

DY Deokyang
Responsible Sourcing
Policy



DY Deokyang's Responsible Sourcing Policy (Principle)

Considering the issue of mineral mining in conflict zones (such as the Democratic Republic of the Congo in Africa) where human rights issues continue to occur, DY Deokyang is doing the best to fulfill its corporate social responsibility as demanded by internal and external stakeholders. Accordingly, DY Deokyang will eradicate the use of conflict minerals* and responsible minerals** as part of its responsible procurement policy.

*Conflict Minerals: Refers to the four major minerals (gold, tin, tantalum, tungsten) mined in 10 countries in Central Africa: the Democratic Republic of the Congo, Sudan, Rwanda, Burundi, Uganda, Congo, Zambia, Angola, Tanzania, and Central Africa, which are minerals intensively mined in conflict zones in Africa. Problems include: 1) Use as a source of funding for armed groups, 2) Occurrence of serious human rights violations such as forced/child labor, and 3) Cause destruction of the local environment.

**Responsible Minerals: Minerals that are mined and produced while taking into account a wide range of responsibility criteria such as environment, society, and ethics. This concept includes conflict minerals.

1. Responsible Sourcing (Conflict Minerals and Responsible Minerals) Policy

In order to fulfill its social responsibility, DY Deokyang will strive to ensure that conflict minerals and responsible minerals are not used in the procurement/production of products. In order to minimize the negative impacts related to this, we promise to carry out various activities as follows.

- Establish a conflict minerals management business process that regulates conflict minerals in accordance with international standards.
- Actively support the 'conflict minerals ban activities' promoted by the RBA (Responsible Business Alliance)
- Prohibit the direct use of minerals obtained with various human rights and environmental risks from smelters other than those that have obtained the Responsible Minerals Assurance Process (RMAP) certification of the Responsible Minerals Initiative (RMI) or an equivalent certification, and request written confirmation from our partners of non-use of conflict and responsible minerals.
- Actively use templates provided by RMI

We move on

- ① CMRT : Conflict Minerals Reporting Template
- ② EMRT : Extended Minerals Reporting Template
- ③ AMRT : Additional Minerals Reporting Template

- If necessary, conduct due diligence on partners based on the OECD Due Diligence Guidance.

2. Response to conflict minerals and responsible minerals

DY Deokyang will establish a comprehensive conflict minerals and responsible minerals response process that includes policy management, usage status investigation, risk management, and on-site inspection. In addition, Conduct regular training for not only the headquarters but also the employees of partner companies. Based on this, we will raise awareness of the importance of responsible mineral use. In addition, consider various laws and regulations related to conflict minerals and responsible minerals. As responsible procurement, DY Deokyang will respond quickly to prevent risks such as human rights from occurring due to raw materials (minerals) in the supply chain.

[Conflict and Responsible Minerals Management Process]

- Investigation of the status of conflict minerals and responsible minerals
- Request for preparation of CMRT/EMRT/AMRT by major partners and verification, implementation of improvement management

3. Future Plans

DY Deokyang promises to continue to carry out the following activities to build a value chain free from ESG risks.

- Monitor international legal trends and actively respond to global mineral issues
- Spread awareness and consensus on the prohibition of the use of conflict minerals with stakeholders such as customers, partners, government, and academic societies.
- Provide education and consulting to raise awareness of responsible mineral use by partners and to reflect it in business activities