

Strengthening Corporate Governance

Definitions of Skills in Skill Matrix and Reasons for Selection

| Item | Definition | Reason for selection |
|--|---|--|
| Corporate Management, Business Strategy, and Sustainability | <ul style="list-style-type: none"> • Experience as representative director of Group company or listed company outside of Group • Abundant experience in business planning or promotion of sustainability | The Company aims to balance both enhancement of its corporate value and contribution to development of a sustainable society, and in order to realize them, the Company sets out evolution of our recycling-oriented business model and further implementation of sustainability management in Medium-term Plan 2027. For the implementation of the abovementioned matters, both in-depth understanding and ability in all aspects of corporate management are necessary, including ability to formulate and promote business strategy and knowledge on sustainability management. |
| Global Mindset | <ul style="list-style-type: none"> • Experience as representative or executive of overseas office such as overseas affiliated company • Abundant experience in overseas business • High-level global knowledge such as overseas academic experience and international legal practice | Medium-term Plan 2027 prescribes a policy to develop a global strategy in each business. In a business environment that is becoming globalized, it is necessary to have a deep understanding on international activities in order for the Company to increase its competitiveness and to further grow and expand its business. |
| Sales and Marketing | <ul style="list-style-type: none"> • Abundant experience in work relating to sales and marketing in the business departments | In order to achieve the evolution of our recycling-oriented business model in a business environment that is rapidly changing, it is necessary to have abundant experience in all aspects of sales activities in order to accurately grasp market trends and to be able to make proposals for product development and to devise sales strategies based on those market trends. |
| Research & Development, Production, and DX | <ul style="list-style-type: none"> • Abundant experience in research & development • Abundant experience in manufacturing departments • Abundant experience in use of digital transformation | In order to promote the business plan set out in Medium-term Plan 2027, it is necessary to streamline and re-engineer business processes and to develop new products and processes that have not existed in the past by using digital tools, AI, and IoT. To do so, in-depth knowledge on businesses such as research, production, and systems are indispensable. |
| Safety & Health and Environment | <ul style="list-style-type: none"> • Abundant experience in health & safety work • Abundant experience in environmental conservation work or in-depth academic experience in environmental policy | The Company sets out “environmental conservation” and “ensuring occupational safety and health” as a part of our materiality. In order to improve our work environment by preventing the occurrence of any accidents or disasters while reducing environmental impact relating to operations, it is necessary to have expert knowledge and abundant experience in safety & health and environmental conservation. |
| Financial Affairs, Accounting, and Finance | <ul style="list-style-type: none"> • In-depth experience in financial affairs and accounting | Knowledge and experience in financial affairs and accounting are indispensable elements for our supervisory function to supervise business execution. Furthermore, in order to enhance sustainable corporate value, it is important to conduct management by paying attention to appropriate capital allocation and capital efficiency, and in-depth knowledge based on experience in financial affairs and accounting is required. |
| Human Resources, Organization, and Human Resources Development | <ul style="list-style-type: none"> • Extensive experience relating to human resources, organization, and human resource development • High-level expertise on labor law | The Company views “development of an organization that continues to grow” as indispensable to achieve the mission and vision of the Company, and the Company designated “enhancing human capital” as a materiality item in Medium-term Plan 2027. In order to resolve this issue, it is indispensable to have expert knowledge on labor law and knowledge on human resource-related work. |
| Legal Affairs and Risk Management | <ul style="list-style-type: none"> • Extensive knowledge relating to legal affairs and risk management • High-level expertise on legal practice, etc. | Medium-term Plan 2027 sets out “strengthening corporate governance” and “promoting risk management” as materiality. To promote these, it is necessary to have abundant experience at an organization responsible for legal affairs and risk management and high-level expert knowledge on relevant laws. |

Reasons for Selection and Roles Expected of Outside Officers

| Category | Name | Reason for Selection |
|-------------------|--------------------------|--|
| Outside directors | KOIZUMI Yoshiko | As a lawyer, Ms. KOIZUMI Yoshiko has been deeply involved in corporate legal matters and overseas transactions for many years and has also been active as an executive officer and Chair of the Women Business Lawyers Committee of the Inter-Pacific Bar Association. We judge that her knowledge and experience cultivated through such a wide range of activities can be expected to make a significant contribution to the promotion of our business, including compliance. |
| | SATO Kimio | Mr. SATO Kimio has demonstrated his skills at Nittetsu Mining Co., Ltd. in the sales sector for a number of years and served as Representative Director and President of Nittetsu Mining Co., Ltd. after serving in important positions. We judge that he can be expected to make a significant contribution by providing useful opinions and guidance on our future business operations based on his experience as a representative of a company outside the Group. |
| | SHIBAYAMA Atsushi | Mr. SHIBAYAMA Atsushi has continuously been studying international resource sciences including resources processing and recycling at Akita University. He also has extensive experience engaging in activities overseas including onsite study of local research laboratories and mines/smelters in resource-rich countries. We judge that we can expect him to make a significant contribution to the management of the Company by providing opinions and advice on the entire business of the Company, both domestic and overseas, including recycling and smelting, based on his career as described above. |
| | YAMAGUCHI Junko | Ms. YAMAGUCHI Junko served as an Audit & Supervisory Board Member of NTT EAST-MINAMIKANTO CORPORATION and Outside Director of Nippon Soda Co., Ltd. after being active in various types of positions at Nippon Telegraph and Telephone Corporation including HR, public relations, and sales. We judge that we can expect her to realize further innovations by bringing in a new set of values to the management of the Company through her opinions and advice based on her wide range of experience gained from various types of business. |
| Outside auditors | TSUTSUMI Azusa | Ms. TSUTSUMI Azusa has been engaged in accounting audits and accounting consulting at KPMG AZSA LLC for many years and has a high level of expertise in finance/accounting and internal controls. We judge that based on such experience, we can expect her to further strengthen the governance and compliance of the Company by taking important roles, especially in auditing from an accounting perspective. |
| | OBA Koichiro | Mr. OBA Koichiro has deep knowledge on compliance and governance due to his involvement in corporate legal affairs for many years as a lawyer. He also has experience as an outside director of other companies. We believe that he is suitable as an Outside Audit & Supervisory Board member because the ability to audit from the viewpoints of both law and management is very important in terms of business management of the Company. |
| | KOMURO Shingo | Mr. KOMURO Shingo has a wide range of experience, including engaging in finance/accounting work and business planning for many years, working in overseas offices, and being representative director of companies. He is able to audit the Company from various aspects based on the knowledge that he gained through such experience and we can expect him to play a very large role in the promotion of Company’s future business. |