



An Introduction to Conflict Minerals

For Suppliers to Apogee Enterprises, Inc. and its Business Units



- ❑ Part of the Dodd-Frank Act of 2010**
- ❑ Applies to all SEC registrants**
- ❑ Requires companies who manufacture or contract to manufacture to determine if their products contain certain necessary minerals (3TG minerals)**
 - Cassiterite (tin)**
 - Columbite-tantalite (tantalum)**
 - Wolframite (tungsten)**
 - Gold**
- ❑ SEC registrants are then required to determine the origin of these minerals**
- ❑ An annual report must be filed with the SEC at the end of May for the previous calendar year**
- ❑ As an SEC registrant, Apogee Enterprises, Inc. must comply with the Dodd-Frank Act of 2010**

Reason Behind the Requirement



- ❑ **In the Democratic Republic of the Congo (DRC) & surrounding regions there are many armed groups participating in extreme violence & ongoing conflict**
- ❑ **The US Congress decided that it would be a good idea if US companies did not support these armed groups & the conflict in that region**
- ❑ **Thus this requirement was created to discourage US companies from buying minerals that come from mines where the proceeds are funding this conflict**
- ❑ **The legislation does this by requiring all SEC registrants to assess their supply chain & report on the use of any 3TG minerals, including their country of origin**

- 1. Determine which suppliers provide materials that end up in our final product**
- 2. Determine if the materials from these suppliers contain any of the 3TG minerals**
 - Usually done through a questionnaire to the supplier or an internal analysis of purchases**
- 3. If the supplier is supplying 3TG minerals, then determine the country of origin of the 3TG content**
 - Process - Reasonable Country of Origin Inquiry (RCOI)**
 - Form - Conflict Minerals Reporting Template (CMRT)**
- 4. Analyze supplier responses to assess validity, accuracy and truthfulness**
 - Investigate any red flags**
 - Follow-up with suppliers about incomplete responses**

- 5. Review data provided by suppliers to determine if any 3TG content originates in the DRC Region**
 - Compare smelter lists & country of origin provided by supplier for smelter with publicly available data about that smelter**
 - Determine if the smelter has been certified through an audit as being “Conflict Free,” or, in other words, certified as not funding the armed groups in the DRC Region**
- 6. If it is determined that any of the 3TG content contained in our final products originate in the DRC Region, then we must have a third-party audit done of our process to determine if we really followed the requirements for Due Diligence in assessing supplier responses**

- ❑ Respond to our requests for information & disclosures in a timely manner**
- ❑ Support our efforts to comply with this requirement**
- ❑ Provide truthful & accurate information on all disclosures sent to Apogee Enterprises, Inc. or its Business Units**
- ❑ Conduct the necessary due diligence, as defined by the OECD, to validate the data you receive from your suppliers**

Potential Exclusions

- Recycled content is excluded since you cannot trace recycled materials back to their origin**
 - **Requirement: 100% of the 3TG mineral content from a supplier must be recycled**
- Materials must be:**
 - **Intentionally added, and**
 - **Necessary to production, or**
 - **Necessary to function**

- ❑ You can contact us via e-mail at conflictminerals@apog.com if you have any questions
- ❑ You may also use this e-mail address to report any concerns regarding the circumstances of mineral extraction, trade, handling and export in a conflict-affected and high-risk area