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mitsui kinzoku Integrated Report 2026

For the year ended March 31, 2026

Drive **innovation**
and continuously enhance
corporate value
to become a company that
everyone involved can
take **Pride** in.

About Mitsui Kinzoku Integrated Report 2026

This report describes how Mitsui Kinzoku Group will create economic and social value through the management in our value creation process, focusing on the Medium Term Management 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 FY2025 (April 2025 – March 2026). It also contains details of initiatives prior to that period, and initiatives that are underway for FY2026.

[Reporting Scope]
In principle, this report covers Mitsui Kinzoku and its consolidated subsidiaries. Where group companies outside the scope of consolidation are included, the specific scope of coverage is indicated for each relevant item.

[Caution concerning forward-looking statements]
In addition to past and present facts about Mitsui Kinzoku Group, 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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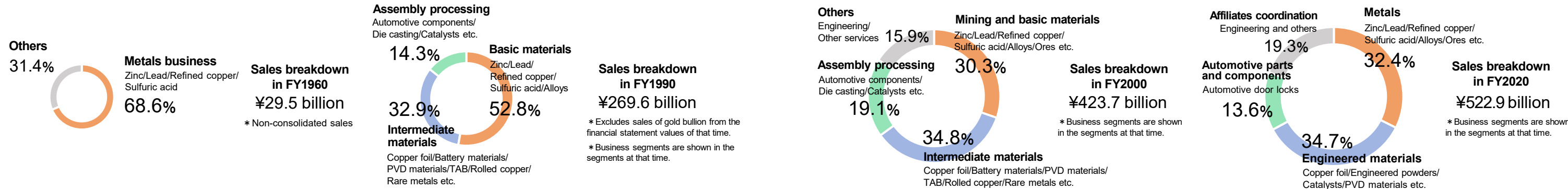
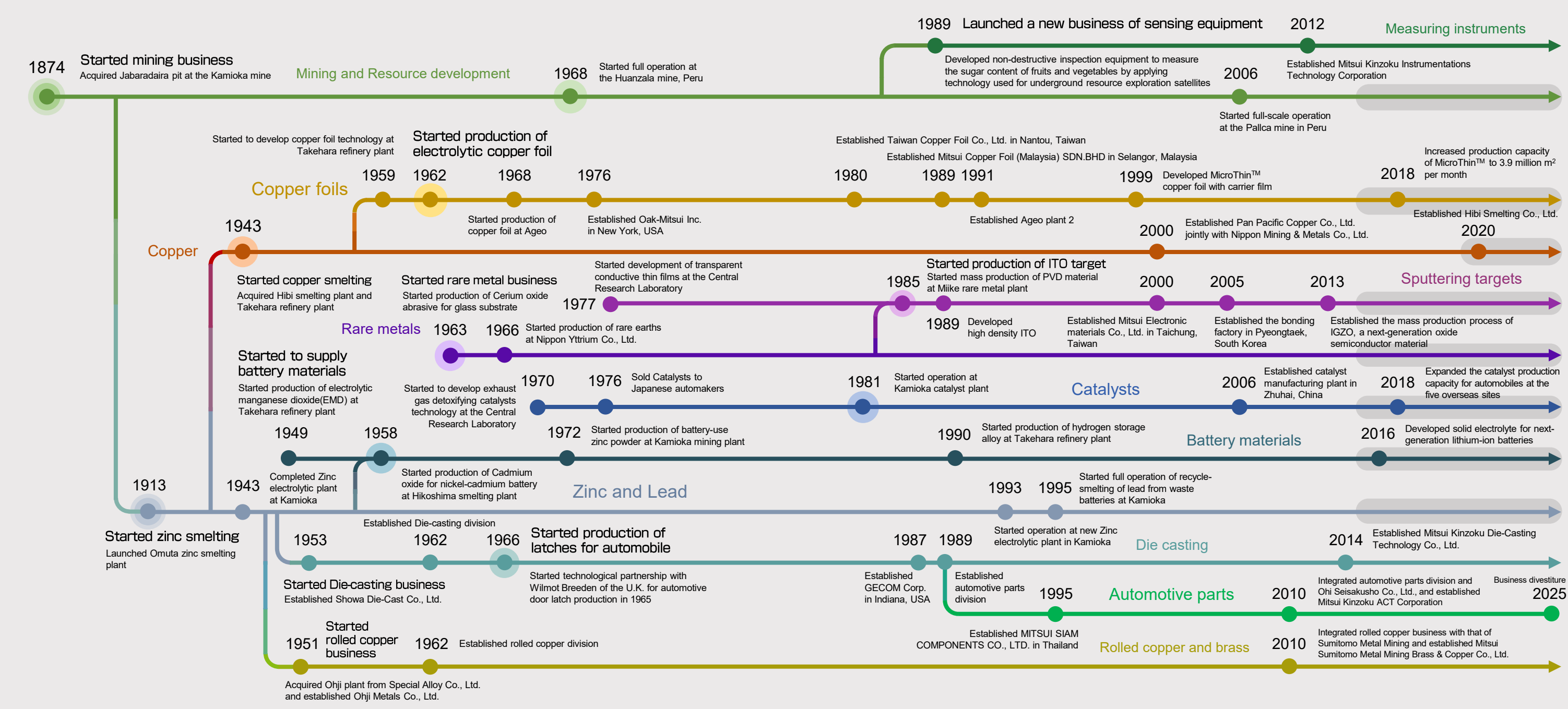
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Our History

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

Drive innovation and continuously enhance corporate value to become a company that everyone involved can take pride in.

This is “My Purpose” as President.

President and Representative Director

Ikenobu Seiji

<Profile>

April 1995	Entered the Company
June 2013	General Manager of Technical Planning Group, Technology Management Division, Metals, Minerals & Environmental Engineering Sector
January 2015	General Manager of Ageo Copper Foil, Strategic Production Planning Department, Copper Foil Division, Engineered Materials Sector
April 2016	General Manager of Business Planning Group, Metals Sector
April 2020	General Manager of Business Planning Group, Metals Sector, Deputy General Manager of Copper & Precious Metals Division, Metals Sector, General Manager of Business Development Department, Metals Sector
April 2021	Executive Officer, General Manager of Corporate Planning Department, Corporate Planning & Control Sector
April 2023	Executive Officer, Deputy Senior General Manager of Corporate Planning & Control Sector, General Manager of Corporate Planning Department, Corporate Planning & Control Sector
June 2023	Director, Executive Officer, Deputy Senior General Manager of Corporate Planning & Control Sector, General Manager of Corporate Planning Department, Corporate Planning & Control Sector
April 2024	Managing Director, Senior Executive Officer, Senior General Manager of Corporate Planning & Control Sector
April 2025	Representative Director, Executive Vice President, Senior General Manager of Corporate Planning & Control Sector
April 2026	President and Representative Director

I led the introduction of “My Purpose” as a way to embed our Purpose throughout the Group. I was the first to create one. To be honest, it was not particularly well received at first. However, precisely because I devoted a considerable amount of time to thinking it through in my own way, I would like to clearly convey my thoughts behind it. To me, Mitsui Kinzoku is a company that has continuously created new value, one after another, by starting from both materials themselves and the functions sought by customers. The Company has assets that enable it to work with more than 30 elements, as well as the development and manufacturing capabilities to make effective use of those assets. I am convinced that significant potential remains not only within the core businesses that currently support the Company’s earnings, but also in areas beyond them. That is precisely why, by 2030, I want the Company to be in a state where it can truly continue creating new businesses and products, one after another.

I deliberately use the word “state” here because our goal is not merely to achieve numerical targets. What matters is building, by 2030, a state in which new businesses and products continue to emerge and an organizational foundation in which such challenges arise naturally. To achieve this, I intend to work backward from that goal and clarify what additional measures should be taken under our 2025–2027 Medium Term Management Plan (25–27 MTP) and what should be done under the subsequent 28–30 MTP.

What I am aiming for is not merely the end result of a higher market capitalization. Enhancing corporate value is, of course, important, but I see it not as the goal itself, but as the outcome of following the right process. Through that process, I want to enhance the Company’s corporate value and make Mitsui Kinzoku a company that employees and their families, local communities, shareholders, and business partners feel glad to have been involved with. I worked together with former President Nou to formulate and execute both the 22–24 MTP and the 25–27 MTP. Accordingly, the Company’s policies will not suddenly change significantly simply because the President has changed. Rather, building on the thinking developed thus far, I intend to continue pursuing Purpose-driven management consistently.

The phrase “a spirit of exploration and diverse technologies” in our Purpose embodies the concept of “ambidexterity.” No matter how difficult the circumstances, we never stop pursuing “exploration,” namely, research and development. At the same time, in our existing businesses, particularly Engineered Materials, we leverage our exceptionally strong technological and manufacturing capabilities to achieve steady growth. We clearly declare our commitment to pursuing growth through these two engines. The phrase “the well-being of the world” in our Purpose expresses our determination to sustainably enhance corporate value by pursuing both economic and social value.

The central message of the Vision established on the basis of this Purpose is to “contribute to the future with our Material Intelligence.” What we value is not short-term profit, but medium- to long-term corporate value. To achieve this, we aim to be a company that does not depend on any single product or business, but continues to create new things one after another. We also seek not merely to develop individual technologies and businesses independently, but to combine them and create synergies in which one plus one produces value equivalent to three or even five. My goal is to evolve Mitsui Kinzoku into a company where such creation occurs continuously.

Elevating the Copper Foil business to its next stage of growth

We hold briefings several times a year for investors and analysts to explain the status of our businesses and other matters, and I also speak at these briefings. Regardless of the agenda, we receive many questions about the Company’s Copper Foil business. I would therefore like to begin by discussing copper foil.

The Company’s Copper Foil business has clearly entered its next stage of growth. At its core is the well-known MicroThin™. Monthly production capacity has now expanded to 4.9 million square meters, and through further investment in our copper foil plant in Malaysia, we are considering establishing a production structure in which output is divided almost equally between Japan and Malaysia. This is not simply an expansion of capacity. It is an effort to strengthen the foundation needed to reliably supply a continuously growing market and consistently meet demand with stable quality. MicroThin™ already holds an overwhelming 97% share of the global market. Precisely for that reason, rather than becoming defensive, we must further solidify this advantage. If we allow our competitive advantage to erode even once, our presence in the market will be significantly diminished. We do not take that risk lightly. Failing to keep supply in step with growing demand would result in the greatest possible loss of opportunity.

Accordingly, rather than being bound by the MTP as originally formulated, the Company continuously discusses how to secure the necessary capacity and prepares appropriate measures, while also anticipating the possibility of stronger-than-expected demand. Although there is currently no risk of supply disruptions, we are continuing to improve capacity through measures that do not require capital investment. Should demand grow further beyond monthly production capacity of 5.6 million square meters, we are prepared to make larger investment decisions without hesitation. What matters is keeping pace with market growth and, above all, continuing to supply products of consistent quality.

