

# KOKI Europe Sp. z o.o.

## *Koki Europe Sp z o.o. annual report on the activities as part of the implementation of due diligence obligations in calendar year 2025*

This annual report is done according to requirements set out in REGULATION (EU) 2017/821 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 May 2017 laying down supply chain due diligence obligations for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas (hereinafter "Regulation (EU) 2017/821") and is part of management review from January 2026.

### **Company introduction**

Koki Europe Sp. z o.o. [KEP] is part of the international KOKI Group, headquartered in Tokyo, Japan. The parent company, Koki Company Limited, is a globally recognized brand with an established position in the market, enjoying an excellent reputation for both the quality of the products offered and the work ethic and customer service. The cooperation between KEP and Koki Company Limited is based on mutual trust and support in key aspects for the functioning of the company, including the creation of a business strategy, management policy and a consistent quality policy. As a responsible entrepreneur, KEP makes business decisions based on the principles of respect for human rights and not contributing to conflicts.

The following report is an indication of the significant actions taken by Koki Europe Sp. z o.o. in the field of fulfilling its supply chain management and due diligence obligations.

### **Responsible Supply Chain of Minerals from Conflict-Affected and High-Risk Areas**

KEP is the "downstream company" in supply chain that reviews its choice of suppliers and sourcing decisions and integrates into the management systems the following five-step framework for risk-based according to OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Third Edition (hereinafter "OECD Due Diligence") Annex 1:

#### **1. Establish strong company management systems**

We adopt, and clearly communicate to suppliers and the public, a company policy for the supply chain of minerals/metals originating from conflict-affected and high-risk areas.

We work on improvement to our policy to fully incorporate the standards against which due diligence is conducted, consistent with the standards set forth in the model supply chain policy in Annex II.

Our company has implemented quality management system according to ISO 9001 and embedded principles of supply chain due diligence into it.

We implemented structures of internal management to support supply chain due diligence, and we are working on further improvements to fully comply with regulation (EU) 2017/821.

We established a system of controls and transparency over the mineral supply chain, and we are working on its improvement to fully comply with regulation (EU) 2017/821. This includes a chain of custody or a traceability system or the identification of upstream actors in the supply chain.

# **KOKI Europe Sp. z o.o.**

We strive to strengthen company's engagement with the supplier. A supply chain policy will be incorporated into contract and/or agreements with supplier and is currently being revised and under further development.

KOKI Company Limited has proactive approach with its suppliers and smelters to focus on due diligence and this can be observed in KOKI CSR policy published on corporate home page.

We established a KOKI Group company-level early-warning risk-awareness system, and we are working on its improvement.

## **2. Identify and assess risk in the supply chain.**

We identified risks in our supply chain as recommended in the Supplements in OECD Due Diligence.

We assessed risks of adverse impacts according to the standards of our supply chain policy consistent with Annex II and the due diligence recommendations in OECD Due Diligence and we are working on improvement.

Generally, KOKI Group do not use materials from conflict areas and follows the OECD guidelines regarding due diligence, but to comply with the EU regulation adjustments on the documentation side both at Koki Company Limited, and KEP were necessary. Most of these adjustments have been already made. Some are still in process.

KOKI Company Limited is our main supplier and takes care of all CSR and quality matters according to the latest standards and requirements, the current evaluation of risks shows low risks down the supply chain.

We can trace the product down to the smelters, and KOKI Company Limited supports and confirms that only materials from no/low risk countries and areas are used. Medium risk was seen for the miners. KOKI Company Limited is in close cooperation with all traders and suppliers to ensure exchange of information through correct channels, protected by confidentiality clauses. Any confidential information can be shared for giving proof in audits and inspections. Risk analysis, risk assessment, status and improvements will be part of the annual management review or respective updates. We are constantly working on improvement, and we are proactive with cooperation with our suppliers to comply with OECD due diligence and EU regulation 2017/821.

## **3. Design and implement a strategy to respond to identified risks.**

The supply chain risk assessment was presented to the designated senior management of the company. We devised and adopted a risk management plan, and we are working on improvement.

We devised the strategy for risk management by either:

- i) continuing trade throughout the course of measurable risk mitigation efforts;
- ii) temporarily suspending trade while pursuing ongoing measurable risk mitigation; or
- iii) disengaging with a supplier after failed attempts at mitigation or where a company deems risk mitigation not feasible or unacceptable.

# **KOKI Europe Sp. z o.o.**

For correct strategy determination, we reviewed Annex II of OECD Due Diligence and considered our ability to influence, and where necessary take steps to build leverage, over suppliers who can most effectively prevent or mitigate the identified risk with support of KOKI Company Limited in Japan.

As mentioned above KOKI Company Limited is the sole supplier of raw materials to KEP, was identified as low risk and we can trace the product down to the smelters. KOKI Company Limited confirms that only materials from no/low risk countries and areas are used. Medium risk was seen for the miners.

In case the risk mitigation efforts while continuing trade or temporarily suspending trade by KOKI Company Limited with their suppliers, KOKI Company Limited will consult with suppliers and affected stakeholders, including local and central government authorities, international or civil society organisations and affected third parties, where appropriate, and agree on the strategy for measurable risk mitigation in the risk management plan. In current situation we have continuing trade with our suppliers with proactive approach on focus on due diligence.

We implemented the risk management plan, monitor and track performance of risk mitigation efforts with support of KOKI Company Limited in Japan and we report back to designated senior management.

We will undertake additional fact and risk assessments for risks requiring mitigation with KOKI Company Limited support, or after a change of circumstances.

## **4. Carry out independent third-party audit of supply chain due diligence at identified points in the supply chain**

To comply with EU regulation 2017/821, we identified the need to regularly undergo an audit by a third party to confirm the compliance with this regulation. This is also part of the 5-Step Framework for Risk-Based Due Diligence in the Mineral Supply Chain. The audit for 2024 and 2025 (to the day 17.12.2025) was done December 2025 by NAJARU Services s.r.o. The audit showed that our system is not yet fully effective. Actions to the nonconformities must be closed to due day mentioned in nonconformity report and we already work on implementation of solutions to reach full compliance with requirements of EU 2017/821 regulation. Once all nonconformities are closed an update to this annual report will be made and quality management review will take place. Status and compliance with EU 2017/821 regulation will be also reviewed in the next audit in 2026.

## **5. Report on supply chain due diligence.**

Koki Europe Sp. Z o.o. is committed to publicly report on their supply chain due diligence policies and practices.

As mentioned in point 4 KEP is working towards solutions to issues highlighted by the auditors and closing them to ensure our management system fully complies with mentioned requirements (EU 2017/821 regulation)

Our headquarter KOKI Company Limited in Japan is overseeing all Corporate Social Responsibility (CSR) and quality matters according to the latest standards and requirements.

KOKI Company Limited ensures by annual CSR trainings that those standards are met at their subsidiaries. The Management is responsible for the implementation at KEP side.

CSR policy is published on the website: [CSR | KOKI COMPANY LIMITED](https://koki-global.com/csr/) (<https://koki-global.com/csr/>).

With those measures KOKI CSR Policy as well as OECD Due Diligence Guidelines are communicated within the company.

# KOKI Europe Sp. z o.o.

Lućmierz-Las, Poland, 23/01/2026

Signed by:



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President of the Board: