

This information is provided without warranty by Lincoln Electric as a courtesy to its customers as a source of general information regarding the Conflict Minerals requirements of the Dodd-Frank Act. Customers are advised to rely solely upon the advice of their legal counsel.

**Frequently Asked Questions About
Conflict Minerals and the
Dodd-Frank Wall Street Reform and Consumer Protection Act**

- 1. What are Conflict Minerals?**
The Conflict Minerals identified in the Dodd-Frank Act are, Casserite, Wolframite, Coltan and Gold and their derivatives: Tin, Tungsten, Tantalum and Gold, commonly referred to as “3TG.”
- 2. Why are Conflict Minerals being regulated?**
Companies, governments and civil society organizations are paying increased attention to certain conflict minerals and their derivatives, including tin, tantalum, tungsten and gold, sourced from the Democratic Republic of the Congo (“DRC”) or adjoining countries (the “Covered Countries”). The mining and trade in these Conflict Minerals contribute financially to the ongoing violence in the region. Armed groups controlling mines smuggle minerals out of the DRC through adjoining countries and use the proceeds to finance conflict and perpetuate violence and other criminal behavior.
- 3. Can Tin, Tungsten, Tantalum and Gold still be used in a product?**
Yes. The Dodd-Frank Act does not prohibit the use of the Conflict Minerals.
- 4. What countries in addition to the DRC are covered under the Dodd-Frank Wall Street Reform and Consumer Protection Act?**
In addition to the Democratic Republic of the Congo, the adjoining countries of Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia, Angola, Congo and Central African Republic are considered “Covered Countries” under the Dodd-Frank Act.
- 5. What requirements relating to Conflict Minerals are included in the Dodd-Frank Wall Street Reform and Consumer Protection Act?**
The Act requires that U.S. registered companies report to the U.S. Securities and Exchange Commission (“SEC”) and on their website whether products they manufacture contain Conflict Minerals which originated from the Covered Countries if their purchase may provide financial support to an armed group in that region. This requirement applies to all companies which file reports with the SEC. The Conflict Minerals disclosure includes information about the source of Conflict Minerals in all products manufactured by the company, including all subsidiaries worldwide.

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6. Where can I obtain more information about the Conflict Mineral requirements?

The Lincoln Electric external website on Conflict Minerals is located at:
<http://www.lincolnelectric.com/en-us/support/Pages/conflict-minerals.aspx>

The SEC Fact Sheet is located at:

<http://www.sec.gov/news/press/2012/2012-163.htm>

The SEC FAQ is located at:

<http://www.sec.gov/divisions/corpfin/guidance/conflictminerals-faq.htm>

The SEC Final Rule on Conflict Minerals is located at:

<http://www.sec.gov/rules/final/2012/34-67716.pdf>

The “OECD Due Diligence Guidance for Conflict Minerals is located at:

<http://www.oecd.org/fr/daf/inv/mne/mining.htm>

7. What must be done if my company or one of my company’s suppliers sources its materials from a Covered Country?

If the Company, directly or indirectly through its suppliers, sources a Conflict Mineral used in the products it manufacturers, it is required to conduct reasonable due diligence on the source to determine whether it may have originated from a Covered Country and, if so, whether the purchase of those Conflict Minerals may have, directly or indirectly, financially supported or otherwise benefitted an armed group as defined in the Act (the “11 Country Report on Human Rights Abuses”). Products which include Conflict Minerals from such sources must be reported as Not found to be DRC Conflict Free.

8. When must a company report about the Conflict Minerals in its products?

Companies which are covered by the Dodd-Frank Act must file a report by May 31 each year for Conflict Minerals in products sold the previous calendar year. The first report for calendar year 2013 is due by May 31, 2014.

9. Is this report only for one year or is it an ongoing requirement?

This is an ongoing requirement each year until the Dodd-Frank Act is amended or the SEC rules are changed.

10. What if it my Company has not yet determined the source of all Conflict Minerals in a product by May 31, 2014?

Products for which the origin of Conflict Minerals has not been determined and for which a Conflict Minerals Report must be filed, may be reported as “DRC Conflict Undeterminable” for the first two calendar years. Those reports are due by May 31, 2014 and May 31, 2015. After the first two years if a product contains a Conflict Mineral for which the origin is not known, it must be reported as “Not DRC Conflict Free.”

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- 11. Is there anything that needs to be done for supplier's products, materials or services which do not become a part of a product?**
No. Unless a Conflict Mineral becomes a part of the product it is excluded from the scope of the Dodd-Frank Act.
- 12. Would a Conflict Mineral necessary to the functionality or production of the package or container for the product also be considered necessary to the functionality of the product?**
No. Only a Conflict Mineral that is contained in the product would be considered "necessary to the functionality or production" of the product. The packaging or container sold with a product is not considered to be part of the product.
- 13. Is it now against the Law to use a Conflict Mineral in a product?**
No. The Dodd-Frank Act only requires a due diligence process to determine whether products contain Conflict Minerals, the origin of the Conflict Minerals and whether the purchase of the Conflict Minerals may support an armed group identified in the 11 Country Report on Human Rights Abuses, and disclosure to the SEC and the Public about the Conflict Minerals in the Company's products. The use of Conflict Minerals is not prohibited in any way.
- 14. Is my company required to report Conflict Minerals in the production equipment or tooling used to make a product?**
No, only Conflict Minerals in a product which are either "necessary to the functionality" or "necessary to the production" of the product are covered by the Act. Conflict Minerals which are in tooling or production equipment used in the manufacture of the product are outside the scope of the Dodd-Frank Act unless the Conflict Mineral becomes a part of the product and is either "necessary to the functionality" or "necessary to the production" of the product are covered by the Act.
- 15. Does Lincoln Electric Holdings have a corporate policy regarding Conflict Minerals and if so how can I obtain a copy?**
Yes. Lincoln Electric Holdings has a Policy Statement regarding Conflict Minerals which may be accessed on the Lincoln Electric Conflict Minerals web page under Support:
<http://www.lincolnelectric.com/en-us/support/Pages/conflict-minerals.aspx>