



My commitment

We are now in an era of extremely rapid change. Things once unimaginable are now happening all over the world.

Under these circumstances, in 2024, Mitsui Kinzoku reached the major milestone of the 150 year anniversary since its founding.

There are reasons why we've been able to stay in business for so long.

Our Purpose represents these reasons, values to cherish, and philosophy to share.

In order to continue contributing to the world across the next 50 and 100 years, we are committed to making swift progress every day.

President and Representative Director

NOU Takeshi

【Purpose】

探索精神と多様な技術の融合で、 地球を笑顔にする。

“We promote the well-being of the world through a spirit of exploration and diverse technologies.”

Our “spirit of exploration” was inherited from our history of resource exploration to find ores—essential raw materials for nonferrous smelting. This DNA was cultivated through our long history, and is the wellspring of our ability to maintain enthusiasm and passion and steadily produce results, even under uncertain circumstances.

“Diverse technologies” derived from the resource development and smelting business means creating new value while responding to the needs of the times and the demands of society by utilizing our Material Intelligence—namely, our knowledge, expertise, and experience in non-ferrous metal materials.

This “spirit of exploration and diverse technologies” is a truly “ambidexterity-oriented” management that simultaneously achieves “exploration” (forging new businesses) and “exploitation” (developing existing businesses).

In the Business Creation Sector, which is responsible for “exploration” such as R&D and market co-creation, we are strengthening our ability to explore business opportunities and R&D to realize the constant creation of sustainable new businesses and make timely investments and personnel allocations in response to changes in the business environment for development subjects that are in the commercialization phase.

We value and apply the knowledge and technology we have accumulated in the field of nonferrous metal materials. In areas where we lack or need more knowledge, we actively invest and promote partnerships and cooperation through corporate venture capital (CVC) to use external knowledge.

In the area of “exploitation,” another element in our “ambidexterity-oriented” management, we reorganized our business in 2022 to create new synergy among business sectors so that we can respond to the demands in attractive markets for us in 2030. These include namely the electronics, environment, resources,

energy, mobility, and circular economy markets. We also continue to dynamically manage our business portfolio, make planned investments in value expansion and cultivation businesses, and look for the best internal and external owners in the value restructuring business.

We will steadily adhere to this cycle of improving and expanding each business through exploitation while putting the funds obtained into exploration, which will lead to new innovations.

And “promote the well-being of the world,” as stated in our Purpose, is nothing less than the practice of integrated thinking-based management. It involves considerations and contributions to the global environment, which is our most significant stakeholder.

Utilizing our knowledge, we create economic value through our products and businesses, and also achieve outcomes that contribute to solving environmental and social issues. In order to achieve this, it is also essential to grasp the opportunities and risks that our business poses to society and the environment.

Recognizing these opportunities and risks, we have identified 12 items of materiality, and endeavor to make progress on each initiative every year, cyclically.

In addressing climate change, the Group’s mainstay copper foil and metals businesses are energy-intensive, so the technological challenges and hurdles to achieving carbon neutrality by 2050 are by no means low, but we are steadily taking steps to address them. In FY2023, we introduced CO₂ separation and collection equipment in the smelting process and examined the practicality of biomass fuel as an alternative to coal.

We continue to introduce the life cycle assessment (LCA) throughout the Group as a verification method to ensure the creation of products that contribute to solving environmental and social issues. In FY2023, we launched an internal certification organization, and continued expanding the Group’s lineup of environmentally friendly products.

We also continue strengthening our water management, and reduction and management of environmentally hazardous substances and waste. Through these proactive initiatives, we seek to contribute to building a recycling-oriented society with the knowledge and technology of the Group. We will focus our activities on the metals business, which uses and emits a large quantity of these materials. In our human rights efforts, we continue to implement due diligence and promptly take corrective actions on identified risks. We have already established a cycle for implementing our supply chain initiatives and will continue to scrutinize and correct any potential environmental, social, and governance risks in our supply chain. We understand that reducing risk throughout not only our Group but also our supply chain, and making it healthy, will contribute to “promoting the well-being of the world.”

While endeavoring to increase the Group’s competitiveness, we will consider how we should serve as a public organ and give back to society by transforming the capital—including people—with which we have been entrusted by society into something with more added value.

We continue to focus on enhancing and strengthening our non-financial capital, which is the source of our drive to increase corporate value. The most important capital of all is people. To implement integrated thinking-based management, which aims to realize both economic and social value enhancements, it is essential to maximize the value of human capital, the most critical management resource.

In 2021, we established the Diversity, Equity, and Inclusion Office, a dedicated organization that improves and accelerates our diversity, equity, and inclusion efforts. The Office formulates and implements plans to create a workplace where all employees with diverse values can play an active role now and in the future.

In pursuit of an attractive diversity-oriented workplace, specific plans are on the table for two key approaches: increasing job satisfaction, a priority issue defined in the Medium-term Management Plan; and supporting women’s career development, the first step towards achieving a diversity-driven, productive workplace. The Diversity, Equity, and Inclusion Committee, on which I serve as chair, meets regularly to discuss action policies and strategies, make decisions, and monitor progress. Issues and the progress of the Committee’s activities are reported to the Board of Directors to ensure that diversity and inclusion initiatives are being implemented in alignment with management policies and that initiatives have been fully instilled in the organization.

In April this year, we established a new Rewarding and Engaging Work Promotion Office in the Human Resource Department.

We will further enhance the engagement of all employees and create a workplace that attracts diverse people, which will, in turn, increase our corporate value. We will accelerate Work Satisfaction Reform as a group-wide strategy.

The job-based personnel system, introduced in FY2022, has replaced the conventional person-based personnel system. The new system is intended to place the right people in the right positions based on the employees’ competency in their assigned jobs and roles. With a focus on the era of 100-year lifespans, we have established educational and other systems to encourage employees to think autonomously about their careers and support them in realizing their careers and growth.

We have raised the retirement age to 65. Wages and other treatment remain the same after the extension of the retirement age, as we want people with experience and skills to continue to be motivated and active.

We also recognize that the physical and mental health of all employees of the Group and their families is an essential management issue.

Health is the foundation on which our employees lead fulfilling lives and maximize their individuality and abilities. Employee health is indispensable for the Group to increase productivity and generate innovation. Our “Safety First” commitment will never waver, and the elimination of accidents in the workplace is our top priority. We will create a safe, hygienic and healthy job environment and actively work on health management.

To grow our business continuously and sustainably, we are working tirelessly to align personnel management and business management strategy.

Persons in charge of HR are assigned to the HR Business Partner Office, which was set up in 2022, corporate departments, and business sectors to promote close coordination and cooperation between them. They are responsible for identifying HR issues from a forward-looking perspective, particularly for implementing personnel allocation tied to group-wide dynamic management of business portfolios, solving the identified issues, and assisting each Sector in dealing with talent management issues, such as succession planning and assignment and skill development for individual employees.

We are also actively conducting intellectual property management to acquire rights for and protect the knowledge we have cultivated, and to explore and increase our knowledge.

The Intellectual Property Department at the head office manages intellectual property appropriately, and intellectual property staff are assigned to the Corporate Planning Department, the Business Creation Sector, and other business sectors to ensure that IP activities are carried out quickly and in accordance with the needs of each department. We have developed highly specialized intellectual property personnel and expanded the value of the Group’s patents.

We are also promoting digital transformation (DX) to speed up R&D, realize smart factories, and streamline operations. DX enhances the system’s safety, contributes to managing the business indexes, and accelerates the speed of decision-making and information flow.

Last fiscal year, we implemented DX initiatives in each Sector, including introducing new data systems at some sites. And we are certified as a DX Certified Business Operator by Japan’s Ministry of Economy, Trade and Industry.

Not just following society’s movements or establishing frameworks. We are transitioning to pursue effectiveness.

With the approval of the Ordinary General Meeting of Shareholders in June 2024, Mitsui Kinzoku has transitioned to a company with an Audit & Supervisory Committee.

“There are too many agenda items to be discussed at each Board meeting.”

“We should spend more time discussing strategy implementation in light of our business portfolio.”

“The Board should use more time to discuss the allocation of management resources, including investments in human capital and intellectual property.”

These are the opinions and issues expressed and identified by the Board members during the annual evaluation and confirmation of the effectiveness of the Board of Directors.

I had thought that the Board’s effectiveness was generally ensured. However, to implement integrated thinking-based management and enhance the Group’s corporate value, I have felt, as the president, that quicker decision-making and more transparency are necessary to respond to changes in the business environment.

With the establishment of the Committee, we delegate authority to the executive officers to further expedite decision-making and strengthen the supervisory function of the Board of Directors, freeing the Board to focus on discussions and deliberations on management strategy and policies.

With the establishment of the Audit & Supervisory Committee, 50% of the Board members are from outside the company.

The Chairperson of the Board of Directors and the Chairperson of the Nomination Review Committee are Outside Directors. If the outside directors determine that I am not fit to serve as President, they can replace me at any time. It also signifies my unwavering determination to transform the Group and make Mitsui Kinzoku a better company.

It’s all about execution and implementation.

Regarding our performance in FY2023, net sales decreased slightly by 0.8% from the previous fiscal year, mainly due to lower prices of nonferrous metals and precious metals, although the sales volume of key products increased in the Engineered Materials Sector and Mobility Sector.

As for profit and loss, operating income and ordinary income increased by 153.0% and 123.8%, respectively, mainly due to the sales volume increase mentioned above, favorable inventory factors, a decrease in retirement benefit expenses, and an increase in non-operating income.

However, following last year’s results, sales and profit fell short of the initial targets of the current three-year medium-term management plan.

Uncertainty and difficult environments will continue, but we cannot use the current business environment as an excuse. As a member of the upper management, I feel strongly responsible for our continuously falling short of achieving committed sales and profit targets.

FY2024 is the final year of our three-year medium-term management plan, which we have declared an essential process for the Group to continue creating value sustainably, and it is critical that we execute it as envisioned. This is also the year in which we will formulate a management plan for the next three years.



We will not change our Vision for 2030 or our FY2030 performance targets. Our determination to commit to these targets remains the same, as Mitsui Kinzoku Group will not have a future in 2050 if we fail this plan.

Centered around our Purpose, we will balance ambidexterity-oriented management, implement double-axis management strategies to realize economic and social values, and shift to integrated thinking-based management to achieve financial and non-financial sustainability. We will firmly and steadily implement these activities to promote the well-being of the world. To realize our Vision for 2030, I, as a member of the upper management, will more proactively disclose information than ever before, and promote internal and external communication with stakeholders.

I would like to express my gratitude and appreciation to all stakeholders, who have been involved in the Mitsui Kinzoku Group across our 150 years, and I look forward to your continued support.

(July 2024)