

Conflict-Free Sourcing Initiative

May 2014

The Dodd Frank Wall Street Reform and Consumer Protection Act came into effect on January 1, 2013. Section 1502 of this act relates specifically to "Conflict Minerals". Under this rule, publicly traded companies must report to the SEC whether "conflict minerals" (tantalum, tin, gold, and tungsten) originating in the Democratic Republic of Congo (DRC) or adjoining "covered countries" are present in the products the reporting companies manufacture or contract to manufacture, if the conflict minerals are necessary to the functionality or production of a product.

The sale of conflict minerals mined in the DRC and other covered countries has funded armed conflicts in that region and those conflicts have led to numerous human rights abuses and atrocities. In addition to the DRC, the covered countries include Angola, Burundi, The Central African Republic, The Republic of Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia.

Although Cypress Industries is a privately held company and the reporting requirements of Section 1502 do not pertain to us as a company, many of our customers do fall within the scope of the Dodd Frank Act. To that end, Cypress Industries is fully committed to ensuring our products contain "conflict-free" minerals and we are in full compliance with this legislation.

Cypress Industries policy regarding "conflict minerals" is to ensure that any conflict minerals incorporated in our products do not originate from the DRC or any of the covered countries listed above and have our suppliers adopt similar policies.

As part of our due diligence, Cypress Industries is actively engaging our supply base with the EICC GESI Conflict Minerals Reporting template (CMRT) and compiling smelter lists for the conflict minerals that may be contained in one or more of our products. To date, all suppliers who have responded to our survey have indicated that the conflict minerals used in Cypress Industries products have not been mined in conflict areas.

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