

# Conflict Minerals overview



Name: EC CM Team

Date: July 2017



# What are “Conflict Minerals”?



[Home](#) | [Previous Page](#)

U.S. Securities and Exchange Commission

## Dodd-Frank Wall Street Reform and Consumer Protection Act – Section 502

“Conflict minerals are minerals mined in conditions of armed conflict and human rights abuses...”

These are the four conflict minerals (3TG):

Coltan  
Tantalum



Cassiterite  
Tin



Wolframite  
Tungsten



Gold



# Conflict Minerals – Covered Countries

The Democratic Republic of the Congo and adjoining countries



Global Production		
Ta	Tantalite (Columbite)	50%
Sn	Tin (Cassiterite)	5%
W	Tungsten (Wolframite)	1,4%
Au	Gold	1,2%

# NGO look on mining

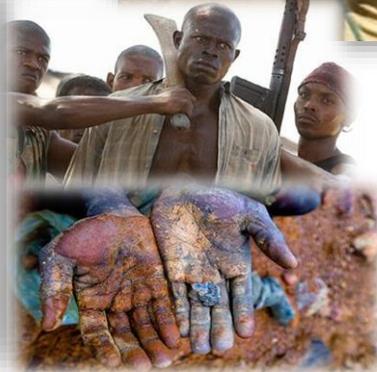
## How you are hired?

- Gun-Point
- Life Threats
- Physically Forced
- You Get a Job to Protect Yourself and/or Your Family



## Work Conditions

- Difficult Locations
- Unsuitable Working Tools
- Lots of Lifting During the Day
- May Lead to Early Death



Over **5.4 Million** Congo Civil Conflict Deaths

# Conflict Minerals – Examples of usage in the Automotive Industry

## Tin

- Bearings
- Battery
- Electronics
- Radiator
- Fuel Tank
- Brake Pads



## Gold

- Fuel Cells
- Switch Contacts
- On Board Electronics



### Few examples in car seat:

- Electronics
- Connector
- Bearing
- Airbag Module Assy
- Seatbelt System
- Display Assy
- Motor Assy
- Seat Adjuster
- Bracket
- Buckle
- Seatframe



## Tungsten

- Bearing Races
- Gear Teeth
- Cages & Balls
- Integrated Circuits
- Metallic Films



## Tantalum

- Airbag Systems
- Parking Sensors
- Traction Control
- Dashboard
- Electric Mirrors
- Window Mechanisms



# Conflict Minerals Reporting in Adient

## Why?

- Reporting obligation (part of the financial reporting to U.S. Security and Exchange Commission) due **May, 31st** each year as long as it is not repealed by the senate

