



# 威达绝缘材料制造有限公司

作业程序	冲突矿产政策 Conflict Minerals Policy	文件编号	SVT-SA-03	版本	A/1 版	页数	1/5
审核	蒙一宁	制作	麦娜	日期	2024-10-10		

## SVT-SA-03 Conflict Minerals Policy

### 1. Purpose

This policy is formulated to prevent the use of conflict minerals that directly or indirectly fund or benefit armed groups, as well as those sourced from conflict-affected and high-risk areas and linked to other serious human rights violations.

### 2. Scope

This procedure applies to the control of the Company's procurement of Mica raw materials.

### 3. Policy and Statement

The Company recognizes that mineral mining, trading, processing and export activities in conflict-affected and high-risk areas may pose significant adverse impacts. We acknowledge our obligations to respect human rights, refrain from fueling conflicts and avoid causing negative environmental and social impacts.

The Company commits to adopting and widely promoting the Responsible Sourcing Policy for Minerals from Conflict-Affected and High-Risk Areas, and incorporating it into contracts and agreements with suppliers. This policy serves as a fundamental guideline for the entire mica supply chain, conflict-sensitive procurement activities and suppliers' risk awareness. We undertake to abide by relevant United Nations sanctions resolutions and applicable domestic laws implementing such resolutions, and will not engage in any acts that aid or facilitate conflicts.

In line with the above commitments, the Company supports responsible mineral initiatives, upholds human rights, and refuses to source or use mica minerals originating from conflict-risk regions, illegal mining operations, or operations involving human rights abuses and child labor.

### 4. Conflict Minerals Management

#### 4.1 Risk Identification

The Company identifies conflict-affected and high-risk countries and regions by referring to the CRHRA List published on the official website of the Responsible Minerals Initiative (RMI: <https://www.responsiblemineralsinitiative.org/membership/>). Procurement of mica raw materials from countries and regions on this list is prohibited.

#### 4.2 Severe Human Rights Violations

The Company will not tolerate, benefit from, facilitate or assist any party involved in the following acts:

1. Any form of torture or cruel, inhuman or degrading treatment;
2. Any form of forced or compulsory labor, which refers to labor or services extracted from individuals under threat of punishment and provided involuntarily;
3. The worst forms of child labor;
4. Other serious human rights violations;
5. War crimes, other serious violations of international humanitarian law, crimes against humanity or genocide.



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审核	蒙一宁	制作	麦娜	日期	2024-10-10		

**Risk Mitigation:** If there is reasonable evidence that an upstream supplier sources materials from or is associated with any party committing severe human rights violations, the Company will immediately suspend or terminate cooperation with the supplier.

### 4.3 Direct or Indirect Support to Illegal Organized Armed Groups and Public/Private Security Forces

The Company opposes any direct or indirect support provided to non-state organized armed groups through mineral mining, transportation, trading, processing or export. Such support includes but is not limited to purchasing minerals from illegal armed groups or their affiliates, making payments to them, or providing logistical support and equipment. The aforesaid armed groups and affiliates refer to those who:

1. Illegally control mineral mines, transportation routes, mineral trading hubs and upstream participants in the supply chain;
2. Impose illegal taxes or extort money and minerals at mine entrances, along transportation routes or at mineral trading sites;
3. Conduct illegal taxation or extortion against intermediaries, export enterprises and international traders.

The Company will never provide direct or indirect support to public or private security forces that illegally control mines and transportation routes, levy taxes or extort money and minerals at relevant sites, or victimize intermediaries, export enterprises and international traders.

We recognize that public and private security forces operating around mines and transportation routes shall solely perform duties to uphold the rule of law, including protecting human rights, safeguarding the safety of miners, equipment, facilities, mines and transportation routes, so as to ensure unimpeded legal mining and trading.

In cases where the Company or any entity within our supply chain signs contracts with public or private security forces, we require such forces to comply with recognized international standards and guidelines governing public and private security. In particular, we will implement screening policies to ensure that individuals and security units with a record of human rights abuses are not employed.

We will cooperate with local governments, international organizations and civil society groups to develop feasible solutions to improve the transparency, proportionality and accountability of security fees charged by public security forces.

For minerals mined by artisanal and small-scale miners within the supply chain, we will work with relevant parties to avoid or minimize the adverse impacts of public and private security forces stationed at mining sites on vulnerable groups, especially artisanal miners.

**Risk Mitigation:** If there is reasonable evidence that an upstream supplier sources materials from or is associated with parties providing direct or indirect support to



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审核	蒙一宁	制作	麦娜	日期	2024-10-10		

non-state organized armed groups, the Company will immediately suspend or terminate cooperation with the supplier.

#### 4.4 Corruption, Money Laundering and Payments to Governments

The Company prohibits offering, promising, giving or soliciting bribes, and rejects all forms of corruption. We will not engage in bribery to falsify mineral origins or underreport taxes, fees and royalties payable to governments for mineral mining, trading, processing, transportation and export.

Bribery by agents and other third parties in all business activities and transactions is strictly forbidden. We have formulated standards and approval procedures for gift-giving and receiving, and strive to promote responsible business practices among all business partners.

If money laundering risks arise from minerals obtained through illegal taxation or extortion at mine entrances, along transportation routes or at upstream trading sites, the Company will take measures to curb money laundering and terminate cooperation with relevant parties.

