

Extraordinary General Meeting Discussion Material

Korea Zinc Co., Ltd.

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01

Our industry leading financial track record

- Korea Zinc has maintained its industry-leading position and is outperforming its closest peers, including Young Poong
- Korea Zinc has outperformed dissident's financial track record in terms of growth, profitability, cashflow generation, shareholder returns and ESG for the last 10 years
- Share price and total shareholder return rate has outperformed domestic industry peers since Chairman Choi's appointment as CEO in '19

02

Strategy for long-term shareholder value creation

- To overcome the weak growth outlook in the zinc and lead smelting business, Korea Zinc has announced its long-term growth plan, Troika Drive, capturing new opportunities in renewable energy, EV battery materials, and recycling and has established the necessary structure to pursue the Troika Drive initiative
- By 2033, Korea Zinc aims to achieve significant growth through capacity expansion in its Troika business sectors, with revenue projected to reach KRW 26.3 trillion and EBITDA of KRW 3.6 trillion, compared to the current revenue of KRW 10.4 trillion and EBITDA of KRW 1.0 trillion
- During this period, the revenue contribution from the Troika Drive business is expected to increase from the current 4.5% to 47.1% by 2033

03

Governance Track Record & Improvement Plans

- Korea Zinc has consistently strengthened governance by improving the board's independence (separating the Board Chair and CEO) and ensuring all members of committees consist of independent directors only
- Korea Zinc will continue to further improve the governance by strengthening board competence based on BSM analysis, securing an appropriate pool of candidates, electing an independent director as chair, improving board diversity, and appointing IR dedicated independent director
- Korea Zinc, in response to recent feedback from domestic and overseas shareholders, held multiple meetings, including outside directors, to review shareholder input and decided to cancel the issuance of new shares

04

MBK & YP interests not aligned with shareholders

- MBK & YP's true intent is a hostile takeover, thereby robbing other shareholders of the opportunity to get a fair value through an acquisition that prices in laid-out synergies
- Young Poong prioritizes securing cash flow from Korea Zinc and is facing activists themselves due to their low shareholder value creation and questionable governance practices
- MBK clearly lacks a track record and understanding of smelting or related businesses. They failed to propose an original growth plan for Korea Zinc, repeating current management's already announced Troika Drive

05

Governance concerns regarding MBK & YP

- MBK is likely to harm Korea Zinc's shareholder value by repeating its practices of selling key assets and extracting excessive dividends to recoup its investment post-acquisition
- MBK's lack of industry understanding is likely to harm Korea Zinc's corporate value, leading to poor financial performance as seen in past M&A cases
- Young Poong Seokpo smelter, has seen repeated severe accidents, leading to the arrest and investigation of all Young Poong inside directors for violations of the Serious Accidents Punishment Act.
- Young Poong's Seokpo smelter has caused continuous environmental damage, leading to multiple sanctions of business suspension from the government

06

Rebuttal on MBK & YP's proposed growth plan and misleading allegations

- The acquisition of Igneo Holdings was thoroughly reviewed over a year with global consulting firms, including KPMG, Skadden, and Ramboll, alongside JP Morgan as an advisor
- The board has received sufficient information in a timely manner before making the acquisition decision for Igneo Holdings, which was made over two meetings, both attended and approved by Director Chang Hyeong Chin
- Korea Zinc's investment in a private equity fund managed by One Asia Partners followed lawful procedures under relevant regulations, and due to the nature of private equity funds, particularly blind funds, Korea Zinc, as an LP, had no control over which businesses the fund invests in
- Korea Zinc has not participated in any market manipulation directly or indirectly, as it had no control over OneAsia Partners' investment operations

Allegations by MBK & YP

- 1.** Korea Zinc has recorded poor TSR under Mr. Choi's leadership

Korea Zinc's share price has outperformed industry peers since Mr. Choi became the CEO in 2019
- 2.** Korea Zinc's ROCE and PBR has underperformed its peers

Korea Zinc's ROCE and PBR have consistently outperformed domestic peer Young Poong
- 3.** Korea Zinc's profitability has deteriorated under Mr. Choi's leadership

Korea Zinc has outperformed in terms of revenue growth and profitability for over decade
- 4.** Acquisition of Igneo Holdings had various problems including overview, poor due diligence, excessively high valuation

The acquisition of Igneo was conducted with external advisory (IB & Consulting firm) and 2 Board meetings. Acquisition price reflects Igneo's network in NA and growth prospects along with high probability synergies with Onsan smelter
- 5.** Korea Zinc's shareholder values have deteriorated due to poor governance

Korea Zinc has continually reinforced the board and committee's independence, expertise, and diversity
- 6.** Share price has underperformed due to Troika Drive

Korea Zinc's share price trend in the alleged period is more correlated with zinc prices and industry trends
- 7.** KRW 12 trillion of debt and negative cash flow is expected under current plan

MBK misinforms leverage forecast by choosing 2029 year-end timing, which excludes the recoupment plan between 2030-2033
- 8.** Korea Zinc's debt ratio has increased due to over investments

The recent net debt increase is caused by the hostile takeover campaign launched by the consortium
- 9.** Korea Zinc has tried to defend control at the expense of shareholder value through general public offering

The general public offering aims to enhance shareholder value by securing liquidity in the market and expanding shareholder participation
- 10.** Korea Zinc has failed to make progress in Troika Drive business other than nickel and precursor business

Troika Drive is a 10-year future vision investment. Their claims expose the limitations of private equity funds focused on short-term gains
- 11.** Korea Zinc has invested in businesses unrelated to its core business and majority of invested companies continues to generate net loss

MBK arbitrarily adjusted and aggregated the financial information of the investment company, while in reality, cumulative net profit occurred, and the investment amount classification was also miscalculated
- 12.** Board has failed to provide appropriate oversight in investment decisions

The investment followed proper procedures according to relevant regulations, and the acquisition of Igneo was conducted with external advisory (IB & Consulting firm) and internal meetings
- 13.** Korea Zinc, through investing in fund managed by OneAsia Partners, has participated in stock manipulation of SME

Korea Zinc has not participated in any market manipulation directly or indirectly as it had no control over OneAsia Partners investment operations

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- ② Strategy for long-term shareholder value creation
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- ⑤ Governance concerns regarding MBK & YP
- ⑥ Rebuttal on MBK & YP's proposed growth plan and misleading allegations

01

Our industry-leading track record

02

Strategy for long-term shareholder value creation

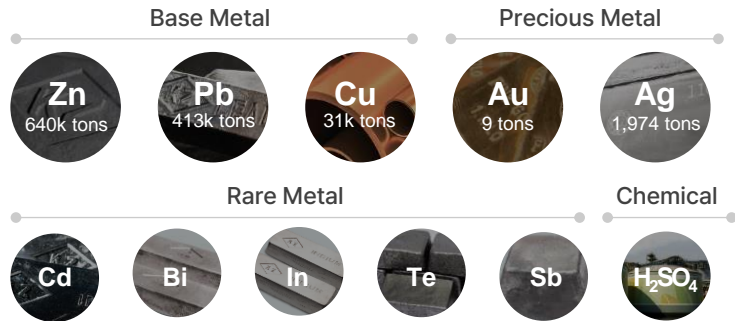
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Governance Track Record & Improvement Plans

1 Our industry leading financial track record

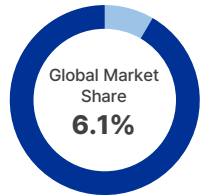
Korea Zinc has maintained its industry-leading position and is outperforming its closest peers, including Young Poong

Production over 1 million tons of more than 10 types of non-ferrous metals annually



The World's Largest Smelter

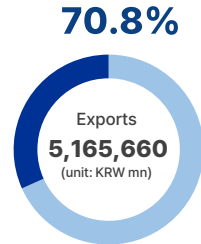
World's Largest Stand-alone Zn Refinery



Lead Production Market Share in 2023

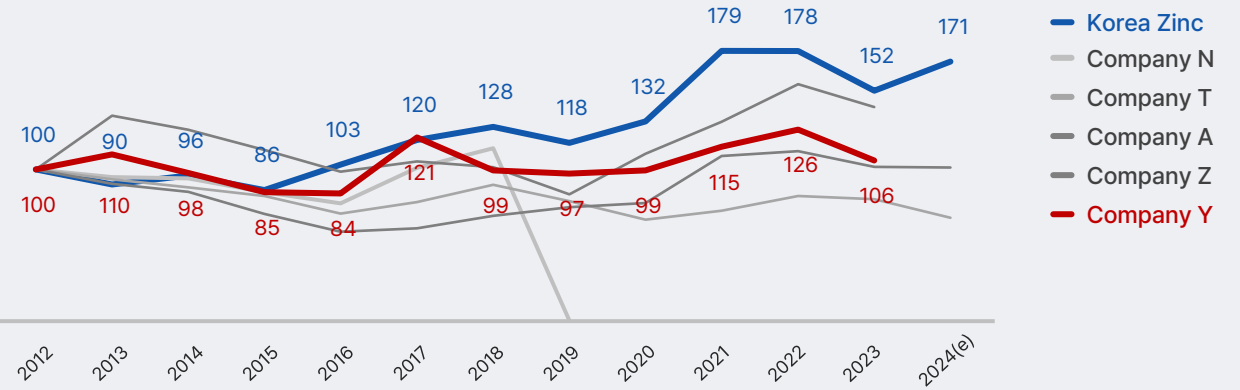


Overseas Sales Proportion in 2023

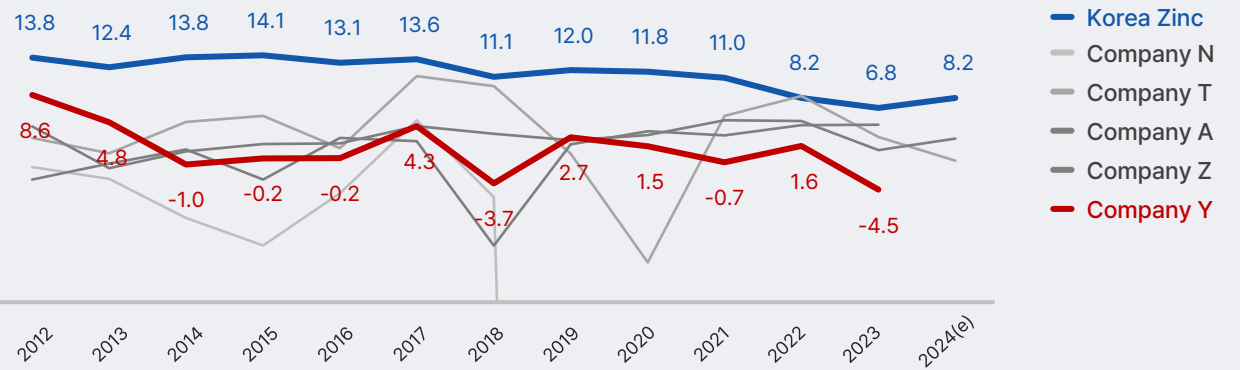


*Source: Wood Mackenzie (4Q 2023)

Net Sales Growth Comparison (Indexed=2012)



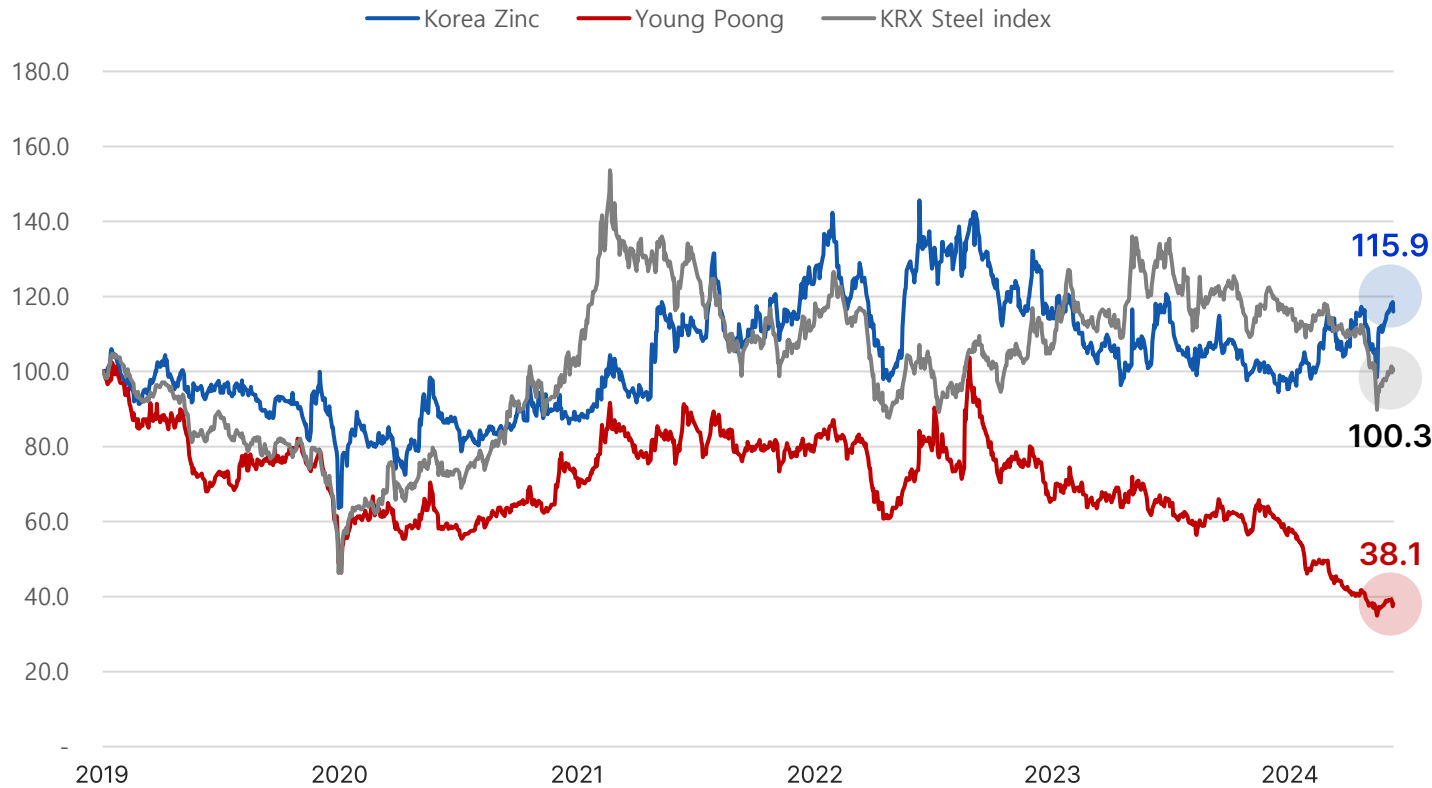
OPM Comparison (%)



1 Our industry leading financial track record

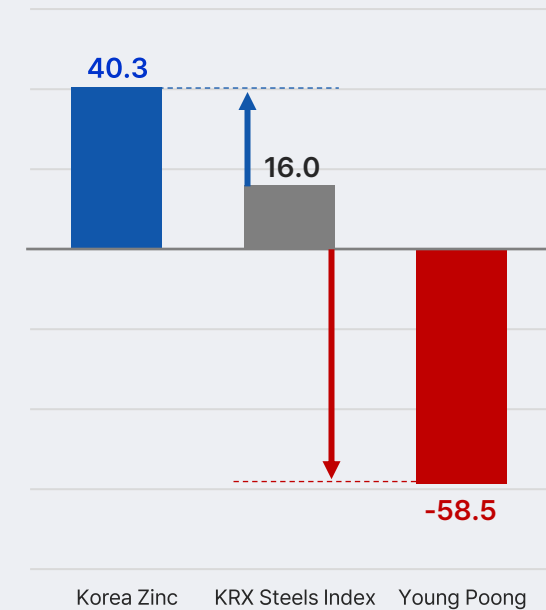
Share price and total shareholder return have outperformed domestic industry peers since 2019, Chairman Choi's appointment as CEO

Share price comparison (2019.03.22-2024.08.31) (Indexed=2019)



*Source: Bloomberg
 *Starting period: date of chairman Choi assuming position of CEO
 *End period: End of the month preceding MBK's tender offer launch

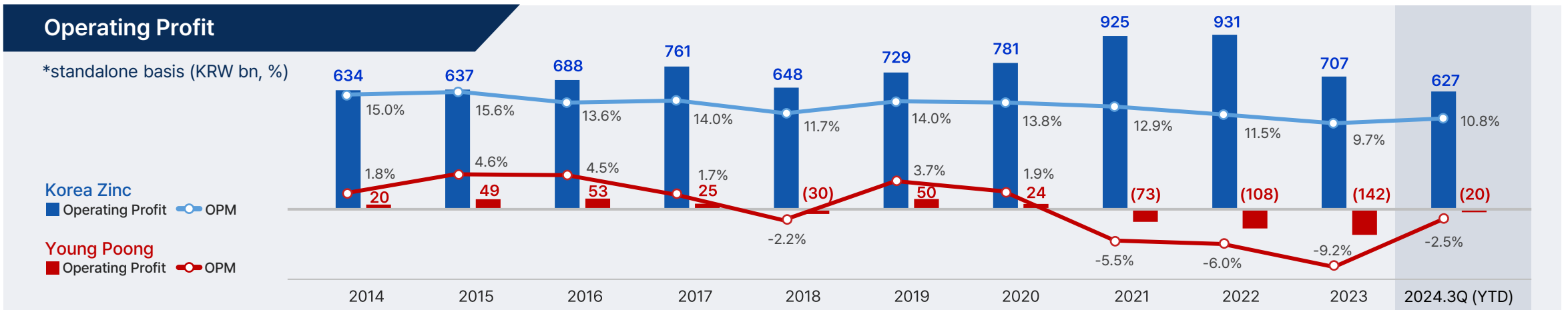
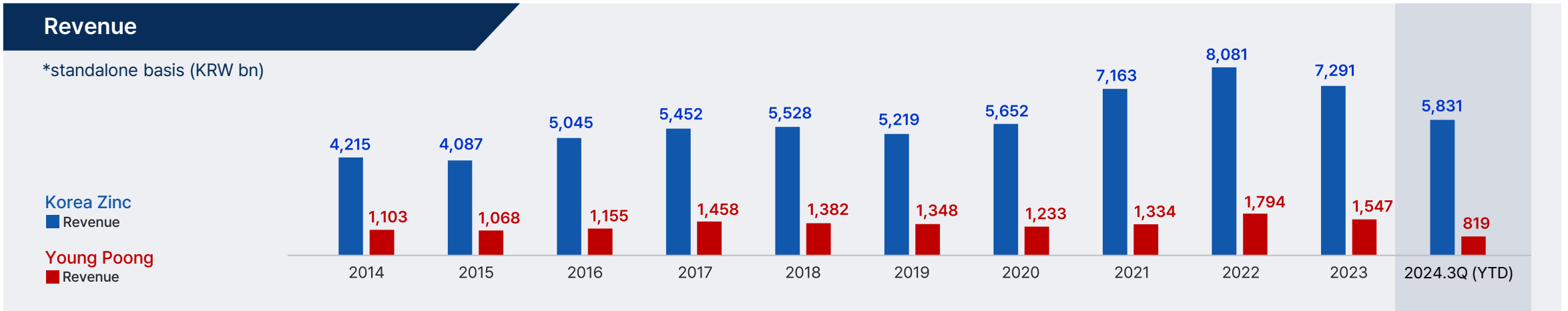
TSR* comparison (%) (2019.03.22-2024.08.31)



*Source: Bloomberg
 *TSR: [(current price - purchase price)+dividends]/purchase price
 *Starting period: date of chairman Choi assuming position of CEO
 *End period: End of the month preceding MBK's tender offer launch

1 Our industry leading financial track record

Korea Zinc has outperformed the dissident's financial track record in terms of growth and profitability for the last 10 years

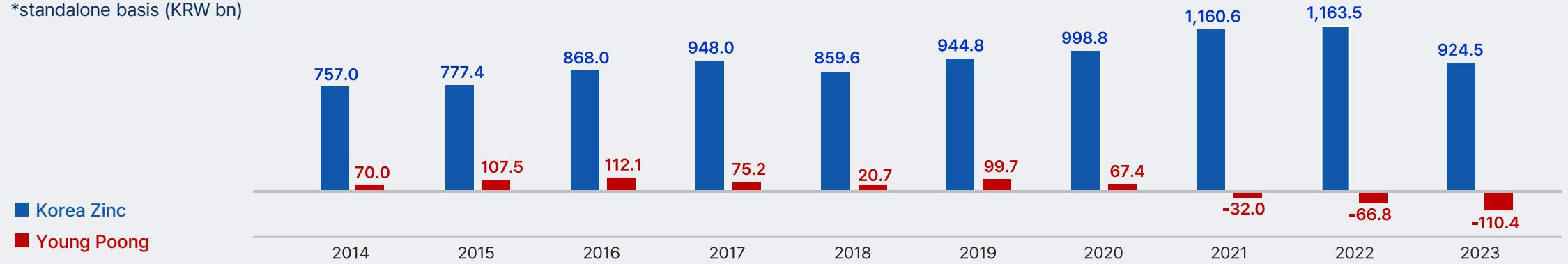


1 Our industry leading financial track record

Korea Zinc has outperformed the dissident's cash flow generation ability and shareholder returns

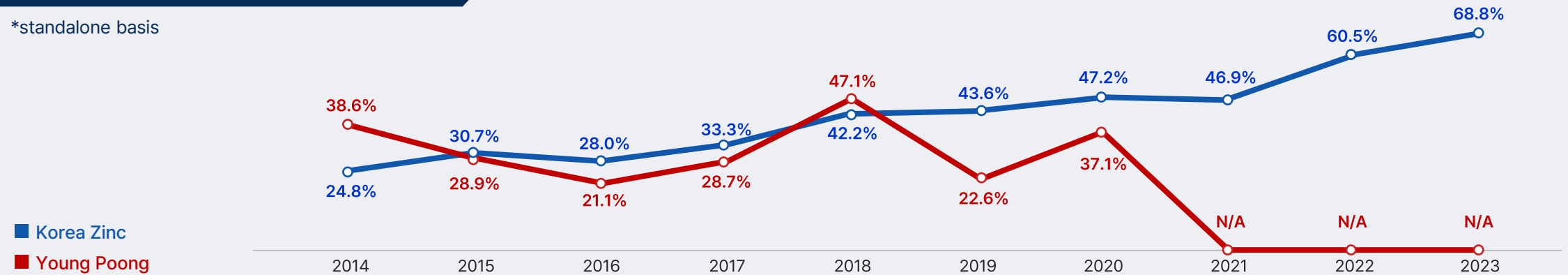
EBITDA

*standalone basis (KRW bn)



Payout Ratio Trend

*standalone basis

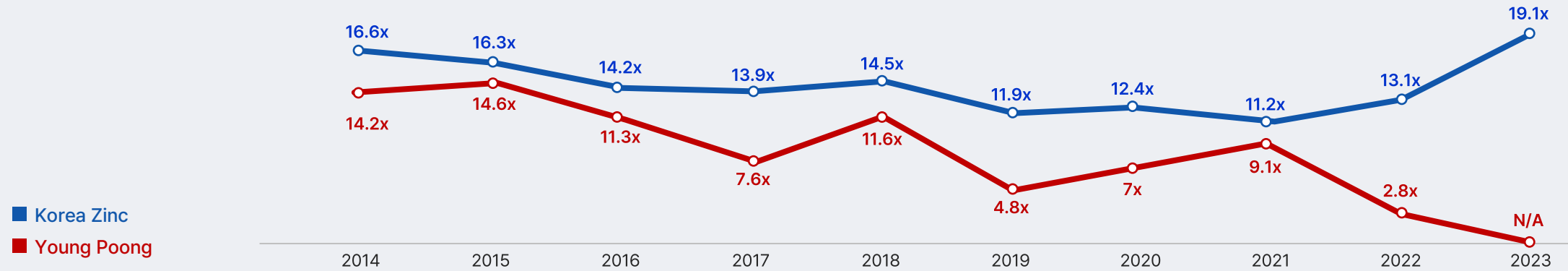


* 2023 Korea Zinc Payout ratio includes KRW100 billion of treasury share cancellation

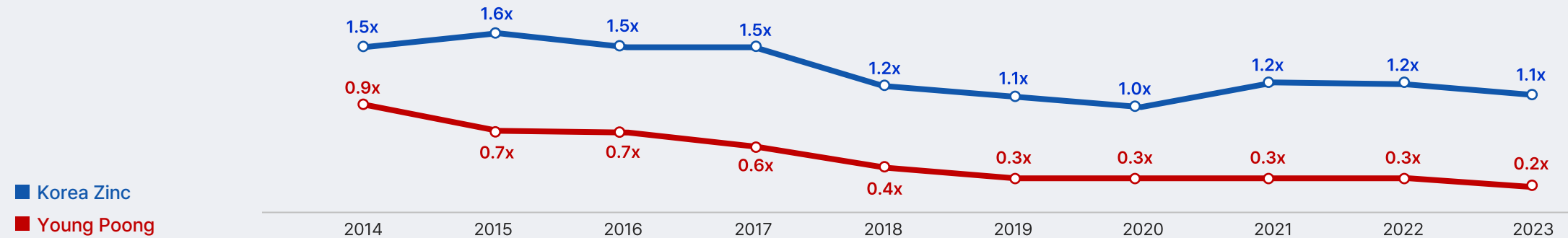
1 Our industry leading financial track record

