

Joint Due Diligence Standard Compliance Report for Copper, Zinc and Lead

Mitsui Kinzoku Company Ltd.

1. Company information and target sites

Mitsui Kinzoku Company, Ltd. (hereinafter referred to as the “Company”) introduced the Joint Due Diligence Standard (hereinafter referred to as the “JDDS”) in 2023 to ensure responsible global supply chain management in the copper, lead, and zinc industries.

This document is an annual report describing the activities of the target sites since the introduction of the JDDS, in accordance with Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains for Minerals from Conflict Affected and High Risk Areas Third Edition (hereinafter referred to as the OECD Guidance). (Evaluation period: October 1, 2024 to September 30, 2025)

Our corporate group’s target sites, Hachinohe Smelting Co., Ltd., Kamioka Mining & Smelting Co., Ltd., Hibi Kyodo Smelting Co., Ltd., the Takehara Refinery of Mitsui Kinzoku Company Ltd., and Hikoshima Smelting Co., Ltd., underwent their first third-party audit (KPMG AZSA Sustainability Co., Ltd.) in November 2023. The summary report is available on The Copper Mark’s website.

<https://coppermark.org/participants-home/jdd-sites/>

The next third-party audit of JDDS is scheduled for 2026.

Note: In October 2025, Mitsui Mining & Smelting Co., Ltd., changed its trade name to Mitsui Kinzoku Company Ltd.

1) Head Office

Parent company name	Mitsui Kinzoku Company Ltd.
Parent company address	20F Gate City Ohsaki-West Tower, 1-11-1,Osaki, Shinagawa-ku, Tokyo 141-8584, Japan

2) Zinc

Site name	Hikoshima Smelting Co., Ltd
Location	1-1-1, Hikoshima Nishiyama-cho, Shimonoseki-shi, Yamaguchi 750-0093, Japan
Site name	Hachinohe Smelting Co., Ltd.
Location	76, Hamanayachi, Kawaragi, Hachinohe-shi, Aomori 039-1161, Japan

3) Zinc and lead

Site name	Kamioka Mining & Smelting Co., Ltd.
Location	1-1 Shikama, Kamioka-cho,Hida-shi, Gifu 506-1196 Japan

4) Lead

Site name	Mitsui Kinzoku Company Ltd. Takehara Refinery
Location	1-5-1, Shiomachi, Takehara-Shi, Hiroshima 725-0022 Japan

5) Copper

Site name	Hibi Kyodo Smelting Co., Ltd.
Location	6-1-1 Hibi Tamano-Shi, Okayama 706-0027 Japan

2. Results of the due diligence process during the evaluation period

During the evaluation period, no red flags were detected among our corporate group's suppliers of copper, zinc, and lead minerals.

Furthermore, all target sites underwent an annual internal audit (conducted from October to December 2025) to review and evaluate the effectiveness of the raw material management system operation and implementation status. No significant deficiencies were found during the internal audit.

4. Supply chain policy

The Company established the Responsible Mineral Sourcing Policy (updated March 1, 2025) (hereinafter referred to as the "Supply Chain Policy") regarding due diligence in the supply chain.

Furthermore, regarding the procurement of copper raw materials, Hibi Kyodo Smelting Co., Ltd., separately formulated the Hibi Kyodo Smelting Responsible Procurement Policy for Mineral Raw Material (updated October 1, 2025) and promotes it together with the Company. These policies are in conformity with the model outlined in the OECD Due Diligence Guidance Annex II.

The Company supports these initiatives and aims for continuous improvement. This policy will also be updated as needed.

An updated responsible sourcing policy for mineral raw materials is posted on the Company website.

https://www.mitsui-kinzoku.com/en/seihin/metals/s_meta_supply.html

5. Internal management

The Company is building an internal control system, and is clearly defining governance, roles and responsibilities, communications, internal audits, and senior-level management reviews in line with this policy.

Compliance officer

(1) Formulating and exercising due diligence and the organizational management strategy.

(2) Roles and responsibilities include approving new, high-risk suppliers and making final decisions on suspending trading. The compliance officer is a member of the Board of Directors of the Company and possesses a deep understanding of the due diligence program.

The following are roles and responsibilities regarding the division of roles for the management of the due diligence team.

Supply chain officer

- (1) Formulate a responsible mineral raw materials sourcing policy.
- (2) Approve manual and related regulations.
- (3) Make decisions to start, continue or suspend business transactions with a specific supplier should high risks be identified.
- (4) Report to the compliance officer to garner approval to start, continue, or suspend business relationships.

Furthermore, the system manager who is under the direct supervision of the supply chain officer is assigned the role of managing the due diligence process.

Staffed with experienced employees, the due diligence team implements due diligence and oversight in collaboration with the relevant departments involved in raw material acceptance by the zinc and raw materials divisions or the group companies, the acceptance of copper raw materials from affiliated companies, and manufacturing and shipping operations.

6. Traceability system

Our corporate group collects the following information from suppliers of copper, zinc, and lead raw materials by sending them Supply Chain Policy and Know Your Counterpart (KYC) questionnaires.

KYC questionnaires are used as the source of information to identify Conflict Affected High Risk Areas (hereinafter referred to as “CAHRAs”) and domestic and international sanctions lists.