In terms of pricing as well, the days when a single price revision was sufficient are over. We are shifting to a structure that enables us to continuously secure pricing commensurate with the value we provide. This represents one of the major changes in the way we operate the business.

At the same time, we are not only expanding MicroThin™, but also making a determined effort to develop the next drivers of growth. At the forefront of these efforts is VSP™. VSP™ is a strategic product that most clearly demonstrates the Company’s development and manufacturing capabilities in the high-grade and super-high-grade segments. In particular, our ability to consistently manufacture high-quality products in lengths of around 4,000 meters is a major strength. However, our goal is not merely to supply high-quality products. We aim to raise our development and manufacturing capabilities to a level at which the market recognizes that, in the super-high-grade segment, Mitsui Kinzoku is the only choice.

The key to success for VSP™ is clear: over the coming year, we must determine whether it truly has a path to success and demonstrate its competitive advantage. The key lies in the multiplier effect created by combining our development and manufacturing capabilities. Ultimately, it was the strength of this combination that enabled MicroThin™ to earn the trust of the market. The question is whether we can achieve the same with VSP™. We are already seeing encouraging signs, and we believe the likelihood of success is quite high. That is precisely why allowing repeated discussions to delay decision-making would itself pose a risk. I understand the cautious views arising from past experience. However, what we should truly be wary of now is missing a compelling product opportunity. The market may be expanding, yet we may fail to fully capture that growth because of insufficient capacity or delayed decisions. That is the outcome we must avoid above all else.

We are currently establishing a production structure for VSP™ with an annual capacity of approximately 1,200 tons. However, should market expansion or the pace of market share gains exceed our expectations, additional investment ahead of schedule would naturally come under consideration. Viewed against overall demand, our supply capacity is not yet sufficient. For the time being, we will prioritize high-grade products from the standpoint of product mix, but we do not intend to stop there. Increasing capacity by 50% is one possible benchmark, but we are not limiting ourselves to that level. Instead, we are considering multiple options to implement the most appropriate strategy. While it is only natural that we will deepen these discussions in the course of implementing the MTP, we are already accelerating them with a sense of urgency over whether waiting for that process would truly allow us to act in time.

The investment approach for the Copper Foil business as a whole is also at a turning point. Until now, we have expanded production while keeping investment to a minimum and maintaining a strong focus on ROIC. That approach remains important. However, if demand rises further beyond our expectations, simply extending our conventional approach will not be sufficient. Our existing capacity is already close to fully utilized, and securing additional capacity beyond that has become a management priority. There is no single option. We are not ruling out M&A, and we are also considering constructing our own facilities and making large-scale investments with medium- to long-term growth in mind. What matters is not dismissing an optimistic scenario as mere wishful thinking. Waiting until demand materializes would be too late. It is precisely by preparing now that we can fully capture the opportunities for growth.

We also see significant potential in FaradFlex®. This is an area with relatively limited competition, and the quality of our marketing efforts is steadily improving. I saw clear evidence of this progress firsthand during my visit to the United States. Going forward, we will further strengthen digital marketing and grow the business through the twin engines of product development and market development. If we determine that we can compete successfully in this area as well, we should consider expanding capacity without hesitation.

On the other hand, we do not invest in every area in the same way. In business areas other than copper foil, some markets are more intensely competitive, with numerous competitors, and require more time to establish a clear path to success. In such areas, we make investment decisions while assessing ROIC more carefully than ever. In other words, our approach to investment is not uniform: we invest boldly in areas where we can win and proceed cautiously in areas that require further evaluation. We believe that this differentiated approach will be essential to management going forward.

Our priorities for the Copper Foil business are clear. First, we firmly defend the overwhelming competitive advantage of MicroThin™ and reliably meet expanding demand. Second, we quickly determine whether VSP™ has a path to success in the super-high-grade segment and, once we conclude that it can win, invest decisively. Third, we lay the groundwork early in areas such as FaradFlex® that can become the next pillars of growth. In areas that must be defended, we ensure sufficient supply capacity and uncompromising quality. In areas where we should go on the offensive, we use our development and manufacturing capabilities to capture the market. With this determination, we will elevate the Copper Foil business to its next stage of growth.

Evolving into a high-value-added business in the era of resource circulation

Our approach to the Metals business is equally clear. As is well known, this business is highly volatile and significantly affected by market conditions and exchange rates. Precisely for that reason, however, we must not allow it to remain at the mercy of the external environment. For the Company, the Metals business must not merely ride economic and market cycles. It must support the Company's business foundation by consistently generating at least 20.0 billion yen in cash annually. We clearly position that level not as a mere aspirational target, but as a role the Metals business is expected to fulfill.

At the core of this approach is recycling-based smelting. We believe that the Company has one of the strongest competitive positions in this field in Japan. In particular, one of our major strengths is the steady progress we have made in developing the capability to process various impurities that previously could only be discarded. As resource constraints intensify and the transition to a circular economy accelerates, the ability to transform raw materials and recycled materials containing such impurities into valuable resources will determine future competitiveness. We see significant opportunities in this area.

Of course, we cannot accurately predict future exchange rates or metal prices. At times, market conditions may provide a tailwind, while at others, we may face headwinds. However, that does not mean we intend to stand by and do nothing. Precisely because the external environment is uncertain, our basic policy is to evolve the Metals business into one that can reliably capture earnings opportunities under favorable conditions and generate solid profits even under normal market conditions. To achieve this, we must ensure stable operations, further strengthen our capacity to process impurities, and reinforce the earnings base centered on recycling-based smelting. We will evolve the Metals business beyond a conventional smelting operation into a high-value-added business for the era of resource circulation.

In strengthening the value of the Metals business, it is also important to determine what materials to recover and where to differentiate ourselves. Under the current MTP, the recovery of tin, antimony, and bismuth has been identified as a material issue for the Metals business. This is not merely a matter of recovery volumes. It represents our commitment to reliably recover resources of high social importance through our technologies and operational capabilities and translate this recovery into both earnings and social value. Expanding both the range of metals we can recover and our recovery capabilities directly strengthens the competitive advantage of the Company's Metals business.

We also closely scrutinize the ROIC of this business. Precisely because earnings in the Metals business fluctuate significantly depending on market conditions, it is not enough for the business to generate profits only under favorable conditions. Even under the exchange-rate and metal-price assumptions used in the previous MTP, we aim to raise ROIC to at least 9% to 10%. If current metal prices and an exchange rate of around 155 yen to the U.S. dollar were to continue, ordinary profit would reach approximately 60.0 billion yen and ROIC would exceed 20%, making the Metals business extremely profitable. However, those figures merely reflect favorable external conditions and do not represent what we are fundamentally seeking to achieve.

The business we should truly aim to build is one that can maintain ordinary profit of 20.0 billion yen in 2030 and raise ROIC to 9% to 10%, even under the assumptions used in the previous MTP. In other words, we must establish a structure that can generate solid earnings even under normal market conditions, without depending on the external environment. To achieve this, we do not intend to pursue production volume growth alone. What matters is building an industry-leading system for securing recycled raw materials. The key to achieving both stronger earnings and greater capital efficiency lies in securing a stable supply of high-quality raw materials and developing the capability to handle difficult-to-process raw materials.

In other words, success in the Metals business depends not on how much we produce, but on which raw materials we secure, how favorably we secure them, and how much value we can extract from them. By further strengthening these capabilities, we aim to build a business structure capable of achieving double-digit ROIC even under normal market conditions. If the current external environment continues, it is also entirely possible to elevate the business to one capable of sustaining ROIC at around 20%.

We do not view the Metals business as merely one that moves in line with market conditions. Centered on recycling-based smelting, we will thoroughly strengthen stable operations, impurity-processing capabilities, raw material procurement capabilities, and capital efficiency, transforming it into a resilient business capable of navigating economic and market cycles. It must generate substantial earnings in favorable conditions and, when headwinds arise, continue to generate cash steadily while withstanding them. Evolving the Metals business to that level is both our responsibility and a key pillar of our growth strategy.

A means to enhance corporate value and achieve sustainable growth

We have significantly changed our fundamental approach to the business portfolio. Over its 150-year history, Mitsui Kinzoku has developed and sustained many businesses. At the same time, it is also true that the Company traditionally had a culture of caution toward divesting businesses it had built up. However, retaining businesses must not become an end in itself. Because management resources are finite, both cash and human resources must be concentrated in the areas with the greatest potential to enhance future corporate value. This is now our clear policy. Under the leadership of the former President, we put this approach into practice and carried out the sale of five Group companies. This was not merely a portfolio restructuring measure, but a strategic step toward the next stage of growth.

The areas in which we are now concentrating our management resources are clear. One is the Engineered Materials Sector, which has a high ROIC spread and offers the potential for multiple expansion in the future. The other is the Business Creation Sector, which nurtures the seeds of future growth even if it does not currently contribute to earnings. We see these two areas as the drivers of Mitsui Kinzoku's next stage of growth. Put differently, this means continuing to dynamically review the overall portfolio so that sufficient resources can be allocated to these areas.

The Metals Sector provides the foundation that supports these efforts. The Metals business is responsible for securing stable earnings centered on recycling and is steadily executing its plan. Currently, favorable exchange rates and metal prices are also strengthening its cash-generating capacity. However, we do more than simply recognize these tailwinds as a source of temporary profits. We direct the cash generated by this business toward future growth businesses. This is our basic approach to capital allocation. From the perspective of value expansion, the greatest risk is becoming overly cautious and missing opportunities. That is why we are engaged in serious internal discussions, including on expanding production capacity.

