

LBMA Responsible Gold and Silver Guidance Compliance Report

The LBMA Responsible Gold Guidance and LBMA Responsible Silver Guidance have been established for Good Delivery Refiners to adopt high standards of due diligence in order to combat systematic or widespread abuses of human rights, to avoid contributing to conflict, and to comply with high standards of anti-money laundering and combat terrorist financing practices.

This report summarises how Matsuda Sangyo Co., Ltd. (hereinafter referred to as “we”) has complied with the requirements of the LBMA Responsible Gold Guidance Version 9 and LBMA Responsible Silver Guidance Version 2.

Table 1: Refiner’s details


Refiner’s name	Matsuda Sangyo Co., Ltd.
Location	Shinjuku Nomura Bldg. 6th fl., 1-26-2, Nishi-Shinjuku, Shinjuku-ku, Tokyo, Japan
Reporting period	From 1 April 2024 to 31 March 2025
Date of report	27 June 2025
Senior management responsible for this report	 Takehiro Ueda Executive Officer

Table 2: Summary of activities undertaken to demonstrate compliance

Step 1: Establish strong company management systems

Compliance statement with requirement:

We have fully complied with Step 1: Establish strong company management systems.

1. Adoption of a company policy regarding due diligence for the supply chain of gold and silver

Comments and Demonstration of Compliance:

This report covers all divisions related to our precious metal recycling business, including our subsidiaries (Metals/Environment Sales Division and domestic sales offices, Metals/Environment International Business Division and its overseas subsidiaries, Japan Medical Technology Co., Ltd., Hokkaido Aoki Kagaku Co., Ltd., Precious Metals Recycling Division: Recycling Business Department, Precious Metals Recycling Department, Precise Treatment Department/Process Management Section, Environmental Solution Division: Solution Business Department, Precious Metals Material Division: Business Management Section, Production Control Division: Production Management Department, Bullion and Commodity Operations Department, and Quality Assurance Department).

In April 2014, we developed the “Management Policy for Conflict Minerals,” which was consistent with the Model Policy set forth in Annex II of the OECD Due Diligence Guidance. In July 2019, we established the “Policy for Responsible Management of Precious Metals” (hereinafter referred to as “the Company Policy”) to replace the “Management Policy for Conflict Materials,” and added silver, platinum, and palladium to the scope of application of the policy. In December 2020, revisions were made to the Company

Policy for the following purposes: (1) add a description about environmental and sustainability responsibilities; (2) expand the range of responses to high risk assessments; and (3) clarify how transactions are monitored. Furthermore, the December 2022 revision added a description of sustainability responsibilities, including ESG elements, and a description defining, as high risk, a business partner with any of the risks specified in Annex II of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or with the risk of having an adverse impact on ESG factors.

The Company Policy has been established and revised with the approval of the Board of Directors. This policy is reviewed annually and revised in response to changes in the external environment surrounding us, and in response to changes in the requirements of the LBMA Responsible Gold Guidance and LBMA Responsible Silver Guidance. This policy is published in Japanese and English on our website, and all relevant employees are notified when the policy is revised. Interested parties such as business partners are notified of revisions by e-mail or postal mail, or directly by our sales representatives during visits, and their consent is obtained in writing.

(Policy for Responsible Management of Precious Metals: <https://www.matsuda-sangyo.co.jp/en/policy/conflictminerals.html>)

2. Setting up of an internal management structure to support supply chain due diligence

Comments and Demonstration of Compliance:

We have established a due diligence management system for the gold and silver supply chain, under our “Management Procedure for Sourcing Responsible Precious Metals” (established in 2014, last revised in March 2025). The Board of Directors is responsible for the decision-making and oversight of important matters, while the Executive Officer in charge of the Bullion and Commodity Operations Department is designated as the Compliance Officer, and the Bullion and Commodity Operations Department is designated as the Promotion Secretariat. The Board of Directors includes officers in charge of the division that manages due diligence and officers in charge of the Bullion and Commodity Operations Department, which oversees the due diligence status. Board members are trained internally to effectively supervise responsible precious metal procurement. The Compliance Officer has both the responsibility and authority over the implementation of supply chain due diligence and shall conduct management reviews at the Board of Directors. Due diligence is conducted by the Metals/Environment Sales Division, Metals/Environment International Business Division, the Precious Metals Recycling Business Division, the Environmental Solution Division, and related subsidiaries. Monitoring is conducted by the Bullion and Commodity Operations Department.

