

## [Summary]

Securities identification code: 5706  
May 28, 2025

To Shareholders:

**Mitsui Mining & Smelting Co., Ltd.**  
1-11-1 Osaki, Shinagawa-ku,  
Tokyo 141-8584, Japan

NOU Takeshi  
President and  
Representative Director

### **Notice of Convocation of the 100th Annual General Meeting of Shareholders**

Dear Shareholders:

Thank you for your patronage. You are cordially invited to attend the 100th Annual General Meeting of Shareholders of Mitsui Mining & Smelting Co., Ltd. The meeting will be held on Friday, June 27, 2025. Please find below the Notice of Convocation.

Please review the proposals submitted to the General Meeting of Shareholders and the overview of operations for the 100th fiscal year.

Sincerely,

#### **Meeting Particulars**

1. Date and Time: 10 a.m. on Friday, June 27, 2025 (JST)

2. Place: Gate City Hall, Underground Level 1,  
Gate City Ohsaki-West Tower,  
1-11-1 Osaki, Shinagawa-ku, Tokyo

3. Purpose of the Meeting:  
Matters to be reported

1. Business Report, Consolidated Financial Statements, and reports from the financial auditor and the Audit and Supervisory Committee on consolidated financial statements for the 100th fiscal year (from April 1, 2024, to March 31, 2025)
2. Reports on financial statements for the 100th fiscal year (from April 1, 2024, to March 31, 2025)

Matters to be resolved

Proposals by the Company: Items 1-5

- |             |   |
|-------------|---|
| First Item  | Appropriation of Retained Earnings  |
| Second Item | Partial Amendment of the Articles of Incorporation  |
| Third Item  | Election of Six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members)   |
| Fourth Item | Revisions to the Restricted Stock Compensation Plan for the Directors (excluding Directors who are Audit and Supervisory Committee Members) |
| Fifth Item  | Determination of Amounts of Restricted Stock Compensation for Directors who are Audit and Supervisory Committee Members                     |

Proposals by a Shareholder: Items 6-7

Sixth Item Dismissal of Representative Director

Seventh Item Stock Dividends

Proposals by a Shareholder (Items 6-7) are described in pages 26-28 of the General Meeting of Shareholders' Reference Materials hereafter.

4. Note of Caution in Exercising Voting Rights:

**Proposals by one of the Shareholders** have been presented for this Annual General Meeting of Shareholders as indicated above. While the details are provided hereafter under the Sixth and Seventh Items, **the Board of Directors of the Company is opposed to these proposals.**

Since the Seventh Item is in conflict with the First Item proposed by the Company, **please note that you should not indicate your approval for both Items.** If you vote in favor of both Items, your votes for both the First Item and the Seventh Item will be deemed invalid.

5. Other Items pertaining to the Convocation of the General Meeting of Shareholders:

If you are unable to attend the meeting, you can exercise your voting rights in writing by submitting the Voting Rights Exercise Form or by electronic means (Internet, etc.). Please review the attached General Meeting of Shareholders' Reference Materials and exercise your voting rights **by 5 p.m. on Thursday, June 26, 2025 (JST).**

In the case of exercising voting rights both by the voting right exercise form and electronically (Internet, etc.), regardless of the timing of the voting rights submissions, the electronic (Internet, etc.) version will be considered effective.

In the case of exercising voting rights electronically (Internet, etc.) multiple times, the final exercise of voting rights will be considered effective.

In accordance with the stipulations of the Company's Articles of Incorporation, shareholders seeking to exercise voting rights via a proxy will be requested to designate another shareholder with voting rights as the proxy. In addition, please note that only shareholders are eligible to attend the Annual General Meeting of Shareholders.

- End -

1. When you attend the meeting in person, please submit the voting right exercise form enclosed herewith to the receptionist at the place of the meeting. In addition, please bring with you this Notice of Convocation to assist us in reducing the amount of paper used.
2. If there arises the need to make revisions to the General Meeting of Shareholders' Reference Materials or the appended Business Report, Consolidated Financial Statements, and Nonconsolidated Financial Statements, revised items will be posted on the Company's website.

**The Company's website (<https://www.mitsui-kinzoku.com/en/>)**

*This is a summary translated from the Japanese-language Notice of Convocation distributed to shareholders in Japan.*

# Guide to Exercising Voting Rights

In the event of your inability to attend, you may exercise your voting rights by either of the methods described below.

## 1. Method of Exercising Voting Rights by Paper Form

Please indicate your approval or disapproval of the agenda items on the enclosed voting rights exercise form and send in the form so that it arrives before the deadline.

Exercise deadline: To arrive no later than 5 p.m. on Thursday, June 26, 2025 (JST)

## 2. Method of Exercising Voting Rights Electronically (Internet, Etc.)

### (1) Exercise of Voting Rights Via the Internet

Please access the voting website at <https://www.web54.net> from a personal computer or a smartphone, follow the instructions shown on the screen, and by entering a new password (you may change your password if you wish) using the “voting rights exercise code” and “password” shown on the enclosed voting rights exercise form, you will be able to submit votes of approval or disapproval for each of the agenda items.

Exercise deadline: Until 5 p.m. on Thursday, June 26, 2025 (JST)

Questions Regarding Personal Computer Operation, Etc.

If you have questions regarding the use of the voting rights exercise website, please contact the following unit.

Sumitomo Mitsui Trust Bank, Limited  
Help Desk for Internet Voting  
Phone Number: +81 0120 (652) 031  
(Available from 9 a.m. to 9 p.m. (JST))

Postal costs saved through internet voting will be donated to the Genki Shinagawa Job Assistance Center for the Disabled. Please take advantage of this opportunity for internet voting.

### (2) Exercising Voting Rights via the Voting Rights Exercise Platform

With regard to institutional investors, shareholders who have registered in advance to use the Voting Rights Exercise Platform may use this platform to exercise their voting rights.

# Instructions for live stream and submission of questions

This General Meeting of Shareholders will be available for the shareholders to view from home, etc. through a live stream on the Internet and questions concerning the Company will be accepted as instructed below.

## 1. Date and time for the live stream

From 10 a.m. on Friday, June 27 (JST), 2025 to the end of the General Meeting of Shareholders

The webpage for live stream can be accessed from about 9:30 a.m. (JST) on the same day.

### **Note of caution**

- (a) Viewing of the live stream is limited to shareholders.
- (b) Please refrain from audio recordings, video recordings, and publicizing thereof of the live stream.
- (c) It is possible that due to system failures, communication environment, etc., there may be technical difficulties such as sound/image delays and temporary disruptions in the live stream. The Company will not be liable for any detriments caused by poor connection or system failures.
- (d) If you plan to view the live stream of the General Meeting of Shareholders, please note that it will not be recognized as attending the General Meeting of Shareholders stipulated by the Companies Act and you will not be able to ask questions and exercise voting rights on the day of the meeting. Therefore, please exercise your voting rights in advance by submitting the enclosed Voting Rights Exercise Form or via the Internet, etc.
- (e) Any telecommunications fees, etc. for viewing the live stream and submitting questions shall be borne by the shareholder.

## 2. How to ask questions

Questions concerning the Company will be accepted in advance on the following website. Among the questions the Company receives, matters of high interest to shareholders will be answered at this Annual General Meeting of Shareholders.

Term for submission of questions: From June 4, 2025 (Wednesday) until 12 p.m. on June 23, 2024 (Monday) (JST)

### **Note of caution**

- (a) Submitting questions is limited to shareholders.
- (b) Please be as concise as possible in your questions.
- (c) Please note that we cannot guarantee a response to all of your questions received in advance.
- (d) Any telecommunications fees, etc. for submitting questions shall be borne by the shareholder.

## 3. How to Log in to the website (Live stream/Submission of questions)

Please prepare your shareholder ID (shareholder number) and password (postal code) in advance, which are required to log in to the authentication page for shareholders (login page), and input the URL below or scan the QR code on your personal computer, smartphone, or other device to access the live stream page .

<https://5706.ksoukai.jp>



**ID and password**

- (1) Shareholder ID: Your “shareholder number” (9-digit number) printed on the Voting Rights Exercise Form
- (2) Password: The “postal code” (7-digit number without hyphen) of your registered address on the shareholder register as of the record date

Questions Regarding ID and password.

If you have questions regarding ID and password, please contact the following unit.

Sumitomo Mitsui Trust Bank, Limited

Help Desk for Live Stream

Phone Number: +81 0120 (782) 041

(Available from 9 a.m. to 5 p.m. (JST, Business Days Only))

# General Meeting of Shareholders’ Reference Materials

## Matters to Be Resolved and Reference Items:

### Proposals by the Company: Items 1-5

#### First Item

##### Appropriation of Retained Earnings

We propose that appropriation of retained earnings be performed as follows.

While ensuring that it retains sufficient internal reserves to fund measures for strengthening operations and promoting future business expansion, the Company has a fundamental policy of seeking to distribute dividends.

Specifically, the Company aims to pay dividends at a consolidated dividend on equity ratio (DOE) of approximately 3.0%, focusing on continuous and stable dividend distribution.

In accordance with this fundamental policy, based on the consideration of the Company’s financial condition and its performance in the fiscal year under review, the Company proposes that the year-end dividend applicable to the fiscal year under review be ¥90 per share as described below.

#### Year-End Dividends

(1) Type of Dividend Asset	Money
(2) Allocation and Total Value of Dividend Assets	¥90 per share of common stock Total value of ¥5,146,397,190
(3) Effective Date of Retained Earnings Distribution	June 30, 2025

The Company has set out the basic idea of its capital policy below, considering the significant impact the trend in capital policy has on the interests of the shareholders.

- (1) The Company aims to achieve sustainable growth and a medium to long-term increase in corporate value. It maintains the level of shareholders' equity necessary to form a foundation for not only the domestic expansion of the business, but also the global expansion of the business.
- (2) The Company's basic dividend policy is to appropriately distribute profit while retaining the amount of internal reserves necessary for future business development and structural reinforcement.  
More specifically, the Company aims to pay dividends at a consolidated dividend on equity ratio (DOE) of approximately 3.0%, focusing on continuous and stable dividend distribution.

The shareholder return policy is subject to change according to the progress of the improvement of the Company's management foundation and financial position.

[Trends in Dividends and DOE]

	97th	98th	99th	100th
Year-end dividend (Yen)	¥110	¥140	¥70	¥90
Interim dividend (Yen)	-	-	¥70	¥75
150th anniversary commemorative dividend (Yen)	-	-	-	¥15
DOE (%)	2.6%	3.3%	3.1%	3.2%

Note: The basic capital policy was revised and the revised policy has applied since the 98th fiscal year.

Reference Change of Basic principle for dividend policy

The Company will change the basic policy for dividend policy from March 2026.

(1) Details of the change

Before	After
Our basic policy for dividends is to distribute profits appropriately while securing the necessary internal reserves for future business development and strengthening our management structure. Specifically, we <u>place emphasis on paying continuous and stable dividends</u> , and aim to pay dividends at a DOE (dividend on consolidated shareholders' equity) of <u>3.0%</u> .	Our basic policy for dividends is to distribute profits appropriately while securing the necessary internal reserves for future business development and strengthening our management structure. Specifically, we <u>will adopt a progressive dividend policy</u> and aim to pay dividends at a DOE (dividend on consolidated shareholders' equity) of <u>3.5%</u> .

(2) Reasons for the change

In order to clarify our dividend policy, we have reviewed it in light of the improvements in our business conditions and financial position.



## Second Item

### Partial Amendment of the Articles of Incorporation

#### 1. Reasons for Amendment

The Company's current trade name, Mitsui Mining and Smelting Company, Limited (in Japanese, Mitsui Kinzoku Kogyo Kabushiki Kaisha), was adopted in 1952 as it mainly conducted mining and smelting business at that time.

The Company has been operating business in accordance with its Management Philosophy: With creativity and productivity, We, MMS Group, will explore products of value to society, and seek an eternal growth of our group. Consequently, at present, the Company operates diverse businesses, not limited to mining and smelting, by leveraging Material Intelligence.

Further, in February 2022, we adopted "Our Purpose" as the basis for making judgments and the "Vision for 2030" to establish a framework for continuously enhancing corporate value and ensuring sustainable growth by practicing integrated management that balances both an improvement of social and environmental value and improvement of financial value.

In this environment, the Company marked its 150th anniversary in September 2024. To coincide with this milestone the Company proposes to change its trade name to Mitsui Kinzoku Company, Limited (in Japanese, Mitsui Kinzoku Kabushiki Kaisha) and make an amendment to Article 1 (Trade Name) of its Articles of Incorporation. The purpose of the change is to reflect the current business lines more clearly with an eye on the 2025-2027 Medium-Term Business Plan which began in fiscal 2025, practice integrated thinking-based management in a more unified manner across the Group and build the framework for sustainably improving corporate value.

The proposed change will become effective on October 1, 2025. Supplementary provisions to that effect will be established, and after they come into effect they will be deleted.

#### 2. Details of the Amendment

The details of the amendment are as follows. (Underlined portions are amended.)

Current Articles of Incorporation	Proposed Amendments
CHAPTER I GENERAL PROVISIONS	CHAPTER I GENERAL PROVISIONS
Article 1. Trade Name	Article 1. Trade Name
1. The name of the Company shall be <u>Mitsui Kinzoku Kogyo Kabushiki Kaisha</u> .	1. The name of the Company shall be <u>Mitsui Kinzoku Kabushiki Kaisha</u> .
2. It shall be written in English, <u>Mitsui Mining and Smelting Company, Limited</u> .	2. It shall be written in English, <u>Mitsui Kinzoku Company, Limited</u> .
Supplementary Provision <u>[New Provision]</u>	Supplementary Provision <u>Effective Date of Company Name Change</u> <u>The revision to Article 1 shall take effect on October 1, 2025. The Supplementary provisions will be deleted after the change comes into effect.</u>

### Third Item

Election of Six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members)

The current Directors (excluding Directors who are Audit and Supervisory Committee Members, hereinafter the same in this proposal), totaling six (6), will have their terms expire at the conclusion of this Annual General Meeting of Shareholders.

Therefore, the Company requests the appointment of six (6) Directors.

The candidates for Director positions are as follows, and Mr. TOIDA Kazuhiko and Ms. TAKEGAWA Keiko are candidates for Outside Directors.

Regarding the Director candidates, the Nomination Review Committee chaired by an Outside Director has comprehensively examined their capabilities, knowledge, and character in consideration of their diversity, and considered those who can sufficiently fulfill their responsibilities as Directors, and the Board of Directors has determined the candidates based on these results.

(Male: five (5) Female: one (1))

No.	Name	Title/Positions	Number of years served as Director (Year)	Attendance rate*1	Committee
1	NOU Takeshi Reappointed	President, Representative Director	10	100%	Nomination*2 Compensation*3
2	IKENOBU Seiji Reappointed	Representative Director, Executive Vice President, Senior General Manager of Corporate Planning & Control Sector	2	100%	
3	OKABE Masato Reappointed	Representative Director, Senior Managing Director, Senior Managing Executive Officer, Senior General Manager of Engineered Materials Sector	3	100%	Internal Audit*4 (Chairperson)
4	YAMASHITA Masashi Reappointed	Managing Director, Senior Executive Officer, Deputy Senior General Manager of Corporate Planning & Control Sector	1	100%	Nomination Compensation
5	TOIDA Kazuhiko Reappointed Outside Independent	Outside Director, Chairperson of the Board of Directors	5	100%	Nomination Compensation Internal Audit (Observer)
6	TAKEGAWA Keiko Reappointed Outside Independent	Outside Director	4	100%	Nomination Compensation Internal Audit (Observer)

Notes:

1. The titles and positions stated are those at the Company as of the date of sending this Notice of Convocation.

2. Ms. TAKEGAWA Keiko is currently an Outside Director of the Company. Including her time as an Outside Corporate Auditor, her total number of years served is six years.

\*1. Attendance Rate: attendance rate at the meeting of Board of Directors

\*2. Nomination: Nomination Review Committee

\*3. Compensation: Compensation Committee

\*4. Internal Audit: Internal Audit Committee

#### Attributes of the candidates

**Reappointed:** Candidate as Director for reappointment

**Outside:** Candidate for Outside Director

**Independent:** Independent Director as provided for by the Tokyo Stock Exchange, etc.

Candidate Number: 1	NOU Takeshi (December 3, 1961)	Number of Company's Shares in Possession: 31,900 Number of years served as Corporate Director: Ten (10) years Attendance at the meetings of the Board of Directors: 100% (14/14) Attendance at the meeting of the Nomination Review Committee: 100% (9/9) Attendance at the meeting of the Compensation Committee: 100% (10/10)
<b>Reappointed</b>	<p>◆Profile; Title and Positions</p> <p>April 1986 Entered the Company</p> <p>June 2010 Managing Director of Mitsui Copper Foil (Malaysia) Sdn. Bhd.</p> <p>October 2013 General Manager of Recycling Business Promotion Group, Metals, Minerals &amp; Environmental Engineering Sector</p> <p>April 2014 Executive Officer, Senior General Manager of Technology Management Division, Metals &amp; Recycling Division, Metals Sector</p> <p>April 2015 Executive Officer, Deputy Senior General Manager of Engineered Materials Sector, General Manager of Business Planning Group, Engineered Materials Sector</p> <p>June 2015 Director, Senior Executive Officer, Deputy Senior General Manager of Engineered Materials Sector, General Manager of Business Planning Group, Engineered Materials Sector</p> <p>October 2015 Director, Senior Executive Officer, Senior General Manager of Engineered Materials Sector, General Manager of Business Planning Group, Engineered Materials Sector</p> <p>April 2016 Representative Director, Managing Director, Senior Executive Officer, Senior General Manager of Engineered Materials Sector</p> <p>April 2020 Representative Director, Executive Vice President, Senior General Manager of Business Creation Sector</p> <p>April 2021 President and Representative Director (current positions)</p> <p>◆Important Positions Held Concurrently at Other Organizations</p> <p>No significant position held concurrently at other organizations</p> <p>◆Reasons for the Nomination of the Candidate as Director</p> <p>Mr. NOU Takeshi has a wealth of experience cultivated through his many years of involvement in the Group's electronic materials business and engineered materials business. He is well versed in the Company's business, including areas which are currently growing and areas which are expected to grow in the future, having launched the Business Creation Sector to create growth products and businesses as foundation for future. He has been driving the Group with strong leadership as Representative Director and Executive Vice President from 2020, and President and Representative Director from April 2021. He pursues management with the sustainable growth of the Company in mind at all times and contributes to the enhancement of the Company's medium- to long-term corporate value.</p> <p>The Company judges he is indispensable to the Board of Directors of the Company, possessing diverse insight, expertise, and capabilities that contribute to the enhancement of the Group's corporate value.</p> <p>◆Special Interests between the Candidate and the Company</p> <p>There are no special interests between the candidate and the Company.</p>	

Candidate Number: 2	IKENOBU Seiji (February 12, 1971)	Number of Company's Shares in Possession: 5,800 Number of years served as Corporate Director: Two (2) years Attendance at the meetings of the Board of Directors: 100% (14/14)
Reappointed	◆Profile; Title and Positions	
	April 1995	Entered the Company
	June 2013	General Manager of Technical Planning Group, Technology Management Division, Metals, Minerals & Environmental Engineering Sector
	January 2015	General Manager of Ageo Copper Foil, Strategic Production Planning Department, Copper Foil Division, Engineered Materials Sector
	April 2016	General Manager of Business Planning Group, Metals Sector
	April 2020	General Manager of Business Planning Group, Metals Sector, Deputy General Manager of Copper & Precious Metals Division, Metals Sector, General Manager of Business Development Department, Metals Sector
	April 2021	Executive Officer, General Manager of Corporate Planning Department, Corporate Planning & Control Sector
	April 2023	Executive Officer, Deputy Senior General Manager of Corporate Planning & Control Sector, General Manager of Corporate Planning Department, Corporate Planning & Control Sector
	June 2023	Director, Executive Officer, Deputy Senior General Manager of Corporate Planning & Control Sector, General Manager of Corporate Planning Department, Corporate Planning & Control Sector
	April 2024	Managing Director, Senior Executive Officer, Senior General Manager of Corporate Planning & Control Sector
	April 2025	Representative Director, Executive Vice President, Senior General Manager of Corporate Planning & Control Sector (current positions)
	◆Important Positions Held Concurrently at Other Organizations	No significant position held concurrently at other organizations
◆Reasons for the Nomination of the Candidate as Director		
Mr. IKENOBU Seiji possesses a wide range of experience and knowledge in the metals business, engineered materials business and corporate planning of the Group and is well versed in the Company's business. Additionally, since he was appointed as Executive Officer in 2021, Deputy Senior General Manager of the Corporate Planning & Control Sector in 2023, Managing Director and Senior General Manager of Corporate Planning & Control Sector in 2024, and Representative Director and Executive Vice President in April 2025, he has been participating in the Company's management and promoting various measures to maximize the corporate value of the Group.		
The Company judges he is indispensable to the Board of Directors of the Company, possessing diverse insight, expertise, and capabilities that contribute to the enhancement of the Group's corporate value.		
◆Special Interests between Candidate and the Company		
There are no special interests between the candidate and the Company.		