- Corporate information
- Business details
- The existence of beneficiaries
- Beneficiary information
- Board members
- Financial information
- Laws and regulations
- Tax payments
- Source of capital
- Transport method and route
- Human rights and environment initiatives
- AML-CFT measures

(1) New suppliers

The Company sends the Supply Chain Policy and KYC questionnaires to new suppliers prior to

commencing business relationships, collects them, and conducts an evaluation.

An assessment and evaluation is being carried out based on various information taken from the KYC questionnaire, raw material invoices, packing lists, and bills of lading, as well as information including supply partners, the country of origin for raw materials, the weight of raw materials, and transport methods.

(2) Ongoing business suppliers

Even if there are no changes to the KYC questionnaire information collected last time, the Company updates it once every three years. If an ongoing business supplier changes important internal information, the Company will send the supplier a KYC questionnaire and collect it for verification.

Additionally, if the Company updates its Supply Chain Policy, it will send suppliers the updated policy and receive their commitment.

The above materials are consolidated at the head office of Mitsui Kinzoku. After the supplier and the place of origin assessment and evaluation is conducted, the evaluated KYC questionnaires and related materials are sent to the relevant companies.

The relevant companies confirm that the actual articles match the documentation when the raw materials arrive.

During the reporting period, an assessment and evaluation was conducted for high-risk suppliers and high-risk raw materials, but none were detected in this process for copper, zinc, or lead raw materials. Minera Santa Luisa S.A., a subsidiary of Mitsui Kinzoku located in a country enforcing EITI, declares its compliance with the EITI standards on the Company website.

7. Confidential grievance mechanism

Based on the existing internal reporting system, a mechanism that allows employees and external stakeholders to anonymously submit concerns related to supply chain risks was developed and is being maintained.

In addition, the Compliance Consulting and Reporting Desk hotline was established. This is for external stakeholders and is accessible from the website. There were zero complaints reported during the target period.

The Compliance Consulting and Reporting Desk can be contacted on the Company website.

<https://www.mitsui-kinzoku.com/en/contact/form/?frmid=57>

8. Identify risks

Prior to commencing business relationships with new suppliers, purchasing contracts are signed with new suppliers only in cases where risks are deemed low based on raw material information, collected KYC questionnaires, and third party information.

The Company conducts a survey of whether suppliers and Ultimate Beneficial Owners (UBOs) are

added to major sanction lists, based on information acquired from the SDN list, the Ministry of Finance of Japan, and the EU's consolidated financial sanctions list as third-party information.

The Company acquires KYC questionnaires from suppliers, conducts desktop research using D&B Onboard, and thereby identifies and evaluates supply chain risks. This process is an official requirement prior to entering any type of business relationship with a supplier.

Supplier assessment and evaluation is conducted based on the company name, address, upstream company information, major shareholders, board members, financial information, AML-CFT policies, and AML-CFT officer information.

Information will also be collected related to a supplier's corporate social responsibility policy, material violations of applicable sustainability laws, administrative actions based on legal requirements, and possession of the ISO14001 certification. The Company is also using information provided by a compliance information company to assess and evaluate suppliers.

The system manager will instruct the raw material purchasing officer to make a reconfirmation, in the event of inconsistency in the supplier information based on a verification of the aforementioned information. During the evaluation period, no inconsistencies or discrepancies in supplier information were found.

To evaluate whether raw material purchasing management is being properly carried out, the Company conducts internal audits at least once a year and reports the results to the supply chain officer. If any deviations are discovered during an internal audit, corrective action will be taken promptly. No significant deviations were found during the internal audit.

9. Risk classification

The Company identified CAHRAs based on the following information, and updated its CAHRAs list in October 2024 and April 2025.

- (1) The Democratic Republic of the Congo (DRC) and the nine adjoining countries as defined by Section 1502 of the U.S. Dodd-Frank Act.
- (2) Countries and regions listed in the CAHRAs list published by the European Commission under REGULATION (EU) 2017/821 (EU-CAHRAs List)
- (3) Countries and regions with a Heidelberg Conflict Barometer intensity of four or higher.
- (4) Latest rankings in the Fragile States Index
- (5) Countries and regions subject to increased monitoring and action by the Financial Action Task Force on Money Laundering
- (6) Worldwide Governance Indicators

In addition, the Company is using World Mineral Production data to prevent the misrepresentation of mining countries.

Relying on the aforementioned information sources, the Company assesses whether a specific

country is a CAHRA based on a comprehensive score. There are 37 countries that are specified as CAHRAs (as of April 2025).


Should a red flag be identified in the supply chain, the Company requires that enhanced due diligence (hereinafter referred to as “EDD”) be conducted. Should it be determined that the content of the collected KYC questionnaires deviates from the policy, a system manager instructs a raw material purchasing manager to conduct EDD, and the site must be visited within three months from when the deviation was discovered. As part of risk management, contracts with suppliers shall be terminated should the said suppliers commit serious human rights infringements or support non-state armed groups.

Should risks other than the aforementioned risks be recognized, business transactions will be temporarily suspended, or the continuation of transactions will be reevaluated by the results of a site survey.

During the evaluation period, no EDD was implemented and there were no suppliers whose transactions were terminated.

See the integrated report for an overview of the businesses operated by our corporate group, its strategies, and the corporate value creation plan.

https://www.mitsui-kinzoku.com/en/toushi/lib/integrated_report/

Supply chain officer responsible for this report	Yoshihiro Mine, General Manager, Engineering Supervising Dept 
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