



Conflict Minerals Program Supplier FAQ

Q: What is the conflict minerals rule?

A: On August 22, 2012, the US Securities and Exchange Commission (SEC) adopted a final rule to implement reporting and disclosure related to “conflict minerals,” as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The rule requires manufacturers who are SEC filers to disclose whether the products they manufacture or contract to manufacture contain “conflict minerals” that are “necessary to the functionality or production” of those products. BWXT is subject to reporting requirements under the conflict minerals rule.

Conflict minerals refer to tin, tantalum, tungsten and gold (commonly referred to as 3TG), regardless of where they are sourced, processed or sold. The intent of these requirements is to further the goal of ending violent conflict in the Democratic Republic of the Congo (DRC) and in adjoining countries, which has been financed, in part, by the exploitation and trade of conflict minerals.

To learn more about the legislation and conflict minerals, please consult the SEC website: <http://www.sec.gov/News/PressRelease/Detail/PressRelease/1365171484002>.

Q: What is the purpose of the conflict minerals rule?

A: Congress included this provision in the Dodd-Frank Act with the humanitarian goal of ending violent conflict in the Democratic Republic of the Congo (the DRC) and the adjoining countries. This conflict has been partially financed by the trade of certain minerals, known as “conflict minerals,” in the DRC and in adjoining countries, which include Angola, Burundi, Central African Republic, Rwanda, South Sudan, Tanzania, Uganda and Zambia (collectively referred to as the Covered Countries).

Congress chose to use the US securities laws disclosure requirements to require the exercise of due diligence on the source of conflict minerals in supply chains, and to encourage companies to procure conflict minerals from sources that do not finance or benefit armed groups in the Covered Countries.

Q: My company is not publicly traded, so why are we involved in this process?

A: BWXT needs the help of its suppliers to fully comply with its obligations under the conflict minerals rule. We have sent (or will send) you a questionnaire asking about the products you supply to BWXT, and we need you to timely complete and return the questionnaire. To obtain some of the information requested, you may need to contact your suppliers. Going forward, BWXT will aim to develop its supplier network in a manner that most effectively enables BWXT to comply with the conflict minerals rule.

Q: My company has decided to survey our suppliers to determine if the products they provide us contain conflict minerals from the DRC. How should I reach out to my suppliers?

A: You can send a survey request to your suppliers asking them to complete the Conflict Free Sourcing Initiative's (CFSI) Conflict Minerals Reporting Template:

<http://www.conflictreesourcing.org/conflict-minerals-reporting-template/>. This is a free, standardized reporting template that facilitates the transfer of information through the supply chain regarding mineral country of origin and smelters and refiners being utilized.

Q: My company does not manufacture the parts we sell BWXT; we're just a distributor. Why do I have to respond?

A: As our direct supplier, we will look to you to help us comply with the rule. You may need to contact your suppliers to fully complete our questionnaire form. Given your company's established business relationships with your suppliers, you are in the best position to do so. Going forward, BWXT will aim to develop its supplier network in a manner that most effectively enables BWXT to comply with the conflict minerals rule.

Q: Is there an exception for products that only contain trace amounts of tantalum, tin, tungsten, or gold?

A: No. There is no "de minimis" exception; even very small amounts of conflict minerals trigger disclosure obligations.

Q: My company has a provision in its supplier contracts that says any 3TG we receive will be in compliance with the conflict minerals rule. Is that sufficient for BWXT's purposes?

A: No, not by itself. BWXT would need additional information concerning the performance of your suppliers under that provision.

Q: The products my company sells to BWXT do not contain any tantalum, tin, tungsten, or gold. How do I respond?

A: Simply answer "No" for tantalum, tin, tungsten, or gold for question 1 and 2; there is no need to respond to questions 3 through 7. If you have any information on how you reached your conclusion that your products do not contain these materials, please include it in the comment box provided for each mineral in question 1.

Q: The products my company sells to BWXT contain tantalum, tin, tungsten, and/or gold, but all of the materials are derived from scrap or recycled sources. How do I respond?

A: Answer all questions. In the space provided for each mineral in question 4, please provide detailed information on how you reached your conclusion that the materials are derived from scrap or recycled sources. Additionally, if you have any documents that support your conclusion (such as certifications from your suppliers), please attach these to your response.

Q: The products my company sells to BWXT contain tantalum, tin, tungsten, and/or gold, and they aren't all derived from scrap or recycled sources, but none come from the Democratic Republic of Congo or the surrounding countries. How do I respond?

A: Answer all questions. If you respond "No" to question 3 for a mineral, please explain how you reached your conclusion that the materials do not come from the Democratic Republic of Congo or surrounding countries in the space provided for the mineral in question 3. We expect you will have surveyed 100% of your own suppliers and will provide a list of smelters in your supply chain along with certifications from your suppliers, if available.

Q: The products my company sells to BWXT contain tantalum, tin, tungsten, and/or gold, they aren't all derived from scrap or recycled sources, and at least some of them come from the Democratic Republic of Congo or the surrounding countries. How do I respond?

A: BWXT will ask you to complete the EICC/GeSI Conflict Minerals Reporting Template and provide a list of smelters in order to fully document that status of your 3TG. We will then compare your smelters list to verified smelters on the CFSP website. If the smelters you identify are not verified to be conflict free, we will follow up with you to discuss corrective action.

Q: Where do I send my completed questionnaire form and/or my completed EICC/GeSI Conflict Minerals Reporting Template?

A: Please email completed forms (and supporting documentation, if applicable) to conflictminerals@bwxt.com.

Q: If I have additional questions, who should I contact?

A: Please email any questions to conflictminerals@bwxt.com.