ACECOMPUTERS

Responsible Minerals Sourcing Report

Fiscal Year 2022

Computers, Displays, Laptops, and Servers

Issue Date: 08/08/2023

Revision No. 6

This Report is available online at https://acecomputers.com/company/sustainability/

Revision History:

Revision No.	Revision Date	Description	Sections Effected	Revised By	Approved By
1	6/22/2020	Report initially created	All	DD	JS
2	7/14/2020	Added additional responses	EMS/CI	DD	JS
3	7/20/2021	Annual Review, updated 2020 Suppliers information, updated report formatting	All	LH	AR
4	8/10/2021	Added additional responses and information for server supplier Tyan	Supplier List & Summary	LH	AR
5	8/15/2022	Annual Review, updated 2021 Suppliers information	Supplier List, Summary, Follow-up Actions	LH	AR
6	8/08/2023	Annual Review, updated 2022 Suppliers information	Supplier List, Summary, Follow-up Actions	LH	AR

Responsible Minerals Sourcing Report

FISCAL YEAR 2022

INTRODUCTION

3TG Minerals (Tin, Tungsten, Tantalum, and Gold, aka "3TG minerals") are commonly found in electronic products and have been determined to be necessary for product functionality and production. Unfortunately, the mining, trade, and sale of 3TG minerals have been used directly and indirectly to finance armed conflict and violence in the Democratic Republic of Congo and several adjoining countries (the "DRC Region"). While Ace Computers does not purchase 3TG minerals directly from mines, smelters, or refiners, 3TG minerals can be found and are used in components that Ace Computers purchases for utilization in critical technology solutions. Therefore, Ace Computers is committed to ensuring that 3TG minerals contained in our products are sourced with due respect for Human Rights, the need to avoid contributing to conflict, and the desire to support development through our supply chain practices. At the same time, Ace Computers does not ban the use of 3TG Minerals that originate in conflict- affected and high-risk areas when they are sourced in accordance with existing international standards. Avoiding the sourcing of all 3TG minerals from these areas would cause a de facto embargo with serious adverse impact on the living conditions of local populations. In order to meet our program goals, Ace Computers collaborates with suppliers, industry peers, and stakeholders. Ace Computers has implemented processes to perform our own RCOI (Reasonable Country of Origin) search and due diligence practices to evaluate smelters/refiners used within our supply chain.

Ace Computers Conflict Mineral Policy can be found online at:
https://acecomputers.com/company/sustainability/

Conflict Mineral Review Procedure

Annually, Ace Computers will work with suppliers and stakeholders to obtain an exhaustive list of all smelters/refiners that are used in our supply chain. The list of smelters/refiners is compared against the list of independently verified smelters/refiners found to be responsibly sourcing 3TG minerals (i.e., Conflict Free Smelter Program). As necessary, Ace Computers will follow up with our suppliers in the event it has become apparent the use of a nonconformant smelter/refiner is being utilized.

The following procedure outlines the steps that will be taken by Ace Computers to evaluate our suppliers and the use of 3TG minerals within Ace Computers' Supply Chain;

1. Prepare list of applicable suppliers utilized for previous calendar year. This is done through the utilization of Ace Computers' ERP system.
2. Perform online searches of the United States Security and Exchange Commission (SEC) Form SD system for submittal of the Annual Form SD reporting.
    a. *Note: Publicly traded companies are required to report to the SEC by the end of May of each calendar year.*
3. If a company is not required to report to the SEC or they have not yet done so, an online search of the supplier's public website for information as it relates to Conflict Minerals, for the most recent calendar year will be conducted.
4. If the company does not have any publicly available information Ace Computers' will send out ACE080 3TG Supplier Request Letter, requesting the information be shared.
5. The goal of search/inquiries as noted in # 2, 3, and 4 is to compile an exhaustive list of all smelters/refiners utilized by Ace Computers suppliers.
6. Ace Computers has chosen to use the most recent version of the Responsible Minerals Initiative (RMI) Conflict Minerals Reporting Template (CMRT) to document and review our smelters/refiners.
7. Once the most exhaustive list possible has been compiled, Ace Computers will then review the list of smelters/refiners against the RMI RMAP conformant smelters and refiners list.
8. If a smelter/refiner on the list is found to be nonconformant or does not currently participate in any third-party verification program, and they are located in a covered conflict region, Ace Computers will take action, working with the supplier to determine an appropriate corrective action.
    a. *Note: All companies have their own unique set of process and challenges and as such the type of corrective actions may vary on a case-by-case basis, the details of the inquiries and proposed corrective actions will be noted in ACE081 Ace Computers Annual Responsible Sourcing Report.*
9. The results of Ace Computers RCOI and due diligence process will be summarized in ACE081 Ace Computers Annual Responsible Sourcing Report and will be publicly available via Ace Computers website.

