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Cobalt Sourcing Policy based upon OECD guidelines.

TSC International is taking the following steps to ensure that our products use minerals which are sourced responsibly:

1. Establish strong company management systems

TSC International and all its companies, are committed to complying with all applicable international legislation with regards to the raw materials used in our products. In addition to the traditional Conflict Minerals of tin, tungsten, tantalum, and gold (3TG), cobalt has been identified as a mineral which requires further scrutiny to ensure that production does not fund armed conflict, lead to poor working conditions, or enable human rights violations such as forced / child labor issues.

2. Identify and assess risk in the supply chain

TSC International has identified all cobalt used at its facilities. Ferrite International is its only user of Cobalt in the form of high purity Cobalt Oxide powder. The Cobalt content of the ferrite material does not exceed 0.20%.

There are currently 15 cobalt refiners that are certified as Conformant to <u>Responsible Minerals</u> <u>Assurance Process</u> (RMAP). There are 25 cobalt additional Refiners in the process of becoming certified as Conformant. This is an adequate pool of resources to use as a supply chain.

3. Design and implement a strategy to respond to identified risks.

TSC International strategy is to use only Certified **Conformant Cobalt Refiners** as identified on the <u>Responsible minerals Initiative website</u>.

4. Carry out independent, third-party audit of the supply chain at identified points.

TSC International shall verify product labeling and certificates of analysis (COA) are consistent with the Certified Cobalt Refiner.





5. Report on supply chain due diligence.

TSC International buyers shall report inability to source from RMI list so appropriate corrective actions can be determined.