

Dear Customer,

We frequently receive inquiries as to the compliance of the materials we supply to various domestic and international standards. In this respect the following is our position relative to the standards indicated:

- **CONFLICT MINERALS** as defined in the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Act"): IMS fully supports the goals and objectives of Section 1502 of the Act, which seeks to prevent the use of "Conflict Minerals" (tantalum, tin, tungsten and gold) which were mined in the Democratic Republic of Congo, or adjoining countries (Angola, Burundi, Central African Republic, Rwanda, South Sudan, Tanzania, Uganda, and Zambia). These countries are referred to herein as the "Restricted Countries".

With the exception of some buy-outs and surplus materials ("non-mill" materials), IMS secures all products from reputable mills who have certified to IMS they are in compliance with Section 1502 of Dodd-Frank. IMS certifies that to the best of our knowledge, for mill products delivered by IMS after January 31, 2013:

- Mill products do not contain or utilize any Conflict Minerals (as defined above).
- In regard to those products which contain tantalum, tin, tungsten or gold:
 - IMS has verified that the tantalum, tin, tungsten or gold in those products did not originate from the Restricted Countries, or
 - The materials that contain tantalum, tin, tungsten or gold were recaptured from recycled or scrap sources and the origin of such minerals can no longer be verified.
- **RoHS3** as defined by the European Common Union (EU): This directive places a ban into the EU markets (only) of new electrical and electronic equipment containing more than designated maximum allowable levels of lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyl (PBB), polybrominated diphenyl ether (PBDE), Bis(2-ethylhexyl) phthalate (DEHP), Butyl benzyl phthalate (BBP), Dibutyl phthalate (DPB) and Diisobutyl phthalate (DIBP).
- **RoHS3** works in conjunction with the EU WEEE Directive. RoHS3 supports WEEE by reducing the amount of hazardous chemicals used in production. In turn it reduces the risk of exposure to recycling staff as well as a reduction in recycling costs. Manufacturers will need to ensure that their products, parts and components comply with RoHS3 in order to be distributed and sold in the EU. Reference RoHS Directive 2011/65/EU and 2015/863/EU.
 - IMS supports the RoHS3 effort and has on file letters from its suppliers that confirm the content level of the restricted substances. If RoHS3 compliance is important to your application, please notify your salesperson and IMS will make every effort to find you compliant materials.

- The European **Waste Electrical and Electronic Equipment Directive (WEEE)** applies to a wide range of electronic and electrical products. WEEE encourages the collection, treatment, recycling and recovery of waste electrical and electronic equipment. WEEE makes producers and importers responsible for financing of the collection, treatment and recovery of WEEE.
 - Disposing of electronic equipment is beyond the reach and control of a metals supplier, and IMS cannot provide any assurances that any of its suppliers comply with WEEE, or don't comply with WEEE.

- **REACH is the Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals.** The main aims of REACH are to ensure a high level of protection of human health and the environment from the risks that can be posed by chemicals.
- All manufacturers and importers of chemicals must identify and manage risks linked to the substances they manufacture and market. For substances manufactured or imported in quantities of 1 ton or more per year per company, manufacturers and importers need to demonstrate that they have appropriately done so by means of a registration dossier, which must be submitted to the European Chemicals Agency (ECHA).
- The Agency checks that the **registration** dossier complies with the Regulation.
- Authorities may also select substances for a broader substance **evaluation** to further investigate substances of concern.
- REACH also foresees an **authorization** system aiming to ensure that substances of very high concern are properly controlled, and progressively replaced by suitable alternative substances or technologies where these are economically and technically viable.
- EU authorities may impose **restrictions** on the manufacture, use or placing on the market of substances causing an unacceptable risk to human health or the environment.
 - IMS supports the REACH effort, and has on file letters from its suppliers that confirm they are in compliance with REACH and the 241 substances as listed. If REACH compliance is important to your application, please notify your salesperson and IMS will make every effort to find you compliant materials.

- The recent U.S. law concerning **Russian metal products**, issued on April 12, 2024, includes stringent prohibitions aimed at disrupting Russia's revenue from its exports of aluminum, copper, and nickel. The key measures involve:
 - **Import Ban:** The United States has prohibited the importation of Russian-origin aluminum, copper, and nickel produced on or after April 13, 2024 ([KPMG](#)) ([HSF](#)).
 - **Service Restrictions:** The law also restricts U.S. persons and entities from providing services related to the acquisition of these metals, including warranting services on global metal exchanges and services for physical settlement of derivative contracts involving Russian metals ([Office of Foreign Assets Control](#)) ([Euromaidan Press](#)).
 - **Metal Exchanges:** U.S. and UK metal exchanges, such as the Chicago Mercantile Exchange and the London Metal Exchange, are barred from accepting new Russian-origin metals, further limiting Russia's ability to trade these commodities globally ([HSF](#)) ([Euromaidan Press](#)).



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- These actions, coordinated with the United Kingdom, aim to significantly reduce the financial resources available to Russia, thus impacting its capacity to fund its activities, including the ongoing conflict in Ukraine.
 - In response to the recent U.S. sanctions on Russian metal imports, Industrial Metal Supply Company wishes to clarify its position. We do not currently, nor will we in the future, import materials originating from Russia. However, we acknowledge that we may have pre-existing inventory that was imported **prior** to the imposition of these sanctions.

We hope the above answers your questions concerning our policies on compliance with the acts and regulations listed above. Please feel free to contact us with any further questions or needs that you may have.

Sincerely,

Penny Brown

Penny Brown
Supply Chain Manager

8/2/2024

Date