

Avista Corporation Conflict Minerals Policy Statement

The Conflict Minerals Disclosure Rule

On August 22, 2012, the U.S. Securities and Exchange Commission (the “SEC”) adopted a final rule (the “Rule”) under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”), requiring publicly traded companies subject to Securities Exchange Act of 1934 reporting requirements to conduct reasonable due diligence and, where applicable, report annually on the use and source of ‘conflict minerals’ in their products. Conflict minerals are defined in the Rule as gold, as well as tin, tantalum and tungsten (and their derivatives, cassiterite, columbite-tantalite and wolframite), which originate in the Democratic Republic of Congo or an adjoining country specified in the Rule (collectively the “Covered Countries”). The Rule was implemented to increase supply chain transparency with the aim of ending ongoing violent conflict in Covered Countries that the U.S. Congress has determined is being partially financed by revenues generated from the mining and transport of conflict minerals.

Our Commitment

Avista supports the purpose and intent of the Rule. To the full extent required by the Rule, as well as the related rules and regulations issued by the SEC, Avista is committed to avoiding the purchase and/or use of conflict minerals originating from Covered Countries. Avista is taking a number of action in accordance with this framework, including:

- Supporting the requirements of the Rule, which include a reasonable country of origin inquiry with respect to conflict minerals and, if applicable, annual disclosure and supply chain due diligence measures;
- Involvement in various industries groups, including the Edison Electric Institute and the Western Energy Institute, which engage in, and provide resources around compliance with, ongoing developments to the Rule.
- Strengthening supply chain sourcing and procurement of goods and services to ensure compliance with the Rule.

Our Expectations of Suppliers and Contractors

Avista is committed to working with companies that share our values and commitment to human rights, ethics and environmental responsibility. Consequently, Avista expects its Suppliers and Contractors to support its efforts to comply with the Rule by taking appropriate due diligence measures to determine the origin of minerals used in products supplied to Avista. Avista may suspend or discontinue engagements with suppliers or contractors where Avista identifies that these requirements are not being met.