

This is an unofficial translation of the Japanese language original.

Securities Code No. 5713

June 3, 2021

To our shareholders

11-3, Shimbashi 5-chome, Minato-ku, Tokyo

Sumitomo Metal Mining Co., Ltd.

Akira Nozaki, Representative Director and President

Convocation Notice of the 96th Ordinary General Meeting of Shareholders

Sumitomo Metal Mining Co., Ltd. (the “Company”) hereby gives notice of the 96th Ordinary General Meeting of Shareholders (the “Meeting”) as outlined below.

Recently, due to the pandemic of Coronavirus disease (COVID-19), the situation that we should refrain from going out unnecessarily and urgently continues.

As a result of careful consideration to this situation, we decided to hold the Meeting while taking appropriate infection control measures.

Considering this situation, in order to prevent the spread of infection, we request you to refrain from attending the Meeting on this day regardless of your health condition.

You may vote in writing or by an electromagnetic method (via the Internet, etc.), so we cordially request that you examine the attached Reference Documents for Shareholders Meeting and exercise your voting rights no later than 5:00pm (Japan Time) on Thursday, June 24, 2021.

1. Date and Time: June 25, 2021 (Friday) at 10:00am (Japan Time)

2. Place: Conrad Tokyo, Kazanami (Annex, 2F)

9-1, Higashishimbashi 1-chome Minato-ku, Tokyo, Japan

* At the Meeting, the number of seats available are limited, as the seats are placed apart in order to prevent the infection. Therefore, even if you attend the Meeting on this day, there may be restrictions on admission. We appreciate your understanding.

3. Agenda:

Matters for Report on the contents of the Business Report, the Consolidated Financial Reporting Statements and the Non-Consolidated Financial Statements for the 96th business year (April 1, 2020 – March 31, 2021) and the results of audits of the Consolidated Financial Statements for the 95th business year by the Accounting Auditor and the Audit & Supervisory Board

Matters for Proposal No.1: Appropriation of Surplus

Resolution	Proposal No.2: Amendment of the Articles of Incorporation
	Proposal No.3: Election of eight (8) Directors
	Proposal No.4: Election of two(2) Audit & Supervisory Board Members
	Proposal No.5: Election of one (1) substitute Audit & Supervisory Board Member
	Proposal No.6: Payment of bonuses to Directors

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- * Please note that the Place is different from last year.
 - * Notes on the development of systems necessary to ensure the properness of operations, notes on basic policies related to the way a person is to control the decisions on the financial and business policies of the company, notes on the Consolidated Financial Statements and Notes on the Non-Consolidated Financial Statements are posted on the Company's website (<https://www.smm.co.jp/>) in accordance with the law and the Company's Articles of Incorporation.
 - * If any amendments to the Shareholders' Meeting Reference Documents, the Business Report, the Consolidated Financial Statements or Non-Consolidated Financial Statements are made, the notification of the details shall be provided on the Company's website (<https://www.smm.co.jp/>).

Reference Documents for Shareholders Meeting

Proposals and Reference Matters

Proposal No.1: Appropriation of Surplus

The Company proposes that the appropriation of surplus be made in the following manner.

Matters regarding the year-end dividend

The appropriate return of profits to shareholders is one of the most important management issues of the Company.

Based on the Company's policy of aiming to achieve a consolidated dividend payout ratio of 35% or more, and in comprehensive consideration of factors such as future business development, financial soundness and financial performance in the 96th business year, the Company proposes to pay a year-end dividend of 99 yen per share as described below.

(1) The kind of the Dividend Property

Cash

(2) The matters regarding the allotment of the Dividend Property to shareholders and the total amount thereof

99 yen per share of common stock of the Company

The total amount: 27,202,754,304yen

(3) The day on which the distribution of dividend of surplus will take effect

June 28, 2021

<Reference> **The financial policy of the company and the changes in the dividend**

As our financial strategy in the 18 3-Yr Business Plan, we have the policy of maintaining a consolidated equity ratio above 50% while also having a consolidated dividend payout ratio of at least 35% based on operating performance, in order to sustain our sound financial standing.

	93 rd business year (Year ended March 31, 2018)	94 th business year (Year ended March 31, 2019)	95 th business year (Year ended March 31, 2020)	96 th business year (Year ended March 31, 2021)
Total dividend per share (Yen)	100	73	78	121(tentative)
Total dividend amount (Millions of yen)	27,513	20,060	21,433	33,248(tentative)
Consolidated dividend payout ratio (%)	30.1	30.0	35.4	35.1(tentative)
Consolidated Equity ratio / Equity attributable to owners of parent ratio (%)	61.0	58.3	58.3	59.1

(Notes)

(1) The Company implemented a consolidation of 2 shares of the Company's stock into 1 share, effective October 1, 2017.

(2) Total dividend per share shown in above table is calculated in the ratio of the consolidation of shares.

(3) Dividend payout ratio (Consolidated) and Consolidated Equity ratio of 93rd business year (Year ended March 31, 2018) are calculated in accordance with the Japanese generally accepted accounting principles. Dividend payout ratio (Consolidated) and Equity attributable to owners of parent ratio from 94th business year (Year ended March 31, 2019) are calculated in accordance with International Financial Reporting Standards.

(4) Total dividend per share, Total dividend amount and Consolidated dividend payout ratio of 96th business year shown in above table are calculated based on assumption that Proposal No.1 will be approved as proposed.

Proposal No.2: Amendment of the Articles of Incorporation

1. Reason for the amendments

From the view point of maintaining and strengthening the monitoring functions of the Board of Directors, Article 25 which provides that the President and Director, who is the officer having the ultimate responsibility for business execution, will automatically assume the chairmanship of the Board in the event that the Chairman of the Board is unable to act or no Chairman of the Board is appointed, shall be revised in order to secure flexibility in dealing with such situation.

To abolish the Adviser system from the perspective of strengthening corporate governance, Article 46 of the current Articles of Incorporation shall be deleted.

2. Details of the amendments

The proposed amendments are as follows:

(Amendments are underlined)

Current Articles of Incorporation	Proposed Amendment
<p>(Convener, chairman) Article 25. Meetings of the Board of Directors shall be convened by the Chairman of the Board who shall preside over the meetings. In case the Chairman of the Board is unable to act, or there is no Chairman of the Board, such chairmanship shall be assumed <u>by the President and Director and, if the President and Director is unable to act,</u> by another Director selected in accordance with the order predetermined by the Board of Directors.</p>	<p>(Convener, chairman) Article 25. Meetings of the Board of Directors shall be convened by the Chairman of the Board who shall preside over the meetings. In case the Chairman of the Board is unable to act, or there is no Chairman of the Board, such chairmanship shall be assumed by another Director selected in accordance with the order predetermined by the Board of Directors.</p>
<p style="text-align: center;"><u>Chapter VII. Advisers</u></p> <p>(Advisers) <u>Article 46. The Board of Directors may appoint by resolution one or more Advisers.</u></p> <p style="text-align: center;">Chapter <u>VIII.</u> Accounts Articles <u>47</u> to <u>50</u> (Omitted)</p>	<p style="text-align: center;">(Deleted)</p> <p style="text-align: center;">(Deleted)</p> <p style="text-align: center;">Chapter <u>VII.</u> Accounts Articles <u>46</u> to <u>49</u> (Unchanged)</p>

Proposal No.3: Election of eight (8) Directors

The terms of all Directors (eight (8) Directors) will expire at the close of the Meeting, therefore, the Company proposes the election of eight (8) Directors. When nominating the candidates for Directors, the Company received advice from the Governance Committee, which is comprised of the Chairman who is not an Executive Officer, and the Independent Outside Directors. The candidates for Directors are as follows.

No.	Name	Gender	Current Position	Attribute of the Candidate	Attendance of the Board of Directors meetings fiscal year ended March 31, 2021	Number of years in office of the Company as a Director
1	Yoshiaki Nakazato	Male	Representative Director Chairman	Reappointment	15 out of 15 (100%)	15years
2	Akira Nozaki	Male	Representative Director Officer President	Reappointment	15 out of 15 (100%)	7years
3	Nobuhiro Matsumoto	Male	Director Managing Executive Officer	Reappointment	15 out of 15 (100%)	2years
4	Toru Higo	Male	Director Executive Officer	Reappointment	11 out of 11 (100%)	1year
5	Takayuki Kanayama	Male	Executive Officer	New	-	-
6	Kazuhisa Nakano	Male	Independent Outside Director	Reappointment Outside Director Independent	15 out of 15 (100%)	5years
7	Taeko Ishii	Female	Independent Outside Director	Reappointment Outside Director Independent	15 out of 15 (100%)	3years
8	Manabu Kinoshita	Male	Independent Outside Director	Reappointment Outside Director Independent	11 out of 11 (100%)	1year

No.		Yoshiaki Nakazato	Reappointment
1		Date of Birth (Age)	May. 13, 1953 (68)
		Gender	Male
		Number of shares of the Company owned	25,900 Shares
		Number of years in office of the Company as Director	15 years
		Attendance of the Board of Directors meetings fiscal year ended March 31, 2021	15 out of 15 (100%)
Career summary, position and area of responsibility at the Company, and significant concurrent occupations or positions at other organizations			
<p>Apr. 1976 Joined the Company Jun. 2005 Executive Officer Jun. 2006 Director Jun. 2008 Managing Executive Officer General Manager of Advanced Materials Div. Oct. 2008 General Manager of Semiconductor Materials Div. Jun. 2009 Executive Officer General Manager of Advanced Materials Div. Jun. 2010 Managing Executive Officer Jun. 2012 Representative Director Senior Managing Executive Officer Jun. 2013 President and Representative Director Jun. 2018 Chairman (Present Position)</p>			
Reasons for his candidacy as Director			
<p>Mr. Yoshiaki Nakazato has served as President and Director for five years. Since June 2018, he has served as Chairman. He has been presented as a candidate for Director so that he may continue to utilize his knowledge and experience regarding the Company's entire business in strengthening the function of the Board of Directors.</p>			

No.		Akira Nozaki	Reappointment
2		Date of Birth (Age)	Jun. 20, 1960 (60)
		Gender	Male
		Number of shares of the Company owned	16,200 Shares
		Number of years in office of the Company as Director	7 years
		Attendance of the Board of Directors meetings fiscal year ended March 31, 2021	15 out of 15 (100%)
Career summary, position and area of responsibility at the Company, and significant concurrent occupations or positions at other organizations			
<p>Apr. 1984 Joined the Company</p> <p>Jun. 2013 Executive Officer Senior Deputy General Manager of Non-Ferrous Metals Div.</p> <p>Jun. 2014 Director General Manager of Corporate Planning Dept.</p> <p>Jun. 2015 General Manager of Non-Ferrous Metals Div.</p> <p>Jun. 2016 Managing Executive Officer</p> <p>Jun. 2018 Representative Director (Present Position) President and Representative Director (Present Position)</p>			
Reasons for his candidacy as Director			
<p>Since June 2018, Mr. Akira Nozaki has served as President and Director. He has been presented as a candidate for Director so that he may continue to utilize his knowledge and experience regarding the Company's entire business in strengthening the function of the Board of Directors.</p>			

No.		Nobuhiro Matsumoto	Reappointment
3		Date of Birth (Age)	Feb. 24, 1963 (58)
		Gender	Male
		Number of shares of the Company owned	4,700 Shares
		Number of years in office of the Company as Director	2 years
		Attendance of the Board of Directors meetings fiscal year ended March 31, 2021	15 out of 15 (100%)
Career summary, position and area of responsibility at the Company, and significant concurrent occupations or positions at other organizations			
<p>Apr. 1987 Joined the Company</p> <p>Apr. 2008 General Manager of Niihama Nickel Refinery, Non-Ferrous Metals Div.</p> <p>Jul. 2013 Administration Dept., Non-Ferrous Metals Div.</p> <p>Jun. 2014 General Manager of Administration Dept., Non-Ferrous Metals Div.</p> <p>Jun. 2016 Executive Officer Senior Deputy General Manager of Non-Ferrous Metals Div.</p> <p>Jun. 2018 General Manager of Non-Ferrous Metals Div.(Present Position)</p> <p>Jun. 2019 Director (Present Position)</p> <p>Jun.2020 Managing Executive Officer (Present Position)</p>			
<p>[Significant concurrent occupations or positions at other organizations]</p> <p>PT Vale Indonesia Tbk., Commissioner</p>			
Reasons for his candidacy as Director			
<p>Mr. Nobuhiro Matsumoto has abundant experience in Smelting & Refining Business as well as extensive knowledge regarding technology of Smelting & Refining Business. He has been presented as a candidate for Director so that he may continue to utilize his experience and knowledge in strengthening the function of the Board of Directors.</p>			

No.		Toru Higo	Reappointment	
4		Date of Birth (Age)	Nov. 1, 1961 (59)	
		Gender	Male	
		Number of shares of the Company owned	4,700 Shares	
		Number of years in office of the Company as Director	1 year	
		Attendance of the Board of Directors meetings fiscal year ended March 31, 2021	11 out of 11 (100%)	
		Career summary, position and area of responsibility at the Company, and significant concurrent occupations or positions at other organizations		
<p>Apr. 1986 Joined the Company</p> <p>Jul.2010 General Manager of Nickel Sales & Raw Materials Dept., Non-Ferrous Metals Div.</p> <p>Jul. 2014 General Manager of Copper & Precious Metals Raw Materials Dept., Non-Ferrous Metals Div.</p> <p>Jun. 2017 Sumitomo Metal Mining Philippine Holdings Corporation, Director and President</p> <p>Jun. 2019 Executive Officer (Present Position) Senior Deputy General Manager of Non-Ferrous Metals Div. (Present Position)</p> <p>Jun. 2020 Director (Present Position) General Manager of Corporate Planning Dept. (Present Position)</p>				
<p>[Significant concurrent occupations or positions at other organizations]</p> <p>Teck Resources Limited, Director</p>				
Reasons for his candidacy as Director				
<p>Mr. Toru Higo has knowledge of sales and corporate management, such as he has abundant experience in sales and raw material procurement in Smelting & Refining Business as well as experience in managing as a director of an overseas company regarding natural resources business. He has been presented as a candidate for Director so that he may continue to utilize his experience and knowledge in strengthening the function of the Board of Directors.</p>				

No.		Takahiro Kanayama	New
5		Date of Birth (Age)	Jan. 23,1963 (58)
		Gender	Male
		Number of shares of the Company owned	2,700 Shares
Career summary, position and area of responsibility at the Company, and significant concurrent occupations or positions at other organizations			
<p>Apr. 1986 Joined the Company</p> <p>Oct. 2015 General Manager of Personnel Dept.</p> <p>Jun. 2017 Executive Officer (Present Position)</p> <p style="padding-left: 40px;">General Manager of Besshi - Niihama District Div.</p> <p>Jun. 2020 General Manager of Personnel Dept.(Present Position)</p>			
Reasons for his candidacy as Director			
<p>Mr. Takahiro Kanayama has experience of successively holding General Managers of Personnel Dept. and Besshi - Niihama District Div as well as extensive knowledge regarding corporate management such as Human Resources management and General Affairs. He has been presented as a candidate for Director so that he may utilize his experience and knowledge in strengthening the function of the Board of Directors.</p>			

No.		Kazuhisa Nakano	<div style="border: 1px solid black; padding: 2px;">Reappointment</div> <div style="border: 1px solid black; padding: 2px;">Outside Director</div> <div style="border: 1px solid black; padding: 2px;">Independent</div>	
6		Date of Birth (Age)	Jan. 4, 1948 (73)	
		Gender	Male	
		Number of shares of the Company owned	2,500 Shares	
		Number of years in office of the Company as Director	5 years	
		Attendance of the Board of Directors meetings fiscal year ended March 31, 2021	15 out of 15 (100%)	
Career summary, position and area of responsibility at the Company, and significant concurrent occupations or positions at other organizations				
<p>Apr. 1971 Joined Idemitsu Kosan Co., Ltd.</p> <p>Apr. 2003 Executive Officer and General Manager of Personnel Department of Idemitsu Kosan Co., Ltd.</p> <p>Jun. 2004 Director of Idemitsu Kosan Co., Ltd.</p> <p>Jun. 2005 Managing Director of Idemitsu Kosan Co., Ltd.</p> <p>Jun. 2007 Executive Vice President and Representative Director of Idemitsu Kosan Co., Ltd.</p> <p>Jun. 2009 President and Representative Director of Idemitsu Kosan Co., Ltd.</p> <p>Jun. 2013 Chairman and Representative Director of Idemitsu Kosan Co., Ltd.</p> <p>Jun. 2015 Executive Advisor of Idemitsu Kosan Co., Ltd.</p> <p>Jun. 2016 Director of the Company (Present Position)</p> <p>Jun. 2017 Retired Executive Advisor of Idemitsu Kosan Co., Ltd.</p>				
Reasons for his candidacy as Outside Director / Overview of expected roles as Outside Director				
<p>Mr. Kazuhisa Nakano had served as President and Representative director of Idemitsu Kosan Co., Ltd. and has abundant experience in managing a company and experience regarding natural resources business.</p> <p>The Board of Directors, in presenting candidate Mr. Kazuhisa Nakano, expects that he contributes to the improvement of quality of the Board decision-making by providing his advice regarding long-term projects, especially in the mining business and smelting business as well as the overall plan, which is aimed toward the sustainable growth and mid- to long-term enhancement of the corporate value of the Company and its groups by utilizing his knowledge and experience.</p>				

Additionally, the Board of Directors expects him to perform check function on management by participating in decision-making at the Board of Directors from an independent and objective standpoint, and to oversee the management on behalf of shareholders and other stakeholders by being involved in decision making regarding nominations and remuneration of directors and executive officers as the member of the Governance Committee.

Mr. Kazuhisa Nakano is currently the Outside Director of the Company and the Chairman of the Governance Committee, has been selected as a candidate for Outside Director because he is playing the roles shown above.

Independence/ Contract for Limitation of Liability

1. Mr. Kazuhisa Nakano is a candidate for Outside Director as set out in Article 2(3)(vii) of the Enforcement Regulations of the Companies Act of Japan.
2. Mr. Kazuhisa Nakano had held responsibilities such as serving as president and representative director of Idemitsu Kosan Co.,Ltd., which is one of the business partners of the Company. During 96th business year (year ended March 31, 2021), the Company engaged in business with Idemitsu Kosan in such areas as the lease of real properties. The amount of sales of the Company to Idemitsu Kosan totaled ¥4 million, accounting for only 0.0% of the Company's nonconsolidated net sales. The Company also engaged in business with Idemitsu Kosan Co.,Ltd with regard to the purchase of the Company's operating materials. The amount paid to Idemitsu Kosan Co.,Ltd by the Company amounted to ¥850 million, accounting for only 0.0% of the Company's nonconsolidated net sales.
3. The Company has appointed Mr. Kazuhisa Nakano as Independent Directors who is unlikely to have any conflicts of interest with general investors as specified by the Tokyo Stock Exchange and submitted notice of his appointment to the Exchange. The Company's criteria for independence are as set out on page twenty-three (23).
4. The Company has entered into a Contract for Limitation of Liability with Mr. Kazuhisa Nakano limiting his maximum liability to 10 million yen or the minimum liability amount prescribed by applicable laws and regulations, whichever is higher. The Company intends to extend the Contracts with him.

Ishii is currently the Outside Director of the Company and has been selected as a candidate for Outside Director because he is playing the roles shown above. She has not participated in corporate management in any form other than as Outside Audit & Supervisory Board Member; however, for the above reasons, the Company determined that she is able to serve as Outside Director appropriately.

Independence/ Contract for Limitation of Liability

1. Ms. Taeko Ishii is a candidate for Outside Director as set out in Article 2(3)(vii) of the Enforcement Regulations of the Companies Act of Japan.
2. The Company has appointed Ms. Taeko Ishii as Independent Director who is unlikely to have any conflicts of interest with general investors as specified by the Tokyo Stock Exchange and submit notice of her appointment to the Exchange. The Company's criteria for independence are as set out on page twenty-three (23)
3. The Company has entered into a Contract for Limitation of Liability with Ms. Taeko Ishii limiting her maximum liability to 10 million yen or the minimum liability amount prescribed by applicable laws and regulations, whichever is higher. The Company intends to extend the Contracts with her.

No.		Manabu Kinoshita	Reappointment	
8			Outside Director	
			Independent	
			Date of Birth (Age)	May.17,1954 (67)
			Gender	Male
			Number of shares of the Company owned	0 Share
			Number of years in office of the Company as Director	1 year
Attendance of the Board of Directors meetings fiscal year ended March 31, 2021	11 out of 11 (100%)			
Career summary, position and area of responsibility at the Company, and significant concurrent occupations or positions at other organizations				
<p>Apr. 1978 Joined NEC Corporation</p> <p>Apr. 2006 Executive General Manager, Distribution and Service Industries Solutions Operations Unit of NEC Corporation</p> <p>Apr. 2008 Associate Senior Vice President of NEC Corporation</p> <p>Apr. 2010 Senior Vice President of NEC Corporation</p> <p>Jun. 2010 Director of NEC Corporation</p> <p>Apr. 2016 Senior Executive Vice President of NEC Corporation</p> <p>Apr. 2018 Senior Officer of NEC Corporation (Present Position)</p> <p>Jun. 2020 Director (Present Position)</p>				
[Significant concurrent occupations or positions at other organizations]				
<p>Senior Officer of NEC Corporation</p> <p>Outside Director of Alfresa Holdings Corporation</p>				
Reasons for his candidacy as Outside Director / Overview of expected roles as Outside Director				
<p>Mr. Manabu Kinoshita had served as Senior Executive Vice President of NEC Corporation and has abundant knowledge and experience in managing a company and regarding digital business.</p> <p>The Board of Directors, in presenting candidate Mr. Manabu Kinoshita, expects that he contributes to the improvement of quality of the Board decision-making by providing his advice regarding material business and digital fields where the business environment is changing significantly, which is aimed toward the sustainable growth and mid- to long-term enhancement of the corporate value of the Company and its groups by utilizing his</p>				

knowledge and experience.

Additionally, the Board of Directors expects him to perform check function on management by participating in decision-making at the Board of Directors from an independent and objective standpoint, and to oversee the management on behalf of shareholders and other stakeholders by being involved in decision making regarding nominations and remuneration of directors and executive officers as the member of the Governance Committee.

Mr. Manabu Kinoshita is currently the Outside Director of the Company and has been selected as a candidate for Outside Director because he is playing the roles shown above.

Independence/ Contract for Limitation of Liability

1. Mr. Manabu Kinoshita is a candidate for Outside Director as set out in Article 2(3)(vii) of the Enforcement Regulations of the Companies Act of Japan.

