

Conflict Minerals Policy

Overview

REDCOM is committed to conducting its business worldwide with respect for human rights and in compliance with applicable laws.

Background

Armed groups operating in the eastern Democratic Republic of the Congo (DRC) have controlled many of the region's mines or transit routes while engaging in armed conflict and committing some of the world's worst human rights violations. Concern that proceeds from the mining of minerals in the DRC and adjoining countries have been used to fund extreme violence in that region led to a requirement in the U.S. Dodd-Frank Financial Reform Law of 2010, that U.S. publicly-traded companies must disclose any "conflict minerals" necessary to the functionality or production of products they manufacture or contract to manufacture. The conflict minerals are tin, tungsten, tantalum and gold (also referred to as the "3TGs"). Companies using conflict minerals must also disclose their supply chain inquiries to verify whether these minerals originated in the DRC or adjoining countries.

The Rule

In July 2010, Congress passed the Wall Street Reform and Consumer Protection Act, also known as the Dodd-Frank Act, and in August, 2012, the Securities and Exchange Commission (SEC) adopted a rule implementing the "conflict minerals" disclosure requirements set forth in Section 1502 of the Dodd-Frank Act. (See the rule at: <http://www.sec.gov/rules/final/2012/34-67716.pdf>).

Policy

It is the policy of REDCOM Laboratories Inc. that any components/materials purchased by REDCOM, and provided by their approved suppliers, shall not directly or indirectly contain "conflict minerals" from smelters with mines that directly or indirectly finance or benefit the armed groups in the DRC or adjoining countries. As a general matter, the SEC rules require annual reporting by a SEC registrant, or publically traded company, whose commercial products contain any "conflict minerals" originating in the DRC or adjoining countries. As REDCOM Laboratories, Inc. is a privately held corporation, the SEC rule does not directly apply. However, REDCOM is a supplier to many SEC registrants. As such, REDCOM is committed to supporting responsible sourcing of conflict minerals from the region. As REDCOM is committed to conducting business globally with the respect for human rights and in compliance with applicable laws, REDCOM has adopted this conflict minerals policy and expects its suppliers to adopt a similar policy and to meet the expectations set forth below.

REDCOM's Commitment

It is REDCOM's intention to bring industry best-practices to bear in working with its suppliers to:

- support the policies underlying the U.S. legislation relating to the supply of conflict minerals.
- understand the sourcing of any 3TGs that may be necessary to the production or functionality of its products (REDCOM does not directly purchase 3TGs from smelters or mines).
- conduct reasonable, risk-based due diligence of its supply chain (and require suppliers to do the same) using industry accepted templates and other recognized reporting tools.
- seek information from suppliers through survey letters and/or the use of a conflict minerals reporting template.
- develop and implement methodologies for periodically validating smelter and mine adherence to industry norms in conflict minerals compliance.
- institute remedial action up to and including alternative sourcing from conflict free resources upon identification of any sources of supply of conflict minerals that are deemed to be non-conflict free.

Expectation of Supplier

REDCOM Laboratories, Inc. requires its suppliers to:

- adopt a policy regarding conflict minerals consistent with REDCOM's policy, implement management systems to support compliance with their policy and require their suppliers to take the same steps.
- be aware of the supply chain due diligence requirement and to respond in a timely manner to REDCOM's requests for information.
- cooperate with REDCOM in connection with any due diligence that REDCOM chooses to perform with respect to its country of origin inquiries.
- supply materials to REDCOM that are conflict free which means either 1) any 3TGs necessary to the functionality or production of supplied materials must not directly or indirectly fund armed conflict in the DRC or adjoining countries, or 2) any 3TGs must be from recycled or scrap sources.
- practice due diligence accordingly, and annually provide information at the request of REDCOM, on the origin of the conflict minerals associated with their components and materials. Any information provided and gathered by REDCOM will be formally submitted, in the form of a questionnaire, to its customers who are required to report based on the SEC ruling.