Candidate Number:3	OKABE Masato (May 5, 1963)	Number of Company's Shares in Possession: 12,900 Number of years served as Corporate Director: Three (3) year Attendance at the meetings of the Board of Directors: 100% (14 /14) Attendance at the meetings of the Internal Audit Committee: 100% (4/4)
Reappointed	◆Profile; Title and Positions	
	April 1986	Entered the Company
	June 2010	Director and Vice President, Taiwan Copper Foil Company, Limited
	June 2011	General Manager of Business Planning Group, Electronics Materials Sector
	September 2013	Assistant to General Manager of Catalysts Strategic Division, Engineered Materials Sector
	January 2014	General Manager of Sales Department, Catalysts Strategic Division, Engineered Materials Sector
	October 2015	Deputy General Manager of Catalysts Division and General Manager of Sales Department, Catalysts Division, Engineered Materials Sector
	April 2016	Executive Officer, General Manager of Catalysts Division, Engineered Materials Sector
	October 2019	Deputy Senior General Manager of Engineered Materials Sector, General Manager of Catalysts Division, Engineered Materials Sector
	April 2020	Senior Executive Officer, Senior General Manager of Engineered Materials Sector
	June 2022	Director, Senior Executive Officer, Senior General Manager of Engineered Materials Sector
	April 2023	Managing Director, Senior Executive Officer, Senior General Manager of Engineered Materials Sector, General Manager of Business Planning Group, Engineered Materials Sector
	April 2024	Representative Director, Senior Managing Director, Senior Managing Executive Officer, Senior General Manager of Engineered Materials Sector (current positions)
	◆Important Positions Held Concurrently at Other Organizations	No significant position held concurrently at other organizations
	◆Reasons for the Nomination of the Candidate as Director	Mr. OKABE Masato has good knowledge of business strategy and sales and marketing gained through extensive sales and planning experience in the Group's electronic materials business and engineered materials business, and he is well versed in the Company's business. Additionally, since he was appointed Senior Executive Officer, Senior General Manager of Engineered Materials Sector in 2020, Director in 2022, Managing Director in 2023, and Representative Director and Senior Managing Director in April 2024, he has been participating in the Company's management and implementing various measures to maximize the Group's corporate value as Senior General Manager of the Engineered Materials Sector. The Company judges he is indispensable to the Board of Directors of the Company, possessing diverse insight, expertise, and capabilities that contribute to the enhancement of the Group's corporate value.
	◆Special Interests between Candidate and the Company	There are no special interests between the candidate and the Company.

Candidate Number: 4	YAMASHITA Masashi (October 4, 1962)	Number of Company's Shares in Possession: 7,300 Number of years served as Corporate Director: One (1) year Attendance at the meetings of the Board of Directors: 100% (11/11) Attendance at the meeting of the Nomination Review Committee: 100% (9/9) Attendance at the meeting of the Compensation Committee: 100% (10/10)
<u>Reappointed</u>	<p>◆Profile; Title and Positions</p> <p>April 1986 Entered the Company</p> <p>June 2009 General Manager of Administration Department and Business Planning Department, Parts Production Sector</p> <p>June 2011 Senior Manager of Finance &amp; Accounting Department</p> <p>February 2012 Deputy General Manager of Finance &amp; Accounting Department</p> <p>June 2013 General Manager of Internal Control Office</p> <p>June 2014 General Manager of Finance &amp; Accounting Department</p> <p>January 2016 General Manager of Internal Audit Department</p> <p>April 2018 Executive Officer, General Manager of Internal Audit Department</p> <p>June 2019 Executive Officer, Deputy Senior General Manager of Affiliates Coordination Strategic Sector, General Manager of Business Planning Department, Affiliates Coordination Strategic Sector</p> <p>June 2021 Senior Executive Officer, Senior General Manager of Affiliates Coordination Strategic Sector</p> <p>April 2022 Senior Executive Officer, Deputy Senior General Manager of Corporate Planning &amp; Control Sector</p> <p>June 2024 Director, Senior Executive Officer, Deputy Senior General Manager of Corporate Planning &amp; Control Sector</p> <p>April 2025 Managing Director, Senior Executive Officer, Deputy Senior General Manager of Corporate Planning &amp; Control Sector (current position)</p> <p>◆Important Positions Held Concurrently at Other Organizations</p> <p>Outside Corporate Auditor of NAKABOHTEC CORROSION PROTECTING CO., LTD.</p> <p>◆Reasons for the Nomination of the Candidate as Director</p> <p>Mr. YAMASHITA Masashi possesses a wide range of experience and knowledge in finance, audit and the business oversight of affiliated companies and is well versed in the Company's business. Additionally, since he was appointed as Executive Officer in 2018, Senior Executive Officer in 2021, Director in June 2024, and a Managing Director in April 2025, he has been participating in the Company's management. Also, since 2022, he has been implementing various measures to maximize the Group's corporate value as Deputy Senior General Manager of Corporate Planning &amp; Control Sector overseeing the Accounting Dept. the HR Dept. and the Corporate Communications Dept.</p> <p>The Company judges he is indispensable to the Board of Directors of the Company, possessing diverse insight, expertise, and capabilities that contribute to the enhancement of the Group's corporate value.</p> <p>◆Special Interests between the Candidate and the Company</p> <p>There are no special interests between the candidate and the Company.</p>	

Candidate Number: 5	TOIDA Kazuhiko (July 2, 1952)	Number of Company's Shares in Possession: 1,800 Number of years served as Outside Director: Five (5) years Attendance at the meetings of the Board of Directors: 100% (14/14) Attendance at the meeting of the Nomination Review Committee: 100% (9/9) Attendance at the meeting of the Compensation Committee: 100% (10/10) Attendance at the meeting of the Internal Audit Committee: 100% (4/4)
<div>Reappointed</div> <div>Outside</div> <div>Independent</div>	◆Profile; Title and Positions	
	April 1975	Entered Nissan Motor Co., Ltd.
	April 2001	Senior Vice President, Global Aftersales Business, Nissan Motor Co., Ltd.
	April 2005	Senior Vice President, Japan Marketing & Sales, Chairman of MC-Dealer, Nissan Motor Co., Ltd.
	April 2009	Executive Vice President, FALTEC Co., Ltd.
	April 2009	Chairman and Board Director, ALTIA Co., Ltd.
	April 2010	Representative Director, President and CEO, FALTEC Co., Ltd.
	April 2017	Chairman of the Board and Representative Director, FALTEC Co., Ltd.
	June 2017	Senior Adviser, FALTEC Co., Ltd.
	April 2018	Executive Board Member, Rikkyo Educational Corporation
	June 2020	Outside Director (current position)
	September 2020	Chairperson of the Board, Rikkyo Educational Corporation
	June 2022	Chairperson of the Board of Director (current position)
	April 2023	Advisor, Rikkyo University Innovation Center for Applied Artificial Intelligence (ICA-AI) (current position)
	April 2023	Advisor, Penetrate of Limits Co., Ltd.
◆Important Positions Held Concurrently at Other Organizations		Advisor, Rikkyo University Innovation Center for Applied Artificial Intelligence (ICA-AI)
◆Reasons for the Nomination of the Candidate as Outside Director		<p>Mr. TOIDA Kazuhiko has experience as a business executive, having been engaged in a wide range of work at Nissan Motor Co., Ltd., including product planning, sales promotion, and launch of a sales company, with a focus on the sales division. In addition, he has achieved listing on the First Section of the Tokyo Stock Exchange at FALTEC Co., Ltd. as Representative Director and President. He has served as Chairperson of the Board from 2020 to 2022, Rikkyo Educational Corporation, and possesses a wealth of experience and knowledge.</p> <p>The Company expects him to contribute to the strengthening of the Group's management oversight and supervisory functions and enhancement of the transparency of the Board of Directors from the perspective of enhancement of corporate value over the medium- to long-term, by utilizing his wide range of work experience and his wealth of knowledge and experience as a manager and proactively expressing his opinions from a position independent from the management without being bound by norms within the Company. Thus, the Company has nominated him as a candidate for Outside Director.</p>
◆Special Interests between Candidate and the Company		There are no special interests between the candidate and the Company.



Candidate Number: 6	TAKEGAWA Keiko (April 23, 1958)	Number of Company's Shares in Possession: 2,200
		Number of years served as Outside Director: Four (4) years
		Attendance at the meetings of the Board of Directors: 100% (14/14)
		Attendance at the meeting of the Nomination Review Committee: 100% (9/9)
		Attendance at the meeting of the Compensation Committee: 100% (10/10)
		Attendance at the meeting of the Internal Audit Committee: 100% (4/4)
<hr/>		
<div>Reappointed</div> <div>Outside</div> <div>Independent</div>	◆Profile; Title and Positions	
	April 1981	Entered Prime Minister's Office (Presently Cabinet Office)
	July 2008	Deputy Director General for Policies on Cohesive Society, Cabinet Office
	July 2009	Deputy Director General for Gender Equality Bureau, Cabinet Office
	December 2012	Director, Public Relations Office, Cabinet Office
	July 2014	Director General, Gender Equality Bureau
	April 2019	Professor, Showa Women's University
	June 2019	Outside Corporate Auditor
	June 2019	Outside Member of the Board, NIPPON TELEGRAPH AND TELEPHONE CORPORATION
	April 2020	Dean of Faculty of Global Business, Showa Women's University
	April 2020	Director of Institute of Women's Culture, Showa Women's University (current position)
	April 2021	Specially Appointed Professor, Showa Women's University (current position)
	April 2021	Outside Director, Sekisui House, Ltd.
June 2021	Outside Director (current position)	
 ◆Important Positions Held Concurrently at Other Organizations		
Director of Institute of Women's Culture, Showa Women's University		
Specially Appointed Professor, Showa Women's University		
 ◆Reasons for the Nomination of the Candidate as Outside Director		
Ms. TAKEGAWA Keiko served as Director, Public Relations Office and Director General, Gender Equality Bureau at the Cabinet Office and has a wealth of knowledge and administrative experience through her engagement in formulation and implementation of policies such as promotion of women's participation and advancement.		
Although she has never been directly involved in management of a company other than serving as an Outside Director or an Outside Corporate Auditor, the Company expects her to contribute to the strengthening of the Group's management oversight and supervisory functions and enhancement of the transparency of the Board of Directors, by giving appropriate advice on the Company's Diversity, Equity & Inclusion initiatives and by expressing opinions on the direction the Company should move in based on government developments. Thus, the Company has nominated her as a candidate for Outside Director.		
 ◆Special Interests between Candidate and the Company		
There are no special interests between the candidate and the Company.		

Notes of Caution Regarding Third Item: Election of Six (6) Directors (excluding Directors who are Audit & Supervisory Committee members):

1. The attendance rate for Director candidate Mr. YAMASHITA Masashi at the Nomination Review Committee and Compensation Committee includes his attendance as a Senior Executive Officer.

2. Outline of the contents of the officers' liability insurance agreement

The Company has entered into a directors and officers liability insurance contract stipulated in the Companies Act Article 430-3, Paragraph 1 with an insurance company to cover damages of the insured person. If each candidate is elected as Director and assumes office, he will be the insured under the insurance contract.

In addition, the Company plans to renew the insurance contract at the expiration of the current contract term.

3. Outline of the contents of the limited liability agreement

Based on the Companies Act Article 427, Paragraph 1, the Company has concluded a contract with Mr. TOIDA Kazuhiko and Ms.

TAKEGAWA Keiko regarding liability as defined by the Companies Act Article 423, Paragraph 1 to limit total liability to the amount stipulated by the Companies Act Article 425, Paragraph 1. If the reappointment of each candidate is approved, the aforementioned contract will be extended.

4. About notices for independent officers

The Company has notified the Tokyo Stock Exchange that Mr. TOIDA Kazuhiko and Ms. TAKEGAWA Keiko are an Independent Director of the Company.

5. Acts taken to prevent execution of business in violation of laws and regulations or the Articles of Incorporation, or that is otherwise improper or fraudulent, and measures taken after such acts occur.

During the fiscal year under review, it was discovered that Mitsui Kinzoku Perlite Co., LTD. (a subsidiary of the Company) had engaged in inappropriate conduct, such as altering inspection results data, in relation to Perlite products (finished goods) manufactured and sold in the past, resulting in the shipment of finished goods that deviated from customer specifications and/or internal specifications. Outside Directors Mr. TOIDA Kazuhiko and Ms. TAKEGAWA Keiko were unaware of the facts until they came to light, but had been making comments at meetings of the Company's Board of Directors and other meetings, from the perspectives of thorough compliance and strengthening the corporate governance system. After the facts have been confirmed, Outside Directors fulfilled their responsibilities by investigating the facts, identifying the causes, and proposing measures to prevent recurrence. Outside Director Ms. TAKEGAWA Keiko is also a member of the special investigation committee established by the Board of Directors to investigate the facts of this matter.

## Composition of the Board of Directors

(Scheduled after the conclusion of this General Meeting of Shareholders)

The skills shown in the skills matrix below have been selected by the Nomination Review Committee as the skills necessary for executing the Company's Purpose, Vision and especially the 2025-2027 Medium Term Business Plan.

### (1) Reason selected as necessary skill and sufficient condition

Skills	Reason for selecting skill	Sufficient condition
Corporate management	Competence, experience and leadership enabling the formulation of strategies and the implementation of integrated thinking-based management and ambidexterity are necessary for execution of 2025-2027 Medium Term Business Plan looking towards the Purpose and Vision.	<ul style="list-style-type: none"> <li>• Management experience as a director at a listed company or equivalent entity</li> <li>• Director or Executive Officer responsible for the corporate planning</li> </ul>
Business strategies	Knowledge and experience enabling the formulation and implementation of strategies for establishing a competitive advantage are necessary for realizing sustainable business growth.	<ul style="list-style-type: none"> <li>• Experience of having achieved certain results through the formulation and implementation of business strategies for the engineered materials business, metals business or mobility business</li> </ul>
Finance/Accounting	Knowledge and experience of finance and accounting are necessary to establish financial strategies that will bolster growth investment and shareholder returns to increase the resilience of the financial base underpinning management and to achieve sustainable improvement in corporate value.	<ul style="list-style-type: none"> <li>• Director or Executive Officer responsible for financial management, accounting or fundraising operations or equivalent experience</li> </ul>
Technological/R&D/DX	The creation of new products and businesses and the strengthening of existing businesses are necessary to drive company growth, and development based on unique technologies and improvement of efficiency through sophisticated production technologies and DX are essential.	<ul style="list-style-type: none"> <li>• Director or Executive Officer responsible for R&amp;D operations or equivalent experience</li> <li>• Director or Executive Officer responsible for production technology or DX operations or equivalent experience</li> <li>• Academic expert</li> </ul>
Sales/Marketing	A good familiarity with the business environment and relationships between the Company and its customers and other stakeholders as well as knowledge and experience enabling the formulation and implementation of product planning and sales strategies are necessary.	<ul style="list-style-type: none"> <li>• Director or Executive Officer responsible for sales and marketing operations or equivalent experience</li> </ul>
HR/HR development	The attraction, retention and development of talent, a company's most valuable resource, improvement of job satisfaction to increase engagement, and promotion of diversity are directly linked to performance.	<ul style="list-style-type: none"> <li>• Director or Executive Officer responsible for personnel operations or equivalent experience</li> <li>• Experience working in government or other public offices, or academic expert</li> </ul>
Legal affairs / Risk management	Legal knowledge and experience are necessary to implement appropriate corporate governance, compliance and risk management in business activities as well as to increase the effectiveness of management supervision within the Board of Directors.	<ul style="list-style-type: none"> <li>• Director or Executive Officer responsible for legal operations or equivalent experience</li> <li>• Person with experience working in the legal profession or persons with legal qualifications</li> <li>• Experience working in government or other public offices, or academic expert</li> </ul>
Internationality	An in-depth understanding of and respect for each country's culture and diversity are necessary for survival as a global enterprise.	<ul style="list-style-type: none"> <li>• Executive experience or business experience at an overseas company</li> <li>• Overseas academic expert</li> </ul>
Sustainability/Economic Security	Consideration for the environment, adherence to fair business practices and action to address economic security concerns are needed in order to continue being regarded as necessary by society, and high levels of knowledge including about business-related matters, a long-term perspective and adaptability are required.	<ul style="list-style-type: none"> <li>• Director or Executive Officer responsible for business operations, executive responsible for ESG/CSR operations or equivalent experience</li> <li>• Experience working in government or other public offices, or academic expert</li> <li>• Experience as a consultant</li> </ul>

## (2) Skill Matrix of Each Director and Audit and Supervisory Committee Member

Name	Title/Positions	Field of particular expectation for each Director								
		Corporate management	Business strategies	Finance/Accounting	Technologies/R&D/ DX	Sales Marketing	HR/HR development	Legal affairs/Risk management	Internationality	Sustainability/Economic security
NOU Takeshi	President, Representative Director	●	○		●				○	●
IKENOBU Seiji	Representative Director, Executive Vice President, Senior General Manager of Corporate Planning & Control Sector	●	○		●			○		
OKABE Masato	Representative Director, Senior Managing Director, Senior Managing Executive Officer, Senior General Manager of Engineered Materials Sector		●			●			●	○
YAMASHITA Masashi	Director, Senior Executive Officer, Deputy Senior General Manager of Corporate Planning & Control Sector	○		●			●		●	
TOIDA Kazuhiko	Outside Director, Chairperson of the Board of Directors	●	○			●			○	○
TAKEGAWA Keiko	Outside Director						●	○	●	
SHIKI Kazuya	Director, Audit and Supervisory Committee Member							●	○	○
ISHIDA Toru	Outside Director, Audit and Supervisory Committee Member							●	○	●
INOUE Hiroshi	Outside Director, Audit and Supervisory Committee Member						○	●		●
KAWANISHI Sachiko	Outside Director, Audit and Supervisory Committee Member	○		●	○					○

Notes: 1. Representative Directors, etc. will be determined by resolution of the Board of Directors held after the conclusion of this Annual General Meeting of Shareholders.

