

Conflict Minerals Policy

Background

The US Security and Exchange Commission's (SEC) Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act has brought about new requirements for publicly traded companies to promote transparency and consumer awareness in the use of "conflict minerals", namely tantalum, tin, gold and tungsten coming from the Democratic Republic of Congo and surrounding countries.

Effective from November 2012, the SEC's final ruling requires publicly traded companies to submit a report to show the measures they took to exercise due diligence on the conflict minerals' source and if it directly or indirectly finances or benefits armed groups in that region. (<http://www.sec.gov/rules/final/2012/34-67716.pdf>)

Electronic Industry

We see the reasoning of this legislation to be in the effort to enforce corporate responsibility and exposing purchase of conflict minerals that only fuels injustices from armed groups. Although we also recognise the effect on the supply chain which requires significant gathering of information from suppliers to support their publicly traded customers in becoming conflict free.

In a study done by the IPC – Association Connecting Electronics Industries in November 2011, it noted that the SEC had not correctly anticipated the significant cost that the Act would place on the supply chain in producing traceability reports. http://www.ipc.org/3.0_Industry/3.3_Gov_Relations/2011/Supplemental-Comments-on-Conflict-Minerals.pdf

With supply chains stretching worldwide this affects not only the US but also New Zealand's electronic manufacturing.

QuickCircuit Response

We are committed to delivering quality products that are ethically, socially and environmentally responsible.

Our desire would be to have a conflict-free supply chain but this is a long term objective and where requested we can provide detail from our supply chain as to the validity of materials to support the conflict minerals legislation.

If QC becomes aware of a supplier whose supply chain includes metals from a conflict source, we will take the appropriate actions to review this situation in a timely manner.

We would hope our suppliers take similar measures with their suppliers to ensure a transparent supply chain.