

Dongwha Electrolyte Conflict Minerals Policy



Dongwha Electrolyte Co., Ltd. (hereinafter referred to as 'Dongwha Electrolyte') is committed to considering the future of humanity and the environment and strives to fulfill corporate social responsibility. We continuously endeavor to improve human rights and environmental conditions through responsible procurement practices, avoiding minerals associated with conflict areas and groups, and fostering sustainable purchasing activities. This policy aims to be consistently applied within our organization and throughout our upstream supply chain partners.

1. Dongwha Electrolyte uses lithium, which is generally not considered one of the commonly known conflict minerals (3TG; tin, tantalum, tungsten, gold) ^[Reference 1]. However, in order to achieve a sustainable future and fulfill corporate social responsibility, we manage our supply chain in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (hereinafter referred to as "OECD Due Diligence Guidance"). We strive to purchase minerals that do not entail the risks mentioned in Appendix II of the OECD Due Diligence Guidance ^[Reference 2].

[Reference 1] Conflict Minerals and Responsible Minerals

- **Conflict Minerals**

'Conflict minerals' refer to four minerals, tin, tantalum, tungsten, and gold (3TG), that are unethically mined in 10 conflict-affected countries in Africa (Democratic Republic of the Congo, Sudan, Rwanda, etc.). These minerals are associated with exploitative labor, human rights abuses, and child labor.

- **Responsible Minerals**

'Responsible minerals' refer to minerals mined in a manner that eliminates illegal practices, addresses the possibility of human rights violations and environmental destruction during mining, and fulfills social responsibilities. This includes cobalt, nickel, copper, zinc, mica, lithium, etc.

[Reference 2] Major risks mentioned in Appendix II of the OECD due diligence guidelines

- Severe abuses related to the extraction, transport, and trade of minerals:
 - All forms of inhuman treatment, including torture and abuse;
 - Forced labor or any form of compulsory labor;
 - Worst forms of child labor;
 - Serious human rights abuses and acts of violence, including the broad meaning of sexual violence.
- Direct or indirect support to non-state armed groups.
- Direct or indirect support to public or private security forces.
- Bribery and false statements about the origin of minerals and money laundering.
- Not paying taxes, fees, and royalties to governments.

2. We will support suppliers in implementing responsible mineral policies by providing education and assistance through due diligence if risks are identified within the supply chain. Additionally,

if suppliers provide intentionally misleading information or fail to make efforts for improvement, we may suspend transactions with them if they are deemed to pose risks. We will also enhance transparency in implementing this policy by publishing reports upon request from customers, relevant stakeholders, and the public (if necessary).

3. Suppliers must promptly submit the requested materials related to responsible mineral use upon our request. Furthermore, efforts should be made to disseminate responsible mineral policies throughout the entire supply chain to collectively address social issues.

3-1. Suppliers should make efforts to establish processes to inspect the social and environmental issues such as serious human rights violations, breaches of ethics, and negative environmental impacts at the origin of minerals and raw materials and at refining facilities.

3-2. Suppliers primarily handling minerals and raw materials should strive to self-verify or obtain external certification that there are no issues related to human rights violations, breaches of ethics, or negative environmental impacts during the mining and processing of these minerals and raw materials.

3-3. Suppliers should check whether they comply with export restrictions, economic sanctions-related laws and regulations, and cooperate with our status assessment activities when necessary. They must refrain from using unauthorized raw materials and components and from using or selling counterfeit raw materials and components.

4. In the future, we will continue to devote significant efforts to eliminating risk factors within the supply chain through responsible purchasing activities. We will establish specific processes to ensure the systematic implementation of responsible mineral policies for our suppliers in the future.