



MATCOR METAL FABRICATION INC.

**HUMAN RIGHTS AND
SOCIAL RESPONSIBILITY POLICY**

Matcor-Matsu Group is an ardent advocate for the Humanitarian effort to alleviate and end the violent conflict in the conflict region situated in the eastern portion of the Democratic Republic of the Congo and surrounding countries (the "Conflict Region"). Matcor-Matsu Group works in conjunction with customers and its supply base to support and enforce the responsible sourcing of products free of Conflict Minerals. Matcor-Matsu Group requires its supply base to use only metals that are compliant with the Conflict Minerals alleviation strategy, in order to ensure that the use of non-compliant metals does not finance further conflict in the Conflict Region.

CONFLICT MINERALS

In order to prevent the extreme levels of Conflict Minerals in the Conflict Region, the United States Securities and Exchange Commission ("SEC") adopted final rules to implement reporting and disclosure requirements related to Conflict Minerals. The concern is related to the financing of the ongoing conflict in the Conflict Region from the mining and transportation of certain minerals which include Columbite-Tantalite (Coltan, Niobium, Tantalum), Cassiterite (Tin), Gold and Wolframite (Tungsten), their derivatives and/or other minerals as designated by the Secretary of State.

In accordance with the new legislation all publicly traded manufacturers are required to report **annually** to the Securities and Exchange Commission whether Conflict Minerals originating from the Conflict Region are necessary to the functionality of the product that they either manufacture or contract to be manufactured.

OEM Customers are required to be in compliance with the same.

To ensure compliance with the SEC and OEM requirements, Matcor-Matsu Group is required to request that suppliers under contract with Matcor-Matsu Group, review, manage and enforce compliance in order to prevent the use of Conflict Minerals.

This process is required to be completed and maintained by all contracted suppliers without exception and provided to Matcor-Matsu Group upon request for current Programs commenced on or prior to December 31, 2013.

For all Suppliers commencing initial supply of Existing or New Program Product or Process on or after January 1, 2014 the Conflict Minerals Reporting is required for each Part as a pre-requisite and must be included in the Level 3 PPAP submission without exception.

The EICC Conflict Minerals Reporting Template may be used for submission.

Additional information on conflict minerals reporting can be found by accessing the attached link:

<http://www.conflict-minerals.com>

http://en.wikipedia.org/wiki/Conflict_minerals

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Matcor-Matsu Group values the Human Rights that have been drafted in the International and Domestic Human Right Covenants and Declarations. These proposals have been set in place to avoid the causes or contributions that negatively impact human rights, and measures set in place to reverse and address these impacts should they occur.

The Supply Base for Matcor-Matsu Group must be in compliance with these policies and their adherence to national and international laws as applicable is mandatory to ensure that Humanitarian Rights are responsibly and irrevocably valued and respected.

HUMAN RIGHTS

Matcor-Matsu Group respects the fundamental rights of Humans both at the National and International Level. We aim through the integration of these requirements in our supplier mandate that the entire supply base review and commit to the inherent conditions necessary for the upkeep, promotion and protection of these fundamental rights. These requirements in summary include instilling methods and systems that would assist in avoiding the cause and contribution of factors that would adversely impact human rights. It would also through activities address and rectify these impacts if they do occur. These Declarations and Covenants may be reviewed to have a better understanding of the basic Human Rights:

- The Universal Declaration of Human Rights;
- The International Covenant on Civil and Political Rights;
- The International Covenant on Economic, Social and Cultural Rights; and
- The International Labour Organization's (ILO) Declaration on Fundamental.

Broadly identifiable inhibitive human rights issues are listed below, this list is not exhaustive but contain the minimum issues that the Supply Base must ensure they do not facilitate in any manner prevalent or existing in their corporation.

Child Labor: The Supply Base must under no circumstance employ any person (i) below their country's minimum age for employment; (ii) in occupations that jeopardize or afflict the physical, mental or moral wellbeing of a child; or (iii) as slaves, prostitutes or bonded laborers.

Compensation: The Supply Base will through compensation and benefits that are competitive and in compliance with applicable laws, promote the employees' material well-being.

Forced Labor: The Supply Base will not employ or use forced labor in any form nor induce any manner of physically abusive disciplinary practices, this would also include without exception human trafficking.

Harassment and Discrimination: The Supply Base will not tolerate any form of harassment or discrimination on the basis of gender, race, color, religion, age, national origin, sexual orientation, gender identity, disability or veteran status.

Health and Safety: The Supply Base will promote and maintain a safe and healthy work environment that meets or exceeds the applicable legal standards for occupational safety and health.

Work Hours: The Supply Base will adopt and comply with applicable laws that regulate hours of work.

Environment & Sustainability: The Supply Base will conduct and produce product in a manner that is responsible, it will work to enhance and strengthen the protection of health and the environment. It will also work efficiently and productively to reduce the environmental impact of its operations both in the short term, and towards improving the long term implementation of environmentally sustainable strategies.

We require, and are committed to ensuring that these actions be incorporated into the base mandates of the Supply Base's policies to ensure that Global and National Human Rights goals are maintained, improved and sustained.