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2025 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

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2025



Sompo Sustainability Index



健康経営優良法人
KENKO Investment for Health



**mitsui
kinzoku**

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mitsui kinzoku Integrated Report 2025

mitsui kinzoku Integrated Report 2025

For the year ended March 31, 2025



About Mitsui Kinzoku Integrated Report 2025

This report describes how Mitsui Kinzoku Group will create economical and social value through the management in our value creation process, focusing the Medium Term Business Plan which began in FY2025.

We have edited this report referring to the International Integrated Reporting Framework advocated by the International Integrated Reporting Council (IIRC), the “Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation” developed by the Ministry of Economy, Trade and Industry, the GRI Sustainability Reporting Standards (GRI Standards), and SASB standards.

You can find detailed financial information in our Securities Report and detailed governance information in our Corporate Governance Report.

[Coverage]
This report focuses on figures for FY2024 (April 2024 – March 2025). It also contains details of initiatives prior to that period, and initiatives that are underway for FY2025.

[Scope]
In principle, Mitsui Kinzoku (non-consolidated) and its consolidated subsidiaries are covered in this report.

[Caution concerning forward-looking statements]
In addition to facts about Mitsui Kinzoku Group past and present, this report contains decisions, plans and other forward-looking statements based on information available at the time of writing. Please bear in mind that social situations in the future, and the actual results of our business activities, may vary from the forward-looking statements contained herein.

[Securities Report] only available in Japanese
<https://www.mitsui-kinzoku.com/toushi/lib/yuuka/>

[Corporate Governance Report] only available in Japanese
<https://www.mitsui-kinzoku.com/toushi/management/governance/>

We use the SDG icons in this report in accordance with the UN SDG guidelines.
<https://www.un.org/sustainabledevelopment/>

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MITSUI KINZOKU

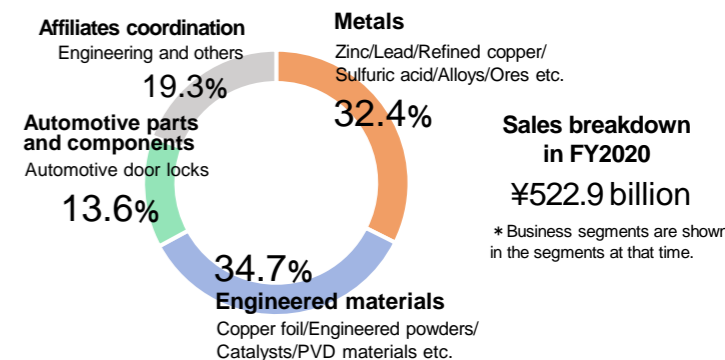
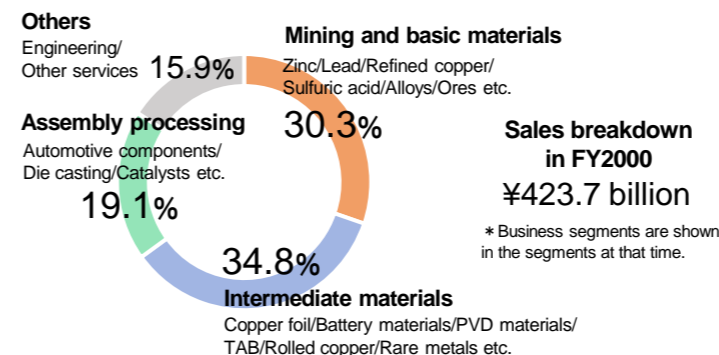
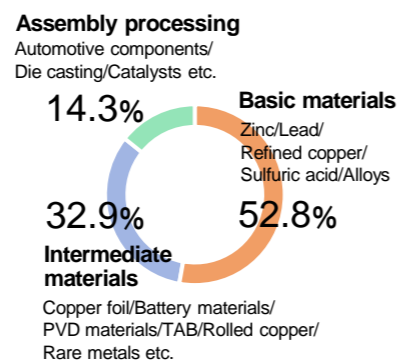
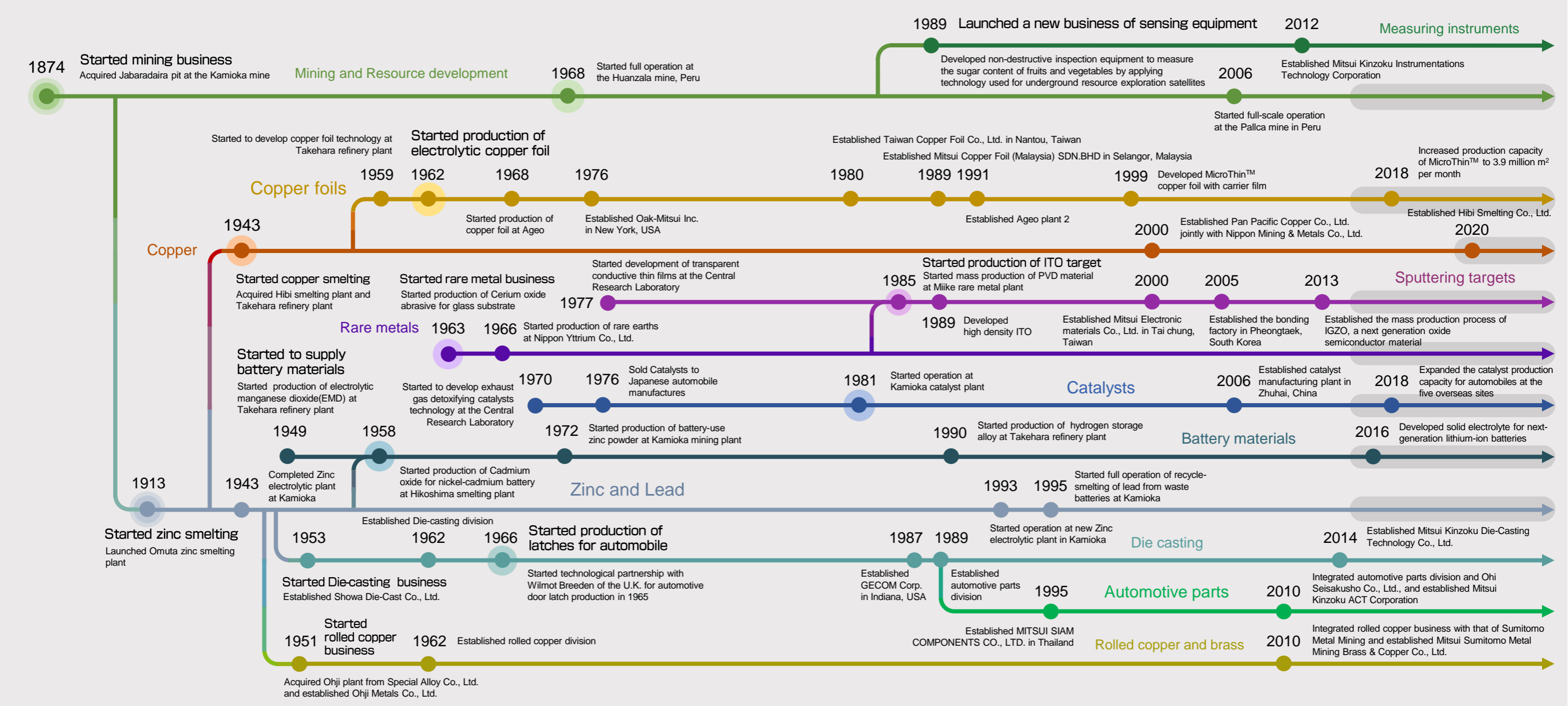
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Our History

