

August 23rd, 2012

JEITA

JEITA Responds to Conflict Minerals Provision of the U.S. Dodd Frank Wall Street Reform and Consumer Protection Act

Tokyo, Japan, August 23rd, 2012---The U.S. Securities and Exchange Commission(SEC) adopted the final rule pursuant to Section 1502 of Dodd Frank Wall Street Reform and Consumer Protection Act, called Conflict Minerals provision, on August 22nd, 2012. The rule requires listing companies, etc., to disclose and report to the SEC about the use of conflict minerals¹ originating from the Democratic Republic of Congo or adjoining countries in their products.

The Japan Electronics and Information Technology Industries Association (JEITA) has been engaging in the promotion of corporate social responsibility (CSR) throughout the supply chain in the IT and electronics industries and fully supports the underlying goal of the Conflict Minerals provision. Hence, it has been following the development of the rulemaking closely and working towards compliance with the SEC rule. The Conflict Minerals provision aims at stemming the source of financing for armed groups that profit from illegal trading of minerals mined by local people with the use of atrocious violence.

On January 17, 2012, JEITA signed an MOU with the Electronics Industry Citizenship Coalition (EICC)² and the Global e-Sustainability Initiative (GeSI)³ and agreed to collaborate in addressing the conflict minerals issues. The SEC rule not only impacts the electronics industry, but also affects a wide variety of industries. Because compliance with the regulation concerns the entire global supply chain including Japanese companies, significant costs⁴ are expected to be incurred. EICC and GeSI have been developing the Conflict Free Smelter (CFS) program, which starts with the audit of smelters/refiners and is expected to be used as a means to validate trading from there through the downstream supply chain by inspecting whether conflict minerals that fund armed groups have entered the supply chain.

¹ columbite-tantalite, cassiterite, gold, wolframite or their derivatives. Primary derivatives are tantalum, tin and tungsten.

² The alliance of U.S.-based electronics industry in the area of CSR

³ Europe-based organization that promotes sustainability in the ICT sector. GeSI has been collaborating with EICC on conflict minerals.

⁴ According to NAM, the annual cost to companies incurred by complying with the rules is estimated between \$9.4 billion and \$16 billion.

JEITA began studying the issue at the Responsible Minerals Trade Working Group in December of 2011. The task force was formally launched in May of this year. 38 companies are currently participating in the task force. Going forward, centering on these participating companies in the task force as well as joining forces with EICC and GeSI, JEITA is committed to addressing the conflict minerals issue by working with companies to promote such activities as compliance with the SEC final rule, spreading the CFS program, and education and training.

Participating companies of the Responsible Minerals Trade Working Group:

Advantest Corporation

Alpine Electronics, Inc.

Alps Electric Co., Ltd.

Canon Inc.

Denso Corporation

Elpida Memory, Inc.

Fuji Xerox Co., Ltd.

Fujifilm Corporation

Fujikura Ltd.

Fujitsu Limited

Funai Electric Co., Ltd.

Furukawa Electric Co., Ltd.

Hitachi, Ltd.

Japan Radio Co., Ltd.

JVC KENWOOD Corporation

KOA Corporation

Konica Minolta Holdings, Inc.

Kyocera Corporation

Mitsubishi Electric Corporation

Mitsumi Electric Co., Ltd.

Murata Manufacturing, Co., Ltd.

NEC Corporation

Nikon Corporation

Nippon Chemi-Con Corporation

Nitto Denko Corporation

Olympus Corporation

OMRON Corporation

Panasonic Corporation

Pioneer Corporation

Renesas Electronics Corporation

Ricoh Company, Ltd.

Rohm Co., Ltd.

Sharp Corporation

Sony Corporation

TAIYO YUDEN CO., LTD.

TDK Corporation

Toshiba Corporation

Yokogawa Electric Corporation