

LSB INDUSTRIES, INC.
CONFLICT MINERALS POLICY

Overview of the Conflict Minerals Issue

Companies, governments, international organizations, and many others support ending the conflict and criminal activity, including human rights violations, which is financed in part by the mining and trade of “conflict minerals” – tin, tantalum, tungsten, and gold – in the eastern provinces of the Democratic Republic of the Congo (“DRC”), a central African country with vast mineral wealth, including reserves of conflict minerals and adjoining countries. These minerals are used in many manufactured goods across many industries, including the aerospace, appliances, automotive, electronics, jewelry, medical and tool and die industries.

The U.S. Securities and Exchange Commission has adopted rules regarding sourcing of conflict minerals to implement the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The rule imposes reporting requirements on publicly-traded companies relating to the presence of conflict minerals in the products that they manufacture, which reflects Congressional concerns that the exploitation and trade of conflict minerals by armed groups helps to finance conflict in the DRC and surrounding countries.

LSB Industries, Inc. Compliance Efforts

LSB Industries, Inc. (“LSB”) is committed to fulfilling the requirements of the conflict minerals rules, and has been undertaking the considerable process of determining where conflict minerals exist within our direct material supply chain. This undertaking includes establishing comprehensive processes and systems to support compliance.

Because LSB does not source conflict minerals directly from smelters or refiners and has a multi-tiered, complex and geographically dispersed supply chain, engagement with its suppliers is a fundamental element of LSB’s efforts to comply with these requirements. LSB expects its suppliers to comply with the conflict minerals rule and to support LSB in fulfilling its obligations under the rule, including providing LSB with information regarding the country of origin or the conflict minerals that it provides to LSB. When non-compliance is detected, we will attempt to work with the supplier concerned to correct the situation. If a supplier remains non-compliant, we will evaluate our options, including but not limited to, reassessment of the supplier relationship or transitioning to products that are conflict mineral free. LSB will continue its ongoing efforts to increase engagement with its suppliers to support the acquisition, management and processing of data for compliance with the conflict minerals rule.

Likewise, as a supplier, LSB is committed to assisting its customers fulfill their legal obligations under the conflict minerals rule.

To make inquiries regarding this policy or to report violations of this policy, please contact us by mail or e-mail as follows:

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