



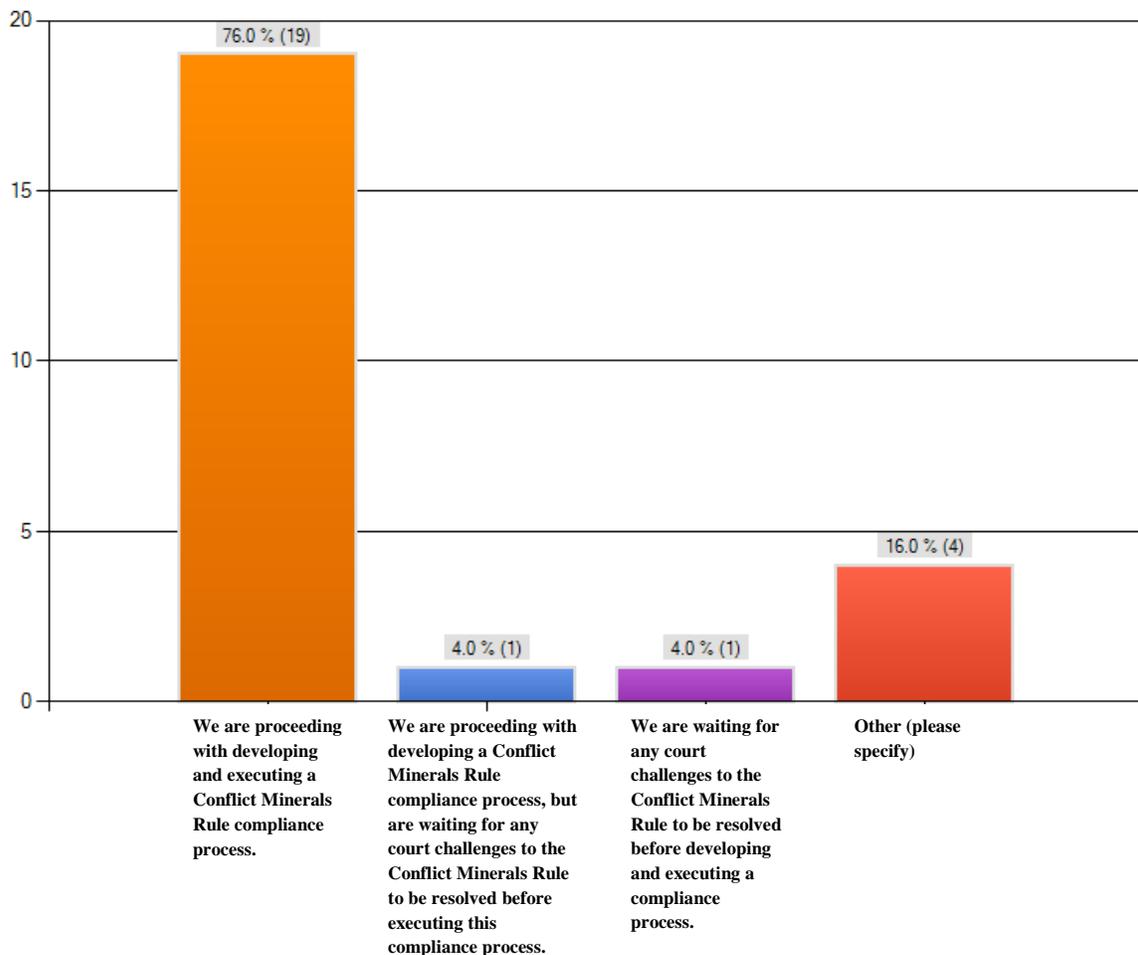
## 2013 Conflict Minerals Rule Compliance Process Survey

Please find below the results of our 2013 Conflict Minerals Rule Compliance Process Survey. In total, 25 survey responses were received from TRACE member companies.

### **Question #1**

As illustrated in the chart below, the majority (76%) of respondents are proceeding with developing and executing a Conflict Minerals Rule Compliance Process, despite current legal challenges to the rule.

