



## Responsible Minerals Procurement Policy

There are concerns that the minerals such as tin, tantalum, tungsten, gold (3TG) and cobalt in the Democratic Republic of the Congo and adjoining countries or Conflict Affected and High-Risk Areas (CAHRAs) can finance armed groups in those conflict regions through illegal mining and trading of minerals and raise human rights abuses or labor issues such as child labor or forced labor. As one way of fulfilling its social responsibility in its supply chain, TECHRECO Group implements appropriate measures to procure minerals, ensuring that we do not become involved in such issues through the trade of minerals used in our products.

TECHRECO Group requests suppliers to understand TECHRECO's procurement policy and cooperate with the survey in the procurement process. Furthermore, TECHRECO Group requests suppliers to procure minerals from the refiners/smelters approved by globally recognized frameworks such as RMI<sup>\*1</sup>.

### Activities

1. TECHRECO Group establishes management system of minerals procurement complied with OECD due diligence guidance.
2. TECHRECO Group promotes "Responsible Minerals Procurement" throughout supply-chain in collaboration with industry organization.
3. TECHRECO Group identifies and evaluates risks by using globally standardized programs of RMI such as the latest version of CMRT or EMRT<sup>\*2</sup>.
4. When any problems are found in the mineral procurement process, TECHRECO Group stops using the said mineral and requests the upstream companies in the supply chain to take any corrective actions.
5. When TECHRECO Group identifies the possibility of a covered risk<sup>\*3</sup>, we will request appropriate corrective action from our suppliers.
6. TECHRECO Group discloses results of mineral procurement survey upon customers' request.

※1 RMI : Responsible Minerals Initiative

With more than 400 member companies, the Responsible Minerals Initiative is one of the most utilized and respected resources for companies from a range of industries addressing responsible mineral sourcing issues in their supply chains.

※2 CMRT : Conflict Minerals Reporting Template

EMRT : Extended Minerals Reporting Template

※3 Covered risk : OECD Due Diligence Guidance Annex II

- Serious abuses associated with the extraction, transport or trade of minerals
- Direct or indirect support to non-state armed groups
- Tortious acts by public or private security forces (Protection fee)
- Bribery and fraudulent misrepresentation of the origin of minerals
- Money laundering
- Failure to pay taxes, fees, and mining concession fees to the government (tax evasion)

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Latest Update : Sep.14,2023