2. In the skills matrix, ○ indicates skills possessed by the Directors and Corporate Auditors, while ● indicates skills the Company expects Directors and Corporate Auditors to demonstrate in particular.

Ensuring Independence and Objectivity	Directors (excluding Outside Directors): five (5)
	Outside Directors: five (5) (the rate of Outside Directors: 50%)
Strengthening Supervisory Functions	Executive Directors: four (4)
	Non-executive Directors: six (6) (the rate of Non-executive Directors: 60%)
Promoting Diversity	Male: eight (8)
	Female: two (2) (the rate of Female: 20%)

#### Fourth Item

Revisions to the Restricted Stock Compensation Plan for the Directors (excluding Directors who are Audit and Supervisory Committee Members)

At the 99th Annual General Meeting of Shareholders held on June 27, 2024, it was approved that the amount of annual compensation, etc. for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) would be no more than ¥720 million (including no more than ¥100 million for Outside Directors), that, within this overall limit, the total amount of monetary claim ("Monetary Compensation Claim") to be provided annually to Directors excluding Outside Directors (excluding Directors who are Audit and Supervisory Committee Members) based on a restricted stock compensation plan (the "Plan") would be no more than ¥100 million, consisting of no more than ¥50 million as "tenure-based restricted stock compensation" and no more than ¥50 million as "ESG indicator-based restricted stock compensation" and that the total number of shares of common stock to be issued or disposed of annually by the Company would be no more than 33,300 shares, consisting of no more than 16,650 shares as "tenure-based restricted stock compensation" and no more than 16,650 shares as "ESG indicator-based restricted stock compensation."

At this time, the Company reviewed its officers' remuneration system and decided to provide Outside Directors (excluding those who are Audit and Supervisory Committee Members) incentives to promote sustained improvement of the Company's corporate value and to add Outside Directors (excluding those who are Audit and Supervisory Committee Members) to the people who are eligible for tenure-based restricted stock compensation aiming to facilitate value sharing with shareholders. It was also decided that the content of the System for the Company's Directors (excluding those who are Audit and Supervisory Committee Members; hereinafter "Eligible Directors") would be revised as below.

In specific terms, in addition to the previous method of providing Eligible Directors with remuneration in the form of restricted stock in accordance with the System under which all the monetary compensation claims for acquiring shares of the Company's ordinary stock to be issued or disposed of are paid in as contribution-in-kind, the method of receiving shares of the Company's ordinary stock to be issued or disposed of as remuneration without the need to pay in monetary compensation claims as contribution-in-kind will be introduced so that Eligible Directors can receive shares of the Company's ordinary stock to be issued or disposed of using one of these methods. Compensation to be paid based on this agenda item will be either (i) a monetary compensation claim serving as assets contributed in kind in order to acquire the Company's common stock or (ii) the Company's common stock, and Eligible Directors will receive shares of the Company's common stock to be issued or disposed of according to a resolution of the Board of Directors.

In addition, the total amount of monetary compensation claim or the Company's common stock to be provided annually to Eligible Directors based on the Plan and the total number of shares of the Company's common stock to be issued or disposed of based on the Plan will be no more than ¥100 million and no more than 33,300 shares, consisting of no more than ¥50 million (including ¥10 million for Outside Directors) and no more than 16,650 shares (including no more than 3,400 shares for Outside Directors) as "tenure-based restricted stock compensation" and no more than ¥50 million and no more than 16,650 shares as "ESG indicator-based restricted stock compensation" (provided, however, that in the case where a share split (including allotment of shares of the Company's common stock without contribution) or share consolidation of the Company's common stock is implemented after the day when this agenda item is approved and adopted or where any other reasons for adjusting the total number of shares of the Company's stock to be issued or disposed of as restricted stock should arise, the said total number will be adjusted to a reasonable extent). The above revisions will be applied to restricted stock to be provided in the future, and no change will be made to restricted stock already granted.

If monetary compensation claim is provided as compensation based on this agenda item to Eligible Directors as assets contributed in kind in order to acquire restricted stock, the Eligible Directors will pay all the monetary compensation claim paid as assets contributed in kind in order to receive shares of the Company's common stock to be issued or disposed of. The amount to be paid in per share shall be determined by the Board of Directors to the extent that the amount will not be particularly advantageous to the Eligible Directors who subscribe to the Company's common shares based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day before the date of each resolution of the Board of Directors (if the trade is not made on that day, the closing price on the trading day immediately prior to that day).

On the other hand, if Eligible Directors are provided with shares of the Company's common stock as

compensation based on this agenda item without receiving monetary compensation claim, such shares will be issued or disposed of as compensation to the Eligible Directors, and the payment of monetary compensation claim as assets contributed in kind in exchange for such shares will not be required. The value per share of the Company's common stock to be provided to the Eligible Directors will be computed as the amount of one share of the Company's common stock to be issued or disposed of based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day before the date of each resolution of the Board of Directors regarding the issuance or disposal of the Company's common stock (if the trade is not made on that day, the closing price on the trading day immediately prior to that day).

The Company believes that conditions for the granting of restricted stock to Eligible Directors based on this agenda item are appropriate because they have been determined in consideration of the purpose above, the business conditions of the Company, the policy for determining the content of compensation, etc. for individual Directors of the Company (for details of the policy, please refer to page 23 of Report of the 100th Annual General Meeting of Shareholders [documents containing the electronic provision matter] posted on the Company's website) and other circumstances.

The upper limit on the number of restricted stocks to be allocated in each fiscal year is approximately 0.058% of the total number of issued shares. If the maximum number of restricted stocks is issued over a period of 10 years, the proportion of these shares to the total number of issued shares would be approximately 0.58%, indicating a minimal dilution rate.

The current number of the Eligible Directors is six (6) (including two (2) Outside Directors). If Agenda Item No. 3: Election of Six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members), is approved without modification, there will be six (6) Eligible Directors (including two (2) Outside Directors).

An outline of restricted stock allotment agreement ("Allotment Contract") is as follows.

[Outline of the Allotment Contract]

(1) Transfer Restriction Period

During the period from the date of the allotment of the Company's common shares based on the Allotment Contract until the time immediately following the executive or employee's retirement or resignation from their position within the Company or its subsidiary that is predetermined by the Board of Directors of the Company (hereinafter the "Transfer Restriction Period"), the Eligible Directors may not transfer, create a security interest in, or dispose of the Company's common shares allotted based on the Allotment Contract (hereinafter the "Allotted Shares") (hereinafter, the "Transfer Restriction"). However, if the time immediately following an Eligible Director's retirement or resignation from his/her position is before the time when a securities report for the fiscal year to which the day said shares are allotted belongs (semiannual report if the day of the allotment is within six (6) months from the beginning of the said fiscal year) is submitted, the end of the Transfer Restriction Period shall be adjusted as necessary to a reasonable extent.

(2) Handling at the time of retirement or resignation

If an Eligible Director retires or resigns from their position as an executive or employee of the Company or its subsidiary that is predetermined by the Board of Directors of the Company before the expiration of the period of service predetermined by the Board of Directors of the Company (hereinafter the "Service Provision Period"), the Company shall automatically acquire the Allotted Shares without consideration, unless there is a justifiable reason for the Eligible Director's resignation or retirement, such as the expiration of their term of office or death.

(3) Lifting of the Transfer Restriction and acquisition without consideration

i. tenure-based restricted stock compensation

Notwithstanding the provisions of (1) above, the Company shall lift the Transfer Restriction on all the Allotted Shares when the Transfer Restriction Period expires on the condition that the Eligible Director was continuously in the position of an executive or employee of the Company or its subsidiary as predetermined by the Board of Directors of the Company during the Service Provision Period. However, if the Eligible Directors resign or retire from the position stipulated in provisions of (2) above before the Service Provision Period expires for a justifiable reason, the number of the Allotted Shares on which the Transfer Restriction is lifted and the time when the Transfer Restriction is lifted will be adjusted rationally as needed. In addition, the Company shall automatically acquire the Allotted Shares on which the Transfer Restriction is not lifted without consideration immediately after the

Transfer Restriction is lifted pursuant to the provisions above.

ii. ESG indicator-based restricted stock compensation

Notwithstanding the provisions of (1) above, the Company shall lift the Transfer Restriction on all the Allotted Shares at the time when the Transfer Restriction Period expires (however, if the Eligible Director resigns or retires from their position as an executive or employee of the Company or its subsidiary which is predetermined by the Board of Directors of the Company after the expiration of the Service Provision Period, at the time immediately following the Eligible Director's resignation or retirement or the day following the day on which the achievement of the relevant performance targets is determined, whichever is later) on the condition that the Eligible Director was continuously in the position of executive or employee of the Company or its subsidiary as predetermined by the Board of Directors of the Company during the Service Provision Period and has achieved the ESG indicators as predetermined by the Compensation Committee, which was entrusted by the Board of Directors of the Company to establish the standards for determining stock compensation.

However, if the Eligible Director retires or resigns from their position as stipulated in (2) above before the Service Provision Period expires, the number of the Allotted Shares on which the Transfer Restriction is lifted and the time when the Transfer Restriction is lifted will be adjusted rationally as needed. In addition, the Company shall automatically acquire the Allotted Shares on which the Transfer Restriction is not lifted without consideration immediately after the Transfer Restriction is lifted pursuant to the provisions above.

In addition, the Company shall automatically acquire the Allotted Shares without consideration when it is determined that the ESG indicators predetermined by the Compensation Committee, which was entrusted by the Board of Directors of the Company to establish the standards for determining stock compensation, are not achieved.

(4) Handling in cases of organizational restructuring, etc.

Notwithstanding the provisions of (1) above, if a merger agreement in which the Company will become a disappearing company, a share exchange agreement or a share transfer plan in which the Company will become a wholly owned subsidiary, or other matters concerning organizational restructuring, etc. is approved at a General Meeting of Shareholders of the Company (or the Board of Directors of the Company, if there is no need to obtain approval at a General Meeting of Shareholders for the organizational restructuring, etc.), the Company shall lift, prior to the effective date of the organizational restructuring, etc., the Transfer Restriction on the Allotted Shares, the number of which shall be determined rationally by a resolution of the Board of Directors of the Company in light of the period from the commencement date of the Transfer Restriction Period to the approval date of the organizational restructuring, etc.

In the cases set forth above, the Company shall automatically acquire the Allotted Shares on which the Transfer Restriction is still not lifted without consideration immediately after the Transfer Restrictions is lifted.

(5) Other matters

Other matters concerning the Allotment Contract shall be set forth by the Board of Directors of the Company.

## **Fifth Item**

### **Determination of Amounts of Restricted Stock Compensation for Directors who are Audit and Supervisory Committee Members**

The Company's 99th Annual General Meeting of Shareholders held on June 27, 2024 approved a resolution to set the limit of compensation for Directors who are Audit and Supervisory Committee Members at ¥180 million per year.

Recently, the Company has reviewed its executive compensation system and proposes to pay compensation for the granting of restricted stock within the overall compensation described above to Directors who are Audit and Supervisory Committee Members ("Eligible Directors") for the purpose of providing them with an incentive to aim for continuous growth in the Company's corporate value and further enhance value-sharing with shareholders.

Compensation to be paid based on this agenda item will be either (i) a monetary compensation claim ("Monetary Compensation Claim") serving as assets contributed in kind in order to acquire the Company's common stock or (ii) the Company's common stock, and Eligible Directors will receive shares of the Company's common stock to be issued or disposed of according to a resolution of the Board of Directors.

The total amount of monetary compensation claim or the Company's common stock to be provided annually to Eligible Directors based on this agenda item will be no more than ¥18 million.

If monetary compensation claim is provided as compensation based on this agenda item to the Eligible Directors as assets contributed in kind in order to acquire restricted stock, the Eligible Directors will pay all the monetary compensation claim paid as assets contributed in kind in order to receive shares of the Company's common stock to be issued or disposed of. The amount to be paid in per share shall be determined by the Board of Directors to the extent that the amount will not be particularly advantageous to the Eligible Directors who subscribe to the Company's common shares based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day before the date of each resolution of the Board of Directors (if the trade is not made on that day, the closing price on the trading day immediately prior to that day).

On the other hand, if the Eligible Directors are provided with shares of the Company's common stock as compensation based on this agenda item without receiving monetary compensation claim, such shares will be issued or disposed of as compensation to the Eligible Directors, and the payment of monetary compensation claim as assets contributed in kind in exchange for such shares will not be required. The value per share of the Company's common stock to be provided to Eligible Directors will be computed as the amount of one share of the Company's common stock to be issued or disposed of based on the closing price of the Company's common stock on Tokyo Stock Exchange on the business day prior to the day of each resolution of the Board of Directors regarding the issuance or disposal of the Company's common stock (if no transaction thereof is executed on said day, the most recent closing price).

The total number of shares of the Company's common stock to be issued or disposed of annually will be no more than 6,000 shares (provided, however, that in the case where a share split (including allotment of shares of the Company's common stock without contribution) or share consolidation of the Company's common stock is implemented after the day when this agenda item is approved and adopted or when any other reasons for adjusting the total number of shares of the Company's stock to be issued or disposed of as restricted stock should arise, the said total number will be adjusted to a reasonable extent).

The specific timing of payment and distribution amount to each Eligible Director will be determined by discussion among Directors who are Audit and Supervisory Committee Members.

The issuance or disposal of shares of the Company's common stock for Eligible Directors and the provision of monetary compensation claim as assets contributed in kind based on this agenda item will be conditional upon the conclusion of a restricted stock allotment agreement between the Company and the Eligible Directors that has content equivalent to that of the Allotment Agreement under "tenure-based restricted stock compensation" in Agenda Item 4: "Revisions to the restricted stock compensation plan for the Directors (excluding Directors who are Audit and Supervisory Committee Members)".

The Company believes that the upper limit for the amount of compensation, the total number of shares of the Company's common stock to be issued or disposed of and other conditions for the granting of restricted stock to Eligible Directors who are Audit and Supervisory Committee Members based on this agenda item are appropriate because they have been determined in consideration of the purpose above, the business conditions of the Company and other circumstances.

The upper limit on the number of restricted stocks to be allocated in each fiscal year is approximately 0.010% of the total number of issued shares. If the maximum number of restricted stocks is issued over a



period of 10 years, the proportion of these shares to the total number of issued shares would be approximately 0.10%, indicating a minimal dilution rate.

The current number of the Eligible Directors is four (4) (including three (3) Outside Directors).

## Proposals by a Shareholder: Items 6-7

### Proposals made by a single shareholder (possessing 301 voting rights)

Sixth and Seventh Items concern proposals made by a single shareholder (possessing 301 voting rights).

The name of shareholder: HIDE SHOU Company, Limited

(72-20 Nishiminato-machi, Kita-ku, Kokura, Kitakyushu-shi, Fukuoka, Japan)

The number of possessing voting rights: 301

Details of these proposals and reasons for them have been translated from the Japanese version of the document that is restated verbatim from the notification received by the Company from the shareholder making the proposals, including literal errors, omitted letters and recognition of facts.

### What is a proposal by a shareholder?

The Companies Act provides shareholders with rights to make proposals provided certain requirements are satisfied.

Regarding these proposals, companies are required to post the proposals, regardless of the content, except in the case of a violation of laws and regulations or the Articles of Incorporation.

On this occasion, proposals made by a single shareholder are being posted; however, the Board of Directors is **opposed** to these proposals.

Please review the opinions of the Board of Directors of the Company on the following page and exercise your voting rights.

## **Proposals by a Shareholder**

### **Sixth Item**

#### Dismissal of Representative Director

##### 1. Details of Proposal

Dismissal of Representative Director NOU Takeshi

##### 2. Reasons for Proposal

The reason for the proposal is that the Company has not provided sufficient compensation to victims while leaking cadmium, the cause of Itai-itai disease.

The responsibility of the representative, NOU Takeshi, for failing to provide adequate compensation to the victims is extremely grave.

### **Opinion of the Board of Directors of the Company**

The Board of Directors is opposed to this proposal, for the reasons given as follows.

The Board of Directors has determined that Mr. NOU Takeshi is qualified to serve as Representative Director.

Mr. NOU Takeshi has a wealth of experience cultivated through his many years of involvement thus far in the electronic materials and engineered materials businesses. He is well versed in the Company's business, including areas which are currently growing and areas which are expected to grow in the future, having launched the Business Creation Sector to create growth products and businesses as foundations for the future. He has been driving the Group with strong leadership as Executive Vice President and Representative Director from 2020 and President and Representative Director from April 2021. He pursues management with the sustainable growth of the Company in mind at all times and contributes to the enhancement of the Company's medium- to long-term corporate value.

