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HPS Conflict Mineral Policy 1-2014

Hydra-Power Systems Inc. Conflict Minerals Policy

Under Section 1502 of the Dodd-Frank Wall Street Reform Act, manufacturers who file reports with the Securities and Exchange Commission (SEC) are required report if the products that they manufacture or contract to manufacture contain “conflict minerals” that are "necessary to the functionality or production" of those products. Conflict minerals refer to tin, tantalum, tungsten and gold that originate in the Democratic Republic of the Congo or adjoining countries whose mining or trade supports groups identified as perpetrators of serious human rights abuses in that region. Each manufacturer in the supply chain must request and receive information regarding the use of conflict minerals from their direct suppliers. These requests must filter down to the smelters sourced at the beginning of the supply chain in order to verify if the raw materials are conflict-free.

Hydra-Power Systems Inc. is actively engaged in supporting our customers’ efforts to comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act. We have made conflict mineral report requests to our direct suppliers via email and through the iPoint system (iPoint, 2014). Given the extent and complexity of this task, we expect that conflict free verification of product and tooling will take an indeterminable amount of time.

Hydra-Power Systems Inc. is committed to;

- Continually strive to identify products and/or tooling that contain conflict minerals.
- Eliminate conflict minerals from the products we manufacture, distribute, and/or the tooling we use in production.
- Support our customers by notifying them of the status of conflict minerals in the products we provide and/or the tooling we use in production.
- Comply with Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the related rules under that Act.

Reference.

iPoint (2014). Conflict Minerals Platform. iPoint-systems gmbh. Retrieved from, <http://www.conflict-minerals.com/licensing/>