



CONFLICT MINERALS STATEMENT

Conflict minerals include tantalum, tin, tungsten and gold (3TG) and refer to mining and trading them in Democratic Republic of Kongo and neighbor countries to help to finance armed groups which promote widespread violence, human rights violations and environmental degradation.

Section 1502 of the Dodd-Frank Act introduce supply chain transparency by requiring companies listed in US stock exchange to declare the origin on such minerals and perform appropriate due diligence in supply chain.

Powernet is in the supply chain to US-listed stock exchange companies and have a responsibility to perform due diligence and to ensure that conflict minerals are not used in any of the Powernet products.

Powernet does not directly purchase any of the conflict minerals. We expect our suppliers to identify and report conflict minerals in their products and production processes.