Smelter/Refiner Participation in OECD-Aligned Third Party Mechanism Procedure

The following procedure outlines the steps that will be taken by Ace Computers annually to evaluate which Ace Computers smelters/refiners participate in an OECD-aligned third party mechanism;

1. Ace Computers must complete the Conflict Mineral Review Procedure (outlined above) as the first step of Smelter/Refiner Participation in OECD-Aligned Third-Party Mechanism Procedure. This is performed annually.
2. Ace Computers will utilize the CMRT list of Smelters/Refiners, compiled during the Conflict Mineral Review Procedure, to identify all Smelters/Refiners that participate in the RMI (Responsible Minerals Initiative) conformant smelters/refiners program.
   a. Note: The RMI (Responsible Minerals Initiative) list of conformant smelters/refiners is an OECD-aligned mechanism.
3. All Smelters/Refiners that are identified on the CMRT for Computers, Desktops, and Laptops are then compiled into the 4.10.2.3 Calculation Spreadsheet with the CID smelter identification number.
4. Each Smelter/Refiner CID number identified is step 3, is then verified through the RMI website Conformant Smelters List (https://www.responsiblemineralsinitiative.org/facilities-lists/export-all-conformant/). If the Smelters/Refiners are listed as a conformant Smelter/Refiner on the RMI website, then this is noted in the 4.10.2.3 Calculation Spreadsheet under columns D and E.
   a. Note: Any Smelter/Refiner listed as Conformant also includes the Audit Cycle, Last Audit Date and link to each Smelter/Refiners company website for their Conflict Mineral Policy under the same link. (https://www.responsiblemineralsinitiative.org/facilities-lists/export-all-conformant/). A screen shot of this information is then saved into column E of the 4.10.2.3 Calculation Spreadsheet.
5. Once the information is compiled and verified for each Smelter/Refiner, then Ace Computers calculates the percentage of Smelter/Refiner that participate in an OECD-aligned third-party mechanism. This is calculated in the 4.10.2.3 Calculation Spreadsheet as the following:
   a. % of RMI Smelter/Refiners Conformant Participation = (Total amount of Smelter/Refiners Conformant to RMI) / (Total amount of Smelters/Refiners) * 100
6. The accuracy of submitted information and identification and assessment of risk are determined by steps 7-8 of the Conflict Minerals Review Procedure outlined above. Any actions taken as a result of Ace Computers review process including findings/conclusions are outlined in the Responsible Mineral Sourcing Report below, as noted in step 9 of the Conflict Minerals Review Procedure above.
7. Ace Computers relies on the RMI program to determine if smelters and refiners reported by our suppliers are conformant with audit standards. RMI's assurance standards are outlined on the Responsible Minerals Initiatives website and outline the steps taken to align with OECD standards (https://www.responsiblemineralsinitiative.org/minerals-due-diligence/standards/).

Supplier List

Ace Computers supplier list is updated annually and includes suppliers utilized for computers, desktops, laptops, and servers that conform to the EPEAT Standard. All suppliers listed below have been reviewed through Ace Computers Conflict Materials Review Procedure for the most recently completed calendar year (2022).

Suppliers used for Computers, Desktops, Laptops, and Servers	
AMD (Advanced Micro Devices)	Tyan
ASUSTek Computer (also known as ASUS)	Silver Stone Tech
AsRock	PNY
Allied Telesis	Intel
Cooler Master	Kingston Tech
Sohoo	WDC (Western Digital Company)
Solleron	Super Micro Computer

Summary

Ace Computers has completed the Conflict Mineral Review Procedure, outlined above, for all 2022 suppliers and has compiled Ace Computers Conflict Minerals Reporting Template (CMRT) outlining all Smelters/Refiners utilized during 2022.

The results of Ace Computers review, are as follows:

- 294/308 (93.31%) Smelters/Refiners have been identified on the Responsible Minerals Initiative (RMI) website.
- 14/308 (4.54%) Smelter/Refiners are not currently listed on the RMI website.
    - Of the 4.45% of Smelters/Refiners not listed on the RMI website, 0% of these Smelters/Refiners are considered High-Risk.

