

NOTE: THIS IS A SUPPLIER COMMUNICATION TEMPLATE FOR USE BY OEMs and SUPPLIERS.

October ##, 2019

To <COMPANY NAME> supplier partners:

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 those products.

“Conflict minerals” refers to gold, as well as tin, tantalum, and tungsten, the derivatives of cassiterite, columbite-tantalite, and wolframite, regardless of where they are sourced, processed or sold. The U.S. Secretary of State may designate other minerals in the future. The intent of these requirements is to further the humanitarian goal of ending violent conflict in the Democratic Republic of the Congo (DRC) and in surrounding countries, which has been partially financed by the exploitation and trade of conflict minerals.

To ensure compliance with these requirements, each manufacturer in the supply chain must request information regarding the use of conflict minerals from their direct suppliers, who, in turn, must solicit that information from the next tier of suppliers. Therefore, <COMPANY NAME> must impose new reporting requirements on its global supply chains, regardless of where the components and materials are purchased. <COMPANY NAME> has been working closely with the [Automotive Industry Action Group \(AIAG\)](#) and our OEM and tier-one colleagues to ensure consistency in the tools used to establish this process. As a result of these efforts, <COMPANY NAME> strongly urges our supplier partners to undertake the following actions, which are similar to those of other automotive and cross-industry manufacturing companies:

Report the required company-level data and the smelter data, for all uses of the designated minerals and derivatives in the iPCMP tool for any materials, components or products supplied to <COMPANY NAME> after January 1, 2019 by returning a completed Conflict Minerals Reporting Template ([CMRT](#)), including all smelter information for all of the designated minerals.

Alternatively, you may use <ENTER NAME> tool, endorsed by <COMPANY NAME>.

Enroll in a training session with AIAG, where you can learn how to prepare and submit a report to <COMPANY NAME> that discloses your use of conflict minerals in the materials, components and products you provide to <COMPANY NAME.>

Typical timing is that reporting templates will be due by <4th Quarter OEM, 3rd Quarter Tier-one, 2nd Quarter Tier-two> 2019 for all suppliers expected to provide products to <COMPANY NAME> between January 1, 2019 – December 31, 2019.

Document all steps taken to collect and report conflict minerals information and preserve that documentation.

NOTE: SELECT THE FOLLOWING PARAGRAPH BASED UPON YOUR COMPANY'S SEC FILING STATUS.

(SEC Filer) <COMPANY NAME> will eventually be audited as to our due diligence in our efforts to collect this information from our supply chains. . The framework for this audit can be found in the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. We will be providing you with further guidance as to our requirements to minimize deficiencies in the event of an audit. Information on the OECD framework can be found: <https://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Edition3.pdf>

(Not an SEC filer) The materials you provide may be reviewed in an audit related to due diligence efforts to collect this information. The framework for this audit can be found in the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. We will be providing you with further guidance as to our requirements to minimize deficiencies in the event of an audit. Information on the OECD framework can be found:

<https://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Edition3.pdf>

Collecting and reporting information related to conflict minerals is expected to take months, so prompt action is critical. Once you provide conflict minerals data, any next steps required to address concerns in the supply chain will be handled on a company-by-company basis.

We appreciate your immediate attention to this matter. General information regarding these requirements can be found at <https://www.aiag.org/corporate-responsibility/responsible-materials>

Please contact <conflictminerals>@<COMPANY URL> with any company-specific questions you may have on this subject.

Signed by Purchasing Executive at <COMPANY NAME>