

Conflict Minerals

As per the requirement of U.S. Dodd-Frank Financial Reform Law of 2010, all U.S. publicly-traded companies must disclose "conflict minerals" necessary to the functionality or production of products they manufacture or contract to manufacture. The Democratic Republic of the Congo (DRC) is a Central African country with vast mineral wealth, including reserves of "3TG" cassiterite (tin), columbite-tantalite (tantalum), wolframite (tungsten) and gold. For many years, armed groups have fought to control mines within the DRC and have benefited financially from the proceeds of mineral trade; those armed groups have been cited for committing violent crimes against locals and perpetrating human rights abuses. As a result, these minerals are also known as "conflict minerals".

The metals tantalum, tin, tungsten and gold are used in manufactured goods across many industries, including the aerospace, appliances, automotive, electronics, jewelry, medical and tool & die industries. In an effort to address the humanitarian crisis associated with conflict minerals, the United States (U.S.) enacted legislation requiring that U.S. companies report to the Securities and Exchange Commission (SEC) on their use of conflict minerals sourced from the DRC and surrounding region. Several other governments are considering initiatives to address conflict minerals.

Respect for human rights and the environment are core commitments of Open Silicon as a responsible corporate citizen. We are particularly concerned about the human rights abuses that may be associated with extracting, trading, handling and exporting minerals from the Democratic Republic of Congo ("DRC") and adjoining countries. It is Open Silicon's policy that tin, tantalum, tungsten and gold contained in our products shall not be derived from sources that finance or benefit armed groups in the DRC or adjoining countries.

Open-Silicon understands that awareness and cooperation among its supply chain participants is essential to any responsible sourcing initiative. By holding product suppliers accountable for the principles in this policy, Open Silicon believes its conflict minerals program will help drive necessary transparency in the supply chain and further the ultimate goal of ending armed conflict in the DRC.

Open-Silicon's Expectations for Suppliers.

- Suppliers are expected to supply materials to that are "DRC conflict free".
- Open-Silicon requires suppliers commit to the EICC Code of Conduct which includes a provision related to the responsible sourcing of minerals. Thus, suppliers must have a policy to reasonably assure that the tantalum, tin, tungsten and gold in the products they manufacture are conflict free.



Providing system-optimized ASIC solutions

- Open Silicon expects suppliers to establish their own due diligence program to achieve conflict-free supply chains. Open Silicon also requires our suppliers to undertake reasonable due diligence to determine if the specified metals are being sourced from certified conflict-free smelters validated as compliant to the CFS protocol, using the CFS Compliant Smelter List and, if not, to make deliberate progress towards doing so. The list of compliant smelters and refiners is posted at www.conflictreesourcing.org.

Visit the EICC website <http://eicc.info/extractives.htm> for information regarding the conflict-free smelter program and for links to other resources.