Policy Statement on Conflict Minerals

**Background:**

It has been widely reported that across the central African region many conflicts, some resulting in terrible atrocities, may have been funded by the mining of 'conflict minerals', commonly tin, tungsten, tantalum and gold (known collectively as 3TG). The presence of these resources may actually be the major driver in predicating the conflicts.

Accordingly, AMBAC International does not use conflict minerals from the affected regions, has adopted this conflict minerals policy, and expects its suppliers to adopt a similar policy and to meet the following expectations.

**For our Suppliers:**

More clarification can be readily found, and you are encouraged to ask your Buyer if you have any questions. Some resources we have found helpful are:

- Wikipedia article giving background
- Conflict Free Sourcing Initiative, including a sourcing guide
- Text of the U.S. Conflict Minerals Law
- Conflict Minerals - SEC Small Entity Compliance Guide
- Text of the final Conflict Minerals Rule - Fed Register

- **Supply only "DRC Conflict Free" materials.** Under AMBAC's conflict mineral's policy, suppliers are expected to supply materials that are "DRC conflict free."
    - Any 3TG necessary to the functionality or production of supplied materials must not directly or indirectly fund armed conflict in the DRC or adjoining countries.
    - Any 3TGs must be from recycled or scrap sources.

- **Adopt conflict minerals policies.** Suppliers to AMBAC International should adopt and implement a policy regarding conflict minerals consistent with our policy, and require their suppliers to take the same steps.