Korea Zinc valuation is trending the dissident on a long-term basis

Price-to-Earnings Ratio



Price-to-Book Ratio



1 Our industry leading financial track record

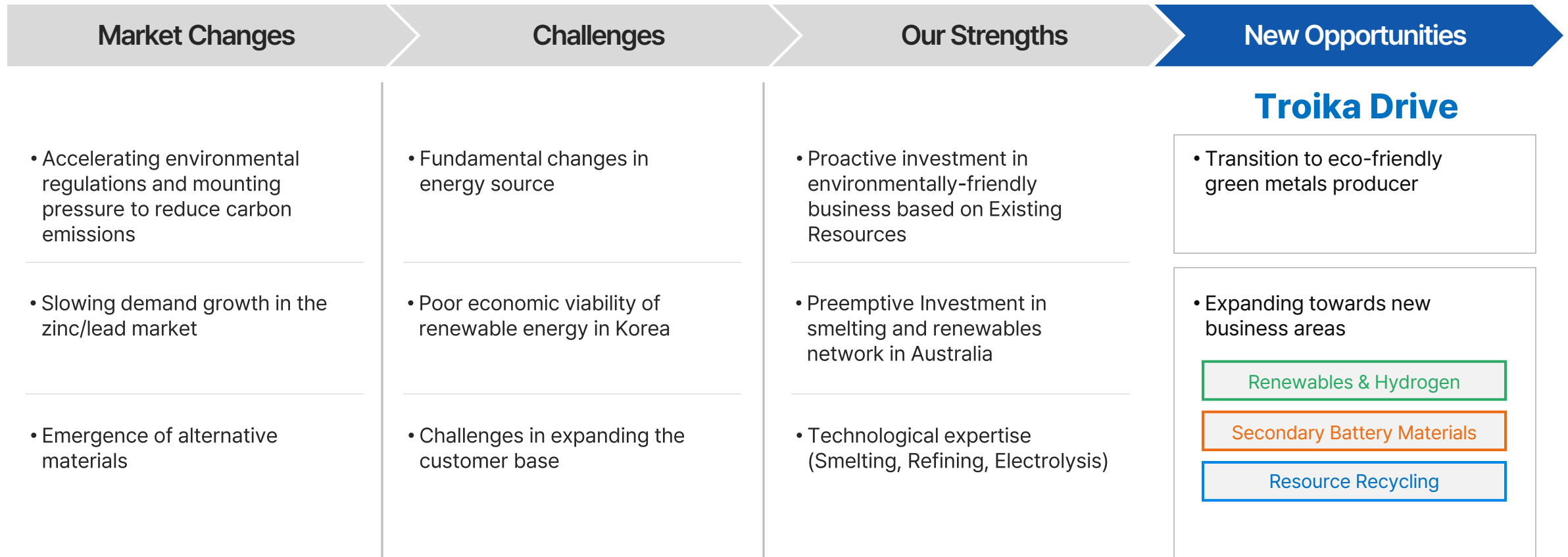
- In 2024, Korea Zinc was recognized as the “1H ESG-leading company” and “No.1 non-ferrous metals company” by the three major rating institutes, including Sustainvest and Korea ESG Research, demonstrating its leading ESG performance within the industry
- Korea Zinc actively participates in initiatives such as the CDP (Carbon Disclosure Project) and was awarded the Carbon Management Special Award in the "Climate Change" category at the 2022 CDP Korea Awards (score B). The company also focuses heavily on responding to the Ecovadis initiative, which specializes in supply chain management

Domestic	KCGS		Sustainvest		Korea ESG Research	
	KZ	YP	KZ	YP	KZ	YP
2020	B	C	-	-	-	-
2021	B	C	-	-	A	B
2022	B	B	-	-	A+	B
2023	B	B+	A	B	A	B+
2024	B+	B	A	C	A	B+

Global	MSCI(Morgan Stanley)		S&P(DJSI)		Moody's	
	KZ	YP	KZ	YP	KZ	YP
2020	B	-	-	-	-	-
2021	B	-	15	7	-	-
2022	BB	-	47	13	13	-
2023	BB	-	50	15	38	-
2024	BB	-	49	15	-	-

2 Strategy for long-term shareholder value creation

- Troika Drive: Our New Opportunities in a Changing Market Environment



② Strategy for long-term shareholder value creation

Troika Drive: Long-term Strategy capturing new opportunities in renewable energy, batteries, and recycling

Korea Zinc's future growth strategy

"TROIKA DRIVE"



Renewable energy and green hydrogen

- Lowering electricity cost through wind and solar power investments and business development
- Producing green hydrogen using renewable energy sources

Secondary battery materials

- Smelting nickel and manufacturing nickel sulfate, precursors, and electrolytic copper foil
- Recycling waste batteries using pyro/hydro fusion technologies

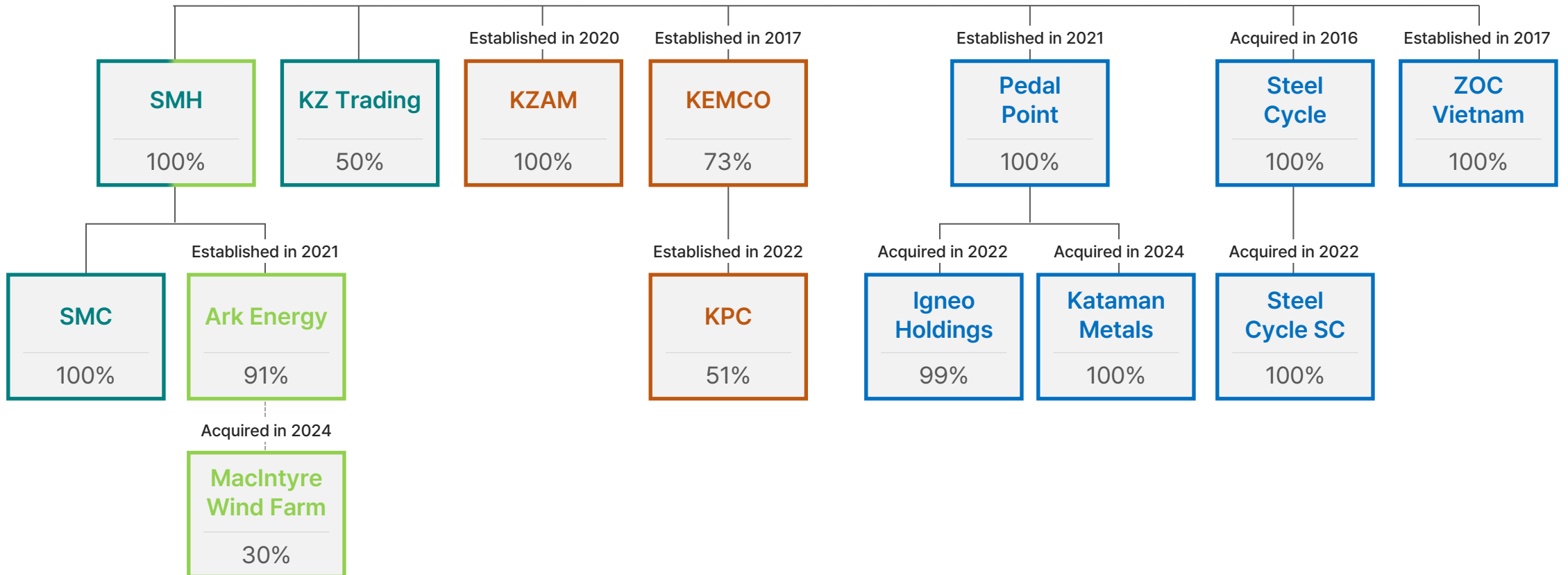
Resource recycling

- Sourcing raw materials by recycling steelmaking dust and e-waste
- Developing an eco-conscious resource recycling framework to foster environmental sustainability

2 Strategy for long-term shareholder value creation

Korea Zinc has established the necessary structure to pursue the Troika Drive initiative through organic & inorganic expansion

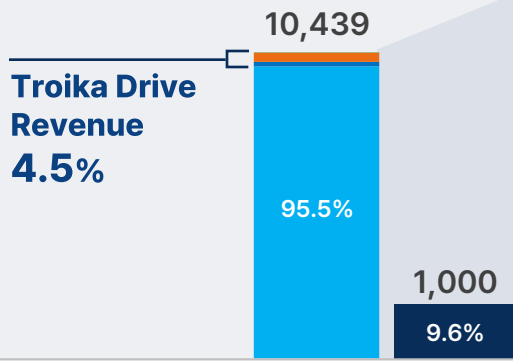
- Smelting
- Secondary Battery Materials
- % Equity Stake
- Renewables & Hydrogen
- Resource Recycling



2 Strategy for long-term shareholder value creation

Earnings Forecast (KRW bn)

- Smelting
- Resource Recycling
- Secondary Battery Materials
- Renewables & Hydrogen
- Combined EBITDA (EBITDA Margin)



2023 Capacity

- Sun Metals Solar Farm 124MW
- Nickel Sulfate 100ktpa (22kt Ni Metal)
- Precursor 20ktpa
- Copper Foil 13ktpa
- E-waste 140ktpa
- Zinc 900ktpa
- Lead 450ktpa
- Copper 35ktpa
- Semiconductor Sulfuric Acid 170ktpa

Troika Drive Revenue
47.1%

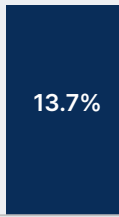
26,270



2033 Capacity

- Wind/Solar Pipeline 9GW
- MacIntyre Wind Farm 277MW
- Sun Metals Solar Farm 124MW
- Nickel Sulfate 381kt (85kt Ni Metal)
- Precursor 50kt
- Copper Foil 60kt
- E-waste 230ktpa
- Waste Solar Panels 320ktpa
- Waste Batteries 100ktpa
- Zinc 950ktpa
- Lead 450ktpa
- Copper 150ktpa
- Semiconductor Sulfuric Acid 500ktpa

3,597



2033

3 Governance Track Record & Improvement Plans

Korea Zinc will continue its efforts to enhance governance for better shareholder and corporate value

Governance Improvements to Date

Governance Improvement Plan

① Board Competence

The Board comprises experts with competencies essential for business strategy

② Board Independence

The roles of Board Chair and representative director have been separated

③ Board Diversity

The percentage of female directors on the board is 15.4%

④ Committee Independence

Ensure all committee chairs and members are independent directors

* Current committees

- 1) Nomination Committee
- 2) Audit Committee
- 3) Internal Transaction Committee
- 4) Remuneration Committee
- 5) ESG Committee (to be established)

① **Improve board competence based on BSM (Board Skillset Matrix) by ensuring the Board has all necessary skills for business strategy**

② **Secure an appropriate pool of candidates by skillset by utilizing various recommendation channels**

③ **Elect independent director as board chair to Strengthen Board Independence**

④ **Appoint a foreign independent director to facilitate communication and gather opinions from foreign shareholders and international investors**

⑤ **Appoint an independent director dedicated to investor relations (IR) to strengthen communication with shareholders**

3 Governance Track Record & Improvement Plans

Korea Zinc will focus on securing a diversified and balanced skillset within the Board by assessing the current BSM (Board Skill Matrix) and securing candidates that possess the skillset necessary

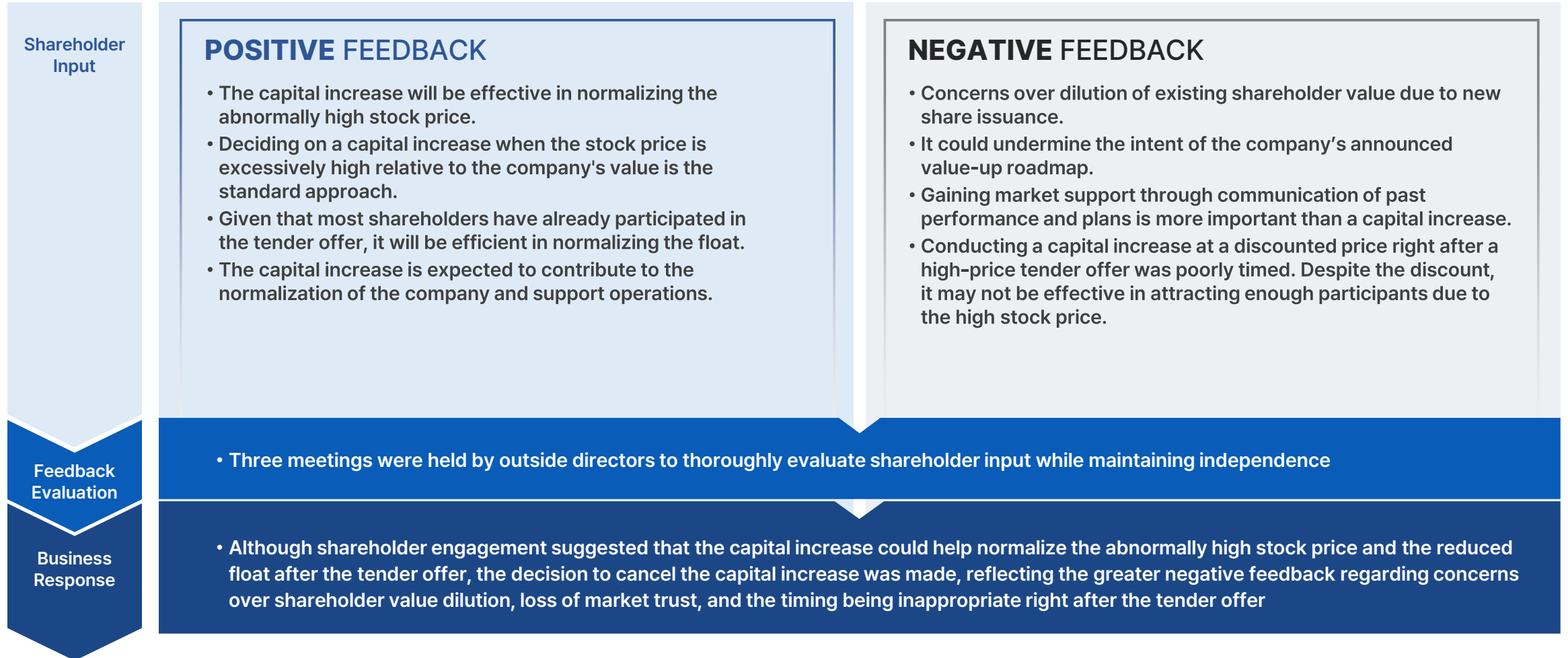
Korea Zinc

Candidate Pool

	Inside Director/ Chairman			Non Executive			Outside Director							Outside Director	
Leadership	●	●		●											
Financial /M&A	to be improved												●		
Operations		●													
Risk	to be improved												●		
Audit											●				
International						●									
Industry /Tech		●	●	●											
Strategic Planning						●									
Government										●					
Legal							●						●	●	
ESG								●	●		●				
Academia							●	●							

3 Governance Track Record & Improvement Plans (IR communications)

Korea Zinc, in response to recent feedback from domestic and overseas shareholders, held multiple meetings, including outside directors, to review shareholder input and decided to cancel the issuance of new shares



04

MBK & YP interests not aligned with shareholders

05

Governance concerns regarding MBK & YP

4 MBK & YP interests not aligned with shareholders

MBK & YP's true intent is a hostile takeover, thereby robbing other shareholders of the opportunity to get a fair value through an acquisition that prices in laid-out synergies

- Although Young Poong is not conducting an official acquisition, MBK has highlighted synergies between YP and KZ
- Young Poong and MBK have not made their proposals through conventional channels, such as requesting engagement meetings
- They escalated to the most aggressive approach from the beginning, calling in an EGM two months before the AGM, not giving investors enough time to review proposals
- Despite being one of the world's largest zinc smelters, Young Poong lacks sufficient facilities to handle hazardous substances like sulfuric acid generated from its operations, relying on Korea Zinc to manage 400,000 tons of sulfuric acid annually
- Korea Zinc, due to aging sulfuric acid management facilities, safety and legal risks associated with handling hazardous chemicals, and limited space from increased production, notified Young Poong of its decision not to renew the handling agreement. However, Young Poong opposed this decision and filed a lawsuit, pressuring Korea Zinc to continue managing its sulfuric acid

MBK's published material
(VALUE-UPPROPOSAL FOR KOREA ZINC THROUGH CORPORATE GOVERNANCE REFORM)

5 Normalize Relationship with Young Poong and Enhance Market Leadership

Normalize Business Relationship with Young Poong

- Young Poong and Korea Zinc have been operating as one company since the 1970s, closely cooperating across all areas including procurement and sales.
- In particular, the close cooperation between the two companies served as a core competitive advantage for both sides in an industry in which demand and supply are inelastic.
- The Consortium plans to end the dispute between the two companies, normalize business relations and restore competitiveness in raw material sourcing and product sales of both companies.

Partnership Areas	Existing Partnership and Synergies	Issues Stemming from Current Dispute
Raw Material Procurement	<ul style="list-style-type: none"> ■ Both companies have been jointly procuring zinc concentrates since the beginning. The joint procurement between Korea Zinc (900 k tons/year) and Young Poong (600 k tons/year) provided significant bargaining power. ■ Based on the significant purchase amount and bargaining power, Korea Zinc and Young Poong were recognized as the price-setter in the zinc concentrate market. <ul style="list-style-type: none"> – Korea Zinc and Young Poong negotiate with zinc mines to set the benchmark price in Asia every year. 	<ul style="list-style-type: none"> ■ Zinc procurement decreased to 60% of previous levels to roughly 900 k tons/year, increasing the risk of weakening bargaining power against mines and traders. ■ Both companies' status as the price setter may also be lost.
Secondary Material Supply	<ul style="list-style-type: none"> ■ Young Poong has been supplying high-quality secondary material (zinc cake, silver by-products) from its smelters to Korea Zinc below market price <ul style="list-style-type: none"> – Roughly 10% of Korea Zinc's silver production is based on Young Poong's silver by-products, which generates annual revenues of KRW 130 billion. 	<ul style="list-style-type: none"> ■ Using silver by-products are more economical compared to using concentrates or other raw materials. The decrease in silver by-products increases Korea Zinc's raw material cost. ■ Recently, silver by-product supply has been limited and silver content in concentrates have been declining.
	<ul style="list-style-type: none"> ■ Both companies have been jointly selling products through KZ Trading (the Korea Zinc's domestic and overseas trading company). 	<ul style="list-style-type: none"> ■ If the joint-sales arrangement through KZ Trading discontinues, both companies may face sales decline.

“Normalize Business Relationship with Young Poong”

“The Consortium plans to end the dispute between the two companies, normalize business relations and restore competitiveness in raw material sourcing and product sales of both companies.”

MBK's actions clearly indicate their priority is improving Young Poong's shareholder value at the expense of Korea Zinc's value

4 MBK & YP interests not aligned with shareholders

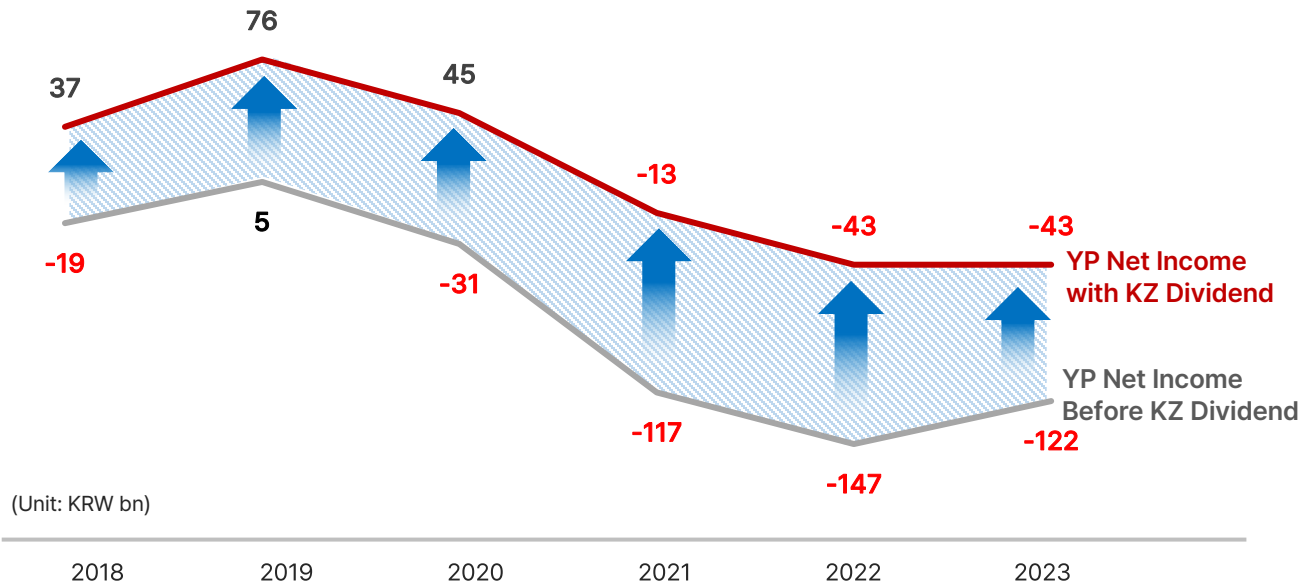
Young Poong, prioritizes securing cash flow from Korea Zinc's and is facing activist themselves due to their low shareholder value creation and questionable governance practices

- Young Poong has reported net losses for three consecutive years (four straight years excluding dividends from Korea Zinc) and conducted a campaign during the previous AGM to request increased dividends from Korea Zinc

Unit: KRW bn	2018	2019	2020	2021	2022	2023
Dividend Paid by KZ	56	71	78	104	104	79*

* KRW 100 bn treasury share cancellation not included

YP Net Income



Despite KZ's increasing shareholder return, Young Poong is criticized for its poor shareholder return

- ① Metrica, which holds about 1.5% of Young Poong's shares, highlighted that **dividends received by Young Poong from Korea Zinc increased significantly, yet the dividends distributed to Young Poong's own shareholders have remained stagnant**
- ② Metrica's founder and CIO, Damian Edwards, **criticized Young Poong for showing little intent to address its undervalued stock price and for failing to share the benefits of Korea Zinc's growth with its shareholders**

4 MBK & YP interests not aligned with shareholders

MBK clearly lacks a track record and understanding of smelting or related businesses. They failed to propose an original growth plan for Korea Zinc, repeating current management's already announced Troika Drive

- MBK's portfolio has been centralized on consumer discretionary, financial services, and life cycle care, with no experience in smelting or related business sectors
- MBK's M&A records represent a lack of comprehensive and profound understanding of the industry

MBK's published material
(VALUE-UPPROPOSAL FOR KOREA ZINC THROUGH CORPORATE GOVERNANCE REFORM)

3 Prioritize Resources in New Business Development

New Business Plan (preliminary)

- Carefully review each new business initiative to prioritize resources to enhance the "quality" of investments, not "quantity."
- New business expansion will be driven after thoroughly reviewing both the evolution of the market environment and the right investment approach (i.e. direct investments vs. indirect investments such as outsourcing or partnerships).