Our origin is to develop the resources that are blessings from the earth and perform smelting of nonferrous metal. We have continued to provide materials and products that are essential to many industries by giving added value to nonferrous materials through processing and assembly. We will strive to create new value utilizing our core technologies cultivated by our nonferrous metal smelting business, such as in separation and purification, powder control, electrochemistry, and solution chemistry.

Areas that our current core business domains

* Lists only major events and initiatives.





My commitment

With the aim of promoting the well-being of the world in order to continue to serve as a company that is needed by society, we have launched a new Medium-term Management Plan to realize our Vision for 2030.

Building on our achievements to date, we will combine measures in our various businesses with initiatives that make the world more sustainable.

President and Representative Director

NOU Takeshi

The first medium-term management plan to be created and implemented since I became President (the 2022-2024 MTP) has concluded.

In the first and second years of the plan, we did not achieve our original targets, but in the final year (FY2024), although we fell slightly short of our sales target, we were able to surpass the initially established targets for all other financial indicators.

In the Metals Sector specifically, exchange rates and bullion prices remained higher than expected, and associated inventory factors were favorable, which had a significant effect, but increased sales of mainstay products in the Engineered Materials Sector such as electrolytic copper foil and engineered powders also contributed, enabling Mitsui Kinzoku to set new records for both sales and profits. We were relieved and deeply grateful to achieve such results in a milestone fiscal year that marks the 150th anniversary of our founding.

However, this sense of satisfaction was brief and is already in the past. We have now embarked on a new medium-term management plan, the 2025-2027 MTP. As I have already mentioned herein, my mission and commitment as President is to ensure that we build a rock-solid foundation for Mitsui Kinzoku to continue to contribute to society and remain a corporate group needed by society for the next 50 years, the next 100 years, and beyond.

In FY2025, the Trump administration’s policy of imposing high tariffs has created uncertainty in the global economic outlook, which means we must pay even closer attention to fluctuations in interest rates and exchange rates. As our businesses’ supply chains expand globally, I feel that we also must manage them more closely than before. Unlike the previous year, when business remained strong, we currently expect a decrease in sales and profits this fiscal year based on the assumptions that the yen will appreciate and bullion prices will decline.

Domestically, we are aware of various issues that need to be addressed, such as the ongoing rises in raw material and energy prices, higher inflation, the polarization of consumption associated with rising prices and inflation, and the worsening of the human resources shortage.

Of course, we do not intend to use the current management environment, which is uncertain and extremely challenging, as an excuse. In each of our businesses, we will do everything we should do and can do to exceed our initial sales and profit expectations even if only slightly. Implementing the 2025-2027 MTP is an essential step toward successfully achieving the Vision for 2030 that the Group has outlined.

Over the next three years, we will further solidify the foundation for continuously creating economic and social value.

During the 2022-2024 MTP period, we successfully reduced interest-bearing debt by 26.2%, a faster reduction than we had ever achieved before. For this reason, we obtained results exceeding the initial targets for both the consolidated equity ratio, which the 2022-2024 MTP identified as a key financial indicator to be improved, and ROE.

In the 2025-2027 MTP that starts this fiscal year, we aim to increase our cash flow from operating activities, which we will allocate to increasing growth investments and shareholder returns by around 2.5 times compared to the 2022-2024 MTP. Going forward, we plan to further raise DOE (the dividend on equity ratio), which we previously increased from 2.5% to 3.0% by adopting a progressive dividend policy, to the 3.5% level. We also have the option to buy back stock as part of our return policy.

Under the 2022-2024 MTP, we began working in earnest on portfolio management and dynamic management of our business portfolio as well as incorporating business evaluations based on ROIC. Under the 2025-2027 MTP, we will implement rigorous cash flow management while further strengthening management that considers capital costs and stock price.

To shareholders and investors, it may seem that we are progressing slowly in terms of effectively allocating management resources and pursuing capital efficiency. Last fiscal year, I believe we achieved our goals of speeding up decision-making and enhancing discussions at the Board of Directors meetings, especially concerning management strategy and policy, by transitioning to a company with an Audit & Supervisory Committee. In FY2024, we were also able to devote a significant amount of time to discussing management strategy, reviewing the business portfolio, and discussing M&A and organizational restructuring proposals at the Board of Directors meetings. Two years ago, we incorporated achieving ESG indicators as a requirement for directors’ stock compensation; this year, we added ROIC as an indicator for their performance-linked compensation. Furthermore, with the aim of strengthening portfolio management, we have added business segments’ WACC (weighted average cost of capital) and ROIC Spread*1 as new indicators for business evaluation.

Based on objective business evaluations using ROIC as a yardstick, under the 2025-2027 MTP, we are considering implementing “Big Moves” in several businesses as measures for fundamental cash generation. “Big Moves” refer to measures that will enable a shift toward non-linear growth rather than incremental growth. Based on such measures, we intend to target non-linear growth—in other words, accelerated growth at an unprecedented rate.

During the 2022-2024 MTP period, as a result of an ongoing review of our business portfolio, we decided to sell and completed the sale of several businesses. We have also received inquiries from some investors who want to know if there are any buy-side projects in the works. In fact, we are considering “buy-side M&A” as one of our Big Moves. If something fully meets our investment criteria after we conduct a thorough business evaluation, we intent to proceed boldly and quickly.