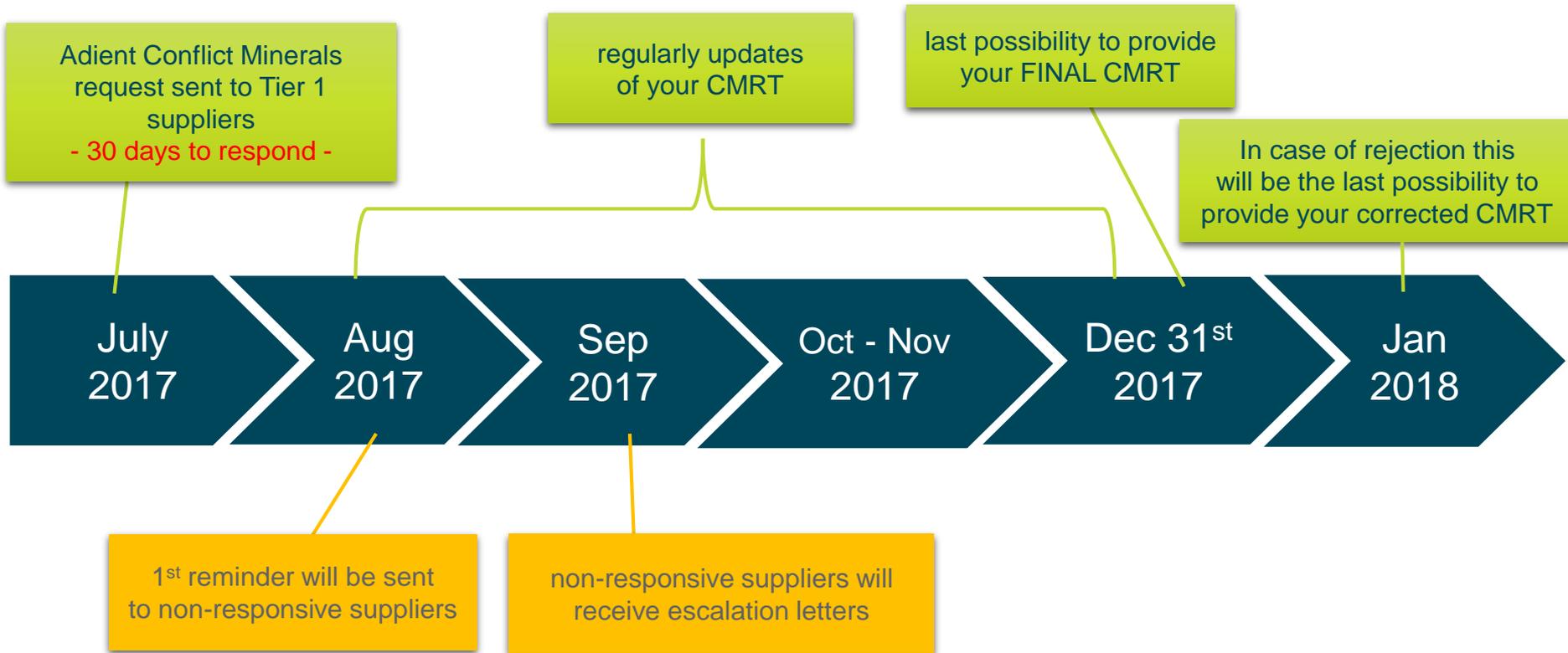
## How?

- Following the OECD Due Diligence Guidance:
  - Identify suppliers based on Material Data Sheet analysis and supplier spend data
  - Receive Conflict Minerals Reporting Template or other specificic declarations
  - Collect information from the supply chain
  - Provide smelter information based on the Conflict Free Smelter Initiative (CFSI) smelter data
  - Roll up your report and send it to Adient IPCMP ID 2060 or as an excel CMRT file via mail to [ae-conflict.minerals@adient.com](mailto:ae-conflict.minerals@adient.com)

## What?

- Use the latest version of the CMRT for reporting
- List all smelters from your supply chain in your CMRT
- Fill in all mandatory fields in the CMRT and provide your vendor number in the field „company unique ID“ in the CMRT (line 12)

# Conflict Minerals: Timeline



# Conflict Minerals Reporting in Adient – Supplier Information

To fulfill our requirements on conflict minerals reporting the following steps are needed :

- Register on the IPCMP platform. The Basic Licence is free of charge
- Respond to our Initial Supplier letter within 30 days providing us with your IPCMP ID and the name and contact details of your CM contact
- Collect smelter information from your suppliers. Please use either IPCMP (recommended) or the CFSI template (link to the CFSI page)
- Use available IMDS data\*, the OECD guideline and the CFSI smelter information and NGO sources to verify incoming data from your supply chain
- Submit your declaration to Adient. Include **your vendor number to the company unique ID field of the CMRT (line 12)**

# Conflict Minerals Reporting in Adient – Supplier Information

## Your tasks:

- Collect the Conflict Minerals data from your supply chain during the reporting year
  - Submit your declaration until deadline
  - Review and update your declaration throughout the year
  - Resubmit your final declaration until December 31, 2017
- 
- We will reject your submission when
    - the reporting template is older than version 5.00,
    - incomplete and incorrect data are identified in the declaration,
    - the 3TG declaration does not correspond to available material or component information,
    - We will provide you with the rejection reason via the established communication route.