The Company defines personnel requirements for its management in consultation with the Nomination Review Committee chaired by an Outside Director, and Mr. NOU Takeshi meets these personnel requirements.

Therefore, the Board of Directors is opposed the proposal to dismiss Mr. NOU Takeshi as Representative Director.

In addition, the Company provides compensation for health damage to victims of Itai-itai disease based on agreements with victim groups.

In 2013, the Company reached a comprehensive settlement agreement with the victim group regarding the Itai-itai disease.

## **Seventh Item**

### **Stock Dividends**

#### **1. Details for Proposal**

The Company should pay an annual dividend of ¥500 per share.

#### **2. Reasons for Proposal**

The reason is that if the Company pays dividends twice a year, each dividend of ¥250 per share, shareholders will be very happy.

### **Opinion of the Board of Directors of the Company**

The Board of Directors is opposed to this proposal, for the reasons given as follows.

The Company's basic policy is to redistribute profits in reasonable amounts, while retaining an appropriate amount of internal reserves for future business development and structural reinforcement. More specifically, the Company aims to pay dividends at a consolidated dividend on equity ratio (DOE) of approximately 3.0%, focusing on continuous and stable dividend distribution.

Based on this policy, and given the corporate management environment, which is becoming increasingly diverse and complex, the Company believes that it is necessary to make further growth investments—including M&A and corporate venture capital—and strengthen its management foundation to accomplish the 2025-2027 Medium Term Business Plan, which begins in fiscal 2025, and realize the Vision for 2030, which aims to improve both social, environment and financial value. Therefore, the Board of Directors is opposed to the proposal to pay an annual dividend of ¥500 per share.

Note: The basic dividend policy will be changed from fiscal year ending March, 2026. Please see page 8 for further details.

# Business Report

(From April 1, 2024, to March 31, 2025)

## 1. Current State of the Mitsui Kinzoku Group

### (1) Business Operations and Results

#### Economic Overview

In the fiscal year under review, the Japanese economy recovered gradually, supported by a recovery in consumer spending and capital investment accompanying improvements in employment and income conditions.

The global economy showed signs of a slowdown due to the prolonged situation in Ukraine, heightened geopolitical risks in the relationship between the United States and China and in the Middle East, and a slump in the real estate market and consumer spending in China. Despite these factors, the US economy remained resilient, supported by solid income conditions and consumer spending, resulting in a moderate recovery trend overall.

Meanwhile, there are concerns about a downturn in the domestic (Japanese) and overseas economies due to unstable movements in financial markets caused by the impact of US protectionist trade policies.

#### The Mitsui Kinzoku Group's Business Environment

The business environment surrounding the Group was characterized by generally solid non-ferrous metal prices, with average prices for zinc, copper, and indium rising year on year, while average prices for palladium and rhodium declined. In addition, while the exchange rate temporarily strengthened against the dollar, the yen generally remained weak.

While the semiconductor market showed signs of recovery, and sales of semiconductor-related products increased, sales of automotive-related products decreased due to production stoppages by domestic automobile manufacturers, and reduced production by Japanese automobile manufacturers in China.

#### The Group's Initiatives

The Group focused on its three-year 2022-2024 Medium Term Business Plan, starting from fiscal 2022, in order to realize its Group vision (Vision for 2030), "Building new businesses — and the future — with our material intelligence," based on the Group's Purpose.

During fiscal 2024, the final year of the 2022-2024 Medium Term Business Plan, which the Group regarded as a period of preparation for connecting with the next Medium Term Business Plan, the Group implemented key initiatives for the development of a framework for sustainable growth and medium to long-term improvement in corporate value and the achievement of continuous growth by implementing Integrated Thinking-based Management, which aims to achieve both an improvement of financial value and improvement of social and environmental value in each business group.

The Engineered Materials Group increased its production capacity for electro-deposited copper foil for high-frequency circuit boards, which is expected to see growing demand for use in high-performance communications infrastructure equipment. The Group also launched a functional coatings business, to contribute to the longer life and higher functionality of materials.

The Metals Group focused on strengthening the recovery of valuable metals utilizing its smelting network, and the processing of recyclable raw materials, aiming to contribute to increasing needs for recycling accompanying the progression toward a recycling-based society.

The Mobility Group focused on improving productivity and expanding sales of new products through the use of ICT, but the decision was made to dissolve the division based on the need to restructure the business, due to the rapid deterioration of the business environment and the limited synergy effects, such as the integration effects of subsidiaries in the die-casting business. As of April 1, 2025, the catalysts business has been transferred to the Engineered Materials Group, and other businesses have been transferred to other business units.

The Business Creation Sector made the decision to build a new initial mass production plant for A-SOLiD®, a solid electrolyte for all-solid-state batteries, which are a highly promising solution for the next generation of storage batteries. In addition, the Group have jointly established Mitsui Kinzoku-SBI Material

Innovation Fund II with SBI Investment Co., Ltd. to invest in promising venture companies in Japan and overseas that are expected to generate business synergies in existing and new business areas.

In addition to these measures in each business group, the Group sold shares in some subsidiaries and some of strategic cross-holdings as part of efforts to strengthen management with a focus on capital efficiency, based on an analysis of the best owners for each business through dynamic management of our business portfolio.

As a result, net sales in fiscal 2024 increased by ¥65,647 million (up 10.2%) compared with the previous fiscal year to ¥712,344 million.

Operating income increased by ¥43,048 million (up 135.8%) compared with the previous fiscal year, to ¥74,743 million, due to an increase in sales volume of major products in the Engineered Materials Group, an increase in market prices of non-ferrous metals such as zinc, the weakness of the yen in currency exchange markets, and an improvement in inventory factors due to market price fluctuations.

Ordinary income increased by ¥31,896 million (up 71.7%) compared with the previous fiscal year to ¥76,410 million, reflecting an increase of ¥43,048 million in operating income, despite a decrease of ¥6,818 million in dividend income and a decrease of ¥5,392 million in foreign exchange gains and(or) losses.

In extraordinary income and losses, the Group recorded an investment securities gain on sale of ¥9,380 million due to a reduction in cross-shareholdings.

Profit attributable to owners of parent increased ¥38,673 million (up 148.8%) compared with the previous fiscal year, to ¥64,662 million, reflecting tax expense and profit attributable to non-controlling interests.

	Fiscal 2024	Change from the Previous Fiscal Year
	(Millions of Yen)	(Percentage)
Net sales	¥712,344	10.2%
Operating income	74,743	135.8
Ordinary income	76,410	71.7
Profit attributable to owners of parent	64,662	148.8

Net sales and ordinary income by each group are the following:

[Net Sales]

	2024	2023	2022	2021
Group	Net Sales (Millions of Yen)	Net Sales (Millions of Yen)	Net Sales (Millions of Yen)	Net Sales (Millions of Yen)
Engineered Materials Group	¥153,451	¥124,099	¥112,531	¥136,114
Metals Group	294,823	246,803	256,401	240,915
Mobility Group	204,911	218,352	216,468	207,111
Corporate & Other Group	123,089	113,200	128,108	118,661
Adjustment Amount	(63,931)	(55,758)	(61,545)	(69,455)
Total	¥712,344	¥646,697	¥651,965	¥633,346

Note: Intersegment sales are deducted by means of Adjustment Amount items.

[Ordinary Income]

	2024	2023	2022	2021
Group	Ordinary Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Ordinary Income (Millions of Yen)
Engineered Materials Group	¥25,210	¥16,421	¥10,706	¥29,963
Metals Group	44,455	16,071	9,082	36,285
Mobility Group	14,698	11,282	3,200	2,436
Corporate & Other Group	2,879	3,171	736	3,866

Adjustment Amount	(10,834)	(2,432)	(3,838)	(6,561)
Total	¥76,410	¥44,513	¥19,886	¥65,990

Notes: Intersegment transactions are deducted by means of Adjustment Amount items.

Associated with the changes of the Company's organization on April 1, 2022, the Company has changed its business sectors from Engineered Materials, Metals, Automotive Parts & Components and Affiliates Coordination to Engineered Materials, Metals, Mobility and Corporate & Others. Net sales and ordinary income, etc. in each segment in fiscal 2021 are the figures for the segments after the changes of the Company's organization.

Furthermore, starting from the 100th fiscal year, some subsidiaries that were previously included in Corporate & Other Group have been reclassified under the Engineered Materials Group. Additionally, the net sales and ordinary income by each group for the 99th fiscal year are presented based on the revised classification.

## Operating Environment and Results by Each Group

### Engineered Materials Group

[Principal Products/Services (As of March 31, 2025)]

Copper foil (MicroThin™, Electro-deposited foil for printed wiring boards, etc.), Engineered powders (Metal powders for electronic materials, High-purity tantalum pentoxide, etc.), Battery materials (Hydrogen storage, etc.), Sputtering targets (ITO, etc.), Ceramics products

In the Engineered Materials Group, the sales volume of copper foil products such as MicroThin™ and electro-deposited foil for printed wiring boards increased thanks to a recovery of demand for semiconductor package substrate and smartphone motherboards, and strong demand for multilayer boards for communication infrastructure, primarily for AI server applications. In addition, the sales volume of metallic powder for electronic materials also increased due to solid demand for Multi Layer Ceramic Capacitors (MLCCs). As a result, sales increased 23.7% year on year to ¥153,451 million.

Ordinary income came to ¥25,210 million, up 53.5% year on year, thanks in part to an increase in the sales volume of principal products, the further depreciation of the yen and the improvement of inventory factors due to a change in the price of indium.

### Metals Group

[Principal Products/Services (As of March 31, 2025)]

Zinc, Lead, Copper, Gold, Silver, Resource recycling

In the Metals Group, sales of lead decreased due to sluggish domestic demand for lead-acid batteries caused by a decline in automobile production.

Meanwhile, sales of zinc also decreased as sales volume decreased due to sluggish domestic demand for zinc-coated steel sheets caused by a decline in automobile production and stagnant construction demand by reason of labor shortages, while the average London Metal Exchange price of zinc increased year on year.

As a result, sales increased 19.5% year on year to ¥294,823 million.

Ordinary income came to ¥44,455 million, up 176.6% year on year, thanks in part to the prices of zinc and other non-ferrous metals rose, and the exchange rate remained weak against the yen. In addition, the improvement of inventory factors due to market price fluctuations despite non-dividend paying from Japan Korea Joint Smelting Co., Ltd.

### Mobility Group

[Principal Products/Services (As of March 31, 2025)]

Catalysis, Automobile door locks, Die-cast products, Powdered metallurgical products

In the Mobility Group, sales decreased due to a decrease in sales volume for four-wheel vehicles resulting from production cuts by Japanese automakers in China and a fall in the prices of palladium, rhodium and other key raw materials, despite the growth in the sales volume of exhaust detoxifying catalysts based on solid demand for motorcycles, mainly in India.

In addition, sales volume of automotive door locks decreased mainly due to production stoppages by automobile manufacturers.

As a result, sales decreased 6.2% year on year to ¥204,911 million.

Meanwhile, ordinary income came to ¥14,698 million, up 30.3% year on year, thanks in part to the prices

of zinc and other non-ferrous the improvement of inventory factors due to a change in the price of palladium and rhodium. despite a decrease in foreign exchange gains and losses in operating income.

#### Corporate & Other Group

[Principal Products/Services (As of March 31, 2025)]
--

Rolled copper products, Perlite products, Engineering services for various industrial plants etc.
---

In the Corporate & Other Group, sales came to ¥123,089 million, up 8.7% year on year, partly due to an increase in the amount of recycled materials sold by domestic subsidiaries, which exceeded the decrease in sales of industrial plant engineering products due to a decrease in orders in non-ferrous metals-related fields.

On the other hand, ordinary income came to ¥2,879 million, down 9.2% year on year, mainly due to the transfer of a part of shares in subsidiaries to third parties during the fiscal year under review.



## (2) Status of Corporate Restructuring, etc.

### Status of Business Transfers (Acquisition)

#### Acquisition of Shares in Hachinohe Smelting Co., Ltd.

The Company acquired all shares in its subsidiary Hachinohe Smelting Co., Ltd. (in which the Company held an 85.5% equity stake) held by Toho Zinc Co., Ltd. (10.5% equity stake) as of June 28, 2024. This decision was based on the view that it will not only enhance the competitiveness of the Company's smelting business, which is focused on resource recycling, but also strengthen its role in achieving a sustainable society. As a result of this acquisition, Mitsui Kinzoku's equity stake increased to 96.0%.

### Status of Business Transfers (Assignment)

#### Transfer of Shares in Nihon Kessho Kogaku Co., Ltd.

The Company has transferred all of its shares in its wholly owned subsidiary, Nihon Kessho Kogaku Co., Ltd., to a special purpose entity of Marunouchi Capital Fund III, which is managed and operated by Marunouchi Capital Inc. This decision was based on the view that enabling agile and flexible decision-making in line with the characteristics of the business will contribute to the further growth and expansion of Nihon Kessho Kogaku Co., Ltd.

### Status of Corporate Restructuring, etc., from April 2025 Onward

#### Transfer of Shares in Mitani Shindo Co., Ltd.

The Company has transferred all of its shares in its subsidiary Mitani Shindo Co., Ltd. (in which the Company held a 71.2% equity stake) to CK SAN-ETSU Co., Ltd. on April 1, 2025. This decision was made based on the view that it will contribute to the business characteristics and further growth and expansion of Mitani Shindo Co., Ltd.

#### Transfer of Shares in MITSUI GRINDING WHEEL Co., LTD. and MITSUI GRINDING TECHNOLOGY (Thailand) CO., LTD.

The Company has transferred all of its shares in its wholly owned subsidiary MITSUI GRINDING WHEEL Co., LTD. to Kinik Company, and all of its shares in its subsidiary MITSUI GRINDING TECHNOLOGY (Thailand) CO., LTD. (in which the Company held a 99.6% equity stake) to Kinik Company and its subsidiary KINIK THAI CO., LTD. This decision was made based on the view that it will contribute to the business characteristics and further growth and expansion of the two former subsidiaries.

As a consequence of this transfer, MITSUI GRINDING WHEEL Co., LTD. has changed its trade name to MAX KINIK SEIMITSUI COMPANY LIMITED, and MITSUI GRINDING TECHNOLOGY (Thailand) CO., LTD. has changed its trade name to MAX KINIK GRINDING TECHNOLOGY COMPANY LIMITED.

#### Transfer of Shares in Yoshinogawa Electric Wire & Cable Co., Ltd.

The Company has decided to transfer all of its shares in Yoshinogawa Electric Wire & Cable Co., Ltd., an affiliate accounted for under the equity method (in which the Company holds a 32.9% equity stake), to HIRAKAWA HEWTECH CORP. This decision was made based on the view that it will contribute to the business characteristics and further growth and expansion of Yoshinogawa Electric Wire & Cable Co., Ltd.

#### Merger of Nippon Yttrium Co., Ltd.

The Company absorbed its wholly owned subsidiary Nippon Yttrium Co., Ltd., in an absorption-type merger, effective April 1, 2025. The aim of this merger was to integrate the operation of Nippon Yttrium Co., Ltd. with the Engineered Powders Division's rare metals business, driving the recycling of rare earth metals and achieving synergies at an early stage, and creating further synergies.

#### Transfer of Shares in Mitsui Kinzoku ACT Corporation

As announced on May 13, 2025, the Company has decided to transfer all of its shares in its wholly owned subsidiary Mitsui Kinzoku ACT Corporation to HI-LEX CORPORATION. This decision was made based on the view that it will lead to sustainable growth for Mitsui Kinzoku ACT Corporation.

### (3) Capital Investment

The Mitsui Kinzoku Group invested a total of ¥31,367 million, mainly for the following purposes by each group:

Group	Capital Investment (Millions of Yen)	Contents and Purposes
Engineered Materials Group	¥6,876	Maintaining, renovating and boosting productivity of production facilities for copper foil products etc.
Metals Group	12,775	Maintaining and renovating facilities, boosting efficiency, conserving energy, etc.
Mobility Group	4,830	Maintaining and renovating facilities, boosting productivity of facilities, conserving energy, etc.
Corporate & Other Group	1,314	Maintaining and renovating facilities, boosting efficiency, conserving energy, etc.
Others	5,571	Maintenance and updating of testing and research facilities and the backbone system, etc.
Total	¥31,367	

Note: Unrealized profit on intersegment transactions is deducted in “the others” column.

### (4) Funding

For the purpose of redeeming No.19 issuance of unsecured domestic straight bonds, the Company issued its No.24 issuance of unsecured domestic straight bonds amounting to ¥10.0 billion in November 2024.

### (5) Research & Development and Resource Development

#### Research and Development

The Group utilizes its core technologies, including catalyst, electrochemistry, powder control and material composition, to promote activities creating new business in the fields of environmental energy, next-generation electronics and life sciences. More specifically, we develop fundamental technologies for computational science in addition to the development of solid electrolyte for all-solid-state batteries (A-SOLiD®), electrode materials, carriers for mounting next-generation semiconductor chips (HRDP®), power semiconductor junction materials, fluorescent materials for next-generation displays, electrode materials for fuel cells, carbon dioxide adsorption separation materials and materials for decarbonized fuel synthesis. We are also pushing forward globally in many areas, including research and development overseas and the acceleration of the creation of new businesses which are able to achieve both social value economic value.

#### Resource Development

The Group has been exploring mining possibilities mainly in the vicinity of Huanzala mine and Pallca mine in Peru. We have been evaluating the economic potential of the Atalaya Project located between Huanzala and Pallca as the successor to the Huanzala Mine.

(6) Changes in Operating Performance and Financial Position of the Mitsui Kinzoku Group and the Company

Year ended March 31		97th (2021)	98th (2022)	99th (2023)	100th (2024)
Net sales	(Millions of yen)	¥633,346	¥651,965	¥646,697	¥712,344
Ordinary income	(Millions of yen)	65,990	19,886	44,513	76,410
Profit attributable to owners of parent	(Millions of yen)	52,088	8,511	25,989	64,662
Total assets	(Millions of yen)	637,878	631,894	640,631	657,944
Total net assets	(Millions of yen)	250,048	261,406	286,018	340,856
Free cash flow	(Millions of yen)	35,134	11,367	40,428	55,823
Capital investment	(Millions of yen)	27,456	32,515	32,039	31,367
ROE (Return on equity)	(%)	23.8	3.5	9.8	21.2
ROA (Return on assets)	(%)	10.7	3.1	7.0	11.8
Shareholders' equity ratio	(%)	37.6	40.1	43.5	50.4
D/E ratio	(Times)	0.94	0.87	0.72	0.50
Earnings per share	(Yen)	912.00	148.99	454.71	1,130.95
Total net assets per share	(Yen)	4,196.37	4,434.42	4,872.30	5,798.07
Dividend per share	(Yen)	110.00	140.00	140.00	180.00

Note: Earnings per share is calculated based on the average number of issued and outstanding shares during the term.

