



K & G MANUFACTURING CO.

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K&G Manufacturing Policy

K&G Manufacturing CONFLICT MINERALS SUMMARY POLICY

1. POLICY STATEMENT

- 1.1 K&G Manufacturing operates a Conflict Minerals Policy ("the **Conflict Minerals Policy**") which details its expectations of its suppliers with regards to minerals which may originate from territories where there are conflicts or are used to fund armed conflict. K&G Manufacturing's policy is to ensure that "3TG" minerals are sourced responsibly and from conflict-free regions
- 1.2 This Summary Policy is a summary of the key provisions of the Conflict Mineral Policy.

2. APPLICATION

- 2.1 The Summary Policy and the Conflict Minerals Policy apply to all individuals working at all levels of K&G Manufacturing including officers, directors, managers, employees (whether permanent, fixed-term, or temporary), contractors, trainees, casual workers/agency staff, or any other person working for K&G Manufacturing (collectively referred to as "**Company Employees**").
- 2.2 K&G Manufacturing expects its Suppliers and persons, companies or entities with whom we enter into a joint venture, consortium or similar relationship (referred to as "**Relevant Joint Venture Partners**") to comply with the Conflicts Mineral Policy and the Summary Policy.

3. WHAT ARE CONFLICT MINERALS?

- 3.1 The EU, US and elsewhere have rules governing trade in four minerals – tin, tantalum, tungsten and gold (known as "3TG") – as sometimes 3TG minerals are used to finance armed conflict or are mined using forced labor. The mining of these minerals in conflict zones can also cause unacceptable environmental degradation.
- 3.2 K&G purchases all material domestic and internationally from qualifying company's. K&G will not process any magnets at this time. Reference DFARS see clauses 252.225-7008, 252.225-7009, 252.225-7052 and 252.7003-5.

4. SUPPLIERS

- 4.1 In accordance with the Conflict Minerals Policy, when sourcing products or raw materials containing 3TG, K&G Manufacturing will work with its suppliers to ensure compliance with all applicable laws and regulations and ensure that all 3TG materials sourced by K&G Manufacturing are considered 3TG Conflict Free. As a minimum, relevant suppliers are required to:
 - 4.1.1 perform due diligence to ascertain the point of origin of 3TG minerals in their products;
 - 4.1.2 complete the Responsible Minerals Initiative reporting template or equivalent, as required by K&G Manufacturing.
 - 4.1.3 ensure that their respective suppliers are complying with applicable laws;
 - 4.1.4 request that their next tier suppliers perform due diligence;
 - 4.1.5 obtain raw materials from audited sources as a matter of principle wherever possible, using independent, third-party assurance;
 - 4.1.6 disclose their supply chain upon request to K&G Manufacturing;
 - 4.1.7 give their consent to audits that may be performed by K&G Manufacturing (or third ties acting on behalf or for K&G Manufacturing).

- 4.1.8 ensure that all certification and documentation provided to K&G Manufacturing is complete, accurate, true and free of rights of any third-party and may be used by K&G Manufacturing for any kind of reporting it deems necessary.

5. **CONSEQUENCES OF NON-COMPLIANCE**

- 5.1 K&G Manufacturing will take appropriate disciplinary action, up to and including termination of employment, against any Company Employee who fails to comply with the Conflict Minerals Policy and this Summary Policy.
- 5.2 K&G Manufacturing may cease to continue working with any Supplier or Joint Venture Partner who fails to comply with the Conflicts Minerals Policy and this Summary Policy.
- 5.3 In addition, any person who breaks the law may be reported to the police and/or relevant authorities and may face criminal proceedings, fines or imprisonment.

6. **HOW TO RAISE A CONCERN**

- 6.1 If a Company Employee suspects that the Conflict Minerals Policy or this Summary Policy has been breached, they should speak to their immediate Supervisor or Human Resources.
- 6.2 Suppliers and third parties should speak to their K&G Manufacturing contact or email: JDunn@kgmfg.com.
- 6.3 K&G Manufacturing encourages openness and will support anyone who raises genuine concerns, even if they turn out to be mistaken. All concerns will be investigated. K&G Manufacturing is committed to ensuring that no Company Employee suffers any detrimental treatment as a result of raising a concern.