



CONFLICT MINERALS POLICY STATEMENT

S. G. Smallwood Inc. is a supplier of custom transformers, inductors, windings, and related assemblies and is committed to complying with all applicable international legislation.

On August 22, 2012, the US Securities and Exchange Commission ("SEC") implemented Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Regulation") governing "Conflict Minerals".

These Conflict Minerals refer to specific minerals sourced from mines that are controlled by armed groups located in the Democratic Republic of the Congo (DRC), or one of its neighboring countries (the "Conflict Zone") and used to finance their activities and perpetuate forced labor and human rights abuses. Conflict Minerals include the metals tantalum, tin, tungsten and gold (3TGs), which are the extracts of the minerals cassiterite, columbite-tantalite and wolframite, respectively, and any other minerals identified by the Regulation.

The purpose of Sec. 1502 is to establish secure, transparent, and verifiable supply chains of minerals that do not contribute to directly or indirectly financing these armed groups in the Conflict Zone.

The Regulation requires U.S. publicly traded companies to report annually whether their products contain Conflict Minerals. S. G. Smallwood Inc., as such, is not directly subject to this Regulation, however understanding that some of our customers do have reporting obligations under the Regulation, and in support of the intent of the Regulation, S. G. Smallwood Inc. will take reasonable steps to collaborate with our customers and suppliers to source Regulation compliant materials.

It is understood that S.G. Smallwood Inc. is using reasonable due diligence in performing its compliance duties in this regard, but as such, we cannot guarantee total conformity.

S. G. Smallwood Inc. understands how important this issue is to our customers and is committed to our corporate social responsibility to developing a conflict-free supply chain. We encourage our suppliers to likewise support this initiative.

Dec 8th, 2021

P. Kumar

Piyush Kumar, P.Eng

President, S.G. Smallwood Inc.