

Lissa Wang
Product Regulation Compliance Manager
lissa.wang@mmd-p.com

Subject: Responsible Sourcing of Minerals

Date: August 6, 2020

Dear Mr., Mrs.,

AOC & MMD acknowledges the issues concerning working conditions at the base of the supply chain, specifically in the extractives sector for metals such as tin, tantalum, tungsten, gold (3TG) and cobalt. In particular, we are concerned about the situation in the east of the Democratic Republic of Congo (DRC) and other Conflict-Affected and High-Risk Areas (CAHRAs). Products from the extractives sector are sometimes used to finance rebel conflicts which are associated with serious human rights abuses. We are committed to address this issue, even though we do not directly source minerals from the DRC or other CAHRAs. Our supply chain for the metals of concern consists of many tiers, including mines, traders, exporters, smelters, refiners, alloy producers and component manufacturers, before reaching the direct suppliers.

Although AOC & MMD and TPV does not directly source minerals from the DRC or other CAHRAs, and the mines are typically seven or more tiers removed from our direct suppliers, we address the issue through leveraging our influence on our supply chain and participating as a member in the Responsible Minerals Initiative (RMI). The RMI provides information on conflict-free smelters and refiners, common tools and standards to collect supply chain information, and forums for exchanging best practices. It is a multi-sector, multi-stakeholder network, and reduces the need for duplication of efforts across the many sectors that are using conflict minerals.

Our main supplier TPV is requesting their suppliers to use the RMI Conflict Minerals Reporting Template (CMRT) to inform TPV, AOC & MMD about their due diligence measures and disclose the smelters in their supply chain. The list of smelters can be found in the Conflict Minerals Report 2019 and we publish our Conflict Minerals Report, including list of smelters, since 2018.

To exclude conflict minerals even more we started our collaboration with Pact in 2020. Pact is a non-profit international development organization founded in 1971 and works in nearly 40 countries to improve the lives of those who are challenged by poverty and marginalization. Pact's Mines to Markets program, or M2M, uses an integrated, holistic approach to help resource-dependent communities improve their lives. They bring together government, industry and miners to make artisanal and small-scale mining (ASM) formal, safer and more productive.

AOC & MMD will continue to work cooperatively with suppliers, industry, Non-Governmental Organizations (NGOs), and other stakeholders to improve the transparency and traceability of tantalum, tin, tungsten, gold and gradually other minerals (e.g., cobalt) used in our products.

Kind regards,

Lissa Wang
Product Regulation Compliance Manager