# APPENDIX

# Conflict Minerals: links list

- The officially supported reporting format by AIAG
- The template is available in 10 languages already
- The latest version can be found [here](#)
- It contains seven questions on the use of tin, tantalum, tungsten and gold and the reporting status
- Ten questions are dealing with the overall company policy on Conflict Minerals



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Select Language Preference Here:  
EN: English  
FR: Français  
德語: Deutsch  
繁體中文: 繁體中文  
簡體中文: 簡體中文  
Español: Español  
Português: Português  
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Chinese: 中文  
Hindi: हिन्दी  
Urdu: اردو  
Burmese: မြန်မာစာ  
Vietnamese: Tiếng Việt  
Tagalog: Tagalog  
Filipino: Filipino  
Indonesian: Bahasa Indonesia  
Malay: Bahasa Melayu  
Thai: ไทย  
Vietnamese: Tiếng Việt  
Tagalog: Tagalog  
Filipino: Filipino  
Indonesian: Bahasa Indonesia  
Malay: Bahasa Melayu  
Thai: ไทย

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**Conflict Minerals Reporting Template (CMRT)**

English

Revision 5.03  
June 21, 2017

The purpose of this document is to collect sourcing information on tin, tantalum, tungsten and gold used in products

Mandatory fields are noted with an asterisk (\*). Consult the instructions tab for guidance on how to answer each question.

Company Information		
Declaration Scope or Class (*)		
Description of Scope:		
Company Unique ID:		
Company Unique ID Authority:		
Address:		
Contact Name (*):		
Email - Contact (*):		
Phone - Contact (*):		
Authorizer (*):		
Title - Authorizer:		
Email - Authorizer (*):		
Phone - Authorizer (*):		
Effective Date (*):		

Answer the following questions 1 - 7 based on the declaration scope indicated above

	Answer	
1) Is any 3TG intentionally added or used in the product(s) or in the production process? (*)		Comments
Tantalum (*)		
Tin (*)		
Gold (*)		
Tungsten (*)		
2) Does any 3TG remain in the product(s)? (*)		Comments
Tantalum (*)		
Tin (*)		
Gold (*)		
Tungsten (*)		
3) Do any of the smelters in your supply chain source the 3TG from the covered countries (SEC terms, see definitions tab)? (*)		Comments
Tantalum (*)		
Tin (*)		
Gold (*)		
Tungsten (*)		
4) Does 100 percent of the 3TG (necessary to the functionality or production of your products) originate from recycled or scrap sources? (*)		Comments
Tantalum (*)		
Tin (*)		
Gold (*)		
Tungsten (*)		
5) What percentage of relevant suppliers have provided a response to your supply chain survey? (*)		Comments
Tantalum (*)		
Tin (*)		
Gold (*)		
Tungsten (*)		
6) Have you identified all of the smelters supplying the 3TG to your supply chain? (*)		Comments
Tantalum (*)		
Tin (*)		
Gold (*)		
Tungsten (*)		
7) Has all applicable smelter information received by your company been reported in this declaration? (*)		Comments
Tantalum (*)		
Tin (*)		
Gold (*)		
Tungsten (*)		

Answer the Following Questions at a Company Level

Question	Answer	Comments
A. Have you established a conflict minerals sourcing policy? (*)		
B. Is your conflict minerals sourcing policy publicly available on your website? (Note - If yes, the user shall specify the URL in the comment field.) (*)		
C. Do you require your direct suppliers to be DRC conflict-free? (*)		
D. Do you require your direct suppliers to source the 3TG from smelters whose due diligence practices have been validated by an independent third party audit program? (*)		
E. Have you implemented due diligence measures for conflict-free sourcing? (*)		
F. Does your company conduct Conflict Minerals survey(s) of your relevant supplier(s)? (*)		
G. Do you review due diligence information received from your suppliers against your company's expectations? (*)		
H. Does your review process include corrective action management? (*)		
I. Is your company required to file an annual conflict minerals disclosure with the SEC? (*)		

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# Conflict Minerals: IT-Solution IPCMP by iPoint

**Conflict Minerals Platform**

Home Management

**Create Reports**

Reporting year: 2014

- Roll-up of reports
- New manually entered report

- ✓ Create reports
- ✓ Import reports
- ✓ Aggregate (roll-up) reports
- ✓ Perform validation Checks

Start

**Statistics, Analysis & Online storage**

- ✓ All data in one place
- ✓ Sophisticated folder structure
- ✓ Due diligence reporting

Storage management

**Customer Requests**

- ✓ Manage & respond to requests from your customers

All customer requests

**Supplier Requests**

- ✓ Send & manage requests to your suppliers
- ✓ Statistics of accepted reports

New All supplier requests