

Alpha Assembly Solutions 300 Atrium Drive, 3rd Fl Somerset, NJ 08873 USA

Richard J. Ertmann Sr. Vice President **O** +1-908-791-3000 **F** +1-908-791-2399 AlphaAssembly.com

April 21, 2016

Dear Alpha Customer,

Alpha understands the seriousness of the possibility that tin mined in conflict areas of the Democratic Republic of Congo (DRC) may become part of the electronics supply chain.

Moreover, we understand that profits from such tin mining in conflict areas may be encouraging certain unfair labor practices or other human rights violations in the DRC. We are committed to ensuring that minerals from conflict mines do not enter Alpha's supply chain.

This matter is addressed in the United States in Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act which directs the Securities & Exchange Commission (SEC) to require U.S. publicly traded companies to disclose in filings whether they manufacture products containing certain 'conflict minerals' defined as Tin, Tungsten, Tantalum and Gold. If yes, the company must publish a 'conflict minerals' report outlining the due diligence taken to ensure that the minerals did not originate in a 'conflict mine' from the Democratic Republic of Congo (DRC).

In response to this issue, Alpha has taken the following steps to assist our customers to comply with this law:

1.) Alpha's Conflict Minerals Policy:

We are collaborating closely with several industry groups and have developed and published our Corporate policy on this topic which is available on the Alpha website (<u>www.AlphaAssembly.com</u>) in the Environmental and Regulatory Corner (Industry Issues tab). The Policy is based on the Organization for Cooperation & Development's (OCED), Five Step Framework for Risk Based Due Diligence in the Minerals Supply Chain.

An important part if Alpha's due diligence relies on Third Party Audit where needed. We are relying on the EICC-GeSI Conflict Free Smelter Program as our primary third party audit resource for our supply chain, for both smelters and material suppliers. Full implementation of our Policy is pending the industry adoption of the Electronic Industry Citizenship Coalition (EICC) Conflict Free Smelter Program.

Alpha's Altoona, PA, USA facility, the largest single electronic solder recycling site in North America, has received certification as a conflict-free minerals smelter by the Electronic Industry Citizenship Coalition, Incorporated (EICC) and the Global e-Sustainability Initiative (GeSI) Conflict-Free Smelter Audit Review Committee, as confirmed by a 3rd party compliance audit of its facility on November 11, 2013. Alpha is an early adopter of the Conflict-Free Sourcing Initiative (CFSI).

2.) Electronics Industry Reporting Template:

Alpha has adopted the Electronic Industry Citizenship Coalition/Global e-Sustainability Initiative (EICC-GeSI) reporting template for conflict minerals, and will perform an annual Supply Chain Risk Assessment based on the inputs from the EICC-GeSI Conflict Free Smelter Program. This report is available upon request from Alpha's customers.

Please check the Alpha website for updates on this important industry issue. Sincerely,

Richard J. Ertmann Sr. Vice President