

Safeguarding against the use of Hazardous Chemicals



December 16, 2022

We recognize that environmental responsibility is integral to producing world-class products. By working with our suppliers, we identify the environmental impacts within manufacturing operations while minimizing adverse effects on the community, environment, and natural resources, all the while safeguarding the health and safety of the public.

Corsair's Annual Supplier Reporting on Hazardous Chemicals

Corsair has developed a robust process in accordance with the IEC 63000 standard of technical documentation for the assessment of electrical and electronic products with respect to the restriction of hazardous substances. Starting in March of 2022, Corsair has engaged its suppliers on a bi-weekly basis to collect data on the material composition of its purchased parts, and to then assess the collected information to determine compliance with each of the chemical regulations listed below. As noted in Section F of the Code of Conduct and Ethics, non-responsive suppliers can be held in Breach of Contract.

The schedule of 2022 annual supplier reporting was as follows:

Reporting Period began March 1 for all production suppliers and ran through December 15.

Quarterly update by end of Q2 (June 30) with a target of 50% response rate.

Quarterly update by end of Q3 (Sept 30) with a target of 75% response rate.

Quarterly update for Q4 (Dec 15-23) with a goal of 90% response rate of suppliers of all covered parts by Dec 15.

Implementation Timeline and Corrective Action

In 2022, Corsair achieved an initial Q2 response rate of 55%, a Q3 response rate of 87%, and Q4 of 96%, exceeding our initial estimates.

Suppliers are subject to review and assessment throughout the Reporting Period, and Corsair may engage any supplier at any time during this Reporting Period for clarification or follow-up on reporting responses.

Following the Reporting Period, from Dec 16, 2022 to January 15, 2023 is an <u>Annual Review Period</u>. All supplier responses will be reviewed and assessed for a period of "Clarification and Corrective Action" or C&C. Any non-responsive suppliers are automatically placed into C&C. This is also the period of onboarding new suppliers and removing suppliers no longer under contract.

Beginning January 15 through March 15 of 2023, "Clarification and Corrective Action" process will engage any suppliers requiring simple "clarification" of a policy, translation or training issues, any newly on-boarded suppliers, and any non-responsive suppliers or suppliers noted for "corrective action."

Corsair met our December 2022 implementation goals for each regulation, as detailed below:

- <u>EU RoHS Directive [Commission Delegated Directive (EU) 2015/863]:</u> which aims to limit the spread of 10 hazardous substances into the environment as pollutants and reduce occupational exposure during manufacturing and recycling. As of December 15, 2022, **98.51%** of purchased parts in Corsair products have been accounted for with RoHS declarations submitted by suppliers.
- <u>EU REACH Regulation [Regulation (EC) No 1907/2006]</u>: which aims to improve the protection of human health and the
 environment from the risks that can be posed by chemicals, including a subset of 223 chemicals identified as Substances of Very
 High Concern (SVHCs). As of Dec 15, 2022, 92.57% of purchased parts in Corsair products have been accounted for with
 REACH declarations submitted by suppliers.
- <u>California Proposition 65 [Safe Drinking Water and Toxic Enforcement Act of 1986]</u>: which aims to protect the State of California's drinking water sources from being contaminated with over 1000 chemicals known to cause cancer, birth defects, or other reproductive harm. As of Dec 15, 2022, 92.57% of purchased parts in Corsair products have been accounted for with Proposition 65 declarations submitted by suppliers.
- <u>U.S. Toxic Substances Control Act (TSCA) Section 6(h)</u>: which aims to reduce exposures to 5 persistent, bioaccumulative, and toxic chemicals that pose a deleterious impact on the environment and human populations. As of Dec 15, 2022, **99.91%** of purchased parts in Corsair products have been accounted for with TSCA declarations submitted by suppliers.
- Clarification and Corrective Action (C&C): No company supplier for 2022 has reported any violations of any statute. Based on preliminary assessments of responses and our response rates, Corsair estimates that <u>less than 10%</u> of our production suppliers will be engaged in the 2023 "Clarification and Corrective Action" process with regards to the Hazardous Chemicals regimen. These engagements do not reflect violations or any suspect part in scope for 2022, but is an allowance to address any point of clarification needed between the company and the supplier not yet addressed.

Regardless of responses to the above Hazardous Chemicals reporting, suppliers can also be engaged for "Clarification and Corrective action" on other ESG campaigns.

2023 Goals and Beyond

From January 15 through March 15, 2023, Corsair will complete its first "Clarification and Corrective Action" process with all production suppliers. On April 1, 2023, the 2023 reporting period process will begin anew, with additional suppliers onboarded and suppliers no longer under contract removed.

Corsair will publish comprehensive supplier reporting data and data concerning C&C actions and results in the first annual **Sustainability Report**, scheduled for **June of 2023**.

With increasing engagement with our suppliers and raised awareness of this annual reporting schedule, Corsair hopes to better our 2022 Hazardous Chemicals reporting response rates in 2023. Our goals are **60%** by June 30, 2023, **80%** by September 30, 2023, and **98%** across all Hazardous Chemicals campaigns by December 15, 2023. It is our goal to have **less than 5%** of suppliers in "Clarification and Corrective Action" for Hazardous Chemicals regimen in 2024, and to maintain the **less than 5% level in 2025** and beyond. This 5% threshold allows for normal supplier onboarding and offboarding, as well as normal issues of clarification, translation, and training.

Product Recalls

In the event of the discovery of chemicals identified as harmful being present in products or parts associated with our products, in accordance with all due diligence, Corsair is committed to any necessary production halts or product recalls. As of Sept 30, 2022, Corsair has never initiated a production halt or product recall due to the discovery of hazardous materials or chemicals identified as harmful in our products

Long Term Strategy regarding Chemicals identified as Hazardous.

Corsair continuously evaluates declarations submitted by suppliers on the regulations above against its established <u>Code of Conduct and Ethics</u>, as well as external statutes, industry guidelines, and best practices, all with the long-term objective of designing hardware products without chemicals that are identified as hazardous to the environment and human health.

Corsair is committed to designing for the environment, creating products that reduce and mitigate our environment impact, emphasizing full compliance with all relevant statutes, increasing sustainability, increasing the use of recyclable materials, and increasing the use of post-consumer recycled materials wherever possible.

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