

## Dodd-Frank Act – Position Statement

Poole, 28.06.2016

The U.S. **Dodd- Frank Act** to reform the U.S. financial market law was signed in July 2010 by President Obama.

Section 1502 of the Dodd-Frank Act goes into **conflict minerals** from the Democratic Republic of Congo (and neighbouring countries), and names explicitly coltan, tungsten, **gold** and **tin**, of which the latter two play a role in the **production of printed circuit boards**. The term "conflict minerals" is based on the financing of armed conflicts by means of the proceeds from sales of raw materials in these countries.

U.S. companies listed at the stock exchange are obliged by Dodd-Frank to disclose **whether conflict minerals are used in their products**, which originate from the DRC or neighbouring countries.

The **EICC** (Electronic Industry Citizenship Coalition) and **GeSI** (Global e -Sustainability Initiative) make it compulsory for companies to ensure with all **reasonable care** for the **selection of their supply chain**, that those **metals are not sourced from mines in the conflict region**, which are controlled by military non-governmental groups or unlawful factions.

The **ZVEI** (German Electrical and Electronic Manufacturers' Association) also notes that the issue of conflict minerals intervenes deeply with the supply chain of German and European companies and thus **it applies to the EU to prevent a law à la Dodd- Frank and rather reach for a humanitarian meaningful and viable solution** for the industry. This could be the **certification of the smelters** as a "bottleneck", as only this type of certification is **traceable and verifiable**. Just before melting a chemical / geological proof of origin (fingerprint) is possible.

**Multi Circuit Boards supports both the actions of the ZVEI, and the EICC and GeSI.**

We have the **information of our suppliers** regarding the **origin of the metals** of concern,

which are used in the production process either already received or are just about to ask this.

Based on the information which has been provided to us by our suppliers, **no metals from the conflict region are included in the products supplied by Multi-CB** according to our current knowledge.

**Suppliers of metals** which are used in the production of Multi-CB products (especially gold and tin) must demonstrate that they **understand and support the efforts of the EICC and GeSI** and do not knowingly obtain conflict minerals.

**We also support the efforts of the ZVEI** to enforce compulsory registration of smelters for European suppliers, instead of the complicated and ineffective disclosure of the entire supply chain.

Multi Circuit Boards Ltd.