

Summary	
Company Name:	Kennametal Logistics GmbH
Company Location:	Mistelgau, Germany
Assessment Type:	ISAE 3000 Reasonable Assurance Engagement
Material in Scope:	Tungsten
Assessed timeframe:	January 1, 2021 - December 31, 2022 (2 years)
Implementing Firm:	SCS Global Services 2000 Powell St. #600, Emeryville, CA 94608

### Independent Practitioner’s Assurance Report

To the Management of Kennametal Logistics GmbH,

We have been engaged to perform a reasonable assurance engagement on the company's Compliance Report prepared by Kennametal Logistics GmbH, (the "Company") as defined in the Compliance Report (the "Company's Compliance Report") for the period January 1, 2021 – December 31, 2022.

### Management’s Responsibility for the Company’s Compliance Report

The management of the Company are responsible for the preparation and presentation of the Company’s Compliance Report in accordance with OECD Due Diligence Guidance for Responsible Supply Chains of Minerals From Conflict-Affected and High-Risk Areas (3rd Edition), Supplement on Tungsten and EU Regulation 20117/821 (including Article 4, 5, 6, and 7 criteria) (the “Criteria”). This responsibility includes establishing appropriate risk management and internal controls from which the reported information is derived. The criteria identified by the Company as relevant for demonstrating compliance with the Criteria are the activities described within the Company’s Compliance Report. The responsibility includes designing, implementing, and maintaining systems and processes relevant to the proper preparation and presentation of the Company's Compliance Report.

### Assurance Firm’s Independence and Quality Control

SCS Global Services complies with independence, quality control, and competency requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. SCS Global Services maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the Company's Compliance Report based on our work performed. Within the scope of our engagement we did not perform an assessment on external sources of information or expert opinions, referred to in the Company's Compliance Report.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" published by IAASB.

We planned and performed the assurance engagement to obtain reasonable assurance whether the Company's Compliance Report, prepared by Kennametal Logistics GmbH for the period January 1, 2021 - December 31, 2022, in all material aspects, describes fairly the activities undertaken during the period January 1, 2021 - December 31, 2022 to demonstrate compliance, and management's overall conclusion contained therein is in accordance with the requirements of the Criteria.

The procedures selected depend on the practitioner's judgement. This includes the assessment of the risks of material misstatements of the Company's Compliance Report with regard to the Criteria. Within the scope of our work we performed amongst others the following procedures:

- Interviews with management in charge of the preparation of the Company's Compliance Report;
- Interviews with management and employees of departments in charge of purchasing, supplier contracts, shipping/receiving, material management, and Company operations;
- Review of material transaction Line-Item Summary (LIS) and document review;
- Review of relevant corporate procedures and documents describing the Company's management systems, due diligence and risk management approach towards a responsible supply chain;
- Onsite visit of the Company's location in Mistelgau, Germany to review relevant systems, processes and controls, including a process walkthrough from supplier selection to materials receipt and lot processing;

## **Inherent Limitations**

Non-financial information, such as that included in the Company's Compliance Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The methods used by the Company to comply with the Criteria may differ. It is important to read the Company's supply chain policy available on the Company's website, [linked here](#).

### **Conclusion**

In our opinion, the Company's Compliance Report, prepared by Kennametal Logistics GmbH, for the period January 1, 2021 - December 31, 2022, in all material aspects, describes fairly the activities undertaken during the year to demonstrate compliance, and management's overall conclusion contained therein is in accordance with the Criteria.

### **Restriction on Use and Distribution**

We issue this report on the basis of the engagement agreed with Kennametal Logistics GmbH. The assessment has been performed for purposes of Kennametal Logistics GmbH and is solely intended to inform Kennametal Logistics GmbH about the results of the engagement. The report is not intended for any third parties to base any (financial) decision thereon. We do not assume any responsibility towards third parties.



Nicole Munoz – Vice President, ECS  
29 June 2023  
SCS Global Services