



- Business and Human Rights**
- Employees' Occupational Health and Safety**
- Diverse Human Resources / Development and Participation of Human Resources**
- Co-Existence and Mutual Prosperity with Local Communities**
- Rights of Indigenous Peoples**
- Human Rights in the Supply Chain**
- Engagement with Stakeholders**
- Research & Development**
- Intellectual Property**
- Social Data**

Social

Business and Human Rights

Approach and Policy

GRI 2-25/3-3

The business activities of the SMM Group affect the human rights of its stakeholders, particularly local residents and indigenous peoples, employees in the supply chain, and employees of the SMM Group. Further, stakeholders associated with our Group may be involved in adverse impacts to human rights.

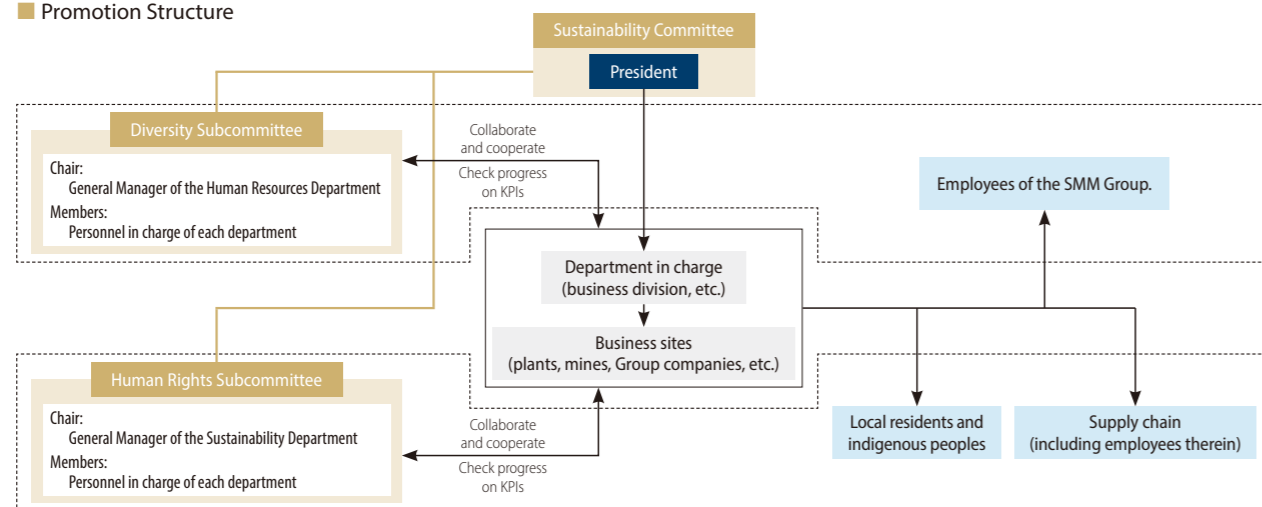
Our Group supports the UN Guiding Principles on Business and Human Rights and, in accordance with our Group's human rights policy, promotes initiatives to uphold human rights, including the implementation of due diligence and the operation of grievance (remedy) mechanisms.

Promotion Structure

GRI 2-24/3-3

The Diversity Subcommittee and the Human Rights Subcommittee, which are subordinate organizations of the Sustainability Committee overseen by the Board of Directors and chaired by the president, report regularly to the Committee on their activities and reflect them in the Group policies and procedures to promote initiatives. We particularly focus our efforts in the three areas of employees of the SMM Group, local residents and indigenous peoples, and employees in the supply chain, who are the stakeholders affected by the Group's business activities.

Promotion Structure

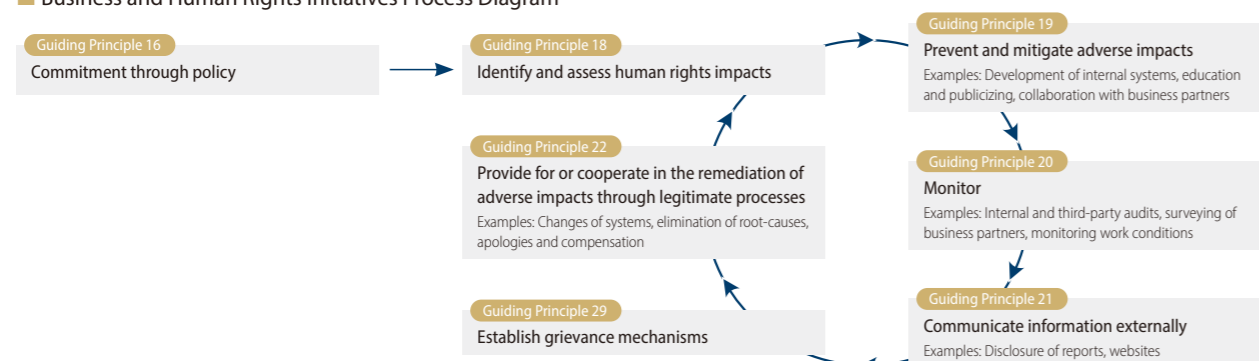


Regarding the human rights of employees of the SMM Group, the Diversity Subcommittee, with the Human Resources Department serving as its secretariat, works with business divisions and operational divisions in the Head Office to address human rights issues through our organizational structure. [P.86-87](#)

Regarding the human rights of local residents and indigenous peoples, and supply chain (including employees therein), the Human Rights Subcommittee, with the Sustainability Department serving as its secretariat, works with business divisions and operational divisions in the Head Office to address each group of stakeholders. [P.110, P.116, P.120](#)

Our efforts include the formulation of policies, due diligence, and operation of a grievance (remedy) mechanism in accordance with the UN Guiding Principles on Business and Human Rights (see figure below).

Business and Human Rights Initiatives Process Diagram



Human Rights Due Diligence Initiatives

GRI 2-25/3-3

Our Group supports the UN Guiding Principles and conducts human rights due diligence (DD) in accordance with the OECD Due Diligence Guidance for Responsible Business Conduct, and others.

We seek to cease, prevent, and mitigate adverse impacts on human rights as expressed in the ILO Core Labor Standards (10 conventions in five areas: effective approval of freedom of association and workers' right to collective bargaining; prohibition of all forms of forced labor; effective elimination of child labor; elimination of discrimination in employment and occupation; safe and healthy working environment). As human rights risks in the business value chain, we promote initiatives with particular emphasis on three areas: Employees of the SMM Group¹, local residents and indigenous peoples,² and supply chain (including employees therein),³ which are impacted by our business activities.

1. Employees of the SMM Group [P.86-87](#)
2. Local residents and indigenous peoples [P.110, P.116](#)
3. Supply chain (including employees therein) [P.120](#)

Grievance Mechanism: Membership in JaCER

GRI 2-25/2-26

SMM has joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)¹ established in 2022 as a founding member (regular member). JaCER is an organization that aims to support and promote the redress of grievances of member companies from a professional standpoint by providing a non-judicial Engagement and Remedy Platform for grievance redress based on the United Nations Guiding Principles on Business and Human Rights. They also established an Advisory Board consisting of external experts and an Advisory and Mediation Panel and Investigation Panel consisting of independent expert individuals and organizations.

In addition to existing mechanisms such as the Whistle-blowing System (Speak Up System),² the Group will also utilize the platform provided by JaCER to operate a more transparent and effective grievance (remedy) mechanism.

