

Introduction - Season Electronics Ltd Conflict Minerals Policy

As many of our suppliers and customers have acknowledged publicly, the Dodd-Frank Act created a new expectation for product manufacturers, which may be far removed from the source of the raw minerals in their products.

SEL is committed to acting in a socially and environmentally responsible manner, to complying with the law, to meeting its customer commitments, and to supporting its customers' businesses. We have already adopted and sent out to suppliers the EICC Code of Conduct which in Section D para 7 states:

7) Responsible Sourcing of Minerals

Participants shall have a policy to reasonably assure that the tantalum, tin, tungsten and gold in the products they manufacture does not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo or an adjoining country. Participants shall exercise due diligence on the source and chain of custody of these minerals and make their due diligence measures available to customers upon customer request.

Because of the complexity of many supply chains, especially those of broad-line industrial distributors, and the lack of an established system for product manufacturers to track Conflict Minerals back to their source, the joint efforts over an extended period by many governments, industry groups, and companies will be required to make it possible to effectively trace Conflict Minerals back to their source.

This document sets forth the policy of SEL regarding Conflict Minerals.

Overview

As a responsible company, SEL supports the goal of the Dodd-Frank Act of preventing armed groups in the Democratic Republic of the Congo and adjoining countries from benefitting from the sourcing of Conflict Minerals from that region.

As an Electronic Manufacturing Service (EMS) company SEL produces a wide range of products specified by our customers and deals with a large number of distributors and manufacturers of components , SEL is invariably many levels away from the beginning of the supply chain for the products it utilises.

This Policy shows SEL's commitment and its expectations for its suppliers regarding actions to address Conflict Minerals.

OUR COMMITMENT:

1. Support the aims and objectives of the Dodd-Frank Act concerning Conflict Minerals sourcing by working to educate the suppliers of the products we manufacture about Conflict Minerals.

2. Help our suppliers understand the due diligence steps they can take to investigate the source of any Conflict Minerals in the products they sell to SEL.
3. Not continue to source from a supplier any product that contains Conflict Minerals if SEL determines the product is not DRC Conflict Free and the supplier fails to implement reasonable steps to transition to DRC Conflict Free sources.

Commitment to Responsible Sourcing

SEL produces a wide range of products specified by our customers and deals with a large number of distributors and manufacturers of components , SEL is invariably many levels away from the beginning of the supply chain for the products it utilises.

SEL supports the humanitarian goals of the Dodd-Frank Act and encourages the manufacturers of the components by SEL to adopt that same policy for their businesses. SEL will also encourage our Customers not to specify components that use raw materials from Conflict Zones and maintains that they have a responsibility themselves to ensure compliance at the design stage.

SEL does not directly purchase any raw Conflict Minerals from any source and is many levels removed from the mines, smelters, and refiners that produce the metals used in the products manufactured by SEL's suppliers.

The supply chain for Conflict Minerals is complex and lacks an established structure for product manufacturers to trace the minerals in the components supplied to SEL back to their source.

SEL is committed to working with its suppliers to educate them on these matters and concerning steps they can take to obtain increased transparency regarding the origin of minerals contained in the products they manufacture and sell to SEL.

Supplier Code

SEL has the following expectations of its suppliers:

- In addition to adopting the EICC code of Conduct or similar policies, suppliers should not include in any products sold to SEL any Conflict Minerals that are not DRC Conflict Free;
- Suppliers should develop Conflict Minerals policies, due diligence frameworks, and management systems that are designed to prevent Conflict Minerals that are not DRC Conflict Free from being included in the products sold to SEL; and
- SEL's suppliers are expected to source Conflict Minerals only from sources that are DRC Conflict Free.

In doing so,

- suppliers will be expected to: implement and communicate to their personnel and suppliers policies that are consistent with this Policy, and require their direct and indirect suppliers to do the same;
- put in place procedures for the traceability of Conflict Minerals, working with their direct and indirect suppliers as applicable;
- use reasonable efforts to source Conflict Minerals from smelters and refiners validated as being DRC Conflict Free, and require their direct and indirect suppliers to do the same;
- advise SEL of any determination that the supplier either has concluded or has a reasonable basis to believe that products it currently sells or has sold to SEL are not DRC Conflict Free;
- maintain reviewable business records supporting the source of Conflict Minerals; and
- from time to time, at SEL's request, provide SEL with information concerning the origin of Conflict Minerals included in products sold to SEL, which SEL shall be entitled to use or disclose in satisfying any legal or regulatory requirements or in any customer or marketing communications, notwithstanding the terms of any confidentiality agreements that do not specifically reference this paragraph.
- Suppliers also are encouraged to support industry efforts to enhance traceability and responsible practices in Conflict Minerals supply chains

Consequences of Supplier Non-Compliance

- SEL evaluates its relationships with its suppliers on an ongoing basis.
- SEL reserves the right to evaluate the extent to which a supplier has failed to reasonably comply with this Policy.
- SEL reserves the right to request additional documentation from its suppliers regarding the origin of any Conflict Minerals included in any products sold to SEL.
- Suppliers who do not reasonably comply with this Policy shall be reviewed by SEL's supply chain organization for future business.
- In the event SEL determines that a supplier's efforts to comply with this Policy have been deficient and the supplier fails to cooperate in developing and implementing reasonable remedial steps, SEL reserves the right to take appropriate actions up to and including discontinuing purchases from the supplier.
- Nothing in this Policy is intended to in any way grant any additional rights or expectations to a SEL supplier or in any way modify or otherwise limit in any way any of SEL's contractual or legal rights.