Last fiscal year, we also conducted a review of our materiality, which identifies the key issues that the Group must tackle. This review was intended to further link the initiatives in each sector with our CSR, ESG, and sustainability initiatives, in line with the strategy described in the 2025-2027 MTP. We narrowed down the previous 12 items to a total of 7 items: 3 items aimed at contributing to solving environmental and social issues via our business activities and 4 items aimed at increasing the value we provide to society. We have defined these as our new materiality from FY2025.

We have diligently clarified the various issues facing society today and have reassessed what kinds of risks and opportunities these represent for the Group and what kinds of positive and negative impacts our business activities may have on them. Of course, this is also aligned with the Group’s Management Philosophy, Purpose, and Vision.

Along with the financial indicators aimed at improving economic value, these materiality issues are non-financial indicators that will lead to enhancing social value, and we have also set more specific KPIs for various initiatives than we have done in the past.

* 1 The value obtained by deducting WACC (weighted average cost of capital) from ROIC (return on invested capital).

New guidelines for implementing integrated thinking-based management from an HR perspective

In addition, we have revised our Code of Conduct and created new “Values.” The former specifies the standards that must be followed without exception by organizations and individuals in order to maintain our stakeholders’ trust. We revised the Code of Conduct for the first time in nine years in response to the changing needs of society. The latter articulates our organizational beliefs and culture, which provide infrastructure for creating an environment in which every employee can work with enthusiasm and create new value in order to realize the Vision based on our Purpose. The Values express the actions and values that should be emphasized in five phrases. We have incorporated these values as criteria for individual employees’ targets and personnel evaluations in our performance-based HR system, which is steadily taking root. In addition, one of the items in our newly identified materiality is “human resources who implement our values,” and we strongly expect that fostering a culture in which everyone can work enthusiastically and tackle rewarding challenges will contribute in multiple synergistic ways to maximizing the value of our social capital, such as creating safe, comfortable workplaces, promoting job satisfaction reforms, and diversifying our workforce.

Since we also recognize that intellectual capital (i.e., intellectual property) is an important management resource, we will not relax our efforts in this area. We will continue to seek to diligently acquire and protect the rights to the knowledge that we have accumulated to date as well as to actively promote intellectual property management, which plays a role in enhancing ambidextrous exploration. In the past, it was difficult to visualize this value, but we are now performing indicator-based management using a figure known as

the “Patent Asset Index,” thus enabling us to steadily increase our intellectual capital. As part of our system to enhance corporate value and support integrated thinking-based management, we also enhanced our DX efforts during the 2022-2024 MTP period. As planned, we established digital infrastructure for purposes such as addressing information security. The 2025-2027 MTP period has been defined as a digital proliferation period, during which we will focus our efforts on rolling out our digital utilization model group-wide, expanding the use of new shared tools such as generative AI, and cultivating DX talent.

As previously indicated in our Carbon Neutral Roadmap, making steady progress to expand DX will help to stabilize operations in various manufacturing processes, increase production efficiency, and reduce energy use. Moreover, the Business Creation Sector, which is enhancing its R&D competitiveness by promoting DX, is pursuing the development of new businesses, which we are highly confident will contribute to the realization of a carbon neutral society due to synergies between technologies and products that support carbon reduction and elimination.

A deep sense of regret and remorse

Looking back at the past fiscal year, there is one matter that must be mentioned. As revealed by a whistle-blowing report in October 2024 and announced in the findings of an investigation by the Special Investigative Committee in April, incidents of inappropriate conduct, such as falsifying and fabricating inspection measurement data, occurred at our subsidiary Mitsui Kinzoku Perlite Co., Ltd. These occurred even though risk management and rigorous compliance were highlighted in the 2022-2024 MTP, and as the President of Mitsui Kinzoku, who is responsible for the entire Group, I am deeply ashamed.

I would like to once again sincerely apologize for allowing this inappropriate conduct to occur, which has violated the trust of our stakeholders, including the customers who have used Perlite products for construction materials, landscaping, and other purposes for many years. Since this case came to light, Mitsui Kinzoku and Mitsui Kinzoku Perlite have analyzed the underlying causes and urgently implemented initiatives to prevent recurrence, such as enhancing compliance awareness, ensuring the reliability of inspection data, and improving systems. Further, in my role as President, this case has enhanced my awareness of the importance of quality, and I continue to visit various manufacturing sites for the purpose of teaching employees that we must prioritize quality over meeting deadlines or making profits. I firmly promise that this kind of non-compliant behavior and scandal, which caused us to lose the public’s trust, will not happen again.

Based on our Purpose, we are transitioning to integrated thinking-based management in order to pursue a balanced approach to ambidexterity, execute our management strategy based on both economic value and social value, and become a sustainable company in both financial and non-financial terms. To promote the well-being of the world, we will continue to steadfastly pursue these with an unwavering mindset. Lastly, more than ever before, our senior leadership will proactively share information and communicate with internal and external stakeholders to achieve our Vision for 2030. We truly hope we can continue to count on your valuable support going forward.

(July 2025)



Philosophy of Mitsui Kinzoku Group

Our Management Philosophy, presenting the unshakeable principles of Mitsui Kinzoku Group, declares that the goals of the Group's business are contribution to society and eternal growth. By practicing integrated thinking-based management, which aims to enhance both economic and social value, we strive to build a mechanism for sustainable improvement in corporate value and to achieve continuous growth. To this end, we established in 2022, the Purpose as our basis for making judgments and the Group Vision (Vision for 2030).

経営理念

創造と前進を旨とし
価値ある商品によって社会に貢献し
社業の永続的発展成長を期す

三井金属鉱業株式会社

Management Philosophy

“With creativity and productivity,
We, Mitsui Kinzoku Group, will explore products of value to society,
and seek an eternal growth of our group.”

Mitsui Kinzoku Group’s mission included in its Management Philosophy

The Management Philosophy was developed and documented in 1984, more than 40 years ago.
It declares that the goal of the Group's business is contribution to society and sustainable growth.
Grateful to our predecessors for having had the perspective of sustainability,
we will pass on the values they sought to uphold.

【Corporate Slogan】

Taking full advantage of Material Intelligence

Mitsui Kinzoku in a nutshell

We are a manufacturing company mainly dealing with non-ferrous metal materials and always thinking about what our strengths are, how we can utilize them effectively, and what value we can create.
With thinking them thoroughly, we pursue our originality and value.

【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.

Why we exist

The Purpose of Mitsui Kinzoku Group is to promote the well-being of the world by utilizing the spirit of exploration and diverse technologies, two strengths that the Group has cultivated to date. We endeavor to achieve this by developing materials and building business models with low environmental impact, as well as by providing value that brings comfort to people's lives.

