

News Release

February 8, 2023
Proterial, Ltd.
(Former Hitachi Metals, Ltd.)

Organizational Structure for Accelerating Transformation and Growth

(Organizational revisions and executive personnel as of April 1, 2023)

Proterial, Ltd. (the Company) hereby announces that, effective April 1, 2023, we will enhance our organizational structure to enable dynamic operations in response to changes in our environment and to promote global growth.

1. Organizational changes (effective April 1, 2023)

We will optimize company-wide operations for global growth by employing a business unit structure through which each business engages in dynamic management, and by strengthening our ability to implement company-wide functions across business units.

(1) Shift to business unit structure to enable dynamic business management

Our current business management model is based on business division structure. However, effective April 1, 2023, we will shift to a business unit structure. We provide products across a broad range of business domains, particularly the automotive, industrial infrastructure, and electronics domains. As these diverse business domains face rapid changes and opportunities in their respective product end user, shifting to a business unit structure that is directly overseen by the company CEO will enable us to pursue even more dynamic business management. This will enable each business unit to focus its resources on strategies for optimizing their respective market and competitive environments, customer needs, technology trends, and operations with more speed and flexibility.

The four business units under the Advanced Metals Division as well as the four business units of the Advanced Components & Materials Division will each operate as separate business units. We will establish a total of nine business units. In addition to the eight business units mentioned above, the US casting business, which is centered on operations at Waupaca Foundry, Inc., will be added as a ninth business unit. These business units will operate as organizations reporting directly to the company CEO.

(2) Strengthening cross-division functions for manufacturing

To bring greater focus to manufacturing excellence and our research and development activity, we will reorganize the Technology, Research & Development Division to create a Manufacturing & Engineering Division and R&D Division. By creating the Manufacturing & Engineering Division, we will create an organization whose purpose is to bring world class manufacturing practices with a focus on safety, operational excellence, engineering and environment practices that all of our global business units will benefit from. The re-alignment of these activities will allow the R&D Division to focus on medium and long term progress to grow our business as well as refocus R&D resources to our business units and in particular our customers.

The Manufacturing & Engineering Division will incorporate the Environmental Strategy Dept. and the MONOZUKURI Innovation Management Dept., which previously operated under the Technology, Research & Development Division, and oversee investment management functions. The Manufacturing & Engineering Division will also oversee safety and health management functions previously overseen by the Human Resources & General Administration Division. The General Manager of the Manufacturing & Engineering Division will also oversee the Procurement Division in addition to the departments and

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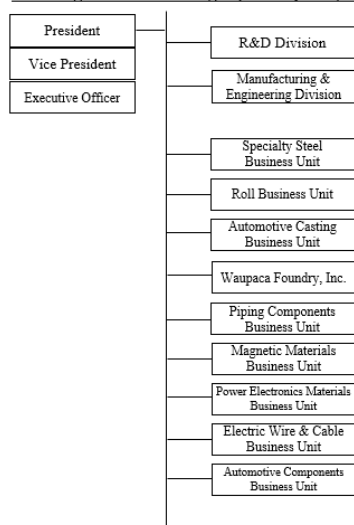
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functions noted above. R&D Division will oversee the Intellectual Property Dept. and the Global Research & Innovative Technology Center, which previously operated under the Technology, Research & Development Division, as well as technology strategy and planning functions.

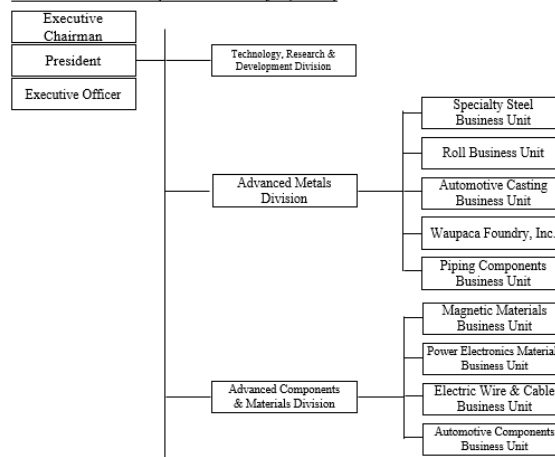
Through these organizational changes, we will establish a structure that enables flexible and rapid business management by each business unit and promotes dynamic collaborations by the Manufacturing & Engineering Division and other corporate divisions. We will build the Proterial Operating System, an operating system unique to Proterial, that ensures world class operational excellence and serves as source of our Group's competitiveness.

■ Organizational structure effective April 1, 2023

After organizational changes (as of April 1, 2023)



Current Structure (as of February 8, 2023)



2. Executive personnel

*List in Japanese phonetic order of last name for each position.

*Underlining indicates most recent changes.

