

# Conflict Minerals

## Hoffer Flow Controls Policy Statement: Conflict Minerals

### **CONFLICT MINERALS**

Hoffer Flow Controls is committed to sourcing components and materials from companies that share our values around human rights, ethics and environmental responsibility. On August 22, 2012, the final rule regarding sourcing of conflict minerals under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act was approved by the U.S. Securities and Exchange Commission.

The rule imposes reporting requirements on certain companies to perform due diligence with respect to the sourcing of conflict minerals and to file annual reports relating to the use of conflict minerals (tantalum, tin, gold or tungsten) originating in the Democratic Republic of the Congo and certain adjoining countries (collectively, the "Covered Countries) in the products they manufacture or contract to manufacture if the conflict minerals are necessary to the functionality or production of a product.

Hoffer Flow Controls is committed to taking steps to comply with the legislation and has implemented a due-diligence process to meet its obligations. Hoffer Flow Controls supports an industry-wide approach to addressing social responsibility issues throughout the supply chain.

In order to comply with the legislation and manage customer requests regarding conflict minerals, Hoffer Flow Controls has and plans to continue the following:

- Educate its suppliers with respect to the requirements on conflict minerals.
- Use an industry-wide identified approach to develop a centralized means of collecting, tracking and responding to customer requests.
- Assess its products and identify those for which conflict minerals are or may be necessary to their functionality or production.
- Develop processes to determine if such necessary conflict minerals originated in the Covered Countries or to confirm that they are from recycled or scrap sources.
- Based upon the information gathered utilizing the processes developed, prepare its Conflict Minerals Report.

Hoffer Flow Controls expects its suppliers to conduct similar due diligence on the sources and chains of custody of these minerals and make their due diligence findings available to Hoffer Flow Controls.

## **Grievance Mechanism and Reporting**

Any individual or company that has a reasonable suspicion that conflict minerals are present in Hoffer Flow Controls' supply chain should alert Hoffer Flow Controls conflict mineral management team of the specifics regarding the suspicion. Hoffer Flow Controls will perform due diligence on any reasonable inquiries, and will address any conflict minerals that are identified with the offending supplier.

## **SUPPLIER RESOURCES: CONFLICT MINERALS**

Hoffer Flow Controls has created this resource section with a list of links to conflict minerals resources to help suppliers understand the regulations and reporting requirements for Conflict Minerals. Hoffer Flow Controls is providing this information to its suppliers to help them understand Hoffer Flow Controls' expectations.

Tracing materials back to their mine of origin is a complex but critical requirement of responsible sourcing in the electronics supply chain. The EICC and GeSI are taking action to address material sourcing through the development of the Conflict Free Smelter (CFS) Program.

To download the current CMRT (template) and other training materials, visit the CFSI website: <http://www.conflictreesourcing.org/>