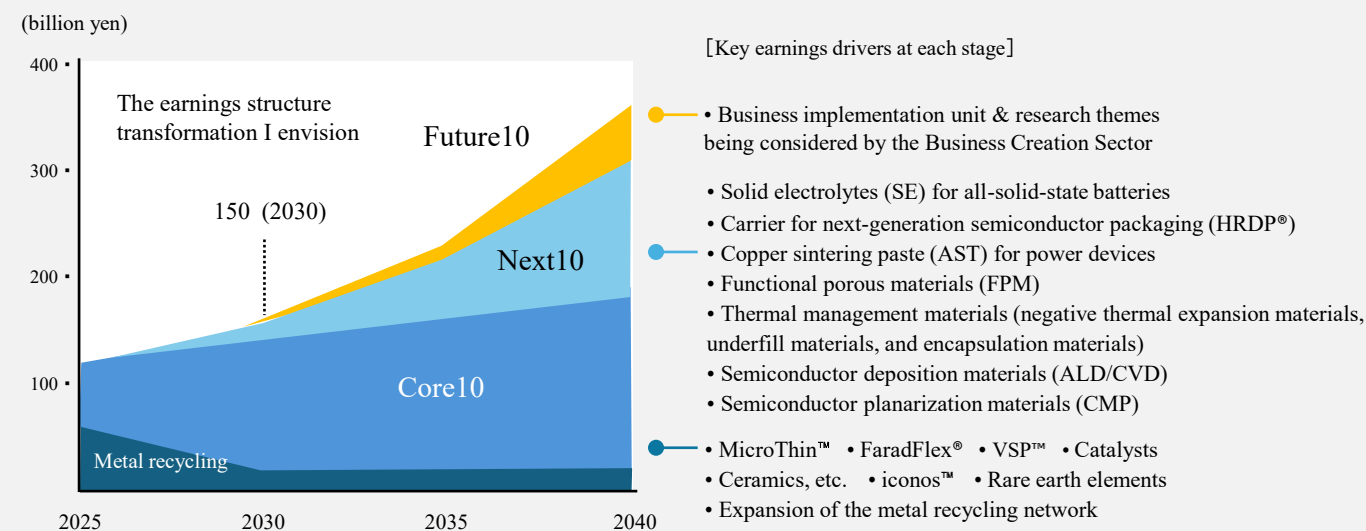
As noted earlier, the Company is often viewed as a copper foil company. However, Mitsui Kinzoku possesses unique and significant technological potential that has yet to be fully recognized by the market. Multiple technology themes, including iconos™ and HRDP, have already begun moving toward commercialization. More recently, the Engineered Materials Sector established the Kyushu Advanced Materials Development Center. This is not simply about strengthening research. It is an organizational initiative by the Sector to deliberately nurture technologies into businesses that can become the next pillars of growth and to accelerate their commercialization.

For solid electrolytes for all-solid-state batteries, which are being developed by the Business Creation Sector, customers have already decided to adopt them for mass production. We will steadily proceed with investment toward 2027. Multiple adoption projects are also beginning to take shape in the Functional Porous Materials business. What matters is not viewing these as a series of isolated projects. We intend to develop them as clusters. Our aim is to have each cluster generate ordinary profit of around 10.0 billion yen. We will pursue research and development on that basis and launch growth businesses one after another. Establishing this mechanism is central to achieving sustainable growth at Mitsui Kinzoku.

Another important means of supporting this portfolio transformation is buy-side M&A. Under the previous MTP, we first worked to help M&A professionals gain a deeper understanding of Mitsui Kinzoku. There are relatively few professionals who have an in-depth understanding of the materials industry and can truly understand an M&A strategy suited to a company of our scale. Although this process took time, their understanding of Mitsui Kinzoku has deepened significantly over the past three years covered by the previous MTP, and we have now built strong relationships with them. In other words, the foundation needed to begin seriously evaluating potential M&A transactions has steadily taken shape.

However, we do not intend to make M&A an end in itself. The areas in which the Company seeks growth naturally command high valuation multiples. Pursuing acquisitions therefore means confronting opportunities with high EBITDA multiples and markets with elevated valuations. What matters in such cases is not the acquisition itself, but whether the Company can create value beyond the price paid. From the perspective of ROIC-based management, we must always objectively compare whether it would be better to invest organically or accelerate growth through acquisition. The fact that the number of M&A transactions executed to date remains limited reflects our careful assessment of the likelihood that each opportunity will generate value.

We have allocated additional personnel to advance M&A activities and secured the necessary budget. If M&A is the means that contributes most to improving ROIC, we pursue it without hesitation. Conversely, if organic investment can create greater value, we allocate that budget to organic growth. In other words, we are committed neither to M&A nor to organic investment as a predetermined course. We always select the optimal means solely from the perspective of maximizing corporate value.



What we aim to become is not a company that simply maintains a portfolio of businesses as an extension of the past. Rather, we aim to establish a solid foundation of businesses that generate stable cash, boldly reallocate that cash to areas with high growth potential and capital efficiency, and create new business clusters one after another. We protect the businesses that must be protected, but, even more importantly, commit resources decisively to the businesses that should be grown. Managing the business portfolio with this clear differentiation is the management intent that now guides Mitsui Kinzoku.

We are not afraid of change. Rather, we seek to create change ourselves. Business divestitures, growth investments, and M&A are all means of maximizing corporate value. Going forward, Mitsui Kinzoku will evolve from being merely a materials manufacturer into a company capable of continuously creating highly profitable businesses based on its proprietary technologies. To achieve this, we will move with greater speed than ever before in allocating the necessary resources and making and executing decisions.

Foundations supporting integrated thinking-based management

For the Group, human capital is an especially important management foundation among all forms of capital. That is why we position human capital initiatives not as a collection of individual measures, but as a core theme for enhancing corporate value. One symbolic focus is the promotion of diversity. One key indicator of this effort is the proportion of women in managerial positions, which we are working to increase. Historically, the proportion of women in managerial positions remained low because the percentage of women hired was limited and the pool of potential management candidates was not sufficiently broad. Through sustained initiatives, however, we are now on

track to exceed 5% ahead of schedule. We will continue to build on this momentum and steadily work toward achieving our target of 10% by 2030.

In terms of transforming the way we work, we have also promoted initiatives to encourage male employees to take childcare leave under the leadership of the former President. We set an ambitious target of 85%, and achieving it in FY2025, significantly ahead of schedule, demonstrates the progress the Group has made in changing employees' mindsets and embedding the relevant policies and practices throughout the organization. These initiatives are not intended merely to establish systems and policies. They aim to foster an organizational culture in which everyone can continue working and more readily realize their full potential. Among these initiatives, the area we intend to focus on most strongly going forward is enhancing employee engagement. We measure this using a specific indicator known as "Iki-iki Active Engagement," make the results visible, share them throughout the Company, and use them to drive improvement. We believe that creating an environment in which each employee can work with a positive mindset and find meaning and a sense of growth in their work will maximize the strength of the organization as a whole and ultimately contribute directly to enhancing business competitiveness. In parallel with strengthening human capital, we also position the promotion of digital transformation (DX) as an important Group-wide theme. We have established Group-wide KPIs for these initiatives and are promoting the use of DX in both corporate functions and individual business sectors. We have also asked senior management to lead by example in putting DX into practice. DX is not merely a means of improving operational efficiency. It is a foundation for transforming organizational decision-making and ways of working, and for bringing out the capabilities of our people to an even greater extent.

By advancing our human capital initiatives and the promotion of DX in an integrated manner, we will evolve the Group into an organization in which diverse talent can actively demonstrate their capabilities and achieve sustainable growth.

Developing the next growth story

The subsequent 28–30 MTP will be critically important to realizing our Purpose. We see it not merely as a three-year plan, but as a period that will determine whether Mitsui Kinzoku can become a company capable of continuously creating new businesses, with 2030, 2035, and 2040 in view. At the same time, the 28–30 MTP period will also be critically important for passing the baton to the younger generation who will lead the next decade and for developing talent.

To organize the overall picture, I have tentatively introduced the concepts of "Core10," "Next10," and "Future10." Core10 consists of the foundation businesses that will generate 150.0 billion yen in profit in 2030. Next10 comprises the next pillars that will each generate profit on the scale of 10.0 billion yen in 2035. Future10 consists of the new businesses and products that the Business Creation Sector will nurture toward 2040. As internal considerations and discussions continue, I am open to replacing these terms with more appropriate names. What matters, however, is transforming our management approach so that, while strengthening the current earnings base, we continuously develop the next pillars and the new businesses that will follow them.

We place particular emphasis on Next10. Rather than relying on only a small number of candidates to become our next pillars, we need to be in a position where new candidates continue to emerge one after another. To continuously generate themes with the potential to produce profit on the scale of 10.0 billion yen, we need to have 30 or 40 candidates and select and develop the most viable ones from among them. That is precisely why I deliberately use the word "10" to encourage internal discussions on a sufficiently ambitious scale.

The 28–30 MTP aims to achieve more than just near-term targets. We will generate earnings through Core, nurture Next, and lay the groundwork for Future. By establishing this cycle, we will transform Mitsui Kinzoku into a company capable of continuously creating new value. We see the 28–30 MTP as the plan that will lay the foundation for this transformation.

Nearly four months have passed since I assumed the position of President. The time has gone by remarkably quickly. Looking toward 2030 and beyond, I will transform Mitsui Kinzoku into a company that all of you can be proud of. Steadily and with a sense of urgency, I will carefully consider what needs to be done and take the necessary action.

As the head of management, I am also placing greater emphasis than ever before on proactively communicating information. I sincerely ask for your continued support.

(July 2026)



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

【Corporate Slogan】

Taking full advantage of
Material Intelligence

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 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.

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.

【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.

Initiatives to promote the Purpose

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.

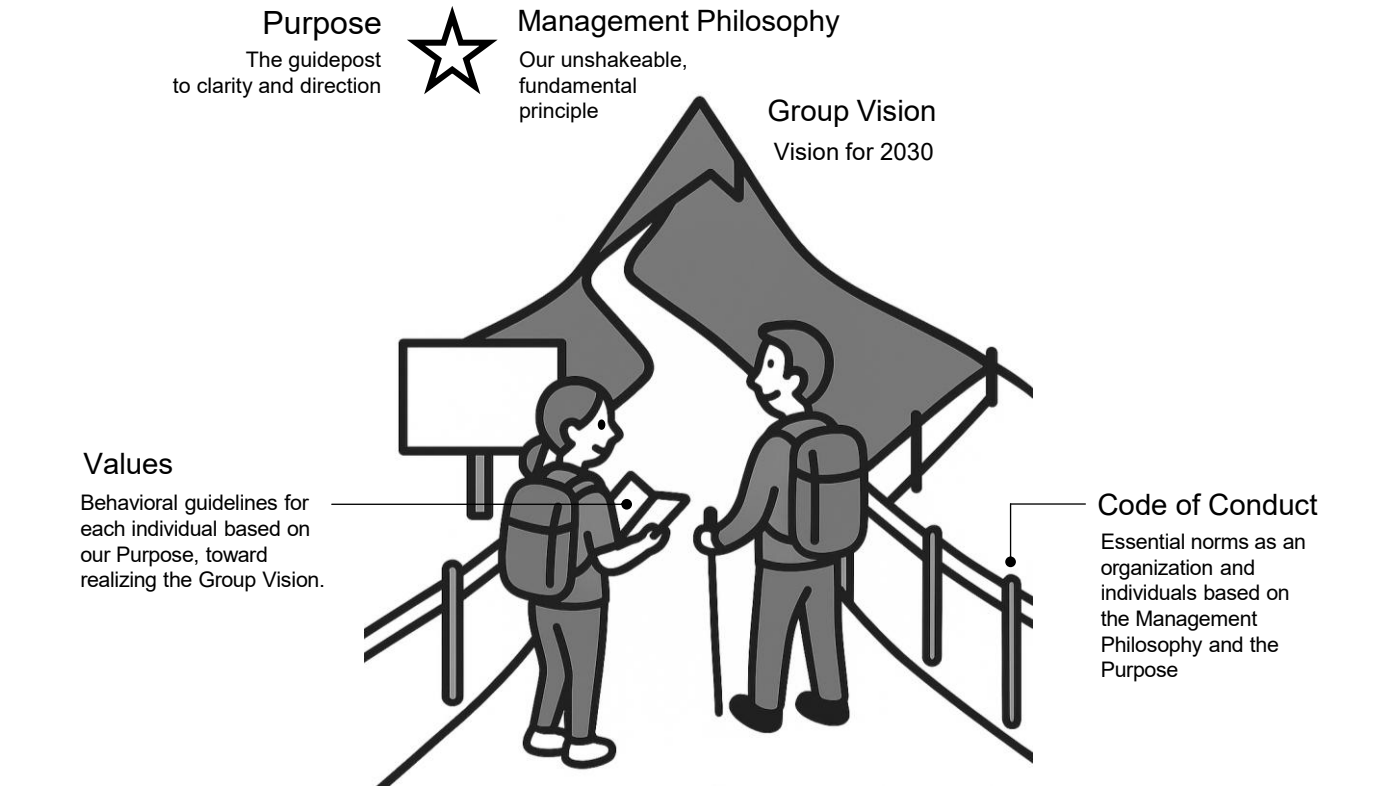
Dissemination of the Purpose			
FY2023 (H1) in Japan	FY2024 (H2) in Japan	FY2025 (H1) in Japan	Goals for 2027
Recognition =90 %	Recognition =98 %	Recognition =99 %	Recognition =95 %
Understanding=31	Understanding =45	Understanding=53	Understanding =80 (Management) 60 (Non-management)
Resonance =60	Resonance =67	Resonance =62	Resonance =90 (Management) 70 (Non-management)
Action =31	Action =37	Action =50	Action =80 (Management) 60 (Non-management)
(Response rate 40%)	(Response rate 55%)	(Response rate 61%)	