## (7) Important Challenges Ahead

### Review of the 2022-2024 Medium Term Business Plan

The Group has focused on its three-year 2022-2024 Medium Term Business Plan, which has fiscal 2022 as its first fiscal year, to realize its Group Vision (Vision for 2030) centered on Integrated Thinking-based Management (Note 1) and Ambidexterity (Note 2) based on the Group's Purpose.

More specifically, in terms of the improvement of social and environment value, the Group introduced initiatives to reduce CO<sub>2</sub> emissions and achieve carbon neutrality. The Group have also instituted major reforms to facilitate human capital management, including the introduction of a job-based personnel system, the improvement of employee treatment, and measures for improving diversity, equity, and inclusion (DE&I). Additionally, the Company have transitioned from a Company with a Board of Corporate Auditors to a Company with an Audit and Supervisory Committee, seeking to increase the swiftness of decision making while at the same time enhancing the supervisory function of the Board of Directors.

In terms of improvement of financial value, the Group have pushed forward with the dynamic management of our business portfolio and engaged in large-scale restructuring by, for example, selling shares in subsidiaries and abolishing the Mobility Sector.

These initiatives have largely achieved the expected results. In terms of improvement of social and environmental value, the Group was selected as a Nadeshiko Brand (Note 3), and in terms of improvement of financial value" the Group achieved both profit and financial indicators in line with the original plan for fiscal 2024, the final year of the 2022-2024 Medium Term Business Plan, resulting in record profits.

### Shifting to 2025-2027 new Medium Term Business Plan

Following the 2022-2024 Medium Term Business Plan, the Group will update the ongoing initiatives and add new ones to ensure the Group's Purpose and the Group Vision (Vision for 2030) stated in the 2022-2024 Medium Term Business Plan are achieved in the 2025-2027 new Medium Term Business Plan which starts in fiscal 2025.

The pursuit of carbon neutrality is a part of our efforts to improvement of social and environmental value. In this area, the Group created projects to achieve its medium- and long-term targets and have worked to implement these projects. Going forward, its activities will be extended to the emissions trading system and Scope 3 emissions initiatives.

Regarding human capital management, the Group established its Values in April 2025 to encourage employees to change their behaviors toward the achievement of the Group Vision (Vision for 2030) and the Group have begun to connect its Values to its personnel system.

Moreover, the Group will endeavor to establish a system for structuring our personnel strategies and will contribute to the enhancement of its corporate value (e.g., job satisfaction reform, personnel allocation via HRBP (Note 4)).

In terms of strengthening governance, the Group will change the executive officer system from employment-based to delegation-based. To stimulate the execution of company-wide strategies, the Group will add the ROIC metric to the list of KPIs used to calculate performance-linked compensation, and introduce a tenure-based restricted stock compensation system for Outside Directors who are Audit and Supervisory Committee Members, subject to approval at the 100th Annual General Meeting of Shareholders.

In terms of improvement of financial value, as a form of management with awareness of capital efficiency, to improve our Group-wide ROIC (return on invested capital), the Group will utilize the weighted average cost of capital (WACC) by business and the ROIC target (ROIC spread (Note 5)) by business and strengthen the management of our portfolio through implementation of Big Moves (Note 6), and implement the following key initiatives.

#### ●Engineered Materials Group

To realize Vision for 2030, the Group will seek to maximize the value of its existing businesses while transforming ourselves into a corporate entity that continuously creates functional materials with the top global market share. As our key initiatives, the Group will be undertaking projects leveraging external expertise, consisting of fundamental cash generation and bold allocation of resources. Moreover, the Rare Material Division has been established through the integration of Nippon Yttrium Co., Ltd. and a part of the Engineered Powders Division of the Company, aiming to achieve unity and create synergy between

them. Through these initiatives, the Group aim to increase value by leveraging mutual synergies under a new divisional structure.

●Metals Group

To meet the growing recycling-related needs as the Group move toward the realization of a recycling-based society, it will stay committed to providing metallic materials that are indispensable for carbon neutrality by pursuing a sophisticated, recycling-based smelting network leveraging the many different processes owned by the Group and by using low-carbon energy. Furthermore, the Group expect to achieve our fiscal 2030 CO<sub>2</sub> emissions reduction target, a 38% reduction of emissions versus the fiscal 2013 level, because of its many different initiatives, such as improvements to manufacturing processes and energy-saving efforts.

●Business Creation Sector

We established three strategies, strengthen business opportunity exploration capability, strengthen R&D capability and strengthen function and capability of the organization to support R&D and exploration of business opportunities, to continue to sustainably create new businesses and value centered on our R&D and market cocreation efforts. With regard to commercialization issues after A-SOLiD® (a solid electrolyte for all-solid-state batteries), electrode materials, and HRDP® (a special carrier for next-generation semiconductor chip packaging devices), the Group are working to commercialize a porous material business, the primary issue in the environment and energy domain, and we will invest labor and other resources in a timely manner.

●Corporate Planning & Control Sector

In addition to further strengthening its portfolio management, the Group have set a budget of ¥24 billion for buyer-side M&A and increased our team size to 11 members, and will accelerate inner circle-type activities, which include new outside experts.

Subject to approval at the 100th Annual General Meeting of Shareholders, the Company will change its trade name to Mitsui Kinzoku Company, Limited (in Japanese, Mitsui Kinzoku Kabushiki Kaisha) an, effective October 2025. This change more clearly reflects the current business activities. The Group will continue to practice integrated thinking-based management that integrates its commitments to contributing to people's lives and the environment more than ever before, aiming to promote the well-being of the world together with its stakeholders.

- Notes: 1. Integrated Thinking-based Management: A managerial approach to creating sustainable value by integrating the improvement of social and environmental value and the improvement of financial value.
2. Ambidexterity: Approach for achieving both "efficiency and constant improvement in core businesses (Exploitation) and "experiment and action for new businesses (Exploration)."
3. Nadeshiko Brand: An initiative that aims to introduce certain listed companies that are outstanding in terms of encouraging women's empowerment in the workplace as attractive stocks to investors, in a program run jointly by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE). In fiscal 2024, this initiative selected companies that are outstanding in terms of both "supporting consistent career development from recruitment to promotion" and "supporting dual-career and co-parenting, irrespective of gender"
4. HRBP: human resource business partner.
5. ROIC Spread: ROIC (return on invested capital) minus WACC (weighted average cost of capital).
6. Big Moves: Measures to achieve a change to non-linear growth rather than gradual growth by leveraging outside knowledge.

Quality-related inappropriate practice committed by a subsidiary of the Company

A release on the Company's website dated April 4, 2025 addressed inappropriate practice concerning the products of Mitsui Kinzoku Perlite Co., LTD., the results of the investigation into the conducts by a special investigative committee and the future efforts by the Company. As written in the release, its subsidiary was found to have engaged in inappropriate practice such as alteration of data written in its product inspection results. Deeply reflecting on the inappropriate practice, the entire Mitsui Kinzoku Group will work together to carry out recurrence prevention measures and reestablish customers' confidence in the Group.

(8) Principal Business Offices, Plants, and Laboratories (As of March 31, 2025)

1. Mitsui Kinzoku

Head office	1-11-1, Osaki, Shinagawa-ku, Tokyo
Plants	Miike Engineered Powders Plant (Omuta-shi, Fukuoka), Ageo Copper Foil Plant (Ageo-shi, Saitama), Miike Thin-film Materials Plant (Omuta-shi, Fukuoka), Omuta Ceramics Plant (Omuta-shi, Fukuoka), Takehara Refinery (Takehara-shi, Hiroshima), Hibi Smelter (Tamano-shi, Okayama)
Laboratory	Materials Analysis & Exploration Center (Ageo-shi, Saitama) R&D Center (Ageo-shi, Saitama)

2. Consolidated Subsidiaries

Japan	Kamioka Mining & Smelting Co., Ltd. (Hida-shi, Gifu), Hachinohe Smelting Co., Ltd. (Shinagawa-ku, Tokyo), Hikoshima Smelting Co., Ltd. (Shimonoseki-shi, Yamaguchi), Hibi Kyodo Smelting Co., Ltd. (Shinagawa-ku, Tokyo), Okuaizu Geothermal Co., Ltd. (Yanaizu-cho, Fukushima), Mitsui Kinzoku ACT Corporation (Yokohama-shi, Kanagawa), Mitsui Kinzoku Trading Co., Ltd. (Sumida-ku, Tokyo), MESCO, Inc. (Sumida-ku, Tokyo)
Overseas	Taiwan Copper Foil Co., Ltd. (Taiwan), Mitsui Copper Foil (Malaysia) Sdn. Bhd. (Malaysia), Mitsui Kinzoku Components India Private Limited (India), Mitsui Electronic Materials Co., Ltd. (Taiwan), GECOM Corp. (U.S.A.), Mitsui Siam Components Co., Ltd. (Thailand), Mitsui Components Guangdong Limited (China), Mitsui Kinzoku ACT (Shanghai) Management Co., Ltd. (China)

(9) Condition of Principal Subsidiaries of Mitsui Kinzoku (As of March 31, 2025)

	Paid-in Capital (Millions)	Equity Stake of the Company (%)	Principal Operations
Taiwan Copper Foil Co., Ltd.	NT\$800	95.0	Production and sale of Electro-deposited foil for printed wiring boards
Mitsui Copper Foil (Malaysia) Sdn. Bhd.	MYR330	100.0	Production and sale of MicroThin™ and Electro-deposited foil for printed wiring boards
Mitsui Kinzoku Components India Private Limited	INR400	100.0	Production and sale of exhaust detoxifying catalysts
Mitsui Electronic Materials Co., Ltd.	NT\$600	100.0	Production and sale of Sputtering targets
Kamioka Mining & Smelting Co., Ltd.	¥4,600	100.0	Smelting of zinc and lead and production of metal powders, exhaust detoxifying catalysts, and others
Hachinohe Smelting Co., Ltd.	¥4,795	96.0	Smelting of zinc and lead
Hikoshima Smelting Co., Ltd.	¥460	100.0	Smelting of zinc and production of metal powders, and others
Hibi Kyodo Smelting Co., Ltd.	¥100	63.5	Smelting of copper
Okuaizu Geothermal Co., Ltd.	¥100	100.0	Sale of geothermal steam for power generation
Mitsui Kinzoku ACT Corporation	¥3,000	100.0	Production and sale of functional automotive door locks
GECOM Corp.	US\$15,750 (Thousands)	100.0	Production and sale of functional automotive door locks
Mitsui Siam Components Co., Ltd.	THB210	100.0	Production and sale of functional automotive door locks
Mitsui Components Guangdong Limited	RMB71,212 (Thousands)	100.0	Production and sale of functional automotive door locks
Mitsui Kinzoku ACT (Shanghai) Management Co., Ltd.	RMB13,234 (Thousands)	100.0	Sale of functional automotive door locks
Mitsui Kinzoku Trading Co., Ltd.	¥240	100.0	Sale of nonferrous metals and electronic materials, etc.
MESCO, Inc.	¥1,085	100.0	Engineering services for various industrial plants as well as the production, sale, and construction of polyethylene compound pipes

(10) Employees (As of March 31, 2025)

1. Number of Mitsui Kinzoku Group Employees

Group	Number of Employees	
Engineered Materials Group	2,972	(167)
Metals Group	2,376	(198)
Mobility Group	4,781	(614)
Corporate & Other Group	1,249	(81)
Others	719	(45)
Total	12,097	(1,105)

- Notes: 1. The numbers of employees represent the numbers of employees actually working, and the numbers of temporary employees are shown separately in parentheses  
2. Temporary employee figures include temporary laborers, part-time employees, and temporary contract employees but exclude temporary employees dispatched by personnel agencies.

## 2. Number of the Company Employees

Group	Number of Employees	
Engineered Materials Group	1,164	(144)
Metals Group	397	(27)
Automotive Parts & Components Group	184	(12)
Corporate & Other Group	9	(1)
Others	719	(45)
Total	2,473	(229)

Number of Employees	Average Age (Years)	Average Length of Employment (Years)	Average annual salary (Thousands of Yen)
2,473 (229)	42.71	13.82	8,265

- Notes: 1. The numbers of employees represent the number of employees actually working, and the numbers of temporary employees are shown separately in parentheses.  
2. Temporary employee figures include temporary laborers, part-time employees, and temporary contract employees but exclude temporary employees dispatched by personnel agencies.  
3. Average annual salary includes bonus and extra wages.

## (11) Major Lenders (As of March 31, 2025)

	Amount of Borrowings (Millions of Yen)
Sumitomo Mitsui Banking Corporation	¥18,991
Sumitomo Mitsui Trust Bank, Ltd.	9,598
Mizuho Bank, Ltd.	7,232
MUFG Bank, Ltd.	7,189
The Norinchukin Bank	3,146



## 2. Mitsui Kinzoku Group and the Company Outline

### (1) Common Stock (As of March 31, 2025)

1. Authorized: 190,000 thousand
2. Issued and outstanding: 57,381,552 (up 24,696 from the previous fiscal year)(Note 1)
3. Number of shareholders: 38,573 (up 328 from the previous fiscal year)
4. Major shareholders (Top 10):

	Number of Shares Held (Thousands)	Percentage of Shares Held (%)
The Master Trust Bank of Japan, Ltd. (Held in trust account)	10,814	18.91
Custody Bank of Japan, Ltd. (Held in trust account)	6,840	11.96
STATE STREET BANK AND TRUST COMPANY 505223	1,554	2.71
The Employees' Shareholding Association	1,346	2.35
The Nomura Trust and Banking Co., Ltd. (Held in trust account)	1,177	2.05
STATE STREET BANK AND TRUST COMPANY 505001	941	1.64
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	880	1.54
JPMorgan Securities Japan Co., Ltd.	850	1.48
The Partners' Shareholding Association	820	1.43
Goldman Sachs Asset Management Co. Ltd. BNYM	807	1.41

Notes: 1. The Company issued 13,496 common shares to be paid to four (4) Directors (excluding Outside Directors) and 11,200 common shares to be paid to sixteen (16) Executive Officers (excluding officers who concurrently serve as a Director) and fellows, totaling 24,696 common shares for the granting of restricted stock on August 9, 2024.

2. Percentages of shares held are calculated based on the total number of shares issued and outstanding (excluding 199,361 shares in treasury).

### Distribution of Shares by Type of Shareholder (Reference)

Classification	Number of shares held (Thousands)	Composition of shareholders (%)
Financial institutions	20,950	36.51
Securities firms	4,081	7.11
Other Japanese corporations	1,936	3.38
Overseas corporations, etc.	16,704	29.11
Individuals and others	13,509	23.55
Treasury stock	199	0.34

### 5. Status of shares granted to Company directors during the fiscal year as consideration for performance of duties

	Number of Shares	Number of grantees
Directors (excluding Outside Directors)	13,496	4

Note: At the 99th Annual General Meeting of Shareholders held on June 27, 2024, shareholders approved a resolution on stock compensation for Directors to the effect that the total amount of compensation shall be within ¥100 million per year and the total amount of the Company's common stock to be allocated shall be within 33,300 shares per year (stock shall not be delivered to Outside Directors). Shareholders also resolved that when allocating such stock, the Company shall conclude a contract for allocation of restricted stock with the Eligible Directors.

## (2) Status of Company Officers

### 1. Status of Directors (As of March 31, 2025)

Position	Name	Duties and Major Occupation	Important Positions Held Concurrently at Other Organizations
President, Representative Director	NOU Takeshi		Outside Director of Powdertech Co., Ltd.
Representative Director, Senior Managing Director	OKABE Masato	Senior Managing Executive Officer, Senior General Manager of Engineered Materials Sector	
Managing Director	IKENOBU Seiji	Senior Executive Officer, Senior General Manager of Corporate Planning & Control Sector	
Director	YAMASHITA Masashi	Senior Executive Officer, Deputy Senior General Manager of Corporate Planning & Control Sector,	Outside Auditor of NAKABOHITEC CORROSION PROTECTING CO., LTD.
Outside Director	TOIDA Kazuhiko	Chairperson of the Board of Directors	Rikkyo University Innovation Center for Applied Artificial Intelligence (ICA-AD)
Outside Director	TAKEGAWA Keiko		Director of Institute of Women's Culture, Showa Women's University, Specially Appointed Professor, Showa Women's University, Outside Director of Sekisui House, Ltd.
Director (Audit and Supervisory Committee Member)	SHIKI Kazuya		
Outside Director (Audit and Supervisory Committee Member)	ISHIDA Toru		Outside Director of Sankyu Inc.
Outside Director (Audit and Supervisory Committee Member)	INOUE Hiroshi		Lawyer Outside Director and Audit & Supervisory Committee Member, Mazda Motor Cooperation
Outside Director (Audit and Supervisory Committee Member)	KAWANISHI Sachiko		Senior Managing Director, Internet Disclosure, Co., Ltd.

- Notes: 1. Ms. KAWANISHI Sachiko, Outside Director who is an Audit and Supervisory Committee member, is a public certified accountant and has considerable knowledge related to finance and accounting.
2. The Company has selected Mr. SHIKI Kazuya as a full-time Audit and Supervisory Committee Member to enhance its information-gathering capability, improve audit effectiveness through sufficient collaboration with the Internal Audit Department, and strengthen its auditing and supervision functions.
3. Changes in Officers during the fiscal 2024 (Effective June 27, 2024)  
The Company transitioned to a Company with Audit and Supervisory Committee on June 27, 2024, based on a resolution of the 99th Annual General Meeting of Shareholders held on the same date. In line with this, Corporate Auditors Mr. KUTSUNAI Akira, Mr. FUKUMOTO Hirotoshi, Mr. ISHIDA Toru, and Mr. INOUE Hiroshi will step down upon the expiration of their terms of office. Among them, Mr. ISHIDA Toru and Mr. INOUE Hiroshi have been appointed as Directors who are Audit and Supervisory Committee Members.  
Mr. YAMASHITA Masashi has been newly appointed as a Director.  
Mr. SHIKI Kazuya and Ms. KAWANISHI Sachiko have been newly appointed as Directors who are Audit and Supervisory Committee Members.

