

Annual Public Conflict Minerals Due Diligence Report 2025

AVALUXE INTERNATIONAL GMBH

Reporting Period: 01 January – 31 December 2025

Public Disclosure pursuant to Article 7(3) of Regulation (EU) 2017/821

1. Company Information

Company: AVALUXE INTERNATIONAL GMBH

Business Activities: AVALUXE INTERNATIONAL GMBH is a supplier of high-purity materials, technical metals and related accessories for industrial coating applications, particularly within the Physical Vapor Deposition (PVD) industry.

Reporting Period: 01 January – 31 December 2025

Minerals in Scope: Tungsten (W)

AVALUXE INTERNATIONAL GMBH is committed to responsible sourcing and compliance with applicable supply chain due diligence requirements under Regulation (EU) 2017/821 and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. As part of its due diligence activities covering the reporting period, AVALUXE INTERNATIONAL GMBH assessed 100% of its suppliers. Based on the available documentation and completed risk assessments, all suppliers were classified as low risk. No material supply chain risks requiring formal supplier-related Corrective Action Plans (CAPs) were identified.

2. Conflict Minerals Policy

AVALUXE INTERNATIONAL GMBH is committed to responsible sourcing practices, transparency and the continuous improvement of its supply chain due diligence processes. The company's Conflict Minerals Policy is integrated into its Supplier Code of Conduct (Section 6: Conflict Minerals) and reflects the principles of Regulation (EU) 2017/821 and the OECD Due Diligence Guidance. The policy establishes AVALUXE INTERNATIONAL GMBH's approach to identifying, assessing and addressing potential risks associated with sourcing minerals from conflict-affected and high-risk areas (CAHRAs). AVALUXE INTERNATIONAL GMBH communicates its responsible sourcing expectations to relevant suppliers and incorporates these requirements into its supplier assessment and monitoring procedures.

3. Management System

AVALUXE INTERNATIONAL GMBH has established an internal management framework to implement and maintain its responsible minerals sourcing obligations.

Responsibilities: Management: Overall responsibility for the due diligence strategy, oversight and approval of risk assessments and significant risk management decisions. **Quality Management (QM):** Coordination of due diligence activities, maintenance of documentation, performance of risk assessments and preparation of internal and external audits. **Purchasing:** Supplier communication, collection of relevant declarations and CMRT/EMRT documentation, and verification of supplier information.

Internal Procedures The due diligence framework includes supplier information collection, supply chain traceability, risk assessments, documentation management, periodic reviews and audit preparation.

Training Relevant employees in Quality Management and Purchasing receive mandatory training on applicable due diligence procedures, supplier assessment requirements and compliance obligations.

Grievance Mechanism AVALUXE INTERNATIONAL GMBH maintains a reporting channel for concerns relating to responsible sourcing, supply chain risks or potential compliance violations. Concerns may be submitted to: compliance@avaluxe.de Reported concerns are reviewed and, where necessary, investigated and addressed through appropriate corrective measures.

4. Supply Chain Due Diligence

AVALUXE INTERNATIONAL GMBH applies a risk-based approach to assessing and monitoring its supply chains, with particular attention to tungsten sourcing.

Supplier Assessment All suppliers were included in AVALUXE INTERNATIONAL GMBH's due diligence assessment process. Relevant documentation, including supplier declarations, Conflict Minerals Reporting Templates (CMRT), Extended Minerals Reporting Templates (EMRT) where applicable, and available smelter and refiner information, was reviewed. Identified smelters and refiners were assessed using available compliance information, including Responsible Minerals Assurance Process (RMAP) status where applicable. The assessment did not identify any suppliers requiring escalation due to material responsible sourcing risks.

Supply Chain Traceability AVALUXE INTERNATIONAL GMBH maintains documented supply chain information to support material traceability and responsible sourcing assessments. Records include supplier information, relevant material details, identified smelters and refiners, available origin information and supporting compliance documentation.

Documentation and Monitoring Supply chain information is maintained within AVALUXE INTERNATIONAL GMBH's internal risk assessment and documentation system. Supplier information is periodically reviewed and updated where relevant changes or new information become available.

5. Risk Assessment

AVALUXE INTERNATIONAL GMBH evaluates potential supply chain risks in accordance with the OECD Due Diligence Guidance and the requirements of Regulation (EU) 2017/821.