- Grievances received by JaCER about the Group: 0 (FY2022)

1. [JaCER](https://jacer-bhr.org/en/index.html)
2. Whistle-blowing System [P.178](#)

Outline of SMM Group's human rights policy (The Sumitomo Metal Mining Group Policy on Human Rights [P.78-79](#))

GRI 2-23/2-24

• Our Group's Approach to Respect for Human Rights

Our Group takes utmost care not to infringe on the human rights of all people, avoids causing or contributing to adverse human rights impacts through our business activities, and works toward correcting and remedying any such situation that may arise. Further, if a stakeholder is involved in adverse impacts on human rights, we will encourage that stakeholder not to violate human rights and cooperate through corrective or remedial actions.

• Human Rights Issues within the SMM Group

SMM Group's human rights policy sets forth its commitments on fundamental human rights issues, including respect for children's rights and prohibition of child labor, and prohibition of discrimination, harassment, and bullying on the basis of race, religion, gender, age, sexual orientation, disability, nationality, and other factors. We are also committed to respecting human rights based on international norms such as the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the Mining Principles of the International Council on Mining and Metals (ICMM),* an industry organization for which we are a member. In the unlikely event of a conflict between applicable laws and regulations and international norms on human rights in the regions in which we operate, we seek ways to respect international norms while complying with the laws and regulations.

* ICMM [P.130](#)

• Internal and External Communications of the Human Rights Policy

We have produced educational materials in video format available to all SMM Group employees, which includes an overview of the policy, messages from top management, and commentary from experts, and share them in internal human rights training and other programs. In addition, to ensure that our stakeholders, especially our business partners, understand our approach and efforts to respect human rights, we communicate Sumitomo Metal Mining Group's Sustainability Procurement Policy, established in line with our human rights policy. [P.123](#)

Business and Human Rights

The Sumitomo Metal Mining Group Policy on Human Rights

GRI 2-23/2-24

We, the SMM Group (hereinafter referred to as the Group), support the UN Guiding Principles on Business and Human Rights and promote initiatives to respect human rights based on these principles.

Our SMM Group upholds “Coexistence with the Earth and society” and “Respect for all individuals as the basis” in our corporate philosophy. Our Group aims to focus on its social mission and responsibility as a manufacturing company, and aims to contribute to the formulation of a sustainable society by securing resources and providing society with non-ferrous metals and high-performance materials.

The Group’s long-term vision is to become a “World Leader in the Non-Ferrous Metals Industry”, and our sustainability policy upholds that we will “contribute to the development of a sustainable society, and we are working to improve both our sustainable growth as a business and our corporate value”.

From among the key social issues that are closely related to our Group, 11 material issues have been identified, including “Diverse Human Resources”, “Development and Participation of Human Resources”, “Co-Existence and Mutual Prosperity with Local Communities”, “Rights of Indigenous Peoples” and “Human Rights in the Supply Chain”. Our SMM Group has also formulated the “SMM Group Vision for 2030” and KPIs as milestones in its long-term vision to address these issues, and is promoting initiatives.

We will continue to follow the Sumitomo Business Spirit, which is the basis of our Group, and aim to become a company recognized by society as the “World Leader in the Non-Ferrous Metals Industry”.

1. Our Group’s approach to respect for human rights

Our Group understands that all our business activities may directly or indirectly affect human rights.

Our Group takes utmost care not to infringe on the human rights of all people, avoids causing or contributing to adverse human rights impacts through our business activities, and works towards correcting and remedying any such situation that may arise.

Where stakeholders, in particular business partners such as suppliers, are involved in adverse human rights impacts, the Group encourages them not to infringe on the human rights and cooperates with efforts for correction and remedy.

In actual efforts, we will particularly focus on the three areas of “Employees”, “Local Residents and Indigenous Peoples” and “Supply Chain (including employees therein)”.

2. Commitments on fundamental human rights issues

1) Respect for children’s rights and prohibition of child labor

We respect the fundamental human rights of children under 18 years of age and engage in relevant business activities and social contribution activities. We do not permit child labor, especially the worst forms of child labor, such as slave labor through forced recruitment in times of conflict, and labor that is harmful to the health and safety of children.

2) Prohibition of forced labor

We do not recognize modern slavery in the form of forced labor, debt labor (work in situations where a person is forced to work for an employer to repay a debt) and human trafficking.

3) Prohibition of discrimination

Discrimination, harassment and bullying on the basis of race, religion, gender, age, sexual orientation, disability, nationality and other factors are not permitted in employment and work situations.

4) Respect for basic labor rights

We respect basic labor rights (such as freedom of association and workers’ right to collective bargaining) and engage in constructive dialogue between labor and management.

5) Working hours and wages

We endeavor to properly manage working hours, holidays and leave in accordance with laws and regulations, including reducing excessive working hours, and we pay wages at or above the minimum wage stipulated by laws and regulations.

6) Occupational health and safety

We actively address to ensure a safe and healthy working environment and give top priority to safety and health for life and limb.

3. Scope of application

This policy applies to all executives and employees of the SMM Group (Sumitomo Metal Mining Co., Ltd. and its subsidiaries).

Our SMM Group also expects and encourages stakeholders directly linked to our operations, products or services, in particular business partners, to understand and support this policy.

4. Respect for International Norms on Human Rights

Our Group, in cooperation with its stakeholders, will address to respect human rights in accordance with the following international norms and standards. In addition, our Group

will comply with all applicable laws and regulations in the regions where we operate.

In the unlikely event of a conflict between these laws and regulations and international norms on human rights, we will seek ways to respect international norms while complying with the laws and regulations.

- UN Guiding Principles on Business and Human Rights
- International Bill of Human Rights (“Universal Declaration of Human Rights”, “International Covenant on Civil and Political Rights”, and “International Covenant on Economic, Social and Cultural Rights”)
- International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- ILO Tripartite Declaration of Principles on Multinational Enterprises and Social Policy
- United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)
- The 2030 Agenda for Sustainable Development (SDGs)
- Convention on the Rights of the Child
- OECD Due Diligence Guidance for Responsible Business Conduct
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
- International Council on Mining and Metals (ICMM) Mining Principles
- Voluntary Principles on Security and Human Rights

5. Governance and Promotion Structure

The Diversity Subcommittee and the Human Rights Subcommittee, which are subordinate organizations of the Sustainability Committee chaired by the President, shall report regularly on the status of compliance with this policy and the Group’s efforts to respect human rights to the Sustainability Committee, which is overseen by the Board of Directors, and reflect this information in the Group’s business policies and procedures.

6. Human Rights Due Diligence

In accordance with the OECD Due Diligence Guidance for Responsible Business Conduct and other guidelines, our Group will conduct the human rights due diligence in the following steps.

In doing so, our Group will strive to utilize the human rights expertise and engage in meaningful consultation with stakeholders.

- 1) Identify and assess adverse impacts associated with our Group’s operations, either directly or indirectly.

- 2) Integrate the results of the assessment into the company’s processes, including allocating budgets to address any adverse impacts identified as a result of the assessment.
- 3) Seek to cease, prevent and mitigate adverse impacts.
- 4) Monitor and track the status of implementation and carry out assessments of the effectiveness of our Group’s initiatives.
- 5) Disclose information on the status of the implementation and the effectiveness.

