

L&F Responsible Sourcing Policy Procurement of Cobalt and Raw Materials from Conflict-Affected and High-Risk Areas

L & F is committed to the responsible sourcing of materials used in the products and it is the core basic values of L&F that to respect and guarantee the rights to human dignity, freedom and happiness throughout the whole supply chain.

We know our work is never done, but by strengthening due diligence at every level of our supply chain and partnering with like-minded companies and organizations, we will continue to aggressively pursue the protection of human rights and the environment along our supply chain.

Our requirements

L & F buys parts and components including Cobalt and other minerals and L&F follow the OECD Due Diligence Guidance for Responsible Supply Chains from Conflict-Affected and High-Risk Areas to investigate our supply chain and engage with suppliers.

So, we encourage all the suppliers to understand our policy and meet the requirements of our policy as the following;

- . L & F expects its suppliers to avoid all minerals from conflict affected smelters.

- . Minerals related to the mining, transport, trade, handling, processing or export which supports armed, non-state groups, directly or indirectly are regarded as conflict-affected.

- . L & F expects its suppliers to disclose the origin of materials, when it is required, which are connected to potential human rights violations such as child labor, compulsory or forced labor and any kind of modern slavery and human trafficking – especially in case of mining raw material and extraction.

- . The suppliers are requested to carry out and meet their due diligence obligations along the supply chain. This includes the implementation of measures which ensure that the minerals used by suppliers – particularly tin, tantalum, tungsten, gold and cobalt – do not contribute to the direct or indirect support of armed conflicts or are in connection with violations of human rights.

- . Suppliers needs to have policies and due diligence practices in place to reasonably assure that products and components supplied to L & F are not sourced from conflict minerals.

L & F appreciates the need for broad collaboration to reach our objectives

L & F joined the Responsible Cobalt Initiative (RCI) in 2016 and applied global human rights policies to partners dealing with L&F across the world in order to promote sourcing of minerals through continuous monitoring human rights. The risk factors were checked and requested to be improved and the company is actively cooperating with customers, suppliers, and other stakeholders.

In order to present what we expect in hopes of downstream and upstream companies joining our social responsibilities and efforts, L & F has established a code of conduct for our partners through the mutual efforts with suppliers. We look forward to fulfilling our internationally recognized social responsibilities, achieving sustainable and sound performance, and growing together.