# MRC Global

Revision 01 Revised 08/12/2016 Effective 03/01/2016 Legal Department Global

# **Conflict Minerals Policy**

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## 1.0 Scope

1.1 This Policy is mandatory and applies to all directors, officers and employees of MRC Global Inc. and its subsidiaries ("MRC Global" or the "Company"), and any third party suppliers and/or manufacturers working with MRC Global wherever located.

## 2.0 Overview

2.1 The Dodd-Frank Act and related applicable 2012 U.S. Securities and Exchange Commission rules ("Dodd-Frank Act") require publically traded companies to disclose whether the products they manufacture or contract to manufacture contain Conflict Minerals. Conflict Minerals are tantalum, tin, tungsten and gold, which are sourced from mines in the Democratic Republic of the Congo ("DRC") or adjoining countries named in the Dodd-Frank Act.

## 3.0 Purpose

3.1 As a supplier and distributor, MRC Global is committed to acting in a socially and environmentally responsible manner, and to complying with applicable law wherever it operates. The Company supports the goal of the Dodd-Frank Act of preventing armed groups in the DRC from benefitting from the sourcing of Conflict Minerals and expects the suppliers and manufacturers of the products distributed by Company to adopt the same policy for their businesses and comply with applicable legal standards and requirements. The purpose of this Policy is to (i) state the Company's commitment to the responsible sourcing of Conflict Minerals, (ii) establish guidelines regarding the responsible sourcing of Conflict Minerals, and (iii) set the Company's expectations for its suppliers.

## 4.0 Policy & Procedures

### 4.1 **Our Commitment**

As a distributor of products manufactured by other companies, Company does not directly purchase any raw Conflict Minerals from any source and is many levels removed from the mines, smelters, and refiners that produce the metals used in the products manufactured by Company's suppliers. Company is however wholly committed to:

- A. Supporting the aims and objectives of the Dodd-Frank Act concerning Conflict Minerals sourcing by working to educate the manufacturers of the products we distribute about Conflict Minerals. MRC Global will assist our customers in implementing their Conflict Mineral programs and will strive to work cooperatively with our customers and supply chain partners in implementing Conflict Mineral compliance programs.
- B. Helping our suppliers understand the due diligence steps they can take to investigate the

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source of any Conflict Minerals in the products they sell to Company.

C. Immediately refraining from sourcing from a supplier or manufacturer any product that contains Conflict Minerals if Company determines the product is not DRC Conflict Mineral Free.

### 4.2 Expectations of Suppliers

- A. Suppliers should not include in any products sold to Company any Conflict Minerals that are not DRC Conflict Free;
- B. Suppliers should develop Conflict Minerals policies, due diligence frameworks, and management systems that are designed to prevent Conflict Minerals that are not DRC Conflict Free from being included in the products sold to Company; and
- C. Company's suppliers are expected to source Conflict Minerals only from sources that are DRC Conflict Free.

In doing so, suppliers will be expected to:

- A. Implement and communicate to their personnel and suppliers policies that are consistent with this Policy, and require their direct and indirect suppliers to do the same;
- B. Put in place procedures for the traceability of Conflict Minerals, working with their direct and indirect suppliers as applicable;
- C. Use reasonable efforts to source Conflict Minerals from smelters and refiners validated as being DRC Conflict Free, and require their direct and indirect suppliers to do the same;
- Advise Company of any determination that the supplier either has concluded or has a reasonable basis to believe that products it currently sells or has sold to Company are not DRC Conflict Free;
- E. Maintain reviewable business records supporting the source of Conflict Minerals.
- F. The Company requires suppliers to provide us with completed Conflict Minerals declarations. We may reconsider our willingness to partner with suppliers that fail to comply with this Policy; and
- G. From time to time, at Company's request, provide Company with further information concerning the origin of Conflict Minerals included in products sold to Company, which Company shall be entitled to use or disclose in satisfying any legal or regulatory requirements or in any customer or marketing communications, notwithstanding the terms of any confidentiality agreements that do not specifically reference this paragraph.

Suppliers also are encouraged to support industry efforts to enhance traceability and responsible practices in Conflict Minerals supply chains.

#### 4.3 Consequences of Supplier Non-Compliance

Company evaluates its relationships with its suppliers on an ongoing basis. Company reserves the right to evaluate the extent to which a supplier has failed to reasonably comply with this Policy.

Company reserves the right to request additional documentation from its suppliers regarding the origin of any Conflict Minerals included in any products sold to Company.

Suppliers who do not reasonably comply with this Policy shall be reviewed by Company's supply chain organization for future business.

In the event Company determines that a supplier's efforts to comply with this Policy have been deficient and the supplier fails to cooperate in developing and implementing reasonable remedial steps, Company reserves the right to take appropriate actions up to and including discontinuing purchases from the supplier.

Nothing in this Policy is intended to in any way grant any additional rights or expectations to a Company supplier or in any way modify or otherwise limit in any way any of Company's contractual or legal rights.



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### 4.4 Grievance Mechanism and Reporting

Our employees, suppliers and other parties can report concerns and alleged violations of this Policy as follows:

Email us at: <u>MRCCompliance@mrcglobal.com</u> Attn: Chief Compliance Officer

Or call the Company Ethics Hotline

Reports can be made anonymously and will be kept confidential to the fullest extent practicable and allowed by law.

We will not take any retaliatory action against our employees, suppliers, or other parties who make a report in good faith.

Our suppliers are encouraged to contact <u>MRCCompliance@mrcglobal.com</u> if they wish to seek guidance on the application of this Policy.

## 5.0 Revisions

Revision	Section	Sub-Section	Sub-Sub-Section	Description	Approval Date	Author	Approver
0							
1							
2							