ACECOMPUTERS

Responsible Minerals Sourcing Report

Fiscal Year 2021

Computers, Displays, Laptops, and Servers

Prepared By: Liz Hartranft

       Sustainability Specialist at Ace Computers

Approved By: Amber Robert

       Quality Director at Ace Computers

Issue Date: 8/15/2022

Revision No. 5

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

Responsible Minerals Sourcing Report

FISCAL YEAR 2021

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 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.

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 be reviewed through Ace Computers Conflict Materials Review Procedure for the most recently completed calendar year (2021).

Suppliers used for Computers, Desktops, Laptops, and Servers	
AMD (Advanced Micro Devices)	LG
ASUSTek Computer (also known as ASUS)	Lite-On
AsRock	PNY
EVGA	Samsung
Gigabyte Technology	Seagate Technology
In-Win	Intel
Chenbro Micom Co., Ltd	Kingston Tech
Sohoo	Team Group
Fractal Design	Star Tech
Istar USA	ADATA
Crucial (Micron Subsidiary)	Shuttle
NVIDIA Corporation	WDC (Western Digital Company)
Solleron	Super Micro Computer

Summary

Ace Computers has completed the Conflict Mineral Review Procedure, outlined above, for all 2021 suppliers and has compiled Ace Computers Conflict Minerals Reporting Template (CMRT) outlining all Smelters/Refiners utilized during 2021.

The results of Ace Computers review, are as follows:

- 345/396 (87.12%) Smelters/Refiners have been identified on the Responsible Minerals Initiative (RMI) website.
- 51/396 (12.87%) Smelter/Refiners are not currently listed on the RMI website.
    - Of the 12.87% 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.

Ace Computers has sent a Supplier Request Letter to the following suppliers to obtain their most recent calendar year list of Smelters/Refiners. This is outlined in step four of the Conflict Minerals Review Procedure above.

Solleron	Startech
Fractal Design	AsRock
Sohoo	

Note: Each supplier listed above is not required to file an annual Form SD Report with the SEC.

Solleron responded to our request with an incomplete CMRT for 2021. Solleron completed the Declaration portion of the CMRT but did not completed the list of Smelters/Refiners. The Declaration portion of the CMRT indicates that they do not have any 3TG intentionally added or used in their products or in production processes for Tantalum, Tin, Gold, and Tungsten. Solleron does have a conflict minerals sourcing policy, they require direct suppliers to be DRC conflict-free, they have implemented due diligence measures for conflict-free sourcing, they conduct Conflict Minerals surveys of their relevant suppliers, and have a review process that includes corrective action management. Ace Computers is performing follow-up actions, outlined in the next section.

Startech responded to our request with an incomplete CMRT for 2021. Startech completed the Declaration portion of the CMRT but did not completed the list of Smelters/Refiners. The Declaration portion of the CMRT indicates that they have a Conflict Minerals Statement and are working towards establishing a DRC conflict free sourcing policy. For the remaining portions of the declaration Startech indicates that these are new expectations that they are working towards achieving with their suppliers. They are also starting to implement various measures to obtain complete CMRT information from their suppliers. Ace Computers is performing follow-up actions, outlined in the next section.

Sohoo responded to our request a CMRT for 2021 and a Metal Conflict-Free Declaration. The Metal Conflict-Free Delcaration indicates that products supplied to customers undergo due diligence within Sohoo's supply chain to assure "DRC Conflict-Free" metals: gold, tantalum, tungsten, and tin are not derived from or sourced from mines in any Covered Countries. The CMRT for 2021 indicated that they do not source from any Covered Countries; however, their smelters/refiners list only included one smelter. Ace Computers is performing follow-up actions, outlined in the next section.

Fractal Design responded to our request and indicated that they do not have a Conflict Minerals Report; however, they provided their 2021 Supplier Code of Conduct which indicates that their suppliers shall ensure that goods provided to Fractal Design are using "DRC Conflict-Free" minerals and metals. Ace Computers is performing follow-up actions, outlined in the next section.