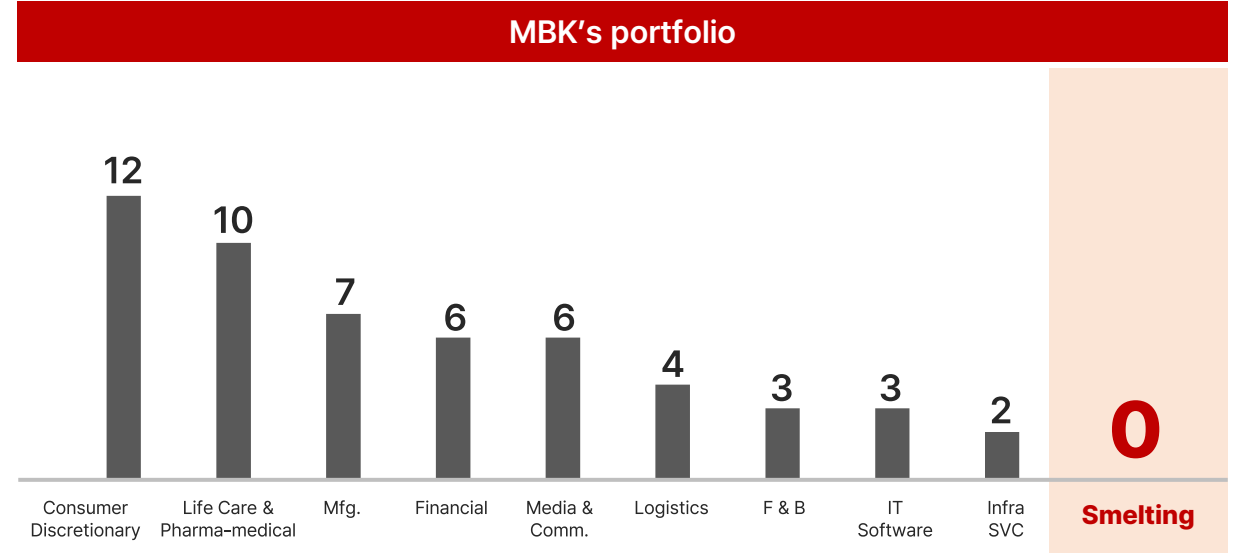
Alternative Plan by Initiative

	2025E	2026E	2027E	2028E	2029E	2030E
Resource Recycling	A E-waste (Electrolytic Copper)	Obtain raw material collection & pre-processing capabilities	Expand capacity based on progression of the business			
	B Solar Panel Recycling (Silver)	Access raw material suppliers and customers in-line with Phase-1 expansion (20kt)	Expand capacity based on results of the Phase 1 expansion			
	B EV Battery Recycling (Nickel, Cobalt, Lithium)	Establish scrapyards network, partner with OEMs to obtain raw material suppliers, customers	Review processing plant construction plan (incl. potential outsourcing/partnership as opposed to building in-house production facility)			
EV Battery Material	C Nickel Sulfate/Precursors	Focus on mass-production, cost-competitiveness of the all-in-one nickel smelter	Capacity expansion needed but timing and degree to be determined based on progression of the business			
	D Copper Foil	Complete Plant 2	<ul style="list-style-type: none"> ▪ Carefully adjust timing of investment based on turnaround of the EV market ▪ Focus on acquiring customers and track record for utilization improvement of existing 28kt capacity rather than immediately expanding capacity 			
Renewable Energy	E Solar/Wind	Operate MacIntyre & add new PPAs	<ul style="list-style-type: none"> ▪ Review feasibility and economics of Ark Energy's existing pipelines ▪ Acquire equity partners for each shortlisted pipeline opportunity 			
	E Hydrogen	Enhance capabilities (e.g. acquire customers and partnerships) to be ready when the Hydrogen economy takes off; review business feasibility of the ammonia business				

Maintain Current Plan
Adjust Direction/Investment Schedule

42 MBK PARTNERS

"Maintain Current Plan": Due to their inexperience in this industry MBK is not able to create original plan



Mfg. - special purpose gas, shoes textile, electric component, milling machine, plastic beverage bottle, construction material

5 Governance and risk oversight concerns regarding MBK & YP

MBK is likely to harm Korea Zinc's shareholder value by repeating its practices of selling key assets and extracting excessive dividends to recoup its investment post-acquisition

- After acquiring company H, MBK has closed and sold 20 stores through Sale and Leaseback (S&LB) to repay its acquisition financing
- Despite a decreasing trend in operating profit and net profit, dividends for preferred shares (RCPS) have continuously increased

Issues

Korean retail franchise company H

- ① Criticized for damaging corporate value in the process of closing or selling 20 stores through Sale and Leaseback (S&LB) to repay KRW 4.3 trillion in acquisition financing
- ② Since the acquisition in 2015, operating profit has steadily decreased, resulting in loss-making for the past 3 years, while the debt-equity ratio has gone up from 182% to 3,212%
- ③ Despite the decreasing trend in operating profit, the dividend for preferred shares (RCPS) has steadily increased by 440% in 2023 compared to 2016
- ④ **Following the acquisition, a reduction in new hires has led to a decrease of 6,000 employees by 2024 compared to 2015, leading to increased labor intensity. This has resulted in record high safety accidents of 1,112 cases, surpassing peer company E (970), and company L (455) between the period of 2017~2023**
- ⑤ Company H's union released a report criticizing the split sale of the company as a move that effectively reduces the business, leaving only an empty shell behind

Criticism from National Assembly

"In the company H case, 11 stores were confirmed for closure, 16 are scheduled to end contracts, and about 10,000 employees, including 5,000 indirect hires, were cut."

"... you secured a loan through a company created to acquire company H, and subsequently sold off about 20 stores to repay KRW 4 trillion of that loan"

"Regarding company H, you've already sold more than 20 stores and recently announced plans to divest, correct? You are essentially stripping away all the valuable assets."

(KRW bn)	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenue	n/a	7,933	7,952	7,660	7,300	6,966	6,481	6,601	6,932
Operating Profit	n/a	321	257	109	160	93	- 134	- 260	- 199
Net Profit	n/a	166	78	3	- 532	88	- 37	- 446	- 574
Asset	11,109	10,350	8,849	8,576	11,373	10,802	9,848	9,096	8,785
Liability	7,863	6,683	5,743	5,544	10,187	9,495	8,559	8,225	8,520
Equity	3,246	3,667	3,106	3,032	1,185	1,308	1,289	871	265
D/E Ratio	242%	182%	185%	183%	859%	726%	664%	944%	3,211%
Dividend (RCPS)	21	21	21	21	84	85	99	107	116

5 Governance and risk oversight concerns regarding MBK & YP

MBK is likely to harm Korea Zinc's shareholder value by repeating its practices of selling key assets and extracting excessive dividends to recoup its investment post-acquisition

- MBK has been criticized by the National Assembly's government audit for providing excessive dividends to minority investors following their acquisition of Company B

Issues

Korean chicken franchise company B

- ① Criticized for providing excessive dividends to minority investors following their investment participation, as raised during the 2023 National Assembly's government audit regarding excessive dividend payments
- ② Controversies persist due to lawsuits with competitors and abuses of power against franchisees
- ③ Increased the price of sunflower oil supply by 61%, leading to conflicts with franchise owners
- ④ **Unilaterally terminated franchise contracts without just cause and suspended product supply, resulting in fines and corrective orders for violating franchise business laws**

Criticism from National Assembly

"In the company B case, you unilaterally terminated franchise contracts and suspended supplies, resulting in a KRW 350 million fine and a corrective order from the Fair Trade Commission."

Korean insurance company I

- ① Despite having committed to holding the investment for over 10 years, has sold the company after just 5 years
- ② Within six months of acquisition, 18 out of 32 executives were removed, and over 30% of regular employees were laid off

"With company I, you committed to holding the investment for over 10 years, but you sold it after just 5 years."

"In the case of company I, within six months of acquisition, 18 out of 32 executives were removed, and over 30% of regular employees were laid off."

5 Governance and risk oversight concerns regarding MBK & YP

MBK's lack of industry understanding is likely to harm Korea Zinc's corporate value, leading to poor financial performance as seen in past M&A cases

- Since the acquisition of company N in 2013, revenue has decreased by 33%, operating profit by 88%, and net profit by 200% as of 2023
- Financing acquisition costs through debt compromised Company D's financial stability, with its debt-to-equity ratio surging from 388% in 2007 to 1,054% in 2023

Issues

Korean outdoor fashion company N

- ① Since the acquisition in 2013, revenue has decreased by 33%, operating profit by 88%, and net profit by 200% as of 2023
- ② Following the merger with the SPC established for the acquisition in 2015, Company N assumed the acquisition debt, causing a sharp rise in the debt ratio and further performance decline
- ③ Despite poor results from 2017 to 2021, including a net loss, MBK continued to pay an average dividend of KRW 47,000 per share on its preferred stock

Korean cable TV company D

- ① The total acquisition cost of KRW 2.2 trillion was fully financed through debt, acquiring a 93.8% stake in Company D via an LBO in 2008. This led to excessive interest expenses, worsening financial stability post-acquisition (D/E ratio has increased from 388% in 2007 to 1,054% in 2023)
- ② Despite being a leading player in the cable TV market, the lack of understanding and adaptability to changing market conditions has resulted in continued net losses, highlighting MBK Partners' inadequate operational capabilities
- ③ In 2021, a major workforce restructuring was carried out through a voluntary retirement program

Korean steel structure company Y

- ① After MBK's 2009 acquisition, the company joined an aggressive push for low-priced overseas orders, focusing on short-term sales
- ② The collapse of the low-price order bubble and a domestic construction downturn led to a sharp performance decline, resulting in corporate rehabilitation in 2016

Korean e-commerce company C

- ① Acquired in 2022, with delisting planned for 2024 in corporate rehabilitation in 2016

5 Governance and risk oversight concerns regarding MBK & YP

Safety accidents, including multiple fatalities, have been repeatedly occurring over the years at Young Poong Seokpo Smelter, resulting in the indictment and detention of two internal directors for violations of the Serious Accidents Punishment Act. They are now standing trial without detention

- **15 fatalities** have occurred from 1997 to 2024, along with numerous injuries
- In 2024 alone, two fatal incidents occurred, **leading to the arrest and indictment of all Young Poong inside directors (CEO and COO)**



Young Poong Seokpo smelter's history of continuous safety violations resulting in 15 fatalities

<p>1997 Mr. Lee (Mixing Team welder) and Mr. Yoo (Mixing Team foreman, 15+ years) died from liver disease after retiring</p> <p>Sulfuric acid tanker rollover: driver Mr. Kim died. Location: National Route 31, Goseon-ri, Socheon-myeon, Bonghwa</p>	<p>2001 Cadmium poisoning: worker Choi Jae-hwan died at Kyungpook National University Hospital</p> <p>2002 Sedimentation reservoir barge explosion: 4 deaths, including Mr. Yoo Jong-yong (66), and 1 critical injury, Mr. Kim In-ha (43)</p> <p>Mr. Oh Seung-ryeol fell to his death while cleaning a cooling tower (no safety harness or net provided)</p>	<p>2010 Fall accident at Foundry 1</p>	<p>2017 Sulfuric acid tanker rollover: driver Mr. Lee (55) died. Location: Kim Satgat Rest Area, Yeongwol</p> <p>2018 Worker died during sediment work</p>	<p>2023 Acute arsenic poisoning during motor replacement at Plant 1: worker Kim Jin-kyo died, and 3 were hospitalized (1 subcontractor, 2 primary contractor workers)</p>	<p>2024.3 Subcontractor Oh Se-hyun (52) died during gypsum removal at a cooling tower at Plant 1</p> <p>2024.8 One subcontractor died from heatstroke</p> <p>Young Poong CEO and COO arrested for safety accidents resulting in fatalities</p>
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5 Governance and risk oversight concerns regarding MBK & YP

Young Poong's operation of the Seokpo smelter has caused continuous environmental damage, **leading to multiple sanctions of business suspension from the government**

- Young Poong has committed **19 environmental violations over the past 5 years** (violation of Soil Environment Conservation Act, Water Environment Conservation Act, Groundwater Act, Air Environment Conservation Act, etc.)
- In 2021, Young Poong was **subject to a 10-day suspension of business by the Korean government** due to an environmental pollution incident at its Seokpo smelter
- In 2024, Young Poong was **subject to another suspension (60-day) by the Korean government** due to an additional environmental pollution incident at its Seokpo smelter
- Currently faced with another environmental pollution incident, resulting in administrative sanction of **10-day suspension**



Young Poong Seokpo smelter's history of continuous environmental violations resulting in business suspensions

<p>1970.10 Construction of Seokpo Smelter</p>	<p>2013.8 Illegal construction identified by local authorities</p>	<p>2018.2 Waste water discharge (20 day suspension ordered as administrative sanction)</p>	<p>2021.10 Supreme court dismiss Young Poong's request to nullify administrative sanction</p>	<p>2022.12 Seokpo smelter resumes operation under conditional comprehensive environmental provision by Ministry of Environment</p>	<p>2024.6 High Court dismiss Young Poong's appeal, upholding the 60-day suspension</p>
<p>1988 Chang Hyung Chin, CEO of Young Poong assumes position of president</p>	<p>2014 National Assembly raises issues on environmental pollution from Seokpo Smelter</p>	<p>2019.11 Young Poong executive sentenced to prison for manipulating air pollution measurements</p>	<p>2021.11 10-day business suspension</p> <p>Charged with KRW 28.1bn fine for illegal discharge of cadmium-contaminated wastewater</p>		<p>2024.11.1 Supreme court orders 60-day suspension</p>
<p>1993 Chang Hyung Chin, CEO of Young Poong assumes position of chairman</p>	<p>2015.3 Chairman Chang Hyung Chin, resigns</p>	<p>2019.4 Waste water discharge (60 day suspension ordered as administrative sanction)</p>			<p>2024.11.4 Environmental violation: Failure to Ensure Proper Operation and Maintenance of Sulfur Dioxide Detectors (administrative sanction of 10-day suspension)</p>

06

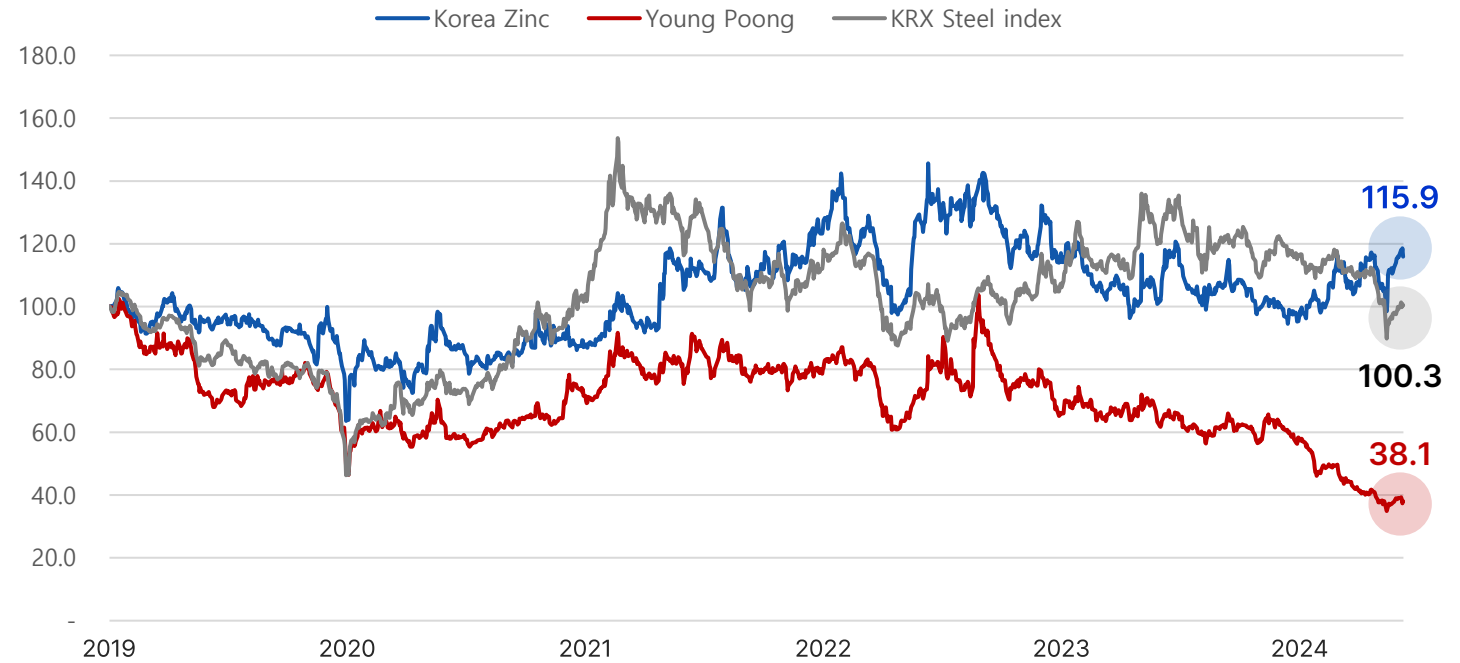
**Rebuttal on MBK & YP's proposed growth plan
and misleading allegations**

Allegation 1.

Korea Zinc has recorded poor TSR under Mr. Choi's leadership

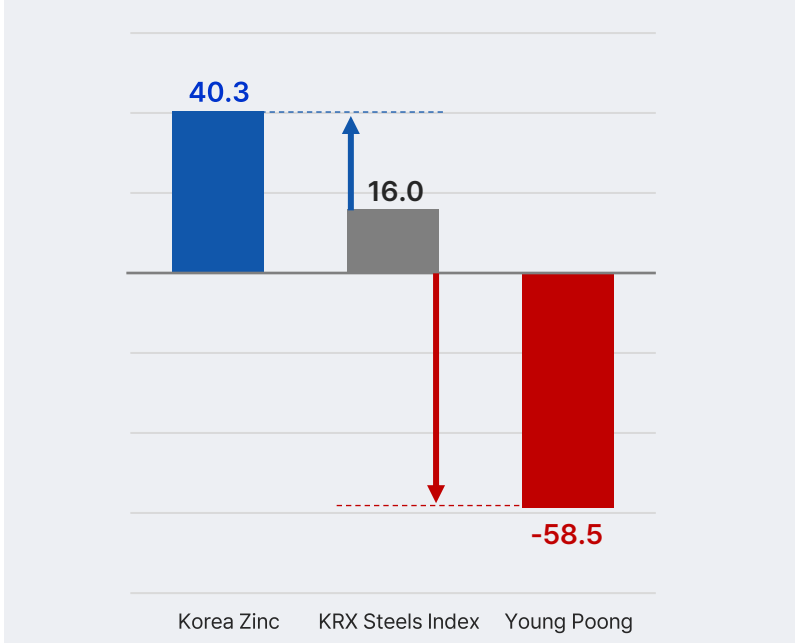
- After Mr. Choi became the CEO of Korea Zinc in 2019, the share price and total shareholder return rate outperformed both domestic peer, Young Poong, and industry index. MBK continues to apply inconsistent start dates push its narrative

Share price comparison (2019.03.22-2024.08.31) (Indexed=2019)



*Source: Bloomberg
 *Starting period: date of chairman Choi assuming position of CEO
 *End period: End of the month preceding MBK's tender offer launch

TSR* comparison (%) (2019.03.22-2024.08.31)

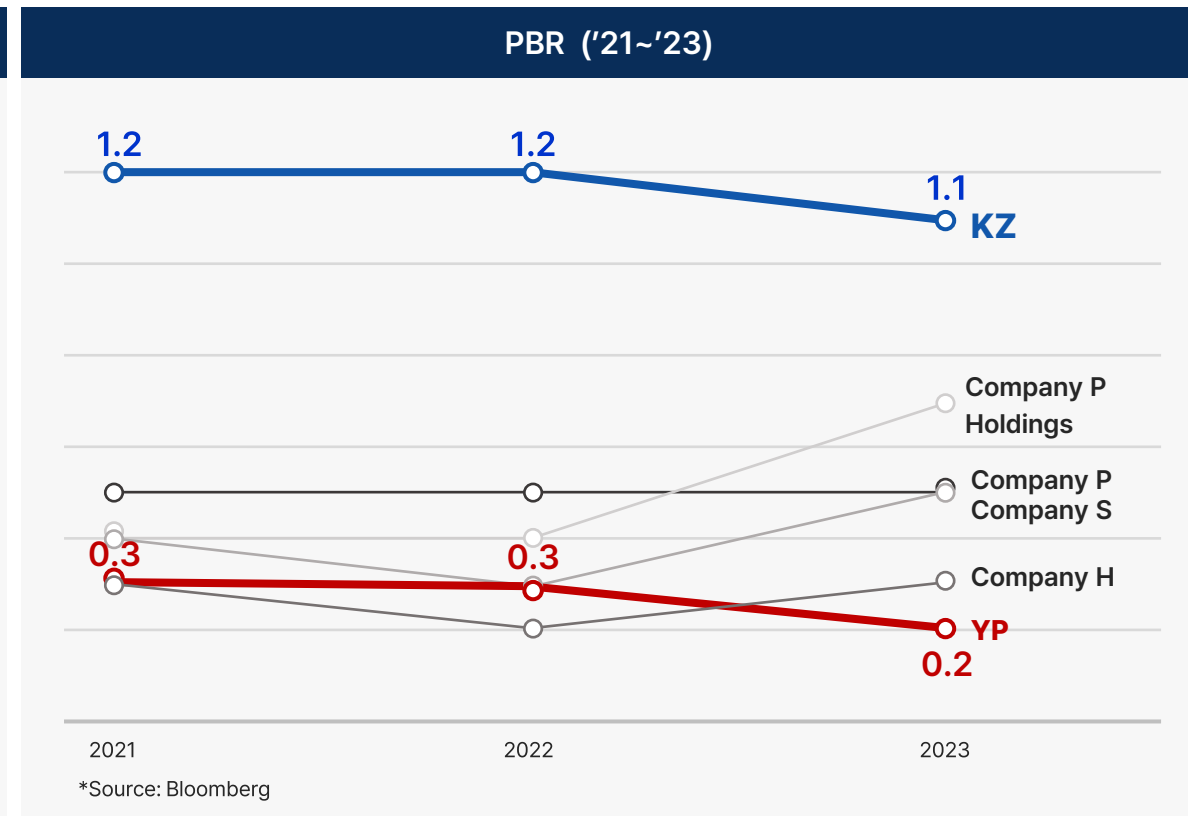
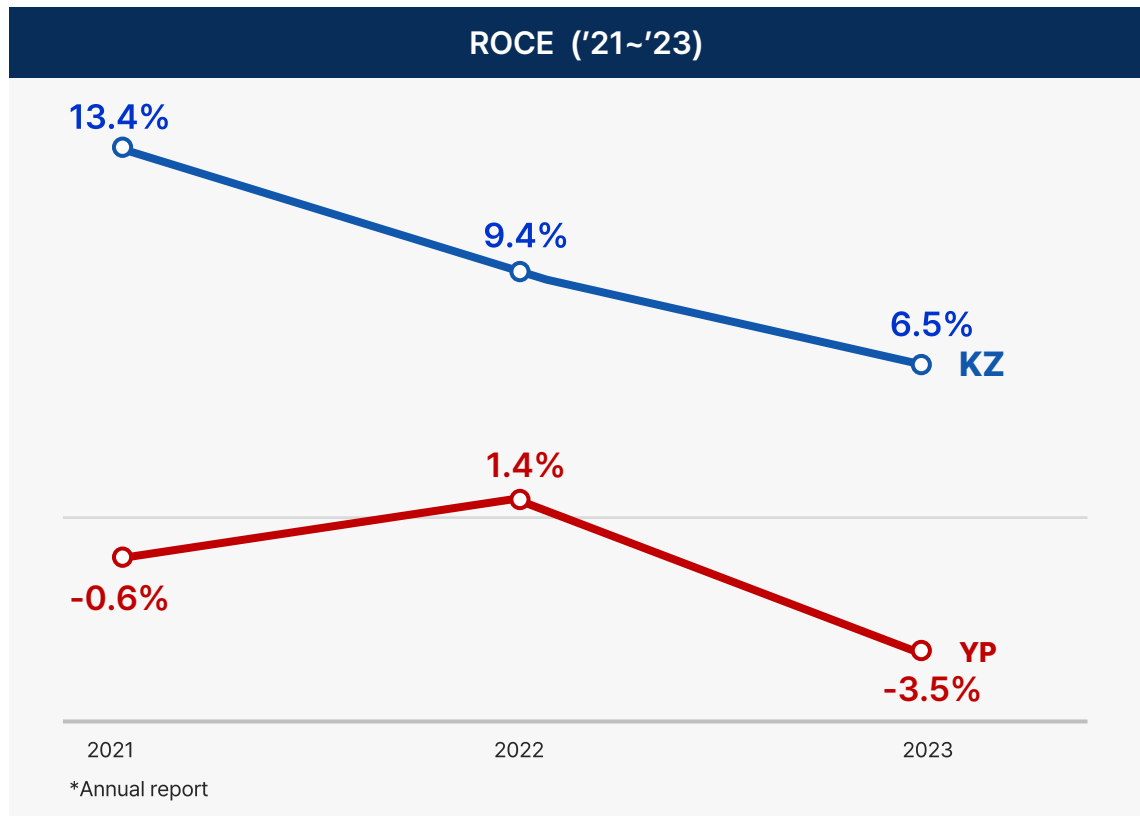


*Source: Bloomberg
 *TSR: [(current price - purchase price)+dividends]/purchase price
 *Starting period: date of chairman Choi assuming position of CEO
 *End period: End of the month preceding MBK's tender offer launch

Allegation 2.

Korea Zinc's ROCE and PBR has underperformed its peers

- Korea Zinc's ROCE and PBR have consistently outperformed domestic peer, Young Poong, while MBK's 'industry peer' used in their analysis remains unclear



Allegation 3.