Effective measures will be adopted to prevent involvement in money laundering and terrorist financing, including verifying and disclosing the identity and ultimate ownership of suppliers and customers, monitoring abnormal and suspicious transactions, and retaining records of cash transactions exceeding the limits stipulated by applicable laws and regulations.

The Company ensures full payment of all legitimate taxes, fees and royalties to governments in relation to the mining, trading and export of minerals in conflict-affected and high-risk areas, and commits to disclosing such payments based on our position in the supply chain.

**Risk Mitigation:** Based on our position in the supply chain, we will cooperate with suppliers, central and local governments, international organizations, civil society and affected third parties as appropriate. We will formulate and implement measurable improvement and follow-up measures within a reasonable timeframe to prevent and mitigate adverse impacts. If risk mitigation measures prove ineffective, we will suspend or terminate cooperation with upstream suppliers.

#### 4.5 Land Rights, Emissions and Artisanal Mining

The Company will not participate in, tolerate or benefit from mining activities carried out on land without the consent of local and indigenous communities, regardless of whether the miners hold legal ownership, lease rights, concessions or permits. We also reject mining operations that fail to respect and protect the culture and heritage of local and indigenous communities or damage traditional local culture.

Mining on land with illegally obtained ownership, lease rights, concessions or permits, or in violation of domestic laws is prohibited. We will prevent severe pollution to local soil, air and water, and strictly abide by local laws and regulations. In particular, we refrain from manufacturing, trading or using chemicals and hazardous substances banned



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internationally due to their high toxicity to organisms, environmental persistence or potential irreversible ecological impacts.

We will comply with applicable laws and regulations on the management of chemicals and toxic substances. Emissions of arsenic, mercury and other substances shall be controlled in accordance with the highest international standards to prevent leakage and release into the environment.

Mining in world heritage sites or legally protected areas, which threatens the outstanding universal value of these heritage sites, is prohibited.

We closely monitor potential risks associated with artisanal and small-scale mining, including forced labor, child labor, unsafe working conditions, uncontrolled use of chemicals and other major environmental hazards. The Company will not establish cooperative relationships with artisanal and small-scale miners in mining areas.

**Risk Mitigation:** If relevant risks are identified, we will work with suppliers and other stakeholders to formulate, adopt and implement risk management plans to prevent and mitigate violations of land rights and major adverse environmental impacts. We will also terminate cooperation with artisanal and small-scale miners to eliminate related risks.

## 5. Risks and Coping Strategies Related to Environmental Protection, Occupational Health and Safety

### 5.1 Environmental Protection

When conducting procurement or production activities in conflict-affected and high-risk areas, the Company will not benefit from, assist or engage with any party that causes severe adverse impacts on local soil, air and water or seriously violates local environmental laws and regulations.

### 5.2 Occupational Health and Safety

When conducting procurement or production activities in conflict-affected and high-risk areas, the Company will not benefit from, assist or engage with any party that fails to provide sound occupational health and safety conditions, which impair the physical and mental health of miners, direct and indirect employees and other personnel on production sites.

## 6. Transportation

The Company strictly complies with international transportation standards for Class 7 hazardous substances, and ensures that the disposal, storage and transportation of hazardous materials conform to relevant laws and regulations. We guarantee no leakage during transportation and production to avoid harm to the environment and human health.

**Risk Mitigation:** Class 7 goods and other goods shall be strictly distinguished in accordance with international standards. All Class 7 goods will be properly packaged, transported and declared to prevent leakage and eliminate hazards to human health and the environment.

## 7. Relevant Documents

CRHRA Risk Area List



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## EU List of Conflict-Affected and High-Risk Areas (CAHRA)

Afghanistan, Burkina Faso, Burundi, Cameroon, Central African Republic, Colombia, Democratic Republic of the Congo, Eritrea, Ethiopia, Lebanon, Libya, Mali, Mozambique, Myanmar, Niger, Pakistan, Russia (Belgorod Oblast), Somalia, South Sudan, Sudan, Ukraine, Venezuela, Yemen, Zimbabwe

### Nigeria

(Adamawa, Borno, Kaduna, Niger, Yobe, Zamfara States)

### Philippines

(Autonomous Region in Muslim Mindanao, Western Visayas, Central Visayas, Soccsksargen (Region XII))

### India

(Chhattisgarh, Jammu and Kashmir, Manipur)

## Conflict Minerals Policy Undertaking

[Company Name] hereby undertakes that all mica raw materials supplied to Vitar Insulation Materials Manufacturing Co., Ltd. shall be fully implemented in compliance with the provisions set forth in **SVT-SA-03 Conflict Minerals Policy** of Vitar Insulation Materials Manufacturing Co., Ltd.

We agree that the formation, validity, performance and interpretation of this Undertaking shall be governed by the laws of the country or region where Vitar Insulation Materials Manufacturing Co., Ltd. is located. In the event of any dispute arising out of this Undertaking that cannot be resolved through friendly negotiation, we hereby accept the exclusive jurisdiction of the courts located where Vitar Insulation Materials Manufacturing Co., Ltd. is situated.

## Attachment: SVT-SA-03 Conflict Minerals Policy

We hereby make the above undertaking!

Company Name (Seal): Document Received by: Authorized Representative' s Signature:

Position of Authorized Representative: Date of Signing: