

Date April 25

Declaration on the use of Rare Earth Elements

There are 17 rare earth elements (REEs), 15 within the chemical group called lanthanides, plus yttrium and scandium. Some of the major end uses for rare earth elements include use in automotive catalytic converters, fluid cracking catalysts in petroleum refining, phosphors in color television and flat panel displays (cell phones, portable DVDs, and laptops), permanent magnets and rechargeable batteries for hybrid and electric vehicles, and generators for wind turbines, and numerous medical devices. Also, there are important defense applications, such as jet fighter engines, missile guidance systems, antimissile defense, and space-based satellites and communication systems.

The concentration of production of rare earth elements (REEs) in specific countries raises the important issue of supply vulnerability. Today, China produces approximately 97 percent of the current world supply of rare earth elements. It also produces 97 percent of rare earth oxides, and supplies 100 percent of rare earth refining capacity.

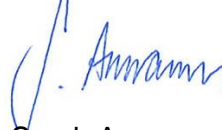
Based on currently available information, SCHURTER products do not contain rare earth elements. They are not relevant for SCHURTER's production processes, either. Availability of SCHURTER products is not influenced by the supply status of these materials.

This letter is according to the present state of knowledge and confirmation of the suppliers. We want to point out that the presence of traces of unwanted substances can never be completely ruled out.

SCHURTER AG is renowned for its commitment to environmental protection – as early as in 1996, we were among the first companies to receive the certification for our environmental management system according to ISO 14001. We have issued two SCHURTER Sustainability Reports, which summarize what we have done and how we have shaped up in the field of economic, social and environmental corporate management. The latest report is available on our web site www.schurter.com

Yours sincerely

SCHURTER AG



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