“Spirit of exploration”

A spirit of constantly searching for something better and something new as the exploration part of our business. With our origin in mine development, and by continuing to explore, we will create various businesses and products supporting industries and people's lives.

“Diverse technologies”

Toward the exploitation part, we will share wisdom with internal and external stakeholders and integrate diverse technologies to continue creating new value. To this end, we will also pass technologies and wisdom on to the next generation and improve them.

“We promote the well-being of the world”

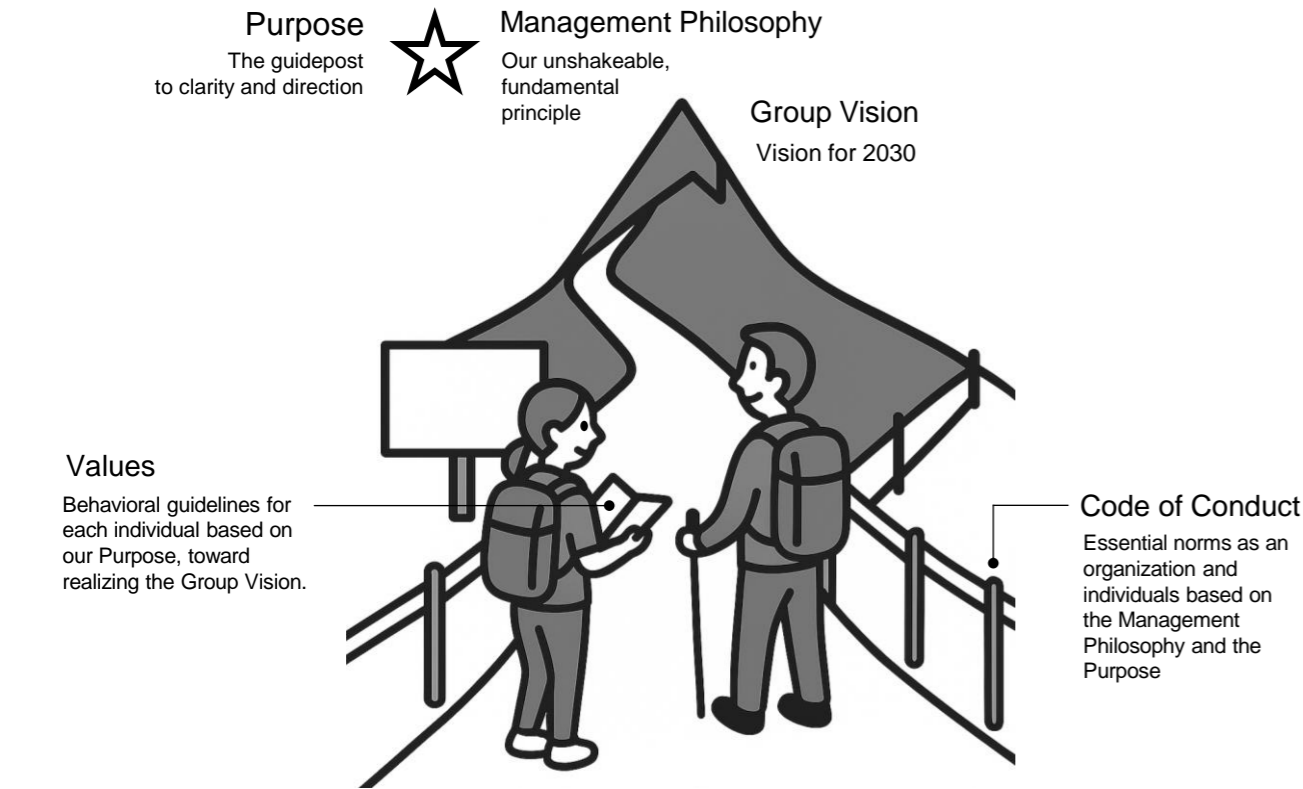
Through integrated thinking, we will conduct business activities not only focusing on immediate profits but also on a long-term vision, considering their impact on the planet and humanity, thereby bringing smiles to our faces while working for the Group.

【Group Vision】

Vision for 2030

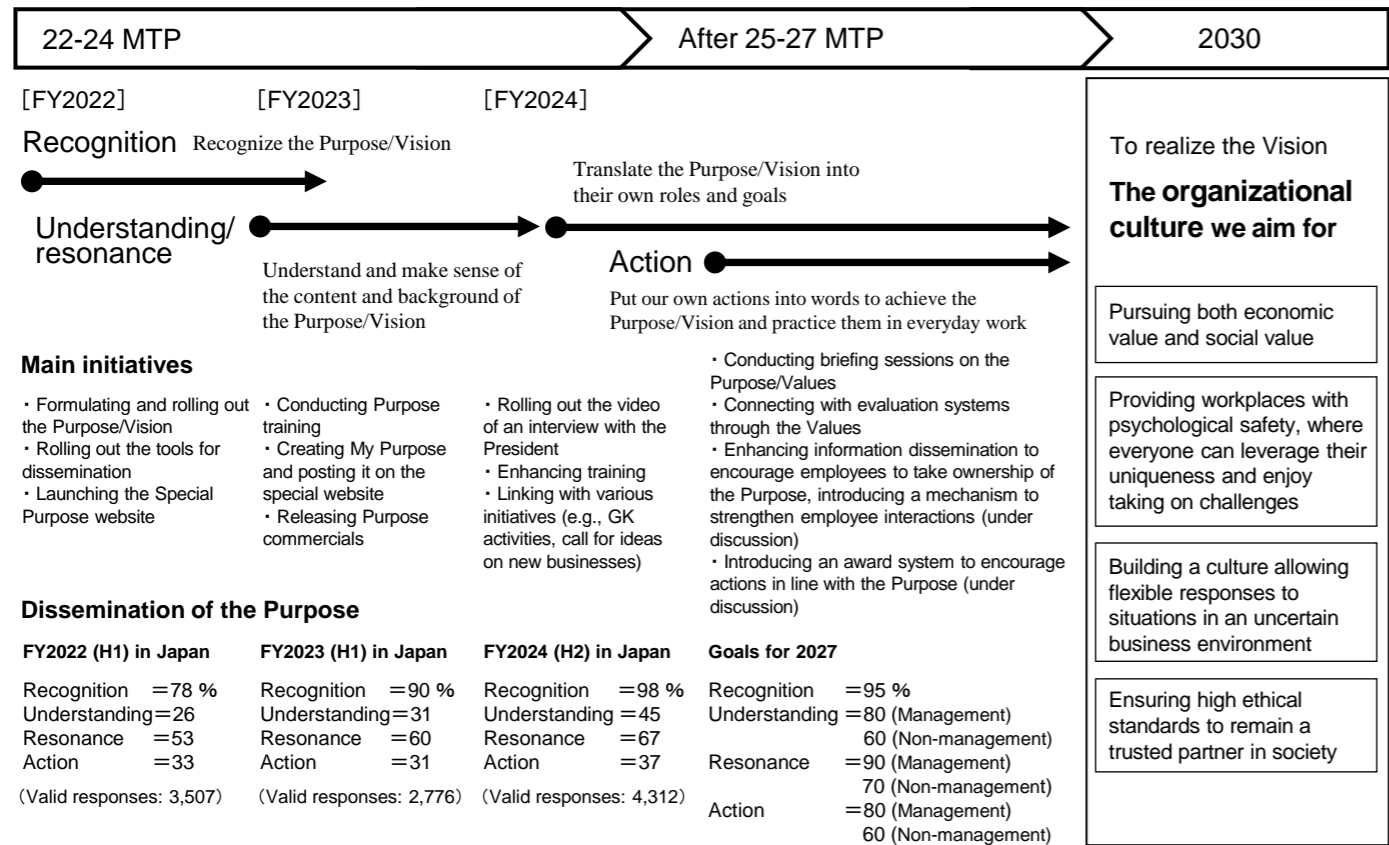
Building new businesses - and the future - with our material intelligence.