(1) Changes in executive officers (As of April 1, 2023)

Category	Name	Title and Responsibility	Current Title and Responsibility (As of February 8, 2023)
Promotion	Kazuya Murakami	<u>Representative Director,</u> <u>Vice President</u>	<u>Managing Executive Officer,</u> <u>General Manager,</u> <u>Advanced Components &</u> <u>Materials Division;</u> <u>Deputy General Manager,</u> <u>Corporate Export Regulation</u> <u>Office</u>
Promotion	Hisaki Masuda	<u>Managing Executive Officer,</u> <u>CSPO</u> <u>General Manager,</u> <u>Strategy Planning Division</u>	<u>Executive Officer,</u> <u>General Manager,</u> <u>Corporate Management Planning</u> <u>Division</u>
Change of responsibility	Yoshie Asaki	Executive Officer, Chief Risk Management Officer	Executive Officer, <u>General Manager,</u> <u>Procurement Division;</u> Chief Risk Management Officer

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Change of responsibility	Toru Taniguchi	Executive Officer, <u>General Manager,</u> <u>Manufacturing & Engineering</u> <u>Division</u>	Executive Officer, <u>General Manager,</u> <u>Advanced Metals Division;</u> <u>Deputy General Manager,</u> <u>Corporate Export Regulation</u> <u>Office</u>
Change of responsibility	Kenji Minegishi	Executive Officer, <u>General Manager,</u> <u>Magnetic Materials Business Unit</u>	Executive Officer, <u>Deputy General Manager,</u> <u>Advanced Components &</u> <u>Materials Division;</u> <u>General Manager,</u> <u>Magnetic Materials Business Unit</u>
Change of responsibility	Hajime Murakami	Executive Officer, CTO <u>General Manager, R&D Division;</u> General Manager, Global Research & Innovative Technology Center	Executive Officer, CTO <u>General Manager, Technology,</u> <u>Research & Development</u> <u>Division;</u> General Manager, Global Research & Innovative Technology Center
Newly appointed	Motohide Mohri	<u>Executive Officer,</u> <u>General Manager,</u> <u>Specialty Steel Business Unit</u>	<u>Advanced Metals Division</u> <u>General Manager,</u> <u>Specialty Steel Business Unit</u>

(2) Retirement (As of March 31, 2023)

Name	Current Title and Responsibility (As of February 8, 2023)
Mitsuaki Nishiyama	Representative Director, Executive Chairman

[For reference] (As of April 1, 2023)

Name	Title and Responsibility	Current Title and Responsibility (As of February 8, 2023)
Masao Yamada	General Manager, Roll Business Unit; General Manager, Roll Sales Dept.	Advanced Metals Division, General Manager, Roll Business Unit; General Manager, Roll Sales Dept.
Toru Iwanaga	General Manager, Automotive Casting Business Unit	Advanced Metals Division, General Manager, Automotive Casting Business Unit
Michael Nikolai	Waupaca Foundry, Inc. Director, President, CEO&COO	Same as left
Mikio Sakiyama	General Manager, Piping Components Business Unit	Advanced Metals Division, General Manager, Piping Components Business Unit
Masaru Suzuki	General Manager, Power Electronics Materials Business Unit	Advanced Components & Materials Division, General Manager, Power Electronics Materials Business Unit
Yoshihiro Takahashi	General Manager, Electric Wire & Cable Business Unit	Advanced Components & Materials Division, General Manager, Electric Wire & Cable Business Unit
Kazunori Sasaya	General Manager, Automotive Components Business Unit	Advanced Components & Materials Division, General Manager, Automotive Components Business Unit; General Manager, Planning Dept.
Hisayasu Ikeuchi	General Manager, Procurement Division; General Manager, Procurement Dept.	Procurement Division, General Manager, Procurement Dept.

CEO: Chief Executive Officer

CSPO: Chief Strategy and Planning Officer

CTO: Chief Technology Officer

COO: Chief Operating Officer

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■About the new trade name PROTERIAL

Hitachi Metals, Ltd. changed its trade name to Proterial, Ltd. on January 4, 2023.

PROTERIAL

“Proterial” reflects the essence of our corporate philosophy, which consists of three elements: Mission: “Make the best quality available to everyone;” Vision: “Leading sustainability by high performance;” and Values: “Unflinching integrity” and “United by respect.” It combines “pro-” with the word “material.”

“Pro-” represents our “three pros”:

- Professional — work that exceeds expectations
- Progressive — a spirit that keeps challenging
- Proactive —an enterprising attitude

“Material” refers to the high-performance materials that our original technologies produce and underpinned by the three pros. With our focus on solving customer issues and bringing new levels of value, we promise to contribute to the realization of a sustainable society through the products and services that embody our philosophy.

■Movie introducing "PROTERIAL"

<https://youtu.be/Q0MKdTh3ofI>

Click here for movie

