

Conflict Minerals

Background

In August 2012, the United States Securities and Exchange Commission (“SEC”) issued its final rules regarding “Conflict Minerals” (known as ‘3TG’ – Tantalum, Tin, Tungsten and Gold) as defined in and required by section 1502 of the Dodd- Frank Wall Street Reform and Consumer Protection Act (the “Act”). As a result, many companies are now focusing on whether and to what extent their products contain Conflict Minerals and whether such Conflict Minerals come from the Democratic Republic of Congo and the adjoining countries named in the Act.

Backer strives to be a good corporate citizen. We are committed to ensuring the health, safety and protection of people who come into contact with our products and business, and we require high social, environmental and human rights standards among our suppliers. Managing our obligations in relation to Conflict Minerals is a part of this corporate responsibility.

Backer’s commitments

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 committed to:

- identifying which Backer products are impacted and targeting our efforts accordingly
- not buying products and materials containing Conflict Minerals directly from Conflict Mines
- asking our suppliers to work towards ensuring that any Conflict Minerals contained in the products and materials supplied to Backer do not originate from Conflict Mines

Backer’s measures

In working towards these commitments, we have taken a number of steps that include:

- establishing procedures in management systems to be in a position to fulfill reporting obligations to the SEC and respond to customer inquiries based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.
- requiring our suppliers to implement a policy regarding Conflict Minerals and exercise due diligence to investigate the source of these minerals
- engaging with our suppliers so that they respond in a timely manner to our requests for evidence of compliance. In the future, our suppliers’ willingness to comply with this initiative will be a factor in our sourcing decisions
- updating the Backer Supplier Code of Conduct and our purchasing terms and conditions to reflect this policy