【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.



【Values】

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.

Key Points of five Values

- Think Broadly: Think from multiple perspectives
- Enjoy Working Together: Contribute to psychological well-being
- Share Wisdom: Respect one another/Cooperate and support each other
- Challenge & Adopt: Take on timely challenges/Give it your all/Reflect
- Be a Role Model: Take the initiative/Demonstrate Integrity

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

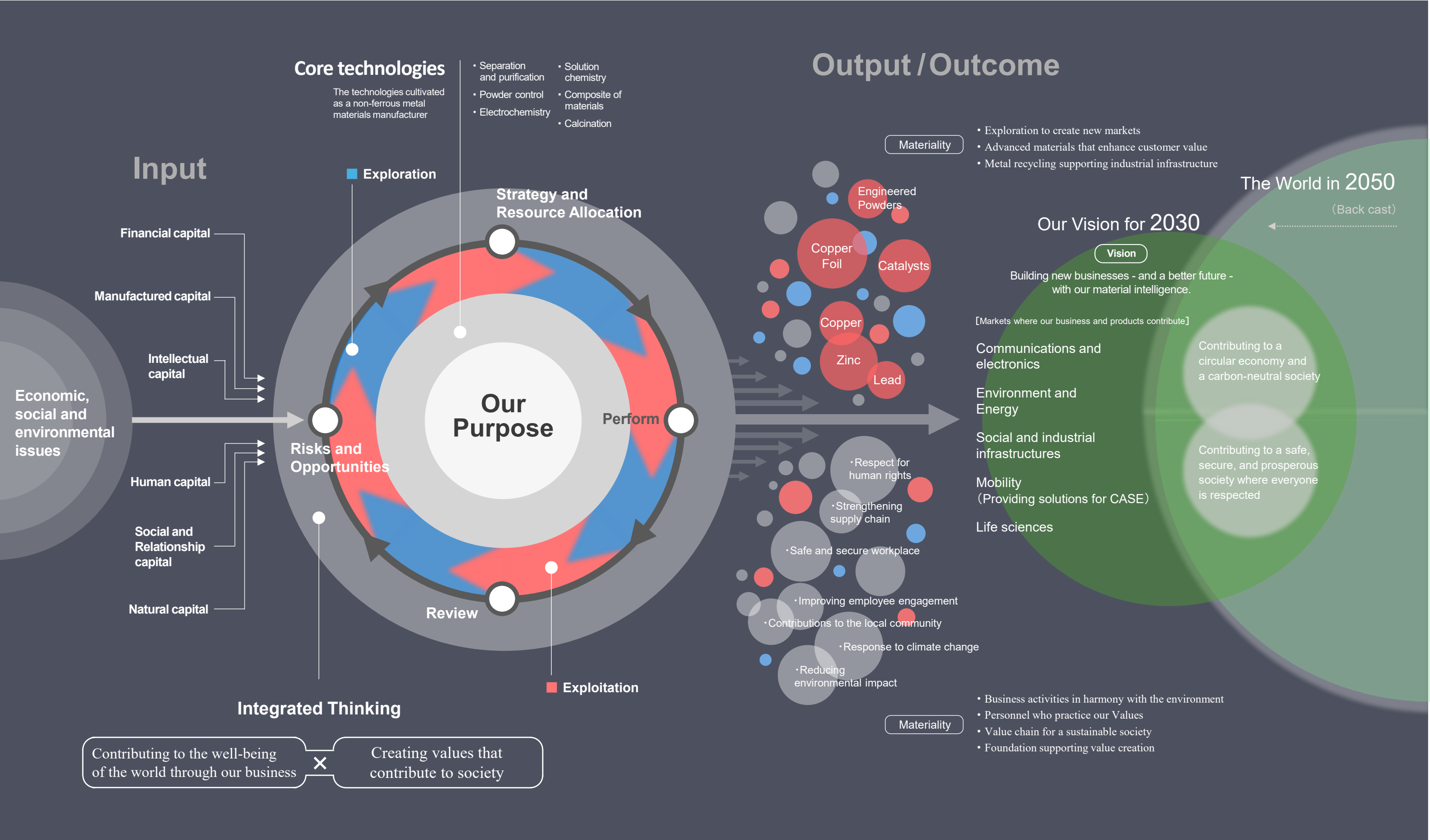
We shall proactively, appropriately and fairly disclose corporate information.
11. Stakeholder Engagement

We strive to promote mutual understanding through communication with stakeholders and strive to reflect their expectations and requests in our business activities.
- (Revised in April 2025)

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.

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.



Core technologies

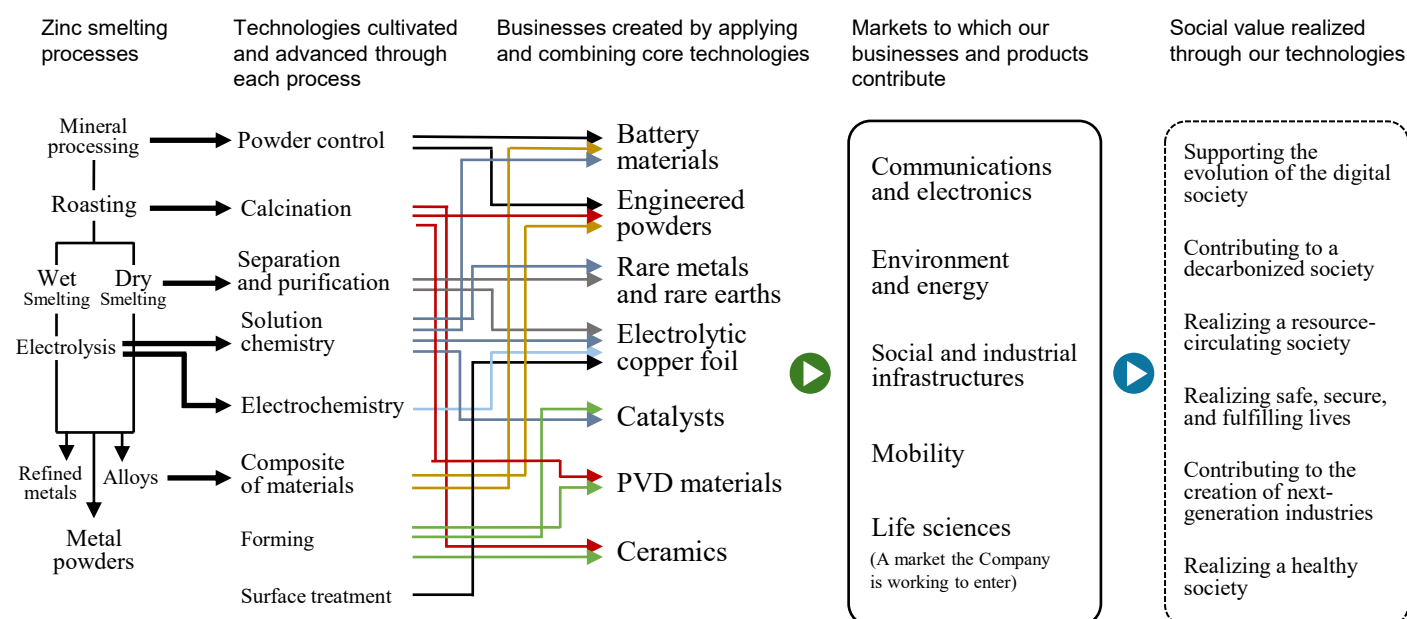
Our strength and the source of our value creation

The technologies, knowledge, and experience we have cultivated over many years as a nonferrous metals manufacturer, together with our commitment to making the most of our Material Intelligence, are the very source of the value we create.

The six core technologies constitute the most important intellectual capital of Mitsui Kinzoku Group, cultivated through many years of research and development and experience accumulated at individual manufacturing sites. Each has significant technological strengths and supports the Group's value creation across a wide range of areas, including the purification of materials, precise control of material composition and particle characteristics, the addition of functionality to surfaces and interfaces, and the optimization of shapes and structures through calcination and the compositing of materials.

Our distinctiveness lies not only in applying each technology individually, but also in expanding the potential of nonferrous materials by combining and integrating these technologies. Through their interconnection, the six core technologies have created new value and given rise to engineered materials and new businesses that identify and address needs in markets such as communications and electronics, the environment and energy, and social and industrial infrastructure. The integration of technologies and our Material Intelligence, grounded in a deep and comprehensive knowledge of nonferrous materials, are the source of the Group's value creation.

Social value created through the integration of technologies



Our six core technologies

Separate and refine Powder control

This technology originated in the crushing and classification of mined ore. It is used to control the particle size, shape, and surface condition of metal powders and compounds. By combining a diverse range of methods, including high-pressure atomization for the mass production of fine metal powders such as copper and silver and a proprietary wet process for producing fine copper particles in solution, we produce powders in a variety of shapes, ranging from spherical to dendritic.

Dissolve into a solution Solution chemistry

This technology precisely controls chemical reactions occurring in liquids to synthesize new substances or impart new functions to existing materials, thereby expanding the flexibility of material design for different applications. It is also used in recycling technologies and wastewater treatment, as well as in the synthesis of nanoparticles, porous materials, and other materials.