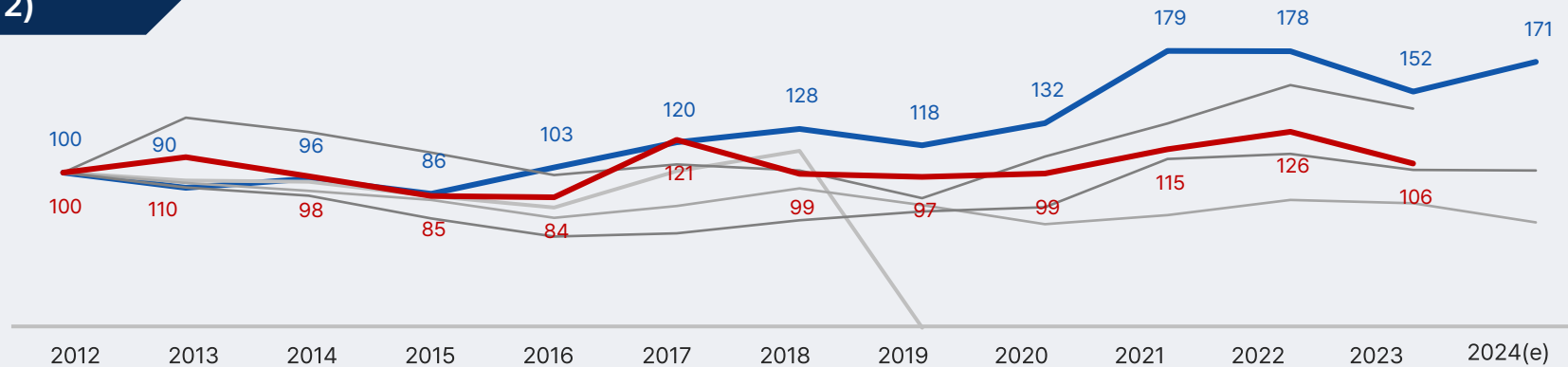
Korea Zinc's profitability has deteriorated under Mr. Choi's leadership

- Despite rising domestic energy prices and sluggish growth in zinc demand, Korea Zinc has outperformed not only domestic peer but global peer companies in terms of revenue growth and profitability for over a decade

Revenue growth (Indexed=2012)

* Consolidated basis

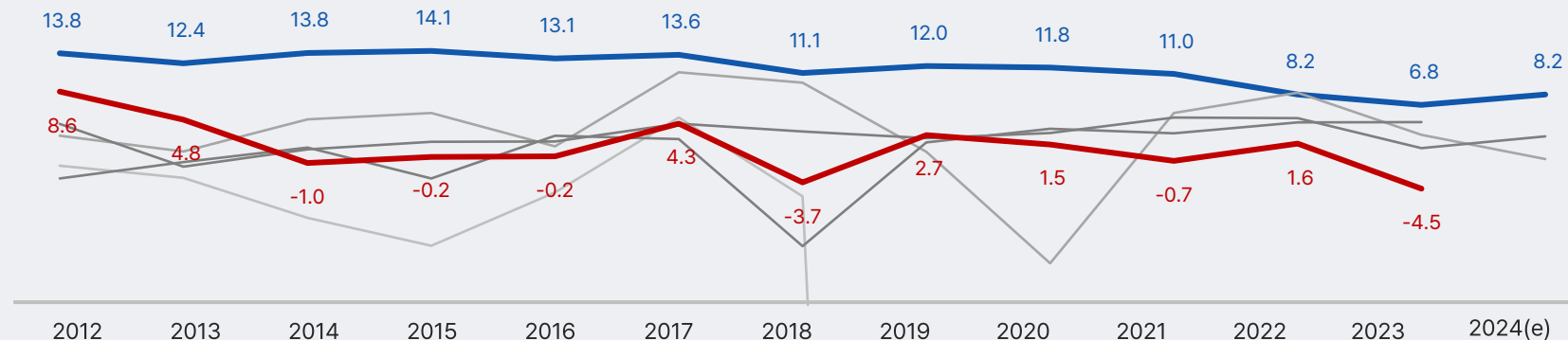
- Korea Zinc
- Company N
- Company T
- Company A
- Company Z
- Company Y



Operating Profit Margin trend (%)

* Consolidated basis

- Korea Zinc
- Company N
- Company T
- Company A
- Company Z
- Company Y



Allegation 4. Acquisition of Igneo Holdings had various problems including overview, poor due diligence, excessively high valuation

- Korea Zinc has conducted proper due diligence and valuation overseen by top-tier global investment banks and consulting companies

Overview

- The Board received reports on the highlights of the deal that were critical to the decision-making process at the Board, such as the background to the acquisition and acquisition cost
- The April 2022 reporting was intended to present progress in the deal before the acquisition was confirmed, with a **primary focus on Igneo's performance discussed in the ongoing negotiations prior to the final agreement**
- The downward adjustment to the EBITDA estimate in July 2022 reflects **the real projection of Igneo's earnings in consultation with the seller, based on which the acquisition cost was calculated**. It means that the adjusted EBITDA estimate results from the Company's verification of the seller's plan (The downward adjustment motivates the Company to lower the acquisition cost)

Due Diligence

- The acquisition of Igneo is the result of a year-long review based on in-depth discussions on the details of business at Igneo, such as capital structure, board composition, invested capital allocation, valuation, and the scope of acquisition
- **In November 2021 JP Morgan was selected as the advisor of the deal** to set up the structure of acquisition and perform the valuation of Igneo
- The revenues projected upon the acquisition clearly show no significant earnings in the early stage, **with gradual improvements predicted in 2025 and beyond if the volume of raw materials for sourcing increases and the plant in Georgia is put into operation**
- But, the project in Savannah, Georgia, was withdrawn due to its rising cost and a delayed subsidy from the U.S. DOE. Site selection efforts are underway (Greenfield → Brownfield)
- Also, even if the Georgia project is postponed, PCBs and other scrap copper from Igneo could be directly used at the Company's pyrometallurgy facility when the construction is completed, making it unnecessary to implement the project at the expensive cost. The Company plans to find the proper location, circumstances and budget to bring the project into reality
- Once the Company's pyrometallurgy construction is completed in late 2025, raw materials sourced from Igneo will increase substantially, leading to a dramatic increase in the earnings of Igneo

Allegation 4. Acquisition of Igneo Holdings had various problems including overview, poor due diligence, excessively high valuation

- The acquisition price reflects Igneo's network in North America and growth prospects along with high probability synergies with Korea Zinc's Onsan smelter at the timing of the transaction

Valuation

- When the acquisition was discussed, Igneo was in the process of building its value chain of collecting e-waste, processing, and producing recycled metal products. Therefore, it was impossible to value Igneo with the establishment in France, the only facility in operation at the time of acquisition
- The Company concluded that the value of Igneo lies in its network in the United States, the world's largest producer of e-waste, where it can get the stable supply of raw materials. Based on this conclusion, Igneo's 2025 EBITDA estimate was multiplied by the industry's average of 7-9 to calculate the proper valuation
- But, in fear of an excessively expensive cost for acquisition driven by the use of positive projection, the Company verified the real capabilities of Igneo to source scrap metal, and calculated the EBITDA estimate Igneo could achieve in 2025
- The acquisition reflects the Company's mid-term plan to expand the business to recycling an extensive range of materials, such as e-waste and used secondary batteries, based on Igneo's network in North America along with a synergy with Korea Zinc's Onsan smelter taken into account. Upon the acquisition, the Company was aware of cost expenditures on the Igneo business in the early phase and gradual improvements in 2025 and beyond, when Igneo's e-waste business is put on track. Therefore, it is difficult to conclude that Igneo's investment has failed based solely on the very short-term performance during the first one to two years following the acquisition in 2022-2023
- Although the Georgia plant has been postponed due to the rising costs, raw materials for the plant will be directly supplied to the Company's pyrometallurgy facility
- The Georgia plant took up a significant portion of the valuation of Igneo. However, the smooth supply of raw materials takes the lion's share of the value of the Georgia plant
- Therefore, even if the Georgia project is postponed, Igneo will deliver substantial growth in supply volume, revenues, and profits in 2025 and beyond, when the Company's pyrometallurgy facility expansion is completed

Allegation 4. Acquisition of Igneo Holdings had various problems including overview, poor due diligence, excessively high valuation

MBK has previously raised an allegation that acquiring 100% of Igneo Holdings, with revenue of KRW 2.9bn, for KRW 580bn suggests that the financial evaluation was not conducted properly

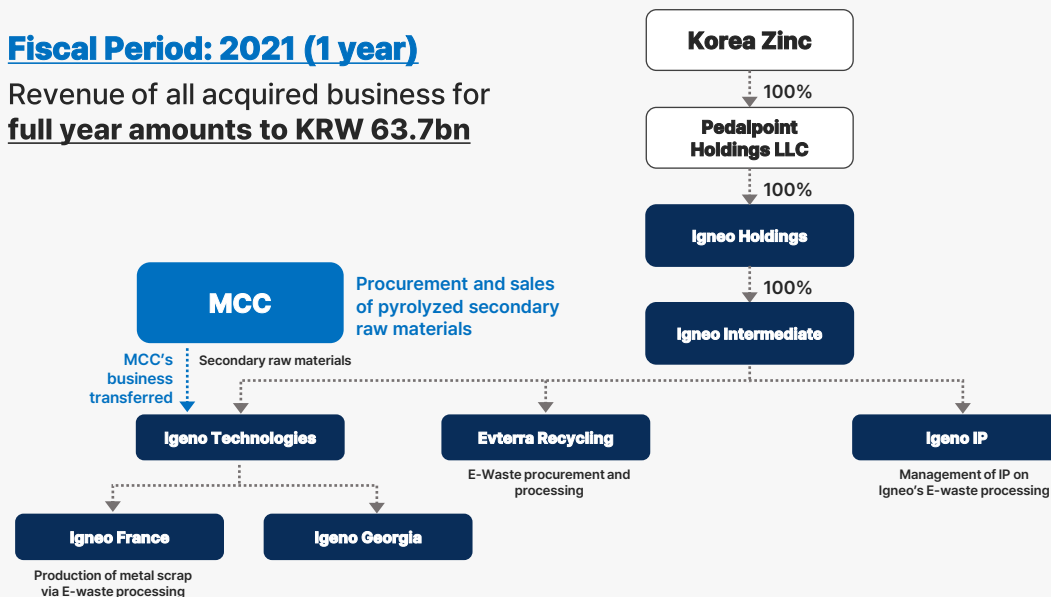
→ However, **KRW 2.9bn in revenue represents only a partial scope of the acquired business segments and reflects a misunderstanding of the overall deal structure**

- In the acquisition of Igneo Holdings and its subsidiaries, MCC's raw material purchasing and sales business has been transferred to Igneo Technology, making it a full acquisition of the entire value chain
- When all the acquired business segments are included, the revenue amounts to 63.7 billion KRW, confirming that the acquisition was made at a reasonable price (The valuation was conducted through a global consulting firm at an EBITDA multiple range of 7 to 9 times)
- The Board has decided acquisition through two meetings, both attended and approved by Director Chang Hyeong Chin

Total acquired business segments (revenue KRW 63.7bn)

Fiscal Period: 2021 (1 year)

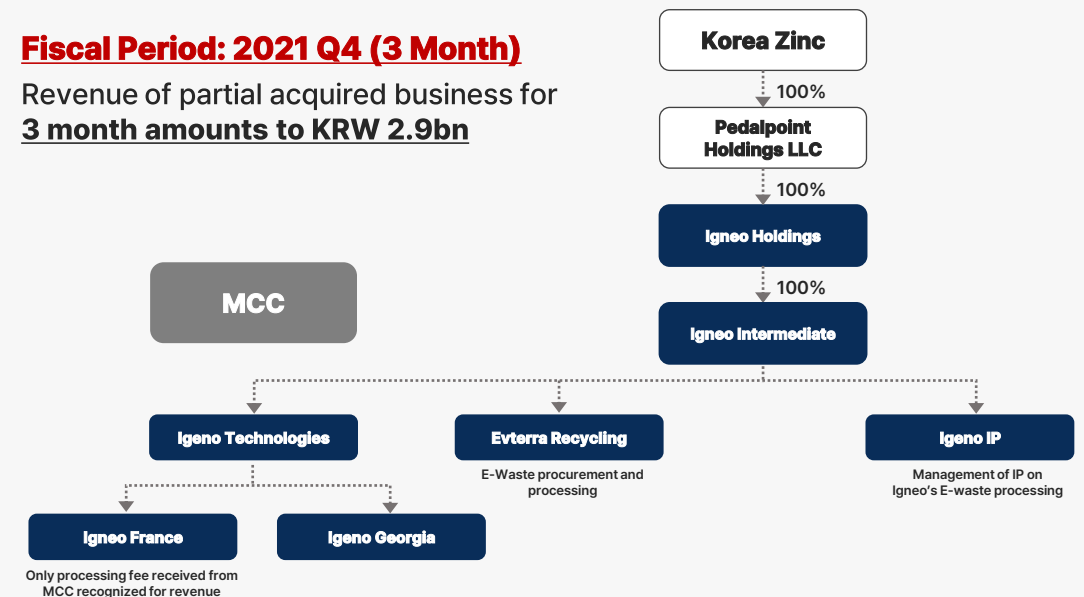
Revenue of all acquired business for full year amounts to KRW 63.7bn



Acquired business segments based on MBK's allegation (revenue KRW 2.9bn)

Fiscal Period: 2021 Q4 (3 Month)

Revenue of partial acquired business for 3 month amounts to KRW 2.9bn



Allegation 5.

Korea Zinc's shareholder values have deteriorated due to poor governance

Korea Zinc has continually reinforced the Board and committee's independence, expertise, and diversity

- Korea Zinc will continue governance improvements, including BSM-based director appointments and appointing an independent chair

Governance Improvements to Date

Governance Improvement Plan

① Board Competence

The Board comprises experts with competencies essential for business strategy

② Board Independence

The roles of Board Chair and representative director have been separated

③ Board Diversity

The percentage of female directors on the board is 15.4%

④ Committee Independence

Ensure all committee chairs and members are independent directors

* Current committees

- 1) Nomination Committee
- 2) Audit Committee
- 3) Internal Transaction Committee
- 4) Remuneration Committee
- 5) ESG Committee (to be established)

① **Improve board competence based on BSM (Board Skillset Matrix) by ensuring the Board has all necessary skills for business strategy**

② **Secure an appropriate pool of candidates by skillset by utilizing various recommendation channels**

③ **Elect independent director as board chair to Strengthen Board Independence**

④ **Appoint a foreign independent director to facilitate communication and gather opinions from foreign shareholders and international investors**

⑤ **Appoint an independent director dedicated to investor relations (IR) to strengthen communication with shareholders**

Allegation 5.

Korea Zinc's shareholder values have deteriorated due to poor governance

- Korea Zinc's Board is composed of experts in the essential fields of management, legal affairs, taxation, and ESG practices, as well as non-ferrous metal and new businesses
- Young Poong's Board has two inside directors who are all currently facing criminal trials along with the company itself, for violations of the Serious Accidents Punishment Act (SAPA). Additionally, the other board members fail to meet the required BSM (Board Skill Matrix) qualifications necessary for smelting operations

❖ Comparison of BOD Matrix between Korea Zinc and Young Poong (in the respective 2023 Corporate Governance Reports)

Korea Zinc

Name	Category	Gender	Background
Choi Yun Birm (Chair)	Inside director	Male	Management
Park Ki Deok		Male	Management
Jung Tae Wung		Male	Management
Chang Hyung Chin	Non-executive director	Male	Non-ferrous metal
Choi Nae Hyun		Male	Non-ferrous metal
Kim Woo Joo		Male	Advisory for new business
Sung Yong Rak	Outside director	Male	Regulatory and auditory
Kim Do Hyeon		Male	Advisory for internal process improvement
Kim Bo Young		Female	Advisory for ESG practice
Lee Min Ho		Male	Environment (Climate change & ESG)
Kwon Soon Bum		Male	Legal Affairs
Suh Dae Won		Male	Taxes
Hwang Deok Nam		Female	Legal Affairs

Young Poong ¹⁾

Name	Category	Gender	Background
Park Young-min (Chair)	Inside director	Male	Non-ferrous metal
Bae Sang-yoon		Male	Management
Park Byung-wuk	Outside director	Male	Accounting, Tax (CPA)
Park Jeong-Ok		Female	Social Contribution
Choi Chang-won		Male	Administration

1) Two inside directors, Park Young-min and Bae Sang-yoon, are in investigation for violations of the serious disaster punishment law

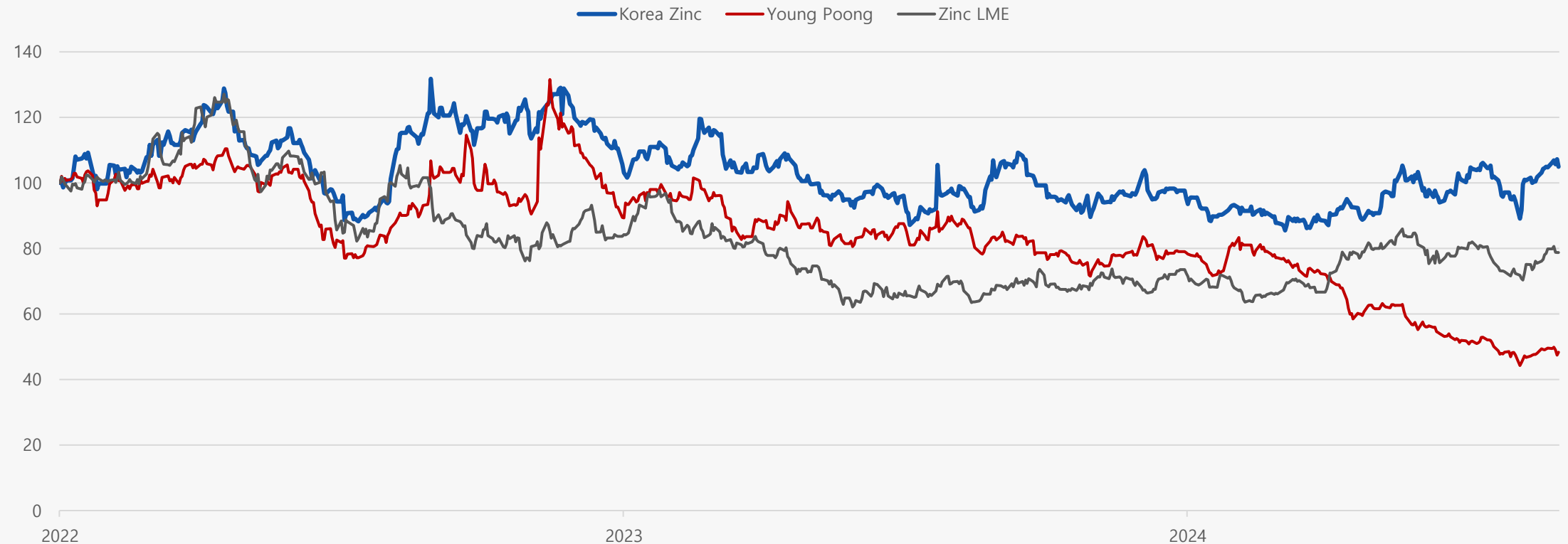
Allegation 6.

Share price has underperformed due to Troika Drive

KZ's share price trend in the alleged period is more correlated with zinc prices and industry trends, as shown below

- Despite the sharp drop in Zinc LME starting in 2022, Korea Zinc's share price has outperformed both zinc price and domestic peer Young Poong

Share price and Zinc LME price trend (2022.01.03-2024.08.31) (indexed=2022.01.03)



Allegation 7.

KRW 12 trillion of debt and negative cash flow is expected under current plan

MBK misinforms the leverage forecast by choosing only 2029 year-end timing, which excludes the recoupment plan between 2030-2033

- MBK has set the forecast period to 2029, ruling out the 2030~2033 forecast where Capex significantly decreases while Revenue and EBITDA continue to grow
- The renewable energy sector requires a long-term perspective embracing a sustainability standpoint(RE100, Net Zero) and synergy with existing businesses
- Of the cumulative KRW 11.9 trillion Capex planned for 2024–2033, KRW 8.3 trillion is allocated to renewable energy projects
- Korea Zinc plans to bring in equity partners if needed, significantly reducing its actual Capex investment as stated in the Investor Day of 2023

MBK demonstrates a lack of understanding of Troika Drive and synergies between respective businesses and smelting business (green metal premium)

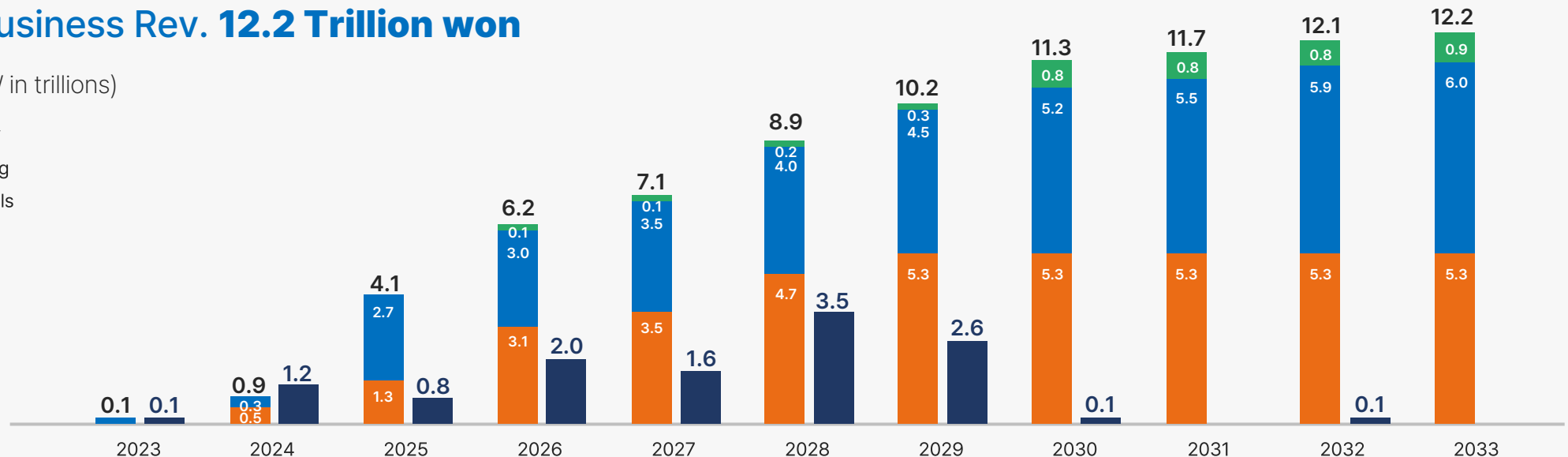
Capex & Forecast of Revenue about TD Business

2023 TD Business Rev. 12.2 Trillion won

Revenue (KRW in trillions)

- Renewable Energy
- Resource Recycling
- EV Battery Materials

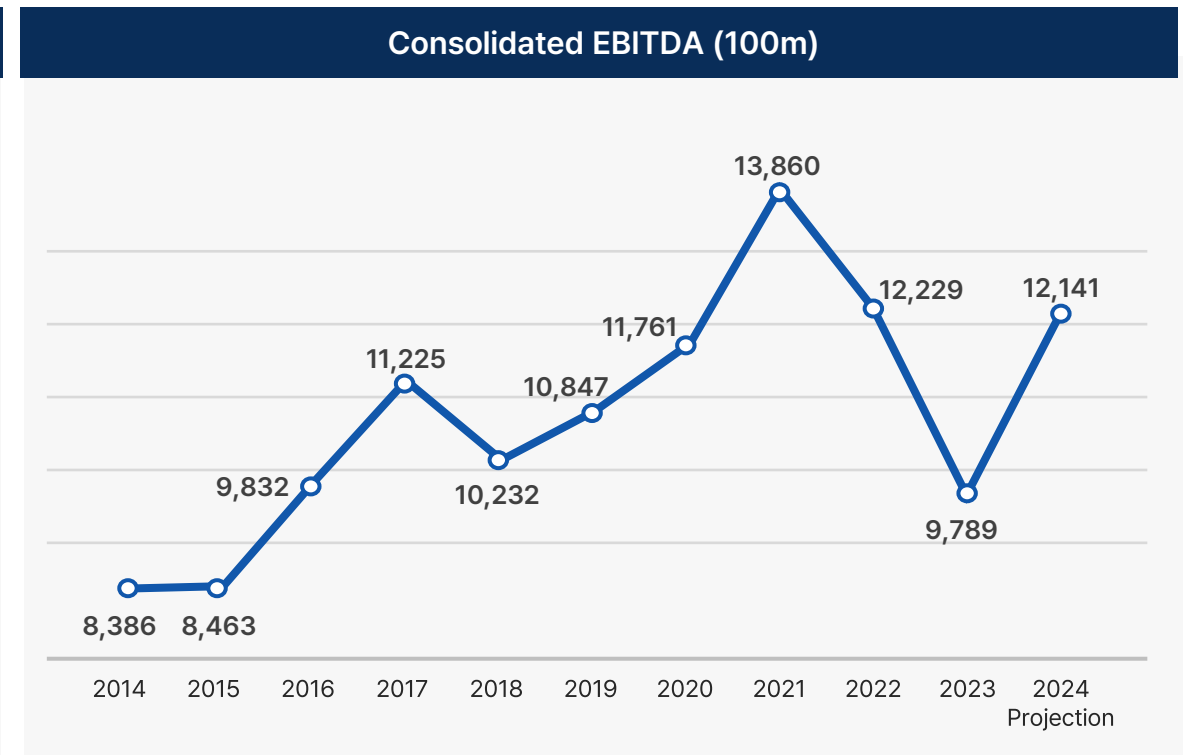
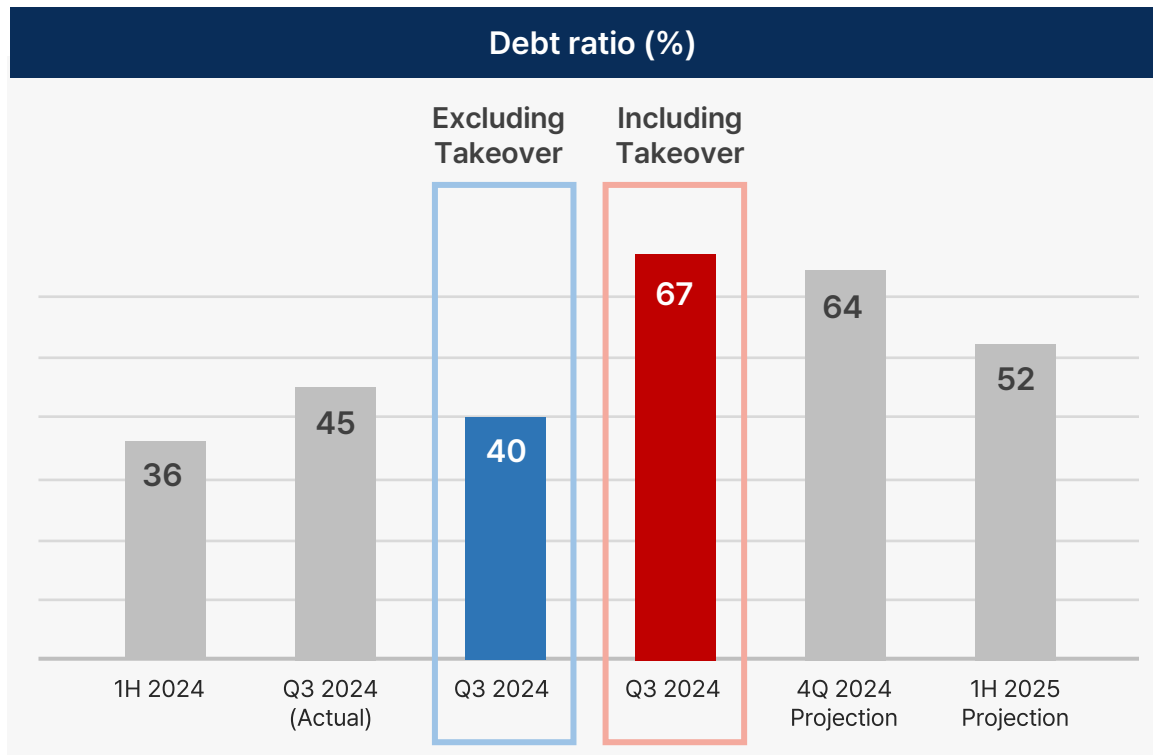
Capex



Allegation 8.

Korea Zinc's debt ratio has increased due to over investments

The recent net debt increase is caused by the hostile takeover campaign launched by MBK&YP and will be normalized soon, backed by Korea Zinc's strong cash-flow-generating capabilities



Allegation 9. Korea Zinc has tried to defend control at the expense of shareholder value through general public offering

The general public offering was intended to stabilize market price and improve shareholder value

01

To respond to abnormal trading behaviors in the market

- A surge in stock price unlike a typical downward trend following a tender offer
- Market volatility was exacerbated, as shown in a new high on October 24
- The necessity arises to stabilize the price in response to the unpredictability of the market

02

To provide more supply in the stock market for market stabilization

- A fall in shares outstanding due to tender offers launched by the Company and the Consortium
- More supply is needed to address the uncertainties in the market
- Intends to lay the ground for good trading behaviors in the stock market

03

To establish good governance practices

- A public offering was selected to invite both the existing shareholders and general investors
- A broader shareholder base to ensure distributed ownership
- Greater shareholder participation to build a solid governance structure

After listening to concerns in the market and among shareholders, the Company withdrew the public offering plan based on the independent review by the outside directors' meetings. The decision results from the Company's respect for shareholders and commitment to active communication with the market.

Allegation 10. Korea Zinc has failed to make progress in Troika Drive business other than nickel and precursor business

- Troika Drive is mostly progressing aligned with the timeline disclosed on IR day and has already seen major progress, such as the Igneo acquisition, solar panel recycling facility expansion, etc., despite economic headwinds

E-Waste

- After the acquisition, Igneo is rapidly increasing the trading volume of e-waste, PCBs, and other scrap in the US to 5k tons in 2022, 20k in 2023, and 40k in 2024, and expanding its business to other scraps, such as used solar panels, used EV batteries, Black Mass, Cu Wire and ITAD, based on its network of plants and collection capabilities
- The Georgia project has been postponed due to the rising cost with efforts to search for a new site, considering a shift from greenfield to brownfield

Solar Panel Recycling

- The Company already completed an investment in a solar panel recycling facility at the Onsan smelter, which has already been in operation to recycle 20k tons of used solar panels per annum
- With Hanwha Solution, the Company already secured the supply of scrap from Hanwha plants in Korea and the US.
- evTerra is in operation for shredding and sortation of end-of-life solar panels sourced in the US
- The recycling facility in the Onsan smelter began to work in September 2024. It is expected to process 2k tons this year and sets 17k tons as the goal for next year

Used EV Batteries

- The 2023 Investor Day materials stated the Company's goal of building the first facility processing 20k tons per year between 2024-2026 (The year 2023 was never mentioned)
- Site searching efforts to enter the recycling market in North America had been underway. Then, it was put on hold as the downward trend in metal prices and the unstable supply of raw materials due to the EV chasm could disrupt the profitability and stability of the recycling business in the overseas market, leading to a consequential delay in schedule
- But, consideration of investment and consultation with overseas preprocessors for investment is underway to study the preprocessing markets across the world and secure a stable supply of secondary batteries

Allegation 10. Korea Zinc has failed to make progress in Troika Drive business other than nickel and precursor business

- Troika Drive is mostly progressing aligned with time-line disclosed on IR day and has already seen major progress, such as Igneo acquisition, solar panel recycling facility expansion, etc. despite economic headwinds

Copper Foil

- Mass production has been delayed due to the sluggish demand caused by the EV chasm
- Product approval for the customer's Plants 1 and 2 is complete, 4M procedures are underway, and mass production is scheduled to begin in early 2025
- Discussions are underway with other customers, such as OEMs, JVs, and those in Japan and Europe

Solar/Wind

- Development for 4.6GW of power generation is underway / Investment in renewable energy has generated a return of KRW 0.7 trillion, or A\$800m

Green Hydrogen

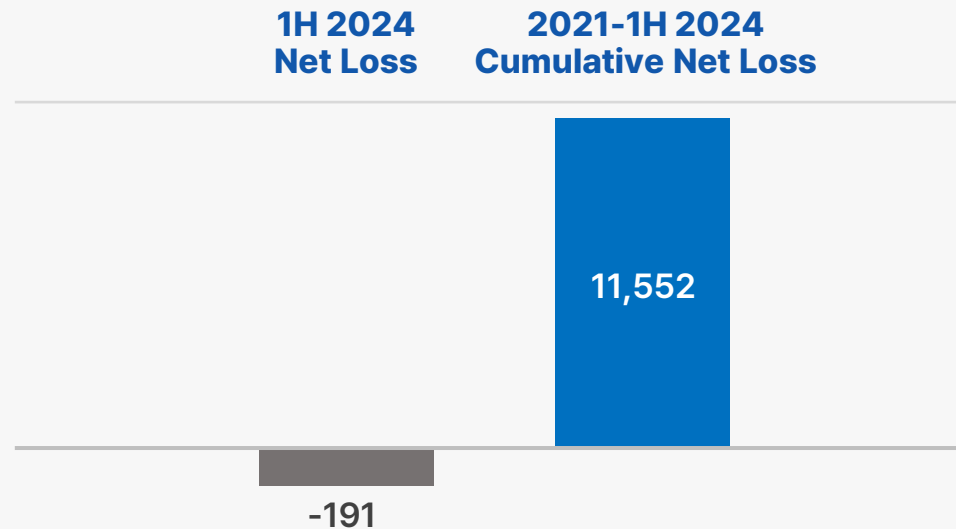
- The Korea-Australia H2 Hub project has changed the target of green hydrogen production from 280k tons per year to 140-200k tons per year by 2030 (800-1200k tons per year for green ammonia)
- The SunHQ pilot project will be fully constructed in late 2024, put to the test in early 2025 to begin the full operation in H1 2025

Allegation 11. Korea Zinc has invested in businesses unrelated to its core business and the majority of invested companies continue to generate a net loss

- The financial results of the invested companies between 2021 to 1H 2024 reflect the arbitrary adjustments made by the consortium to the cumulative financial results of these companies to depict their financial performances negatively (ex. Excluding certain periods of newly invested companies' financial performances in the calculation)
- The cumulative net profits stand at KRW 11,552 billion when the financial results of these companies are simply combined and KRW 533 billion when the financial results of this year are combined on a monthly basis

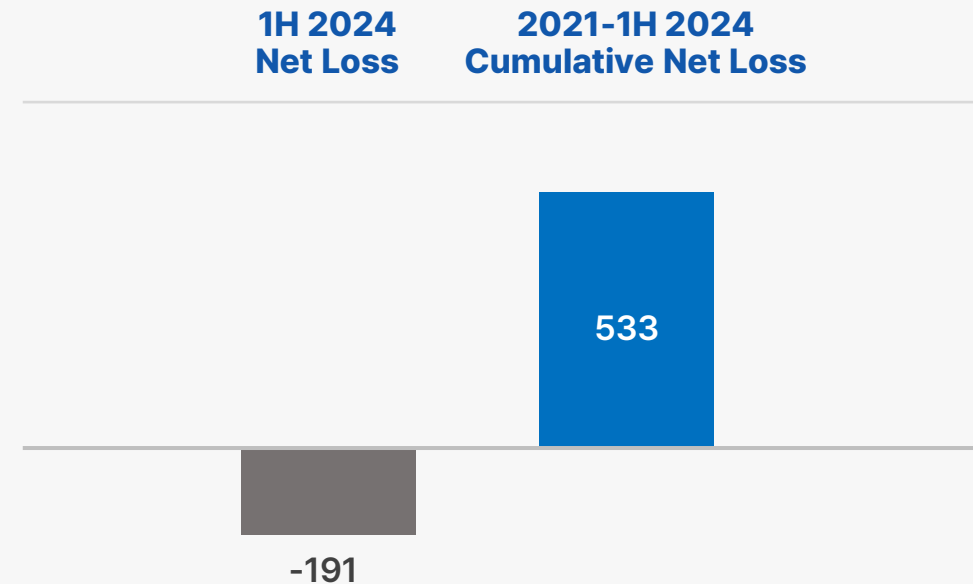
Financial Results of the Invested Companies (Simple Sum)

(unit : KRW 1b)



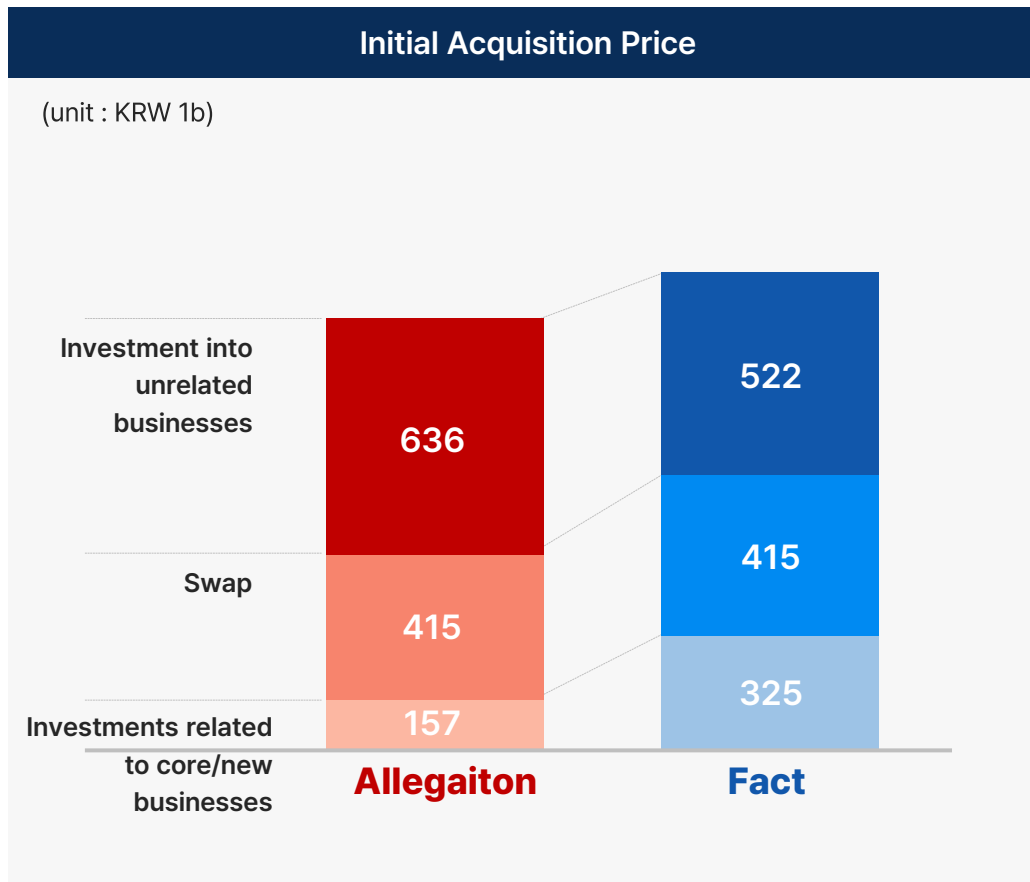
Financial Results of the Invested Companies (Monthly Sum)

(unit : KRW 1b)



Allegation 11. Korea Zinc has invested in businesses unrelated to its core business and the majority of invested companies continue to generate a net loss

- Korea Zinc has made substantive investment into the core business and MBK's material misrepresent facts



01

The amount claimed by the consortium as investments into unrelated businesses contains KRW 113 billion invested in related businesses

Including investments in the Global Battery I fund and the DS Investment Energy Scale-up Partner New Technology Investment Cooperative

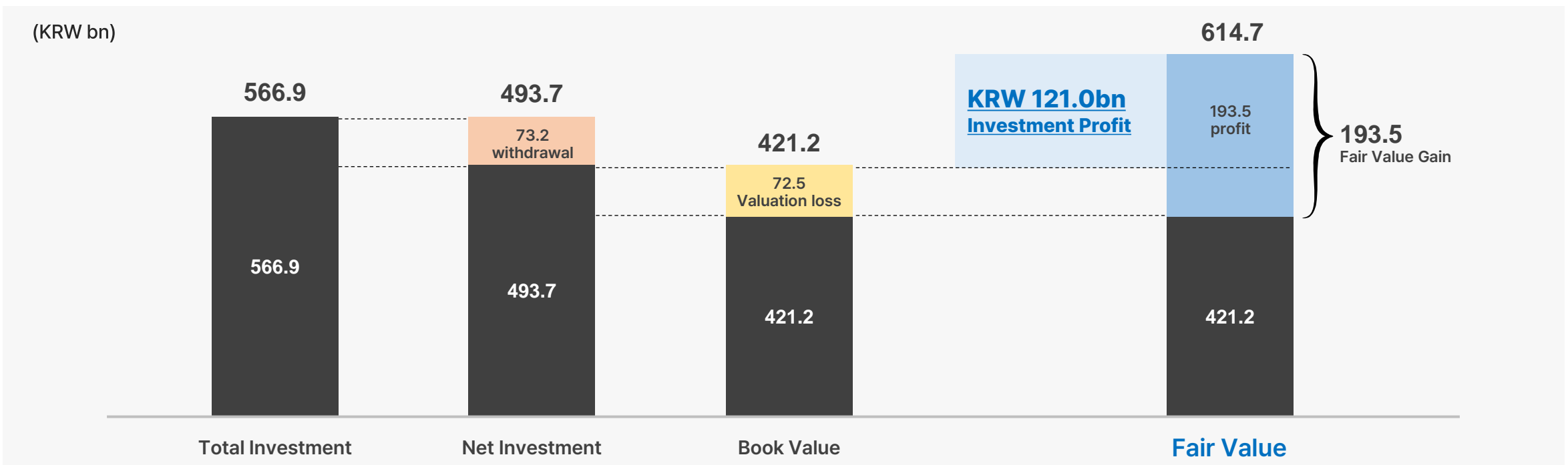
02

In the amount of investments into related business, the consortium miscalculated the acquisition cost of KZAM by adding KRW 6 billion, which should be KRW 60 billion

Allegation 12.

Board has failed to provide appropriate oversight in investment decisions

- Korea Zinc's investment in a private equity fund managed by One Asia Partners followed lawful procedures under relevant regulations, and due to the nature of private equity funds, particularly blind funds, Korea Zinc, as an LP, had no control over which businesses the fund invests in
- In pursuit of enhancing returns through the effective use of surplus funds, Korea Zinc made a rational business decision to invest in this private equity fund
- MBK has previously raised an allegation that investment in funds managed by One Asia was unlawful and resulted in loss. However, the funds in which Korea Zinc invested, including those managed by One Asia Partners, were audited by an external accounting firm and disclosed to financial authorities through fair value assessments, recording KRW 121.0bn in investment profit



Allegation 12.

Board has failed to provide appropriate oversight in investment decisions

- The acquisition of Igneo Holdings was thoroughly reviewed over a year with global consulting firms, including KPMG, Skadden, and Ramboll, alongside JP Morgan as an advisor
- The Board has received sufficient information in a timely manner before making the acquisition decision, which was made over two meetings, both attended and approved by Director Chang Hyeong Chin

The decision on the Igneo investment was based on a long-term review of the deal that spanned over a year from the deal sourcing

- After recognizing Igneo's investment interest in June 2021, the two companies signed an NDA in July 2021 and began a full-scale investment review
- Essential information on the investment obtained in the review process, such as the valuation of Igneo, shareholding composition, invested capital allocation, and the board composition, were frequently reported to the Company's management
- In parallel with the Company's own review process, due diligence was performed by global consulting firms, such as [KPMG on finance and taxes](#), [Skadden on legal affairs](#), and [Ramboll on environmental practices](#), to thoroughly review the entire aspects of business at Igneo
- Furthermore, the Company selected JP Morgan as the advisor to get arrangements and the valuation of the deal along with its own attempt to verify the model advised by JPMorgan and examine the technical capabilities of Igneo by the Company's engineers

Information on the Igneo investment was reported to the management and the Board in a timely and sufficient manner

- The management made decisions even on the details of the deal based on a frequent progress report on the negotiations
- Upon the acquisition of shares (both the initial part and the remaining part), the report to the management contained the confirmed information on Igneo: earnings and valuation, acquisition cost, shares to acquire, and the detailed terms and conditions specified in the share acquisition agreement
- Following the report to the management, [the highlights of the deal, including valuation, acquisition costs, and shares to acquire, were sufficiently reported to the Board](#)
- Therefore, essential information on the deal was reported to the board as well as the management, and every action in the negotiation process was taken with prior approval
- [The acquisition of Igneo Holdings was decided in two BoD meetings held in 2021, both attended and agreed upon by Director Chang Hyeong Chin, a director from Young Poong](#)

Allegation 13. Korea Zinc, through investing in fund managed by OneAsia Partners, has participated in stock manipulation of SME

- Korea Zinc has not participated in any market manipulation directly or indirectly, as it had no control over OneAsia Partners investment operations

01

The investment on SM Entertainment has been structured and executed solely at the discretion of OneAsia Partners as GP

02

And Korea Zinc is just an LP that makes investments with confidence in the expertise of GP

03

Korea Zinc was not aware of the any details regarding the tender offer or its schedule, and the article raising suspicions merely speculates intentions based on the outcome

EGM Agenda

1 EGM Agenda

- Support agenda items aligned with governance improvement goals, such as enhancing board efficiency, protecting general shareholder rights, and adopting shareholder-friendly policies
- Reasonably accept the MBK&YP's shareholder proposal to introduce an executive officer system, deemed to contribute to governance enhancement
- The candidates proposed by MBK&YP are opposed due to governance risks, including a lack of transparency in the nomination process, concerns about independence, and potential disqualification under the Korean Commercial Act

Category	Agenda	Proposer	Korea Zinc's Position
No. 1: Partial amendment to the Articles of Incorporation			
No.1-1	Amendment to the Articles of Incorporation to adopt a cumulative voting system (shareholder proposal_Yumi Development Co., Ltd.)	Yumi Development	For
No.1-2	Amendment to the Articles of Incorporation regarding the maximum number of directors in order to prevent inefficiencies in management caused by an oversized Board of Directors	Korea Zinc	For
No.1-3	Amendment to the Articles of Incorporation to adopt an executive officer system (shareholder proposal_Young Poong Co., Ltd.)	MBK & YP	For
No.1-4	Stock split and amendment to the Articles of Incorporation for stock split	Korea Zinc	For
No.1-5	Amendment to the Articles of Incorporation to stipulate the protections for minority shareholders	Korea Zinc	For
No.1-6	Amendment to the Articles of Incorporation to appoint an outside director as the Chairman of the Board of Directors	Korea Zinc	For
No.1-7	Amendment to the Articles of Incorporation to change the record date for dividends	Korea Zinc	For
No.1-8	Amendment to the Articles of Incorporation to adopt quarterly dividends	Korea Zinc	For
No. 2: Appointment of seven (7) Directors through cumulative voting under the assumption that the maximum number of Directors is nineteen (19)			
No. 2-1 ~ No. 2-7	Seven (7) Directors (Korea Zinc's Proposal)	Korea Zinc	For
No. 2-8 ~ No. 2-21	Fourteen (14) Directors (Shareholder Proposal)	MBK & YP	Against

1 EGM Agenda

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- The candidates proposed by MBK&YP are opposed due to governance risks, including a lack of transparency in the nomination process, concerns about independence, and potential disqualification under the Korean Commercial Act

Category	Agenda	Proposer	Korea Zinc's Position
No. 3: Appointment of Directors through cumulative voting under the assumption that there is no maximum number of Directors			
No. 3-1	Determination on the number of Directors to be appointed through cumulative voting		
No. 3-1-1	- Appointment of seven (7) Directors	Korea Zinc	For
No. 3-1-2	- Appointment of fourteen (14) Directors	MBK & YP	Against
No. 3-2	Appointment of seven (7) Directors through cumulative voting		
No.3-2-1 ~ No.3-2-7	- Seven (7) Directors (Korea Zinc's Proposal)	Korea Zinc	For
No.3-2-8 ~ No.3-2-21	- Fourteen (14) Directors (Shareholder Proposal)	MBK & YP	Against
No. 3-3	Appointment of fourteen (14) Directors through cumulative voting		
No. 3-3-1 ~ No. 3-3-7	- Seven (7) Directors (Korea Zinc's Proposal)	Korea Zinc	For
No. 3-3-8 ~ No. 3-3-21	- Fourteen (14) Directors (Shareholder Proposal)	MBK & YP	Against
No. 4: Appointment of Directors under the assumption that the maximum number of Directors is nineteen (19)			
No. 4-1 ~ No. 4-7	Seven (7) Directors (Korea Zinc's Proposal)	Korea Zinc	For
No. 4-8 ~ No. 4-21	Fourteen (14) Directors (Shareholder Proposal)	MBK & YP	Against
No. 5: Appointment of Directors under the assumption that there is no maximum number of Directors			
No. 5-1 ~ No. 5-7	Seven (7) Directors (Korea Zinc's Proposal)	Korea Zinc	For
No. 5-8 ~ No. 5-21	Fourteen (14) Directors (Shareholder Proposal)	MBK & YP	Against
No. 6: Appointment of Audit Committee member			
	Candidate : Outside director Kwon Soon Bum	Korea Zinc	For

② No. 1-1 : Amendment to the Articles of Incorporation to adopt a cumulative voting system (shareholder proposal_Yumi Development Co., Ltd.)

- The shareholder proposal to adopt cumulative voting is deemed to contribute to protecting minority shareholder rights, a key governance improvement goal for Korea Zinc, and is reasonably accepted
- Actively reflecting the recommendations of domestic and global proxy advisors while reasonably accepting shareholder proposals for the introduction of the cumulative voting system and requests for its application

Cumulative voting system

- The cumulative voting system allows shareholders to cast all of their votes either for a single nominee or several nominees for the board of directors when the company has multiple openings on its board
- The candidates with the most votes are appointed to the board directors in order

Purpose

- To protect the rights of general shareholders, which may be overlooked in ownership structures with controlling shareholders
- **Protecting the rights of general shareholders by forming a board of directors that reflects the diverse opinions of shareholders**
- Recently, small shareholders and the market have strongly supported the introduction of the cumulative voting system, and lawmakers are also promoting amendments to the Commercial Act to mandate it for large listed companies

Shareholder Proposal

- The current AOI exceptionally excludes the cumulative voting system that protects the minority shareholders' rights
- **Yumi Development Co., Ltd. has proposed the following through a shareholder proposal:**
 - 1) Introducing the cumulative voting system by amending the articles of incorporation (requesting agenda inclusion),**
 - 2) Based on the premise of introducing the cumulative voting system through the shareholder proposal, requesting the election of directors at an extraordinary general meeting of shareholders using the cumulative voting method**
- The request for cumulative voting conditional upon the amendment of the articles of incorporation to introduce the system is deemed to comply with relevant laws

② No. 1-2 : Amendment to the Articles of Incorporation regarding the maximum number of directors in order to prevent inefficiencies in management caused by an oversized Board of Directors

- Limit the board size of directors to an appropriate level to prevent the influence of individual directors from being diluted
- Domestic and global proxy advisors and investors recommend limiting the number of directors so as not to hinder the efficiency of each company's board of directors
- Global proxy advisory firm Glass Lewis recommends limiting the board size (no more than 20 members)

Amendment of AOI Proposal

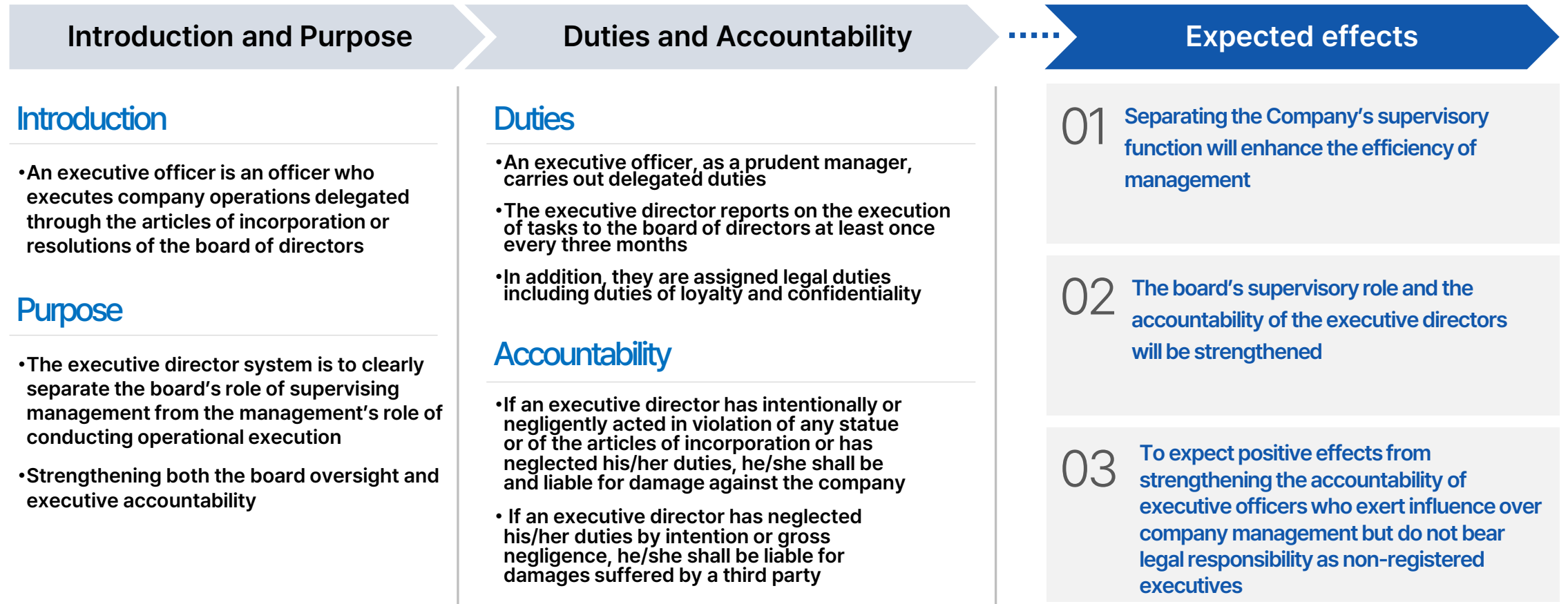
- Current : The number of directors shall be three or more
- Amendment : The number of directors shall be not less than 3 and not more than 19

Purpose

- MBK&YP have proposed appointing 14 additional directors, effectively attempting to weaken the board's power
- If the board becomes excessively large, the responsibilities and authority of directors could be diluted, and the board's deliberative function may be hindered
- If 14 director candidates recommended by MBK/YP and 7 candidates recommended by Korea Zinc are additionally appointed to the existing board of 13 members, the board size could increase to a total of 34 members, potentially resulting in an "excessively large and inefficient board" unprecedented on a global scale
- In the United States, where boards typically consist of 11 members, it is noted that efficiency declines as the number of directors increases, making boards with 7 to 9 members the most effective (Hwa-Jin Kim, Corporate Governance and Corporate Finance), while in Europe, the average board size is 13 members (Egon Zehnder International, Board of Directors Global Study)

② No. 1-3 : Amendment to the Articles of Incorporation to adopt an executive officer system (shareholder proposal_MBK & YP)

MBK&YP's proposal to adopt an executive officer system is reasonably accepted, as the system is expected to enhance board efficiency and governance by assigning legal accountability to non-registered officers and strengthening the board's supervisory function



② No. 1-4 ~ No. 1-8 : Amendment to the Articles of Incorporation

Agenda items for amending the Articles of Incorporation has been proposed to enhance shareholder value and improve governance

Agenda	Expected effects
No. 1-4 Stock split and amendment to the Articles of Incorporation for stock split	<ul style="list-style-type: none">• Improved liquidity without diluting existing shareholders' equity• Increased stock dispersion through a higher volume of tradable shares, enhancing shareholder value
No. 1-5 Amendment to the Articles of Incorporation to stipulate the protections for minority shareholders	<ul style="list-style-type: none">• Governance improvements, including increased opportunities for minority shareholders to participate in decision-making and strengthened protection of minority shareholder rights
No. 1-6 Amendment to the Articles of Incorporation to appoint an outside director as the Chairman of the Board of Directors	<ul style="list-style-type: none">• Enhanced independence and transparency by operating the board separately from management
No. 1-7 Amendment to the Articles of Incorporation to change the record date for dividends	<ul style="list-style-type: none">• Increased predictability and trust in the company, mitigating year-end stock price volatility caused by recurring ex-dividend effects, and improving shareholder value
No. 1-8 Amendment to the Articles of Incorporation to adopt quarterly dividends	<ul style="list-style-type: none">• Introduction of a shareholder return policy to provide regular income to shareholders and promote stable cash flow

3 No. 2 ~ No. 5: The method of voting (Election of directors)

The director election voting method will follow one of four approaches, depending on the approval of 1-1 (cumulative voting) and 1-2 (director cap)

Condition	The method of voting	Candidate
	<p>No. 2: Appointment of seven (7) Directors through cumulative voting under the assumption that the maximum number of Directors is nineteen (19)</p> <p>(Cumulative Voting Enabled & Maximum Number of Directors: 19)</p> <ul style="list-style-type: none"> • The maximum number of directors is capped at 19, with 7 vacancies available for new appointments • Voting will proceed using a cumulative voting method among 21 candidates, and the 7 directors with the highest number of votes will be elected 	<p>[Korea Zinc]</p> <p>No. 2-1: Appointment of (outside) director Sanghoon Sam Lee No. 2-2: Appointment of (outside) director Hyeong-Kyu Lee No. 2-3: Appointment of (outside) director Kyeongwon Kim No. 2-4: Appointment of (outside) director James Andrew Murphy No. 2-5: Appointment of (outside) director Tammy Chung No. 2-6: Appointment of (outside) director Jaiyong Lee No. 2-7: Appointment of (outside) director Jaesik Choi</p> <p>[Shareholder Proposal_Young Poong]</p> <p>No. 2-8: Appointment of (non-executive) director Sung-doo Kang No. 2-9: Appointment of (non-executive) director Kwang-il Kim No. 2-10: Appointment of (outside) director Kwang-seok Kwon No. 2-11: Appointment of (outside) director Myung-joon Kim No. 2-12: Appointment of (outside) director Su-jin Kim No. 2-13: Appointment of (outside) director Yong-jin Kim No. 2-14: Appointment of (outside) director Jae-seop Kim No. 2-15: Appointment of (outside) director Hyun-cheol Byeon No. 2-16: Appointment of (outside) director Ho-sang Son No. 2-17: Appointment of (outside) director Seok-hyun Yoon No. 2-18: Appointment of (outside) director Deuk-hong Lee No. 2-19: Appointment of (outside) director Chang-hwa Jeong No. 2-20: Appointment of (outside) director Joon-beom Cheon No. 2-21: Appointment of (outside) director Ik-tae Hong</p>
	<p>No. 3: Appointment of Directors through cumulative voting under the assumption that there is no maximum number of Directors</p> <p>(Cumulative Voting Enabled & No Limit on the Number of Directors)</p> <ul style="list-style-type: none"> • The number of directors to be elected via cumulative voting will be determined by an ordinary resolution under the preceding agenda item (Agenda 3-1), selecting either 7 or 14 directors • Voting will proceed using a cumulative voting method among 21 candidates, and based on the outcome of the preceding agenda, either 7 (Agenda 3-2) or 14 (Agenda 3-3) directors will be elected in order of highest votes received 	
	<p>No. 4: Appointment of Directors under the assumption that the maximum number of Directors is nineteen (19)</p> <p>(Cumulative Voting Disabled & Maximum Number of Directors: 19)</p> <ul style="list-style-type: none"> • Directors will be elected through an ordinary resolution, with the maximum number of directors capped at 19 • If the number of candidates meeting the ordinary resolution exceeds 19, those with the highest number of votes will be elected in order of precedence 	
	<p>No. 5: Appointment of Directors under the assumption that there is no maximum number of Directors</p> <p>(Cumulative Voting Disabled & No Limit on the Number of Directors)</p> <ul style="list-style-type: none"> • All 21 candidates will be considered for election as directors through an ordinary resolution 	

3 No. 2 ~ No. 5: Election of directors

- Expanding the board from 13 to 27 members without BSM improvements suggests an attempt to seize control of the board
- The proposed board size exceeds global recommendations, risking weakened governance
- Lack of transparency in the nomination process, independence issues, and potential disqualification risks under the Korean Commercial Act may negatively impact Korea Zinc's governance
- Korea Zinc aims to establish a more efficient board structure and improve corporate governance through its own director candidates

Korea Zinc's current board

MBK & YP's proposed candidates

	Leadership	Korea Zinc's current board			MBK & YP's proposed candidates																								
		Inside Director/ Chairman	Inside Director	Non Executive	Non Executive						Outside Director																		
Overlap	Leadership	●	●	●																									
	Financial /M&A																												
Missing	Operations		●																										
Missing	Risk																												
Overlap	Audit																												
Overlap	International																												
Overlap	Industry /Tech		●	●	●																								
Overlap	Strategic Planning				●																								
Overlap	Government																												
Overlap	Legal																												
Overlap	ESG																												
Overlap	Academia																												

3 No. 2 ~ No. 5: Election of directors – Seven (7) Directors (Korea Zinc's Proposal)

- Securing expertise in finance, M&A and risk management within the board by proposing candidates based on BSM
- Complying with the entire skill matrix required by international proxy advisory institutions

Korea Zinc

	Inside Director/ Chairman	Inside Director	Non Executive			Outside Director				
Leadership	●	●	●							
Financial /M&A	to be improved									
Operations		●								
Risk	to be improved									
Audit									●	
International					●					
Industry /Tech		●	●	●						
Strategic Planning				●						
Government								●		
Legal					●				●	●
ESG						●	●			
Academia					●	●				



Independent Director Candidates

	Sanghoon Lee	Hyeong-Kyu Lee	Kyeongwon Kim	James Andrew Murphy	Tammy Chung	Jaiyong Lee	Jaesik Choi
Leadership							
Financial /M&A	●						
Operations							
Risk					●		
Audit	●		●		●		
International	●	●		●			
Industry /Tech						●	●
Strategic Planning	●		●	●			
Government					●	●	
Legal		●					
ESG		●					
Academia			●		●	●	●

3 No. 2 ~ No. 5: Election of directors – Seven (7) Directors (Korea Zinc’s Proposal)

- Securing expertise in finance, M&A and risk management within the board by proposing candidates based on BSM
- Complying with the entire skill matrix required by international proxy advisory institutions

Director Candidates (Korea Zinc’s Proposal)	
<p>1 Sanghoon Lee</p> <ul style="list-style-type: none"> • Possesses high expertise and experience in corporate investment, M&A, and finance, including serving as the Country Head for Korea at Affinity Equity Partners 	<p>5 Tammy Chung</p> <ul style="list-style-type: none"> • Served as the Dean of the Graduate School of Business Administration at Myongji University, gaining professional knowledge in management and experience in organizational operations • Served as a Non-Executive Director at the Export-Import Bank of Korea (Chair of the ESG Committee and Chair of the Risk Management Committee) • Served as an Outside Director and Chair of the Audit Committee at Hansae Co., Ltd., with proven experience in effectively performing oversight functions
<p>2 Hyeong-Kyu Lee</p> <ul style="list-style-type: none"> • Has built expertise in corporate law, including serving as the Dean of Hanyang University Law School and an Advisory Committee Member of the Korea Listed Companies Association 	<p>6 Jaiyong Lee</p> <ul style="list-style-type: none"> • Served as a Distinguished Professor of Electrical and Electronic Engineering at UNIST and President of the Korea Institute of Communication and Information Sciences • Executive Director of the World Association of Universities of Technology and as an Advisory Board Member for the globally renowned IEEE Senior Journal, possessing strong international perspective and network
<p>3 Kyeongwon Kim</p> <ul style="list-style-type: none"> • Worked for 19 years at the Samsung Economic Research Institute, gaining extensive experience in domestic and international economic knowledge as well as corporate crisis response strategies 	<p>7 Jaesik Choi</p> <ul style="list-style-type: none"> • Served as the Director of the Explainable AI Research Center at KAIST and a Professor specializing in Steel at POSCO, accumulating deep industrial understanding and experience as a global expert in industrial AI (Selected as a Member of the Korean Academy of Engineering in 2025)
<p>4 James Andrew Murphy</p> <ul style="list-style-type: none"> • As a Senior Advisor at Oliver Wyman, has served as the Chief Financial Officer for the State of Queensland in Australia, possesses expertise in global business and strategic planning 	

3 No. 2 ~ No. 5: Election of directors – Seven (7) Directors (Korea Zinc’s Proposal)

	Candidate	Experience	Reasons for recommendation		
Outside Director	1 Sanghoon Lee • Hankook & Company, Independent Director (term ends on 2027-03-27)	'20~'23 SSG.COM, Non-Executive Director '18~'21 Kyobo life outside Director(Audit committee) '07~'23 Affinity Equity Partners, Head of Korea '99~'06 McKinsey & Company, Seoul/New York Offices Engagement Manager	<ul style="list-style-type: none"> • Possesses high expertise and experience in corporate investment, M&A, and finance, including serving as the Country Head for Korea at Affinity Equity Partners 		
	2 Hyeong-Kyu Lee • Incheon City Gas, Independent Director (term ends on 2025-03-18) • Hanyang University School of Law, Honorary Professor • Doha Law Firm, Advisor • National Human Rights Commission of Korea, Arbitration Committee Member	'15~'18 Ministry of Justice, Member, Legal Interpretation Committee; Member, Bar Examination Management Committee '13~'21 Korea Listed Companies Association, Advisor '02~'11 Korea Corporate Governance Service, Committee Member '02~'08 Ministry of Information and Communication, Personal Data Dispute Mediation Committee Member '00~'13 KOSDAQ Listed Companies Association, Advisor		<ul style="list-style-type: none"> • Has built expertise in corporate law, including serving as the Dean of Hanyang University Law School and an Advisory Committee Member of the Korea Listed Companies Association 	
	3 Kyeongwon Kim • Hanjin, Independent Director (term ends on 2027-03-24) • Sejong University, Dean and Professor, School of Business Administration	'19~'24 Sejong University, vice chancellor for external affairs '15~'16 Daesung group partners, President '12~'15 D-Cube City, CEO '09~'11 CJ Group, Vice President, Head of Strategic Planning '91~'09 Samsung Economic Research Institute, Director of Global Research Division, Financial Division; Head of IMF Task Force Team, Research Center; Senior Research Fellow			<ul style="list-style-type: none"> • Worked for 19 years at the Samsung Economic Research Institute, gaining extensive experience in domestic and international economic knowledge as well as corporate crisis response strategies
	4 James Andrew Murphy • Oliver Wyman (US-based consulting firm), Senior Advisor	'20~'23 Chief of Staff to Queensland Premier Annastacia Palaszczuk '15~'18 Queensland Treasury – Under Treasurer '13~'14 Office of the Prime Minister of Australia, Former Chief of Staff to Prime Minister Kevin Rudd '02~'13 Commonwealth Department of Treasury – Deputy Secretary, Markets Group '01~'02 International Monetary Fund (IMF), Advisor			

3 No. 2 ~ No. 5: Election of directors – Seven (7) Directors (Korea Zinc's Proposal)

	Candidate	Experience	Reasons for recommendation	
Outside Director	5 Tammy Chung <ul style="list-style-type: none"> UNID, Independent Director Myongji University, Professor and Dean, Department of Business Administration WCD Korea, Chair of Strategy and PR Committee 	'96~present	<ul style="list-style-type: none"> Served as the Dean of the Graduate School of Business Administration at Myongji University, gaining professional knowledge in management and experience in organizational operations Served as a Non-Executive Director at the Export-Import Bank of Korea (Chair of the ESG Committee and Chair of the Risk Management Committee), highlighting expertise in risk management and internal control functions Served as an Outside Director and Chair of the Audit Committee at Hansae Co., Ltd., with proven experience in effectively performing oversight functions 	
		'22~'23		The Export-Import Bank of Korea, Chairperson of the Risk Management Committee
		'20~'23		The Export-Import Bank of Korea, Non-Executive Director
		'19~'21		Korea Financial Investment Association (KOFIA), Self Regulation Committee member
		'17~'20		Financial Services Commission, Member, Securities and Futures Commission, Member of Accounting Standards Deliberation Committee
	6 Jaiyong Lee <ul style="list-style-type: none"> Codeit, Independent Director Angels' Haven (Social Welfare Foundation), Director Ulsan National Institute of Science and Technology (UNIST), Invited Distinguished Professor, Department of Electrical and Electronics Engineering Yonsei University, Honorary Professor, Department of Electrical and Electronics Engineering 	'14~present		The National Academy of Engineering of Korea (NAEK), Regular/Senior member
		'20~'24		Ulsan National Institute of Science and Technology (UNIST), Vice President
		'94~'20		Yonsei University, professor, Department of electrical and electronic engineering
		'87~'94		Pohang University of Science and Technology (POSTECH), Associate Professor, Department of Computer Science
		'77~'82		Agency for Defense Development, Researcher
7 Jaesik Choi <ul style="list-style-type: none"> KAIST, Professor, Kim Jaechul Graduate School of AI KAIST, Director, Seongnam Research Center, Kim Jaechul Graduate School of AI KAIST, Director, Explainable AI (XAI) Research Center INEEJI, CEO (Registered Director) 	'17~'20	POSCO, Steel Specialist Professor		
	'18~'19	UNIST, the chief of Industrial AI Research Center		
	'17~'19	UNIST, the chief of Explainable Artificial Intelligence Center		
	'17~'19	UNIST, Associate/Assistant Professor, Department of Electrical and Electronics Engineering		
	'13~'19	Lawrence Berkeley National Laboratory, Adjunct Professor		
			<ul style="list-style-type: none"> Served as a Distinguished Professor of Electrical and Electronic Engineering at UNIST and President of the Korea Institute of Communication and Information Sciences, leading advancements in next-generation communication networks and intelligent IoT (A-IoT) technologies Served as an Executive Director of the World Association of Universities of Technology and as an Advisory Board Member for the globally renowned IEEE Senior Journal, possessing strong international perspective and network Served as the Director of the Explainable AI Research Center at KAIST and a Professor specializing in Steel at POSCO, accumulating deep industrial understanding and experience as a global expert in industrial AI. (Selected as a Member of the Korean Academy of Engineering in 2025) 	

4 No. 2 ~ No. 5: Election of directors – KZ Position on MBK & YP's Proposals

- Proposing to increase the size of the board from 13 to 27 members without any meaningful improvement in the BSM (Board Strength Matrix), which demonstrates a clear intention for takeover of the board and corporate control
- The proposed board size exceeds the level recommended by global proxy advisory firms, raising concerns about the deterioration of governance
- The lack of transparency in the selection process, concerns about independence, and the disqualification of some candidates are feared to negatively impact the governance improvement of Korea Zinc
- The goal is to establish a more efficient board structure and improve governance through internal candidates from Korea Zinc

Non-Executive director

Oppose

1 Kang Sung Doo

- **Questionable governance** and TSR track record at Young Poong
- Young Poong has **poor track record of risk oversight with recent executive arrests**

2 Kim Gwang Il

- Concern that service on an **excessive number of boards** and role at MBK may limit the ability of the director to devote sufficient time to board duties
- **Several controversies** under his tenure at MBK portfolio companies (Insufficient control of Internal management systems and occurrence of employee embezzlement)

Outside Director

Oppose

3 Kwon Kwang Seok

- Woori FG, including Woori Bank with past **governance failures and poor risk oversight**

4 Kim Myung Jun

- Limited experience as an outside director for a large, listed company

5 Kim Soo Jin

- Potential concerns regarding personal relationship with MBK
- No experience as an outside director of a large listed company

6 Kim Yong Jin

- Poor track record of improving shareholder value (TSR) at past positions

7 Kim Jae Sup

- Potential cross-directorship (ex-CEO of DN Solutions, an MBK ex-investment)
- Potential personal relationship with MBK

8 Byun Hyun Chul

- Potential concerns for conflict-of-interest regarding professional services for MBK
- No experience as an outside director for a listed company

9 Son Ho Sang

- No experience as an outside director for a listed company
- **Disqualification under Korean Commercial Act as received lecture fees/advisory fees from Koreazinc ('23)**

10 Yoon Seok Heon

- No experience as an outside director for a listed company
- Allegations of failure to report concurrent positions of outside directors

11 Lee Deuk Hong

- Poor track record of improving shareholder value (TSR) at past positions

12 Chung Chang Hwa

- Under investigation for charges including embezzlement and violations of the Anti-Graft

13 Chun Jun Beom

- No experience as an outside director for a listed company

14 Hong Ik Tae

- No relevant skill/experience to add-value to Korea Zinc's strategy

4 No. 2 ~ No. 5: Election of directors – KZ Position on MBK & YP's Proposals

	Candidate	Experience	Issues													
Non-Executive director	1 Kang Sung Doo <ul style="list-style-type: none"> • CEO, Young Poong • Auditor, Young Poong Book Store Holdings • Auditor, Young Poong Book Store Co., Ltd. 	<table border="1"> <tr> <td>'08~'11</td> <td>CEO, Goldenbridge Securities</td> </tr> <tr> <td>'20~Present</td> <td>Auditor, Young Poong Book Store Co., Ltd.</td> </tr> <tr> <td>'24~Present</td> <td>CEO, Young Poong (Business Adm.)</td> </tr> </table>	'08~'11	CEO, Goldenbridge Securities	'20~Present	Auditor, Young Poong Book Store Co., Ltd.	'24~Present	CEO, Young Poong (Business Adm.)	<ul style="list-style-type: none"> • Inadequate governance structure and insufficiency of total shareholder return rate at Young Poong • Arrests of executives due to insufficient risk oversight • Lacks relevant skills and experience to add additional value to Korea Zinc's business 							
	'08~'11	CEO, Goldenbridge Securities														
'20~Present	Auditor, Young Poong Book Store Co., Ltd.															
'24~Present	CEO, Young Poong (Business Adm.)															
2 Kim Gwang Il <ul style="list-style-type: none"> • Vice-chairman, MBK Partners • Non-executive Director, Osstem Implant • Non-executive Director, Lottecard • CEO, KCIH • Co-CEO, Homeplus Co., Ltd. 	<table border="1"> <tr> <td>1995~'05</td> <td>Attorney, Kim & Chang</td> </tr> <tr> <td>'05~'23</td> <td>CEO, MBK Partners</td> </tr> <tr> <td>'23~Present</td> <td>Vice-chairman, MBK Partners</td> </tr> <tr> <td>'19~Present</td> <td>Non-executive Director, Lottecard Co., Ltd.</td> </tr> <tr> <td>'23~Present</td> <td>Non-executive Director, Osstem Implant Co., Ltd.</td> </tr> <tr> <td>'24~Present</td> <td>CEO, Korea Corporate Investment Holdings Co., Ltd.</td> </tr> <tr> <td>'24~Present</td> <td>Co-CEO, Homeplus Co., Ltd.</td> </tr> </table>	1995~'05	Attorney, Kim & Chang	'05~'23	CEO, MBK Partners	'23~Present	Vice-chairman, MBK Partners	'19~Present	Non-executive Director, Lottecard Co., Ltd.	'23~Present	Non-executive Director, Osstem Implant Co., Ltd.	'24~Present	CEO, Korea Corporate Investment Holdings Co., Ltd.	'24~Present	Co-CEO, Homeplus Co., Ltd.	<ul style="list-style-type: none"> • Excessive Concurrent Positions Issue * Although not a legal disqualification reason, there is an issue as to whether he can diligently perform the duties if appointed as a non-executive director • Potential claim of negligence in establishing, operating and monitoring internal control systems * While serving as an outside director at Lotte Card (an MBK invested company) → Employee embezzlement (10.5 billion KRW) occurred, and the Financial Supervisory Service reported the suspect to the prosecution
1995~'05	Attorney, Kim & Chang															
'05~'23	CEO, MBK Partners															
'23~Present	Vice-chairman, MBK Partners															
'19~Present	Non-executive Director, Lottecard Co., Ltd.															
'23~Present	Non-executive Director, Osstem Implant Co., Ltd.															
'24~Present	CEO, Korea Corporate Investment Holdings Co., Ltd.															
'24~Present	Co-CEO, Homeplus Co., Ltd.															

4 No. 2 ~ No. 5: Election of directors – KZ Position on MBK & YP's Proposals

	Candidate	Experience	Issues
Outside Director	3 Kwon Kwang Seok • N/A	'19~'20 Representative Director(Credit & Mutual-Aid), Korean Federation of Community Credit Cooperatives	<ul style="list-style-type: none"> • Held the position of Head of Investment Banking (IB) Group at Woori Bank during the occurrence of the DLF and Lime mis-selling issue • Limited experience serving as an outside director of large corporations/listed companies • Lacks relevant skills and experience to add additional value to Korea Zinc's business • Experience as an outside director of Lotte Card, an MBK invested company • No experience serving as an outside director for major listed companies • Lacks relevant skills and experience to add additional value to Korea Zinc's business • Low total shareholder return rate at the previously employed company
		'20~'22 CEO, Woori Bank	
	4 Kim Myung Jun • Advisor, Law Firm Gaon • Outside Director, CJ Logistics Corp.	'18 Investigation Bureau Director, National Tax Service	
		'19 Director, Seoul Regional Tax Office	
		'20~Present Advisor, Law Firm Gaon	
		'24~Present Outside Director, CJ Logistics Corp.	
	5 Kim Soo Jin • Partner Attorney, Pyeong-Hwa Law and Notary Public Office • Outside Director, Nextin	'17~'19 Vice-president, Korean Bar Association	
		'17~'24 Vice-president, Korean Women Lawyers Association	
		'14~Present Partner Attorney, Pyeong-Hwa Law and Notary Public Office	
		'24~Present Outside Director, Nextin	
	6 Kim Yong Jin • Professor, Sogang University Business School	'21~'24 Non-standing Commissioner, Financial Services Commission	
		'07~Present Professor, Sogang University Business School	
'24~Present Public Commissioner, Korea Commission for Corporate Partnership (KCCP), 24-26			

4 No. 2 ~ No. 5: Election of directors – KZ Position on MBK & YP's Proposals

	Candidate	Experience	Issues	
Outside Director	7 Kim Jae Sup • Vice-chairman & Standing Advisor, DN Solutions	'16~'22 CEO, Doosan Machine Tools Co., Ltd.	<ul style="list-style-type: none"> • Served as CEO of DN Solutions during MBK's investment • Potential personal relationship with MBK • Lacks relevant skills and experience to add additional value to Korea Zinc's business 	
		'22~'23 CEO, DN Solutions		
		'23~Present Vice-chairman & Standing Advisor, DN Solutions		
	8 Byun Hyun Chul • Attorney, Yulchon LLC • Executive Director, KBA Legal Aid Foundation	'08~'10 Presiding Judge, Seoul High Court		<ul style="list-style-type: none"> • Maintains a relationship with MBK by providing legal services * Advised MBK's acquisition of Homeplus • The legal representative of Young Poong, which is undergoing trial for violations of the Serious Accident Punishment Act and other charges • No experience serving as an outside director for listed companies • Lacks relevant skills and experience to add additional value to Korea Zinc's business
		'10~'12 Presiding Judge, Intellectual Property High Court of Korea		
		'13~Present Attorney, Yulchon LLC		
		'19~Present Executive Director, Korea Bar Association Legal Aid Foundation		
	9 Son Ho Sang • Professor, Dept. of Materials Science & Metallurgical Engineering, Kyungpook National University • Endowed-Chair Professor, POSCO • Outside Director, Star Group Ind. Co., Ltd.	'93~'94 Manager, R&D in Young Poong Seokpo Refinery		<ul style="list-style-type: none"> • Employment history at Young Poong Seokpo Smelter's Technology Research Center • No experience as an outside director for a listed company • Received lecture fees/advisory fees from Korea Zinc ('23) *Received fees related to senior-level education lectures and technical advisory services - Lecture fees : 54 million won (Received directly) - Advisory fees: 54 million won (Received through the Industry-Kyungpook Univ. Cooperation Foundation) *Disqualification under Korean Commercial Act • Lacks relevant skills and experience to add additional value to Korea Zinc's business
		'94~'01 Senior Researcher, POSLAB		
'01~Present Professor, Dept. of Materials Science and Metallurgical Engineering, Kyungpook Uni.				
'18~Present Endowed-Chair Professor, POSCO				
'24~Present Outside Director, Star Group Ind. Co., Ltd.				

4 No. 2 ~ No. 5: Election of directors – KZ Position on MBK & YP's Proposals

	Candidate	Experience	Issues
Outside Director	10 Yoon Seok Heon • N/A	'16 Visiting Professor, Seoul Nat'l University Business School '18~'21 Governor, Financial Supervisory Service	<ul style="list-style-type: none"> • No experience as an outside director for a listed company • Experience as an Outside Director at MBK Investee Companies * HK Savings Bank (Oct 2006 – Mar 2011), ING Life (Dec 2013 – May 2018) • Allegations of non-disclosure of concurrent outside directorship in 2018
	11 Lee Deuk Hong • Advisory Attorney, Dambak • Auditor, Albatross Investment	'15 Chief Prosecutor, Seoul High Prosecutor's Office '17~Present Advisory Attorney, Law Firm Dambak '19~Present Auditor, Albatross Investment	
	12 Chung Chang Hwa • Advisor, POSCO Holdings • Outside Director, E8IGHT Co., Ltd.	'21~'22 Vice-president, New Growth Business Leader, POSCO '22~'23 Director, POSCO Holdings NEXT HUB '23~Present Advisor, POSCO Holdings '24~Present Outside Director, E8IGHT Co., Ltd.	<ul style="list-style-type: none"> • Currently under police investigation for allegations of embezzlement and violations of the Anti-Graft Act related to current duties • Lacks relevant skills and experience to add additional value to Korea Zinc's business
	13 Chun Jun Beom • President, Wiseforest Co., Ltd. • Vice-chairman, KCGF • Auditor, Musinsa	'09~'16 Attorney, Law Firm Shin & Kim LLC '24~Present Vice-chairman, Korean Corporate Governance Forum '24~Present President, Wiseforest Co., Ltd. '24~Present Auditor, Musinsa	
	14 Hong Ik Tae • N/A	'12~'13 Commissioner, Jeonbuk Provincial Police Agency '14 Deputy Commissioner General, Korean National Police Agency '14~'17 Commissioner General, Korea Coast Guard, Ministry of Public Safety and Security	<ul style="list-style-type: none"> • Lacks relevant skills and experience to add additional value to Korea Zinc's business

5 No. 6: Appointment of Audit Committee member

- Candidate Kwon Soon Bum is currently serving as a member of the Audit Committee at Lotte Capital and is expected to provide valuable advice to the board of directors based on his legal expertise
- At a time when the importance of compliance management and sustainable management is increasingly emphasized, he is expected to play a significant role in strengthening the compliance management framework within the board of directors

Candidate	Experience		Reasons for recommendation
<p>Kwon Soon Bum</p> <ul style="list-style-type: none"> •Managing Partner, Soll Law Firm •Outside Director, Korea Zinc •Outside Director, Lotte Capital (Member of the Audit Committee) 	'22~Present	Currently: Managing Partner, Soll Law Firm	<ul style="list-style-type: none"> • The candidate is expected to provide valuable advice to the board of directors based on his extensive legal expertise and experience as a legal professional • In the current market environment, where the importance of compliance management and sustainable management is emphasized, the candidate is expected to play a central role in strengthening the company's compliance management framework by ensuring that the board of directors fulfills its role in oversight and balance
	'23~Present	Currently: Outside Director, Korea Zinc	
	'23~Present	Currently: Outside Director, Lotte Capital (Member of the Audit Committee)	
	'21	Formerly: Chief Prosecutor, Daegu High Prosecutors' Office	
	'20	Formerly: Chief Prosecutor, Busan District Prosecutors' Office	
	'18	Formerly: Director of the Criminal Division and Director of the Human Rights Division, Supreme Prosecutors' Office	
	'17	Formerly: Director of Crime Information Planning, Supreme Prosecutors' Office	



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Appendix

Appendix. Strategy for long-term shareholder value creation (Renewables & Hydrogen)

- Securing stable supply of large-scale clean power with economic viability
- Price Premium* will likely further contribute given heady rush to decarbonize steel and smelting industry (Target to achieve RE100 for Australian subsidiary SMC)

* Green Steel premium expected to be set at 5%~24% of sales price based on European Parliament's published report in 2021

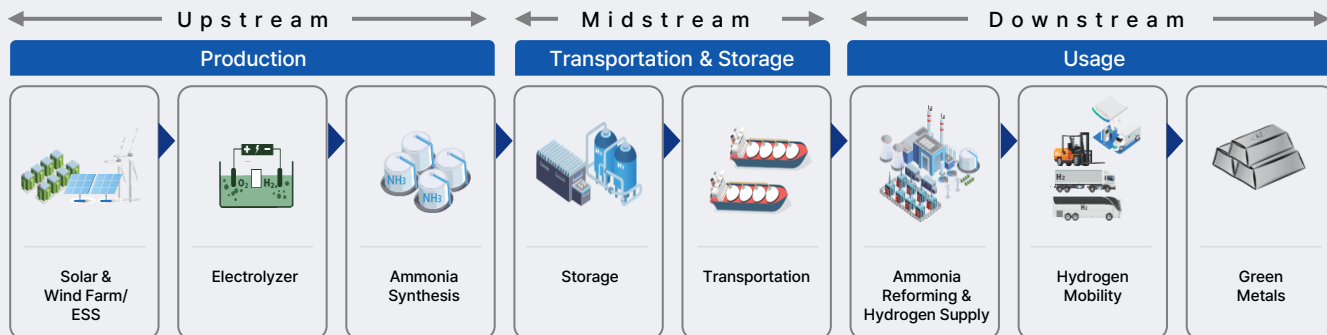
Major Projects

9GW pipelines are secured and to be developed

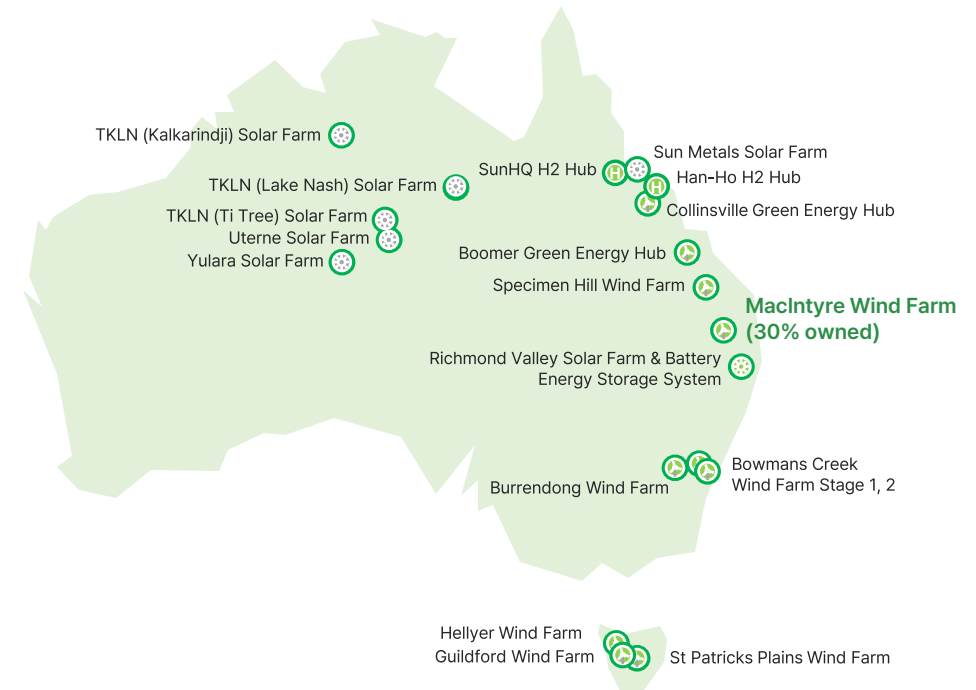
- 4.2 GW Build-Own-Operate-Maintain (BOOM) development pipeline(Land secured)
- 4.8 GW investigation pipeline
- SMC Solar Farm : 124 MW operating asset
- MacIntyre Wind Farm : 277MW (30% owned out of total capacity 923MW) under construction
- COD in Q4 2025(First generation started in Oct 2024)
- 1 MW H2 production and refueling facility (COD in 2024)
- 1.2mtpa green ammonia export project in early development in Abbot Point (Han-Ho)

3.2 GW legacy projects under existing Joint Development Agreements (JDAs)

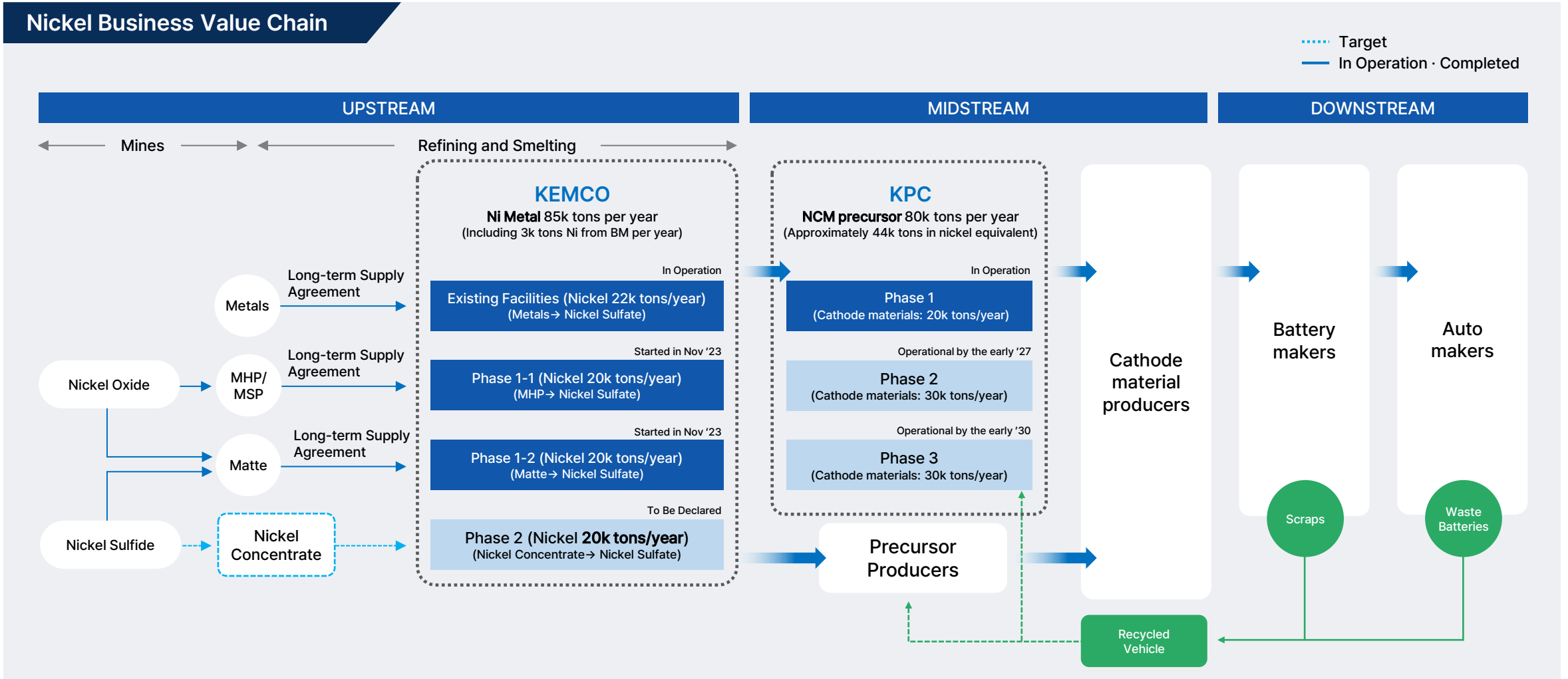
Value Chain



Ark Energy Asset Map



Appendix. Strategy for long-term shareholder value creation (Secondary Battery Materials)

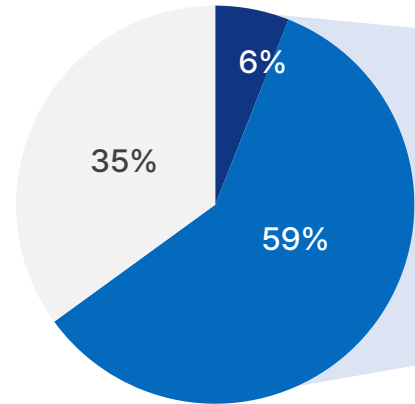


- Securing IRA-compliant raw materials given the elevated geopolitical tension and trade conflicts
- Nickel refinery +43kt Ni capacity accounts for 4.9% of global nickel production for battery use in 2026 (Source: Wood Mackenzie)

Appendix. Strategy for long-term shareholder value creation

- Korea Zinc, through the acquisition of Igneo Holdings and Kataman Metals, has established a closed-loop ecosystem to produce 100% recycled copper

* Copper equivalent

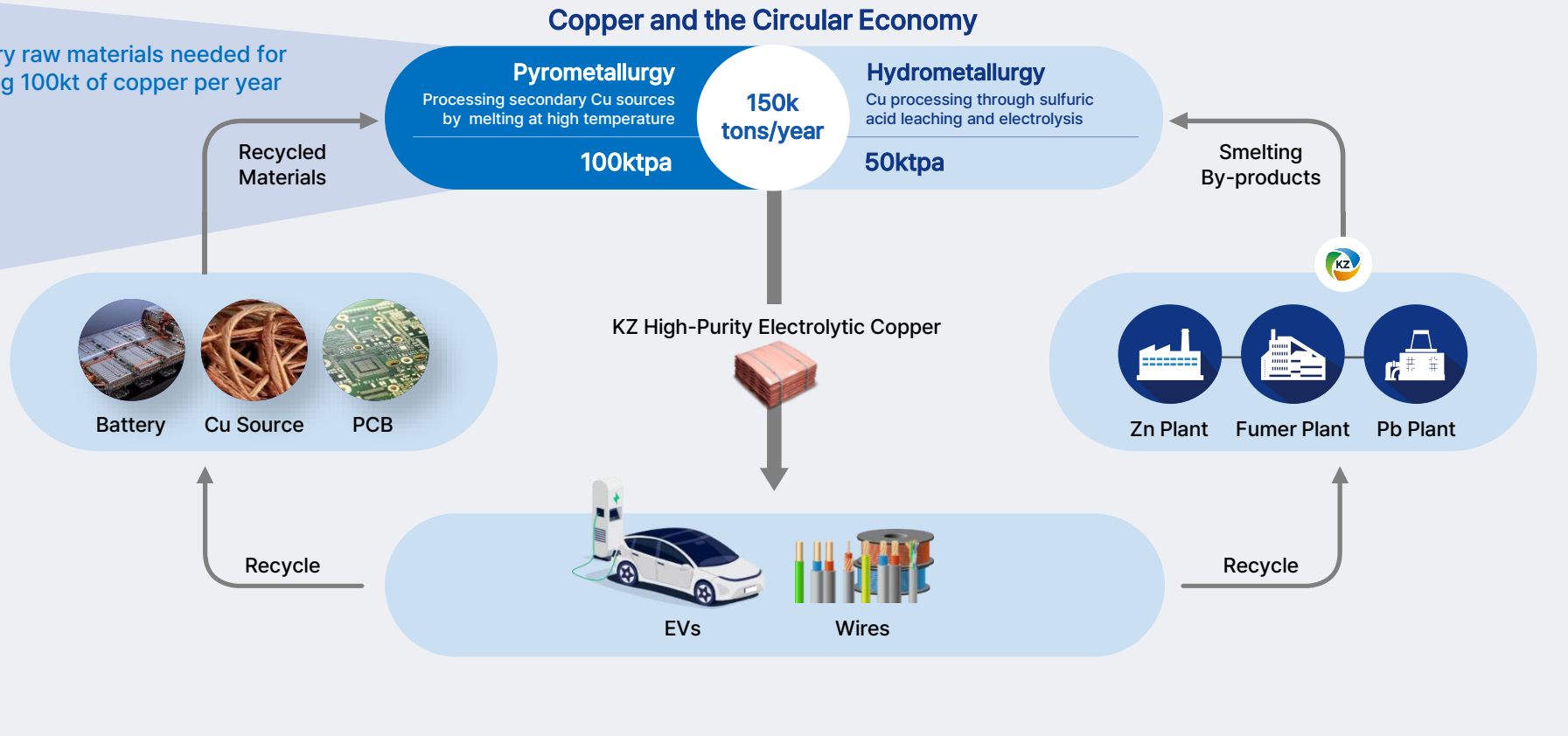


● Igneo (e-waste)
6,000t*

● Kataman (Metal scrap)
59,000t*

● Others
35,000t*

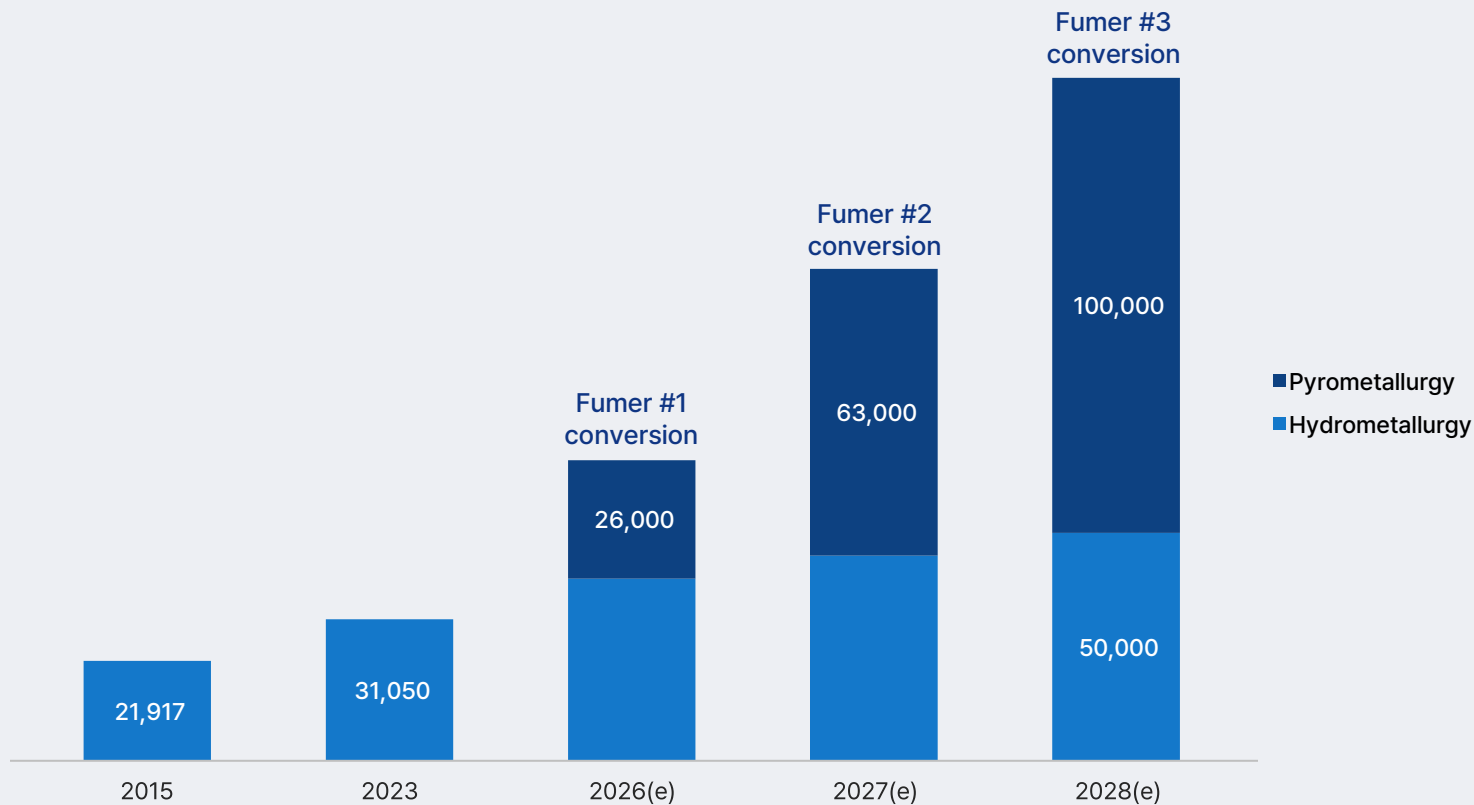
Secondary raw materials needed for producing 100kt of copper per year



Appendix. Strategy for long-term shareholder value creation

- Utilizing recycled materials sourced from Ignio Holdings, the company expects to increase copper production capacity, projecting a revenue increase of approximately KRW 1.8 trillion
- By converting existing facilities (Fumer) into copper smelters, annual carbon emissions are expected to be reduced by approximately 350,000 tons, resulting in cost savings of approximately KRW 3.2 billion based on carbon emission credits

Copper Capacity Expansion Plan



- Through conversion of existing facility, Korea Zinc will expand pyrometallurgy copper capacity by 100ktpa
- Copper secondary raw materials, such as PCBs and metal scrap, will be secured through Igneo and Kataman

