

2024 Due Diligence Report for Responsible Minerals Sourcing

Taki Chemical Co., Ltd.

Reporting Date : April- 16, 2025

Reporting Period : September-1, 2023 - August -31, 2024

1. Company Information

Taki Chemical Co., Ltd. is a refining company that produces high-purity tantalum oxide. Our refining site is the head factory (346 Miyanishi, Harima-cho, Kako-gun, Hyogo-Ken, CID: 001869). During the reporting period, the tantalum supply chain is managed by the "Responsible Minerals Management System (RMMS)" that complies with the Responsible Minerals Assurance Process (RMAP).

2. About the last audit

Taki Chemical Co., Ltd.'s refining site (head factory) was audited by the RBA-RMI for the "Responsible Minerals Assurance Process" on October 10 and 11, 2024. The audit period was from September 1, 2023 to August 31, 2024, and the audit was conducted by Intertek Certification Co., Ltd. As a result, it was confirmed that our management system complies with the audit criteria of the RMAP.

*Please refer to the attached document for the audit report.

3. Policy

In July 2018, we established the Tantalum Supply Chain Policy (partially revised in April 2025) in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD-DDG). This policy was reviewed during an audit by the RBA-RMI and confirmed to be in compliance with the RMAP audit criteria. The policy has been widely publicized to relevant stakeholders (suppliers, customers, employees, etc.) and is also available on our website.

*Taki Chemical Co., Ltd. Tantalum Supply Chain Policy:

https://www.takichem.co.jp/eng/products/functional/pdf/tantalum_EN_2025.pdf

4. Overview of the management system

Our company has established a responsible minerals management system headed by the director in charge of quality assurance. The head of the quality assurance department is responsible for the operation of the management system as the management representative and has established a responsible minerals management system committee consisting of relevant department heads and a subcommittee consisting of each section manager and person in charge to make decisions and evaluate the effectiveness of the entire system.

Our company's management system was established in accordance with OECD-DDG and RMI-RMAP, and by operating and managing it, we fulfill our corporate social responsibility regarding the mineral supply chain. In addition, we strive to maintain and improve its conformity and effectiveness by conducting internal audits and management reviews.

We provide annual and new employee training to relevant employees to ensure that they understand the importance of our role in the mineral supply chain and their individual responsibilities in the management system.

We have established document management guidelines, and stipulate that documents related to management are reviewed at least every three years, and that records are kept for five years in principle.

We have established a grievance mechanism for responsible minerals sourcing. If there is a

complaint or report, the details will be communicated to the management officer. For each report, we evaluate whether there is an OECD-DDG Annex II risk and implement risk reduction measures as necessary. The personal information of the reporter is protected so that it is not used for any other purpose. There were no reports to our company during this reporting period.

In order to improve the due diligence performance of our suppliers, we have agreed in writing with all immediate suppliers on the requirements for related due diligence activities.

We disclose our supply chain information upon request from customers and stakeholders.

5. Risk Assessment

We have established a process to identify "conflict areas and high-risk areas (CAHRAs)" on a regular and temporary basis. We review sources such as Heidelberg Conflict Barometer, INFORM Risk Index, Fragile State Index, Control Risk Map, WGI, and the list of CAHRAs in Article 14, paragraph 2 of EU Regulation 2017/821, and identify CAHRAs using our own criteria.

We identify all immediate supplier and, if necessary, further upstream suppliers, and conduct KYC (Know Your Counterparty) investigations in accordance with RMI-RMAP. Based on the results of these investigations, we make a decision on whether or not to do business with them. During this reporting period, no issues were identified with our suppliers.

When procuring primary raw materials, we first check the country of origin and the presence or absence of red flags in the supply chain to determine the risk level. If a supply chain is determined to be high-risk, we evaluate the risks indicated in OECD-DDG Annex II. When purchasing primary raw materials from the Democratic Republic of the Congo and neighboring countries, we check whether local mines, traders, etc. are members of iTSCi (ITA (International Tin Association) Tin Supply Chain Initiative), incident reports, audit reports, etc., and then decide whether or not to do business with them. For actual transactions, we check the traceability of all primary raw materials by reviewing documents including government-issued certificates of origin, customs records, and transportation vouchers. During the reporting period, we did not purchase any primary raw materials.

When we procure secondary raw materials, we confirm that they are scrap tantalum products defined in Annex V of the RMI-RMAP before accepting them. All raw materials accepted during this reporting period were secondary raw materials.