During the reporting period, training on responsible precious metal management was provided to newly assigned employees of the relevant divisions and new national staff of overseas subsidiaries. After the training was completed, their level of understanding was tested, with a passing score of 4 correct answers out of 5. If an employee failed, they were required to take the test again until they passed, with the final goal of all applicable employees passing. 111 employees received training during the reporting period. No internal sanctions or penalties were imposed on the due diligence process during the reporting period.

In principle, payment to the supplier is made by remittance to the bank account. When a cash transaction exceeding \$10,000 excluding taxes occurs, the ID of the payee is obtained in advance (a corporate register (certificate of complete historical records)) for a corporation, or an official photo ID for an individual) and each transaction is executed with the approval of the Compliance Officer. The ID obtained is stored by the Sales Division in charge in accordance with the internal rules for handling personal information. At the time of payment, receipts are received from the supplier and shared with the Promotion Secretariat. During the reporting period, there were two transactions of cash payments exceeding the threshold amount in relation to the procurement of precious metals raw materials, but both payments were made in accordance with the abovementioned rules. No cash transactions were made in relation to

the sale of precious metal products.

3. Establishment of a strong internal system of due diligence, controls, and transparency over the gold and silver supply chain, including traceability and identification of other supply chain actors

Comments and Demonstration of Compliance:

We use proprietary computerised systems to ensure traceability and identify precious metal raw materials and their upstream supply chains. Records related to supply chain due diligence as specified in the "Management Procedure for Sourcing Responsible Precious Metals" are retained for more than five years. We identify all suppliers of precious metals up to the country of shipment and the transportation route by identifying the suppliers up to the country of origin and the transportation route from the suppliers to our factories, based on contracts with precious metal supply sources (of the Company and our subsidiaries), invoices, packing lists and airway bills. At the time of acceptance of raw materials for precious metals at each factory, the name of the supplier, name of raw materials for precious metals, date of raw materials collection, weight, etc. are obtained from the Sales Division (Shipping Statement, Precision Cleaning Checklist), and this information is then registered in the system. After the completion of refining, the final shipping destination of the precious metals contained in each raw material is also managed through the Product Account Book.

When any issue in relation to the identification of suppliers of precious metals, the country of shipment or the traceability, or any other high-risk finding is identified, the Compliance Officer must be informed of it immediately, who then instructs suspension of businesses with suppliers and/or processing of raw materials accepted, until the doubt is resolved at the discretion of the Board of Directors or until the risk management strategy for the finding is determined.

There were no high-risk findings identified in the compliance checks conducted during the reporting period.

The Compliance Officer shall cooperate with requests from suppliers for the establishment of mechanisms or implementation of improvements related to supply chain due diligence, if any. However, no such requests were received during the reporting period.

4. Strengthening engagement with gold and silver supplying counterparties, and where possible, assisting gold and silver supplying counterparties in building due diligence capabilities

Comments and Demonstration of Compliance:

In March 2025, the "Management Procedure for Sourcing Responsible Precious Metals" was revised. It defines the period for obtaining written consent from existing suppliers when a revision is made to the Policy for Responsible Management of Precious Metals. It stipulates that written consent must be received by the end of the fiscal year following the year in which revision is implemented. Note that we do not procure any mined gold or mined silver.

5. Implementing a confidential grievance mechanism

Comments and Demonstration of Compliance:

On 1 July 2020, we revised our whistle-blowing management regulations, comprising the Compliance Rules and related regulations, to create a company-wide whistle-blowing system that allows whistle-blowers to report to the Compliance Officer and Senior Management any concerns or potential issues that are relevant to the gold and silver supply chain. Internal parties have access to a whistle-blowing system operated by an external vendor, while external parties have access to our website so that whistle-blowing can be implemented, and both internal and external parties have the option of reporting anonymously. The Legal Department is in charge of this whistle-blowing system, and the Legal Department regularly examines the status of use of the whistle-blowing system to

improve its appropriateness, neutrality, fairness, and effectiveness. In addition, the Legal Department shall notify those who have reported through the whistle-blowing system of the investigation results of violations, corrective measures, and prevention of recurrence to the extent appropriate, while giving due consideration to the honour and privacy of the persons involved in the investigation. Information obtained through the whistle-blowing system shall be handled by limiting the scope to the minimum necessary for internal reporting processing, and anonymity shall be ensured, unless the contact user expressly agrees in advance. Additionally, harassment or any form of disadvantageous treatment against whistle-blowers due to their use of the system is strictly prohibited. During the reporting period, there were no whistle-blowing reports on the responsible procurement of precious metals, and there were no whistle-blowing reports that have not been addressed.

