



Conflict-Free Tungsten Sourcing Policies and Measures of Philippine Chuangxin Industrial Co., INC

We, Philippine Chuangxin Industrial Co., INC, is committed to purchase raw materials from conflict free area only, avoid the sources of raw materials from conflict area, which may directly and indirectly support or benefit illegal armed groups from conflict-affected regions including the Democratic Republic of the Congo (DRC) and nine adjoining countries. Philippine Chuangxin Industrial Co., INC has strictly monitored the supply chain to forbidden any potential purchasing activities that will do harm to the global peace.

Conflict-free tungsten sourcing policies and measures of Philippine Chuangxin Industrial Co., INC include the following:

1. Monitoring and investigating the suppliers..

All the suppliers of our company are well known and monitored by us. Tungsten soft scrap are mainly used as the raw materials in our smelter, we usually purchase these materials from traders and tungsten related products factories, over every deal, we will well investigate the sources of these materials. At present, we got reliable and long-term suppliers, they sold the tungsten soft scrap to us mostly sourcing from USA, European countries and Japan, and when we add fresh supplier, we will well make an investigation to monitor their potential possibilities of sources of raw materials from conflict area, to avoid the relative activities from beginning.

2. Well studying the conflict free policy

The relative personnel in our company will train the relative stuff regularly, make the conflict free policy well known and studied by all the relative stuff, so that

they could do the right thing to control the possibilities of raw materials from conflict area in the whole operation of company.

3. Planning to participate in CFSI program

We are planning to participate in an independent third party audit under the Conflict Free Sourcing Initiative (CFSI) jointly developed with the TI-CMC and the Electronic Industry Citizenship Coalition (EICC), the whole audit preparation and the following maintaining of qualification for the program after joining as a member will be an effective lesson to the implementation of conflict-free supply chain.

4. Daily operation management

In the daily operation, we will monitor all the relative procedures and documents, such as the original documents/certificates, export documentations etc. Carrying on standard management to meet conflict free policy requirements.

5. Respecting legislations, respecting human right

Philippine Chuangxin Industrial Co., INC has respected and will always respect legislations and human right, contribute to the global peace with the hardest endeavour, well manage ourselves, and condemn all the activities that will do harm to the world peace.