7. Grievance Mechanism

Our Group will establish a grievance mechanism that is accessible to all stakeholders, including not only employees of our Group but also employees in the supply chain, local residents and indigenous peoples, and that aims to resolve grievances by consensus through dialogue.

8. Dialogue and Consultation with Stakeholders

Our Group will engage in dialogue and consultation with stakeholders, including human rights experts, labor unions, customers and business partners, to promote comprehensive measures based on expertise and a broad range of perspectives for the adaption and the revision of this policy and for our Group’s efforts to respect human rights.


In addition, we will raise awareness and provide training to all executives and employees of our Group to promote their understanding of this policy and their engagement in initiatives to respect human rights.

9. Reporting and Information Disclosure

Our Group will regularly disclose the progress of its initiatives based on this policy.

This policy was formulated with the assistance of human rights experts, discussed within the Sustainability Committee of Sumitomo Metal Mining Co., Ltd. and approved by the Board of Directors.

Akira Nozaki
President and Representative Director
Amended on June 1, 2022



Employees' Occupational Health and Safety

Vision for 2030

A company where all employees work together with safety first the priority in a comfortable working environment as well as safe facilities and operations

Approach and Policy

GRI 3-3

Because the Group's business activities involve working at heights and handling large equipment, heavy machinery, and chemical substances, employees risk occupational accidents, including fatalities, and health hazards.

On the other hand, an environment in which employees can work in safety and with security is an important management element that leads to greater employee motivation and stronger relationships of trust between employees and the Company. Therefore, the SMM Group aims to create comfortable and safe workplaces, including at our contractors, and is further advancing its ongoing equipment safety measures and has begun introducing advanced technologies such as the IoT* and AI (Artificial Intelligence).

* IoT: The Internet of things, under which services are deployed through all manner of things being connected through the Internet.

Policy and Targets

GRI 3-3

Occupational Health and Safety Policy and Goals for FY2023

Occupational Safety Policy

- (1) Prevention of serious accidents
- (2) Prevention of recurring accidents
- (3) Achieve work with safe procedures and equipment through priority-oriented safety activities based on the Three Reality Principle and line safety management.

Occupational Safety Goals

1. Occupational accidents (ultimate goal of zero accidents)
 - 1) Japan Group employees
 - Serious accidents¹: 0
 - All accidents²: 7 or less
 - 2) Japan contractor employees
 - Serious accidents¹: 0
 - All accidents²: 2 or less
 - 3) Overseas business site employees
 - Serious accidents¹: 0
 - All accidents²: 1 or less

1. Accidents resulting in an absence from work of three months or more as a management indicator
2. Accidents that resulted in absence from work combined with accidents not resulting in absence from work.
2. Traffic accidents
 - Traffic accidents caused by employees resulting in injury or death: 6 or less

Occupational Health Policy

Ensure a comfortable work environment through measures to improve the work environment and prevent illness

Occupational Health Goals

1. Dust, lead, and specified substances
 - 1) Control Class 3 workplaces
Number of workplaces: 0 (excluding noise)
 - 2) Control Class 2 workplaces
Reduction in the number of workplaces
2. Noisy workplaces
Control Class 3 workplaces with a workload value of 1 or more: 1 or less
3. Number of employees with work-related ill health
Ill employees (requiring treatment): 0
4. Mental health enhancement

Occupational Health and Safety Policies, Targets and Plans

GRI 3-3

The Safety & Environment Control Department sets the Group's policies, targets, and action plans (Group health and safety targets) based on the 3-Year Business Plan, which was formulated in light of the Group's progress toward its vision for occupational health and safety, and the president approves them. In each business, based on the Group's health and safety targets, annual activity targets and plans are established and line health and safety management is promoted, taking into consideration the risks specific to each business site.

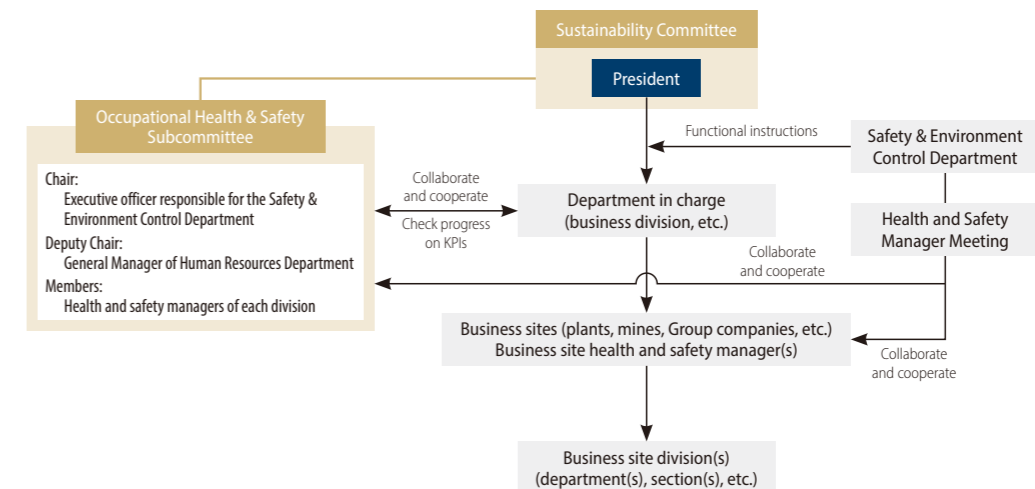
Promotion Structure

GRI 3-3/403-1/403-2

Occupational health and safety is managed by the chain of command in which the president is the person ultimately responsible, general managers of the relevant divisions provide guidance and supervision, and the person in charge of each business site is appointed as the health and safety manager of that site. Constructive discussions on ways to improve health and safety in the workplace also take place during meetings of the Occupational Health and Safety Committee comprising representatives from both labor and management. Furthermore, the executive officer responsible for the Safety & Environment Control Department, who is also the General Manager thereof, provides guidance and advice on safety and health initiatives to each division and each workplace of the Group, while the health and safety manager assigned to each division and business site coordinate efficiently to promote improvements in safety and health. The SMM Group strives to improve health and safety under the concepts of the OSHMS,* and has business sites that have already obtained ISO 45001 certification or are certified according to the Japan Industrial Safety and Health Association (JISHA) OSHMS standards. We conduct risk assessments when introducing new equipment or making changes to operational procedures, and make improvements to reduce risk. At overseas business sites, we have also built an occupational health and safety management framework based on local laws and regulations, and conduct the same level of risk assessment, improvement of equipment, and hazard prediction activities as in Japan.

* OSHMS is an abbreviation of Occupational Safety and Health Management System and it is a management system that aims to improve occupational health and safety levels at business sites through the implementation of a set of processes known as the PDCA cycle (Plan, Do, Check, Act), based on cooperation between businesses and their workers

Promotion Structure



Occupational Health & Safety Subcommittee and Safety & Environment Control Department

With regard to employees' occupational health and safety, which is a material issue, the Safety & Environment Control Department promotes activities to achieve our vision in cooperation and collaboration with the members of the Occupational Health & Safety Subcommittee, who are in charge of health and safety in their respective division. In addition, the Safety & Environment Control Department provides functional instructions to the business division supervisors based on various reports and inspections, provides advice and reports to the competent authorities on the consolidation and response to important matters such as accidents and disasters, and disseminates disaster case studies within the Group to raise awareness and provide instructions for inspections.