2. Mr. Manabu Kinoshita had held responsibilities such as serving as Senior Executive Vice President of NEC Corporation, which is one of the business partners of the Company. During 96th business year (year ended March 31, 2021), there is no sales of the Company to NEC Corporation. The Company engaged in business with NEC Corporation regarding the purchase of the NEC Corporation's equipment and software, and in such areas as maintenance and lease fees. The amount paid to NEC Corporation by the Company amounted to ¥30 million, which accounted for 0.0% of the Company's nonconsolidated net sales.

3. The Company has appointed Mr. Manabu Kinoshita as Independent Directors who is unlikely to have any conflicts of interest with general investors as specified by the Tokyo Stock Exchange and submitted notice of his appointment to the Exchange. The Company's criteria for independence are as set out on page twenty-three (23)

4. The Company has entered into a Contract for Limitation of Liability with Mr. Manabu Kinoshita limiting his maximum liability to 10 million yen or the minimum liability amount prescribed by applicable laws and regulations, whichever is higher. The Company intends to extend the Contracts with him.

Matters regarding candidates for directors

The Company has entered into a Directors and Officers liability insurance contract with the insurance company for directors, the Audit & Supervisory Board Members and executive officers of the Company stipulate in the laws and regulations included in the insured.

In the insurance contract, damages and legal costs will be compensated by insurance company in case the insured shall be claimed with regard to damages caused by their act or omission. The Company bears all insurance premiums for the insured.

If the appointment of the candidates for directors is approved, they will be included in the insured of the contract.

The Company plans to renew the insurance contract with the same content during the term of office.

(Notes)

1. Information of the candidates such as age or career shown above in this proposal is as of Jun. 1, 2021.
2. Descriptions in units of million yen in this proposal are rounded to the nearest million yen.

Proposal No. 4: Election of two (2) Audit & Supervisory Board Members

With respect to Audit & Supervisory Board Members Messrs. Kazushi Ino and Yuichi Yamada will have resigned at the close of the Meeting. Therefore, the Company proposes the election of two (2) Audit & Supervisory Board Members.

The Company has obtained consent for this proposal from the Audit & Supervisory Board. The candidates for Audit & Supervisory Board Member are as follows.

No. 1		Koji Imai	New
		Date of Birth (Age)	May. 17, 1962 (59)
		Gender	Male
		Number of shares of the Company owned	1,200 Shares
Career summary, position and significant concurrent occupations or positions at other organizations			
Apr. 1986 Joined the Company Jun. 2014 General Manager of Legal & General Affairs Dept. Jun.2019 General Manager of General Affairs Dept. (Present Position) General Manager of Legal Dept.			
Reasons for his candidacy as Audit & Supervisory Board Member			
Mr. Koji Imai has experience of successively holding General Managers of Legal & General Affairs Dept., General Affairs Dept. and Legal Dept. as well as extensive knowledge regarding compliance, corporate governance, and general affairs. He has been presented as a candidate for Audit & Supervisory Board Member because he is expected to perform his role as Audit & Supervisory Board Member by utilizing his experience and knowledge.			

No.		Shoji Wakamatsu	<input type="checkbox"/> New <input type="checkbox"/> Outside Audit & <input type="checkbox"/> Supervisory <input type="checkbox"/> Board Member <input type="checkbox"/> Independent	
2			Date of Birth (Age)	Oct. 5, 1953 (68)
			Gender	Male
			Number of shares of the Company owned	0 Share
Career summary, position and significant concurrent occupations or positions at other organizations				
<p>Sep. 1983 Joined Ota Tetsuzo Audit Firm (current Ernst & Young ShinNihon LLC)</p> <p>Mar. 1987 Registered as a certified public accountant</p> <p>Jul. 2003 Partner of ShinNihon Audit Firm (current Ernst & Young ShinNihon LLC)</p> <p>May. 2006 Board Member of ShinNihon Audit Firm</p> <p>Aug.2008 Managing Partner of ShinNihon LLC (current Ernst & Young ShinNihon LLC)</p> <p>Aug.2010 Senior Partner of ShinNihon LLC</p> <p>Jun.2016 Established Wakamatsu Certified Public Accountant Firm</p> <p>Sep.2019 Registered as a certified public tax accountant</p>				
<p>[Significant concurrent occupations or positions at other organizations]</p> <p>Wakamatsu Certified Public Accountant Firm, Certified Public Accountant and Certified Public Tax Accountant</p> <p>Outside Audit & Supervisory Board Member of SUMIKEN MITSUI ROAD CO.,LTD.</p>				
Reasons for his candidacy as Outside Audit & Supervisory Board Member / Overview of expected roles as Outside Audit & Supervisory Board Member				
<p>Mr. Shoji Wakamatsu has many years of auditing and management experience at the audit corporation and a wealth of knowledge about accounting.</p> <p>The Board of Directors, in presenting candidate Mr. Shoji Wakamatsu, expects him to carry out effective audits especially accounting based on his own experience in order to ensure the soundness of the Group's management and improve its corporate value over the medium to long term, while fully coordinating with full-time Audit & Supervisory Board Members. Mr. Shoji Wakamatsu has never been involved in the management of the company other than becoming an Outside Audit & Supervisory Board Member, but he has been involved in the management of an audit firm and the Board of Directors has determined that he can properly perform his roles above.</p>				

Independence/ Contract for Limitation of Liability

1. Mr. Shoji Wakamatsu is a candidate for Outside Audit & Supervisory Board Member as set out in Article 2(3)(viii) of the Enforcement Regulations of the Companies Act of Japan.
2. The Company plans to appoint Mr. Shoji Wakamatsu as Independent Director who is unlikely to have any conflicts of interest with general investors as specified by the Tokyo Stock Exchange and submit notice of his appointment to the Exchange. The Company's criteria for independence are as set out on page twenty-three (23).
3. The Company Plans to enter into a Contract for Limitation of Liability with Mr. Shoji Wakamatsu limiting his maximum liability to 10 million yen or the minimum liability amount prescribed by applicable laws and regulations, whichever is higher. The Company intends to extend the Contracts with him.