• **KRW 2.1tn* with 20% GPM is expected from establishing 150kt copper capacity**

* Revenue from other metals produced from pyrometallurgy included (KRW 408bn)

* 2023 metal prices & FX rate basis

- **Converting 3 of 8 Fumers into Cu smelter to expand pyrometallurgy capacity to 100,000tons**

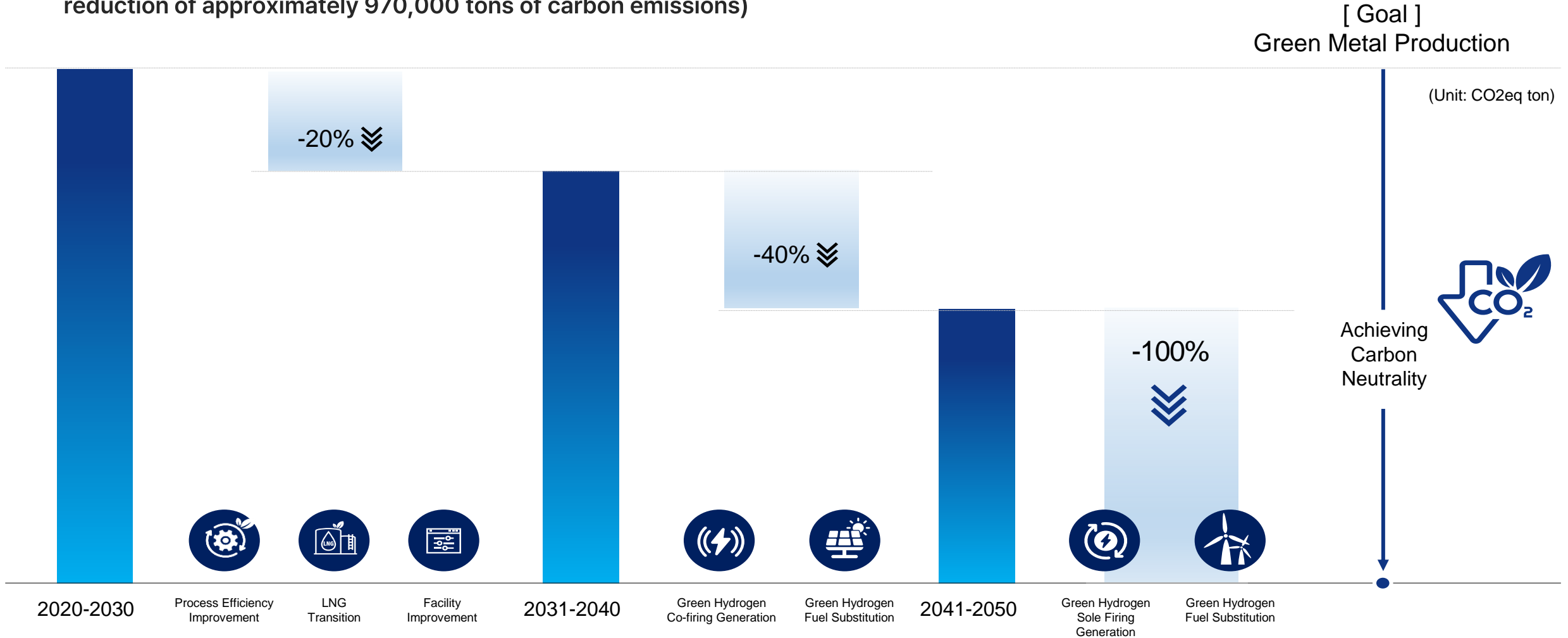
① Fumer #1 conversion : 2026.01 (+26kt)

② Fumer #2 conversion : 2027.03 (+37kt)

③ Fumer #3 conversion : 2028.01 (+37kt)

Appendix. Carbon Neutrality 2050 Roadmap

- By reducing energy consumption through facility improvements, increasing LNG usage, and converting Fumer facilities, Korea Zinc aims to reduce carbon emissions by approximately 30% compared to 2023 levels by 2030 (equivalent to an annual reduction of approximately 970,000 tons of carbon emissions)



Appendix. Governance Track Record & Improvement Plans

• Korea Zinc's efforts and plans to enhance governance for better shareholder and corporate value

	Inside Directors			Non-Executive Directors		
Name	Choi Yun Birm	Park Ki Deok	Jung Tae Wung	Chang Hyung Chin	Choi Nae Hyun	Kim Woo Joo
Position	Chair	Co-Chief Executive Officer (Head of TD Business Division)	Co-Chief Executive Officer (Head of TD Business Division)	-	-	-
Skillssets	<ul style="list-style-type: none"> High-Level knowledge and experience regarding Business management, Legal and Global business CEO Experience including CEO of Korea Zinc, SMC and ICMP (Peru) 	<ul style="list-style-type: none"> High-level knowledge and experience in Business management and Finance CFO experience including CFO of SMC 	<ul style="list-style-type: none"> High-level knowledge and experience regarding operation and non-metal industry Expertise in Purchasing 	<ul style="list-style-type: none"> Extensive experience in operation and industry as a present and advisor of Young Poong 	<ul style="list-style-type: none"> High level knowledge and experience in nonferrous metal industry, especially Nickel and battery materials CEO experience including as President of KEMCO, Alantum and KPC(Korea Precursor Company) 	<ul style="list-style-type: none"> High-level knowledge and experience regarding global business Expertise in Business Strategy Planning
Experience	<ul style="list-style-type: none"> Chairman and CEO of Korea Zinc ('22~Present) Director of Global green hydrogen association('21) Vice-Chairman and CEO of Korea Zinc('20~'22) President & CEO of Koreazinc ('19~'20) CEO of SMC(Australia) ('14~'19) Vice president of Strategic Planning, Korea Zinc('12~'14) Executive Managing Director ('11~'12) CEO of ICMP Pachapaqui S.A.C (Peru) ('10~'11) Director of Management Support Division Attorney of NY State, US 	<ul style="list-style-type: none"> Head of Resource Recycling Divion('22~'23) Head of Strategies and Planning Team/Division('11~'23) CFO, SMC(Australia)('05~'11) Expatriate, SMC(Australia) ('00~'05) Business Planning Team, Accounting Team ('92~'00) 	<ul style="list-style-type: none"> Head of Procurement Division Head of Procurement Team ('05~) Purchasing 2 Part Leader, Korea Zinc('96~98) 	<ul style="list-style-type: none"> Advisor, Young Poong('15~) President and CEO, Young Poong ('93~'15) Vice-President and CEO, Young Poong ('92~'93) President and CEO, Young Poong ('88~'91) CEO, Young Poong('84~'87) Vice President, Young Poong ('82~'83) Executive Managing Director ('80~'81) 	<ul style="list-style-type: none"> Chairman of KEMCO, KPC and Alantum('24~Present) Non-Executive Officer, Korea Zinc('23~Present) Director, Executive Director, Vice President and President of Korea Nickel('08~Present) President, KPC(Korea Precursor Cooperation),('22~'23) Director, Executive Director, Vice President and President of Alantum('08~'23) President, KEMCO('17~'23) CEO, Alantum advance material and technology(Shanghai) ('13~'19) Director, Xmetech('13~'17) 	<ul style="list-style-type: none"> Head of PMO Business, Hyundai Motor Company Planning Support 3 Team Leader, Hyundai Motor Company Planning Support 2 Team Leader, Hyundai Motor Company Kia mobility

Appendix. Governance Track Record & Improvement Plans

• Korea Zinc's efforts and plans to enhance governance for better shareholder and corporate value

Independent Directors							
Name	Sung Yong Rak	Kim Do Hyeon	Kim Bo Young	Lee Min Ho	Suh Dae Won	Kwon Soon Bum	Hwang Deog Nam
Position	Internal Transactions Committee Audit Committee Nomination Committee	Remuneration Committee (Chair) Audit Committee Internal Transactions Committee	Remuneration Committee ESG Committee	Internal Transactions Committee (Chair) ESG Committee	Audit Committee (Chair) Nomination Committee	Nomination Committee Remuneration Committee	Nomination Committee (Chair) Internal Transactions Committee
Skillsets	<ul style="list-style-type: none"> High-level knowledge and experience in legal and risk as an officer of Board of Audit and Inspection Education Institute Extensive experience as a former outside director of Korean company (Hanjin) 	<ul style="list-style-type: none"> High-level knowledge and experience regarding business management Extensive knowledge and experience as a former consultant of Boston Consulting Group 	<ul style="list-style-type: none"> High-Level knowledge and experience in Global Business Expertise in ESG Policy of the private sector 	<ul style="list-style-type: none"> High-Level knowledge and experience in Environment Expertise in Government Policy of ESG Extensive experience as an ESG committee member of Korean Companies 	<ul style="list-style-type: none"> High-Level knowledge and experience in Audit as former Vice Commissioner of National Tax Service 	<ul style="list-style-type: none"> High-Level knowledge and experience in Legal as a former prosecutor 	<ul style="list-style-type: none"> High-Level knowledge and experience in Legal as a former judge Extensive experience as an outside director of Korea company
Experience	<ul style="list-style-type: none"> '2008.05 ~ 2009.01 : First Deputy Secretary General at the Board of Audit and Inspection 2009.01 ~ 2013.01 : Secretary General at the Board of Audit and Inspection 2014.03 ~ 2016.03 : Non-Standing Director at Korea Securities Depository 2016.01 ~ : Senior Advisor at Taepyeongyang Law Firm 	<ul style="list-style-type: none"> Professor, Business School of Kookmin University (Present) Chief Director of Start-Up Alliance (Present) Former, Head of Strategic Planning Division, SBSi Fomer, The Boston Consulting Group Consultant Fomer, Harvard University, Visiting Scholar 	<ul style="list-style-type: none"> Professor, Business School of Hanyang University (Present) Elected, Chairman of Korean Academy of International Business Management ('25~) 	<ul style="list-style-type: none"> (Present) Advisor, Director of ESG Research Center of Lawfirm Yulchon ('20~) Adjunct Professor, University of Seoul ('19~'23) Vice-Chairman, Auditor of Korean Society of Environmental Impact Assessment ('18~'23) Ministry of Environment ('92~'11, '13~'17) <ul style="list-style-type: none"> * Head of Environmental Policy Office * Spokesperson of the ministry * Manager of Climate Change Cooperation and etc., 	<ul style="list-style-type: none"> (Present) President of BnH Tax & Accounting Corp. Fomer, Deputy Commissioner, National Tax Service (NTS) 	<ul style="list-style-type: none"> Director of Future Planning and Criminal Policy, Supreme Prosecutors' Office Chief of Violent Crimes Department, Supreme Prosecutors' Office Chief of Human Rights Department, Supreme Prosecutors' Office Chief Prosecutor of Daegu High Prosecutors' Office (Current) Representative Lawyer at Law Firm Sol 	<ul style="list-style-type: none"> Lawyer Outside Director of Lotte welfare (Present) Former, Mediation Member, Seoul Central District Court Former, Executive Director, Korean Society of law Former, Mediation Member, Seoul High Court

Appendix. Governance Track Record & Improvement Plans (IR communications)

- Korea Zinc actively communicates with shareholders and investors to align shareholders' feedback with our business decisions

Business Response

We executive on our plans to respond. This can be seen in the next section, which lays out our direct responsiveness in recent decision to cancel issuance of new shares.

Feedback Evaluation

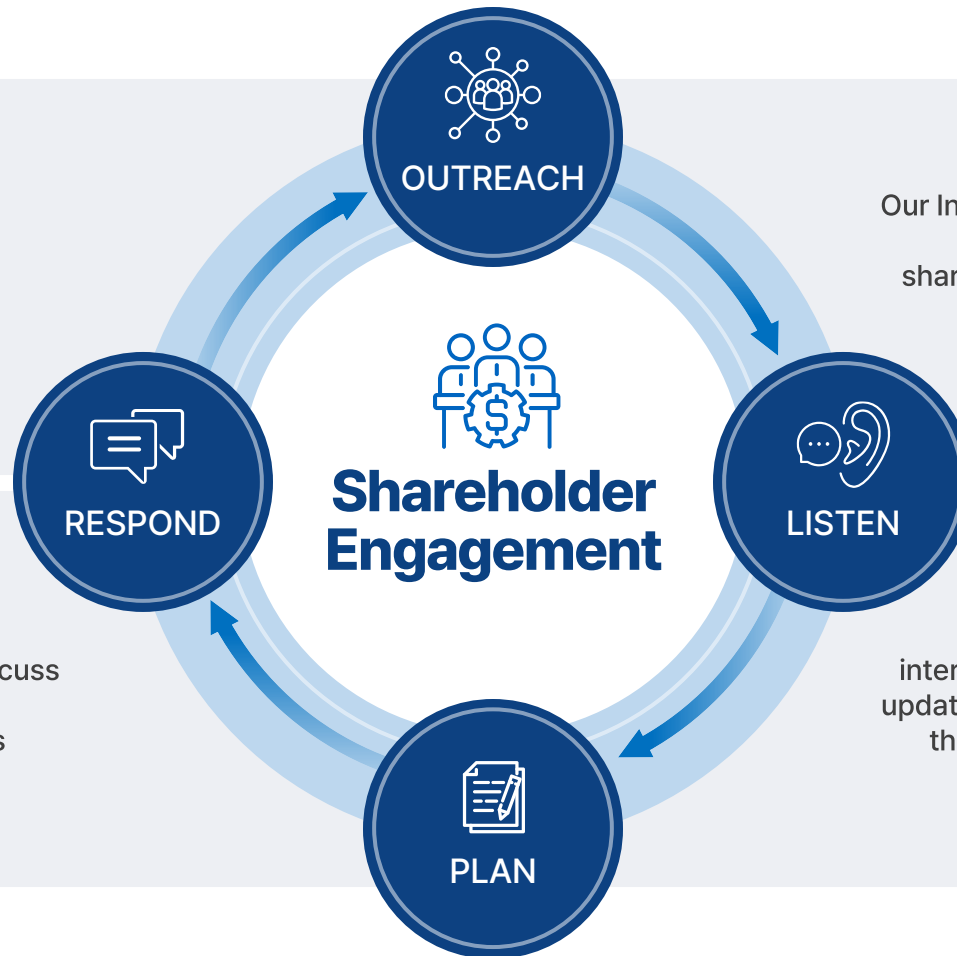
Shareholder feedback, along with other stakeholder input, helps us plan for the future. We evaluate how to address concerns and discuss potential new disclosures or strategies within the broader landscape of the Company's goals and priorities.

Shareholder Meetings

Our Investor Relations team, in tandem with members of executive management, maintains consistent shareholder engagement year-round. This occurs in formal engagement with domestic/overseas shareholders for respective quarter, as well as conversations during the rest of the year

Shareholder Input

Through our conversations, we gain an understanding of what topics are of interest to our investors and proactively provide key updates to investors. Our teams regularly consolidate this feedback to keep executive management and the Board up-to-date on their priorities and concerns of our shareholders.



Appendix. IR Event (2022-2024)

# of IR meeting held	2022	2023	2024
Domestic	189	166	220
Overseas	76	142	114
Total	265	308	334

Detailed IR Event (2022-2024)

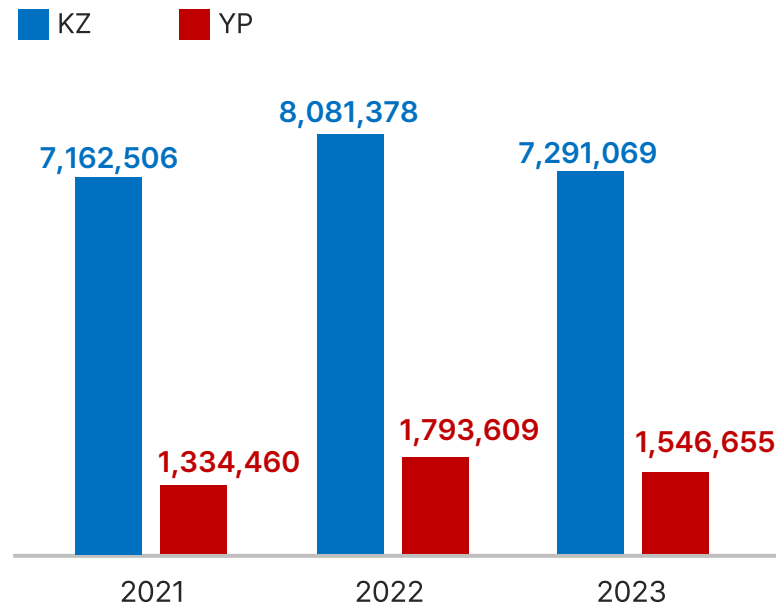
Year	Quarter	Date	Event	Year	Quarter	Date	Event
2022	Q1	22.02.08~22.02.09	Domestic NDR	2024	Q1	24.01.22~24.01.27	Overseas NDR (US)
		22.03.15	Eugene Investment & Securities Corporate Day			24.02.06~24.02.08	Domestic NDR
		22.04.29~22.05.03	Domestic NDR			24.02.22	JPM Korea Conference
	22.05.16	BNK Securities Group Conference Call	24.03.07			Citi Korea Investors Conference	
	Q2	22.06.02	Meritz Securities Corporate Day		Q2	24.05.07~24.05.09	Domestic NDR
		22.06.24	UBS Korea Virtual Conference			24.05.10	Samsung Securities Global Conference
		22.07.29~22.08.02	Domestic NDR			24.05.14~2024.05.15	Overseas NDR (US)
		22.08.24~22.08.25	Korea Investment & Secs Conference (SGP)			24.05.16	Hana Financial Investment C-level Value-up Conference
	Q3	22.09.08	BNK Securities Corporate Day		Q3	24.05.22	BofA Korea Conference
		22.09.20	Kiwoom Securities Corporate Day			24.05.23	NH Investment & Securities The C Forum
		22.09.21	Eugene Investment & Secs Corporate Day			24.06.17	Eugene Investment & Securities Corporate Day
		22.11.03~22.11.07	Domestic NDR			24.06.24~24.06.28	Overseas NDR (HK, SGP)
	Q4	22.11.21	Domestic NDR		Q4	24.08.08~24.08.13	Domestic NDR
		22.11.28	LS Securities Conference (on-line)			24.08.26	UBS Korea Summit
		22.12.01	Daishin Securities Corporate Day			24.09.04	KB Securities Korea Conference
		22.12.08	Hana Financial Investment Corporate Day			24.09.07	CITIC CLSA Flagship Investors' Forum
2023	Q1	23.01.16~22.01.20	Overseas NDR (HK,SGP)	Q4	24.09.19~24.09.24	Domestic NDR	
		23.02.03~22.02.08	Domestic NDR		24.10.02~24.10.04	Domestic/Overseas Group Call	
		23.02.20~23.02.23	Overseas NDR (UK)		24.10.11~24.10.14	Domestic NDR	
	23.05.04~23.05.12	Domestic NDR	24.11.04		Domestic NDR		
	Q2	23.05.16	BofA Conference	Q4	24.11.12~2024.11.14	Domestic NDR	
		23.05.17	Daishin Securities Corporate Day		24.12.04~2024.12.06	Domestic NDR	
		23.05.26	Samsung Securities Conference				
		23.08.16~22.08.18	Domestic NDR				
	Q3	23.09.04	JPM Korea Corporate Day				
		23.09.11~23.09.13	CLSA Conference (HK)				
		23.09.20	HI Investment & Securities Corporate Day				
		23.09.21	UBS Korea Corporate Day				
Q4	23.11.13~23.11.14	Domestic NDR					
	23.11.21	Daishin Securities Corporate Day					
	23.12.07	Korea Zinc Investor Day					

Appendix. MBK will pursue sustainable management by improving the environment, enhancing safety and guaranteeing job security

- Korea Zinc's CO₂ emission per unit in terms of its key product zinc, is already significantly lower than its domestic competitor, Young Poong with Young Poong's emission level being 1.6 times higher
- The production volume of zinc, a key product for both companies, is approximately 650,000 tons for Korea Zinc and 340,000 tons for Young Poong (as of 2023)
- In addition, Korea Zinc presented its stakeholders with 2050 Carbon Neutrality Roadmap in Investor Day, which included methodologies such as the adoption of green hydrogen and process improvements

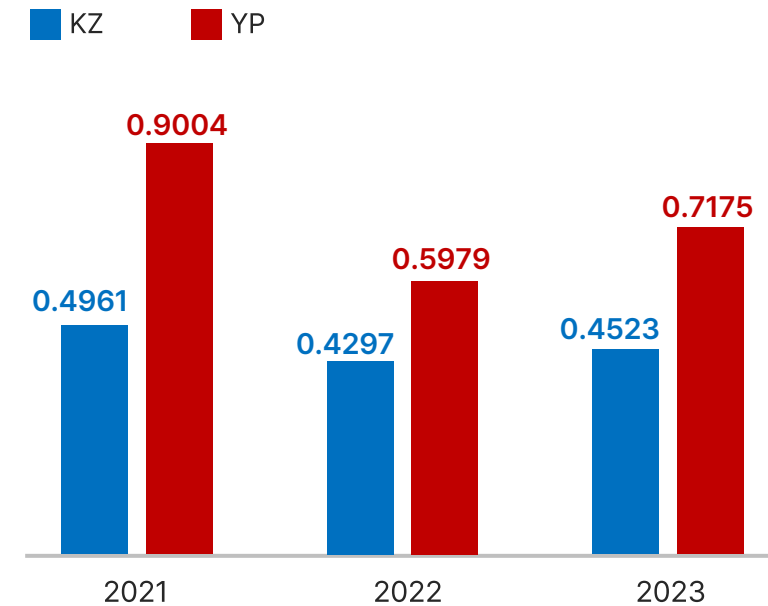
CO2 Emission comparison

Sales Revenue (Standalone)



CO₂ Emission (per unit)

(Unit: KRW 100M, tCO₂eq)



* Source: Greenhouse Gas Energy Target Management Statement; 2023 Business Report and Audit Report of Each Company

Appendix. MBK will pursue sustainable management by improving the environment, enhancing safety and guaranteeing job security

- As of 2023, Korea Zinc's employees have an average tenure of 12 years and 8 months, surpassing domestic peer Young Poong
- Additionally, Korea Zinc's annual average salary exceeds Young Poong's by approximately KRW 40 million
- Meanwhile, Young Poong has faced repeated criticism from local residents for ongoing environmental pollution issues

(Unit: '000 KRW)

Average tenure and salary comparison

KZ

Business Division	Sex	Employee							Affiliated Worker			Remark	
		The number of employee					Average years of service	Total annual salary	Average salary per person	Male	Female		Total
		Permanent worker		Employee with an indefinite term contract		Total							
Total	(intermittent worker)	Total	(intermittent worker)										
All	Male	1,680	-	91	-	1,771	13Y 2M	185,999,603	105,025	694	68	762	-
All	Female	103	-	4	-	107	4Y 5M	6,468,994	60,458				-
Total		1,783	-	95	-	1,878	12Y 8M	192,468,597	102,486				-

YP

Business Division	Sex	Employee							Affiliated Worker			Remark	
		The number of employee					Average years of service	Total annual salary	Average salary per person	Male	Female		Total
		Permanent worker		Employee with an indefinite term contract		Total							
Total	(intermittent worker)	Total	(intermittent worker)										
All	Male	643	-	16	-	659	10Y 2M	42,136,677	63,263	352	111	463	-
All	Female	46	-	1	-	47	4Y 4M	1,673,533	37,495				-
Total		690	-	17	-	706	9Y 10M	43,810,210	61,641				-

Contribution to the Local Community

The Seokpo Smelter, located in Bonghwa-myeon, Gyeongbuk, upstream of the Nakdong River, is a significant part of the community, with over 80% of the 1,805 residents of Seokpo-myeon being employees of the smelter, partner companies, and their families. The 60-day suspension of operations due to environmental issues in 2019 resulted in estimated losses of up to KRW 800 billion. Additionally, there were concerns over secondary environmental damage caused by the suspension of the wastewater zero-discharge system, which recycles groundwater beneath the plant, as well as potential employment instability in the local community.

Appendix. Clarification of the transaction regarding acquisition of MCC's NFT business

Clarification of the Transaction

01

During the acquisition of Igneo, the procurement and sales business previously handled by MCC NFT was transferred to Igneo immediately before the acquisition was announced. This means **the acquisition cost already included the respective values of these procurement and sales businesses.**

02

Since MCC NFT handled not only PCB-related business but also other scrap metal at the time of acquisition, the Company was situated to have a company which should acquire the procurement and sales of PCBs separated from MCC NFT. Given the complexity of this process, **MCC separating the PCB procurement and sales business to transfer it to Igneo was essential in the seamless acquisition process.**

03

In parallel with the Company's own review process, due diligence was performed by global consulting firms, such as KPMG on finance and taxes, Skadden on legal affairs, and Ramboll on environmental practices, to thoroughly review the entire aspects of business at Igneo

04

The PCB procurement and sales businesses, transferred by MCC NFT, are just part of the entire value chain Igneo has built in the local market. Igneo was in process of developing the e-waste collecting and processing business and the recycling business in the US, generating losses in EBITDA due to early investment. Except for investment, the recycling business is generating profits.

Therefore, it is too early to determine the results of the Igneo investment based on Igneo's earnings before its value chain is fully set up in 2025