Employees' Occupational Health and Safety

The SMM Group Health and Safety Manager Meeting

As a rule, once a year, the Safety & Environment Control Department holds a meeting for business division health and safety managers and business site safety and health managers. At these meetings, health and safety managers of departments and divisions work to improve the level of health and safety management by providing information on the progress of health and safety targets, information on legal revisions, and explanations and discussions on performance and material issues related to health and safety.

Occupational Health and Safety Committees

GRI 403-4/403-7

In accordance with the Industrial Safety and Health Act, the Occupational Health and Safety Committee meets once a month at each of the Group's business sites in Japan. At the Occupational Health and Safety Committee meetings, a wide range of health and safety issues are discussed, including the progress of health and safety activity plans, analysis of the causes of occupational accidents and measures to prevent recurrence, results of working environment measurements, results of medical examinations, reports on improvements to equipment and work methods, reports on the correction of areas identified during patrols, safety and management methods for new chemical substances handled, results of pre-operational safety examinations of new equipment, and information on legal revisions. A summary of the Occupational Health and Safety Committee meetings is reported monthly by business sites to the Safety & Environment Control Department, which confirms that safety and health activities are being properly implemented at each business site.

At SMM Group's overseas business sites, occupational health and safety committee meetings are held in accordance with the laws and regulations of each country to ensure workplace safety through the creation of accident prevention measures among businesses and their workers.

Regarding regular contractors, Occupational Health and Safety Committee meetings and informal gatherings are held every month by contracting organizations in which contractors and others participate and information is shared. This information is taken back to the company where it is shared and used to make notifications.

Medium-Term Targets and Progress

GRI 3-3

To achieve our Vision for 2030, we are managing progress for each KPI and have made achievement criteria and action plans for up to 2030.

FY2022 Results	FY2023 Plan	Final Year of 2021 3-Year Business Plan (FY2024)	Final Year of 2027 3-Year Business Plan (FY2030)
KPI 1. Prevent occupational accidents Serious accidents: zero (in Japan and overseas, including contractors) All accidents: reduce year on year, with aim of eventually reaching zero			
<ul style="list-style-type: none"> Serious accidents: 3 All accidents Numbers in parentheses are FY2022 results Japan employees all accidents: 24 (20) Japan contractors all accidents: 5 (8) Overseas employees all accidents: 1 (2)	<ul style="list-style-type: none"> Conduct a comprehensive review of safety measures for automated equipment and promote countermeasures for any risks found Continue heavy equipment safety measures such as the use of AI cameras and separation of pedestrians and vehicles Monitor the implementation status of on-site work observation through inspections and patrols, provide guidance, identify risks, and make improvements Develop VR hands-on education using new original content 	Serious accidents: zero (in Japan and overseas, including contractors) 2024 targets Japan employees all accidents: 7/year or less Japan contractors all accidents: 2/year or less Overseas employees all accidents: 1/year or less	Targets through all 3-Year Business Plan periods Serious accidents: zero (in Japan and overseas, including contractors) All accidents: reduce year on year, with aim of eventually reaching zero
Serious accidents occurred. Many recurring accidents occurred, missing the target for all accidents. Multiple accidents occurred from May to July, but things calmed down after a state of emergency was declared in July, and there were no accidents from November to December. We promoted essential safety measures for equipment, separation of pedestrians and vehicles, and installation of AI cameras on forklifts, work observation by supervisors to avoid leaving unsafe behavior unnoticed, and a full-scale start of VR training.		Achievement Criteria	
		Action Plan	
		1. Enhance equipment safety 1) Initiate DX in mines and battery plants 2) Education on risk assessment manuals 2. Develop the management system 1) Identify the actual circumstances of line management • Utilize work observation • Check and review measures against reoccurring accidents 3. Develop human resources 1) Formulate education programs for managers and supervisors, etc. 2) Improve education for all employees Hazard simulation training using VR	1. Enhance equipment safety 1) Promote (2024 3-Year Business Plan) and realize DX 2) Make facilities safer through risk assessment manuals (2024 3-Year Business Plan) and expand 2. Develop the management system 1) Strengthen (2024 3-Year Business Plan) and operate line management 3. Develop human resources 1) Revise (2024 3-Year Business Plan) and establish manager and supervisor education 2) Review (2024 3-Year Business Plan) and implement new education for all employees

FY2022 Results	FY2023 Plan	Final Year of 2021 3-Year Business Plan (FY2024)	Final Year of 2027 3-Year Business Plan (FY2030)
KPI 2. Prevent occurrence of occupational diseases Number of workplaces that present higher health risks: reduce year on year Occurrence of occupational diseases: zero			
<ul style="list-style-type: none"> Achieved year-on-year reduction in number of workplaces that present higher health risks 2022: 2 workplaces (2021: 5 workplaces) Occurrence of occupational diseases: zero Reinforced daily inspections, as work environments deteriorate due to equipment damage, etc. Promoted visualization of work environments using time-lapse cameras, dust meters, etc. After taking measures based on the thermal environment management standards, the number of heat stroke cases in underground operations was reduced to zero	Continue to improve equipment to ensure good work environments and strengthen management to prevent deterioration of work environments <ul style="list-style-type: none"> Promote introduction of new technologies, such as automatic underground HLD to reduce individual exposure and various tools for visualization of work environments Strengthen equipment maintenance (inspection and repair) Share good practices for equipment and management improvement 	<ul style="list-style-type: none"> Achieve year-on-year reduction in number of workplaces that present higher health risks Occurrence of occupational diseases: zero 	Targets through all 3-Year Business Plan periods <ul style="list-style-type: none"> Number of workplaces that present higher health risks: reduce year on year Address new risks (2024 3-Year Business Plan) Realize comfortable workplace environment (2027 3-Year Business Plan) Occurrence of occupational diseases: zero
		Achievement Criteria	
		Action Plan	
		<ul style="list-style-type: none"> Make improvements to equipment led by top management Upgrade management techniques through line management and manage and maintain effects of improvement Reduce individual exposure time Analyze and utilize individual sampling and continuous monitoring data. Utilize biosensors for heatstroke prevention, etc. Ensure implementation of the three areas of management in occupational health and safety (working environment management, work management, and health management) 	<ul style="list-style-type: none"> Continue and review the actions on the left Respond to new regulations and risks of handled substances (2024 3-Year Business Plan) Include improvement of workloads and strengthening of health management through DX (2027 3-Year Business Plan)

Individual Initiatives for Occupational Health and Safety

Health and Safety Management in the Besshi District

In the Besshi District of Niihama City, Ehime Prefecture, where many of the Group's business sites are located, the Besshi-Niihama District Division Safety & Environment Control Center plays a central role in improving the level of health and safety management by providing guidance on health and safety management initiatives to business sites including Group companies in the district, holding regular information exchange meetings and study sessions, and conducting cross-patrols.

Occupational Health and Safety Risk Assessments

GRI 403-2

The SMM Group proactively uses risk assessments (investigation of hazard or harmfulness) to evaluate hazards and take appropriate countermeasures against sources of risk that may cause accidents or health hazards due to equipment, operations, or a combination of both. For example, when we introduce new equipment, we conduct a risk assessment at the time of design, taking into consideration the intrinsic safety of the equipment, and the risk assessment is reflected in the design of the equipment. Before equipment is installed and put into operation, a risk assessment (audit) is conducted again with supervisors, operators, etc., and improvements are made. After the facility goes into operation, we continuously report on the status of maintenance and improvement of residual risks at the Occupational Health and Safety Committee meetings, and work to improve the level of health and safety by ensuring that our efforts are promoted.

