

## **Lincoln Electric's Policy Statement on Conflict Minerals**

### Overview

Companies, governments and civil society organizations are paying increased attention to certain conflict minerals and their derivatives, including tin, tantalum, tungsten and gold ("Conflict Minerals"), sourced from the Democratic Republic of the Congo ("DRC") or adjoining countries ("Covered Countries"). The extraction and trade in these Conflict Minerals contribute financially to the ongoing violence in the region. Armed groups controlling mines smuggle minerals out of the Covered countries, use the proceeds to further finance conflict, and perpetuate violence and other criminal behaviors.

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act, and its implementing regulations, United States law now requires that U.S. companies report to the U.S. Securities and Exchange Commission ("SEC") on the origin of Conflict Minerals in products manufactured by the company and show due diligence if Conflict Minerals are sourced from the Covered Countries. The goal is to reduce funding of armed groups engaged in conflict and human rights abuses. Conflict Minerals report to the SEC are due on May 31 each year for the prior calendar year.

European law requires importers, smelters and refiners of ores and/or metals consisting of conflict minerals to carry out mandatory due diligence checks on suppliers only when annual import volumes exceed certain thresholds, beginning in 2021. Due diligence checks, including 3<sup>rd</sup> party audits, need not be submitted, but must be available for inspection by European Union authorities, if required.

### Lincoln Electric's Approach on Conflict Minerals

Suppliers to Lincoln Electric must develop policies toward preventing the use of Conflict Minerals sourced from mines controlled by armed groups in the Covered Countries. In addition, direct suppliers to Lincoln Electric with known Conflict Minerals must document their due

diligence efforts to determine the source of any Conflict Minerals and provide Lincoln Electric with evidence of the origin of Conflict Minerals in products and materials supplied to Lincoln Electric.

### Status of Lincoln Electric's Due Diligence Regarding Conflict Minerals

#### 1. Conflict Minerals Reporting

See the most recent Form SD and related Conflict Minerals Report on [lincolnelectric.com](http://lincolnelectric.com) on the Conflict Minerals web page under Support or on the SEC Filings web page under Investor Relations.

#### 2. Consumable Arc Welding Products

The Lincoln Electric company has made a preliminary determination that a majority of its consumables do not contain any Conflict Minerals, thus eliminating the need for any further inquiry. The specific Conflict Mineral status of all current Lincoln Electric Consumables is provided on the Consumable Conflict Mineral Status Chart which will be made available to customers upon request and posted on the Lincoln Electric website. Other Lincoln Electric affiliates are or will be conducting similar determinations for their consumable products. Due diligence will be conducted upon any exceptions noted.

Lincoln Electric reviews import declarations for materials it imports into Europe in order to monitor import quantities for conflict Minerals as they compare to thresholds that trigger due diligence actions in Europe.

#### 3. Arc Welding equipment and Replacement Parts

Lincoln Electric has assessed the use of Conflict Minerals in its arc welding and cutting equipment and replacement parts and is engaging suppliers to determine if any of the Conflict Minerals were sourced from Covered Countries.

Customers who buy our welding and cutting equipment (and replacement parts) and use it to make their own product should not be responsible for the reporting of any conflict Minerals contained in such equipment, as long as the customer does not incorporate the equipment or replacement parts into the customer's own product. This is because the SEC has advised that they "do not believe that a conflict mineral in a tool or machine is captured by the Conflict Minerals Statutory Provision because, although the conflict mineral may be included in the tool or machine, it is the tool or machine and not the conflict mineral that is necessary to the production."

#### 4. Further Inquiries

Lincoln Electric is in the process of preparing management systems to manage inquiries to suppliers and store data that will enable it to implement this Conflict Minerals Policy.

Inquiries regarding the conflict mineral status of any Lincoln product may be directed to [conflictminerals@lincolnelectric.com](mailto:conflictminerals@lincolnelectric.com) or to the local Lincoln sales office. Because the Conflict Mineral reporting rules are complicated, we encourage customer to consult with their own advisers regarding any obligations they may have under the rules.