Transform through heating Calcination

This technology changes the microstructure and shape of materials by processing them at high temperatures. Calcination encompasses a variety of processes, including sintering, in which powders are compacted and densified through heating; annealing, in which heat treatment alters the crystal structure; and pre-calcination, in which impurities are removed. Building on roasting technologies used in nonferrous metal smelting, we have also accumulated expertise in calcination for the manufacture of ceramics and target materials, as well as for powder metallurgy.

Harness the power of electricity Electrochemistry

This technology uses electrical energy to induce chemical reactions and deposit materials. Drawing on the knowledge and expertise in electrolytic refining cultivated over many years through the mass production of electrolytic zinc and copper, we also have strengths in electrochemical processes. This fundamental technology is expected to contribute to the achievement of carbon neutrality through applications such as water electrolysis and to be used across a wide range of fields, including environmental and medical applications.

Above all, increase purity Separation and purification

This technology separates and extracts target metals and substances from raw materials such as mined ore and recycled materials, removes impurities, and refines the extracted materials to a high degree of purity. By making full use of chemical and physical processes, including pyrometallurgy, hydrometallurgy, solvent extraction, ion exchange, and distillation, we use this technology in processing zinc, lead, copper, precious metals, and other metals, as well as in extracting desired components from compounds and refining those components to a high degree of purity.

Try combining Composite of materials

This technology combines different materials into an integrated whole to bring out properties that cannot be achieved with a single material. In addition to combinations of metals (alloys), we have focused on combining metals with nonmetals and forming multilayer structures. For example, combining metals with resins makes it possible to create materials that offer the strength and electrical conductivity of metals together with the low weight and flexibility of resins.

Further “evolution” of value creation

Building on and integrating technologies to accelerate value creation

We will continue to make the most of our Material Intelligence and devote ourselves to realizing a future in which we promote the well-being of the world by creating new social value.

Creating next-generation value through the integration of technologies

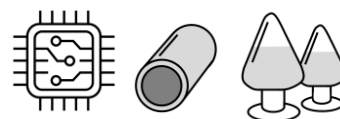
Supporting tomorrow's society



By integrating the core technologies with external expertise, we will also take on challenges in fields such as AI, resource circulation, and life sciences. Through our Material Intelligence, we will help shape tomorrow's society.

Creating functional value from nonferrous materials

Evolving nonferrous materials into high-value-added materials



By advancing our high-purity processing and fine-control technologies, we have expanded into high-value-added fields, including materials for electronics, thereby adding advanced functionality to materials.

Unlocking the value of resources

Creating the origin for material value



Using our mining and smelting technologies, we have created value from mineral resources in the form of metals and materials. We have also taken on the challenge of processing difficult-to-treat raw materials and creating value from derivatives and by-products.

Our unwavering foundation for value creation

Technologies and expertise, operational capabilities, and talent developed since our founding in 1874



Creating new value through an unwavering focus on materials

Deputy Senior General Manager of Business Creation Sector
YAMAMOTO Takuya

The mission of the Business Creation Sector is to develop businesses that will become future pillars of growth and continuously create new value. Aiming to become a trusted partner that people can turn to with confidence that “Mitsui Kinzoku can provide a solution,” the Sector continues to take on the challenge of developing optimal solutions to increasingly complex environmental and social issues by integrating a diverse range of technologies and expertise, with its core technologies as the starting point. In recent years, the active recruitment of mid-career professionals has brought diverse perspectives and fresh impetus to the organization. As a result, the strong passion and drive to expand the potential of materials, together with a culture in which ideas can be freely proposed, have grown even stronger. The Sector is focusing not only on the integration of existing technologies but also on co-creation through collaboration with corporate venture capital firms

(CVCs), universities, and research institutions in Japan and overseas. We are confident that initiatives with these external partners will contribute significantly not only to acquiring new technologies and accelerating business creation, but also to developing human resources. These activities are also leading to the exploration of cross-disciplinary technology domains, such as those combining organic and inorganic materials. As the organization responsible for creating new businesses, we have clearly set a contribution profit target for 2030 in order to steadily advance these initiatives. Each development theme is making steady progress toward mass production and commercialization, and the Sector is increasing investment in fields such as functional porous materials and life sciences. Through these efforts, we are also steadily developing the next pillars of business with a view not only to 2030 but also beyond.



Advancing technologies to transform into a high-value-creating enterprise

Deputy Senior General Manager of Engineered Materials Sector
ISHIDA Shintaro

Starting with zinc and lead smelting, Mitsui Kinzoku has continually taken on the challenge of transforming nonferrous metals into higher-value-added materials. This represents the lineage through which the Company's technologies have been passed down. The Company has been guided by the idea of creating value from by-products and derivatives generated in the smelting process, and even from substances once treated as impurities. Based on this philosophy, we have repeatedly applied and advanced our technologies, expanding our business domains into intermediate materials and subsequently into advanced engineered materials. Mitsui Kinzoku's core technologies have been refined through these challenges. Its unwavering commitment to gaining a deep understanding of the properties of nonferrous materials and unlocking their potential has enabled the development of diverse applications and the creation of new functions, supporting the growth of each of the Company's Engineered Materials businesses today.

These technologies and expertise have now borne fruit in the creation of high-value-added products for advanced fields, including communications and electronics, and in securing high market shares in the markets for these products. Under the current 25–27 MTP, the Sector is focusing on expanding the applications of each existing product and maximizing profits. In addition to helping address the challenges facing society and customers, the Sector will enhance the Company's economic value and fulfill its responsibility as a driving force in increasing the Group's corporate value. The Kyushu Advanced Materials Development Center, established at the beginning of the current fiscal year, is also expected to contribute to the further advancement of the Company's technologies and the creation of new advanced materials by harnessing diverse technical talent through collaboration among multiple business divisions operating in Kyushu, as well as through industry-government-academia partnerships.

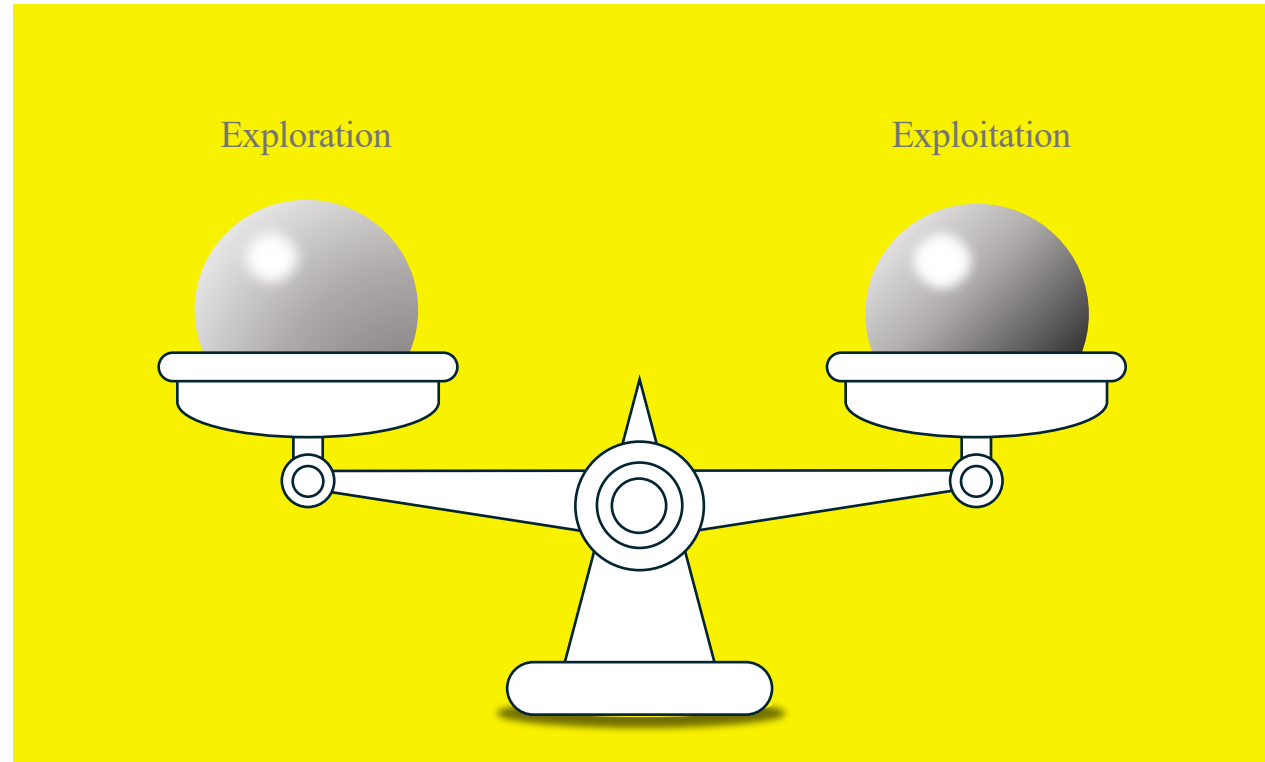


Taking on challenges and creating value through technological breakthroughs

Technical Advisor of Metals Sector
NAKAYAMA Keizo

Mitsui Kinzoku Group's business began with the acquisition of the Kamioka Mine. Zinc smelting, which the Group began in the early 1900s with the establishment of its first smelting plant and subsequently expanded by progressively increasing its supply capacity, became the starting point for all of the Group's core technologies. Zinc, which protects iron from corrosion, is an essential basic material that safeguards social infrastructure and has supported industrial development. However, the appreciation of the yen following the Plaza Accord in 1985 caused the business environment for domestic smelting operations to deteriorate rapidly, bringing the business to a point where its very survival was at stake. Against this backdrop, Mitsui Kinzoku was ahead of its time in taking on the challenge of processing difficult-to-treat materials, including recycled materials, and achieved technological breakthroughs. In the 1990s, it also successfully converted to recycling-based lead

smelting using spent batteries as feedstock at Kamioka operations. These achievements were underpinned by a deep understanding of nonferrous metal smelting technologies, as well as by the technical teams' strong spirit of inquiry and determination to see their efforts through, no matter what. Today, we are leveraging our smelting network connecting our smelters across Japan and organically integrating the pyrometallurgical and hydrometallurgical process technologies and expertise of the respective sites. By doing so, we aim to strengthen our ability to process increasingly complex and diverse recycled feedstocks, to further enhance our valuable metal recovery capabilities and the value we create through resource circulation, and to make an even greater contribution to the realization of a sustainable society.



Ambidexterity

“Exploration” and “Exploitation”

Our **Ambidextrous** Organization

Companies with extensive histories, traditions, and accumulated knowledge can be particularly susceptible to excessive focus or bias. To avoid such tendencies, Mitsui Kinzoku pursues Ambidexterity, balancing the strengthening of the competitiveness of existing businesses through Exploitation with the creation of new businesses through Exploration. Through resource allocation based on the business portfolio and the effective use of human capital and digital transformation (DX), the Company aims to achieve sustainable growth and enhance corporate value over the medium to long term.