4. Changes of positions and duties of Directors after the fiscal year-end (as of April 1, 2025)

Position	Name	Duties and Major Occupation
Representative Director and Executive Vice President	IKENOBU Seiji	Executive Vice President, Senior General Manager of Corporate Planning & Control Sector
Managing Director	YAMASHITA Masashi	Senior Executive Officer, Deputy Senior General Manager of Corporate Planning & Control Sector

5. Important positions held concurrently at other organizations of Directors and Corporate Auditors

- (1) Outside Director TOIDA Kazuhiko retired Advisor, Penetrate of Limits Co., Ltd. on June 26, 2024.
- (2) Outside Director TAKEGAWA Keiko retired Outside Director of Sekisui House, Ltd. on April 23, 2025.
- (3) Outside Director who is an Audit and Supervisory Committee Member Mr. ISHIDA Toru retired as President of the Japan Chamber of Commerce and Industry and the Tokyo Chamber of Commerce and Industry on June 30, 2024. On June 26, 2024, he was appointed as an outside director of Sankyu Inc.
- (4) Outside Director who is an Audit and Supervisory Committee Member Mr. INOUE Hiroshi has been appointed Director and Audit & Supervisory Committee member at Custody Bank of Japan, Ltd., as of April 1, 2025.
- (5) Outside Director who is an Audit and Supervisory Committee Member Ms. KAWANISHI Sachiko resigned as Outside Audit and Supervisory Board Member of Duskin Co., Ltd., as of June 26, 2024.

2. Summary of Contracts for Limitation of Liability

Based on the Companies Act Article 427, Paragraph 1, the Company has concluded contracts with Outside Directors and Outside Corporate Auditors regarding liability as defined by the Companies Act Article 423, Paragraph 1 to limit total liability to the figure stipulated by the Companies Act Article 425, Paragraph 1.

3. Summary of Indemnity Contracts

The Company has no indemnity contracts with any of the Directors or Corporate Auditors provided for in the Companies Act Article 430-2, Paragraph 1.

4. Summary of the Directors and Officers Liability Insurance Contract

The Company has concluded a directors and officers liability insurance contract provided for in the Companies Act Article 430-3, Paragraph 1 with an insurance company under which the Directors and Corporate Auditors are the insured. The said insurance contract covers damages that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. The insurance premiums are fully borne by the Company.

## 5. Compensation, etc. Paid to Officers (Directors and Corporate Auditors)

### (a) Total amount of compensation, etc. for the fiscal year under review

Classification	Total Compensation, etc. (Millions of Yen)	Total Compensation, etc. by Type (Millions of Yen)			Number of Applicable Officers
		Base Compensation	Performance-linked Compensation	Stock Compensation	
Directors (excluding Directors who are Audit and Supervisory Committee Members) (Outside Directors)	¥334 (46)	225 (46)	58 (-)	49 (-)	10 (3)
Directors who are Audit and Supervisory Committee Members (Outside Directors)	79 (37)	79 (37)	- (-)	- (-)	4 (3)
Corporate Auditors (Outside Directors)	18 (6)	18 (6)	- (-)	- (-)	4 (2)
Total (Outside Directors)	433 (89)	324 (89)	58 (-)	49 (-)	18 (8)

Notes: 1. The Company's 99th Annual General Meeting of Shareholders held on June 27, 2024, shareholders resolved to set the limit of remuneration for Directors at ¥720 million per year (¥100 million per year for Outside Directors). Shareholders also resolved that when allocating such stock, the Company shall conclude a contract for allocation of restricted stock with the eligible Directors. The number of eligible Directors under this resolution was six (two of whom were Outside Directors).

2. At the 99th Annual General Meeting of Shareholders on June 27, 2024, shareholders resolved to set the limit of remuneration for Directors who are Audit and Supervisory Committee members at ¥180 million per year. The number of eligible Directors who are Audit and Supervisory Committee members under this resolution was four (three of whom were Outside Directors).

3. At the 96th Annual General Meeting of Shareholders on June 29, 2021, shareholders resolved to set the limit of remuneration for Directors who are Corporate Auditors at ¥180 million per year. The number of eligible Corporate Auditors under this resolution was four (two of whom were Outside Directors).

4. The above table includes four Directors (including one Outside Director) and four Corporate Auditors (including two Outside Directors) who retired at the conclusion of the 99th Annual General Meeting of Shareholders held on June 27, 2024. The Company transitioned from a Company with an Audit and Supervisory Board to a Company with an Audit and Supervisory Committee on June 27, 2024.

### (b) Names, officer categories, total compensation, and types of compensation for executives whose total compensation is ¥100 million or more

Name	Classification	Total Compensation, etc. (Millions of Yen)	Total Compensation, etc. by Type (Millions of Yen)		
			Base Compensation	Performance-linked Compensation	Stock Compensation
NOU Takeshi	Directors (excluding Directors who are Audit and Supervisory Committee Members)	¥109	62	28	18

### (c) Policy on Determining the Details of Executive Compensation, etc.

Policy regarding determination of compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members)

At the meeting of Board of Directors held on March 24, 2025, the Company resolved the policy for determining compensation for Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee members; hereinafter referred to as "Directors" until page 48). In connection with this resolution, deliberations are conducted by the Compensation Committee, which consists of Outside Directors, Outside Directors who are Audit and Supervisory Committee Members, the President, and the Director in charge of Human Resources. The Compensation Committee deliberates and determines the base compensation, performance-linked compensation, and stock compensation for Directors in a fair and transparent manner, within the limit approved at the Annual

General Meeting of Shareholders and based on the compensation determination standards.

Policy regarding determination of compensation for Directors who are Audit and Supervisory Committee Members

Compensation, etc. for Directors who are Audit and Supervisory Committee Members is determined by discussions among the Audit and Supervisory Committee Members, within the limit approved at the Annual General Meeting of Shareholders.

Policy regarding determination of compensation for Corporate Auditors

Compensation, etc. for Corporate Auditors is determined by discussions among the Corporate Auditors, within the limit approved at the Annual General Meeting of Shareholders.

a. Policy on base compensation

The base compensation for the President is set, taking into consideration the Company's performance, corporate value, and other factors comprehensively. Base compensation for Directors is calculated depending upon titles, based on the base compensation for the President and by applying a ratio for each title according to responsibilities.

b. Policy on performance-linked compensation

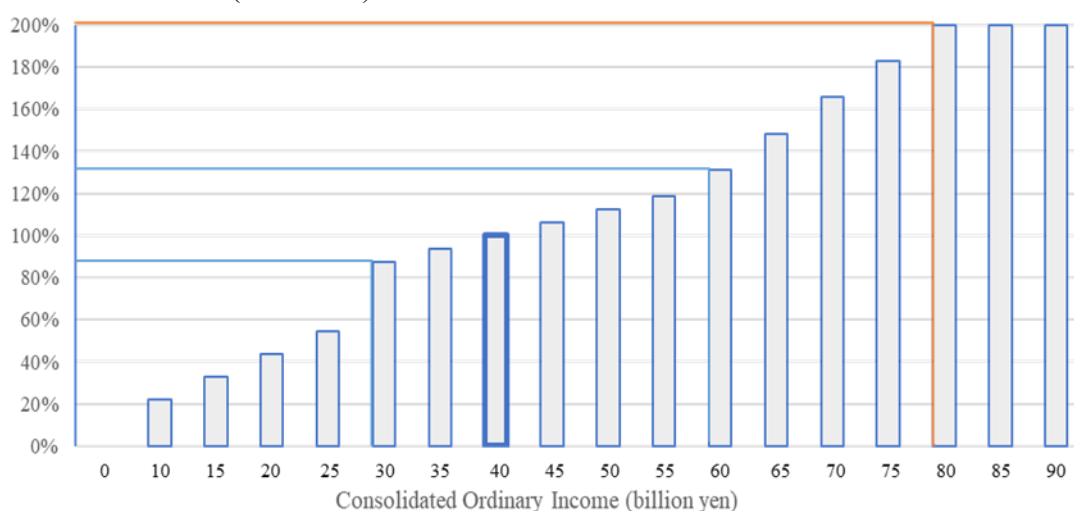
Regarding performance-linked compensation, for Directors (excluding Outside Directors), the amount of performance-linked compensation is calculated using consolidated ordinary income, which the Company considers as a key indicator for evaluating operating results, as the performance indicator. In addition, the amounts of performance-linked compensation for individual Directors responsible for business units are determined through the evaluation of the performance of the business for which the Director is responsible.

More specifically, the Company changed its performance-linked compensation in fiscal 2021, and ¥40 billion, which is 130% of ¥30 billion, the average consolidated ordinary income over the past 10 years excluding the impact of the impairment of Caserones Copper Mine, shall be used as a benchmark (for the compensation percentage in the system design).

The Compensation Committee also sets ¥60 billion, which is the largest recorded profit, as a target, and sets an upper limit of ¥80 billion in the event that the target is exceeded, to ensure that performance-linked compensation serves as an appropriate incentive.

Outside Directors, Directors who are Audit and Supervisory Committee Members and Corporate Auditors who are in positions independent from business execution do not receive performance-linked compensation.

Linkage of compensation to each consolidated ordinary income when performance-linked compensation at the benchmark (¥40 billion) is 100



Benchmark consolidated ordinary income	Results used as metrics for determining performance-linked compensation in fiscal 2024.
¥40.0 billion	performance-linked compensation of fiscal 2023 ¥44.5 billion

c. Policy on stock compensation (Type of tenure-based & ESG indicator-based)

The Company introduced a restricted stock compensation plan (tenure-based restricted stock compensation) for Directors (excluding Outside Directors) from fiscal 2021 to serve as an incentive for eligible Directors to aim for continuous growth in corporate value and further enhance value-sharing with shareholders. In fiscal 2023, new ESG indicator-based restricted stock compensation with the added requirement of achievement of ESG indicators was introduced, in addition to the already introduced tenure-based restricted stock compensation.

In both cases, continued service is a condition for lifting the transfer restrictions. ESG indicators are those related to the reduction of greenhouse gases, the promotion of job satisfaction and diversity and compliance.

In addition, the Company designates Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members; hereinafter “Eligible Directors”) as the Eligible Directors in line with the Company’s transition to a company with an Audit and Supervisory Committee in 2024.

The total amount of compensation for granting restricted stock to Eligible Directors shall be within ¥50 million per year as tenure-based restricted stock compensation and within ¥50 million per year as ESG indicator-based restricted stock compensation, and the total annual amount shall be within ¥100 million. The total annual number of the Company’s common shares to be issued or disposed of by this shall be 16,650 shares or less per year as tenure-based restricted stock compensation and 16,650 shares or less per year as ESG indicator-based restricted stock compensation, totaling a maximum of 33,300 shares per year. The specific timing of payment and allotment to each Eligible Director will be determined by the Board of Directors in accordance with the rules established by the Compensation Committee

Percentage of stock-based compensation based on consolidated ordinary income of ¥40 billion

Mode of Compensation	Status of ESG indicator achievement and share of equity compensation (total of Tenure-based and ESG indicator-based) in total compensation)		
	Target achieved	Partially achieved	Missed all targets
Stock-based Compensation	20%	13.3%~16.6%	10%

d. Policy on the composition of compensation, etc.

The composition of compensation, etc. for individual Directors is set, taking into consideration the Company’s management strategy, business environment, the degree of difficulty in achieving the target for incentives, etc. and also by referring to the trend of benchmarked companies, utilizing data of an objective compensation survey by an external specialized organization and other factors. The composition of compensation for Directors when all ESG KPIs are achieved is as follows:

consolidated ordinary income	~¥0	¥30 billion	¥40 billion	¥60 billion	¥80 billion~
Base compensation	72%	55%	50%	42%	35%
Performance-linked compensation	0%	23%	30%	40%	51%
Stock compensation	Tenure-based	14%	11%	10%	9%
	ESG Indicator-based	14%	11%	10%	9%

Note: The percentage of base compensation, the percentage of performance-linked compensation and the percentage of stock compensation vary because performance-linked compensation varies according to the Company’s performance.

Reference Image of Compensation Structure (consolidated ordinary income ¥40 billion)

Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors)	Basic Compensation		50%
	Performance-linked Compensation		30%
	Stock Compensation	Tenure-based	10%
		ESG indicator-based	10%
Directors who are Audit and Supervisory Committee Members and Outside Directors	Basic Compensation		100%

c. Policy on the timing of payment of compensation, etc. and conditions

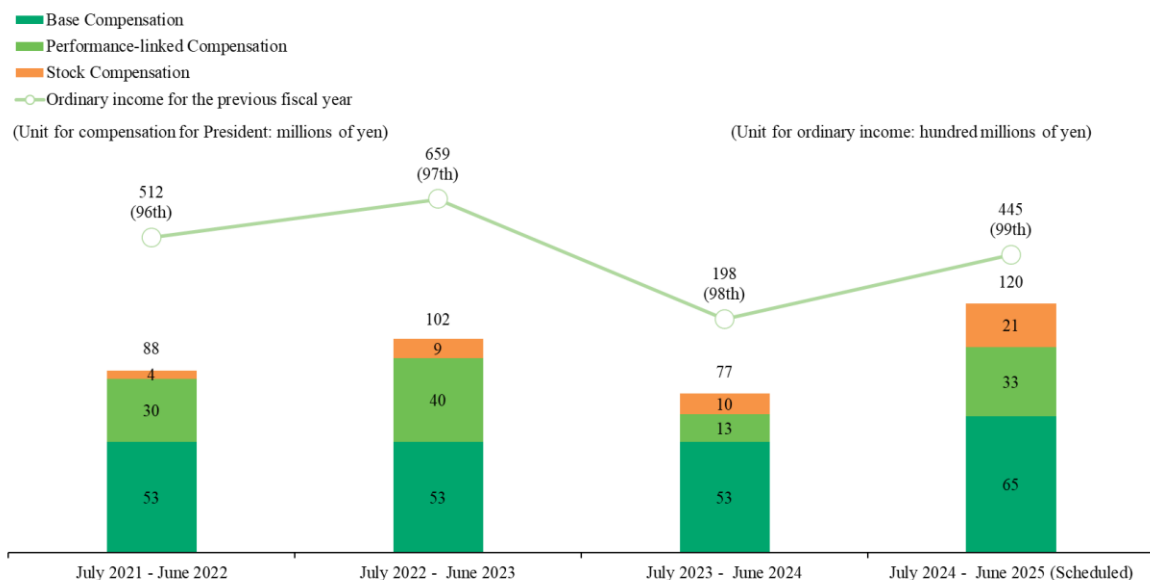
Base compensation and performance-linked compensation are paid monthly in cash.

The stock compensation system is designed so that the period during which transfer of the allocated shares is restricted expires on the date of retirement and, even after retirement, sale of the shares is not permitted for a period of one year to prevent insider trading. Moreover, if an eligible Director retires without just cause, the Company shall automatically acquire the allocated shares at no cost irrespective of the elapsing of the period.

The details of compensation, etc. for individual Directors in the fiscal year under review are judged to be in accordance with the policies from a. to c. above because the Board of Directors determined the details after fair and transparent deliberation based on the compensation determination standards by the Compensation Committee.

Reference The President's Compensation as the Basis for Each Director's Compensation

Regarding compensation of President, trends in the amount of compensation for one year from the conclusion of General Meetings of Shareholders, the beginning of the term, are as follows.



Note: The compensation amounts shown above are for a different calculation period than the “(b) Names, officer categories, total compensation, and types of compensation for executives whose total compensation is ¥100 million or more” shown on page 44.

The Compensation Committee has been reviewing performance-linked compensation KPIs that reflect business strategies since fiscal 2023, to improve sustainable corporate value. Starting in fiscal 2025, the Company will add ROIC as a new metric for performance-linked compensation, reflecting the interests of shareholders and enabling objective verification, as part of its efforts to foster a corporate culture of business management with awareness of the cost of capital and capital efficiency. As a result, the amounts of the Company's performance-linked compensation will be determined based on consolidated ordinary income and ROIC performance metrics, which are important metrics for evaluating business performance. Furthermore, to aim for further profit growth, we will raise the cap on performance-linked compensation linked to consolidated ordinary income from ¥80 billion to ¥100 billion.

In addition, in line with the Company's transition to a company with an Audit and Supervisory Committee, as the transfer of authority from Directors to the executive side progresses, the Company has decided to abolish the addition or deduction of performance-based bonuses for business-responsible Directors based on the performance of their respective departments, with the aim of further committing to the enhancement of corporate value and social value from a company-wide perspective.

In addition, subject to authorization by shareholders at the 100th Annual General Meeting of Shareholders, the Company has decided to add tenure-based restricted stock compensation for Outside Directors and Directors who are Audit and Supervisory Committee members, with the aim of providing incentives to promote the sustainable improvement of corporate value and further advancement of sharing value with shareholders.



## 6. Matters Related to Outside Directors

### (a) Important Positions Held Concurrently at Other Organizations

Please refer to “1. Status of Directors.” The Company has no special relationship with any of the entities.

### (b) Principal Activities during the Fiscal Year under Review

#### a. Principal activities of Outside Directors

Name	Attendance rate at the meetings of the Board of Directors (%)	Principal Activities and Summary of duties performed by the outside officer concerning the expected role
TOIDA Kazuhiko	100	<p>Attended all 14 meetings of the Board of Directors during the fiscal year. Drawing on a wealth of knowledge and experience gained as a manager in the automotive industry, he actively commented on proposals and discussions on management of the progress of the medium-term business plans, dynamic management of business, operation of business, etc. from a standpoint independent from management, unbound by internal norms, looking to improve corporate value over the medium and long term.</p> <p>In addition, he has contributed to increasing the effectiveness of the Board of Directors by becoming involved in matters regarding the deliberations and operations of the Board of Directors as a chairperson of the Board of Directors. Attended all 9 meetings of the Nomination Review Committee, all 10 meetings of the Compensation Committee and all 4 meetings of the Internal Audit Committee during the fiscal year.</p>
TAKEGAWA Keiko	100	<p>Attended all 14 meetings of the Board of Directors during the fiscal year. Drawing on her wealth of knowledge and experience gained through involvement in the formulation and implementation of policies such as promotion of women’s participation, she actively commented on proposals and discussions on diversity, equity &amp; inclusion (DE&amp;I), the securing and development of human resources, personnel systems, and human capital, etc., from an independent standpoint based on government trends.</p> <p>Attended all 9 meetings of the Nomination Review Committee, all 10 meetings of the Compensation Committee and all 4 meetings of the Internal Audit Committee during the fiscal year.</p>

#### b. Principal activities of Outside Directors who are Audit and Supervisory Committee Members

Name	Attendance rate at the meetings of the Board of Directors (%)	Attendance rate at the meetings of the Audit and Supervisory Committee (%)	Principal Activities
ISHIDA Toru	100	100	<p>Attended all 11 meetings of the Board of Directors and all 12 meetings of the Audit and Supervisory Committee during the fiscal year. Based on his many years of experience and high-level insights, in which he has contributed to development of commerce and industry, he actively made necessary comments on proposals and discussions from an independent position, on matters such as new business investments and supporting carbon neutrality.</p> <p>Attended all 9 meetings of the Nomination Review Committee, all 10 meetings of the Compensation Committee and all 4 meetings of the Internal Audit Committee during the fiscal year. Furthermore, as a chairperson of the Nomination Review Committee, he expressed opinions based on his experience and</p>

knowledge and also led the discussions of the Committee and conducted interviews with manager candidates and succession planning.