Risk Assessment Criteria: Risk assessments consider, where applicable:

- Geographic exposure to conflict-affected and high-risk areas (CAHRAs)
- Identified smelters, refiners and available origin information
- Supplier declarations and documentation quality
- Available third-party audit and RMAP information
- Potential conflict financing, human rights violations and other risks addressed in Annex II of the OECD Due Diligence Guidance

Assessment Results: During the assessment of the 2025 reporting period, 100% of suppliers were reviewed and classified as low risk, based on the available information and supporting documentation. No material supply chain risks requiring escalation or additional supplier-specific risk mitigation measures were identified through the assessments performed.

Ongoing Monitoring AVALUXE INTERNATIONAL GMBH continues to monitor relevant developments, including changes in supplier information, mineral origin and applicable risk indicators.

6. Risk Mitigation

AVALUXE INTERNATIONAL GMBH maintains a risk management approach designed to prevent or mitigate potential adverse impacts within its relevant mineral supply chains. Where material risks are identified, appropriate measures may include requesting additional documentation, enhanced supplier engagement, reassessment of sourcing practices and implementation of Corrective Action Plans (CAPs).

Results for 2025 No identified supplier-related supply chain risks required the initiation of formal CAPs during the reporting period.

Continuous Monitoring AVALUXE INTERNATIONAL GMBH conducts periodic supplier risk reviews and evaluates relevant information obtained through supplier communications, documentation reviews and independent assessments. Opportunities for improving supply chain transparency and due diligence procedures are considered as part of the company's continuous improvement activities.

7. Independent Third-Party Audit

In 2026, an independent third-party audit of AVALUXE INTERNATIONAL GMBH's responsible minerals sourcing framework was conducted against the principles of the OECD Due Diligence Guid-

ance and the requirements of Regulation (EU) 2017/821. The audit was conducted after the 2025 reporting period and is presented in this report as a subsequent independent assessment of AVALUXE INTERNATIONAL GMBH's due diligence framework.

Audit date: September 7th, 2026

Auditor: A.Bhakar, KIWA GmbH

Auditing Organization: KIWA GmbH, Grüner Deich 1, 20097 Hamburg, Germany

Summary of Audit Findings The independent audit concluded that AVALUXE INTERNATIONAL GMBH had established and implemented a responsible minerals due diligence system that was substantially aligned with the OECD Due Diligence Guidance and Regulation (EU) 2017/821. Based on the documentation reviewed and evidence assessed, the audit team considered the overall due diligence framework effective and suitable for responsible sourcing objectives. The audit also identified opportunities for further improvement, particularly concerning supplier engagement, supply chain transparency, risk mitigation practices and reporting.

Audit Recommendations The audit team recommended that AVALUXE INTERNATIONAL GMBH continue strengthening its due diligence framework through regular supplier engagement, enhanced transparency measures and continuous improvement of its risk management and reporting procedures. These recommendations will be considered within the company's ongoing compliance improvement activities.

Audit Exemption AVALUXE INTERNATIONAL GMBH did not rely on an exemption from the independent third-party audit obligation under Article 6(2) of Regulation (EU) 2017/821.

8. Conclusion and Continuous Improvement

AVALUXE INTERNATIONAL GMBH built its responsible minerals sourcing management framework for 2025 reporting period and conducted due diligence assessments covering 100% of its suppliers. Based on the available documentation and risk assessments, all suppliers were classified as low risk. No supplier-related risks requiring formal Corrective Action Plans were identified. The independent third-party audit conducted by KIWA GmbH in 2026 subsequently concluded that AVALUXE INTERNATIONAL GMBH's due diligence framework was substantially aligned with the applicable OECD and EU requirements, while identifying opportunities for further improvement. AVALUXE INTERNATIONAL GMBH remains committed to maintaining and continuously improving its responsible sourcing practices, with particular emphasis on supplier engagement, documentation quality, risk monitoring and supply chain transparency. This report summarizes AVALUXE INTERNATIONAL GMBH's responsible minerals sourcing activities for the 2025 reporting year and is published in accordance with Article 7(3) of Regulation (EU) 2017/821.

Publication Date: Oktober 12th, 2026

Responsible Department: Quality Management / Management

Company: AVALUXE INTERNATIONAL GMBH