Inspections, Patrols

The head of the business division with jurisdiction conducts annual patrols of the business site, including affiliated companies under his/her jurisdiction, to confirm that health and safety management is being properly implemented (in 2022, 50 inspections were conducted at 39 business sites in Japan and overseas). In principle, once a year, the General Manager of the Safety & Environment Control Department or his/her designate conducts a security, safety, and occupational health management inspection of each business site, and reports the results to the president, the head of the business division with jurisdiction over the business site, and the head of the business site (in 2022, due in part to the impact of the COVID-19 pandemic, 28 of the 47 business sites in Japan covered by the safety statistics were inspected). Furthermore, in the event of a serious accident or disaster, an on-site investigation is conducted immediately.

Employees' Occupational Health and Safety

Each business site conducts safety patrols by business site supervisors, work observation patrols at each workplace, and safety activities in small groups. Some workplaces receive guidance from outside instructors to check and improve dangerous locations at the site.

Education

Education in Hands-on Training Facilities

GRI 403-5

Since 2010, the SMM Group has been operating a hands-on training facility (Oji-kan Facility) in Niihama City, Ehime Prefecture, which consists of a Hazard Simulation Zone and an Equipment Skills Training Zone. The purpose of the Hazard Simulation Zone is to increase sensitivity to occupational safety and occupational health through simulated experiences of dangers that may be present in daily work, while the purpose of the Equipment Skills Training Zone is to develop operators with strong skills in equipment and devices through hands-on experience with actual on-site equipment, cut models, etc. In both zones, in addition to the curator and full-time instructors, site managers and supervisors, and veteran employees provide training as appointed instructors. Oji-kan Facility staff have been traveling to workplaces since 2013 to conduct on-site hazard simulation training, and we are working to expand the number of participants. In addition, each business site uses Oji-kan Facility based on a risk assessment of its own workplace to conduct safety education through its own unique program.

Number of Employees Using the Oji-kan Facility and Attending On-site Training (as of the end of 2022)

Oji-kan Facility Users	20,599
(Breakdown) Group companies in Japan	16,136
Contractors	4,360
Overseas business sites	103
Attendees of on-site training	9,140
Total	29,739

External Communication

We participate in the health and safety committees of the Japan Mining Industry Association and Kyohokai* to obtain information on legal revisions and response methods, and to introduce the latest health and safety technologies and improve the level of health and safety by visiting each other's factories and developing good practices.

We also use outside consultants to conduct safety culture assessments at SMM Group's major business sites, and the Safety & Environment Control Department presents the results to the business sites, and discusses them to improve safety initiatives.

* Kyohokai: Consists of more than 200 contractors for Toyota Motor Corporation

Priority Initiatives for FY2022

GRI 403-5

In addition to continuing to improve the intrinsic safety of its equipment, the SMM Group is strengthening measures to separate pedestrians from vehicles and promoting the installation of AI cameras on heavy machinery to prevent the fatal accident that occurred in 2021 due to contact with heavy machinery (a forklift). In addition, we are focusing on the prevention of serious accidents caused by moving equipment, heights, heavy objects, etc. We have also launched initiatives for smart mining. To enhance line management, including improving the skills of management and supervisory staff, we are promoting the implementation of the work observation manual and point card, which were formulated in 2021. We are also enhancing hazard simulation training by incorporating VR equipment.

In terms of health, we are promoting equipment improvements with the goal of eliminating workplaces in the Control Class 3. We are also promoting systematic improvement of work environments to eliminate workplaces in Control Class 2. The Safety & Environment Control Department planned health patrols, and together with the Safety & Environment Control Center in the Besshi District, where there is a high concentration of such workplaces, and the health and safety officers of business divisions provided guidance and followed up on progress in improving and maintaining work environments at business sites through patrols and other means.

Results and Reflections on FY2022 Initiatives

In FY2022, we missed our safety targets (seven or less accidents and zero serious accidents for all Group companies in Japan), having 24 total accidents and three serious accidents. Although the risk of heavy machinery accidents has been reduced as a result of efforts in FY2022, this failure is believed to be due to the accidents caused by human error such as simple mishaps or carelessness, mainly during the summer, in addition to incomplete safety improvements in automated equipment, etc. Therefore, measures against human error are necessary in addition to further promote intrinsic equipment safety improvements.

As for the health-related targets, we have achieved zero cases of work-related ill health, with Control Class 3 workplaces reduced from the previous year (from five to two), and we will steadily formulate and implement improvement measures toward achieving zero Control Class 3 workplaces.

In addition, chemical management is undergoing a major transformation starting in May 2022. First, the entire company will share the overall schedule and outline of the changeover, and then we will ascertain information on the legal revisions that will be sequentially enforced as early as possible and respond appropriately.

Action Plan for FY2023

In FY2023, we will promote comprehensive inspections and measures for automated equipment to further promote intrinsic equipment safety.

In addition, to prevent human error and recurring accidents, we will improve the skills of workers by strengthening education for line managers, promoting 5S (a workplace organization method) and improvement of the work environment through the initiative of top management, and enhancing education at Oji-kan Facility, including incorporating VR. Through these efforts, we will achieve a comfortable and safe work environment.

Action Plan for FY2023

1. Improve and make equipment intrinsically safe, with emphasis on preventing serious accidents
 - (1) Promote overall inspection and implementation of safety measures for automated equipment
 - (2) Identify risks through on-site work observation guidance, requests for implementation, etc.
2. Prevent recurring accidents
 - (1) Dig deeper into causes, focus on countermeasures, and promote horizontal development
 - (2) Hands-on training using VR

3. Infrastructure development
 - (1) Reinforce line safety management
 - (2) Improve work environments to encourage safe behavior from employees

Data on Employee's Occupational Health and Safety

- Work-Related Incidents [P.142](#)
- Work-Related Ill Health [P.143](#)
- Occupational Health and Safety Management System [P.144](#)
- Identification of Hazard Sources, Risk Assessment, and Accident Investigation [P.145](#)
- Services, Education, and Training regarding Occupational Health and Safety [P.146](#)

Diverse Human Resources / Development and Participation of Human Resources

Vision for 2030

A company where all employees can take a vibrant and active part

- 1 A company that respects the humanity of each and every employee, and where employees feel pride, motivation, and joy in work
- 2 A company that provides each and every employee with opportunities to improve his/her capabilities, and grows together with employees

Approach and Policy

GRI 3-3

Based on the approach of “respect for all individuals” set forth in our Corporate Philosophy and in accordance with the Sumitomo Metal Mining Group Policy on Human Rights, we work to secure, foster, and utilize human capital by respecting the diverse values of all employees and fostering workplace environments in which all employees can fully demonstrate their abilities.