INOUE Hiroshi	100	100	<p>Attended all 14 meetings of the Board of Directors and all 12 meetings of the Audit and Supervisory Committee during the fiscal year. Based on his experience and professional perspective in legal circles as a public prosecutor and a lawyer, he actively made necessary comments on proposals and discussions from an independent position, on matters such as discussions on legal procedures and the operation of the whistleblowing system .</p> <p>Attended all 9 meetings of the Nomination Review Committee, all 10 meetings of the Compensation Committee and all 4 meetings of the Internal Audit Committee during the fiscal year. Furthermore, as chairperson of the Compensation Committee, he also led discussions in the Committee and revised the compensation ratio for Directors based on a review of ESG indicators for fiscal 2025 and discussions on the appropriate structure of executive compensation, with a view to sustainable improvement in corporate value and enhancement of value sharing with shareholders.</p>
KAWAN ISHI Sachiko	100	100	<p>Attended all 11 meetings of the Board of Directors and all 12 meetings of the Audit and Supervisory Committee during the fiscal year. Based on her experience and professional perspective as a business manager and certified public accountant, she actively made necessary comments on proposals and discussions from an independent position, on matters such as new business investments, M&amp;A, and DX.</p> <p>Attended all 8 meetings of the Nomination Review Committee, all 8 meetings of the Compensation Committee, and all 3 meetings of the Internal Audit Committee during the fiscal year.</p>

Note: Prior to the transition to a Company with an Audit and Supervisory Committee, Mr. ISHIDA Toru and Mr. INOUE Hiroshi served as Outside Corporate Auditors of the Company. As Outside Corporate Auditors, they attended all 3 meetings of the Board of Directors and all 3 meetings of the Board of Corporate Auditors held during the fiscal year under review, they also made appropriate and necessary comments from their professional perspectives.

c. Acts taken to prevent execution of business in violation of laws and regulations or the Articles of Incorporation, or that is otherwise improper or fraudulent, and measures taken after such acts occur

During the fiscal year under review, it was discovered that Mitsui Kinzoku Perlite Co., LTD. (a subsidiary of the Company) had engaged in inappropriate practice, such as altering inspection results data, in relation to Perlite products (finished goods) manufactured and sold in the past, resulting in the shipment of finished goods that deviated from customer specifications and/or internal specifications.

Outside Directors were unaware of the facts until they came to light, but had been making comments at meetings of the Company's Board of Directors and other meetings, from the perspectives of thorough compliance and strengthening the corporate governance system. After the facts have been confirmed, Outside Directors fulfilled their responsibilities by investigating the facts, identifying the causes, and proposing measures to prevent recurrence. Outside Director who is an Audit and Supervisory Committee Member Mr. INOUE Hiroshi is also chairperson of the special investigation committee established by the Company's Board of Directors to investigate the facts of the matter, etc., and Outside Director Ms. TAKEGAWA Keiko is also a member of the same committee.

(d) Notification of Independent Directors

None of the Company's Outside Directors has interests with any particular party from the Company, including its management, and none of them has conflicts of interest with general shareholders. The Company has notified the Tokyo Stock Exchange that all five of its Outside Directors (TOIDA Kazuhiko, TAKEGAWA Keiko, ISHIDA Toru, INOUE Hiroshi and KAWANISHI Sachiko) are Independent Directors of the Company.

(3) Matters Related to the Financial Auditor

1. Name of the firm: KPMG AZSA LLC

2. Total Compensation, etc., paid to the firm

Classification	Compensation based on audit and attestation services (Millions of Yen)	Compensation based on non-audit services (Millions of Yen)	Amount (Millions of Yen)
The Company	¥145	¥1	¥146
The Company's subsidiaries	53	0	53
Amount	¥198	¥1	¥200

Notes: 1. Since the contract between the Company and the auditing firm does not distinguish between the audit required under Japan's Companies Act and the audit required under the Financial Instruments and Exchange Law, the above figures also include the cost of the audit required under the Financial Instruments and Exchange Law.

2. The Audit and Supervisory Committee of the Company reviewed the financial auditor's audit plan for fiscal 2024, the status of performance of duties in the previous fiscal year, the basis of calculation of the estimated amount of compensation, etc. by means of necessary documents obtained from the independent auditing firm and relevant internal departments as well as interviews. As a result, the Audit and Supervisory Committee gave consent pursuant to the Companies Act Article 399, Paragraph 1 and 3 with regard to compensation, etc. for the financial auditor for fiscal 2024.

3. Among the Company's material subsidiaries, the following were legally audited by a certified public accountant or accounting firm, other than the Company's audit firm, with the corresponding qualifications in a foreign country: Taiwan Copper Foil Co., Ltd.; Mitsui Copper Foil (Malaysia) Sdn. Bhd.; Mitsui Electronic Materials Co., Ltd.; Mitsui Kinzoku Components India Private Limited; GECOM Corp.; Mitsui Siam Components Co., Ltd.; Mitsui Components Guangdong Limited; and Mitsui Kinzoku ACT (Shanghai) Management Co., Ltd.

3. Details of Non-audit Services

The Company entrusts the financial auditor with "the preparation of a comfort letter associated with the issuance of corporate bonds," which is a service outside the professional responsibilities provided under the Certified Public Accountants Act Article 2, Paragraph 1 (non-audit service).

In addition, subsidiaries entrust the independent auditing firm with agreed procedures for application forms for reduction of or exemption pursuant to the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities.

4. Policy regarding decisions related to dismissal and non-renewal of contract with the financial auditor

When the provisions of the Companies Act Article 340, Paragraph 1 are deemed to be applicable to the auditing firm, the Audit and Supervisory Committee may dismiss the firm with the consent of all the Audit and Supervisory Committee Members. The Audit and Supervisory Committee determines the content of a proposal to be submitted to a General Meeting of Shareholders concerning non-renewal of the contract with the auditing firm at the Company's convenience. In addition, when it is deemed that the Company cannot continue the contract with the auditing firm for reasons attributable to the auditing firm, the Audit and Supervisory Committee determines the content of a proposal to be submitted to a General meeting of Shareholders concerning dismissal or non-reappointment of the auditing firm.

In either case, the Audit and Supervisory Committee determines the content of a proposal to be submitted to a General Meeting of Shareholders concerning selection of a new financial auditor.

**(4) Systems for Ensuring Appropriate Business Operations and Overview of the Status of Operation of Such Systems**

The decisions as to the Company's systems for ensuring that the execution of duties by the Directors is in compliance with relevant laws and regulations and the Company's Articles of Incorporation and other systems for ensuring the proper conduct of the Group's activities and the status of operation of such systems are outlined below.

**1. Systems for ensuring that the execution of duties by the Directors and employees of the Company and its subsidiaries is in compliance with relevant laws and regulations and the Company's**

## Articles of Incorporation

- 1) To ensure that the conduct of business activities by the Directors and employees of the Company and its subsidiaries is in compliance with relevant laws and regulations and the Company's Articles of Incorporation, the Company clarifies and promotes its compliance system by instituting its "Code of Conduct," which Directors and employees are required to observe, and internal regulations.
- 2) The Company clearly defines the authority of the Directors through the issuance of internal regulations, including "Regulations for the Board of Directors (Torishimariyaku-kai kisoku)." Also, by appointing Outside Directors who have a high degree of independence, the Company increases transparency and creates a framework to ensure that the Directors execute their duties appropriately.
- 3) In addition, the Company conducts internal audits of accounting, tax affairs, legal affairs, safety, quality, facilities, the environment, hygiene, ICT, etc. for the purpose of maintaining soundness of overall internal control among others.

### [Overview of the status of operation]

1. While the Company has already established a "Code of Conduct" as an imperative that outlines the values and behaviors that all members of the Group should share. In light of recent social changes, in the fiscal year under review, the Company has revised its "Code of Conduct" effective as of April 1, 2025 and updated the "Compliance Guidebook" to ensure understanding revised "Code of Conduct". The Company also continues to conduct compliance training at all locations, including overseas, to strengthen and drive its compliance system. During the fiscal year under review, the Company held compliance training sessions in China, the United States, India, and Mexico, in addition to its domestic business sites.
2. Each Executive Director reports important matters to the Board of Directors, which consists of ten members; half (i.e., five) of whom are Outside Directors (including two women). (Three of these Outside Directors are Directors who are Audit and Supervisory Committee Members). Outside Directors are a majority of the Nomination Review Committee and Compensation Committee, both of which are chaired by an Outside Director. The Nomination Review Committee deliberates Directors' qualifications (skill matrix), candidate nominations, successor nominations, the composition of the Board of Directors, and other matters. The Compensation Committee determines the amount of compensation paid to each Director. As a result, the supervisory function of the Board of Directors is enhanced and independence and objectivity in the nomination and evaluation of Directors is further strengthened, thereby ensuring appropriate execution of duties by Directors.
3. The Company has established an Internal Audit Committee consisting of the Director in charge of the Internal Audit Department as chairperson, the General Manager of the Internal Audit Department, the General Manager of the Business Division Administration Department, the General Managers of the relevant departments in Corporate Units, and the General Manager of the Internal Audit Office of Mitsui Kinzoku (Shanghai) Management Co., Ltd. The Internal Audit Committee determines internal auditing policies and annual plans, based on which the Internal Audit Department conducts internal audits of the Company's domestic and overseas offices and subsidiaries in cooperation with the relevant departments in Corporate Units. The Internal Audit Committee evaluates the results of audits conducted by the Internal Audit Department, checks the status of corrective measures for identified issues, and reports to the Board of Directors after the end of each fiscal year.

## 2. Systems for storing and safekeeping of information related to the execution of the duties of the Directors

For information related to the execution of the duties of the Directors, the Company has prepared, stores, and keeps in custody such information according to laws and regulations, the "Regulations for the Board of Directors (Torishimariyaku-kai kisoku)," "Information Management Rules (Jouhou kanri kisoku)," "Regulations Regarding Documentation (Bunsho kisoku)," regulations concerning ICT governance, and other internal regulations.

### [Overview of the status of operation]

Information materials on agenda and minutes of meetings of the Board of Directors are kept for the legally required period of 10 years, and documents relating to important meetings concerning business execution are retained for an appropriate period of time, as determined by the relevant meeting bodies. The Company has appointed the Senior General Manager of the Corporate Planning & Control Sector

as the person responsible and is promoting the implementation of ICT governance and information management across the Group, and developing an electronic approval system and electromagnetic record management structure.

### **3. Regulations and systems concerning the management of losses and hazards of the Company and its subsidiaries**

To prevent the materialization of risks related to the execution of business activities of the Company and its subsidiaries and to respond to risks that have already materialized, based on its “Risk Management Regulations (Risk management kisoku),” the Company designates organizational units in charge of each type of risk to monitor and evaluate the risks that may arise in the business activities of the Company and subsidiaries, decides on policies for risk management, and implements measures to deal with risks when they materialize.

The Company establishes “Regulations for Emergency Responses (Kinkyu-jitai hasseiji no taiou ni kansuru kisoku)” to protect human lives and assets and to swiftly recover and continue business in the event of a large disaster.

[Overview of the status of operation]

The Company has established a unit dedicated to risk and crisis management in the General Affairs Department to manage risks and crises for the Company and its subsidiaries, with the aim of minimizing the impact and damage that the Company and its subsidiaries may suffer from events that threaten their assets and revenues through risk management. During the fiscal year under review, as a summary of risk mitigation activities in the 2022-2024 Medium Term Business Plan, the Company conducted analysis activities on the results of risk investigations of the business activities of the Company and its subsidiaries conducted at the time of formulating the 2022-2024 Medium Term Business Plan, and analysis based on a risk map. Considering the results of this analysis and changes in social conditions, the Company reviewed the points of change in the risk map and implemented risk mitigation activities and checked their effectiveness. Moreover, the Group decided on policies for risk management and implemented measures to deal with risks when they materialize, including training for incident management in the event of an emergency, assuming large-scale natural disasters and accidents, and improvement of various manuals, thereby promoting risk management.

### **4. Systems to ensure that the Directors of the Company and its subsidiaries execute their duties efficiently**

As the basis for systems that ensure the Directors execute their duties efficiently, the Board of Directors holds a regular meeting once a month, and at other times as necessary. In addition, the Company determines assignment of responsibilities for management within the “Regulations for the Board of Directors (Torishimariyaku-kai kisoku)” and clarifies the approving authorities, including those of subsidiaries, and transfer of authority to executive departments, with an aim to enhance the efficiency of decision-making. Also, through the introduction of the Executive Officer system, the Company endeavors to accelerate the execution of business activities.

[Overview of the status of operation]

During the fiscal year under review, a total of 14 Board of Directors meetings were held, including one regular meeting each month and two extraordinary meetings. The Board of Directors deliberates and decides on matters of particular material importance to management as stipulated by laws and regulations, and internal rules and regulations (Regulations for the Board of Directors (Torishimariyaku-kai kisoku), Assignment of Responsibilities for Management (Decision-Making Authority), and other regulations). Additionally, for matters such as business strategies and medium-to long-term issues that require thorough and in-depth discussion, the Company ensures appropriate and efficient decision-making by giving Board members opportunities for discussion prior to deliberation at Board of Directors meetings.

To enhance operational flexibility and agility, and to boost management vitality, the Company has introduced an Executive Officer system and revised the internal regulations entitled Assignment of Responsibilities for Management (Decision-Making Authority), based on the Articles of Incorporation and Article 399-13 Paragraph 6 of the Companies Act, through a resolution of the Board of Directors. To streamline decision-making processes, a significant portion of decision-making authority in relation to the Company’s material business operations has been delegated to Executive Officers. At the same

time, the Board of Directors receives regular reports from each executive officer on the status of their duties, and monitors overall execution of duties. The Company also holds meetings with its Outside Directors and the Financial Auditor, to exchange opinions and share information.

## **5. Systems for reporting to the Company of matters related to the execution of duties by Directors of the Company's subsidiaries**

The Regulations for the Board of Directors (Torishimariyaku-kai kisoku) stipulate the assignment of responsibilities for management and the Regulations for the Management of Subsidiaries and Affiliates (Kankei-gaisha kanri kisoku). Regulations state that the Company's relevant business divisions should give regular reports on certain important management matters related to operating results, financial conditions, and other matters, and that matters that meet certain criteria should be submitted to the Board of Directors of the Company for resolution.

Subsidiaries of the Company establish and design internal control systems based on autonomous internal control, share information with the Company, and seek to enhance internal control measures. The Company's relevant business divisions confirm the status of internal control at each Group company and provide support for improvement as necessary.

[Overview of the status of operation]

Directors of the Company's subsidiaries report regularly on operating results, financial status, safety and quality-related matters, personnel situations, and other important management issues at regular meetings of the relevant departments of the Company that oversee their subsidiaries.

Decisions regarding those that meet the criteria specified in Assignment of Responsibilities for Management (Decision-Making Authority) shall not be made solely by the subsidiary, but shall also by the Company's Board of Directors, president, or the Senior General Manager of the relevant department or officer in charge. In addition, the Company's subsidiaries have established and operate autonomous internal control systems based on rules and regulations such as the Regulations for the Board of Directors (Torishimariyaku-kai kisoku) and the Decision-Making Authority Regulations. The Company's relevant business divisions provide ongoing support for improving the internal control status of subsidiaries based on information shared through regular reports from subsidiaries.

However, as announced on April 4, 2025, it has been discovered that Mitsui Kinzoku Perlite Co., LTD., a subsidiary of the Company, has engaged in the fabrication and alteration of inspection data relating to finished goods that did not meet customer specifications (hereinafter referred to as "inappropriate practice at Mitsui Kinzoku Perlite Co., LTD."). The Company has established a special investigative committee consisting solely of independent Outside Directors and lawyers, by a resolution of the Board of Directors, and has received a investigative report from the committee on its investigation of the facts, determination of the causes, and recommendations for measures to prevent recurrence. The Company and Mitsui Kinzoku Perlite Co., LTD., take the findings of the investigation report seriously, and are formulating and implementing measures to prevent recurrence in order to strengthen quality assurance.

## **6. Matters concerning employees who are to assist the duties of Audit and Supervisory Committee and matters related to ensuring the independence of such employees from Directors and effectiveness of instructions given by Directors who are Audit and Supervisory Committee Members to such employees**

- 1) Under the Company's "Regulations for Company Organization Systems (Kaisha shokusei kisoku)," the Company establishes an Audit and Supervisory Committee Support and assigns employees to assist the Audit and Supervisory Committee in its duties. The Audit and Supervisory Committee Support is composed of several dedicated employees. Decisions regarding personnel transfers, performance evaluations, commendations, and disciplinary actions for such employees are made with reference to the opinions of the Audit and Supervisory Committee.
- 2) The employees who are assigned to assist the duties of the Audit and Supervisory Committee shall do so in accordance with the "Regulations for Company Organization Systems (Kaisha shokusei kisoku)." At Audit and Supervisory Committee meetings, such employees shall receive instructions from Directors who are Audit and Supervisory Committee Members, and also shall report on the progress of matters that they were instructed to address, and provide information.

[Overview of the status of operation]

1. Several dedicated employees are appointed as an Audit and Supervisory Committee Support in the Internal Audit Department to assist the Audit and Supervisory Committee in its duties. Decisions regarding personnel transfers for employees appointed the Audit and Supervisory Committee Support, performance evaluations, commendations, and disciplinary actions for such employees shall be made with reference to the opinion of the Audit and Supervisory Committee.
2. Dedicated employees assigned to the Audit and Supervisory Committee receive instructions from the Committee and provide the Committee with reports on the progress of instructions and other information. Dedicated employees also assist in the performance of audits by accompanying the Audit and Supervisory Committee on site visits to the Company's locations and subsidiaries, attending regular meetings of each department as observers, sharing information with the Audit and Supervisory Committee, and regularly exchange opinions with a full-time Director who is an Audit and Supervisory Committee Member.  
In addition, in case of any inconsistency between instructions from the Representative Director and those from the Audit and Supervisory Committee, the Internal Audit Department, including the Audit and Supervisory Committee Support, shall prioritize the instructions from the Audit and Supervisory Committee in accordance with the "Regulations for Internal Audit Committee (Naibukansa-iinkai kisoku)," ensuring the effectiveness of instructions from Audit and Supervisory Committee Members.

