

## CONFLICT MINERALS POLICY STATEMENT

BEMA is committed to being a responsible corporate citizen and is opposed to human rights abuses and negative environmental impacts, and seeks to purchase products, components and materials from companies that share our values around human rights, ethics and environmental responsibility.

Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act aims to prevent the use of certain “conflict minerals” that directly or indirectly finance or benefit armed groups in the Democratic Republic of Congo (DRC) or adjoining countries. Conflict minerals currently defined under the rule include gold, cassiterite, columbite-tantalite, and wolframite, as well as their derivatives tin, tantalum and tungsten.

Companies publicly traded in the U.S. must determine if any of their products contain tin, tantalum, tungsten or gold. If present, companies must determine the source of these substances, and are required to submit an annual conflict minerals declaration to the U.S. Securities and Exchange Commission (SEC).

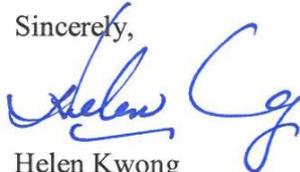
Although BEMA is not a publicly-traded company and is not required to report to the SEC, we strive to support our customers in meeting their legislative and regulatory requirements.

Tracing the origin and chain of custody of minerals throughout a global supply chain is a complex process. BEMA expects its suppliers to establish their own conflict minerals policies and due diligence in helping to prevent conflict minerals originating from the DRC or adjoining countries from being included in products sold to BEMA. If BEMA determines that a supplier has failed to implement reasonable steps to comply with this policy, BEMA may reserves the right to discontinue use of that supplier.

BEMA collects annual information from suppliers and compiles the data received into our annual Conflict Minerals Reporting Template. BEMA makes this report available to our customers.

BEMA does not purchase or process any metals as raw materials and is not an original equipment manufacturer. BEMA does not knowingly purchase products that contain conflict minerals.

Sincerely,



Helen Kwong  
President  
BEMA Electronics, Inc.