

Date: February 26, 2014

KEY TRONIC CORPORATION STATEMENT ON CONFLICT MINERALS

Overview of the Conflict Minerals Issue

The Dodd-Frank Wall Street Reform and Consumer Protection Act, passed into law in July of 2010 requires that U.S. companies report to the Securities and Exchange Commission (“SEC”) on the origin of conflict minerals or their derivatives and exercise due diligence regarding the source or chain of custody for such minerals if they were sourced from the Democratic Republic of the Congo (“DRC”) or adjoining countries. The goal of the act is to cut direct and indirect funding of armed groups engaged in conflict and human rights abuses. The SEC published regulations implementing Dodd-Frank Section 1502 on August 22, 2012; the first reports to the SEC are due May 31, 2014 for the calendar year ending December 31, 2013.

Key Tronic Corporation’s Approach on Conflict Minerals

Key Tronic Corporation actively works with its suppliers to develop policies that identify and discourage the use of conflict minerals or derivative metals sourced from mines controlled by armed groups in the DRC. In addition, all suppliers to Key Tronic Corporation are to establish policies, due diligence frameworks, and management systems consistent with the Dodd-Frank Act and relating regulations.

Key Tronic Corporation’s Management System to Determine the Risk of Use of Conflict Minerals

Key Tronic Corporation has taken the following steps toward determining the sources of tantalum, tin, tungsten or gold metals and their derivatives within the supply chains of all its products:

Contract Process

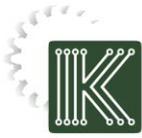
Key Tronic Corporation has or will enter into contracts with its vendors to supply materials to Key Tronic Corporation to be used in Key Tronic Corporation manufactured products or in Key Tronic Corporation’s manufacturing process, that are consistent with the Dodd-Frank Act.

Supplier Manual

Key Tronic Corporation shall establish its Global Supplier Manual based, in part, on the EICC Code. This Manual shall contain the provision that ‘Suppliers shall evaluate the origin or source of their materials throughout their supply chains to verify whether they have been obtained from the Democratic Republic of Congo and discourage such use.’ This Manual will be distributed externally to prospective vendors as part of the Supplier Assessment process.

Supply Chain Assessment/Scorecard

Key Tronic Corporation shall incorporate the EICC/GeSI program within our supplier assessment and commodity due diligence systems to help to identify smelters using non-DRC sourced minerals. Key Tronic Corporation is in the process of conducting an analysis of all procured and manufactured parts based on risk. This includes assessing thousands of part numbers spanning over the entire supply chain.



KeyTronicEMS
Trust. Commitment. Results.

New Products

Key Tronic Corporation is amending its New Product Introduction process to discourage the use of conflict minerals in manufactured parts or in its manufacturing process.

Additional information may be found on our website at the following URL: www.keytronic.com.

Sincerely,

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