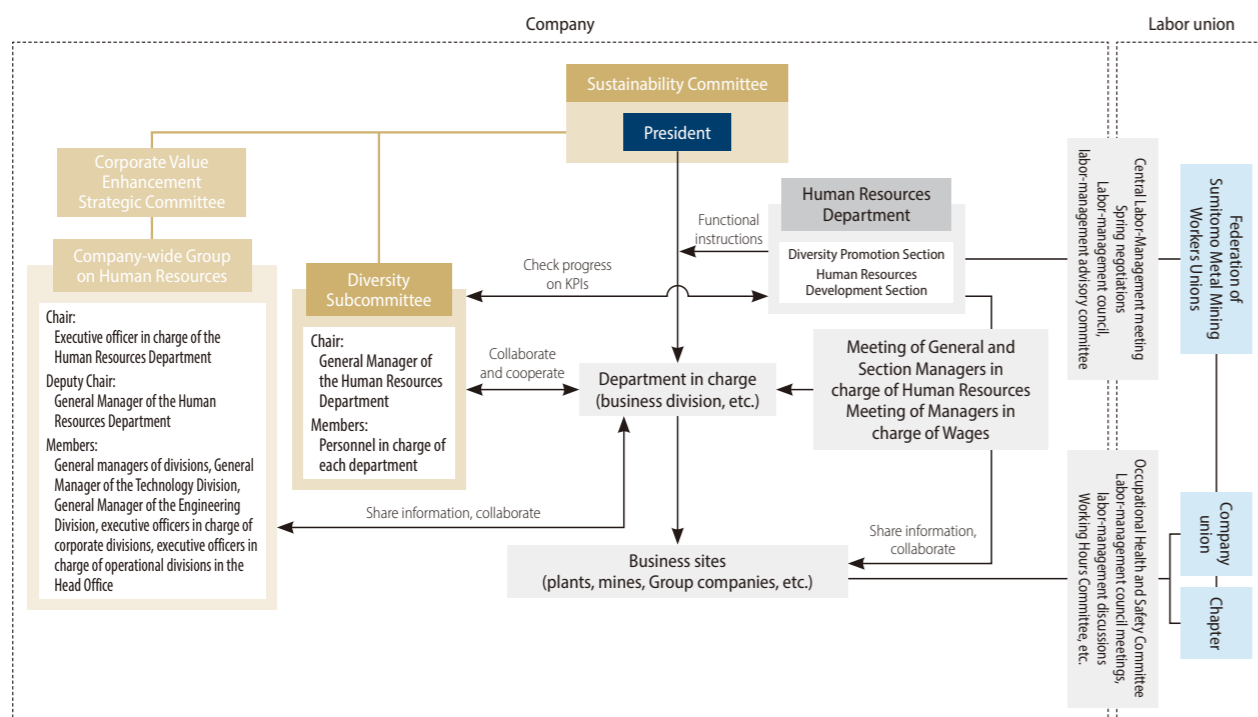
The business environment surrounding companies is a difficult one in which the future is difficult to foresee, and societal changes that overturn conventional wisdom have begun to occur one after another. We believe that our Company, too, will face difficulty in aptly adapting to such changes through the continuation of conventional approaches. Building an organization and developing employees who are not afraid to make changes, even changing themselves, is an urgent challenge for us.

In response, in July 2023 we revised our human resource system to one centered on a job grade system for managerial track employees, in order to take in diverse human resources, make use of diverse values, and enhance our corporate value while maintaining a membership-style employment mechanism that allows organizations and employees to grow from a long-term perspective. We will make our Company into one that continues to provide the sense of security and stability of the past while also enabling new challenges, transformation, and growth as all employees learn and grow autonomously.

Promotion Structure

GRI 3-3

Promotion Structure



Company-wide Group on Human Resources

With the executive officer in charge of the Human Resources Department as the Chair and the General Manager of the Human Resources Department as the Deputy Chair, the Company-wide Group on Human Resources is placed within the Corporate Value Enhancement Strategic Committee to link management strategy with human resources strategy. In addition to promoting the rational assignment of human resources, the group engages in discussions of cross-company human resources strategies related to the securing, fostering, and utilization of human capital, including the systematic development of the next generation of management and future managers. It meets one or more times per quarter.

Diversity Subcommittee

With the Human Resources Department as its secretariat, the Diversity Subcommittee engages in discussions and confirmation of progress on KPIs, placing a particular focus on diversity within the area of human resources utilization. It is composed of members from other departments and meets two or more times per year.

Meeting of General and Section Managers in Charge of Human Resources

Led by the Human Resources Department, this Meeting of General and Section Managers in Charge of Human Resources at all Group business sites in Japan meets one or two times per year to update and share information on matters including legal revisions, human resources, and organizational management trends, as well as to align awareness of human resources issues and determine policies concerning new initiatives. Its main agenda items include legal and systemic revisions, issues related to the securing, fostering, and utilization of human capital and future measures to address these, and measures undertaken by business sites. Following conference meetings, we connect discussions to the study and execution of effective personnel measures at sites.

Central Labor-Management Meeting

The Central Labor-Management meeting is held at least once a year to contribute to trouble-free discussions and negotiations between labor and management and to the stability of labor-management relations. Participating parties include all officers, including the president, on the company side, and the Federation of Sumitomo Metal Mining Workers Unions and all company union committee chairs on the union side. We explain the Company's business situation and outlook to the union and engage in active exchanges of opinions with union executives.

Local Labor-Management Discussions

Local Labor-Management meetings are arranged one or more times per month as venues to regularly explain our business situation to labor unions (company unions and chapters) and employee representatives, and to collect opinions and requests from employees. In response to requests regarding occupational health and safety and improvements to work, we perform checks of situations and then enact necessary improvement measures.

Labor-Management Committees

The labor-management committees are charged with implementation when details of matters discussed between labor and management are investigated and studied, or when the effectiveness of the matters that have already been decided and put into operation are subjected to verification. The committees are formed for a given length of time as necessary, with their conclusions reported to labor-management representatives.

Diverse Human Resources / Development and Participation of Human Resources

Medium-Term Targets and Progress

GRI 3-3

To achieve our Vision for 2030, we are managing progress for each KPI and have made achievement criteria and action plans for up to 2030.

