

## CONFLICT MINERALS POLICY

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Conflict Minerals is the term used to describe certain minerals such as gold, wolframite, cassiterite, columbite-tantalite and their derivative metals, which include tin, tungsten, and tantalum, that are sourced from mines in the Democratic Republic of Congo (DRC) or the surrounding countries. Tin, Tantalum, Tungsten, and Gold are used in various aerospace components for numerous applications.

Section 1502 of the Dodd-Frank Act require all publicly traded companies to report annually to the SEC whether they use conflict minerals that are “necessary to the functionality or production” of a product that they either manufacturer, or contract to be manufactured. The intention is to cut funding to armed groups that commit violent human rights violations in eastern DRC.

It is estimated that only 5% of Tin, 15-20% of Tantalum, 0.6% of Tungsten, and 0.5% of Gold of the world supply originates from the DRC. Furthermore, not all of the Conflict Minerals from the DRC region are mined from areas controlled by these armed groups. Many of the products we provide do not contain these Conflict Minerals. ASC is not a publicly traded company and does not have to report to the SEC. However, the law still requires disclosure if any of the items ASC contract’s to have manufactured or procure, contain any Conflict Minerals so that we may pass this information along to our customers who must file with the SEC.

ASC is committed to the responsible sourcing of Conflict Minerals from areas either not in the DRC region or areas in the DRC region not controlled by armed groups. ASC will not knowingly procure or supply products that contain Conflict Minerals that are sourced from the DRC conflict area. This Policy will be included in our Terms and Conditions and made available on our website as a separate link.

Both ASC and our suppliers must perform due diligence to insure only “Conflict Free” sources are used for Conflict Minerals and supplied to ASC. This means either A.) Any Tin, Tungsten, Tantalum, or Gold (Conflict Minerals) necessary to the functionality or production of supplied materials must not directly or indirectly fund the armed groups in the DRC region or B). Any conflict minerals used in supplied materials must be from scrap or recycled sources. All suppliers must adopt a Conflict Mineral Policy and flow these flow requirements down through the supply chain down to the smelter level.

Information will need to be collected throughout the supply chain regarding the source of Conflict Minerals and traceability of these minerals. To facilitate this information gathering, as well as a major part of the due diligence required, The Electronics Industry Citizenship Coalition and the Global e-Sustainability Initiative have

developed a standardized methodology and reporting template that is being adopted by many in the aerospace industry. This website has a list of conflict free smelters and a reporting template free of charge. Large aerospace companies, Boeing and United Technologies included, as well a number of other, major, aerospace distributors have adopted this approach and we strongly recommend use of this site.

Website: <http://www.conflictreesmelter.org>

The reporting tool is an excel spreadsheet with instructions. A list of compliant smelters is also posted here as well as training tools and videos.

In summary, we expect our suppliers to:

- a. Adopt a Conflict Mineral's Policy and flow this down into your supply base.
- b. Supply "Conflict Free" material as defined above and certify parts as Conflict Free or DRC Conflict Free.
- c. Perform Due Diligence in your supply base to insure only Conflict Free materials or used or procured.
- d. Collect information from your suppliers and be able to provide this as evidence of Due Diligence. We strongly encourage use of the above mentioned reporting tool.