

Responsible Materials Sourcing

Purpose & Scope

As reflected in our Core Values, Active EMS is committed to the highest standards of conduct in its business dealings. We are a people orientated company that fully supports human rights. For us, human rights are more than just being compliant, they are about doing the right thing. Our Core Values outline the critical role Active EMS plays as a corporate citizen for our customers, our people, our partners, our environment, and our communities. This Policy is deeply rooted in our Core Values.

This Responsible Sourcing Policy aligns with our Core Values by promoting material and mineral procurement practices that support peaceful economic and community development in conflict-affected and high-risk areas (CAHRAs). We work collaboratively with our supply chain partners to source materials responsibly and consistent with our Core Values; business ethics; labour, health, and safety practices; and environmental stewardship.

Background

Electronic products like those we manufacture contain various minerals necessary for functionality including tantalum, tin, tungsten, and gold (referred to as “3TG”).

3TG are sometimes known as “conflict minerals” because of concerns that their sourcing from the Democratic Republic of the Congo (DRC), surrounding countries, and other high-risk regions with ongoing conflict, as well as artisanal and small-scale mines, carries a risk of funding organizations that are involved in illegal or unethical activities including human rights abuses such as child labour, harsh working conditions, environmental destruction, and corruption.

3TG are the focus of regulations in both the United States and the European Union.

In the U.S., the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) requires publicly traded companies like Kimball to report annually on the presence of conflict minerals originating in the DRC or adjoining countries in the products they manufacture or contract to manufacture.

Active EMS's Commitment

Our objective is to retain a responsibly and ethically sourced supply chain of materials and components that we can use to manufacture products.

We believe we can do this while our supply chain continues to source responsibly from the DRC, other high-risk regions, and artisanal and small-scale mines. Since we do not procure minerals directly from mines, smelters, or refiners (SORs), we collaborate with our customers and direct suppliers to meet our objective.

Our responsible minerals policy is based on the framework of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Consistent with our Core Values, we commit to conduct due diligence to identify and mitigate risks in our supply chain for 3TG, following the OECD Guidance, including all risks identified in its Annex II, which include Forced Labour, Child Labour, Human Trafficking, bribery, corruption, gross human rights violations, war crimes, and direct or indirect support to non-state armed groups and security forces.

We participate in industry initiatives to create and deploy supply chain verification processes, such as the Conflict Minerals Reporting Template (CMRT). We engage in due diligence with our direct suppliers on an ongoing basis to share knowledge about supply chains, SOR status, and best practices.

We require our suppliers to undertake reasonable due diligence within their supply chain to ensure that the 3TG in the materials we source from them do not directly or indirectly contribute to significant adverse human rights impacts in CAHRAs including in the DRC.

In addition, we require our suppliers to:

- Source materials from socially responsible sub-tier suppliers and manufacturers.
- Implement promptly all corrective actions that we identify and request.
- Source 3TG from smelters validated by independent third-party assessments.
- Verify the origin of 3TG contained in their materials through formal declarations.

We require our suppliers to pass these requirements along to their sub-tier suppliers and, in turn, to require those sub-tier suppliers to do the same.

We ask our customers to:

- Design products whose components can be responsibly sourced.
- Assist us with customer-directed suppliers' compliance with 3TG due diligence.
- Support supply chain changes required to meet the objective of this Policy.

In addition, we work proactively with our suppliers and customers to develop our collective responsible materials capabilities and procedures to ensure our supply chain's alignment to our Guiding Principles and the requirements of this Policy. We reserve the right to terminate a contract, withhold payment, and assess fees and/or costs for any non-compliant supplier.

Please email our management team on hello@active-ems.co.uk to share concerns about the content or execution of this Policy.

A handwritten signature in black ink that reads "Oli Randell".

Oli Randell

Chairperson – Active EMS

January 2025