The strength to keep refining what we have, and the challenge of pursuing value yet unseen. These two forces will shape our next era.

As uncertainty in the business environment increases, companies are required to pursue management that balances Exploitation, which hones the competitiveness of existing businesses, with Exploration, which opens up possibilities for new technologies and businesses. This concept of ambidexterity provides an important perspective for simultaneously strengthening competitiveness over the short to medium term and creating growth opportunities over the medium to long term.

Mitsui Kinzoku has long worked to expand existing businesses and develop new applications within each business sector, while exploring the potential of new technologies and businesses, primarily through its R&D functions. However, amid growing uncertainty in the business environment due to factors such as the recent materialization of global geopolitical

risks, accelerating technological innovation, and the need to address global warming and resource depletion, it has become increasingly important to move beyond initiatives undertaken by individual business sites and functions and to optimize the allocation of management resources from a Company-wide perspective. Based on this recognition, since the 22–24 MTP, the Company has promoted Ambidexterity, placing strong emphasis on balancing Exploitation and Exploration, and has worked to build a framework for achieving sustainable enhancement of corporate value over the medium to long term, with its Purpose at the core. By further strengthening the competitiveness of existing businesses while continuing initiatives to create new value, the Company is promoting the continuous creation of next-generation products and businesses.

Exploitation that strengthens competitiveness, and Exploration that opens the door to new fields. Connecting the two through the power of the organization to create long-term value.

To steadily advance Ambidexterity, the Business Creation Sector, centered on the R&D Center, is responsible for Exploration, while the Engineered Materials Sector and the Metals Sector are primarily responsible for Exploitation, with each advancing its respective initiatives.

The Business Creation Sector aims to systematically develop prospective business units that will support future growth. For new technologies related to areas such as next-generation semiconductor materials and the environment and energy, the Sector is advancing R&D and validation toward commercialization while assessing technological maturity, customer feedback, and the potential for market expansion. In this process, the Sector also utilizes CVC (Corporate Venture Capital) and co-creation with external partners, bringing together and leveraging knowledge from both inside and outside the Company. Looking ahead to 2035 and 2040, the Sector is also broadening its options for the next stage of growth by continuously building up exploration themes that could lead to future growth opportunities. These exploration activities are not aimed solely at maximizing ROIC in the short term. Rather, the Sector seeks to increase the likelihood of long-term value creation while assessing the future potential of technologies and the scope for market expansion.

Meanwhile, the Engineered Materials Sector and the Metals Sector are primarily responsible for Exploitation, which aims to grow and expand existing businesses, and are working to enhance business value by improving technological capabilities, quality, and productivity.

In the Engineered Materials Sector, the Group is working to increase added value and expand applications, primarily for product groups such as copper foil, engineered powders, catalysts, and PVD materials, while responding to changes in customer needs and markets. The Big Moves set out in the 25–27 MTP are intended not only to accelerate such Exploitation, but also to actively explore entry into attractive business domains through future-oriented insights, going beyond new applications and growth opportunities adjacent to existing businesses. While incorporating exploratory approaches, the Sector aims both to expand the value of existing businesses and to create future growth areas.

Building on its smelting operations centered on zinc, lead, and copper, the Metals Sector is advancing the sophistication of its smelting network by leveraging the respective strengths of its seven smelting sites in Japan, while also improving the stability and efficiency of operations at each site. By further advancing its technologies, particularly in recycling, and expanding their applications, the Sector is contributing to the circular economy while strengthening its business competitiveness.

Carefully balancing both investment and talent allocation.

To translate Exploration and Exploitation into sustainable results, it is essential to clearly determine the areas to which management resources should be allocated on a priority basis. From the 22–24 MTP through the 25–27 MTP, we have organized and updated our business portfolio along two axes: business value (evaluated based on ROIC spread) and growth prospects. Based on this portfolio, the Company allocates management resources in accordance with four categories: Value Cultivation, Value Expansion, Value Reinforcement/Optimization, and Value Transformation.

Value Cultivation is a category in which resources are allocated to Exploration activities aimed at future growth. By contrast, Value Expansion and Value Reinforcement/Optimization are areas centered on Exploitation to enhance the competitiveness of existing businesses. In particular, Value Expansion incorporates exploratory initiatives, such as market- and customer-driven hypothesis testing, to identify new applications and growth opportunities while building on strengths developed through existing businesses. During the 25–27 MTP period, the Company plans growth investments of more than 120.0 billion yen and will allocate resources on a priority basis to both Value Cultivation, led by the Business Creation Sector, and Value Expansion, comprising the focus businesses of the Engineered Materials Sector.

From a human capital perspective, based on its job-type performance-based HR system, the Group is promoting talent allocation and development in line with the respective characteristics of Exploration and Exploitation, as well as those of each quadrant of the business portfolio. The Group will also utilize DX as a foundation for improving the quality and speed of decision-making at the management and individual business levels and for supporting both Exploration and Exploitation.

As part of Mitsui Kinzoku Group's culture

As is often noted in discussions of ambidexterity, exploration and exploitation differ in their time horizons and evaluation perspectives, and considerable ingenuity and management capability are required to pursue both simultaneously in a well-balanced manner. While the results of exploitation tend to be more visible in the short term, exploration takes longer to produce results and involves greater uncertainty. For this reason, the President personally communicates the significance and importance of balancing Exploration and Exploitation throughout the Group, while also working to foster an organizational culture that embraces trial and error.

Our Purpose, “We promote the well-being of the world through a spirit of exploration and diverse technologies,” embodies our commitment to creating innovations that help address social issues through Exploration, which opens up new possibilities, and Exploitation, which refines and combines the diverse technologies we have cultivated over the years. Our Vision, “Building new businesses—and the future—with our material intelligence,” provides an even more concrete perspective for the Group.

Toward realizing this Vision, the Values serve as guidelines for the behaviors that each employee is expected to demonstrate in their daily work. The five Values, Think Broadly, Enjoy Working Together, Share Wisdom, Challenge & Adopt, and Be a Role Model, translate challenge, collaboration, and diverse perspectives into concrete actions and also serve as guidelines for making both Exploration and Exploitation work across the Company. These Values have also been incorporated into the performance evaluation system, under which employees are assessed not only on results but also on behavioral aspects such as their willingness to take on challenges and collaborate with others.

Deepening what we have while continuing to explore new possibilities.

Going forward, Mitsui Kinzoku Group will continue to pursue both Exploration and Exploitation, strengthening its competitiveness and resilience as a corporate group, broadening the possibilities of its businesses, and meeting the expectations of society and markets as they continue to evolve. The Group will uphold Ambidexterity as an enduring management approach for achieving sustainable, long-term enhancement of corporate value.

Capital as the source of value creation

Mitsui Kinzoku Group has expanded its business by leveraging the capital cultivated over its 150-year history. These forms of capital not only underpin our competitiveness but also drive our capacity to address evolving social and environmental challenges, serving as the source of continuous value creation. We are committed to passing this strength, inherited from our predecessors, on to the future to realize our Vision based on the Purpose.

Financial capital

- Financial capital supports the sustainable growth of Mitsui Kinzoku Group. It ensures proper shareholder returns while also forming a financial foundation capable of addressing future environmental changes as well as risks and opportunities.
- We build trust with investors with a focus on continuous and sincere dialogue with the capital market.
- In the 25–27 MTP, we assess the value of each business based on ROIC Spread using business-specific WACC, while also applying business-specific hurdle rates as criteria for investment decisions. Through these measures, we aim to further enhance capital efficiency.

ROIC	Equity Ratio	Net D/E Ratio
19.5 %	59.1 %	0.14

Manufactured capital

- We possess a diverse and abundant business infrastructure, comprising production sites and related facilities developed over the years both in Japan and overseas. These assets enable the establishment of a global production system and serve as a foundation for the Group’s ongoing business development.
- In production processes, we promote activities for improvement on a daily basis, aiming for continuous enhancement in production efficiency and quality. The GK (group activities for quality control) at each workplace supports these efforts and is positioned as one of the Group’s strengths.

Major domestic sites	Major overseas sites
12	13

Intellectual capital

- Our diverse and abundant fundamental and production technologies constitute our core capital that underpins the competitive advantage of Mitsui Kinzoku Group. We protect and utilize this capital through intellectual property management.
- This technological capital enables the Group to create new value through the introduction of new products, and drives the growth, expansion, and sustainability of the value we have created as new businesses.

Patent registrations	R&D expenses
2,707	15.1 billion yen

* All figures are results for FY2025.

Human capital

- Our employees, identifying themselves based on the Purpose and Management Philosophy, are the drivers of the Group’s value creation.
- With our origin in the area of resources, exploration is embedded in our DNA. It is the spirit of Mitsui Kinzoku Group, enabling us to deliver solid results and create new businesses even under uncertain circumstances.
- The Group’s sustainable growth is founded on an enabling work environment where diverse talent can fully demonstrate their strengths, and a human resource development system that allows flexible execution of our business strategies.

Consolidated employees	Resonance with the Purpose
8,188	62 %
	(Overseas sites scheduled to be surveyed in FY2026) (Domestic)

Social and Relationship capital

- Through a history of diversification, we have built an extensive customer network. Alongside this, we have earned long-lasting trust through technological development and quality improvement. These efforts have enabled us to cultivate a diverse and engaged customer base.
- We have built a system for continuous cooperation with suppliers within and outside Japan, enabling stable delivery of products to address various market needs.
- We have facilitated co-creation with external partners, utilizing the strengths of each party, and materialized open innovation incorporating various insights and technologies. These achievements have contributed to the creation of competitive products and services.
- We build good relationships with local communities through continuous community-based initiatives in the areas we operate.

Number of suppliers that signed the consent form	Social contribution expenditures
466	301.1 million yen
Ref. FY2024	228

Natural capital

- Mitsui Kinzoku Group’s business activities rely on natural capital. In the mining business, we extract zinc and other ores. Water, energy, and other natural resources are essential for all of our business activities.
- We are promoting initiatives such as water resource conservation, expansion of renewable energy use, reduction of GHG emissions, and minimization of waste and hazardous substance discharges, aiming to conduct business activities in harmony with the environment.
- In the Metals business, we have built a metal recycling network, reducing the use of primary raw materials by using recycled ones.

Energy consumption	Water withdrawal
648,806 kl	111,335 thousand m ³
(Crude oil equivalent)	

Environmental Contribution Products

Our approach

Mitsui Kinzoku Group has established its Basic Environmental Policy*1 as a guideline for its environmental initiatives and has given due consideration to environmental conservation in all aspects of its business activities.

As part of these efforts, the Group has established the Environmental Contribution Products system as an initiative aimed at generating both economic and social value. Since 2021, the Group has also promoted the Group-wide adoption and application of life cycle assessment (LCA) methods.