By taking full advantage of our Material Intelligence based on the Purpose, we will continue creating new products and services that contribute to the development of the global environment and humanity, aiming to become a company essential for the well-being of the world.



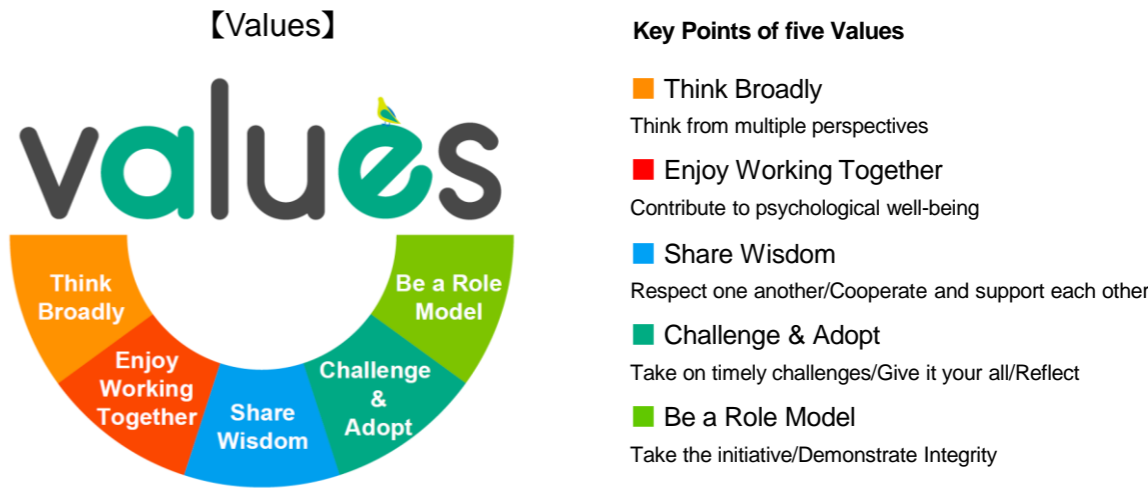
Initiatives to promote the Purpose

“We promote the well-being of the world through a spirit of exploration and diverse technologies.” This is the Purpose of Mitsui Kinzoku Group. We are promoting various initiatives for dissemination of the Purpose to ensure that all employees working for the Group not only understand and share it as our unshakeable basis for making judgments and as the guidepost for a sustainable society, but take ownership of it and practice it in everyday work as well.



Formulation of Values

To aim for the Purpose and Vision, it is essential that each employee understand what they should do and put it into action with confidence. To facilitate these behavioral changes, we formulated the Values in 2025 as the behavioral guidelines that all Group employees should appreciate.



As we strive to achieve the Vision based on the Purpose, Mitsui Kinzoku Group firmly believes in the essential role of building an enabling environment, where each individual can enjoy working, exchange ideas utilizing their own talent and uniqueness, and create new value. To this end, we have defined the organizational culture the Group should have, put it into words, and combined it with what we currently lack as an organization, actions and values we should reinforce, and the unique features the Group has built and should pass on to the future. This process has led us to identify five new values.

We will promote the Values across the Group through various methods, such as effectively using the Value Book that explains the concept to employees, hosting briefing sessions on the Purpose and the Values, and using the Values as a foundation for employee evaluation.

To be a trusted partner for stakeholders

The Code of Conduct shows a set of values and actions to be shared by all officers and employees of Mitsui Kinzoku Group. To successfully promote the well-being of the world, as declared in the Purpose, we first need to be trusted by our stakeholders. As the Code of Conduct underpins the sound business continuity based on the Purpose, we will disseminate it across the Group through various educational and awareness-raising activities.

[Compliance] Page 67

Code of Conduct

1. Basic Philosophy

We shall act based on our Management Philosophy and Purpose as members of the Mitsui Kinzoku Group.
We shall create economic and social value by providing assured quality in manufacturing and services that contribute to solving environmental and social issues, thereby working towards the realization of a sustainable society.

2. Compliance

We shall comply with local and international laws and our company’s regulations, and act in accordance with the conscience of our society.

3. Human Rights

We shall respect human rights. We shall act with the recognition that human rights are given to all human beings from birth.

4. Honest Business Activities

We shall conduct appropriate business activities based on free and fair competition.
We shall maintain sound and transparent relationships with political entities, government agencies, customers, suppliers, and other stakeholders. We shall engage in responsible procurement practices with our suppliers.

5. Rejection of Antisocial Forces

We shall resolutely confront antisocial forces and organizations and thoroughly prohibit all relationships with them.

6. Environment

We shall address environmental issues in every aspect of our business activities.

7. Health and Safety

We shall create workplace environments that ensure health and safety.

8. Empowerment and Diversity

We shall respect individuality and create a comfortable workplace environment where diverse talents can thrive.

9. Information Security and Management

We shall comprehensively protect and manage confidential information, including personal and customer information.