Matters regarding candidates for Audit & Supervisory Board Members

The Company has entered into a Directors and Officers liability insurance contract with the insurance company for directors, the Audit & Supervisory Board Members and executive officers of the Company stipulate in the laws and regulations included in the insured. In the insurance contract, damages and legal costs will be compensated by insurance company in case the insured shall be claimed with regard to damages caused by their act or omission. The Company bears all insurance premiums for the insured. If the appointment of the candidates for Audit & Supervisory Board Members are approved, they will be included in the insured of the contract. The Company plans to renew the insurance contract with the same content during the term of office.

(Notes)

Information of the candidates such as age or career shown above in this proposal is as of Jun. 1, 2021.

Proposal No. 5: Election of one (1) substitute Audit & Supervisory Board Member

In case the number of Audit & Supervisory Board Members falls below the number specified by laws and regulations or the Articles of Incorporation, the Company proposes the election of one (1) substitute Audit & Supervisory Board Member.

The Company has obtained consent for this proposal from the Audit & Supervisory Board.

The candidate for substitute Audit & Supervisory Board Member is as follows.

	<p>Kazuhiro Mishina</p>	<p>Outside Audit & Supervisory Board Member Independent</p>
	<p>Date of Birth (Age)</p>	<p>Sep. 23, 1959 (60)</p>
	<p>Gender</p>	<p>Male</p>
	<p>Number of shares of the Company owned</p>	<p>0 Share</p>
<p>Career summary, position and significant concurrent occupations or positions at other organizations</p>		
<p>Sep. 1989 Assistant Professor of Harvard Business School Oct. 1995 Assistant Professor of the Center for Research and Investigation of Advanced Science and Technology of Japan Advanced Institute of Science and Technology Apr. 1997 Assistant Professor of the School of Knowledge Science of Japan Advanced Institute of Science and Technology Oct. 2002 Assistant Professor of the Graduate School of Business Administration of Kobe University Oct. 2004 Professor of Graduate School of Business Administration of Kobe University (Present Position)</p>		
<p>[Significant concurrent occupations or positions at other organizations] Professor of Graduate School of Business Administration of Kobe University Outside Director of Fuji Oil Holdings Inc.</p>		
<p>Reasons for his candidacy as substitute for Outside Audit & Supervisory Board Member / Overview of expected roles as Outside Audit & Supervisory Board Member</p>		
<p>Mr. Kazuhiro Mishina has specialized knowledge as a researcher in the field of corporate strategy and business strategy. The Board of Directors, in presenting candidate Mr. Kazuhiro Mishina, expects him to carry out effective audits especially based on his own experience as a researcher in the field of</p>		

corporate strategy and business strategy in order to ensure the soundness of the Group's management and improve its corporate value over the medium to long term, while fully coordinating with full-time Audit & Supervisory Board Members.

He has been presented as a candidate for substitute Audit & Supervisory Board Member so that he may perform his role as Outside Audit & Supervisory Board Member by utilizing his knowledge and backed by his learning as a university professor. He has not participated in corporate management in any form other than as Outside Director; however, for the above reasons, the Company determined that he is able to serve as Outside Audit & Supervisory Board Member appropriately.

Independence/ Contract for Limitation of Liability

1. Mr. Kazuhiro Mishina is a candidate for Outside Audit & Supervisory Board Member as set out in Article 2(3)(viii) of the Enforcement Regulations of the Companies Act of Japan.

2. Mr. Kazuhiro Mishina complies with the requirements for Outside Audit & Supervisory Board Member provided for in the Companies Act of Japan, the criteria for independence prescribed by the Tokyo Stock Exchange and the criteria for independence prescribed by the Company. The Company's criteria for independence are as set out on page twenty-three (23).

3. If Mr. Kazuhiro Mishina assumes the office of Outside Audit & Supervisory Board Member, the Company plans to enter into a Contract for Limitation of Liability with him limiting his maximum liability to 10 million yen or the minimum liability amount prescribed by applicable laws and regulations, whichever is higher.

4. The Company has entered into a Directors and Officers liability insurance contract with the insurance company for directors, the Audit & Supervisory Board Members and executive officers of the Company stipulate in the laws and regulations included in the insured.

In the insurance contract, damages and legal costs will be compensated by insurance company in case the insured shall be claimed with regard to damages caused by their act or omission. The Company bears all insurance premiums for the insured.

If Mr. Kazuhiro Mishina assumes the office of Outside Audit & Supervisory Board Member, he will be included in the insured of the contract.

(Notes)

Information of the candidate such as age or career shown above in this proposal is as of Jun. 1, 2021.

<Reference> **Criteria for Independence**

The Company will follow the requirements for Outside Directors provided for the Companies Act of Japan and the criteria for independence prescribed by the Tokyo Stock Exchange in judging the independence of Outside Directors and Outside Audit & Supervisory Board Members (collectively, "Outside Officers"). However, even if an Outside Officer belongs to a business partner of the Company or in other such situations, the Outside Officer will, in principle, be judged to be independent when falling under the following immateriality standards prescribed by the Company.