The Group assesses the major environmental impacts at each stage of the product life cycle, including raw material procurement, manufacturing, use, and disposal, based on an assessment scope and assumptions defined for each product. Based on these specifications, the Group defines products as Environmental Contribution Products if an LCA demonstrates a quantitative reduction in environmental impacts compared with conventional or comparable products.*2

Through this system, the Group aims to sustainably enhance corporate value by promoting the creation of products that contribute to reducing environmental impacts and strengthening its competitiveness in environment-related markets.

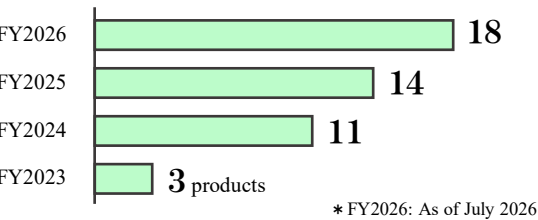
* 1 Basic Environmental Policy
<https://www.mitsui-kinzoku.com/en/csr/environment/environmental-policy/>

* 2 Assessments of Environmental Contribution Products are conducted based on the assessment scope and assumptions defined for each product. The Group also comprehensively considers various environmental impacts without focusing solely on any single environmental impact. Assessment results may vary depending on the assumptions, intended applications, and other relevant factors.

Initiatives for the continuous creation of Environmental Contribution Products

The Engineered Materials Sector has identified “Advanced materials that enhance customer value” as one of its material issues under the 25–27 MTP and positioned the “continuous creation of Environmental Contribution Products” as a specific initiative under this material issue (sub-materiality). Since the Environmental Action Plan was revised in 2018, the Group has set targets for Environmental Contribution Products to account for at least 70% of newly launched products and at least 50% of sales and has shared these targets across the Group. As of July 2026, the total number of certified products across the Group stood at 18.

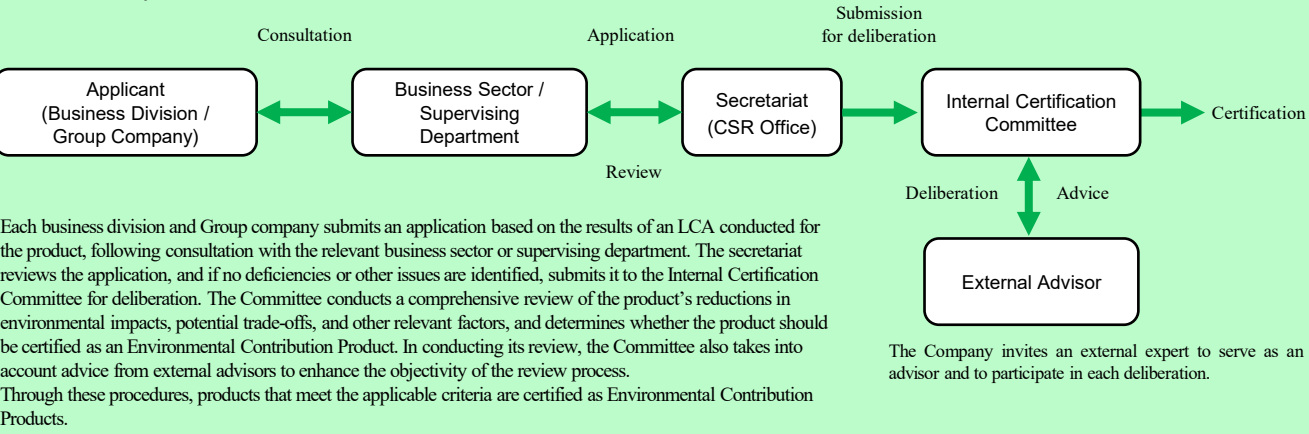
Cumulative number of internally certified Environmental Contribution Products



Examples of Certified Products

- Electrolytic copper foil made from 100% recycled copper (Copper Foil Division)
- ITO targets using recycled raw materials (PVD Materials Division)
- Tantalum (Ta) solution material from the iconos™ series (Engineered Liquids Commercialization Promotion Division)
- CeraMesh®, a next-generation kiln tool (Ceramics Division)
- Refined copper with a higher recycled raw materials content than the Group’s conventional products (Copper & Precious Metals Division)

Certification process



Review of Previous MTPs and Progress of the 25–27 MTP

Review

19–21 MTP

[Basic concept]

Transform growth foundation to achieve vision for 2024

By 2024, we want to be a company that continually creates and develops growth products and businesses in our three core business segments (Engineered Materials, Metals, and Automotive Parts)

[Post-completion issues]

- Executing strategies aimed at improving corporate value for the entire Group
- Establishing a flexible system to adapt to rapid changes in the external environment

22–24 MTP

[Basic concept]

1. Establish a system capable of responding to changes

Aim to realize the Vision for 2030 based on our Purpose

2. Shift to integrated thinking-based management

Shift to integrated thinking-based management in order to establish a business management strategy based on two pillars: enhancing social value and improving economic value

[Post-completion issues]

- Shifting to management that considers capital costs and share price
- Strengthening group-wide strategies aimed at accelerating corporate value enhancement and becoming a company that creates new synergy and value

Overview of the 25–27 MTP and FY2025 review/progress

25–27 MTP key issues

* **Big Moves:** Initiatives to achieve a “change to non-linear growth rather than gradual growth”

Strengthening management foundations

- Strengthening portfolio management
 - Introduce business-specific WACC and ROIC targets and incorporate social value into business evaluation process
 - Implement Big Moves *
 - Expand the mechanism for creating new businesses and group-wide synergies
- Establishment of an information management infrastructure
 - Share information internally and externally, and strengthen branding
- Strengthening governance and promoting group-wide strategies by transitioning to a Company with an Audit and Supervisory Committee



Expanding human capital

- Establishment of principles of conduct based on our Purpose and Vision
- Development of human capital/Accelerating the strengthening of on-site capabilities and promotion of job satisfaction reforms
- Human capital development that contributes to enhancing overall corporate value

Promotion of DX

- Improving operational efficiency and transforming our operations into new value-creating businesses
- Optimal allocation of ICT talent and development of DX talent

Under the 25–27 MTP, to ensure that the Purpose is implemented and to realize the Vision for 2030, the Group has placed “ambidexterity” and “integrated thinking-based management” at the core of its management concept and is refining the initiatives implemented under the 22–24 MTP while also introducing additional initiatives. Specifically, based on the results of the initiatives carried out under the 22–24 MTP, the Group identified three key priorities for the 25–27 MTP: “Strengthening management foundations” to reinforce Group-wide strategies, “Expanding human capital” to execute those strategies, and “Promotion of digital transformation (DX)” to support their execution.

In FY2025, the first year of the 25–27 MTP, the Group steadily implemented each of the refined initiatives and additional initiatives addressing these key priorities. The Group advanced the business selection and focus through dynamic management of the business portfolio and allocated resources to core businesses. As a result, the Group came to be recognized by the market as a growth company, particularly in semiconductor-related fields, and its share price and corporate value increased significantly.

In terms of enhancing social value, the Group made steady progress by further aligning its business strategies with its materiality (P.28-29 Materiality and 25–27 MTP KPIs). With regard to expanding human capital, the employee engagement score reached 55% (measured in H2 FY2025), achieving the FY2027 target two years ahead of schedule. DE&I KPIs also improved steadily, while initiatives to enhance job satisfaction and other human capital measures advanced. The Group also made progress in addressing environmental issues, including its response to carbon neutrality (P.44-50 Initiatives for environmental issues).

In terms of enhancing economic value, the Group expects sustainable growth centered on the Engineered Materials business, while the Metals business secured stable earnings despite the impact of market conditions. Through these efforts, the Group is steadily strengthening the path toward earnings growth through FY2030. In addition, as part of its initiatives to create new business domains, the Group continues to promote business creation activities and is also working to develop future growth drivers.

Financial targets set and their aims

Accelerating growth and optimizing capital costs

by strengthening portfolio management

Changing the business evaluation method

By introducing business-specific WACC and hurdle rates, we will reflect the characteristics of each business in the business evaluation process. We will increase evaluation effectiveness and clarify evaluation standards, enabling balanced allocation of management resources based on evaluation positions.

Target (FY2030)

Achieve both ROE and ROIC of **14%** or more

Ref. Results for FY2024 ROE=21.2% ROIC=11.4%

Revision of targets★

Achieve both ROE and ROIC of **15%** or more

Ref. Results for FY2025 ROE=24.5% ROIC=19.5%

Targets will be raised in light of the further growth of the Engineered Materials business, one of the Group's core businesses. R&D investment in the Engineered Materials business and new business areas will be promoted to further accelerate the creation of new businesses.

Implement Big Moves

Utilizing external expertise to carry out planned Big Moves based on the following opportunities and realizing further growth

- Clarifying improvement potential through objective analysis from an investor's perspective
- Fundamental cash generation for all businesses
- Bold management resource investment in value expansion and cultivation businesses

In FY2025, the Group implemented Big Moves, particularly in the Engineered Materials Sector, making progress in fundamentally increasing cash generation. Operating cash flow over the 25–27 MTP period is projected at 300 billion yen, an increase of 72 billion yen from the original plan.

Growth investment

Actively investing in growth businesses positioned for value cultivation and expansion, including M&A and CVC

Make growth investments approximately 2.5 times higher than in the 22–24 MTP period

81.5

billion yen
(cumulative total for FY2025-FY2027)

[Typical growth investments]

- Initial mass production plant for A-SOLiD® electrolytes for all-solid-state batteries
- Equipment upgrade for specialty carrier for next-generation semiconductor packaging HRDP®

Revision of targets★

Raise the target to approximately 1.5 times the original 25–27 MTP target

122

billion yen
(cumulative total for FY2025-FY2027)

The Group continues to consider and develop proposals for large-scale resource allocation to expand its production capacity and explore new businesses with an eye toward the next stage of growth.

Shareholder returns

Prioritizing growth investments aimed at sustainable growth while distributing profits appropriately based on our business performance

Making use of our progressive dividend policy to raise dividends from the current 3.0% level

Pay dividends targeting a DOE of **3.5%**

Prioritize growth investment while maintaining the current dividend policy

As shareholders' equity increases due to improved earnings, the annual dividend per share is expected to increase from 245 yen in FY2025 to 280 *yen in FY2026.

* The forecast dividend for FY2026 is the amount announced on May 13, 2026, and is shown on a pre-stock-split basis.

Strengthening portfolio management

Business evaluation

Based on business evaluations using expected business potential and business value (ROIC spread), the Group is advancing dynamic portfolio management. While divesting businesses positioned for Value Transformation to the best external owners, the Group is promoting investment and R&D in the Engineered Materials business, a core business, and new business areas. The Group is also implementing greater selectivity and focus, including establishing two Commercialization Promotion Divisions for engineered liquids and HRDP. (P.34-35 Managing portfolio dynamically)

Big Moves and creation of new businesses / Group-wide synergies

The Group is steadily achieving results through fundamental cash generation initiatives centered on the Engineered Materials Sector. It continues to consider and develop proposals for accelerating growth through bold resource allocation using the cash generated through these initiatives. As it increases growth investment, the Group positions buy-side M&A as an important strategic option and is further increasing the budget and personnel allocated to these activities. The Group also continues its “inner-circle” approach, under which a select core team including external experts pursues M&A opportunities.