(External whistle-blowing hotline: https://www.matsuda-sangyo.co.jp/en/external_contact/contact6.html)

Step 2: Identify and assess risks in the supply chain

Compliance statement with requirement:

We have fully complied with Step 2: Identify and assess risks in the supply chain.

1. Process to identify risks in the supply chain

Comments and Demonstration of Compliance:

We procure precious metals from manufacturers of electrical and electronic components and jewellery, jewellery purchasers, dental clinics, and dental laboratories. The division in charge of these precious metal raw materials and product procurement operations conducts risk assessments of suppliers to identify high-risk supply chains. Risk assessment is conducted according to standards set corresponding to the responses (Yes, No, or N/A) to questions in the questionnaire. Pursuant to internal regulations, sole proprietors are required to submit official identification cards and "Business Partner Registration Cards" and conclude basic sales contracts and memorandums of understanding concerning the elimination of gold smuggling and anti-social forces. Risks are assessed with reference to our "Evaluation Criteria for Procurement of Precious Metals from Individuals and Individual Business Operators". If submission of documents is refused by the supplier, if the beneficial owner of a supplier is found to be a business partner who migrates to or is located in a specific country, or if it has been confirmed that the beneficial owner of the counterparty is a PEP, then the supplier is considered to be high risk.

For other entities supplying gold and silver, we investigate risks, in terms of CAHRAs, compliance violation related to environment and sustainability, at the origins of the precious metal raw materials we purchase, and risks at points in the precious metal supply chain, including intermediaries of precious metal raw materials and/or our subsidiaries performing intermediate processing of precious metals. We also request our suppliers to complete a questionnaire we have prepared in line with the LBMA KYC Toolkit and perform a risk assessment based on the information provided, in accordance with our "Precious Metal Supply Chain Risk Assessment Procedures." When it is possible to complete all or part of the questionnaire based on reliable sources of information, we occasionally complete the questionnaire on behalf of the supplier.

The criteria for risk assessment shall be as follows.

- (1) Whether responses to the questionnaire have been obtained and descriptions in it are sufficient;
- (2) Whether officers, major shareholders and/or owners who do not participate in the management of the supplier are PEPs;
and,
- (3) Whether the business operations of the supplier include arms, games and casinos, antiques and art, or religious relations

(hereinafter referred to as "high-risk business activities").

The overall risk assessment is conducted by the Promotion Secretariat, the members of which are trained in advance in accordance with the "Precious Metal Supply Chain Risk Assessment Procedures." The results of the evaluation are reviewed by other Promotion Secretariat members and finally approved by the Manager of the Bullion and Commodity Operations Department. The results of the assessment are reflected in the DD Implementation Control Sheet, and if no issues are found, the transaction is approved by entering "no risk." If due diligence cannot be completed because some of the questions have not been answered, the DD Implementation Control Sheet indicates which items should be reconfirmed, and the person in charge of sales reconfirms those items.

We have implemented measures to ensure that processing is not started at factories for precious metal raw materials obtained from suppliers that have not completed their due diligence. From May 2024, the Promotion Secretariat has changed the frequency of comparing the actual transaction data with the due diligence implementation data from monthly to weekly. In addition, the Sales Division has set out that Shipping Statements submitted when delivering precious metal raw materials to factories must specify whether or not due diligence of the supplier of said materials has been completed, and the Factory Accepting Division has set out that factories must stop accepting precious metal raw materials for which due diligence cannot be confirmed. Furthermore, the Production Division performs daily checks on whether due diligence of suppliers of stock precious metal raw materials at factories has been completed, and if it finds any stock materials that have been received from suppliers that have not completed due diligence, it contacts the Promotion Secretariat, which then implements measures to prevent said materials from being accepted for the next stage of processing until due diligence has been completed. These operational changes have been reflected in the "Management Procedure for Sourcing Responsible Precious Metals," revised in September 2024. As a result, there have been no reports that materials obtained from suppliers who have not completed due diligence have been processed at factories during the reporting period.

2. Risk assessment against the standards of the due diligence system

Comments and Demonstration of Compliance:

The degree of risk is divided into "zero tolerance," "high risk," and "no risk" as the overall risk assessment for suppliers of precious metal raw materials. The Company rates supply chains for which one or more of the following is applicable, as "zero tolerance".

