

## **TriQuint Policy on Conflict Minerals**

Thank you for your request concerning Conflict Minerals in TriQuint products. TriQuint shares your concerns about the use of natural resources to fund armed conflict in the Democratic Republic of the Congo, and is working to ensure that its activities are not funding armed conflict. TriQuint has been working with its supply chain for over a year, tracing the origins of the Conflict Minerals derivatives in its products.

### **Dodd-Frank Wall Street Regulation and Consumer Protection Act**

It is important to understand the requirements of the Dodd-Frank Wall Street Regulation and Consumer Protection Act signed on July 21, 2010. Sec. 1502 of this bill requires companies whose manufactured goods contain metals derived from Conflict Minerals or any other mineral or its derivatives determined by the Secretary of State to be directly or indirectly financing conflict in the Democratic Republic of the Congo (DRC) or an adjoining country to:

- a. Report annually to the Securities and Exchange Commission (SEC) if the minerals did originate from the DRC or adjoining countries.
- b. Submit a due diligence plan (audited and certified by an independent 3<sup>rd</sup> party) with the company's annual SEC report that includes:
  - i. A description of the measures taken by the company to prevent sourcing from the DRC; and
  - ii. A description of the products manufactured or contracted to be manufactured that are not conflict free, the facilities used to process the conflict minerals, the country of origin of the conflict minerals, and the efforts to determine the mine or location of origin.

In the original Dodd-Frank Law, the SEC had until April 17, 2011 to promulgate regulations to put this law into practice. Although reporting requirements only apply to companies required to report to the SEC, it is expected that these requirements will filter through the entire supply chain. However, the SEC recently announced that it will take longer than expected to develop these regulations, and has postponed promulgation of any regulations until the fall of 2011. Companies must issue their first report beginning with the companies' first fiscal year that begins after the promulgation of the regulations.

In the original Dodd-Frank Law, by January 17, 2011, the Secretary of State must develop a strategy that includes:

- a. A plan to promote peace and security in the DRC by supporting efforts of the Government of the DCR, to—
  - i. monitor and stop commercial activities involving the natural resources of the Democratic Republic of the Congo that contribute to the activities of armed groups and human rights violations in the Democratic Republic of the Congo; and

- ii. develop stronger governance and economic institutions that can facilitate and improve transparency in the cross-border trade involving the natural resources of the DRC to reduce exploitation by armed groups and promote local and regional development.
- b. A plan to provide guidance to commercial entities seeking to exercise due diligence on and formalize the origin and chain of custody of conflict minerals used in their products and on their suppliers to ensure that conflict minerals used in the products of such suppliers do not directly or indirectly finance armed conflict or result in labor or human rights violations.
- c. A description of punitive measures that could be taken against individuals or entities whose commercial activities are supporting armed groups and human rights violations in the DRC.

Also by January 17, 2011, the Secretary of State was to produce a map of areas under the control of armed groups in the DRC and adjoining countries and make this map available to the public. This map must be updated at least every 6 months. TriQuint has pursued a copy of this map, and was directed by the US Dept of Commerce to the following webpage for a copy:

[https://hiu.state.gov/Products/DRC\\_MineralsArmedGroups\\_\(June\\_2010\).pdf](https://hiu.state.gov/Products/DRC_MineralsArmedGroups_(June_2010).pdf)

This map pre-dates passage of the Dodd-Frank Law, and has not been updated every 6 months as required.

### **What are Conflict Minerals and their derivatives?**

The Dodd-Frank Wall Street Regulation and Consumer Protection Act defines “Conflict Minerals” as:

- a. Columbite-tantalum (coltan), cassiterite, gold, wolframite, or their derivatives; or
- b. Any other mineral or its derivatives determined by the Secretary of State to be financing conflict in the DRC or an adjoining country.

It is important to note that this definition of Conflict Minerals means that all coltan, cassiterite, gold, and wolframite are Conflict Minerals, regardless of the source of the minerals. If the source was determined to be located in the DRC or adjoining countries (Angola, Congo, Central African Republic, Sudan, Uganda, Rwanda, Burundi, Tanzania, and Zambia), then reporting to the SEC is required, along with the audited and certified due diligence report.

The common derivatives from these minerals are:

- a. Coltan – columbium (niobium) and tantalum
- b. Cassiterite – tin
- c. Gold
- d. Wolframite – tungsten



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It is possible that cobalt might be considered as a derivative of a Conflict Mineral in the future, as most cobalt is produced as a byproduct of the mining of laterite ores, containing copper and nickel. In 2009, the copper deposits in the Katanga Province of the DRC that stretch into Zambia were over 44% of the world cobalt production with over half the world's reserves of cobalt.<sup>1</sup> As these deposits meet the criteria for Conflict Minerals that require reporting to the SEC, TriQuint believes it is probable that cobalt will become another metal that requires reporting.

TriQuint uses all six of these metals in its products. Not every product contains every metal, but almost every product contains at least one of these metals.

### **What has TriQuint done so far?**

TriQuint has modified its Banned and Restricted Substances Specification to ban metals derived from the Conflict Region, and have been working with its Suppliers to help them begin to understand the issues around Conflict Metals. As mentioned above, TriQuint has been surveying its supply chain for the origin of the metals in components and materials purchased for over a year. Due to recent industry focus on this issue, TriQuint has begun to receive more detailed responses from suppliers regarding the origins of the Conflict Minerals supplied. It is estimated that approximately 75% of the Conflict Minerals origins have been traced either to the smelter or mines, and sometimes both.

If there are any questions regarding Conflict Metals or other Product Compliance issues, please contact TriQuint at [rohs\\_info@tqs.com](mailto:rohs_info@tqs.com).

A handwritten signature in black ink that reads "John Sharp".

John Sharp  
Corporate Product Compliance Manager

Date: 19-May-2011

USGS Links for More Information:

Cobalt - <http://minerals.usgs.gov/minerals/pubs/commodity/cobalt/>

Gold - <http://minerals.usgs.gov/minerals/pubs/commodity/gold/>

Niobium (Columbium) - <http://minerals.usgs.gov/minerals/pubs/commodity/niobium/>

Tantalum (included with Niobium information) -

<http://minerals.usgs.gov/minerals/pubs/commodity/niobium/>

Tin - <http://minerals.usgs.gov/minerals/pubs/commodity/tin/>

Tungsten - <http://minerals.usgs.gov/minerals/pubs/commodity/tungsten/>

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<sup>1</sup> See <http://minerals.usgs.gov/minerals/pubs/commodity/cobalt/mcs-2010-cobal.pdf>.