**Is your company proceeding with developing and executing a Conflict Minerals Rule compliance process, or is your company instead waiting for any current court challenges to the Conflict Minerals Rule to be resolved?**



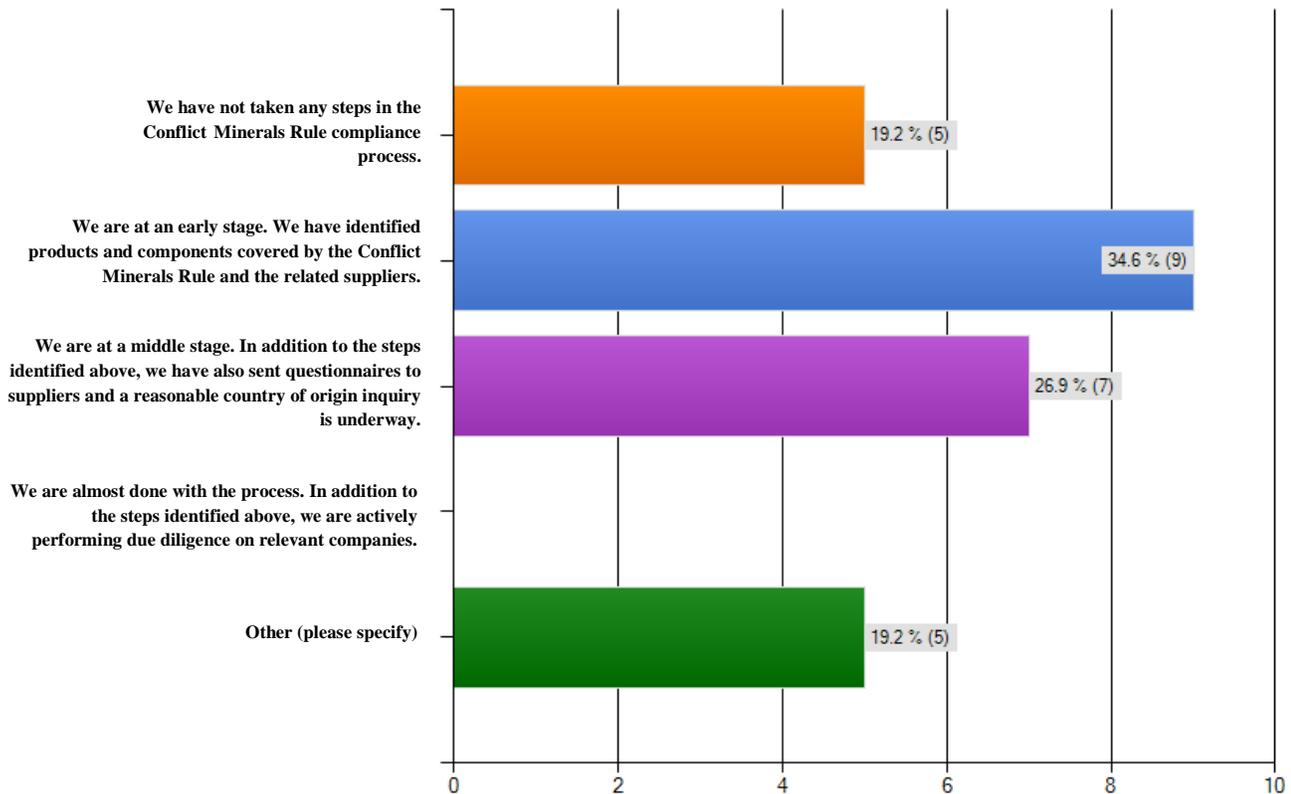
**The four respondents who responded “other” provided the following explanations:**

- It does not apply to our company.
- We follow the International Council on Mining and Metals (ICMM) principles on that topic plus have [our] own internal risk based identification process.
- Not governed by SEC but customers are flowing down.
- Waiting clarification as to whether [the Conflict Mineral Rule] applies to our company (we don't believe it does).

**Question #2:**

As shown below, respondents are closely split between having taken no steps in the Conflict Minerals Rule compliance process (5 respondents); being at an early stage in this process (8 respondents); and being at a middle stage in this process (7 respondents). No respondents are almost done with the process.

**At what stage in the Conflict Minerals Rule compliance process is your company?**



**The five respondents who responded “other” provided the following explanations:**

- We are in the process of identifying products and components and have not yet moved to the identification of suppliers.
- Middle to last step - problem is getting accurate responses down the supply chain.
- Awaiting clarification as to whether the [Conflict Mineral Rule] applies to our company. We don't believe it does.
- We are at an early stage. We have begun to develop an overall company policy and set of processes and procedures for ensuring compliance with this new Conflicts Minerals compliance. We have begun to develop the questionnaires and have begun discussions with our Suppliers and our Customers.
- We are at any early stage, evaluating how we will conduct our supplier survey/due diligence to comply with the [Conflict Minerals Rule].