AsRock responded to our request and indicated that they do not have a Conflict Minerals Report; however, they provided a Conflict Minerals Statement which indicates that AsRock does not condone the usage of "conflict minerals". AsRock states that they demand all AsRock suppliers to investigate their mineral sources to avoid using such conflict minerals, including gold, tantalum, tin, tungsten, etc. Suppliers are required to follow this practice to fulfil the basic corporate social responsibilities with AsRock. Ace Computers is performing follow-up actions, outlined in the next section.

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)	LG
ASUSTek Computer (also known as ASUS)	Samsung
Chenbro Micom Co., Ltd	Seagate Technology
Gigabyte Technology	Intel
In-Win	Kingston Tech
AsRock	WDC (Western Digital Company)
Crucial (Micron Subsidiary)	ADATA
Team Group	EVGA
Sohoo PC	Ingram Micro

Liteon	Shuttle
Supermicro	Istar USA
NVIDIA	Solleron
Startech	Fractal Design

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.

Follow-up Actions

Solleron

Ace Computers has contacted Solleron 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 has urged the importance of fully completing the CMRT reporting template to provide an exact list of smelters/refiners to support the Declaration portion of the CMRT to better understand the true origin of Solleron's products. Ace will continue communications with Solleron to better understand the scope of their Conflict Minerals program.

Startech

Ace Computers has contacted Startech urging the importance of a Conflict Minerals Policy and Responsible Minerals Sourcing in their supply chain to align with Ace Computers Conflict Mineral Policy. Startech has indicated that they are working towards the expectations outlined in the CMRT and implementing various measures to obtain complete CMRT information from their suppliers. Ace will continue communications with Startech to better understand the scope of their Conflict Minerals program.

Sohoo

Ace Computers has 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. Sohoo provided a Metal Conflict-Free Declaration indicating that products supplied to customers undergo due diligence within Sohoo's supply chain for Conflict Minerals and a CMRT for 2021. However, the CMRT for 2021 only listed one smelter/refiner. Ace will continue communications with Sohoo stressing the importance of compiling an exhausted list of smelters/refiners to better document their due diligence process with regards to Conflict Minerals.

Fractal Design

Ace Computers has 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. Fractal Design does address Conflict Minerals within their Supplier Code of Conduct; however, Ace has indicated the importance of supplying a CMRT to better document their due diligence process with regards to Conflict Minerals. Ace will continue communications with Fractal Design to better understand the scope of their Conflict Minerals program.

AsRock

Ace Computers has 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. AsRock does address Conflict Minerals within their Conflict Minerals Statement; however, Ace has indicated the importance of supplying a CMRT to better document their due diligence process with regards to Conflict Minerals. Ace will continue communications with AsRock to better understand the scope of their Conflict Minerals program.

Previous 2020 Follow-up Actions

Ace computers 2020 Conflict Minerals Report identified follow-up actions for three companies, including Biostar, Startech, and Supermicro. This section will outline the updates regarding the previous follow up actions from 2020.

Biostar

Ace Computers did not receive a response to our Supplier Request Letter from 2020. As a result, Ace Computers did not use Biostar are a supplier for EPEAT products during the calendar year 2021.

Startech

Ace Computers received an incomplete CMRT from Startech for 2020. Ace had previously requested a timeline from Startech on when they intended to have their Conflict Mineral Program and list of Smelters/Refiners completed by. Ace did not receive a timeline. Startech had previously indicated that they were working towards these new expectations for Conflict Minerals and planning to implement various measures to obtain complete CMRT information from their suppliers.

SuperMicro

Ace Computers previously received a CMRT report from Supermicro for 2020 that identified two High-Risk Smelters/Refiners which Supermicro was sourcing from. Supermicro had indicated that they intended to have zero High-Risk suppliers for the reporting year of 2021. As a follow-up to the previous reporting year, Supermicro did supply Ace Computers with a completed CMRT report for 2021. After reviewing their CMRT report for 2021, Supermicro no longer sources from any High-Risk Smelters/Refiners for the calendar year of 2021.