When we procure intermediate raw materials, we purchase them only from smelters that comply with the RMI-RMAP. No intermediate raw materials were purchased during this reporting period.

6. Risk Reduction

If a risk event that corresponds to OECD-DDG Annex II is confirmed, we have a procedure to implement risk reduction measures as indicated in the OECD guidance. Depending on the risk, we may immediately suspend transactions with the supplier or temporarily suspend transactions and issue a corrective recommendation. If the risk is high and we choose to suspend transactions immediately, we cannot resume transactions unless we can confirm that the risk event has been corrected.

No risk events that correspond to Annex II were confirmed in our supply chain during this reporting period.



RESPONSIBLE MINERALS ASSURANCE PROCESS ASSESSMENT REPORT

The flagship program of the RMI, the Responsible Minerals Assurance Process (RMAP), formerly the Conflict-Free Site Program (CFSP), takes a unique approach to helping companies make informed choices about responsibly sourced minerals in their supply chains. Focusing on a “pinch point” (a point with relatively few actors) in the global metals supply chain, the RMAP uses an independent third-party assessment of facility/refiner management systems and sourcing practices to validate conformance with RMAP protocols and current global standards. The assessment employs a risk-based approach to validate facilities' company level management processes for responsible mineral procurement. Companies can then use this information to inform their sourcing choices. For more information, please visit: www.responsiblemineralsinitiative.org.

I. ASSESSMENT SCOPE

Facility Name	Taki Chemical Co., Ltd.
CID Number	CID001869
Facility Address	346, Miyanishi, Harima-Cho Kako-gun, Hyogo 675-0145 Japan
Assessment Date(s)	10/10/2024 - 10/11/2024
Assessment Type	Re-assessment
Assessed Material	Tantalum
Sourcing from High-Risk Supply Chains	No
Assessment Cycle	1 year
Assessment Period	09/01/2023 - 08/31/2024
Assessment Company	Intertek

II. ASSESSMENT OBJECTIVES

The objective of the assessment is to assess the facility's level of conformance with the Responsible Minerals Assurance Process Tantalum Standard of Tantalum 2017.

Indicate which operations take place at the site and are under the same management control	
<input type="checkbox"/>	Mining
<input type="checkbox"/>	Blending
<input type="checkbox"/>	Solvent Extraction and electrowinning
<input type="checkbox"/>	Smelting
<input checked="" type="checkbox"/>	Refining



<input type="checkbox"/>	Other (please specify)
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III.ASSESSMENT METHODOLOGY

The assessment consisted of collecting and reviewing objective evidence including documentation, management and employee interviews, and other observations demonstrating that the facility/refiner's due diligence management system conforms, in all material aspects, to the requirements of the applicable Standard.

IV.CONCLUSION

Assessment Results:	
<input checked="" type="checkbox"/>	The assessment was conducted in accordance with ISO19001:2011 Standard, taking into account the guidance provided by the Responsible Minerals Assurance Process. The assessor verified the scope, selected samples, and gathered objective evidence through documentation review, interviews, and visual observations.
<input checked="" type="checkbox"/>	The assessor found that the facility's due diligence system are in conformance, in all material aspects, with the requirements of the Responsible Minerals Assurance Process Tin and Tantalum / Tungsten / Gold Standard of 2017, Cobalt Standard of 2021, Mica Standard of 2021, Joint Due Diligence Standard for Copper, Lead, Nickel and Zinc of 2021, Global Responsible Sourcing Due Diligence Standard for Mineral Supply Chains All Minerals of 2021, and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.
<input type="checkbox"/>	<p>The assessor identified material non-conformance(s) between the facility's systems, processes and practices and the requirements of the Responsible Minerals Assurance Process Tin and Tantalum / Tungsten / Gold Standard of 2017, Cobalt Standard of 2021, or Global Responsible Sourcing Due Diligence Standard for Mineral Supply Chains All Minerals of 2021 and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.</p> <p>Material non-conformance(s) relate to:</p>
Assessor Statements:	
<input checked="" type="checkbox"/>	The information provided by the facility is true and accurate to the best knowledge of the Assessor(s) preparing the report.
<input checked="" type="checkbox"/>	The findings are based on verified objective evidence relevant to the time period for the assessment.
<input checked="" type="checkbox"/>	The Assessor(s) have acted in a manner deemed ethical, truthful, accurate, professional, independent and objective.
<input checked="" type="checkbox"/>	The Assessor(s) are properly qualified to carry out the assessment.
<input checked="" type="checkbox"/>	There were no limitations to this assessment.