



## CONFLICT MINERALS POLICY

### **Background:**

In August 2012, the U.S. Securities and Exchange Commission ("SEC") adopted final rules implementing Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Conflict Minerals Rule"). Under these rules, publicly traded companies must annually report to the SEC whether the products they manufacture or contract to manufacture contain "conflict minerals" originating from the Democratic Republic of the Congo (the "DRC") or adjoining countries. Revenue from the mining and transport of these conflict minerals is believed to be financing or benefiting groups that are responsible for human rights violations. "Conflict minerals" refers to columbite-tantalite (coltan), cassiterite, gold, wolframite and the derivatives tantalum, tin and tungsten, without regard to the location or origin of the minerals or derivative metals.

### **Policy statement:**

Merit Automotive Electronics Systems is committed to ensuring that it conducts its business worldwide with respect for human rights and in compliance with all applicable laws and fair labor practices. Merit Automotive Electronics Systems supports the efforts of human rights organizations to end violence in Central Africa - the Democratic Republic of Congo (DRC) and the surrounding countries.

Merit Automotive Electronics Systems and its subsidiaries does not directly source minerals from mines or smelters; as a midstream company we rely on the information and all necessary declarations and supporting information provided by our suppliers regarding their sourcing of metals.

To aid in our compliance, Merit has adopted a *Supplier Code of Conduct* requiring that requires suppliers of products which could potentially contain conflict minerals:

- To ensure that they source minerals only from sources that are DRC Conflict Free
- Develop their own Conflict Minerals policies, due diligence frameworks, and management systems that are designed to prevent minerals that are not DRC Conflict Free from being included in the products sold to Merit.
- Fulfill and provide the latest version of Conflict Minerals Reporting Template (CMRT) created by the Minerals Responsible Initiative and can be found on <http://www.responsiblemineralsinitiative.org>

Merit is committed to not buy from any supplier any product that could potentially contain conflict minerals if the supplier fails to implement reasonable steps to prove a transition to DRC Conflict Free sources.

Merit fully supports efforts to eliminate the use of conflict minerals from improper sources that could support human rights abuses in the DRC Region and is engaged in the process of obtaining information from our suppliers concerning the origin of the metals that are used to manufacture their products.

We will continue to work with our suppliers to obtain the necessary assurances and documentation, with the goal of providing our customers with full product transparency.

A handwritten signature in black ink, appearing to read "Pascal Guichard".

Managing Director

Barcelona, 10.02.2020