10. Information Disclosure

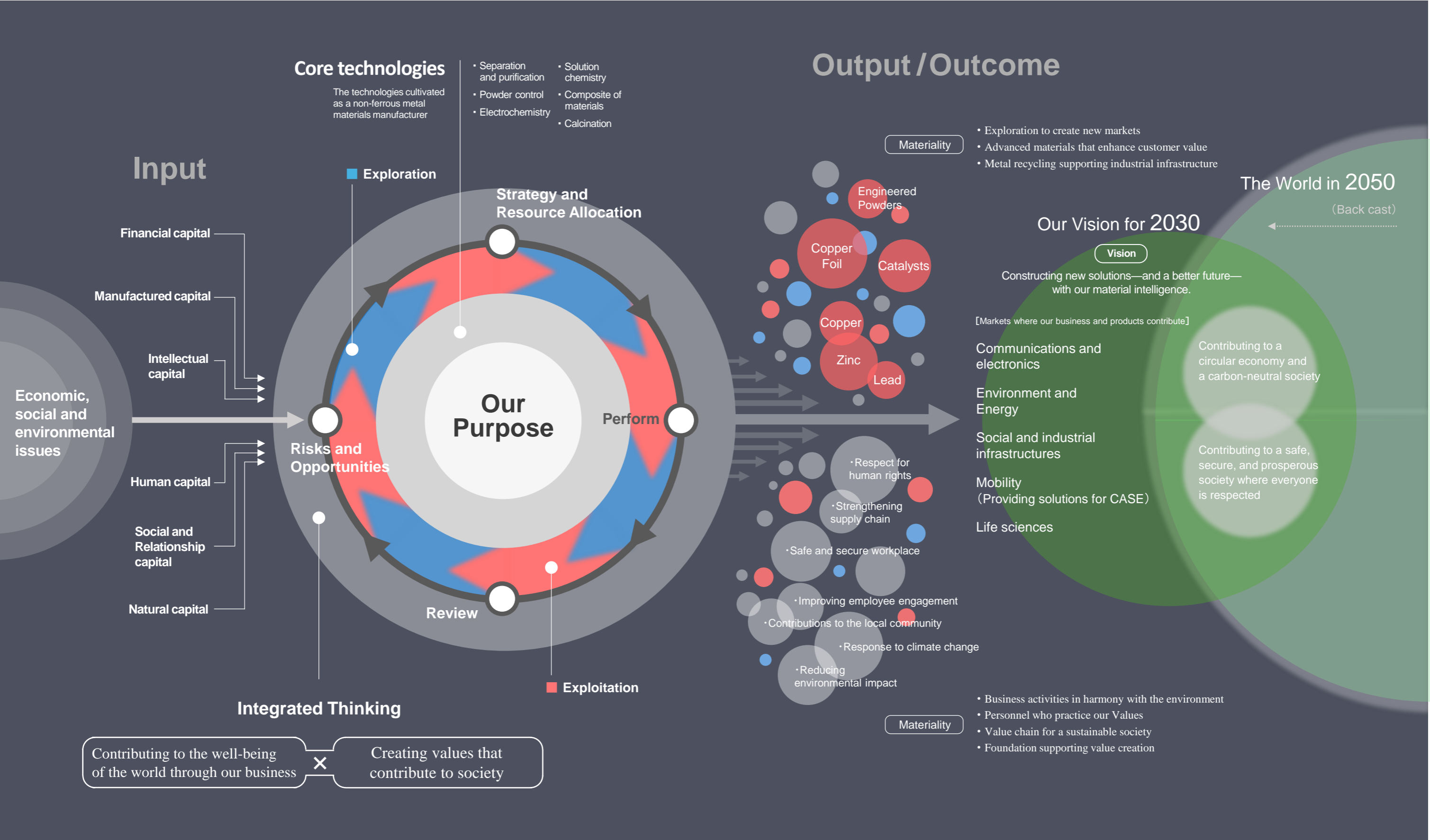
We shall proactively, appropriately and fairly disclose corporate information.

11. Stakeholder Engagement

We strive to promote mutual understanding through communication with stakeholders and strive to reflect their expectations and requests in our business activities.

Our value creation process

As a nonferrous metal manufacturer, we have cultivated our technologies and know-how and developed our value chain in our history. “Material Intelligence” — this is the source of our value creation. Based on the newly set Purpose, we will practice the integrated thinking-based management to realize the Vision. In the scope of “promoting the well-being of the world”, we will implement a business model of exploration (forging new businesses) and exploitation (developing existing businesses) to achieve long-term value creation.



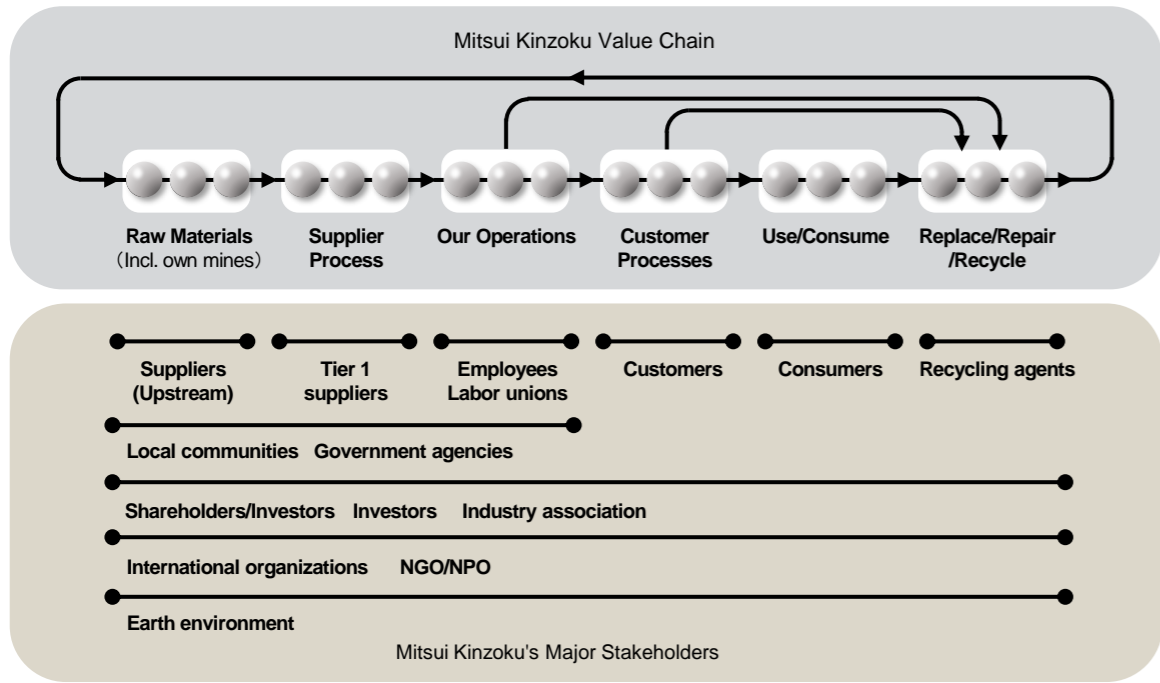
Stakeholders and materiality

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 and engagement

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. Sustainability frameworks and standards, including the SDGs, indicate the common social and environmental issues which these multiple stakeholders are facing. In FY2024, we reviewed our major stakeholders and continued engagement through initiatives such as ESG briefings for institutional investors, supplier briefings, and dialogue sessions with client companies to better understand their expectations and concerns. We reflect the feedback in our materiality initiatives.

