

AP Sensing Policy for a Responsible Global Supply Chain of Conflict Minerals



Tantalum (Coltan)



Tin (Cassiterite)



Tungsten (Wolframite)



Gold

In 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act became law in the United States. Section 1502 of the Act relates to "conflict minerals" which are defined as:

- Tantalum, tin, tungsten and gold, refined from columbite-tantalite (also known as coltan), cassiterite, wolframite and gold ores, respectively;
- Originating from the Democratic Republic of Congo and its adjoining countries — Angola, Central African Republic, Burundi, Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia (the Conflict Area); and
- The mining and trading of which are used to fund armed conflict in the Conflict Area.

Section 1502 requires publically held companies to report annually to the U.S. Securities and Exchange Commission (SEC) on whether the products they manufacture or contract to manufacture contain conflict minerals. If they do, companies are required to report on whether or not these conflict minerals are necessary to the production or functionality of the applicable products.

Although AP Sensing is not a publically held U.S. company, it adopted the Policy for its products and its supply chain including contract manufacturers and component suppliers in order to comply with the requirements above and set up a risk management plan.

Global Products and Services Conflict Minerals Policy

Purpose

To address the mandates of Section 1502 of The Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) (the "Act") aimed at the elimination of trade in conflict minerals in the Conflict Area.

Scope

This Policy applies to AP Sensing worldwide.

Definitions

- Conflict Area – Currently, the Democratic Republic of Congo and adjacent countries: Angola, Burundi, Central African Republic, Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia.
- Conflict-free – A Conflict Mineral that does not, directly or indirectly, finance armed groups through mining or mineral trading in the Conflict Area, or that is obtained from scrap or recycled sources.
- Conflict Minerals – Columbite-tantalite/coltan (tantalum), cassiterite (tin), wolframite (tungsten), gold, or their derivatives that originate in the Conflict Area.

Policy

AP Sensing is committed to the responsible sourcing of materials, products and components necessary to the functionality of the products that AP Sensing manufactures or contracts to manufacture.

Accordingly, AP Sensing will collaborate with its suppliers to work toward a conflict-free mineral supply chain.

AP Sensing expects its suppliers to adopt policies and management systems consistent with the Act and this policy, to supply materials, products, and components that are conflict-free and to in turn require their suppliers to adopt similar policies, systems and socially responsible sourcing practices. To that effect, we expect our suppliers to respond to our inquiries and provide declarations supporting their commitment to becoming conflict-free and documenting countries of origin for conflict minerals that they purchase.

A risk management plan and a due diligence framework will be set in place. We will immediately suspend or discontinue engagement with suppliers which are known for violations of the Act after failed attempts at mitigation.

Customers

AP Sensing customers who are required to comply with the Act may request information regarding conflict minerals content in products sold by AP Sensing.

AP Sensing understands the critical need to respond in a timely manner to such requests. We are currently in the process of gathering the relevant information for conflict minerals content products which are sold to our customers. All customer inquiries and communications regarding conflict minerals should be sent to info@apsensing.com.

Suppliers

If you are an AP Sensing supplier and have been asked to submit responses to our conflict minerals Questionnaire, we ask you for a timely response. Thank you for your cooperation and assistance in this matter.