of “conflict free” materials, products, parts and component), legal compliance and measures for implementation. Suppliers shall work with sub-suppliers to ensure traceability of Conflict Minerals in their supply chains to at least to smelter level, e.g. by using the EICC-GeSI Conflict Minerals Reporting Template. (A copy of the template can be downloaded: Download the latest version of the EICC-GeSI Conflict Minerals Reporting Template at <http://www.conflictreesmelter.org/documents/EICCGeSIDDtemplate.xlsx> (registration required).) Precicast reserves the right to request further evidence of a supplier’s supply chain down to mine level when necessary. Once mechanisms are available, suppliers shall ensure that purchased metals originate from smelters validated as being “conflict free”.