

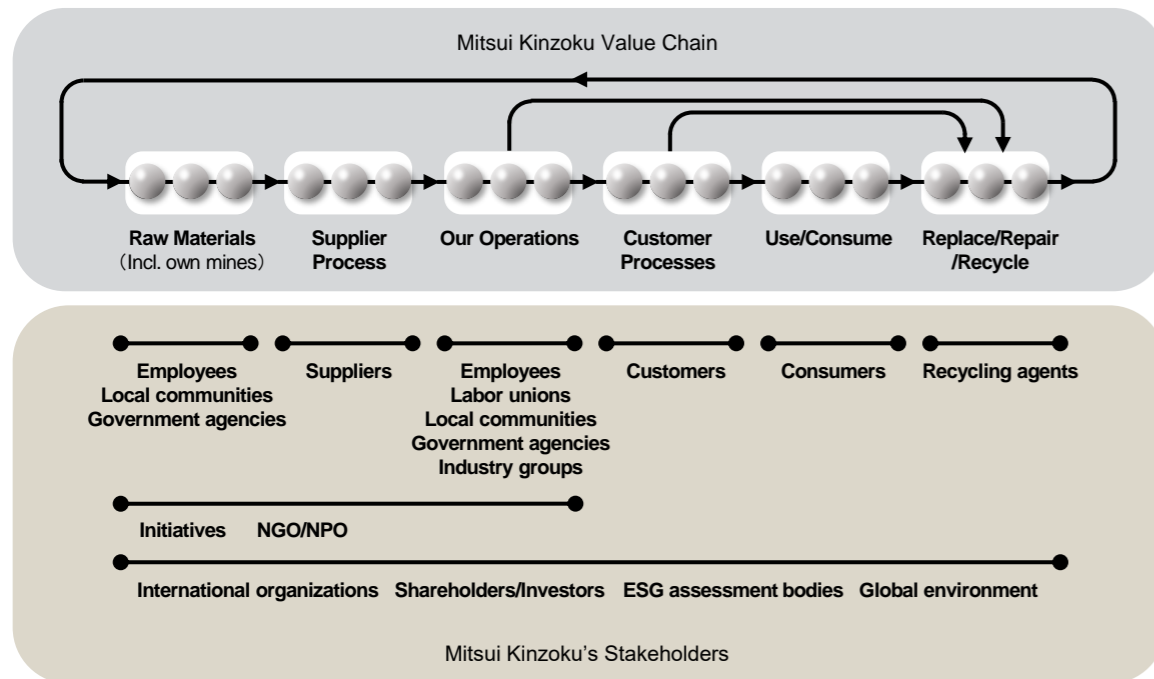
Stakeholders and materiality

Mitsui Kinzoku Group is committed to practicing management that integrates sustainability in order to continue creating value over the long term. We have identified major stakeholders as well as material issues (materiality) to promote the integrated thinking-based management efficiently.

Identification of major stakeholders

Mitsui Kinzoku Group has identified major stakeholders in accordance with the eight criteria of ISO 26000. The major stakeholders are determined as highly likely to be affected by our business activities economically, environmentally, and socially. The earth environment is considered as being one of our major stakeholders. The SDGs indicate the common social and environmental issues which these multiple stakeholders are facing. In order to understand major stakeholders' needs and interests and respond to them in a rational manner, we create various engagement opportunities. In FY2022, we held ESG briefings for institutional investors, the President's Site Visit Campaign to talk with employees on the Purpose/the Vision for 2030 and the 22 Mid-term Plan and briefings to suppliers, and used feedback when promoting initiatives to address the materiality.

Stakeholder mapping along the value chain



Materiality review

Among the various environmental and social issues raised by stakeholders, Mitsui Kinzoku Group selects those with particularly significant impacts on the Group's value chain and identifies them as material issues (materiality).

In FY2019, we reviewed our materiality for 2024 in order to implement the integrated thinking-based management. The revised materiality comprises three items as opportunities and nine items as risks based on two perspectives: opportunities for our businesses that may help solve the raised issues and ESG risks that may affect us financially which are regarded as initiatives to fulfill our social responsibility. We have also selected six additional items from the capital perspective as initiatives to support the efforts on materiality.

We discussed commitments, targets (KPIs), and annual plans and compiled "Mitsui Kinzoku Group Sustainability Initiatives" (P.87-93).

FY2019 Materiality Review

We have reviewed the materiality based on the integrated management strategy built on the two pillars of business and social responsibility.

1 Enumerated a wide range of economic, environmental, and social issues from a long-term perspective

Ref. The SDGs, the United Nations Global Compact, the GRI Standards and ISO 26000 as issues raised by international organization like the UN and NPOs

2 Selected issues that are likely to have a long-term impact on our business and value chains

Ref. The Management Philosophy, the Code of Conduct, the 19 Mid-term Plan

3 Determined the level of materiality for each issue selected in 2 above according to the degree of the major stakeholders' expectations and needs regarding our business and their impacts

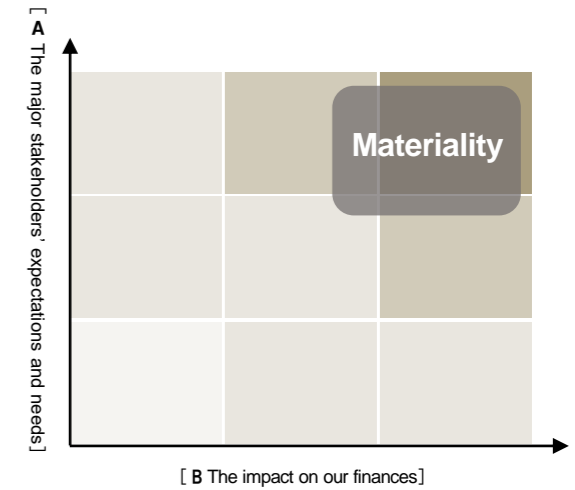
Ref. <International organizations> OECD Due Diligence Guidance for Responsible Business Conduct

