

RENCO ELECTRONICS, INC.

"Precisely the best coils and transformers"



Conflict Minerals Policy Statement

As part of our Ethics and Social Responsibility Policy, Renco has committed to the responsible sourcing of Conflict Minerals. Renco began requesting mineral sourcing data from its suppliers in 2010. By August 2011, we implemented our conflict-free minerals policy and have followed it since.

HISTORY

On July 21, 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act was signed into law. In August 2012, the U.S. Securities and Exchange Commission (SEC), issued its final rules on Conflict Minerals defined under Section 1502. Conflict Minerals currently include the metals Tantalum, Tin, Tungsten and Gold, which are also referred to as '3TG'. The Conflict Minerals Rule outline 3TG sourcing and reporting requirements, for all publicly traded companies subject to the SEC. Rules of the Dodd Frank Act Section 1502 include, but are not limited to; evaluate whether 3TG are necessary to the production or functionality of your products; identify and document all 3TG throughout your supply chain; implement downstream "DRC conflict-free" sourcing policy throughout the supply chain; due diligence to restrict sourcing of 3TG from the Democratic Republic of the Congo (DRC) and its adjoining countries; annual reporting of 3TG findings to the SEC.

By requiring companies to document and report 3TG sources, the intent of the Dodd Frank Act Section 1502 is to expose financial interests that support armed groups in the DRC area, and dissuade companies from continuing to engage in trade that contributes to conflict-zones.

IMPACT

Virtually every product Renco manufactures and supplies contains one 3TG; Tin, which is necessary to the production and functionality of our products. Renco does not purchase or process any raw Conflict Minerals directly. Tin is added to our products, by way of molten bar-solder and roll-solder. Renco is a privately held corporation, not subject to SEC rules. However, Renco chooses to be a responsible company with DRC conflict-free standards and understands the needs of our customer base subject to the SEC.

COMMITMENT

- Support the goals and objectives of the Dodd Frank Act Section 1502, by educating our suppliers about Conflict Minerals and the importance of transparency regarding origin.
- Assist suppliers with understanding due diligence measures they can take, to investigate the source of Conflict Minerals in products sold to Renco.
- Discontinue business with suppliers that do not implement reasonable steps to eliminate any identified Conflict Minerals, not deemed as DRC conflict-free.
- Document Conflict Minerals sourcing, using the most current version of the industry recognized CMRT (Conflict Minerals Reporting Template).

ISO 9001
QUALITY ASSURED

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SUPPLIER COMMITMENT

- Suppliers should develop Conflict Minerals policies, due diligence frameworks, and management systems that are designed to prevent the use of Conflict Minerals originating from the DRC or adjoining countries.
- Suppliers are expected to source Conflict Minerals that are DRC conflict-free only, and not supply products or materials which are not DRC conflict-free.
- Notify Renco of any supplied product that are believed to contain Conflict Minerals sourced from the DRC or adjoining countries.
- Implement procedures for the traceability of Conflict Minerals; such as using the CMRT.
- Use reasonable efforts to source Conflict Minerals from smelters and refiners validated as being DRC conflict-free, and downstream the same requirement throughout the supply chain.

All suppliers, including companies that are not subject to the Dodd Frank Act Section 1502 rules, are encouraged to support industry efforts enhancing traceability and responsible practices in Conflict Minerals supply chains.

SUSPECT CONFLICT MINERALS

Employees and suppliers are able to communicate any potential Conflict Minerals violations, by using the following methods:

- Send letters to: Renco Electronics Inc., Attn: QA Conflict Minerals, 595 International Place, Rockledge, FL 32955
- Email: quality@rencousa.com
- Call: 1-321-637-1000, QA Manager

No retaliatory actions will be taken against any who report true findings. All reporting information will be kept confidential and may be done so anonymously.

Renco is committed to contributing to the safety, health and protection of people and the environment worldwide. These principals are promoted throughout our global business practices, Ethics and Social Responsibility Policy and Supplier Code of Conduct.

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