Stakeholder mapping along the value chain



Materiality identification and 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).

FY2016 Materiality identification

Primarily based on the seven core subjects of ISO 26000, we identified them by mapping them across two axes: "Importance to stakeholders" and "Importance to our Group."

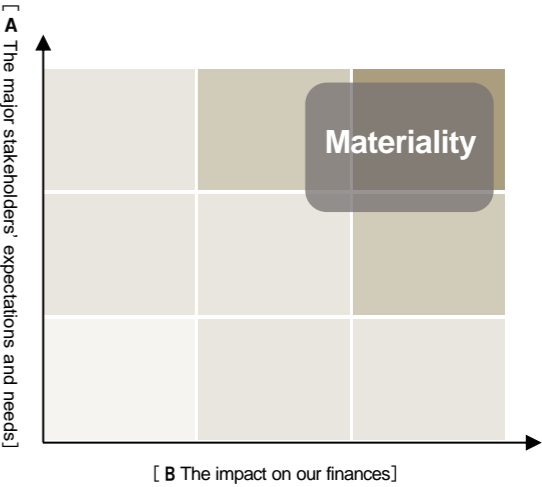
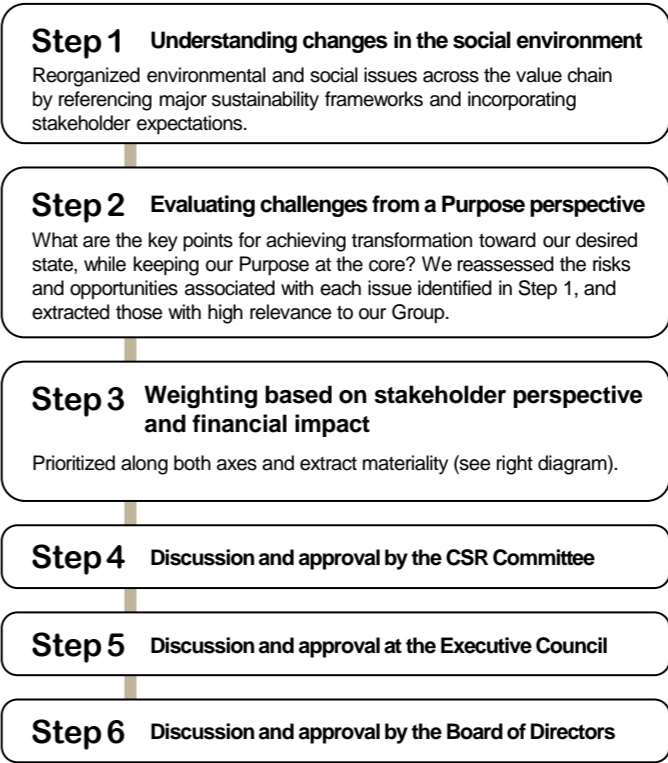
FY2019 Materiality review

Business opportunities with the potential to contribute to solving societal challenges and ESG risks that could impact financial performance were identified from two perspectives. As initiatives supporting materiality promotion, six items were selected from the "capital" perspective. Prioritization was based on two axes: "the major stakeholders' expectations and need" and "the impact on our finances."

FY2024 Materiality review

In pursuit of the Purpose and Vision for 2030 established in 2022, we recognize the critical importance of identifying and understanding the risks and opportunities arising from environmental and social challenges, as well as mitigating risks and capturing opportunities for growth. In FY2024, we conducted an analysis of medium- to long-term environmental changes and the associated risks and opportunities. Based on our findings, we identified new material issues—specifically those that significantly impact stakeholders and the financial aspects of the Group. These material issues have been integrated into our medium term plan through the establishment of KPIs, and we are strategically allocating management resources to address them. Progress is reported quarterly to the Executive Council, while important matters are reported to and deliberated by the Board of Directors to reinforce governance and promote the PDCA cycle.

[Review steps]

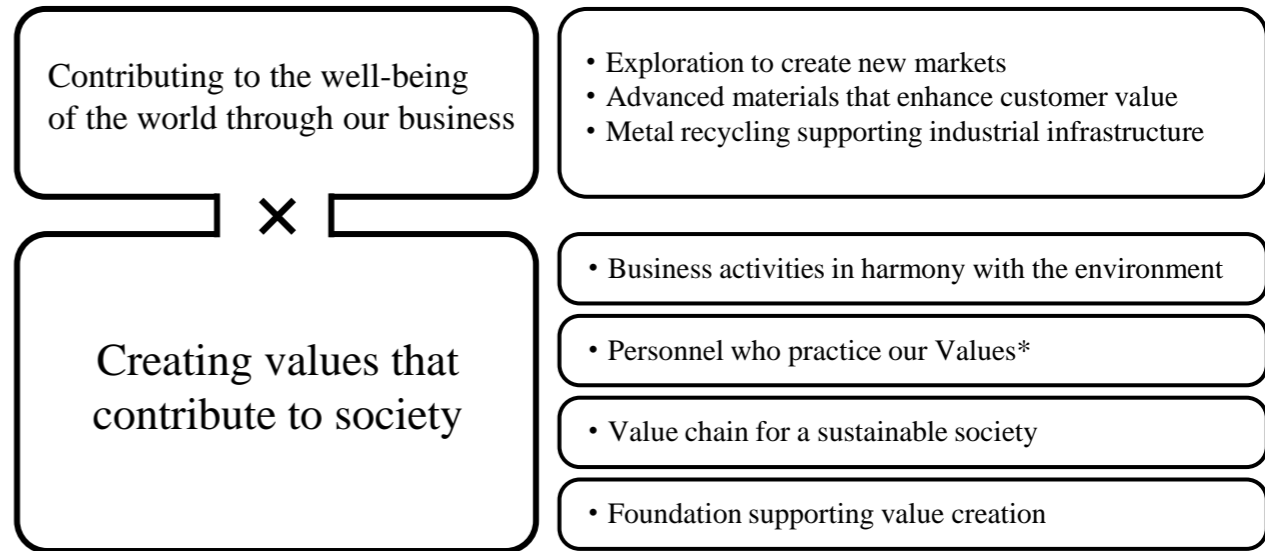


Primary frameworks referenced

- GRI Standard
- ICMM
- ISO 26000
- Keidanren Charter of Corporate Behavior
- OECD Due Diligence Guidance for Responsible Business Conduct
- RBA (Responsible Business Alliance) Code of Conduct
- SASB Standard
- SDGs
- SSBJ
- UNGC

New materiality (FY2025~)

We will strive to align our business initiatives more than ever before with efforts to enhance sustainability in society.





























