



sparton

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SEGMENTS
ENGINEERED COMPONENTS & PRODUCTS
MANUFACTURING & DESIGN SERVICES

Conflict Minerals Policy Statement

On August 22, 2012, the Securities and Exchange Commission (“SEC”) published the final regulations implementing the conflict minerals reporting obligations of Section 1502 of the U.S. Dodd-Frank Wall Street Reform Act (the “Act”). Section 1502 of the Act requires, in part, SEC registrants whose products contain metals derived from conflict minerals (generally, tantalum, tin, tungsten, and gold), to report annually to the SEC. This reporting requirement is based on concerns that the current humanitarian crisis in the Democratic Republic of Congo and surrounding countries has been financed by profits originating from the mining and transport of conflict minerals.

As a manufacturer and SEC registrant, Sparton Corporation is required to comply with the Act. We support ending the violence in such areas and our position has always been to comply with applicable laws affecting our industry. As such, we have implemented due diligence procedures and we have taken other steps towards meeting the requirements of the Act.

In order to comply with the Act, Sparton requires that our suppliers assist in the determination of the source of any potential conflict minerals used in manufacturing. We request that our suppliers comply with Sparton’s conflict minerals due diligence practices and policies, so that we can provide the required disclosures to the SEC.

Since Sparton is not a direct purchaser of ore or unrefined minerals, it is several tiers “downstream” from the smelters or refiners (SORs) of such minerals. SORs are at the point in the supply chain where ore, concentrates and/or scrap material are converted to a metal. Sparton, like many downstream companies, does not have direct business relationships with SORs or visibility to the extraction and movement of conflict minerals between SORs and upstream entities. This position increases the difficulty of determining the origin of the conflict minerals in applicable products and, as a result, Sparton relies on industry processes and information from its suppliers.

Finally, as part of our ongoing due diligence procedures, we can assure you that Sparton annually requires written re-certifications of conflict mineral free status from all of our suppliers.

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