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Policy Statement on Conflict Minerals

As a socially responsible company, Synergy Electronics has concern for the well-being of people and communities. We conduct business fairly and ethically, respect human rights and comply with laws and regulations.

Synergy Electronics supports the efforts of human rights organizations to end violence and atrocities in Central Africa (the Democratic Republic of Congo (DRC) and nine adjoining countries: Republic of Congo, Central Africa Republic, South Sudan, Zambia, Angola, Tanzania, Burundi, Rwanda and Uganda). It has been widely reported that the major driver of this violence is the natural abundance of the minerals tin, tungsten, tantalum and gold, now referred to as "conflict minerals." Armed groups fight for control of mines in this region and use forced labor to mine and sell the minerals, which in turn funds ongoing violence.

Expectations for Suppliers

Synergy Electronics expects suppliers to supply materials that are "DRC Conflict-Free". DRC includes the countries of Democratic Republic of Congo, Republic of Congo, Central Africa Republic, South Sudan, Zambia, Angola, Tanzania, Burundi, Rwanda and Uganda.

Suppliers are expected to adopt policies and management systems with respect to conflict minerals and to require their suppliers to adopt similar policies and systems. Synergy Electronics expects suppliers to establish their own due diligence program to ensure conflict-free supply chains.

In the event Synergy Electronics determines that a supplier's efforts to comply with this Policy have been deficient and the supplier fails to cooperate in developing and implementing reasonable remedial steps, Synergy Electronics reserves the right to take appropriate actions up to and including discontinuing purchases from the supplier.

Under the definition of "DRC Conflict-Free," products supplied to Synergy Electronics:

- 1. Do not contain tantalum, tin, tungsten or gold (3TG) as elements necessary to their production or functionality, or,
- 2. If products supplied to Synergy Electronics do contain these minerals, the minerals must originate outside the DRC, come from scrap or recycled sources, or be supplied from smelters that have been validated by an independent private sector party to be conflict-free. Certified conflict-free smelters are validated as compliant to the EICC (Electronic Industry Citizenship Coalition) conflict free smelter (CFS) protocol using the CFS Compliant Smelter List. Through the CFS protocol, smelters are audited globally; the list of compliant smelters and refiners is posted at www.conflictfreesmelter.org.