- (1) Recycled precious metals are known to be procured in breach of international sanctions (including, but not limited to, UN, EU, UK, and U.S. sanctions).
- (2) Recycled precious metals supplying counterparties, other known upstream companies, or their Ultimate Beneficial Owners (UBOs), are known as money launderers, fraudsters, or terrorists, or are implicitly involved in serious human rights violations or in direct or indirect support to illegitimate non-state armed groups.

Supply chains for which one or more of the following is applicable are rated as "high risk".

- (3) Recycled precious metals originate from a CAHRA, pass through a CAHRA, or are transported via a CAHRA.
- (4) Recycled precious metals are claimed to originate from a country through which recycled precious metals from CAHRAs are known, or reasonably suspected, to transit, and/or are unjustifiably claimed to have originated from a country that has limited exports of recycled precious metals.
- (5) Recycled precious metals supplying counterparties operate in countries with a high risk of money laundering.

- (6) Recycled precious metals supplying counterparties have shareholders, UBOs, or other precious metal-supplying interests in one of the location-based high-risk criteria.
- (7) Recycled precious metals supplying counterparties have UBOs who are Politically Exposed Persons (PEPs).
- (8) Recycled precious metals supplying counterparties carry out higher-risk business activities such as weapons, games and casino industries, antiques and arts, and activities by religions and their leaders.
- (9) Recycled precious metals supplying counterparties have been known to have sourced precious metals from a high-risk country in the last 12 months.
- (10) There is a significant unexplained geographic routing in the supply chain from the supplier and trading counterparties.
- (11) Recycled precious metals are from an Intermediate Refinery or trader with a high-risk supply chain or a trading counterparty sourcing from an Intermediate Refinery with a high-risk supply chain.

No supplier was identified as zero tolerance in the reporting period, and therefore there was no termination of transactions.

No supplier was identified as high risk in the reporting period, and therefore no site visits or risk mitigation measures were implemented for suppliers. When due diligence was not completed due to some questions having not been answered by a supplier, we carried out due diligence by completing the KYC questionnaire by asking the questions directly to the supplier or collecting information on our end.

We have prepared our CAHRAs list based on the regions listed in the following information sources, and used our list as material for risk assessment.

- Sanctions lists (US, UK, EU, UN, and relevant sanctions lists)
- Dodd-Frank s. 1502
- EU CAHRA list
- Heidelberg Barometer
- Fragile States Index or equivalent
- UN Human Rights Office of the High Commissioner or equivalent
- Reports (including relevant country reports) by the Financial Action Task Force (FATF)
- Credible market intelligence on high-risk gold centres/transit hubs and on countries where there is a high risk of money laundering.

The following sections of the LBMA Responsible Sourcing Newsletter or regions included in the links are also used as references.

- Latest Responsible Sourcing News
- Latest ASM News
- Latest ESG News

As of the end of the reporting period, 349 regions have been identified as our CAHRAs.

3. Undertake Enhanced Due Diligence (EDD) measures for identified high-risk supply chains

The “Management Procedure for Sourcing Responsible Precious Metals” and the “Precious Metal Supply Chain Risk Assessment Procedures” stipulate the following procedures for implementing Enhanced Due Diligence (EDD) for identified high-risk supply chains.

- Visit the supplier to check whether any high risks have been determined, using the check sheet for the site visit.

- Conduct a site visit before the transaction occurs or at least within six months of the commencement of the business relationship.
- Employees with competence or independent third-party consultants who have no conflict of interest with the supplier shall perform a site visit. Everyone who makes a site visit must commit to reporting sincerely and accurately.
- Where applicable, consult relevant internal and external stakeholders (e.g. local or central authorities, upstream enterprises, international or civil society organizations, or affected third parties).
- Complete and accurate document findings in the site visit check sheet. Need to state the reasons for the choice in the case of choosing not to use the template.
- Follow up according to the number and severity of problems identified and documented in the improvement plan.
- If identified as risk-free, the results of the supply chain due diligence shall be "No risk".
- If identified as high risk, the business relationship with the supplier shall be determined by the Board of Directors.

None of the suppliers were identified as high risk requiring EDD during the reporting period.

We shall renew risk assessment within one year from the completion date of risk mitigation measures for high-risk supply chains and every three years for other supply chains. We assess risks of those suppliers that meet the following criteria without sending a questionnaire.

