

Appendix C: Conflict minerals

With regard to our supply chain, Neways follows the EU directives and regulations regarding conflict minerals. We expect chosen suppliers to ensure information and support regarding conflict minerals free compliance in their supply chain. We also encourage and support our customers to follow the conflict mineral free initiatives within the industry.

Background

At many sites in the Democratic Republic of the Congo ("DRC") and the nine adjoining countries sharing an internationally recognized border with the DRC, including Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda and Zambia (also known as the "Covered Countries"), armed groups illegally tax, extort, and force civilians to work. Miners, including children, work up to 48-hour shifts amidst deadly mudslides and tunnel collapses. Rebel groups use rape and violence to control the local population and use profits from mining operations of so called "Conflict Minerals" to continue financing their operations. Conflict minerals are also known as 3TG: Tantalum, Tin, Tungsten and Gold.

The United States Securities and Exchange Commission (SEC) issued its final rules regarding "Conflict Minerals" as defined in and required by section 1502 of the Dodd-Frank Wall street reform and Consumer Protection Act. These rules apply to many of Neways' customers which require them to investigate the origin of the "Conflict Minerals" in their supply chain. Further on 1 January 2021 a new law will come into full force across the EU - the Conflict Minerals Regulation.

Neways' Commitments

Neways acting as Electronics Manufacturing Services company recognizes its responsibility in managing our obligations in relation to conflict minerals as a part of its corporate social responsibility.

Neways supports its customers in the due diligence of their supply chain by:

- Identifying which suppliers use "Conflict Minerals" in their supply chain.
- Neways has adopted the Conflict Minerals Reporting template (CMRT) to report the smelters found by its due diligence in the supply chain and will update this CMRT yearly with the goal to minimize the risk of use of non-risk smelters.
- Yearly improve the coverage on its supply chain in this due diligence.
- Contributing to conflict free trade by requesting our suppliers not to use sources free from conflict minerals.
- Finding possible solutions together with customers and suppliers for when the use of conflict minerals from high risk areas in the supply chain has been established.
- Creating awareness of conflict minerals throughout its organization and supply chain.
- Support future initiatives for the use of conflict minerals.

Due to the complexity and size of the supply chain it takes time for a company as Neways, being an Electronics Manufacturing Services company to fully understand the use of conflict minerals and the information needed.