

**Definition(s)****RMI(Responsible Minerals Initiative)**

With more than 500 member companies, *the Responsible Minerals Initiative (RMI)* 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. The RMI maintains a certified smelter list and publishes reporting templates that Royal uses to ensure compliance.

**Conflict Minerals**

Conflict minerals include gold, cassiterite, columbite tantalite or coltan, wolframite, and their derivatives such as tin, tantalum, and tungsten, regardless of where they are sourced, processed, or sold. The exploitation and trade of conflict minerals originating in the Democratic Republic of the Congo (DRC) or adjoining countries has been used to finance violence and human rights abuses. Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act aims to combat violence in the DRC by increasing transparency in regard to conflict minerals; including smelters and refiners within the supply chain.

**Extended Minerals**

Due to recent market pressure to expand responsible minerals due diligences to other minerals beyond 3TGs, the Responsible Minerals Initiative has provisioned the Extended Mineral Reporting Template to allow companies to disclose information on smelters, refiners and the geographic source-of-origin for chemicals that include but may not be limited to cobalt, mica, Nickel, graphite, Lithium, and copper within upstream supply chains.

**Responsible Sourcing Policy**

Royal is committed to sourcing components and materials from companies that share our values regarding respect for human rights, ethics and environmental responsibility. We strive to ensure that all materials used in our products originate from socially and environmentally responsible sources. We do not condone any activity that fuels conflict, leads to serious environmental degradation or violates human rights. Therefore, Royal is committed to avoiding the procurement of materials or components that contain conflict or extended minerals that directly or indirectly finance or benefit armed groups in the covered countries, or otherwise taking any action that would contribute to the financing of groups responsible for human rights violations.

**Disclosing the Use of Conflict and Extended Minerals**

Many of Royal Technology's customers are required to disclose Conflict Minerals to the Security and Exchange Commission (SEC). Since certain components or materials procured by Royal may contain

conflict minerals we must perform supplier due diligence campaigns to obtain documentation for any conflict minerals within our supply stream. Therefore, our suppliers must also conduct their own due diligence to verify the origin and chain of custody of any conflict minerals within their supply chain and provide Royal with detailed documentation via the CMRT and EMRT regarding the sourcing of these materials, including smelter and refiner information, to allow Royal to accurately disclose the presence and origin of conflict minerals in their products to our customers.

Responsible Sourcing documentation is an annual process. Our suppliers will be required to submit the latest level CMRT and EMRT documents which can be downloaded from the RMI website.

<https://www.responsiblemineralsinitiative.org>