## **7. Systems for reporting to the Audit and Supervisory Committee**

- 1) When the Directors and employees of the Company and Directors, Corporate Auditors, and employees of the Company's subsidiaries discover facts that may cause serious losses to the Company, or when other events occur concerning the matters requiring reporting specified by the Audit and Supervisory Committee, they shall report to the Audit and Supervisory Committee.
- 2) Upon auditing of subsidiaries by Directors who are Audit and Supervisory Committee Members, Directors, Corporate Auditors, and employees of the Company's subsidiaries shall report the status of operations and other matters required by Directors who are Audit and Supervisory Committee Members.3) Regarding the details of reports made via the whistleblowing system, a system shall be set up to ensure prompt sharing of information with the Audit and Supervisory Committee.

[Overview of the status of operation]

1. A full-time Director who is an Audit and Supervisory Committee Member attend important meetings related to business execution as observers. Through these meetings, matters are reported and information is shared with Audit and Supervisory Committee Members.
2. Directors who are Audit and Supervisory Committee Members also visit the Company's locations and subsidiaries to conduct audits in line with the policy set out by the Audit and Supervisory Committee, and receive reports on the status of operations, as well as matters requested by the Audit and Supervisory Committee.
3. The Company has developed a whistleblowing system, and information is promptly shared with the Audit and Supervisory Committee based on the Regulation for Whistle-Blowing Systems.  
When an internal report regarding inappropriate practice at Mitsui Kinzoku Perlite Co., LTD . was made, the information was promptly shared with the Audit and Supervisory Committee. Based on the Audit and Supervisory Committee's resolution, an internal investigative committee was established, with the Director in charge of the Internal Audit Department as chairperson, and consisting of Outside Directors and lawyers, and an investigation into the facts was initiated. After this, the Company established a special investigative committee consisting solely of independent Outside Directors and lawyers, by a resolution of the Board of Directors. The investigation was transferred from the internal investigative committee to the special investigative committee, and an investigative report was received from the special investigative committee.

## **8. Systems to ensure that persons are not treated disadvantageously for making reports to the Audit and Supervisory Committee**

The Company shall not engage in detrimental treatment of Directors and employees of the Company and Directors, Corporate Auditors, and employees of the Company's subsidiaries who reported to the Audit and Supervisory Committee because of the reporting.

[Overview of the status of operation]

Internal regulations state that persons who report to the Audit and Supervisory Committee will not receive detrimental treatment because of the reporting, and that any persons involved in such disadvantageous treatment shall be dealt with strictly in accordance with the employment regulations or other relevant rules. It is also announced on the Company's website and stated in the Compliance Guidebook that persons who report to the Audit and Supervisory Committee will not receive detrimental treatment because of the reporting. This policy is also communicated in internal training and on other occasions.

**9. Matters concerning procedures for advance payment or reimbursement of fees arising in connection with the execution of duties by Directors who are Audit and Supervisory Committee Members and other policies regarding handling costs or obligations arising in connection with the execution of such duties**

When Directors who are Audit and Supervisory Committee Members request advance payment or reimbursement of expenses for their execution of duties, based on deliberation by the responsible department, the Company shall handle such expenses or obligations swiftly, except in the case that such expenses or obligations are proved to be unnecessary for the execution of duties by such Directors who are Audit and Supervisory Committee Members.

[Overview of the status of operation]

At the beginning of each fiscal year, the Company sets aside a budget for expenses to be incurred based on the activity plan for the year. The Company has also established a rule that allows the Directors who are Audit and Supervisory Committee Members to request additional budget if expenditures exceeding the predetermined budget for expenses are necessary.

**10. Other Systems for Ensuring the Effective Audit by the Audit and Supervisory Committee**

Representative Directors and Audit and Supervisory Committee members meet periodically to exchange opinions. Directors who are Audit and Supervisory Committee Members may attend important meetings to enable the thorough exchange of information with Directors (excluding Directors who are Audit and Supervisory Committee Members) and employees, and a system is in place that enables close collaboration between Directors who are Audit and Supervisory Committee Members and the Internal Audit Department for audits.

[Overview of the status of operation]

In the fiscal year under review, meetings to exchange opinions were held twice between the Representative Directors, Directors who are Audit and Supervisory Committee Members, and Outside Directors. The Company also provided opportunities for more multi-faceted exchanges of information. Four opinion exchange meetings were also held where Directors who are Audit and Supervisory Committee Members, Outside Directors and employees met.

Audit and Supervisory Committee met with the Financial Auditor as necessary to share information. Directors who are Audit and Supervisory Committee Members attend Internal Audit Committee meetings as observers and monitor internal auditing.

---

\*In this Business Report, the monetary amounts and the number of shares have been rounded down to the nearest unit.



## Consolidated Balance Sheet

(As of March 31, 2025)

	Millions of yen	
	2024	2023 (Reference)
<b>Assets</b>		
<b>Current assets:</b>		
Cash and time deposits	¥44,469	¥32,483
Notes and accounts receivable	-	-
Notes, accounts receivable and Contract assets	122,711	117,921
Merchandise and finished goods	60,535	56,234
Work in process	45,274	42,114
Raw materials and supplies	73,488	66,883
Others	27,256	31,736
Allowance for doubtful accounts	(2,845)	(2,777)
Total current assets	370,889	344,597
<b>Fixed assets:</b>		
Tangible fixed assets:		
Buildings and structures	219,162	218,897
Machinery and automotive equipment	541,294	533,641
Land	32,391	32,087
Lease assets	6,196	6,300
Construction in progress	9,978	11,290
Others	67,404	66,678
Accumulated depreciation	(685,273)	(669,887)
Total tangible fixed assets	191,155	199,008
Intangible fixed assets	9,205	9,054
Investments and other assets:		
Investment securities	64,220	66,435
Long-term loans	392	398
Net defined benefit asset	12,738	12,565
Deferred tax assets	6,891	5,857
Others	2,744	2,806
Allowance for doubtful accounts	(294)	(91)
Total investments and other assets	86,693	87,971
Total fixed assets	287,054	296,034
<b>Total assets</b>	<b>¥657,944</b>	<b>¥640,631</b>

	Millions of yen	
	2024	2023 (Reference)
<b>Liabilities and Net Assets</b>		
<b>Current liabilities:</b>		
Notes and accounts payable	¥48,048	¥50,326
Short-term debt	65,211	80,772
Commercial paper	7,500	8,500
Current portion of straight bonds	10,000	10,000
Current portion of lease liability	645	698
Accrued income taxes	8,812	4,083
Consumption taxes payable	1,400	1,468
Provision for bonus	7,355	6,263
Provision for product warranties	697	747
Business structure improvement expenses	-	0
Provision for loss on construction contracts	102	77
Provision for loss on disposal of inventories	680	730
Other provisions	23	-
Others	38,993	40,825
<b>Total current liabilities</b>	<b>189,472</b>	<b>204,495</b>
<b>Long-term liabilities:</b>		
Straight bonds	40,000	40,000
Long-term debt	43,349	61,447
Lease liability	1,431	1,606
Deferred tax liabilities	9,942	12,941
Directors' and corporate auditors' retirement benefits	218	297
Provision for environmental countermeasures	616	1,096
Provision for preventing environmental pollution in mineral, mining, and other operations	822	841
Net defined benefit liability	26,039	27,173
Asset retirement obligations	4,227	3,971
Others	967	741
<b>Total long-term liabilities</b>	<b>127,615</b>	<b>150,117</b>
<b>Total Liabilities</b>	<b>317,087</b>	<b>354,613</b>
<b>Net assets</b>		
Common stock	42,289	42,223
Capital surplus	17,683	17,503
Retained earnings	252,582	197,068
Treasury stock	(634)	(630)
<b>Shareholders' equity</b>	<b>311,921</b>	<b>256,164</b>
Net unrealized gains on securities, net of tax	1,110	6,227
Unrealized gains (losses) on hedging derivatives, net of tax	(1,167)	(4,163)
Foreign currency translation adjustments	19,220	19,916
Remeasurements of defined benefit plans	461	377
<b>Accumulated other comprehensive income</b>	<b>19,624</b>	<b>22,357</b>
<b>Non-controlling interests</b>	<b>9,310</b>	<b>7,495</b>
<b>Total net assets</b>	<b>340,856</b>	<b>286,018</b>
<b>Total liabilities and net assets</b>	<b>¥657,944</b>	<b>¥640,631</b>

Note: Figures are rounded down to the nearest million yen.

## Consolidated Statement of Operations

(April 1, 2024 to March 31, 2025)

	Millions of yen	
	2024	2023 (Reference)
<b>Net sales</b>	¥712,344	¥646,697
<b>Cost of sales</b>	562,106	551,299
<b>Gross profit</b>	150,237	95,397
Selling, general and administrative expenses	75,494	63,703
<b>Operating income</b>	74,743	31,694
<b>Non-operating income:</b>		
Interest income	686	353
Dividend income	607	7,425
Real estate rent	544	658
Investment income on equity method	4,617	3,239
Foreign exchange income	-	2,977
Other income	1,182	1,728
	7,638	16,382
<b>Non-operating expenses:</b>		
Interest expense	2,615	2,526
Foreign exchange losses	2,414	-
Other expenses	941	1,036
	5,971	3,563
<b>Ordinary income</b>	76,410	44,513
<b>Extraordinary profits:</b>		
Gain on sales of property, plant and equipment	28	37
Gain on sales of investment securities	9,380	1,255
Gain on sales of stock of affiliated companies	2,179	2
Others	44	32
	11,632	1,327
<b>Extraordinary losses:</b>		
Loss on sales of property, plant and equipment	131	117
Loss on disposal of property, plant and equipment	2,783	2,249
Loss on impairment of fixed assets	2,817	23
Loss on valuation of shares of subsidiaries and affiliates	-	987
Provision of allowance for doubtful accounts	328	2,595
Others	1,213	1,324
	7,274	7,295
<b>Profit before income taxes</b>	80,768	38,545
<b>Income taxes:</b>		
Current	15,195	7,601
Deferred	(1,932)	4,080
<b>Net income</b>	67,505	26,864
Profit attributable to non-controlling interests	2,843	875
<b>Profit attributable to owners of parent</b>	¥64,662	¥25,989

Note: Figures are rounded down to the nearest million yen.

English Translation of Financial Statements Originally Issued in the Japanese Language

## Consolidated Statement of Changes in Net Assets

(April 1, 2024 to March 31, 2025)

Millions of yen

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	42,223	17,503	197,068	(630)	256,164
Changes of items during period					
Dividends from surplus			(9,147)		(9,147)
Profit attributable to owners of parent			64,662		64,662
Purchase of treasury stock				(3)	(3)
Restricted Stock Compensation	66	66			132
Change in treasury shares of parent arising from transactions with non-controlling shareholders		113			113
Net changes of items other than shareholders' equity					
Total changes of items during period	66	179	55,514	(3)	55,757
Balance at end of period	42,289	17,683	252,582	(634)	311,921

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized gains on securities, net of tax	Unrealized gains (losses) on hedging derivatives, net of tax	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total of accumulated other comprehensive income		
Balance at beginning of period	6,227	(4,163)	19,916	377	22,357	7,495	286,018
Changes of items during period							
Dividends from surplus							(9,147)
Profit attributable to owners of parent							64,662
Purchase of treasury stock							(3)
Restricted Stock Compensation							132
Change in treasury shares of parent arising from transactions with non-controlling shareholders							113
Net changes of items other than shareholders' equity	(5,116)	2,995	(695)	83	(2,733)	1,814	(918)
Total changes of items during period	(5,116)	2,995	(695)	83	(2,733)	1,814	54,838
Balance at end of period	1,110	(1,167)	19,220	461	19,624	9,310	340,856

Note: Figures are rounded down to the nearest million yen.

## Balance Sheet

(As of March 31, 2025)

	Millions of yen	
	2024	2023 (Reference)
<b>Assets</b>		
<b>Current assets:</b>		
Cash and time deposits	¥5,169	¥6,059
Notes receivable	759	982
Accounts receivable	60,888	53,280
Merchandise and finished goods	30,937	28,252
Work in process	17,396	16,377
Raw materials and supplies	33,482	29,204
Advances payments	859	1,679
Prepaid expenses	1,043	1,101
Short-term loans	29,414	34,683
Other accounts receivable	9,114	12,337
Payment for others	3,347	3,371
Derivative assets	434	583
Others	138	104
Allowance for doubtful accounts	(3,346)	(2,272)
Total current assets	189,640	185,746
<b>Fixed assets:</b>		
Tangible fixed assets:		
Buildings	44,181	43,977
Structures	13,400	13,188
Machinery and equipment	115,174	112,239
Automotive equipment	530	548
Tools, equipment and furniture	11,315	10,237
Land used for mining operations	175	175
Land	15,753	15,319
Lease assets	40	142
Construction in progress	1,890	3,513
Accumulated depreciation	(154,417)	(151,013)
Total tangible fixed assets	48,045	48,328
Intangible fixed assets:		
Rights of utilization	5,292	5,262
Software in progress	1,348	1,593
Total intangible fixed assets	6,640	6,855
Investments and other assets:		
Investment securities	3,058	10,668
Stock of subsidiaries and affiliates	103,927	105,086
Investments in other securities of subsidiaries and affiliates	2,697	2,183
Investments in capital of subsidiaries and affiliates	3,026	3,026
Long-term loans	48,985	55,393
Deferred tax assets	1,703	-
Others	6,897	7,673
Allowance for doubtful accounts	(2,832)	(731)
Total investments and other assets	167,464	183,300
Total fixed assets	222,150	238,484
<b>Total assets</b>	<b>¥411,790</b>	<b>¥424,230</b>

English Translation of Financial Statements Originally Issued in the Japanese Language

	Millions of yen	
	2024	2023 (Reference)
<b>Liabilities and Net Assets</b>		
<b>Current liabilities:</b>		
Accounts payable	¥22,432	¥24,281
Short-term debt	22,373	27,973
Commercial paper	7,500	8,500
Current portion of long-term loans payable	22,690	29,011
Current portion of straight bonds	10,000	10,000
Current portion of lease liability	1	13
Accrued payments	10,354	11,527
Accrued expenses	927	960
Accrued income taxes	3,135	325
Advances received	247	201
Deposits received	20,509	21,841
Provision for bonus	3,231	2,491
Provision for product warranties	0	3
Derivative liabilities	361	2,439
Others	-	0
<b>Total current liabilities</b>	<b>123,765</b>	<b>139,569</b>
<b>Long-term liabilities:</b>		
Straight bonds	40,000	40,000
Long-term debt	43,201	60,891
Lease obligations	3	5
Employees' retirement benefits	13,380	15,433
Provision for environmental countermeasures	594	1,036
Provision for preventing environmental pollution in mineral, mining, and other operations	265	261
Provision for losses of affiliated companies	130	325
Asset retirement obligations	128	126
Deferred tax liabilities	-	4,745
Others	290	117
<b>Total long-term liabilities</b>	<b>97,994</b>	<b>122,943</b>
<b>Total liabilities</b>	<b>221,759</b>	<b>262,512</b>
<b>Net assets</b>		
<b>Shareholders' equity:</b>		
<b>Common stock</b>	42,289	42,223
<b>Capital surplus:</b>		
Legal capital surplus	22,717	22,651
Other capital surplus	0	0
<b>Total capital surplus</b>	<b>22,717</b>	<b>22,651</b>
<b>Retained earnings:</b>		
Legal retained earnings	2,406	2,406
Other retained earnings	123,010	91,699
Retained earnings brought forward	123,010	91,699
<b>Total retained earnings</b>	<b>125,416</b>	<b>94,105</b>
<b>Treasury stock</b>	<b>(634)</b>	<b>(630)</b>
<b>Total shareholders' equity</b>	<b>189,789</b>	<b>158,349</b>
<b>Valuation and translation adjustments</b>	241	3,369
Net unrealized gains on securities, net of tax	302	5,298
Unrealized gains (losses) on hedging derivatives, net of tax	(60)	(1,929)
<b>Total net assets</b>	<b>190,031</b>	<b>161,718</b>
<b>Total liabilities and net assets</b>	<b>¥411,790</b>	<b>¥424,230</b>

Note: Figures are rounded down to the nearest million yen.

## Statement of Operations

(April 1, 2024 to March 31, 2025)

	Millions of yen	
	2024	2023 (Reference)
<b>Net sales</b>	¥356,352	¥302,022
<b>Cost of sales</b>	295,071	270,843
<b>Gross profit</b>	61,281	31,178
Selling, general and administrative expenses	42,009	31,648
<b>Operating income (loss)</b>	19,272	(469)
<b>Non-operating income:</b>		
Interest and dividend income	14,261	16,662
Other income	1,038	3,897
	15,299	20,559
<b>Non-operating expenses:</b>		
Interest expense	1,374	1,102
Other expenses	2,097	945
	3,471	2,048
<b>Ordinary income</b>	31,100	18,041
<b>Extraordinary profits:</b>		
Gain on sales of property, plant and equipment	61	10
Gain on sales of investment securities	9,380	1,255
Gain on sales of stock of affiliated companies	3,833	-
Other profits	199	5
	13,475	1,272
<b>Extraordinary expenses:</b>		
Loss on sales and disposal of property, plant and equipment	1,080	901
Provision of allowance for doubtful accounts	3,175	2,198
Provision for loss on business of subsidiaries and affiliates	-	325
Provision of allowance for environmental countermeasures	-	586
Other expenses	641	307
	4,896	4,320
<b>Income (loss) before income taxes</b>	39,679	14,993
<b>Income taxes:</b>		
Current	3,489	917
Deferred	(4,269)	1,581
<b>Net Income (loss)</b>	¥40,459	¥12,493

Note: Figures are rounded down to the nearest million yen.



# Statement of Changes in Net Assets

(April 1, 2024 to March 31, 2025)

Millions of yen

	Valuation and translation adjustments			Total net assets
	Net unrealized gains on securities, net of tax	Unrealized gains (losses) on hedging derivatives, net of tax	Total valuation and translation adjustments	
Balance at beginning of period	5,298	(1,929)	3,369	161,718
Changes of items during period				
Restricted Stock Compensation				132
Dividends from surplus				(9,147)
Net profit				40,459
Purchase of treasury stock				(3)
Net changes of items other than shareholders' equity	(4,996)	1,868	(3,127)	(3,127)
Total changes of items during period	(4,996)	1,868	(3,127)	28,312
Balance at end of period	302	(60)	241	190,031

Note: Figures are rounded down to the nearest million yen.