FY2022 Results	FY2023 Plan	Final Year of 2021 3-Year Business Plan (FY2024)	Final Year of 2027 3-Year Business Plan (FY2030)
KPI 1. Promote working style reform and create workplaces that make use of digital technology, enabling diverse human resources to play vibrant and active roles 1) Improve scores for "Management by managers and superiors," "Appeal of job," and "Work environment" in employee awareness survey			
<ul style="list-style-type: none"> Both scores have improved since the previous survey (2019) Appeal of management measures 3.47→3.55 Management by superiors 3.56→3.69 Appeal of job 3.38→3.45 Overall appeal of workplace 3.23→3.36 Details P.98 	<ul style="list-style-type: none"> Enhance all scores in the FY2023 employee awareness survey through the introduction of one-on-one meetings and activities aimed at creating an open and vibrant workplace climate 	Achievement Criteria <ul style="list-style-type: none"> Improve scores from the previous fiscal year for "Management by managers and superiors," "Appeal of job," and "Work environment" in employee awareness survey 	Action Plan <ul style="list-style-type: none"> Confirm scores and verify review of KPIs in the employee awareness survey to be conducted annually from FY2023 Review personnel-related systems
KPI 1. Promote working style reform and create workplaces that make use of digital technology, enabling diverse human resources to play vibrant and active roles 2) (1) Number of female managers: 50 (SMM) (2) Percentage of female employees: 20% or higher (SMM)			
<ul style="list-style-type: none"> (1) Number of female SMM managers: 20 (2.9% of managers) (2) Percentage of female SMM employees: 12.9% (445 employees) Dispatched five future leader candidates to training in interactions with other industries, in order to develop human resources who can serve as role models In our recruitment plan, set the recruitment percentage for women in managerial track positions to 20% and formulated target numbers to be reached by 2030 Details P.99-100 	<ul style="list-style-type: none"> Continue to dispatch future leader candidates to training in interactions with other industries, in order to develop human resources who can serve as role models Begin study aimed at the formulation of duty-specific recruitment and development plans 	Achievement Criteria <ul style="list-style-type: none"> (1) Number of female SMM managers: 25 (3% of managers) (2) Percentage of female SMM employees: 14% (460 employees) 	Action Plan <ul style="list-style-type: none"> (1) Develop career paths for training female managers (2 production sites, 4 positions in administrative offices (3 positions during 2024 3-Year Business Plan)) (2) Target number of females to be hired: 10-15/year (new graduates + mid-career)
KPI 1. Promote working style reform and create workplaces that make use of digital technology, enabling diverse human resources to play vibrant and active roles 3) Expand number of managerial track employees of foreign nationality			
<ul style="list-style-type: none"> 14 as of the end of FY2022 Conducted questionnaires for foreign employees aimed at understanding current problems, and conducted interviews with those who wanted them Provided feedback to superiors and conducted hearings on issues Details P.101 	<ul style="list-style-type: none"> Continue study of measures related to issues identified in FY2022 and continue hearings on issues through exchange meetings, etc. Consider workplaces for trial acceptance of foreign employees and start approach to local recruitment 	Achievement Criteria <ul style="list-style-type: none"> Increase from the end of FY2021 	Action Plan <ul style="list-style-type: none"> Develop an environment that allows employees of foreign nationality to become established at the company
KPI 1. Promote working style reform and create workplaces that make use of digital technology, enabling diverse human resources to play vibrant and active roles 4) Percentage of employees with disabilities: 3% or higher (SMM)			
<ul style="list-style-type: none"> 2.57% as of June 1, 2022 Accepted university student internships and workplace practical training for special needs schools Implemented initiatives to foster a workplace climate aimed at retaining employees with disabilities (convened meetings of personnel in charge of recruitment of people with disabilities, etc.) Details P.101 	<ul style="list-style-type: none"> Consider new recruitment channels aimed at increasing the percentage of employees with disabilities Continue to accept university student internships and practical training for special needs schools Implemented initiatives to foster a workplace climate aimed at retaining employees with disabilities (convened meetings of personnel in charge of recruitment of people with disabilities, etc.) 	Achievement Criteria <ul style="list-style-type: none"> 2.7% 	Action Plan <ul style="list-style-type: none"> Recruit people with intellectual disabilities Expand recruitment channels (graduate internship, high school graduate workplace training, mid-career employment support)

FY2022 Results	FY2023 Plan	Final Year of 2021 3-Year Business Plan (FY2024)	Final Year of 2027 3-Year Business Plan (FY2030)
KPI 1. Promote working style reform and create workplaces that make use of digital technology, enabling diverse human resources to play vibrant and active roles 5) Assign jobs and provide support matched to employees' life stages			
<ul style="list-style-type: none"> Use of parental leave: 106% for women, 95.6% for men (excluding leave with pay for child-rearing: 42.4%) Employees who left work due to nursing care: 2 Conducted seminars, briefings on programs, etc. (seminars on the parental leave system, support for balancing of work with child-rearing and nursing care, etc.) Implemented career life plan and career design training Details P.93, P.96-97 	<ul style="list-style-type: none"> Use of parental leave: 100% for women, 95% for men (excluding leave with pay for child-rearing: 45%) Employees who left work due to nursing care: 0 Continue to hold seminars on the parental leave system, and on support systems for balancing work with child-rearing and nursing care, etc. Continue to provide consultation through the Work-life Support Desk Implemented career life plan and career design training 	Achievement Criteria <ul style="list-style-type: none"> Use of parental leave: 100% for women, 95% for men (excluding leave with pay for child-rearing: 50%) Employees who left work due to nursing care: 0 Implement measures for medical treatment 	Action Plan <ul style="list-style-type: none"> Seminars on support systems for balancing work with child-rearing and nursing care Seminars on the parental leave system Implement interviews before taking parental leave and before and after returning to work Nursing care consultations (Work-life (WL) Support Desk) Consultations for balancing medical treatment and work (WL Support Desk)
KPI 2. Support employees' mental and physical health 1) Reduce the number of employees taking long-term leave			
<ul style="list-style-type: none"> The percentage of employees taking long-term leave due to mental health disorders and the percentage of total number of days of leave taken increased Percentage of employees taking leave FY2021: 0.97% → FY2022: 1.12% Percentage of total number of days of leave taken FY2021: 0.37% → FY2022: 0.43% Implemented site-specific measures (Ome District Division, Harima Refinery), based on organizational analysis of stress checks Assessed mental health training attendance rate Details P.103-104 	<ul style="list-style-type: none"> Initiatives using results of stress checks Based on results from analyses of groups, analyze personnel and labor issues by department, set themes for improvement, and draft and execute action plans Promote "Mental Health Management Supervisor Training" for managers and supervisors at workplaces with issues (100% attendance rate) 	Achievement Criteria <ul style="list-style-type: none"> Reduce the number of employees taking long-term leave 	Action Plan <ul style="list-style-type: none"> Assess current situation of employees on long-term leave and confirm actions for individual situations Continue actions for individual situations
KPI 2. Support employees' mental and physical health 2) Percentage of employees with abnormal findings indicated in health checkups: 50% or lower			
<ul style="list-style-type: none"> Percentage of employees with abnormal findings indicated in health checkups: 58.0% Created a foundation for health and productivity management promotion by establishing related policies and regulations and delivering a message from the president on the health and productivity management kick-off Set medium- to long-term milestones in the "Employee Health Promotion Roadmap" and formulated and executed a FY2022 promotion plan incorporating the roadmap Obtained first certification as a Health & Productivity Outstanding Organization Details P.102-106 	<ul style="list-style-type: none"> Strengthen letter-based follow-up with employees at high risk for life-style-related diseases Implement program for quitting smoking Address employees at high risk of serious illness Make use of health portal site Hold walking events Hold regular health seminars Continue certification as a Health & Productivity Outstanding Organization Prepare for creation of a company-wide health and productivity management system 	Achievement Criteria <ul style="list-style-type: none"> Health and productivity management initiatives Develop Health and Productivity Management Declaration and organization and systems for its promotion Obtain Certified Health & Productivity Outstanding Organization Recognition Percentage of employees with abnormal findings indicated in health checkups: 55% or lower 	Action Plan <ul style="list-style-type: none"> Initiatives for obtaining Health & Productivity Stock Selection Steadily implement measures for both mental and physical health (encourage voluntary health checkups, establish exercise habits, support improved dietary habits, continue employment environment surveys) Send follow up letters to employees with a high risk of developing life-style-related diseases Verify and review effectiveness of measures