**Question #3: Describe the resources (employees, financial, etc.) your company has dedicated so far to the Conflict Minerals Rule compliance process.**

We have summarized, below, respondents' descriptions of the resources their company has dedicated to the Conflict Minerals Rule compliance process:

- A cross-functional team is working on compliance efforts.
- An internal conflict minerals working group has been organized to develop our compliance process, including representation from procurement, environmental, legal, compliance and engineering. We are hiring three employees within the procurement function with data analysis and/or IT capabilities.
- We have a dedicated program manager responsible for implementing the compliance process who is leveraging the supply chain resources necessary to scope the work, etc. We are currently previewing different software tools to assist with the compliance program on an ongoing basis beyond our initial [reasonable country of origin inquiry] and related questionnaire.
- None.
- We have a Conflict Compliance Committee, consisting of procurement, legal/compliance, finance, IT, internal audit, outside help. We are purchasing a software package.
- We have formed a steering committee and are developing guidelines for our procurement department to use for querying our supply base.
- Project Management Office, Legal, Internal Audit, Outside Counsel.
- Topics covered by the CSR staff, among other topics.
- None. However, we are concerned that major customers are flowing down this requirement.
- We have used only internal resources, developing teams (supply chain, engineering) at our value centers to begin the identification process. We also have an HQ team (finance, legal, engineering, supply chain) that is overseeing the progress. We are using outside consultants/counsel.
- We have a cross-functional team of at least ten members from IT, Finance, Legal and Sourcing.
- Since we are leaders we have put many resources in helping to develop the systems and

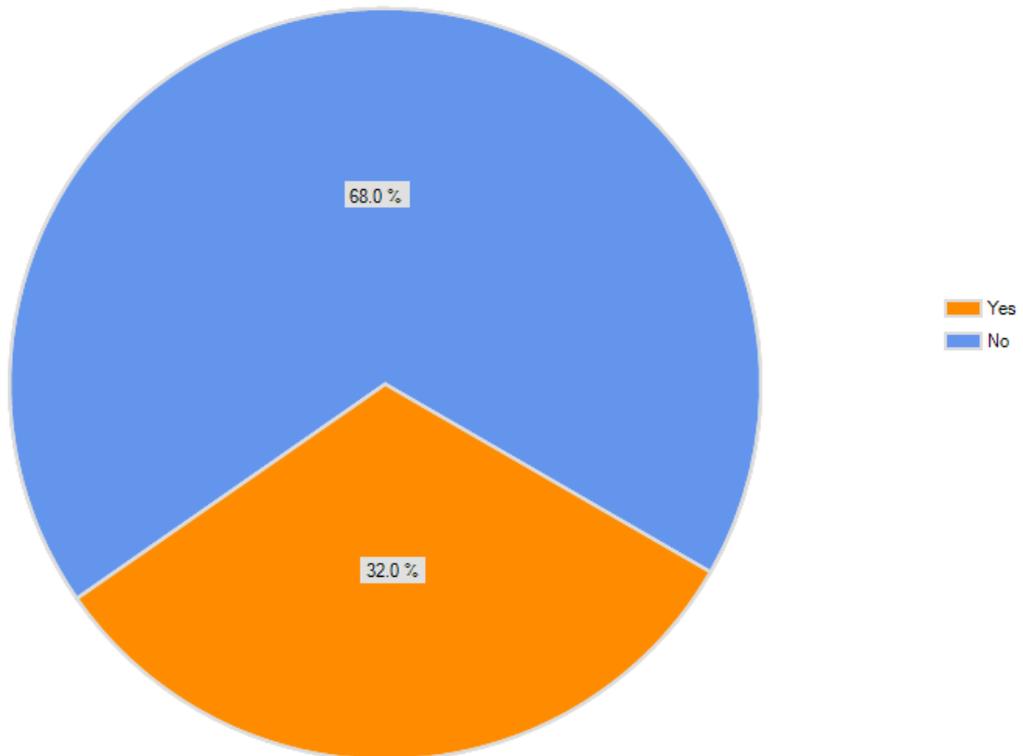
processes for conflict free validation. From a sustaining perspective, we have engagement from supply chain, corporate affairs, legal.

