

# CONFLICT MINERALS GLOBAL POLICY

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## 1. INTRODUCTION

In 2010 the US Congress enacted the so called "Conflict Minerals" provisions of the Dodd-Frank-Street Reform and Consumer Protection Act targeting at the elimination of the illegal trade of gold, tin, tantalum and tungsten and so cutting the funding of the armed groups in the Democratic Republic of Congo and its neighboring countries, also called the Conflict Region. Section 1502 of the Dodd-Frank Act requires companies listed at the US stock exchange to report to the US Securities and Exchange Commission whether any of the "Conflict Minerals" in their products originate from the Conflict Region.

VC defined standards of business conduct and legal compliance containing standards of human rights, anti-corruption and environmental protection, being also extended to our business partners, suppliers and subcontractors.

In order to comply with the provisions of the Dodd-Frank-Act and VC's standards of ethics VC is reviewing its sourcing supply chain and set up this Conflict Minerals Policy.

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## 2. PURPOSE

This Conflict Minerals Policy provides more detailed standards regarding the illegal trade of natural resources all along the supply chain in particular products/components containing tin, tantalum, tungsten and/or gold and our commitments with respect to a “conflict free” sourcing

## 3. SCOPE

This document applies to all products, compounds and raw materials sourced by VC and also applies to all companies and sites of Vibracoustic facilities worldwide.

## 4. DEFINITIONS / ABBREVIATIONS

**CMRT:** Conflict Minerals Reporting Template, formerly known as the EICC-GeSI template, an excel based file being the common reporting tool for suppliers to survey their supply base for smelter information.

**Conflict Minerals or 3TG:** tin, tantalum, tungsten or gold in any form and sourced from any location on earth

**Conflict Region (Covered Countries or DRC Region):** Democratic Republic of the Congo and adjoined countries (Congo Republic, Central Africa Republic, South Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia and/or Angola)

**Dodd-Frank Act:** Dodd-Frank- Street Reform and Consumer Protection Act, US legislation governing the trade of Conflict Minerals

**SEC:** U.S. Securities and Exchange Commission; US panel responsible for the Dodd-Frank Act

**DRC:** Democratic Republic of Congo

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## 5. COMMITMENTS

VC in fulfilling its own ethical standards and the requirements of the Dodd-Frank-Act takes the following commitments:

- We support the target of the US legislation and the upcoming EU legislation and prohibit the abuse of human rights associated with the extraction and trade of minerals and do neither directly nor indirectly support the armed forces that illegally control mines and/or logistic routes.
- We do not procure raw materials that originate from the "Conflict Regions" and are not certified as "conflict free"
- We require all our suppliers to agree and implement the same principles and standards of ethics as VC and cooperate with us in improving traceability and transparency in sourcing
- We require our suppliers to assure that the metals/minerals are sourced only from mines and smelters outside the "Conflict Region" or mines and smelters which have been certified as "conflict free" by an independent third party, if sourced within the "Conflict Region"

## 6. SUPPLY CHAIN DUE DILIGENCE

We review our supply chain to identify any minerals defined as "Conflict Minerals" under the Dodd-Frank-Act and request the respective necessary information on it from our suppliers by using the international conflict minerals reporting template (CMRT). We especially direct our suppliers to have their downstream suppliers to complete the CMRT until the smelter is identified.

We incorporated the conflict free sourcing in the PPAP Process with our suppliers and set up contractually binding agreements with our suppliers to comply with our conflict free sourcing standards.

We constantly work with our suppliers to increase transparency all along the supply chain.

We maintain a database for all our products and supplied components allowing us to identify in which of our products/supplies conflict minerals are contained and from which supplier they have been sourced.