



Sustainable Procurement Policy

Purpose

Delton Technology firmly adheres to the triple bottom line of environmental responsibility, social responsibility and economic benefits, and is committed to leading our supply chain partners towards a sustainable future. In order to realize this vision, Delton Technology released the Sustainable Procurement Policy of Delton Technology for the first time in December 2024. Delton Technology expects to work with suppliers and their partners to achieve efficient use of resources and minimize environmental impact through the power of innovation and collaboration.

Scope of application

This policy applies to all directors, officers and employees of DELTON TECHNOLOGY (GUANGZHOU) INC. and its subsidiaries, as well as business partners.

Our Principles & Positions

(1) Strictly abide by the bottom line requirements

Delton Technology promises to comply with all applicable laws and regulations of the country/region where it operates, and requires suppliers to comply with the same, and takes this as a prerequisite for cooperation with Delton Technology.

Delton Technology requires suppliers not to violate the red line content of Delton Technology's "Supplier Code of Conduct", including but not limited to: the use of child labor, forced labor, infringement of employees' life safety, illegal discharge of polluting substances, corruption and bribery, procurement or use of conflict minerals, etc.

(2) Principles of sustainable procurement

The procurement process is strictly approved in accordance with the company's procurement strategy, system and process. Procurement personnel should strictly abide by the company's business management ethics and not engage in favoritism. We do not purchase materials that do not comply with the company's "Conflict Minerals Policy".



The purchased materials should meet the requirements of the national and industry environmental protection laws and regulations where the company is located, including compliance with RoHS2.0, REACH regulations, etc., and provide the third-party environmental protection testing report of the corresponding materials or the supporting documents and declarations that meet the relevant requirements.

Priority is given to the purchase of products or materials with renewable attributes and environmental protection, including but not limited to products made from recycled raw materials that have obtained GRS, RCS, SCS, ISO 14021, UL 2809 and other certifications.

Priority will be given to suppliers with excellent ESG and CSR performance, including but not limited to:

- Set carbon neutrality targets and take climate action accordingly.
- There are no environmental penalties on the IPE website.
- Fully comply with the “Supplier Code of Conduct” of Delton Technology.
- Establish an internationally recognized corporate social responsibility management system, such as ISO14001, ISO45001, SA8000, RBA management system and other equivalent management systems.

(3) Management guarantee

Delton Technology integrates ESG and CSR into the whole process of procurement business, including the full life cycle management of supplier certification, selection, performance evaluation, and annual review. For suppliers with outstanding performance, Delton Technology will increase its procurement share under the same conditions and give priority to providing business cooperation opportunities; For suppliers with poor performance, especially those who violate the red line, Delton Technology requires rectification within a time limit, and at the same time reduces the procurement share or restricts business cooperation opportunities; If the rectification cannot be completed within the time limit, the cooperative relationship will be cancelled.

Provide supplier sustainability related training to promote suppliers' carbon net-zero commitments.

Incorporate the Supplier Sustainable Procurement Charter/Supplier Code of Conduct, environmental, labor, and human rights requirements into the terms of the contract.



Implement due diligence along the value supply chain. Regularly review suppliers' social responsibility performance in accordance with the company's internal audit process and the due diligence process in the OECD Due Diligence Guidance for Responsible Business Conduct to ensure compliance and continuous improvement.

Hold an ESG supplier conference to promote and enhance the importance of ESG management, reward suppliers with excellent performance, and encourage suppliers who improve.

Policy review

After the release of this policy, the ESG Office and the Supply Chain Management Center will review and revise the policy according to changes in the external environment, laws and regulations, and other factors.

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