

Conflict Minerals Policy Statement

Minerals mined in the Democratic Republic of Congo (DRC) and adjoining countries may be making their way into the electronics industry supply chain. Some mining operations in the DRC have been linked to poor labor and environmental practices, and there is evidence that some mining and transportation of minerals in the Eastern provinces of the Democratic Republic of Congo (DRC) are funding conflict in the country by funding illegal armed groups. As part of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the United States Securities and Exchange Commission (SEC) passed legislation which requires companies to report on the origin of these conflict minerals including tin, tantalum, tungsten and gold.

Solid Semecs BV is committed to ethical practices and compliance with all applicable laws and regulations. While we do not source these metals directly, they may exist in the materials and components we source. We are therefore committed to working with our customers and suppliers to responsibly source the materials and components we use in manufacturing our customers' products which may contain these minerals. To comply with the SEC reporting regulations relating to conflict minerals, Solid Semecs BV requires chain of custody declarations from our suppliers to verify the origin of the conflict minerals contained in their products.

In addition, we require the following from our suppliers:

- to source materials from socially responsible sub-tier suppliers and manufacturers
- to assist us to comply with the SEC regulations related to conflict minerals and to provide all necessary declarations
- to undertake reasonable due diligence within their supply chain to determine the origin of the conflict minerals, including developing policies and management systems preventing the use of conflict minerals or derivative metals sourced from mines that directly or indirectly finance armed groups through mining or mineral trading in the DRC or any adjoining country, and to pass these requirements along to their sub-tier suppliers and require them to do the same with lower tiers of suppliers.

Within our EMS segment, we require the following from our customers:

- to design in components that can be sourced from socially responsible suppliers
- to assist us in complying with the SEC regulations related to conflict minerals and to assist in gathering declarations where the supply chain has been established by our customer
- to support supply chain changes required to eliminate DRC conflict minerals from the products

In addition, we will work with our suppliers and also our customers, where the supply chain has been established by our customer, to seek remedies for non-compliance.

The process of tracing the conflict minerals through the supply chain is complicated and time-consuming. Therefore, we will rely on industry initiatives, such as the Conflict Free Smelter Program, for assistance in complying with the SEC reporting requirements on conflict minerals.

Solid Semecs BV is committed to working with our customers and our suppliers to ensure effective implementation of this legislation.

Semecs shall not be liable, under any theory of law, and shall not be responsible to defend or indemnify any party should any material out of compliance.