- Personnel from Legal, Government Affairs, Purchasing, Supply Chain, Engineering are involved.
- None so far.
- Chief Compliance Officer.
- Compliance and Supply Chain Staffs of parent company in Japan.
- Legal -- research applicability to our organization.
- We have a dedicated Senior Director assigned to Conflict Minerals and a dedicated SME team that works collaboratively with our manufacturing sites to manage this process, evaluate results and provide roll-ups for all customers. We are working with IT to define a tool that will help manage the >10,000 suppliers we have in order to assess and move away from the paper process we have in place. In addition, we have dedicated legal personnel to this program who help work with outside counsel to interpret the requirements of the law and rules. Finally, we have adopted the Electronic Industry Citizenship Coalition (EICC) tools and conflict-free smelter (CFS) program as our standard for due diligence from the suppliers.
- Employees.
- Significant resources are being expended. Well over a dozen employees across our divisions have been assigned to a Core Team responsible for implementing the compliance program. Significant financial resources are being expended also with outside resources.
- Purchasing department and legal department reviews.
- At present, Contracts, Engineering & Supply Chain.
- Employees from each business group.
- Part of our larger due diligence project.
- The project is being led by our Director - Supply Chain. He is assisted by local purchasing professionals. Ten or so employees total are involved.

**Question #4:**

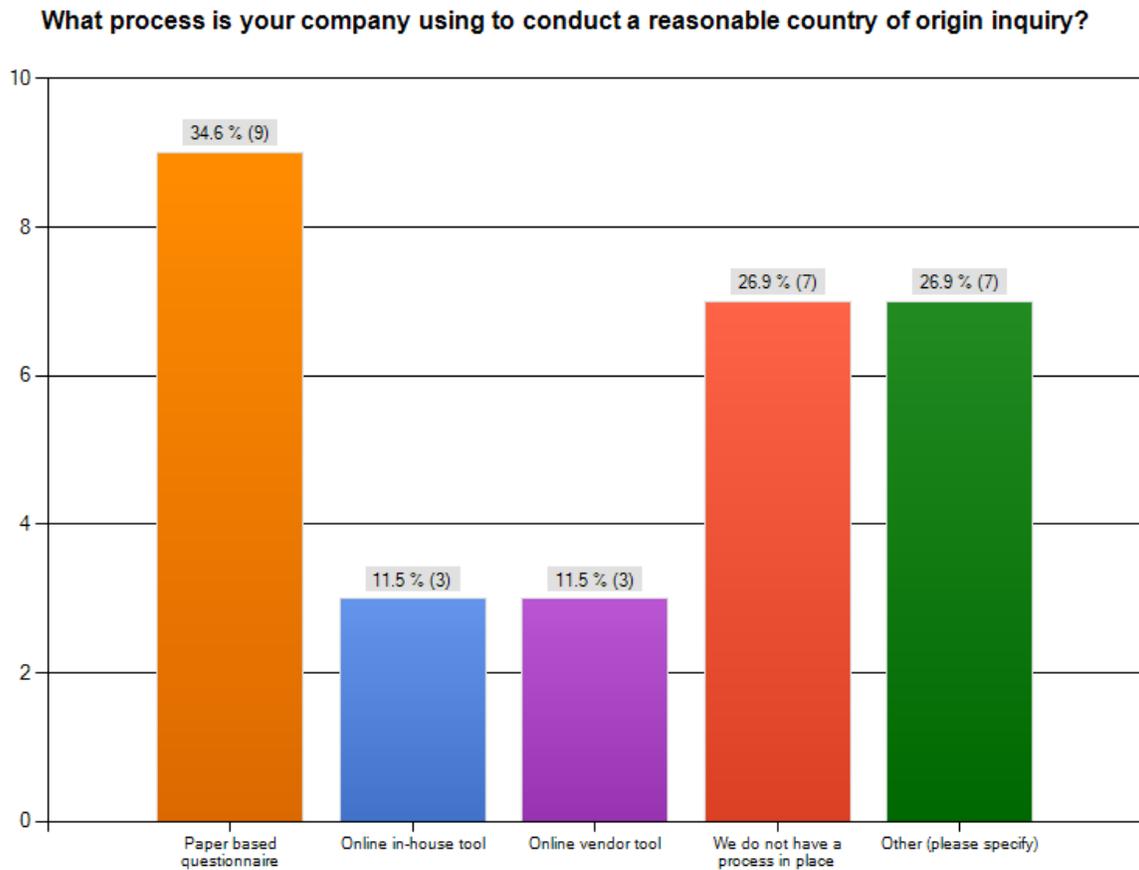
Most respondents (68%) are not working with an outside consultant or lawyer on their Conflict Minerals Rule compliance process.

