# Caldaro Conflict Minerals Policy Statement

In recent years, there has been increased awareness of and concern for the extremely violent conflict in the Democratic Republic of Congo ("DRC") and the surrounding countries (together with the DRC, the "Covered Countries"). This has been partially financed by the exploitation and trade by armed groups in the Covered Countries of cassiterite, columbite-tantalite, gold, wolframite and three specific derivatives-tin, tantalum, and tungsten ("Conflict Minerals").

The adoption of the U.S. Congress bill, HR 4173, specifically with regard to §1502 – Conflict Minerals, the origin of so-called conflict minerals (Dodd-Frank Act 1502), is concerned with serious issues within the supply chain of the relevant raw materials. It attempts to minimise the financing of Congolese militias and contribute to curbing conflicts in the region. Specifically, this bill deals with handling conflict minerals and their derivatives, further defined in Section 1502 part E numbers 1 and 4. Therefore, affected listed companies have to report to the SEC each year whether these minerals are necessary for the function or manufacturing their respective products. In all soldering processes, tin is a basic material. Gold is a contact material of reed switches and connector pins. Furthermore, tantalum is primarily used for capacitors.

Caldaro is committed to the ethical sourcing of minerals used in our products. We are currently assessing whether our products contain Conflict Minerals from the Covered Countries. Our goal is to refrain from purchasing Conflict Minerals from the Covered Countries for our products except for those materials that are certified by an independent third party as "conflict-free." However, the global supply chain for these minerals is complex, and tracing the minerals in our products to their source is a challenge. Caldaro is working diligently with our suppliers and other stakeholders to improve and systematically address the process for sourcing minerals that are truly "conflict-free."