

# Arc-Tronics, Inc. Responsible Sourcing Policy

Arc-Tronics, Inc. manufactures electronic assemblies that contain various minerals necessary for functionality including columbite-tantalite (coltan), cassiterite, wolframite, gold, and the derivatives tantalum, tin, and tungsten (3TGs). These are often referred to as “Conflict Minerals” because of concerns that revenue from the mining and transport of these minerals is believed to be financing or benefiting groups that are responsible for human rights violations such as child labor, harsh working conditions, environmental destruction, and corruption.

In August 2012, the U.S. Securities and Exchange Commission (“SEC”) adopted final rules implementing Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Conflict Minerals Rule”). Under these rules, publicly traded companies must annually report to the SEC whether the products they manufacture or contract to manufacture contain “conflict minerals” originating from the Democratic Republic of the Congo (the “DRC”) or adjoining countries.

While Arc-Tronics, Inc. is not a public company listed on a United States stock exchange, Arc-Tronics, Inc. does business with U.S. public companies and supports our clients’ efforts to conduct annual Reasonable Country of Origin Inquiry (RCOI) and due diligence in support of their filing.

Arc-Tronics, Inc. also recognizes that it has a responsibility to source minerals ethically, and perform due diligence to determine the origin of any minerals that may have been sourced from high-risk regions. Since we do not procure minerals directly from mines, smelters, or refiners, we collaborate with our customers and direct suppliers to meet our obligations.

Arc-Tronics, Inc. supports industry-wide efforts to identify, reduce, and hopefully eliminate the use of conflict minerals originating from the DRC and adjoining countries that are financing or benefiting groups committing human rights violations. To further this goal, Arc-Tronics, Inc. leverages the Conflict Minerals Reporting Template (CMRT) developed by the Responsible Minerals Initiative (RMI) to gather and exchange supply chain information. Arc-Tronics, Inc. is also tracking emerging laws and industry practices concerning emerging conflict minerals requirements. Arc-Tronics, Inc. is committed to complying with any applicable requirements and has implemented a due diligence process that aligns to the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance) to meet its obligations under the legislation.

Suppliers to Arc-Tronics, Inc. are expected to establish their own responsible minerals policies, due diligence frameworks, and management systems that align with RMI and OECD guidance. Suppliers’ programs should be designed to prevent conflict minerals from being included in the products sold to Arc-Tronics, Inc. We expect our suppliers to pass these requirements along to their sub-tier suppliers. In the event Arc-Tronics, Inc. determines that a supplier has failed to develop and implement reasonable steps to comply with this policy, Arc-Tronics, Inc. reserves the right to take appropriate actions, which may include discontinuing the business relationship with the supplier.

Customers to Arc-Tronics, Inc. are expected to design products whose components can be responsibly sourced. We ask our customers to assist us with customer-directed suppliers’ compliance with 3TG due diligence and support supply chain changes required to meet the objective of this policy.

Marla Spahic  
CEO  
Arc-Tronics, Inc.  
Date: March 15, 2023

