

The *HITT* Companies, Inc.

Hitt Marking Devices • I.D. Technologies • National Stencil & Sign • Huntington Park Rubber Stamp

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Responsible Minerals Sourcing Policy

Applies To

This policy applies to the selection and retention of all of the direct, wholesale and suppliers that provide materials that contain tin, tantalum, tungsten, gold and/or cobalt.

Introduction and Background or Purpose

The Hitt Companies, Inc. takes a holistic approach to the responsible sourcing of minerals. We seeks to avoid sourcing minerals that contribute to armed conflict or human rights abuses in Conflict Affected and High-Risk Areas (“CAHRAs”), including the Democratic Republic of the Congo (“DRC”) and DRC-adjoining countries. We also seeks to avoid harming communities in CAHRAs through de facto embargoes of minerals sourced from those areas.

Armed groups operating in the eastern DRC have engaged in conflict and severe human rights abuses, fueled through proceeds from the mining or trade of so-called “conflict minerals” or 3TGs (tin, tantalum, tungsten and gold). These atrocities led to the creation of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, built on the framework of the UN Guiding Principles on Business and Human Rights. Legal requirements have followed, requiring certain companies to disclose their due diligence consistent with the OECD Guidance, mitigating the risk that the 3TGs they purchase may directly or indirectly fund conflict in the DRC, adjoining countries, or other high-risk areas of the world. At the same time, companies are expected to source responsibly from these areas to avoid a de facto embargo, which can have significant adverse impacts or unintended consequences for artisanal miners and their families whose livelihood depends on the mining industry.

Similar concerns have arisen surrounding the social and environmental impacts of cobalt extraction, including child labor and unsafe working conditions in artisanal cobalt mining in the DRC. The Responsible Business Initiative (RMI) added cobalt as a dedicated focus area in 2017. RMI is working to assist companies in exercising due diligence over cobalt supply chains in accordance with the OECD Due Diligence Guidance.

The Hitt Companies, Inc. deplores the violence and inhumane treatment in the DRC, adjoining countries and other parts of the world. By adopting this Policy and collaborating with our customers and suppliers, especially through RMI, The Hitt Companies is working with others to promote responsible business practices and foster peace and prosperity, which is consistent with our values.

Requirements

The Hitt Companies, Inc. is committed to responsible sourcing of minerals, including 3TG and cobalt, using the OECD due diligence framework, so as not to support conflict or human rights abuses in the DRC region or other CAHRAs, while avoiding de facto embargoes. This position is consistent with The Hitt Companies Human Rights Policy, Supplier Responsibility Code and The Hitt Companies respect for human rights in our own operations and our supply chains, as well as with the OECD Due Diligence Guidance and UN Guiding Principles.