

## **Responsible Minerals Policy**

As a manufacturer of environmentally friendly products with a long-standing tradition and culture of ethics, integrity, and trust, Johnson Electric is committed to the responsible sourcing of minerals including tin, tantalum, tungsten, gold (“3TG”) and cobalt throughout our supply chain. Our goal is that any use of 3TG (or other substances as may be included in relevant legislation from time to time) and cobalt in our products is ethically sourced and conflict free.

The United Nations has found that extracting, trading, processing, and consuming minerals from Conflict Affected and High-Risk Areas, including the Democratic Republic of Congo and neighboring countries, risks directly or indirectly supporting armed groups, criminal networks, and the perpetrators of serious human rights abuses (causing the deaths of many of their own people, and including forced labor, the abuse of women and children, and unsafe working conditions).

In recognition of this issue, the U.S. enacted section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act requiring companies listed on the New York Stock Exchange to disclose whether their products contain 3TG. The European Union has enacted similar legislation. The intent of these requirements is to starve armed groups in the Congo region of the funding used to finance the conflict described by the United Nations. The Responsible Minerals Initiative added cobalt as a dedicated focus area in 2017.

Johnson Electric is committed to the ethical sourcing of 3TG and cobalt by:

- Implementing a company-wide process to identify the use, source, and origin of 3TG and cobalt in our supply chain, using the OECD due diligence framework.
- Requiring our suppliers to provide information on the presence of 3TG and cobalt in their products, and data on the smelters and refiners in their respective supply chains, consistent with the industry standard for supply chain transparency provided in the Conflict Mineral Reporting Template (CMRT) or Cobalt Reporting Template (CRT).
- Encouraging our suppliers to adopt policies and due diligence management systems consistent with OECD Guidance to identify, mitigate and, where appropriate, remediate risks associated with 3TG and cobalt, as well as encourage their suppliers to adopt similar policies and practices. Suppliers who do not comply with these expectations will be reviewed accordingly for future business and sourcing decisions.

As part of our commitment to corporate social responsibility, Johnson Electric will voluntarily collaborate closely with our customers and suppliers toward the ultimate goal of achieving a conflict-free supply chain.