

Goslar, January 2026

OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas^[1]

H.C. Starck Tungsten GmbH Due Diligence Report for Raw Material Supplies in Year 2025 (“OECD Step-5 Report”)

1. Company Information

Since Dec. 2024, H.C. Starck Tungsten Powders, is a Group Company of Mitsubishi Materials (MMC). H.C. Starck Tungsten Powders is one of the leading global manufacturers of the metal tungsten and its products such as sodium tungstate, tungsten acid, ammonium meta- and -para-tungstate, tungsten oxides, tungsten powders as well as cast and conventional tungsten carbides. For more details see <https://www.hcstarck.com>. The company operates three production facilities in Goslar (Germany), Sarnia (Canada), and Ganzhou (China), with smelting processes only taking place in Goslar. The H.C. Starck Tungsten GmbH in Goslar is a conflict free smelter, listed by the Responsible Minerals Initiative (RMI) under **CID002541**. Another Group Company of Mitsubishi Materials is Japan New Metals, with production sites in Osaka and Akita. The Akita plant is listed under **CID000825**.

The period covered by this report, which was written for the H.C. Starck Tungsten GmbH, is for the whole Year 2025. All CID’s are reported by the RMI at <http://www.responsiblemineralsinitiative.org/conformant-tungsten-smelters>.

2. RMAP Assessment summary

The H.C. Starck Tungsten GmbH is a member of the Responsible Minerals Initiative (RMI), providing the Responsible Minerals Assurance Process (RMAP), a standard H.C. Starck Tungsten GmbH is certified to. In addition, the H.C. Starck Tungsten GmbH is a founding member of the Tungsten Industry - Conflict Minerals Council (TI - CMC) and is represented directly as a member of the board. Based on the TI-CMC membership, the state-of-the-art recycling process at the Goslar plant and the low-risk supply chain, the H.C. Starck Tungsten GmbH is assessed on a three-year cycle. Last but not least, the H.C. Starck Tungsten GmbH is a member of the ITRI Tin Supply Chain Initiative (iTSCi), which has developed a due diligence system for a transparent raw material supply chain in conflict regions and monitors the implementation of the system in their member companies.

An RMAP assessment was conducted in September 2024. Compliance with the “OECD Due Diligence Guidance for Supply Chains of Minerals from Conflict-Affected and High-Risk Areas” and the “Regulation (EU) 2017/821” of the European Parliament and of the Council of 17 May 2017 was confirmed. The assessment was conducted by SCS Global Services. The audit summary report as well as the RMAP-Conformance-Certificate is available at <https://www.hcstarck.com/en/downloads/>. A full audit report could be provided in justified cases. The next RMAP assessment is expected to be conducted in Goslar in September 2027.

In parallel, the H.C. Starck Tungsten GmbH was inspected by the "German Control Body for EU Due Diligence Obligations in Raw Material Supply Chains" (DEKSOR), the German national competent authority for monitoring compliance with the EU regulation.

Measures, resulting from the assessment/inspection, were implemented in a timely manner to ensure a continuous improvement of our Responsible Supply Chain Management Systems (RSCM). At the beginning of 2025, we therefore received both our certificate from the RMI and a positive inspection report from DEKSOR.

[1]: This report is following the “Public Due Diligence Report writing guidance” of the Responsible Minerals Initiative (RMI, <http://www.responsiblemineralsinitiative.org/smelter-introduction/>)

3. Company Supply Chain Policy

The H.C. Starck Tungsten GmbH has implemented an on-going policy of only purchasing raw materials that are conflict-free and that always meet the requirements of the OECD (relevant version of the OECD Due Diligence Guidance) and the EU regulation. The company is committed to address any Annex II risks if identified. The policy, named “Raw Material Procurement Statement” as well as the “Modern Slavery Act Statement” are reviewed and approved regularly by the Senior Management, which is committed to support the implementation, are available at <https://www.hcstarck.com/en/downloads/>.

4. Company Management System

Besides the RMAP, the H.C. Starck Tungsten GmbH is audited against ISO 9001, ISO 14001, ISO 45001, and the Eco Management Audit Scheme (EMAS). In addition to the HSEQ aspects the Board has appointed a Senior Management Representative (SMR) responsible for supply chain management (RSCM) including the raw material due diligence process. The SMR reports directly to the CEO of the company. Within the RSCM, the SMR coordinates the work of the relevant departments (incl. Supply Chain Management, Procurement, Quality Management, Customer Service) to ensure each department follows up on their roles and responsibilities to implement the due diligence process. Once a year all relevant departments undergo due diligence management system training. In 2025, the Senior Management Representative responsible for the RSCM participated in two courses offered by the Responsible Business Alliance (RBA) and the RMI: “RMI Sanctions Check Requirements Deep Dive” and “RMI Standards Deep Dive: Navigating Due Diligence, Assessments, and Regulatory Alignment for RMI Members”. His deputy attended the course “RMAP Annual Training 2025”.