Business Partners and Banks	<ul style="list-style-type: none"> • In the most recent business year, sales of the Company (non-consolidated) to the business partner (non-consolidated) were less than 2% of the sales of the Company (non-consolidated). • In the most recent business year, sales of the business partner (non-consolidated) to the Company (non-consolidated) were less than 2% of the sales of the business partner (non-consolidated). • In the most recent business year, the outstanding balance of loans from the business partner to the Company (non-consolidated) was less than 2% of the total assets of the Company (non-consolidated).
Consultants, Experts, etc.	<ul style="list-style-type: none"> • Consultants, accounting experts, legal experts, or other such experts who received money or other such assets (if the recipient of such assets is a corporation, partnership, or other such organization, then any person belonging thereto), other than officer compensation, of less than an annual amount of 10 million yen in the most recent business year from the Company (non-consolidated).
Contributions, etc.	<ul style="list-style-type: none"> • If the recipient is an individual Directors or Audit & Supervisory Board Members: The amount of money or other such assets received from the Company (non-consolidated) in the most recent business year is less than an annual amount of 1 million yen. • If the recipient is a corporation, etc. to which a Director or Audit & Supervisory Board Member belongs (in case of national university corporations, incorporated educational institutions, or the like, the recipient will be the department or post-graduate course to which the Director or Audit & Supervisory Board Member belongs will be deemed to a recipient): The amount of money or other such assets received from the Company (non-consolidated) in the most recent business year is less than an annual amount of 10 million yen.

Proposal No.6: Payment of bonuses to Directors

The Company proposes the payment of a total of 105 million yen as bonuses to Five (5) Directors, excluding Outside Directors among the Eight (8) Directors who were in office as of the end of the 96th business year (year ended March 31, 2021) in order to reward their distinctive merits. The Directors' bonuses of the Company are calculated by considering the performance of the Company and reflecting the job performance of each Director based on the Policy on the remuneration of each Director.

<Reference> **Corporate Governance of the Company**

(1) Basic Approach to Corporate Governance

The Company views corporate governance as a disciplinary framework both for maximizing the corporate value of the Company Group and for ensuring sound management practices. As such, it is one of the most important management issues.

The Company has instituted the SMM Group Corporate Philosophy based on the Sumitomo's Basic Business Philosophy. Through striving to enhance our corporate governance, the Company will conduct efficient and sound business activities, make positive contributions to society, and fulfill our responsibilities to our shareholders and all other stakeholders in order to realize the SMM Group Corporate Philosophy.

Sumitomo's Basic Business Philosophy

Article 1

Sumitomo shall achieve strength and prosperity by placing prime importance on integrity and sound management in the conduct of its business.

Article 2

Sumitomo shall manage its activities with foresight and flexibility in order to cope effectively with the changing times. Under no circumstances, however, shall it pursue easy gains or act imprudently.

SMM Group Corporate Philosophy

- The Company, in accordance with the Sumitomo Business Spirit, shall, through the performance of sound corporate activities and the promotion of sustainable co-existence with society and the global environment, seek to make positive contributions to society and to fulfill its responsibilities to its stakeholders, in order to win ever greater trust.
- The Company shall, based on respect for all individuals and recognizing each person's dignity and value, seek to be a forward-minded and vibrant company.

* Details of Basic Approach to Corporate Governance of the Company are available on the website below.

https://www.smm.co.jp/en/ir/management/governance_policy/

(2) Governance Framework

① Organizational Structure

The Company has adopted Audit & Supervisory Board and Executive Officer systems to ensure effective execution, monitoring functions within management. The Company is managed by three organs, namely (i) the Board of Directors, in charge of major decisions and supervision, (ii) Representative Directors and Executive Officers, in charge of the execution of

business, and (iii) the Audit & Supervisory Board Members and Accounting Auditor, in charge of auditing. In addition, the Company establish the Governance Committee to increase management transparency and strengthen corporate governance.

② Reasons for adoption of present corporate governance system

In line with its Corporate Governance Basic Policy, which summarizes the Company's basic philosophy for corporate governance and the framework therefor, the Company believes that its governance is a system that ensures that business execution and the associated monitoring and supervision are each functioning fully by using Audit and Supervisory Board and executive officer systems with which to conduct governance through a three-part organizational structure in which decision-making and supervision is addressed by the Board of Directors, business execution by the president and the executive officers, and auditing by the Audit & Supervisory Board Members and the accounting auditor.

Positioning Mineral Resources, Smelting & Refining, and Materials as its three core businesses, the Company aims to realize its Long-term Vision of becoming a "World Leader in the Non-Ferrous Metals Industry." Since all three businesses are related to non-ferrous metals, they have a mutual organic relationship and their business contents and scale are such that the Board of Directors can make decisions itself regarding diverse management issues. Furthermore, from the viewpoint of the stronger coordination currently being promoted among the three businesses, it will further stimulate the Company's growth if the Board of Directors itself comprehensively makes decisions rather than giving strong independence to each business segment and permitting them to make their own decisions. To this end, we consider that in principle a management model would be appropriate for the Company's governance, rather than a monitoring model that oversees overall business execution after the fact.

Furthermore, in view of the distinctive characteristics of the Sumitomo Metal Mining Group's business operations, it is important to strengthen the management infrastructure (particularly regarding compliance, safety, and the environment) and therefore necessary to establish a system whereby auditors can point out issues to directors and executive officers without hesitation. From this viewpoint, we have adopted an organizational structure of a company with an Audit & Supervisory Board in which auditors with guaranteed independent authority can be expected to exercise their auditing functions stably over a period of four years. At present auditors do not have the right of convocation regarding decisions of the Board of Directors or the right to vote on the Board of Directors. The resulting inability of auditors to propose the removal of a director to the Board of Directors is an issue for companies with an Audit & Supervisory Board. We are striving to overcome this issue by appointing multiple outside directors (at least one third of members), have them become members of the Governance Committee, and deal with the appointment and dismissal of directors and executive directors in the Governance Committee.

