



MTS SYSTEMS CORPORATION - Policy

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1.0 Purpose

MTS Systems Corporation strives to maintain the highest standards of ethical conduct and integrity in all areas of our business activities.

This policy has been adopted to comply with the requirements of Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), which calls for companies to investigate their use of conflict minerals. The SEC henceforth adopted the Final Rule to implement the legislation requiring companies to report on the use of conflict minerals and the reasonable inquiry conducted to determine if the conflict minerals originated from the Democratic Republic of Congo or adjoining countries and the due diligence conducted to determine if the use of these minerals financed the armed militia

2.0 Scope

Compliance with this policy is mandatory for all MTS employees, directors, officers, agents, consultants, and representatives, including all subsidiaries, worldwide.

3.0 Definitions

Conflict-Free. Minerals not sourced from the Covered Countries or do not finance the armed militia in the covered countries.

Conflict Minerals. The Dodd-Frank Act defines the term 'conflict mineral' as:

- Columbite-tantalite, also known as coltan (the metal ore from which tantalum (Ta) is extracted);
- Cassarite (the metal ore from which tin (Sn) is extracted);
- Gold (Au);
- Wolframite (the metal ore from which tungsten (W) is extracted); or their derivatives.

Also known as 3TG, these minerals are conflict minerals if they are sourced from the covered countries and their use has financed the armed militia in the covered countries.

Covered Countries. Democratic Republic of Congo (DRC) and adjoining countries:



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Source: The EICC – GeSI Extractives Work Group report on Conflict Minerals released May 30, 2011.

EICC. Electronic Industry Citizenship Coalition.

GeSI. Global e-Sustainability Initiative.

4.0 Policy

As a manufacturer of products that contain gold, tantalum, tin and tungsten, MTS is committed to encourage suppliers to source from smelters that have received the conflict free designations.

It is MTS' policy to perform due diligence on the source and chain of custody of Conflict Minerals in our supply chain, and we expect our suppliers to perform their own due diligence to inform our compliance efforts.

5.0 Process

Understanding the complexity of this challenge, MTS has developed a due-diligence process in alignment with the Conflict Free Smelters Initiative (CFSI) of the Electronic Industry Citizenship Coalition (EICC) and the Global e-Sustainability Initiative (GeSI). MTS will use the questionnaire



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developed by the Conflict Free Smelter Program (CFSP) of the CFSI to collect information from its Suppliers. MTS expects Suppliers to conduct their own due diligence with their own suppliers to provide MTS with the required information. Suppliers will be asked to:

- Have a similar conflict minerals policy and conduct their own due diligence with their suppliers to identify the source of the Conflict Minerals in the products supplied to MTS
- Ensure to the extent possible that conflict minerals used in the parts used to manufacture products supplied to MTS originate from smelters validated as conflict free by the CFSP
- Verify in writing that the Supplier is making a reasonable effort to demonstrate that materials and products are sourced from smelters validated as conflict free by the CFSP
- Complete MTS questionnaire accurately and submit it to MTS in time

In accordance with Security and Exchange Commission implementation guidelines, a Conflict Mineral special disclosure will be filed annually.

6.0 Policy Owner

Office of Risk and Compliance

7.0 References[ORC-001 MTS Code of Conduct](#)[OGC-033 MTS Compliance Charter](#)**REVISION HISTORY**

Rev	Description of Change	Effective Date
0	New	6/10/2013
1	Updates to the following sections: 1.0 Purpose – Updated to comply with the requirements of Dodd-Frank Wall Street Reform and Consumer Protection Act 3.0 Definitions – Updated ‘Covered Countries’ 4.0 Policy – Updated the section to conform to the Form SD filing 5.0 Process – Updated the due-diligence process that MTS follows	5/14/2018