*Note- High-Risk Smelters/Refiners include Smelters/Refiners found to be nonconformant or do not currently participate in any third-party verification program and are located in a covered conflict region.

For all suppliers that are not required to file an annual Form SD Report with the SEC, Ace Computers has sent a Supplier Request Letter to obtain their most recent calendar year list of Smelters/Refiners. This is outlined in step four of the Conflict Minerals Review Procedure above. To help guide our suppliers on completing a full list of their smelters/refiners, Ace Computers also provides these suppliers with the most recent RMI CMRT reporting template. The suppliers that were sent the Supplier Request Letter and summaries of their responses are outlined below.

"Supplier Request Letter" Sent to List	
Allied Telesis	ASROCK
Cooler Master	PNY
Silver Stone Tech	Sohoo
Solleron	Tyan

Allied Telesis responded to our request and indicated that they track this information on a product by product basis. Ace Computers requested the smelter/refiners list for the specific products Ace utilizes. The request is still in process. Once the completed CMRT is received by Ace Computers, any

smelters/refiners not currently listed in Ace Computers CMRT will be added to the CMRT and the Responsible Minerals Sourcing Report will be updated accordingly.

ASROCK responded to our request and indicated that they are working on completing the CMRT for 2022 and anticipate a completion date of early September 2023. ASROCK will provide their completed CMRT for 2022 in early September 2023. Once the completed CMRT is received by Ace Computers, any smelters/refiners not currently listed in Ace Computers CMRT will be added to the CMRT and the Responsible Minerals Sourcing Report will be updated accordingly.

Cooler Master responded to our request with their Conflict Minerals Policy. They did not provide a completed CMRT form; however, their Conflict Minerals Policy includes their supply chain due diligence process. Their supply chain due diligence process indicates that they require all suppliers to provide proof of origin, to establish their own supply chain due diligence mechanisms, and to use the CMRT and EMRT to assist in assessing the compliance of their supply chain. Cooler Master indicates that they perform regular assessment to identify potential conflict mineral risks and take actions to ensure their products and supply chain remain unaffected. In addition they work with RMI to closely monitor conflict mineral issues and continuously improve their policies and due diligence procedures to align with international developments and standards.

Solleron responded to our request with an incomplete CMRT. The CMRT declaration portion was completed; however, the list of Smelters/Refiners was not completed. The declaration portion indicates that there are not any 3TG minerals added or used in their products or in their product process. The declaration also outlines that Solleron has an established conflict minerals sourcing policy, they require their direct suppliers to be DRC conflict-free, they have implemented due diligence measures for conflict-free sourcing which includes conducting conflict mineral surveys of their suppliers and associated corrective action management.

PNY, Sohoo, and Tyan all responded to our request with completed CMRTs for 2022. Their completed CMRT lists were used to compile Ace Computers CMRT for 2022.

Silver Stone Tech responded to our request with a list of smelters/refiners utilized within their supply chain for 2022. This list was used to compile Ace Computers CMRT for 2022.

Ace Computers has concluded that the following suppliers do not source from any high-risk Smelters/Refiners based on evidence provided by each supplier:

AMD (Advanced Micro Devices)	Tyan
ASUSTek Computer (also known as ASUS)	Silver Stone Tech
Cooler Master	PNY
Sohoo	Intel
Solleron	Kingston Tech
Super Micro Computer	WDC (Western Digital Company)

After a full investigation of Ace Computers suppliers using Ace Computers "Conflict Minerals Review Procedure" outlined above, Ace has compiled an exhaustive list of all smelters/refiners utilized by Ace Computers. Ace has determined that, to the best of our knowledge, Ace Computers supply chain does not source from any Smelters/Refiners that are considered High-Risk for Conflict Minerals.

Additionally, through further review of the computers, desktop, and laptop smelters/refiners utilizing the "Smelter/Refiner Participation in OECD-Aligned Third Party Mechanism Procedure", Ace Computers has concluded that 90.72% of smelters/refiners are currently conformant through the RMI Conformant Smelter/Refiners List program.