**Is your company working with an outside consultant or lawyer on your Conflict Minerals Rule compliance process, or for consultation on issues associated with this process?**



**Question #5:**

Most respondents (nine total) are using a paper-based questionnaire to conduct a reasonable country of origin inquiry.



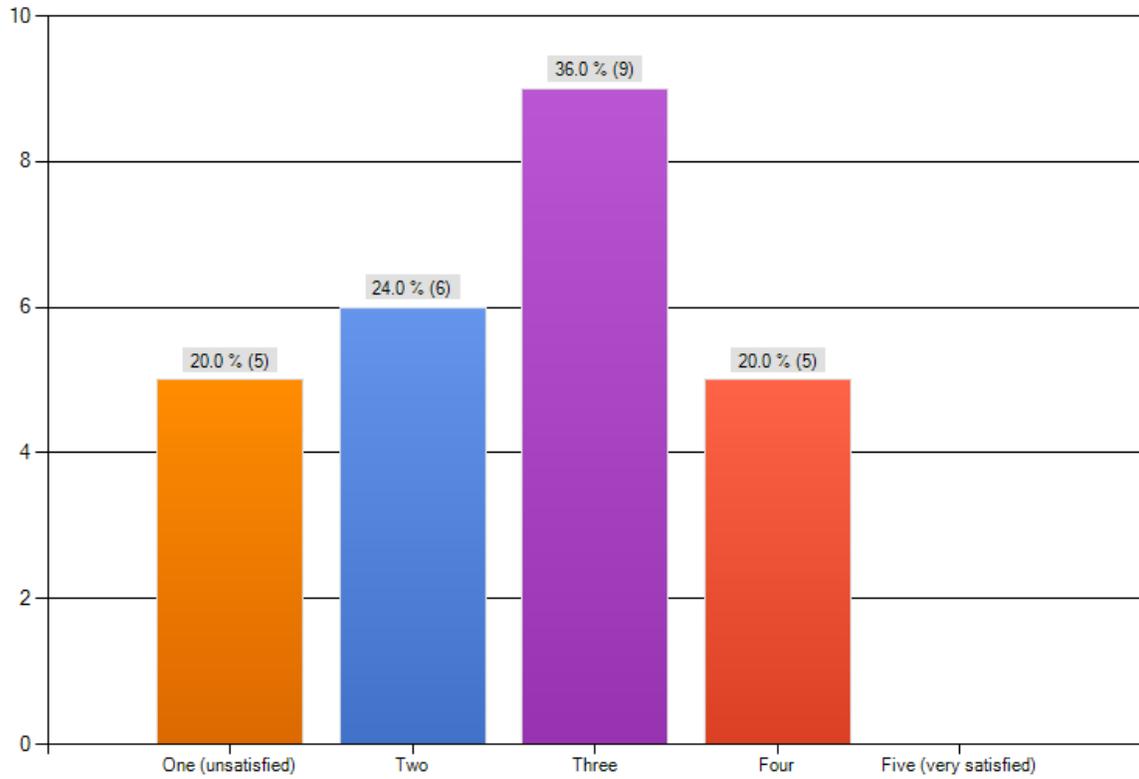
**The seven respondents who responded “other” provided the following explanations:**

- EICC/GeSI template
- EICC Template
- None because the rule is not applicable.
- Our process is based on SAP and procurement database.
- We plan to use an online tool but have not yet decided whether it will be in-house or an online vendor tool.
- EICC-GeSI
- An email questionnaire document and data template.

**Question #6:**

Respondents grouped toward the middle in rating their sense of satisfaction with their current reasonable country of origin process. No respondents were “very satisfied” with their process.

**On a scale of one to five (with one being unsatisfied, and five being very satisfied), how satisfied are you with your current reasonable country of origin process?**



**Question #7:**

Over half of the respondents (14 total) had between 101 to 1000 suppliers that are a part of their reasonable country of origin inquiry.

**How many suppliers are a part of your reasonable country of origin inquiry?**

