



Responsible Mineral Procurement Policy of Zhejiang Dahua Technology Co., Ltd.



I. Purpose and Objectives

Zhejiang Dahua Technology Co., Ltd. (hereinafter referred to as “Dahua Technology”, “the Group”, “the Company”) practices and actively undertakes the social responsibilities of a corporate citizen, adheres to responsible procurement, and promotes the sustainable development of the industrial chain. Dahua Technology insists on doing its best within a commercially reasonable range to ensure the procurement and use of non-conflict minerals in the supply chain. In accordance with the framework process of the “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas”, Dahua Technology conducts continuous and comprehensive due-diligence management on the potential risks in the supply chain. With the help of relevant resources such as the “Responsible Minerals Initiative” provided by the Responsible Minerals Initiative (RMI), it assists suppliers in procuring and using non-conflict minerals and jointly fulfills corporate social responsibilities.

II. Scope of Application

This Policy covers Dahua Technology and all its subsidiaries, affiliated companies, and suppliers.

III. Responsible Mineral Management

● Supplier Onboarding Review

Dahua Technology takes the control of conflict minerals as one of the baseline requirements for supplier onboarding and includes it in the “Supplier Onboarding Management Process”. All productive suppliers are required to sign and abide by the “Conflict-Free Metal Declaration” to ensure that the products supplied to Dahua Technology and its affiliated companies do not contain conflict minerals or metals.

Meanwhile, Dahua Technology requires suppliers to:

- 1) Sign the “Conflict-Free Mineral Declaration” to ensure that the products supplied to Dahua Technology and its affiliated companies do not contain conflict minerals or related metals.
- 2) Submit reports under the Responsible Minerals Initiative (RMI) standards, such as the “Conflict Minerals Report Template (CMRT)” or the “Cobalt Report Template (EMRT)”, to disclose in details the country of origin of minerals, information on smelters and refineries used, and relevant supply-chain situations;
- 3) Establish a sound due-diligence mechanism, formulate a conflict-free mineral procurement policy in line with international standards, and take effective measures to ensure the transparency and compliance of the supply chain.

- 4) Provide other documents and information as required by Dahua Technology to prove that the products meet the requirements of conflict-free minerals, including the traceability of key materials in the products, components, or raw materials supplied to Dahua Technology, information on supplier sources, and relevant supplier compliance procedures;
- 5) Adopt procedures related to the responsible source and traceability of key materials that Dahua may require from time to time, including but not limited to self-assessment questionnaires and audits;
- 6) If the Supplier determines that any key materials contained in the products, components, or raw materials it supplies to Dahua Technology are from conflict minerals or from smelters and refineries not certified by a third-party audit program, the Supplier shall immediately notify Dahua Technology. Dahua Technology will conduct an assessment based on its internal emergency response plan and take appropriate risk control measures as appropriate, including but not limited to adjusting the supply chain, suspending procurement, or terminating cooperation.

- Supply Chain Due Diligence

Dahua Technology regularly conducts due diligence on conflict minerals in the supply chain through the supplier portal, and requires the downstream supply chain to truthfully disclose relevant information about the country of origin of minerals, the smelters and refineries used, and their downstream supply chains according to the reporting templates of the Responsible Minerals Program- **【Conflict Minerals (Cobalt) Questionnaire (CRT)】** and **【Conflict Minerals (Gold, Tantalum, Tungsten, Tin) Questionnaire (CMRT)】** .

- Supplier Audit

Dahua Technology will regularly conduct compliance investigations on suppliers and due diligence on their supply chains. For at least 70% of 3TG (gold (Au), tantalum (Ta), tin (Sn), tungsten (W) and cobalt (Co)) supply chains, Dahua Technology will conduct an independent third-party audit to verify whether the mineral sources meet the conflict-free standards.

If the information provided by the supplier cannot be verified, or the supplier fails to take effective measures to ensure compliance with Dahua Technology's conflict mineral policy, Dahua Technology reserves the right to take appropriate risk control measures, including but not limited to requiring the supplier to rectify, suspend procurement or terminate cooperation.

IV. Emergency Response Plan

In order to effectively deal with the risks of conflict minerals, Dahua Technology has formulated a perfect emergency plan, defined the response mechanism, handling process and responsible team of conflict minerals, and ensured the transparency and compliance of the supply chain.

- Pre-risk warning

Dahua Technology will regularly interpret the relevant laws and regulations and compliance requirements of conflict minerals to suppliers and publicize the potential risks and impacts of using conflict mineral resources.

Suppliers are required to ensure that their supply chains comply with Dahua Technology's conflict minerals policy, and all smelters and refineries (SORs) must be certified by a third-party audit program (such as the RMAP program of RMI).

If it is found that a Supplier uses conflict minerals in violation of regulations or purchases from uncertified smelters and refineries, Dahua Technology will immediately conduct a suspension and investigation of relevant products, and identify, warn, and handle the potential risks arising therefrom.

- In-event Emergency Handling

- 1) Rectification of non-compliant suppliers: Dahua Technology will suspend the material supply of non-compliant suppliers and require them to make rectifications. Rectification measures include but are not limited to:
 - a. Develop a compliance plan and urge suppliers to implement it to ensure their products comply with the conflict minerals policy.
 - b. Adjust the new product quota of suppliers.
 - c. Terminate cooperation with the supplier if necessary.
- 2) Disposal of Non-compliant Products: For products confirmed to be non-compliant, Dahua Technology will take measures such as delisting and destroying them, and launch reliable alternative products.
- 3) Accountability for Legal liability: If the violation has a serious impact on Dahua Technology or its customers, Dahua Technology reserves the right to hold the party concerned accountable for the liability according to law.

- Post-event Summary and Improvement

Dahua Technology will continue to optimize its business process and supply chain management. In case of any violation, it will, on the basis of ensuring proper handling:

- 1) Adjust relevant product design standards to reduce future compliance risks;



- 2) Strengthen supplier management regulations and improve the due diligence requirements of supply chain;
- 3) Promote the establishment of an honest supply chain system that does not use conflict minerals through industry best practices.