In 2025, the necessary work was carried out to introduce the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). The reporting requirements are now being postponed as a result of the EU OMNIBUS procedure for bundling directives. For future reports, it must be examined to what extent data from the aforementioned directives will be relevant for the OECD Step 5 report.

To ensure the effectiveness of the due diligence management system the QM department conducts internal audits on a regular basis according to the audit protocol of the RMAP. All relevant documents (e.g. guidelines “RSCM Supplier Management” and “RSCM Risk Management”) as well as Processes, like “KYC process”, “CAHRAs Check” and “Due Diligence Check” are implemented in a document control system to ensure a continuous improvement, regularly revision, and a correct execution of the processes.

Internal Systems of control

In accordance with the requirements of “Know your counterpart” (KYC) as set out in the OECD guideline, the EU regulation and the RMI standard for W-Smelter, relevant data is identified from suppliers before a business relationship is established and these are checked against sanctions lists. This ensures that we only receive raw materials from suppliers who meet the criteria of RSCM. This check is repeated on a regular basis during the entirety of the business relationship. Also, the H.C. Starck Tungsten GmbH has incorporated due diligence requirements into legally binding agreements with direct suppliers. Intermediates are only purchased from certified conformant smelters. Their certificates are checked with every transaction, using the RMI conformant-

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smelter-refiner-list (see above). If there are indications that one of our suppliers is in breach of the specifications, we will take action according to our RSCM.

Grievance Mechanisms

The H.C. Starck Tungsten GmbH maintains complaints mechanism in accordance with the 8D principle and ISO 9001. Complaints relating to our supply chain can be sent directly to the Senior Management Representative responsible for the RSCM at conflictfree.minerals.tungsten@hcstarck.com. In addition, we also refer to the complaint mechanism of iTSCi. The corresponding website can be reached directly at <https://www.hcstarck.com/en/sustainability/conflict-free-raw-materials/>.

The German Whistleblower Protection Act was promulgated in June 2023. This transposed the EU Whistleblower Directive into national law. H.C. Starck Tungsten Powders has set up a corresponding complaints option at <https://www.hcstarck.com/en/company/>. The hotline fulfils all RMI requirements on grievance mechanisms.

The availability of three complaints mechanisms gives those affected the opportunity to raise their concerns. All complaints relating to violations of the requirements of the OECD Due Diligence Guideline or the EU Regulation are processed by the H.C. Starck Tungsten GmbH compliance officer in cooperation with the RSCM Senior Management Representative. Results and measures are reported to the management.

In 2025, however, no direct or indirect complaints were received regarding our raw material procurement.

Record Keeping System

RSCM relevant data, like shipping documents, inventory etc., are kept in a SAP database system. According to our guideline „Control of documented information“ and our document and recording matrix all documents are kept for a minimum of 10 years, exceeding the requirements of the OECD guideline. Processes and guidelines are available in our document control system.

5. Risk identification

As part of RSCM management, the H.C. Starck Tungsten GmbH has processes - starting with KYC - for identifying and dealing with risks. These and the corresponding guidelines are listed in the document control system and are regularly reviewed, following the requirements of our integrated management system and the RMAP standard.

Our supply chain is divided into two categories:

- Secondary raw material, that meets the definition of “secondary” given by the OECD. We have established a process to confirm, that the material we are purchasing is genuinely secondary and we check all suppliers regularly according to our KYC process.
- Intermediates. With every delivery we are checking that the supplying smelter is listed as RMI RMAP conformant smelter.

Although the H.C. Starck Tungsten GmbH does not purchase any primary raw materials, the CAHRAs analysis and due diligence check processes required for responsible raw material purchasing have been implemented. The checklist of sources to be used for a CAHRA or due diligence review was part of the assessment and was evaluated as compliant. Additionally, we receive information from iTSCi about incidents within the control system provided by this organization.

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As the identification of risks should not be limited to so-called high-risk transactions, we have established a system for reporting and investigating suspicious cases including low-risk transactions, particularly in the purchase of secondary raw materials. In the case of secondary raw materials, we exceed the requirements of the OECD and EU in some cases, as scrap is not in the scope of the directive/regulation and therefore no verification of the country of origin of these raw materials beyond the supplier is necessary.

All reported cases will be documented, together with the investigation results and decisions. No Red Flags were identified in 2025.

6. Risk mitigation strategy

Measures to minimize identified risks in connection with the purchase of raw materials are described in detail in the "RSCM Risk Management" guideline. These are based on the requirements of the OECD Guideline, Annex III. This also includes the temporary or complete suspension of the business relationship.



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Dr. Markus Zumdick
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