



February 22<sup>nd</sup>, 2016

## Conflict Minerals Policy

The U.S. Securities and Exchange Commission (“SEC”) issued the final conflict minerals rule under Section 1502 the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Conflict Minerals Rule”). The Conflict Minerals Rule requires publicly traded companies to report annually the presence of conflict minerals (tin, tungsten, tantalum and gold, or “3TG”) originating in the Democratic Republic of the Congo or adjoining countries (“Covered Countries”).

MELECS will take the required steps over time to source from socially responsible suppliers when the choice of supplier is within our control. We are working towards ensuring that our products do not contain Conflict Minerals that have been sourced from mines that support or fund conflict within the Democratic Republic of Congo or adjoining countries. Therefore we are working on a number of steps that include:

- not buying products and materials containing Conflict Minerals directly from Conflict Mines;
- identifying which MELECS products are impacted and targeting our efforts accordingly;
- expect our suppliers to provide required information to support our due diligence efforts;
- asking our suppliers to work towards ensuring that any Conflict Minerals contained in the products and materials supplied to MELECS do not originate from Conflict Mines;
- requiring our suppliers to implement a policy regarding Conflict Minerals and exercise due diligence to investigate the source of these minerals;
- updating MELECS’ Code of Conduct and our Terms of Purchase to reflect this policy.

If MELECS becomes aware of a supplier whose supply chain includes metals from a conflict source, MELECS will take the appropriate actions to remedy the situation in a timely manner, including reassessment of supplier relationships, to achieve that objective. MELECS expects our suppliers to take similar measures with their suppliers to ensure alignment throughout the supply chain.