

DURAG GROUP Companies' Policy on "Conflict Minerals"

Referring to Dodd-Frank Act: US Conflict Minerals Law

'Conflict Minerals' refers to minerals or other derivatives (specifically, Tin, Tantalum, Tungsten, and Gold, also known as 3TG) mined in the eastern provinces of the Democratic Republic of the Congo (DRC) and in the adjoining countries where the revenues of the 3TG minerals may be directly or indirectly financing armed groups engaged in civil war resulting in serious social and environmental abuses.

On August 22nd, 2012, the U.S. Securities and Exchange Commission adopted final rules to implement reporting and disclosure requirements related to „conflict minerals“, as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) of 2010.

Conflict minerals within the meaning of the Dodd-Frank Act (status as of 01.01.2013) are: columbite-tantalite (coltan) / cassiterite (tin) / wolframite (tungsten) / gold / and their derivatives.

The intent of these regulations is to curtail the trade with conflict minerals, which originate from the Democratic Republic of the Congo (DRC) or surrounding countries and finance or benefit the ongoing violent conflict in the DRC or an adjoining country.

Companies registered on the U.S. stock exchange are required to report annually whether the products they manufacture or contract to manufacture contain conflict minerals that are necessary to the functionality or production of those products.

The Companies of the DURAG GROUP (s. www.durag.de) are not subject to the mentioned reporting and disclosure requirements.

At the same time all companies in the DURAG GROUP are fully aware of their social responsibilities in regard to environmental protection, safety as well as health and respect of human rights and sustainable conduct forms the basis of their business decisions.

The "code of behavior (Code of Conduct) of DURAG GROUP (s. www.durag.de) provide the ethical and legal framework in which we strive to conduct successful activities. Adherence to applicable laws and internal policies is an essential part of our integrity, and fundamental to our business.

In order to also ensure Sustainability in our Supply Chain, we have established the „Code of Conduct for Suppliers of DURAG GROUP (s. www.durag.de). We contractually commit our suppliers to this „Code of Conduct for Suppliers of DURAG GROUP“ and also expect them to promote these standards to their suppliers.

We do not directly import minerals so, by implication, we do not directly import so-called conflict materials. We use no Covered Minerals for any of the DURAG GROUP mechanical products in general. DURAG GROUP products with electrical and electronic components

DURAG GROUP

may possibly contain the Covered Minerals. The requirements arising from the US Conflict Minerals Law / the EU Initiative represent an additional requirement from us to the supply chain for these components.

In light of the requirements of the Dodd-Frank Act, we will work with our suppliers to trace material content in our products in order to determine whether minerals originating from mining or noncertified smelting operations in the conflict region are used in our products. We will not knowingly use conflict minerals from noncertified smelters of the conflict region in our products. As a result, we will require our suppliers to trace material content in the products they supply to us down to a conflict free certified smelter and to provide to us documentation regarding their due diligence efforts. We will require our suppliers to procure components, parts, or products containing conflict minerals that have been identified to be conflict-free.

Due to the size of our supply chains as well as the complexity of the routes by which these conflict minerals are traded, smelted and sold it might require some time to obtain full traceability to exact origin.

Our supply sources comprise only qualified and renowned vendors. To our knowledge, these suppliers do not use conflict materials originating in the Democratic Republic of the Congo or any one of the neighboring countries.

However, we are not in a position to guarantee this.

Because of the given situation we ask for your understanding that we are not able to give specific answers to questionnaires or customers portals concerning conflict minerals.

Please feel free to contact us should you have any further questions (www.durag.de / info@durag.de).