<Investors> The SASB standards, the ESG general standards by Amundi <Industrial initiatives> The RBA Code of Conduct (Customer/Supplier), ICMM 10 Principles, the Charter of Corporate Behavior by Keidanren

4 Determined the level of materiality for each issue selected in 2 above at the CSR Committee according to the degree of impact on our business model and finances

Ref. The 19 Mid-term Plan, the Code of Conduct, the Environmental Action Plan, the Human Rights Standards, the procurement policy

5 Mapped the issues on the two axes of 3 and 4 above (see the right graph) and identified the ones in the shaded area as material issues

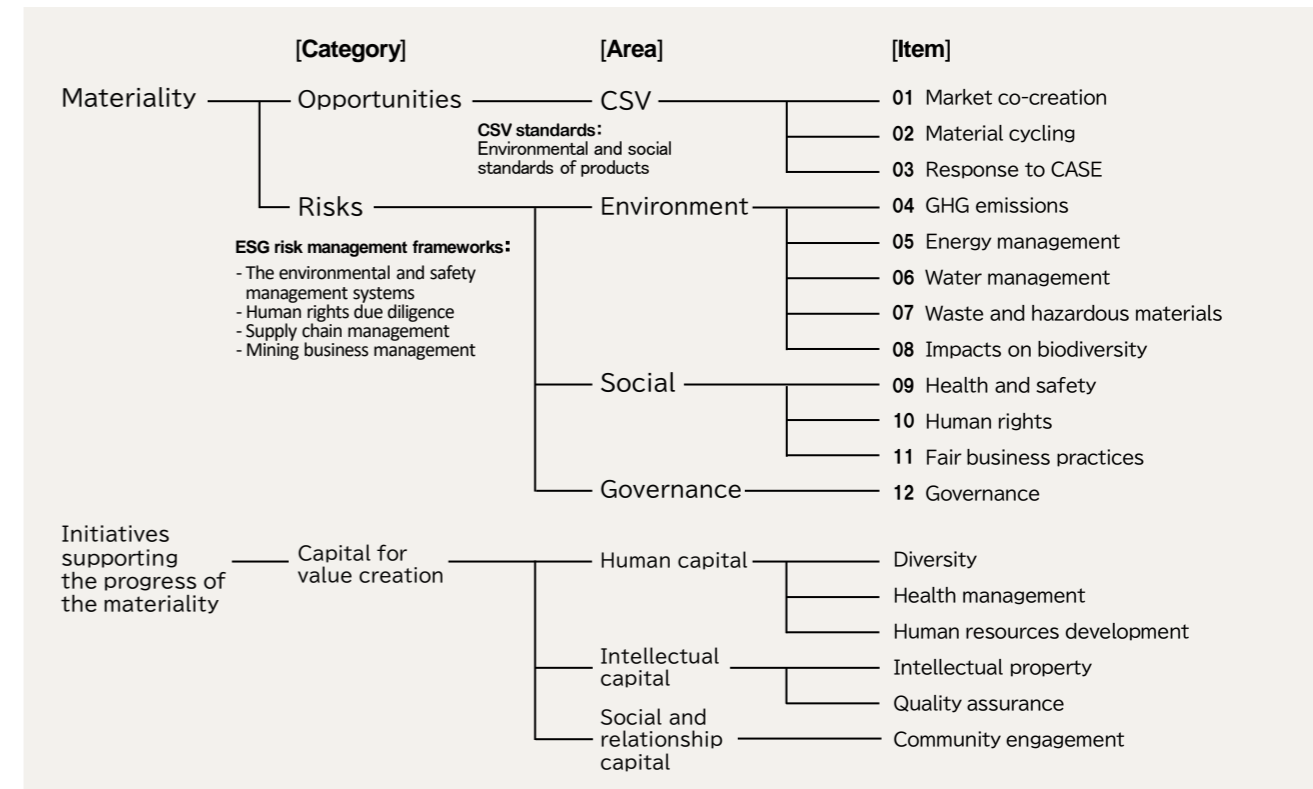


6 Divided the material issues, based on the integrated management strategy of business and social responsibility, into ones that may pose ESG risks (social responsibility) that are likely to affect us financially and into ones that can turn out to be business opportunities

Ref. The International Integrated Reporting Framework, the SASB standards

7 Classified the issues mapped in the lighter-colored parts in the graph into a set of issues that supports the progress on the material issues

8 Received approval from the Board of Directors for the materiality of ESG risks and business opportunities



FY2022 PDCA cycle for the materiality

In FY2022, the departments responsible for each materiality item carried out initiatives according to the annual plans. At the end of the fiscal year, results for each item were confirmed and plans for FY2023 were reviewed in consideration of changes in the external environment and major stakeholders' interests. Information on the progress of the Group was gathered and reported to the CSR Committee. In FY2023, we will run the PDCA cycle and manage the group-wide progress. The progress of each materiality is compiled in "Mitsui Kinzoku Group Sustainability Initiatives" (P.87-93) in this report.