(3) Analysis and evaluation of the effectiveness of the board as a whole, and the results

The Board of Directors analyzes and evaluates the effectiveness of the Board of Directors from the perspective of making appropriate business execution decisions and improving monitoring function. And, it discloses a summary of the results. In fiscal 2020, the Board of Directors analyzed and evaluated the effectiveness of the Board of Directors, with the following results:

① Process of analysis and evaluation

The evaluation of the effectiveness of the Board of Directors in fiscal 2020 was conducted for the sixth time since the start of the evaluation. In order to ensure the neutrality and objectivity of the evaluation process, we engaged a third-party organization, Japan Board Review Co., Ltd., to assist in the analysis and evaluation. In conducting the evaluation, the third-party organization reviewed the materials and minutes of the Board of Directors' meetings, held preliminary discussions with the Chairman of the Board of Directors and the President, who is the officer having ultimate responsibility for business execution of the company, and all directors and Audit & Supervisory Board Members responded to the questionnaire prepared with reference to those discussions. The third-party organization analyzed the answers to the questionnaire and interviewed all the respondents individually to compile the results of its analysis of the current situation of the Board of Directors and the issues to be addressed, and reported the results, including proposals for improving the effectiveness, at the Board of Directors meeting held in February 2021.

The Board of Directors deliberated on the effectiveness of the Board of Directors at the ordinary meeting held in February 2021, based on the results of the analysis by the third party organization and the "what the Board of Directors should ideally be (aiming for a Board of Directors that emphasizes decision-making functions)" confirmed in fiscal 2016, and confirmed its evaluation and future actions.

② Overview of analysis and evaluation results

a. Results of responses to questionnaire and interviews

Most of the major items related to the effectiveness of the Board of Directors were rated highly in general.

In particular, with regard to (a) "Roles and functions of the Board of Directors," it was shared that the Board of Directors aims to be a "Board of Directors that emphasizes decision-making and supervises through decision-making," and (b) "Operation of the Board of Directors," it was confirmed that the decision-making process is appropriate, as it is discussed at executive meetings (preliminary meeting for Management Committee and Management Committee) and finally submitted to the Board of Directors; (c) The Board of Directors and the Governance Committee hold open and active discussions; and (d) "Size and composition of the Board of Directors" are appropriate from the perspective of business scale and active discussions and decision-making and the composition of the Board of Directors is appropriate

in terms of knowledge and experience.

On the other hand, it was confirmed that deliberations at the Board of Directors regarding human resources (securing human resources, developing management personnel, promoting women's activities, etc.) were considered insufficient, although we identified this as an issue in the fiscal 2019 effectiveness assessment.

b. Issues seen from the results of the questionnaire and interviews

The third-party organization made the following recommendations for improvement in order to further enhance the effectiveness of the Board of Directors in the future.

(a) The Board of Directors should deepen discussions on medium- and long-term issues (medium- and long-term business direction, including the "Vision for 2030," competitive environment, human resources, environment, and social initiatives).

(b) We are currently increasing the number of opportunities for free discussions in order to hold such discussions. We will continue to hold discussions in such a format at Board of Directors meetings or other occasions.

c. Response to the above issues

In response to the above recommendations, the Board of Directors deliberated on each issue.

(a) We confirmed that the Board of Directors will deliberate on the medium- to long-term business direction, including "Vision for 2030" and where we want to be in the future, at the timing of setting the organization policy prior to the formulation of the plan. With regard to the competitive environment, it was decided that each business unit will report once a year on the Company's position from a marketing perspective. Regarding human resources, we confirmed that the Board of Directors will deliberate on the opportunity to review the personnel system. With regard to environmental and social initiatives, it was confirmed that the Board of Directors will discuss as appropriate the points that are deemed important among the matters discussed by the CSR Committee.

(b) It was confirmed that the above medium- and long-term issues will be basically discussed at the Board of Directors meeting, but depending on the theme, opportunities for free discussion outside the Board of Directors meeting will be provided.

③ Future actions

Through the above discussion, the Board of Directors confirmed that it will further enhance the effectiveness of the Board of Directors by continuing to address the following issues.

- With respect to the medium- and long-term issues of the Company (medium- and long-term business direction including the "Vision for 2030" and future aspirations, competitive environment, human resources, environmental and social initiatives, etc.), the Board of

Directors will deliberate on a regular or ad hoc basis.

- With respect to the method of deliberations, the deliberations will be made at the Board of Directors, but depending on the theme, opportunities for free discussion outside of the Board of Directors shall be provided.

END

Instructions for Exercising Voting Rights by an electromagnetic method

1. Exercise of voting rights via the Internet

- (1) You may access the voting rights exercise site (<https://www.web54.net>), enter your voting rights exercise code and password appearing on the enclosed voting form or scan the 2d barcode on the enclosed voting form and follow the instructions to register your vote either for or against the proposals.
- (2) The deadline for the exercise of voting rights via the Internet is 5:00pm (Japan Time), Thursday, June 24, 2021.
- (3) Any connection fees to providers or telephone charges, etc. for accessing the voting rights exercise site shall be borne by the shareholders.

Please contact the direct number below if you have any questions concerning the exercise of voting rights via the Internet.

Administrator of Shareholder Registry :

Securities Agent Web Support

Sumitomo Mitsui Trust Bank, Limited

0120-652-031 (toll-free within Japan only; open from 9:00am to 9:00pm
(Japan Time))

2. Voting rights exercise platform for institutional investors

Institutional investors may use voting rights exercise platform operated by ICJ (Investor Communications Japan Inc.) for institutional investors if having made an application for its use in advance.

3. Matters concerning the exercise of voting rights

- (1) In the event of having voted multiple times electronically (via the Internet, etc.) or both by PC and by cell phone and the content of the vote, whether for or against, with respect to one proposal differs, the last vote exercised shall prevail.
- (2) In the event of having voted both in writing and electronically (via the Internet, etc.) and the content of the vote, whether for or against, with respect to one proposal differs, the vote exercised electronically shall prevail.