Follow-up Actions

Allied Telesis

Allied Telesis responded to our request and indicated that the smelter/refiners list for the specific products Ace Computers utilizes is currently in the request process. Although Allied Telesis was unable to meet our reporting deadline, they are cooperating with our Conflict Mineral request. Once the completed CMRT is received by Ace Computers, any smelters/refiners not currently listed in Ace Computers CMRT will be added to the CMRT and the Responsible Minerals Sourcing Report will be updated accordingly.

ASROCK

ASROCK responded to our request and indicated that they are working on completing the CMRT for 2022 and anticipate a completion date of early September 2023. Ace Computers intends to follow-up with ASROCK in early September to obtain the completed CMRT list of smelters/refiners for 2022. Upon receival of the completed documentation, Ace Computers will review against the current list of smelters/refiners for 2022 and add any additional smelters/refiners to the Ace Computers CMRT and update the Responsible Minerals Report as necessary.

Cooler Master

Ace Computers has contacted Cooler Master urging the importance of a Conflict Minerals Policy and Responsible Minerals Sourcing in their supply chain to align with Ace Computers Conflict Mineral Policy. Cooler Master provided their Conflict Minerals Policy which also outlines the due diligence measures they follow for 3TG Conflict Minerals. Ace will continue communications with Cooler Master stressing the importance of compiling an exhausted list of smelters/refiners to better document their due diligence process with regards to Conflict Minerals.

Solleron

Solleron responded to our request with an incomplete CMRT. The declaration portion of the CMRT was completed; however, the full list of smelters/refiners was not completed. Ace Computers contacted Solleron urging the importance of fully completing the CMRT reporting template with the full list of smelters/refiners to align with Ace Computers Conflict Mineral Policy. Ace will continue communications with Solleron stressing the importance of compiling an exhausted list of smelters/refiners to better document their due diligence process regarding Conflict Minerals.

Previous 2021 Follow-up Actions

Ace computers 2021 Conflict Minerals Report identified follow-up actions for five companies, including Solleron, Startech, Sohoo, Fractal Design, and ASROCK. This section will outline the updates regarding the previous follow up actions from 2021.

Solleron

For the reporting year 2021, Ace Computers did not receive completed CMRT conflict minerals information from Solleron. The CMRT was previously only completed for the declaration page. Ace Computers urged the importance of establishing a Conflict Minerals Policy and Responsible Minerals Sourcing in their supply chain to align with Ace Computers Conflict Mineral Policy. Ace Computers received similar information for the reporting year 2022. Current follow-up actions have been outlined above.

Startech

For the reporting year 2021, Ace Computers did not receive completed CMRT conflict minerals information from Startech. Ace Computers urged the importance of establishing a Conflict Minerals Policy and Responsible Minerals Sourcing in their supply chain to align with Ace Computers Conflict Mineral Policy. Startech indicated that they were working towards the expectations outlined in the CMRT and implementing various measures to obtain complete CMRT information from their suppliers. However, for the calendar year 2022, Ace Computers did not source any EPEAT components from Startech.

Sohoo

For the reporting year 2021, Ace Computers received an incomplete CMRT from Sohoo. The declaration portion of the CMRT was completed; however, the list of smelters/refiners was not complete. Ace Computers contacted Sohoo urging the importance of a Conflict Minerals Policy and Responsible Minerals Sourcing in their supply chain to align with Ace Computers Conflict Mineral Policy. As a results, Sohoo provided a completed CMRT for the reporting year 2022.

Fractal Design

For the reporting year 2021, Ace Computers did not receive a completed CMRT or list of smelters/refiners from Fractal Design. Ace Computers contacted Fractal Design urging the importance of a Conflict Minerals Policy and Responsible Minerals Sourcing in their supply chain to align with Ace Computers Conflict Mineral Policy. Previously Fractal Design did not address Conflict Minerals within their Supplier Code of Conduct. Ace has indicated the importance of supplying a CMRT to better document their due diligence process with regards to Conflict Minerals. As a results, Ace Computers did not source any EPEAT components from Fractal Design during 2022.

AsRock

For the reporting year 2021, ASROCK indicated that they did not have a Conflict Minerals Report; however, they provided a Conflict Minerals Statement. Ace Computers contacted ASROCK urging the importance of a Conflict Minerals Policy and Responsible Minerals Sourcing in their supply chain to align with Ace Computers Conflict Mineral Policy. Ace Computers has noted an improvement from 2021 to 2022, as ASROCK has indicated they are completing the CMRT template for all smelters/refiners and anticipate a completion date of early September 2023.