

March 6, 2017

MICHAEL S. PIWOWAR, ACTING CHAIRMAN
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
100 F STREET, NE
WASHINGTON, DC 20549



RE: COMMENTS ON RECONSIDERATION OF CONFLICT MINERALS RULE IMPLEMENTATION

Dear Mr. Piwowar,

As Director of the Oneida Trust Enrollment Committee, that oversees \$100+ million of invested trust funds for the Oneida Nation, I am writing to you in response to the January 31, 2017 *Statement on the Commission's Conflict Minerals Rule* and associated request for comment. The Oneida Trust Enrollment Committee strongly affirms its support for Section 1502 of the Dodd-Frank Act.

Sustainable investors value companies' responsible management of global supply chain risks and have been particularly concerned in recent years by the use of four minerals, referred to as "conflict minerals" to fund the continuing violence in the DRC. The key reasons we have supported 1502 are:

- Conflict minerals disclosures are material to investors. Materiality, or financial relevance, emerges from all the reported facts. Disclosure on conflict minerals has informed and improved an investor's ability to assess operational, social (i.e., human rights) and reputational risks in an issuer's supply chain, as well as a company's long-term mitigation of risks related to the supply of minerals, liability, and other material risks. Investing in companies with operations or supply chains in areas of conflict is higher risk because violence may disrupt business activities and the policy and regulatory environment is less predictable given that national and local governments are also disrupted by the conflict. It is important therefore for investors to understand the exposure of individual company supply chains to conflict zones.
- Investors benefit from consistent disclosures and continued engagement. The Conflict Minerals rule makes conflict mineral related disclosures consistent and accessible to all investors, thereby improving efficiency in US markets in allocating capital to issuers with the best overall prospects for long-term shareholder value. Company disclosures on sourcing practices, combined with analysis provided by groups like Responsible Sourcing Network on the quality of such disclosures, has provided investors with important transparency into relevant and material human rights risks. According to the Responsible Sourcing Network's report *Mining the Disclosures 2016: An Investor Guide to Conflict Minerals Reporting in Year Three*, a majority of the world's production of conflict

minerals is now audited to ensure traceability. Corporate understanding of supply chains and disclosure has improved and therefore investor understanding has improved. There has been significant progress in a short amount of time towards building effective systems to manage supply chain exposure to conflict. Such supply chain due diligence is becoming a global norm for responsible sourcing. Companies worldwide will continue to face investor and consumer scrutiny and regulation on conflict minerals from the Democratic Republic of Congo (DRC) and the broader Great Lakes Region. The EU's Conflict Minerals Due Diligence is mandatory for importers of conflict minerals and Section 1502 is critical to ensuring consistent information across all asset classes and corporate actors. Section 1502 is lifting US companies to a position of global leadership on this critical issue.

- Section 1502 has helped to address the conflict on the ground, undermining illegal activity and the corruption that have fueled the violence. No single law can solve all the underlying problems that are causing conflict in the DRC and surrounding region. However, since its promulgation in 2010 and implementation in 2012, Section 1502 has helped to make a difference on the ground. It is important to understand the progress that 1502 has helped to make is part of a broader international response, including efforts by African Nations through the International Conference on the Great Lakes, guidelines from the OECD, regulation in the European Union, and work by industry trade associations to help their members comply understand and manage their exposure to conflict minerals. According to a report by the OECD and International Peace Information Service, these efforts have demonstrated success in diminishing revenue flows to militia groups and have been catalysts for positive change in the region's mining sector. Importantly, 1502 has contributed to a more stable business and **investment** climate in the DRC and surrounding region. This is helpful for business, investors and people living in affected communities. Unfortunately, revenue from natural resources continues to fund conflict and human rights abuses in the region. However, the answer is not to withdraw and undermine transparency, inviting more corruption. Instead, continued engagement and reporting on corporate activities related to conflict minerals under Section 1502 are vital for improvement on the ground.

The Oneida Trust Enrollment Committee believes that the existing conflict minerals rule is appropriate and does not believe that Section 1502 requires additional guidance or relief at this time.

Sincerely,



Susan White, Oneida Trust Enrollment Director