

**Policy Statement:**

Royal is committed to sourcing components and materials from companies that share our values regarding human rights, ethics, and environmental responsibility. We strive to ensure all materials originate from socially and environmentally responsible sources.

Royal does not condone activities that fuel conflict, cause serious environmental degradation, or violate human rights. We are committed to avoiding the procurement of materials containing minerals that directly or indirectly finance armed groups or contribute to human rights violations.

**Supplier Requirements and Disclosures:**

To ensure full transparency for our customers and regulatory bodies, Royal requires all suppliers to comply with the following disclosure mandates:

**1. Conflict & Extended Minerals** - Suppliers must conduct due diligence to verify the origin and chain of custody of conflict minerals.

- Annual Submission: Suppliers must submit the latest RMI CMRT (Conflict Minerals Reporting Template) and EMRT (Extended Minerals Reporting Template) annually.
- Data Accuracy: Documentation must include detailed smelter and refiner information to allow Royal to accurately disclose the presence and origin of minerals to our customers.

**2. Substance Disclosure & Regulatory Compliance** - Suppliers shall provide formal disclosure for any substances of concern regulated under applicable global, federal, or state statutes. Upon request, or when changes to chemical composition occur, suppliers must provide updated declarations to ensure Royal and our customers can meet federal and state reporting deadlines. This includes disclosing the presence of intentionally added PFAS regardless of concentration.

- Automotive Industry: Suppliers must provide full material disclosures via the International Material Data System (IMDS).
- Other Industries: Suppliers must provide Material Declarations or Regulatory Data Sheets to identify substances of concern.
- Specific Regulations: Declarations must explicitly confirm the status of:
  - PFAS (Per- and Polyfluoroalkyl Substances)
  - REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals)
  - RoHS (Restriction of Hazardous Substances)
  - California Prop 65
  - Any other customer-specific substance restrictions.

**3. Safety Data Sheets (SDS)** - For all ERP (Enterprise Resource Planning) and MRO (Maintenance, Repair, and Operations) materials, suppliers are required to provide current Safety Data Sheets (SDS) compliant with GHS standards

**Definitions:**

- RMI (Responsible Minerals Initiative): A respected resource with over 500 member companies used to address responsible mineral sourcing issues. Royal utilizes RMI's certified smelter lists and reporting templates to ensure compliance.
- Conflict Minerals (3TGs): Includes gold, cassiterite, columbite-tantalite (coltan), wolframite, and their derivatives (tin, tantalum, and tungsten). These are regulated to prevent the financing of violence and human rights abuses in the Democratic Republic of the Congo (DRC) and adjoining countries.
- Extended Minerals: Minerals such as cobalt, mica, nickel, graphite, lithium, and copper which require due diligence regarding smelters and geographic origin.
- Regulated Substances: Chemical substances governed by global environmental and safety regulations, including but not limited to PFAS, REACH, RoHS, and California Proposition 65.
- GHS (Globally Harmonized System) of classification and labeling of chemicals. It includes 'Pictograms' (red-bordered hazard symbols), 'Signal' words (e.g. 'Danger' or 'Warning') and the standardized 16-section format for SDS's.