

Due Diligence Report
<OECD Due Diligence Guidance for Responsible Supply Chains of
Minerals from Conflict -Affected and High-Risk Areas>

Jan, 2024

Mitsui Mining & Smelting Co., Ltd.

PVD materials Division

Planning Department

1. Corporate Profile

Mitsui Mining & Smelting Co., Ltd. is a worldwide leading smelter of high purity Tin as well as Tin Oxide. Its production facility is located at 1-5-1 Shiomachi, Takehara City, Hiroshima Prefecture, Japan. This report covers the period from January 1st, 2023, to December 31st, 2023.

2. RMAP (Responsible Mineral Assurance Program) Assessment Summary

RMI will conduct assessment to verify our conformance of RMAP on 8th and 9th of Feb 2024. Assessment period is January 1st, 2023 to December 31st, 2023. Assessment result shall be publicly available through the link.

(<https://www.mitsui-kinzoku.co.jp/project/hakumaku/corporate/>)

3. Company Supply Chain Policy

Mitsui Kinzoku Group promotes responsible minerals sourcing. As a company in the minerals supply chain, we are aware of the possibility that risks in the supply chain related to minerals sourcing could affect the business of our Group.

The scope of target risks is expanding, target areas are widening to CAHRAs*¹ and other minerals are included as target minerals. In order to address such emerging demands, Mitsui Kinzoku Group has established an inclusive policy for responsible minerals sourcing. As a result of the enforcement of Regulation (EU) 2017/821, our responsible minerals sourcing policy has been updated accordingly in February 2021.

* 1 Conflict Affected High-Risk Areas

With regard to minerals sourcing, Mitsui Kinzoku Group fulfills its corporate social responsibility in its mineral supply chain in compliance with applicable laws and regulations and in accordance with standards and guidance of international initiatives such as RMI*², LBMA*³ and LME*⁴.

Regarding the covered minerals originating in Conflict Affected High-Risk Areas (CAHRAs), Mitsui Kinzoku Group does not use minerals involving any injustices specified in paragraph 1-14 of Annex II of "the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas".

Mitsui Kinzoku Group identifies CAHRAs according to three categories as below:

1. Countries and/or areas in the CAHRAs list based on REGULATION (EU) 2017/821 that is released by the Europe

Commission

2. The Democratic Republic of the Congo (DRC) and its nine adjoining countries as defined in Section 1502 of the Dodd Frank Act

3. Countries and/or areas other than the above-mentioned that are identified by Mitsui Kinzoku Group referring to the requirements of the international initiatives.

*2 Responsible Minerals Initiative

*3 London Bullion Market Association

*4 London Metal Exchange

In addition, we identify Tin, Tantalum, Tungsten, Gold, Silver, Zinc, Lead and Copper as the covered minerals. We will appropriately review the covered minerals in line with the international initiatives.

Along with the standards and guidance of the international initiatives Mitsui Kinzoku Group properly conducts supply chain due diligence for the covered minerals and discloses related information according to requests from stakeholders including customers.

(Supply Chain Management website page: <https://www.mitsui-kinzoku.com/csr/society/supplychain/>)

4. Company Management System

Mitsui Kinzoku Group has established a supply chain management system by appointing the executive officer in charge of procurement as the chief supply chain officer. Mitsui Kinzoku Group has organized a the Supply Chain Committee chaired by the Chief Supply Chain Officer, and includes members selected from each business division. The Supply Chain Committee oversees and manages the Group's supply chain initiatives, including responsible mineral procurement.

CSR procurement promotion committee has been formed, playing a role of supervising due diligence activities of business sectors. Planning Department, under PVD materials Sector, is a member of CSR procurement promotion committee.

Management system of PVD materials Sector including Planning Department and Takehara PVD materials Plant has been established adjusting to various surroundings. In addition, General Manager of Planning Department is responsible for establishing a risk assessment system of supply chain for Tin raw material. Besides, we have opened a website for inquiries and complaints from suppliers, customers and people involved to reflect it to our management system.

(Environmental and Social Risks Consultation Desk <https://www.mitsui-kinzoku.com/en/contact/>)

Regarding due diligence activity, the Planning Department has appointed persons in charge to undergo training programs more than once per year for the purpose of improving the quality of due diligence. "The Integrated Report", listed on our website, covers due diligence activities in our company on annual basis.

5. Management System of materials

In terms of our supply chain management system of materials, our due diligence program has been properly implemented in compliance to the international guidance as well as the initiatives such as OECD and RMI. To identify the origin of materials, we investigate Certificates of origin and other relevant documents before signing contracts. This procedure enables us to determine whether traceability of transaction is sufficiently satisfied or not. In case there is a gap between supplier's management system and ours, we will pursue to communicate and agree with the most practical and sustainable way for each other.

In case we have any requests or complains from suppliers, we will carefully handle the issue, supported by professional aspects of our internal legal department as needed.

6. Record Keeping System

Documents and data related to management system have been stored in our internal data base protected by security. It is determined to store five years by our company standard.

7. Risk Assessment·Evaluation·Mitigation

We identified CAHRAs for our business by following our procedures and utilizing multiple resources below which provide a wide variety of information with regular updates.

(Sources used for CAHRAs identification)

- 1) Global Crisis Severity Index
- 2) Heidelberg Conflict Barometer
- 3) Corruption Perceptions Index

As for CAHRAs identification procedure, we conduct a primary evaluation to compare our own standard with the results of multiple resources including references such as OECD and RMI. Furthermore, a secondary evaluation shall be carried out with our KYC (KYC=Know Your Counterparty) system to identify Red Flags, support status of EITI*⁵ Standards and other risks. As a result of the secondary evaluation, additional due diligence program should be implemented depending on the situation. As a result of the risk analysis and evaluation, there is no critical risk.

*5 EITI=Extractive Industries Transparency Initiative