* = Newly Established "Values (Behavioral guidelines)"

Materiality and KPIs in 2025-2027 Medium Term Plan

For each material issue, we have defined sub-material issues to focus on and set their KPIs in the 2025-2027 New Medium Term Business Plan. We will enhance the reliability of each initiative by implementing the PDCA cycle while closely linking it with the business strategy.

※1 The scope of KPIs covers Mitsui Kinzoku and its consolidated subsidiaries in Japan and overseas. Notes are provided when the scope differs.
※2 Domestic consolidation scope. Includes Mitsui Kinzoku and its domestic consolidated subsidiaries.
※3 Mitsui Kinzoku and its major domestic consolidated subsidiaries.
※4 Mitsui Kinzoku (non-consolidated).

| Risks and Opportunities | Materiality | Sub-materiality | KPI in the 25 MTP (FY2027) | SDGs we can contribute to |
|--|--|--|--|---|
| [Risks] Falling behind in the market and losing competitiveness due to insufficient contribution to addressing global environmental and social challenges. [Opportunities] Expanding the market for environmental businesses, creating business models contributing to resource recycling, providing products and services to help achieve carbon neutrality, obtaining de-facto standards in each market | Exploration to create new markets | Advancing R&D themes contributing to carbon neutralityto the demonstration phase | <ul style="list-style-type: none">Complete initial evaluation of CO2 capture using actual gas at partners and collaboratorsComplete demonstration testing from CO2 capture to methanol production at the India catalyst manufacturing site |     |
| | Advanced materials that enhance customer value | Continuous creation of Environmental Contribution Products | <ul style="list-style-type: none">Environmental Contribution Products: 50% or more of total new product launches (by number of items) , 50% or more of total sector sales | |
| | Metal recycling supporting industrial infrastructure | Lead element recovery from E-scrap | <ul style="list-style-type: none">Lead concentration residue processing amount: 148% Sn, Sb, Bi recovery amount: 130% | |
| [Risks] Impact of increasingly stringent policies, laws, and regulations across countries, reputational risk stemming from delayed responses to environmental and social challenges, physical risks associated with climate change, degradation of natural capital [Opportunities] Enhancing organizational resilience and corporate reputation through resource circulation and the pursuit of carbon neutrality | Business activities in harmony with the environment | Response to climate change | <ul style="list-style-type: none">Toward net-zero emissions by 2050, reduce GHG emissions by 22% (Scope 1+2, compared to 2013 levels) |        |
| | | Resource conservation and environmental impact reduction | <ul style="list-style-type: none">Water usage reviews at domestic smelting sites: 100% completedWater usage reviews at sites in high-stress areas: 100% completedZero discharge of untreated wastewater into public waterwaysPromotion of substitution and reduction in the use of hazardous chemicalsReduction in total waste emissions: 20% or moreEffective utilization rate of waste plastics: 80% or more ※2 | |
| | | Biodiversity conservation | <ul style="list-style-type: none">Assessments to identify impacts of business activities on biodiversity: 10 sites completedRoadmaps for ecosystem restoration at priority sites directly developed by the Group: 100% completed | |
| [Risks] Declining quality of talent due to changes in the external environment, outflow of talent due to the loss of opportunities for diverse talent to play an active role [Opportunities] Securing talent contributing to value creation and improving their productivity, innovation through diversity | Personnel who practice our Values | Occupational safety and health | <ul style="list-style-type: none">Accidents (not requiring days off, requiring days off, and fatal accidents): <30Accidents/diseases among new employees (<1 years of employment), senior employees (>60 years old) and foreign-national employees: <10Frequency rate of accidents: <0.4Fatal accidents: 0Accidents that cause irreversible physical sequelae: 0 |       |
| | | Health management | <ul style="list-style-type: none">Improving Absenteeism and Presenteeism ※3 | |
| | | Promotion of DE&I and job satisfaction reforms | <ul style="list-style-type: none">Iki-iki active engagement – company-wide average (engagement indicator) : 55% ※3Percentage of women employees: 24% ※4Rate of paternity leave taken by male employees: 85% ※4External evaluation : Eruboshi certification, Nadeshiko Brand, Kurumin certification ※4Communication indicator: 45% ※3Percentage of women in managerial positions: 6.8% ※4 | |
| [Risks] ESG risks from suppliers, supply chain disruption due to geopolitical and other risks [Opportunities] Ensuring stable supply by reducing negative environmental and social impact, improving competitiveness | Value chain for a sustainable society | Respect for Human Rights | <ul style="list-style-type: none">Preparations to obtain gold status in the RBA audit by selecting target sites, having external audits, and making improvements |       |
| | | Supply chain management | <ul style="list-style-type: none">Achieved full implementation and collection of SAQs from all targeted suppliers : 100%Completed engagement with all C-ranked suppliers on corrective actions: 100%Exploring the implementation of supplier briefings and audits | |
| [Risks] Losing stakeholder trust due to compliance breaches, corporate scandals, and inadequate information security measures [Opportunities] Building stakeholder trust by enhancing management efficiency and ensuring transparency in governance practices | Foundation supporting value creation | Corporate governance | <ul style="list-style-type: none">Percentage of addressed issues identified at the Board Effectiveness Assessmet in the previous year ※3Awareness rate of the Code of Conduct in the compliance survey: 75% or more paying attention to the Code when necessary ※3 |    |
| | | Promotion of DX | <ul style="list-style-type: none">Achievement of KPIs for the digital shift in business sectorsWork efficiency of generative AI users through operational reforms: up 10%Group-wide roll out of SASE (Secure Access Service Edge): 100% implementationStronger regulation of ICT rules through systematizationCreation of DX talent: 30 people or more | |