

## The Specialist in Electronic Component Distribution

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Social & Environmental Stewardship: Conflict Minerals and Cobalt

In 2010, the United States Dodd-Frank Wall Street Reform and Consumer Protection Act was passed concerning “conflict minerals” originating from the Democratic Republic of the Congo (DRC) or adjoining countries. The U.S. Securities and Exchange Commission (“SEC”) published final rules associated with the disclosure of the source of conflict minerals by U.S. publicly traded companies (see the rules at <http://www.sec.gov/rules/final/2012/34-67716.pdf>). The rules reference the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, ([OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](https://www.oecd.org/due-diligence/guidance-for-responsible-supply-chains-of-minerals-from-conflict-affected-and-high-risk-areas/)), which guides suppliers to establish policies, due diligence frameworks and management systems.

Additionally, the Responsible Minerals Initiative (RMI) has issued a Cobalt Standard in line with the requirements of the OECD Due Diligence Guidance for Responsible Mineral Supply Chains from Conflict-Affected and High-Risk Areas. The Cobalt standard also encourages companies to source responsibly from Conflict-Affected and High-Risk Areas.

In 2017, Regulation (EU) 2017/821 of the European Parliament and of the European Council of 17 May 2017 was passed concerning supply chain due diligence obligations for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas (see regulation at <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2017:130:FULL&from=EN>)

For the past decade, TTI, Inc. and our affiliates have monitored and continue to monitor the related issues and developments as they impact the electronics supply chain. We are fully aware of these laws and standards and will continue to monitor the related, ongoing SEC developments. TTI is committed to helping our customers comply with all reporting requirements.

Component manufacturers have made it clear that their distributors are not authorized to provide this complex data to the end customer, as traditional component distribution activities are not within the scope of the Act’s reporting requirements. However, TTI also realizes the importance of this initiative and fully supports its spirit. To aid customers in determining the component manufacturer’s Conflict Mineral and Cobalt Position, TTI is providing access to our component manufacturer’s statements via the internet: <https://www.ttiinc.com/content/ttiinc/en/about/environment/conflict-minerals.html>

Information from component manufacturers is becoming more readily available and TTI continues earnest efforts to facilitate the timely flow of information to assist our customers. TTI is actively involved with the Electronics Components Industry Association who have also posted component manufacturer’s information online at <https://www.ecianow.org/member-company-information>.

Regards,



John H. Archer

SVP, Chief Administrative Officer