- Corporation listed on the Tokyo Stock Exchange or other major stock exchanges worldwide that disclose their policies for responsible supply chains of minerals consistent with the OECD Due Diligence Guidance.
- Corporations more than 50% owned by the abovementioned corporations.
- Medical corporations or dental clinics supplying only precious metals derived from waste dental materials (dental alloys and their removal crowns) specified in the Pharmaceuticals and Medical Devices Act.

Step 3: Design and implement a management system to respond to identified risks

Compliance statement with requirement:

We have fully complied with Step 3: Design and implement a management system to respond to identified risks.

1. Strategy for risk management of an identified risk by either (i) mitigation of the risk while continuing to trade, (ii) mitigation of the risk while suspending trade, or (iii) disengagement from the risk.

Comments and Demonstration of Compliance:

The "Precious Metal Supply Chain Risk Assessment Procedures" stipulate the EDD implementation procedures for specified high risk supply chains as follows:

Type of risk	Degree	Policy for response
<ul style="list-style-type: none"> • Money laundering • Terrorism financing • Serious human rights violation • Direct or indirect support to illegitimate non-state armed groups • Fraudulent misrepresentation of the origin of minerals 	Determined that there is a known instance	Immediately stop refining of the precious metal raw materials provided through the supply chain in question
<ul style="list-style-type: none"> • Money laundering • Terrorism financing • Serious human rights violation • Direct or indirect support to illegitimate non-state armed groups 	Determined that there is a founded suspicion	Temporarily suspend the refining of the precious metal raw materials provided until the results of enhanced due diligence or additional information or data to deny this determination are obtained

<ul style="list-style-type: none"> • Fraudulent misrepresentation of the origin of minerals 		
<ul style="list-style-type: none"> • Catastrophic ESG impacts 	Determined that there are reported	Temporarily suspend the refining of the precious metal raw materials provided until the results of enhanced due diligence or additional information or data to deny this determination are obtained
<ul style="list-style-type: none"> • Insufficient due diligence • Bribery • Non-fraudulent misrepresentation of the origin of minerals • Non-compliance with taxes, fees and royalties due to government • Material breaches of environmental, health, safety, labour and community-related local legislation, and/or ESG risks that have the high likelihood to result in highly adverse impacts. 	Determined that there is a known instance	Refining of precious metal raw materials can be continued by requiring the supplier to adopt risk mitigation measures that clearly define the following improvement targets: <ul style="list-style-type: none"> • Reflect our opinions and involvement • Clearly documented, including performance objectives and/or quantitative and/or qualitative performance metrics • Be approved by Compliance officers and/or the Board of Directors

If any precious metal raw materials are known to be sourced in breach of international sanctions, or a precious metal raw materials supplying counterparty, other known upstream companies or their UBOs are known money launderers, fraudsters, or terrorists, or have been implicit in serious human rights abuses, or in direct or indirect support of illegitimate non-state armed groups, the supply chain is deemed to be "zero tolerance" and the business relationship shall be terminated immediately.

The number of suppliers subject to due diligence was 437, and no suppliers were required to adopt an improvement plan or which we terminated the business relationship with during the reporting year.

The Compliance Officer reports to the Board of Directors any suppliers identified as high risk, and the Board of Directors determines whether to terminate, suspend, or continue business with an improvement plan. If the continuation of a transaction is decided after the implementation of an improvement plan, the Compliance Officer shall submit a report on the progress and effectiveness of the improvement plan to the Board of Directors, assess whether a risk reassessment is to be carried out when the risk mitigation plan is completed, and obtain the approval of the Board of Directors.

2. Management strategy of risk mitigation that includes measurable steps to be taken and achieved, monitoring of performance, periodic reassessment of risk and regular reporting to designated senior management.

Comments and Demonstration of Compliance:

We cooperate appropriately with the administrative authorities in accordance with our internal regulations. There were no requests for cooperation from the administrative authorities, and there were no purchases of gold and silver-bearing raw materials from state-owned companies operating in EITI countries for fiscal 2024.

3. Reporting of risk assessment to the designated manager

Comments and Demonstration of Compliance:

The Compliance Officer reported the results of the risk assessment within the reporting period at a Board of Directors meeting, and informed the Board that no supplier was judged to have a high risk within the reporting period that required the determination of continuation of the business relationship.