Establishment of an information management infrastructure

To strengthen internal and external branding, the Group improved its internal communication intranet, promoted more active communication across the Group, and proactively disseminated information externally. As a result, new interactions have emerged across organizational boundaries within the Group, while external interest in the Group has also increased.

Integrated thinking-based management and materiality

Value creation through integrated thinking-based management

Mitsui Kinzoku Group has established its Purpose, “We promote the well-being of the world through a spirit of exploration and diverse technologies,” and its Group-wide Vision, “Building new businesses—and the future—with our material intelligence.” Since the 22–24 MTP, we have placed this Purpose and Vision at the core of our management and have been advancing initiatives to realize integrated thinking-based management by taking an integrated approach to business strategies and responses to social and environmental issues, financial and non-financial information, and social and economic value.

The business environment surrounding Mitsui Kinzoku Group is becoming increasingly complex and uncertain as decarbonization advances, interest in ESG grows, and technological innovation accelerates. At the same time, stakeholders, including shareholders and investors, customers, and employees, increasingly expect the Group not only to deliver financial results but also to explain how it is addressing social and environmental issues and the progress it is making. To capture these changes as growth opportunities while appropriately mitigating risks that could affect medium- to long-term value creation, it is important not merely to pursue short-term financial results, but also to clearly define the direction of management toward sustainable growth.

Based on this understanding, we view key themes such as climate change, human capital, and the value chain in terms of both the risks and opportunities they present to our Group and reflect them in the management strategies and business activities. As specific initiatives, the Group reviews its business portfolio and strategically allocates

[Review steps]

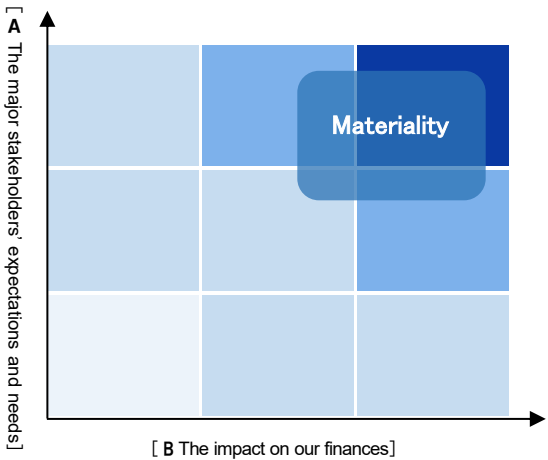
- Step 1 Understanding changes in the social environment**
Reviewed and reorganized environmental and social issues across the value chain by referencing major sustainability frameworks and incorporating stakeholder expectations.
- Step 2 Evaluating challenges from a Purpose perspective**
What are the key points for achieving transformation toward our desired state, while keeping the Purpose at the core? Reassessed the risks and opportunities associated with each issue identified in Step 1 and extracted those with high relevance to the Group.
- Step 3 Weighting based on stakeholder perspective and financial impact**
Prioritized along both axes and extracted materiality (see right diagram).
- Step 4 Discussion and approval by the CSR Committee**
- Step 5 Discussion and approval at the Executive Council**
- Step 6 Discussion and approval by the Board of Directors**

management resources to growth areas, taking into account the risks and opportunities associated with changes in the business environment, thereby enhancing the resilience of its businesses and contributing to the sustainable, medium- to long-term enhancement of corporate value. Through these initiatives, Mitsui Kinzoku Group aims to realize integrated thinking-based management that both creates and grows businesses that “promote the well-being of the world” and provides value to society through ESG.

Materiality identification

Mitsui Kinzoku Group's materiality constitutes an important framework for translating integrated thinking-based management into specific strategies and initiatives and achieving medium- to long-term value creation through their steady implementation.

Since first identifying our materiality in FY2016, we have continuously reviewed and refined it, taking into account changes in the business environment and evolving societal expectations. In developing the 25–27 MTP, we analyzed the risks and opportunities arising from medium- to long-term environmental changes and identified as new material issues those matters expected to have a significant impact on both stakeholders and the Group's financial performance. Based on these new material issues, we established KPIs for the MTP and are strategically allocating management resources. Progress is reported quarterly to the Executive Council, and important matters are reported to and deliberated by the Board of Directors, thereby reinforcing governance and enhancing the effectiveness of the PDCA cycle.



Primary frameworks referenced

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

[New materiality in the 25–27 MTP]

Risks and opportunities	Materiality	Sub-materiality
Contributing to the well-being of the world through our business [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 Advanced materials that enhance customer value Metal recycling supporting industrial infrastructure	Advancing R&D themes contributing to carbon neutrality to the demonstration phase Continuous creation of Environmental Contribution Products Lead element recovery from E-scrap
Creating values that contribute to society [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 Resource conservation and environmental impact reduction Biodiversity conservation
[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 health and safety Health management Promotion of DE&I and job satisfaction reforms
[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 Supply chain management
[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 Promotion of DX

* Progress on each sub-materiality, representing specific initiatives, is provided on the following page.

Materiality and KPIs in the 25-27 Mid-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 Management 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).

Sub-materiality	KPI in the 25-27 MTP (FY2027)	Performance in FY2025	SDGs we can contribute to
Advancing R&D themes contributing to carbon neutrality to the demonstration phase	• Completed initial evaluation of CO₂ capture using actual gas at partners and collaborators • Completed demonstration testing from CO₂ capture to methanol production at the India catalyst manufacturing site	• CO₂ capture testing using plant exhaust gas at Hachinohe Smelting, one of the Group’s smelting sites • Conclusion of a memorandum of understanding with an organization under the Government of Haryana, India, to promote research and development	 
Continuous creation of Environmental Contribution Products	• Environmental Contribution Products: 50% or more of total new product launches (by number of items), 50% or more of total sector sales	• Internal certification of three new products as Environmental Contribution Products	
Lead element recovery from E-scrap	• Lead concentration residue processing amount: 148% Sn, Sb, Bi recovery amount: 130%	• Lead concentration residue processing amount: 81% Sn, Sb, Bi recovery amount: 97%	
Response to climate change	• Toward net-zero emissions by 2050, reduce GHG emissions by 22%	• GHG emissions: 16.3% reduction (Scope 1+2, compared to 2013 levels)	  
Resource conservation and environmental impact reduction	• Water usage reviews at domestic smelting sites: 100% completed • Water usage reviews at sites in high-stress areas: 100% completed • Zero discharge of untreated wastewater into public waterways • Promotion of substitution and reduction in the use of hazardous chemicals • Reduction in total waste discharge: 20% or more • Effective utilization rate of waste plastics: 80% or more ※2	• Consideration of a plan to review water usage at domestic smelting sites • Consideration of a plan to review water usage at sites located in high-stress areas • Zero discharge of untreated wastewater into public waterways • Establishment of a new quantitative reduction target for atmospheric VOC emissions ※2 • Reduction in total waste discharge: 61% • Effective utilization rate of waste plastics: 77%	
Biodiversity conservation	• Assessments to identify impacts of business activities on biodiversity: 10 sites completed • Roadmaps for ecosystem restoration at priority sites directly developed by the Group: 100% completed	• Completion of TNFD-based analyses at 2 sites • For the 2 sites where TNFD-based analyses have been completed, consideration of response measures based on the analysis results	
Occupational health and safety	• Accidents (not requiring days off, requiring days off, and fatal accidents): < 30 • Accidents/diseases among new employees (< 1 years of employment), senior employees (> 60 years old) and foreign-national employees: < 10 • Frequency rate of accidents: < 0.4 • Fatal accidents: 0 • Accidents that cause irreversible physical sequelae: 0	• Accidents (not requiring days off, requiring days off, and fatal accidents): 37 incidents • Accidents/diseases among new employees: 7 cases; older employees: 3 cases; foreign-national employees: 0 cases • * Data collection for foreign-national employees began in September 2025. • Frequency rate of accidents: 0.7 • Fatal accidents: 0 incidents • Accidents that cause irreversible physical sequelae: 0 incidents	 
Health management	• Improving Absenteeism and Presenteeism ※3	• Absenteeism: 3.9 days; Presenteeism: 15.3%	
Promotion of DE&I and job satisfaction reforms	• <i>Iki-iki</i> active engagement – company-wide average (engagement indicator) : 55% ※3 • Rate of women among newly hired employees: 24% ※4 • Rate of paternity leave taken by male employees: 85% ※4 • External evaluation : <i>Eruboshi</i> certification, <i>Nadeshiko</i> Brand, <i>Kurumin</i> certification ※4 • Communication indicator: 45% ※3 • Rate of women in managerial positions: 6.8% ※4	• <i>Iki-iki</i> active engagement – company-wide average (engagement indicator): 54% • Rate of women among newly hired employees: 24% • Rate of paternity leave taken by male employees: 75% • External evaluation: <i>Eruboshi</i> certification, selection as Next <i>Nadeshiko</i> • Communication indicator: 46% • Rate of women in managerial positions: 5.8%	
Respect for Human Rights	• Preparations to obtain gold status in the RBA audit by selecting target sites, having external audits, and making improvements	• Achievement of Silver status by Mitsui Electronic Materials Co., Ltd. in an RBA VAP audit	 
Supply chain management	• Full implementation and collection of SAQs from all critical suppliers: 100% • Completed engagement with all C-ranked suppliers on corrective actions: 100% • Exploring the implementation of supplier briefings and audits	• Collection rate of 82.3% as of FY2025 (a two-year initiative under the 25-27 MTP) • Implementation rate of 100% (two of two companies) • Supplier briefings planned for FY2026; audits remain under consideration	
Corporate governance	• Percentage of addressed issues identified at the Board Effectiveness Assessment in the previous year ※3 • Awareness rate of the Code of Conduct in the Compliance Survey: 75% or more paying attention to the Code when necessary ※3	• Resolution of only three of the five issues identified in the previous fiscal year • Awareness rate of the Code of Conduct in the Compliance Survey: Aware when necessary 54%	
Promotion of DX	• Achievement of KPIs for the digital shift in business sectors • Work efficiency of generative AI users through operational reforms: up 10% • Group-wide rollout of SASE (Secure Access Service Edge): 100% implementation • Stronger regulation of ICT rules through systematization • Development of DX talent: 30 people or more	• Execution of DX strategies as planned in each business sector • 4.0% (As of December 2025; the figure is based on questionnaire responses) • 92% (Completed at domestic sites; rollout at overseas sites proceeding as planned) • Reduction of the risk of unauthorized use through appropriate management of administrator privileges; prohibition of the receipt of emails with encrypted file attachments and introduction of a secure file transfer function for outgoing emails • 9 people (As of March 31, 2026)	