Step 4: Arrange for an independent third-party audit of the supply chain due diligence

Compliance statement with requirement:

We have fully complied with Step 4: Arrange for an independent third-party audit of the supply chain due diligence.

Comments and Demonstration of Compliance:

We decided to engage KPMG AZSA Sustainability Co., Ltd., a third-party auditing firm with a thorough understanding of the nature of our business, to conduct an assurance engagement for this reporting period. The Board of Directors also approved the conclusion of the contract based on past performance. The Board of Directors is also responsible for ensuring the independence of the assurance provider by confirming that we have not procured any advisory services from KPMG AZSA Sustainability that could undermine the independence of its assurance services. The reasonable assurance report issued as a result thereof is attached to this compliance report. No high- or medium-risk deviations were identified for the reporting year.

Step 5: Report on supply chain due diligence

Compliance statement with requirement:

We have fully complied with Step 5: Report on supply chain due diligence.

Comments and Demonstration of Compliance:

We have submitted this Compliance Report containing the results for FY2024, the Countries of Origin Annexes, and the independent assurance report, to LBMA. The Compliance Report, together with our "Policy for Responsible Management of Precious Metals", is available on our website: <https://www.matsuda-sangyo.co.jp/en/policy/conflictminerals.html>.

Table 3: Management conclusion

Is the Refiner in compliance with the requirements of the LBMA Responsible Gold Guidance and LBMA Responsible Silver Guidance for the reporting period?

Yes

Comments and Demonstration of Compliance:

We have complied with the LBMA Guidance for the reporting period through effective control systems, procedures, processes, and implementation.

Table 4: Other report comments

If users of this report wish to provide any feedback to us with respect to this report, they can send an email to the following e-mail address: spma@matsuda-sangyo.co.jp



Independent Practitioner's Reasonable Assurance Report

To the Management of Matsuda Sangyo Co., Ltd.

Report on LBMA Responsible Gold and Silver Guidance Compliance Report (the "Compliance Report")

Opinion

We have performed a reasonable assurance engagement on whether Matsuda Sangyo Co., Ltd. (the "Company")'s Compliance Report for the year ended 31 March 2025 has been prepared in accordance with the requirements of the LBMA Responsible Gold Guidance Version 9 and the LBMA Responsible Silver Guidance Version 2 (the "Criteria").

In our opinion, the Company's Compliance Report for the year ended 31 March 2025 describes fairly the activities undertaken during the year to demonstrate compliance, and the management's overall conclusion contained therein is, in all material respects, in accordance with the Criteria.

Basis for opinion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board (IAASB) and the guidance set out in the LBMA Responsible Sourcing Programme - Third Party Audit Guidance ("the Audit Guidance"). Our responsibilities under these are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities for the Compliance Report

Management of the Company are responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Compliance Report that is free from material misstatement, whether due to fraud or error;
- selecting suitable criteria for preparing the Compliance Report and appropriately referring to the criteria used; and
- preparing the Compliance Report in accordance with the Criteria.

Inherent limitations in preparing the Compliance Report

Non-financial information, such as that included in the Company's Compliance Report, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the subject matter and the methods used for determining such information. The methods used by Refiners to comply with the Criteria may differ. It is important to read the Company's Policy for Responsible Management of Precious Metals available on the Company's website: <https://www.matsuda-sangyo.co.jp/en/policy/conflictminerals.html>.



Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain reasonable assurance about whether the Compliance Report is free from material misstatement, whether due to fraud or error;
- forming an independent opinion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our opinion to the management.

Summary of the work we performed as the basis for our opinion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Compliance Report that is sufficient and appropriate to provide a basis for our opinion. The nature, timing, and extent of the procedures selected depended on our judgment, including an assessment of the risks of material misstatement of the Compliance Report, whether due to fraud or error. We identified and assessed the risks of material misstatement through understanding the Compliance Report and the engagement circumstances. We also obtained an understanding of the internal control relevant to the Compliance Report in order to design procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of internal controls. In carrying out our engagement, we:

- evaluated the suitability in the circumstances of the Company's use of the criteria for determining the compliance with each step;
- evaluated the appropriateness of the policies and procedures used by the Company; and
- evaluated the overall presentation of the information presented in the Compliance Report.

A handwritten signature in black ink, appearing to read 'Kazuhiko Saito'.

Kazuhiko Saito, Engagement Partner

KPMG AZSA Sustainability Co., Ltd.

Tokyo Office, Japan

27 June 2025