Diverse Human Resources / Development and Participation of Human Resources

FY2022 Results	FY2023 Plan	Final Year of 2021 3-Year Business Plan (FY2024)	Final Year of 2027 3-Year Business Plan (FY2030)
KPI 3. Diversify opportunities to enhance the abilities of employees according to employee needs and work needs 1) Utilize one-on-one meetings that bring out the motivation and potential of every employee and boost the growth of subordinates through regular dialogues between superiors and subordinates			
<ul style="list-style-type: none"> Introduced one-on-one meetings in the Head Office District from August 2022 Implementation rate: Over 70% (questionnaire results following introduction) Details P.93 	<ul style="list-style-type: none"> Continuously implement initiatives to improve the implementation rate and relationships between superiors and subordinates in the Head Office District Extend to managerial track and staff positions at all business sites in FY2023. Make use of knowledge in the Head Office District to improve the implementation rate and relationships between superiors and subordinates 	<ul style="list-style-type: none"> Firmly establish one-on-one meetings in the Head Office District Expand one-on-one meetings outside of the Head Office District (primarily management and administrative positions) Verify implementation status and address issues regularly using questionnaires, etc. Use an employee satisfaction survey to numerically monitor human relationships in the workplace and communication, etc. 	<ul style="list-style-type: none"> Firmly establish one-on-one meetings Group-wide Verify implementation status and address issues regularly using questionnaires, etc. Use an employee satisfaction survey to numerically monitor human relationships in the workplace and communication, etc.
KPI 3. Diversify opportunities to enhance the abilities of employees according to employee needs and work needs 2) Reconstruct the human resources development program (in-house education, external education, etc.) to provide opportunities to employees to enhance their abilities in line with their roles			
<ul style="list-style-type: none"> Implemented career training (training in second year since joining company, training for E-class and newly-promoted section managers, training at 50 and 58 years of age) Implemented trial introduction of a talent management system that contributes to strategic human resources development and personnel assignment in human resources duties JCO Study Center training participation rate: SMM employees: 92%; Group companies' employees: 78% (as of March 2023) Details P.90-94 	<ul style="list-style-type: none"> Implement career training (training in second year since joining company, training at 35, 43, 50, and 58 years of age) Introduce talent management system for duties other than human resources in FY2023 JCO Study Center training Conduct focused teaching at affiliated companies with aim of achieving target attendance rate of 80% for employees of Group companies 	<ul style="list-style-type: none"> Opportunities to consider future career (roles) and OJT and OFF-JT to realize such careers are provided JCO Study Center training participation rate (SMM employees: 90%; Group companies' employees: 80%) Implement career training and introduce a talent management system Check participation rates and take action for sites with low participation rates 	<ul style="list-style-type: none"> Opportunities to consider future career (roles) and OJT and OFF-JT to realize such careers are provided JCO Study Center training participation rate (SMM employees: 90%; Group companies' employees: 80%) Examine measures in light of 2021 and 2024 3-Year Business Plans Check participation rates and take action for sites with low participation rates
KPI 3. Diversify opportunities to enhance the abilities of employees according to employee needs and work needs 3) Provide opportunities for self-development matched to each employee's life plans and needs (correspondence courses, online training, etc.)			
<ul style="list-style-type: none"> Introduced self-development support tools (online learning tools) for managerial track employees and managers in the Head Office District Details P.93 	<ul style="list-style-type: none"> Together with the revision of the managerial track personnel system in July 2023, introduce self-development tools for all managerial track employees and conduct evaluation in both quantitative and qualitative terms, with the aim of creating a corporate culture in which all employees continue to learn and grow 	<ul style="list-style-type: none"> Create an environment in which employees of all generations with willingness to learn on their own can acquire the required knowledge and skills in a timely manner Collect information on self-development support tools and introduce new measures as needed 	<ul style="list-style-type: none"> Create an environment in which employees of all generations with willingness to learn on their own can acquire the required knowledge and skills in a timely manner Collect information on self-development support tools and introduce new measures as needed

Employee data (including new hires and departures) [P.146-152](#)

Human Resources Development

GRI 3-3/404-2

Approach to Human Resources Development

We believe that autonomous growth by every employee will lead to sustainable growth for our Group. In order to build a new business model and adapt to a changing business environment, we provide all employees with opportunities to improve their capabilities and are developing human resources who can steadily execute on growth strategies.

We believe that self-development by individual employees and practical on-the-job training (OJT) that is planned and continuously carried out through everyday work, along with appropriate assignment of personnel resources with an intention of development, form the foundation for employees' growth. In OJT, we encourage not only acquisition of knowledge and skills for jobs but also growth as a person through work. In off-the-job training (OFF-JT), we are constructing a system for diverse training, workshops, e-learning, and other training for each human resource management classification* and are promoting autonomous learning by employees.

Under the thinking that appropriate involvement of superiors is important in the growth of subordinates, superiors make efforts to actively support the motivation and enthusiasm of subordinates. In our target management system, we evaluate employees' medium- to long-term efforts and attitudes toward challenges. We also provide active support for career development, including our transfer request system, so that all employees can independently consider their careers and work with motivation. To improve

the quality of communication between superiors and subordinates and draw out the capabilities of every individual, we are introducing and gradually expanding one-on-one meetings.

In addition to the Human Resources Division, we conduct division-specific and function-specific human resources development. For specific function, we clarify the person in charge of development and engage in Company-wide development and utilization (assignment) of human resources.

* To accommodate differences in goals and basic approaches in development and utilization (assignment), we have established human resource management classifications of "managerial track" and "operating track" in line with the roles of employees, and are developing different human resource development systems, conducting development and assignment in line with each human resource system

Training Systems

We are building training systems aimed at improving the capabilities required for each human resource management classification, hierarchical level, job function, and individual.

SMM Human Resources Development Program

	Officers	Managers (managerial track employees)	General employees (managerial track and operating track employees)
OJT			OJT programs for new employees Function-specific OJT programs for new employees Mining School
Self-development			Brush-up training e-learning Foreign language programs Fee assistance for language proficiency tests Correspondence education General culture education (Head Office)
OFF-JT			Overseas training Language training prior to overseas assignment Global staff training
			Compliance seminar Human rights seminar, seminar on promotion of diversity JCO Study Center training
			Pursue higher education in Japan Dispatch to MINETEC
			Training in Japan
			Hazard simulation training Equipment skills training
			Training with women from other industries Individual career support
			• Training program for new employees • Short-term overseas training • Second-year training • Third-year graduation paper presentation
			Training program for mid-career hires Secondary training for mid-career hires
			Seminar for newly promoted employees (E-class, S-class, F-class)
			Class-specific training Preparatory curriculum (e-learning)
			Middle Management Program Officers' Coaching School Training to develop the next generation of executive managers Training and seminars with other companies' managerial track employees
			Career design training for persons in their 30s (Head Office) Career design training (at age 35 and 43) Career design & life plan training (at age 50 and 58)
			Project management training
			Outside seminars and workshops Business basics enhancement training (Head Office) New employee's supervisor training Supervisor/line leader training Problem-solving training for office workers Smelting & Refining University
			Seminar for balancing work with child-rearing and nursing care

Education for managerial track employees Education for operating track employees Education for all employees

Diverse Human Resources / Development and Participation of Human Resources

Hierarchical Position-Specific Education for Managerial Track Employees

This education falls under two types: grade-specific training conducted when employees are assigned to a job grade corresponding to staff in charge of a business or bearing duties and responsibilities for managing a workplace, and preparatory curriculum that must be taken in advance. The education enables employees to take on the duties and responsibilities demanded of each job grade category and to deliver results.

Grade-specific training	In this training, employees visit Sumitomo's and Company-related facilities to encounter the Sumitomo Business Spirit and the Company's history, to reaffirm their self-awareness and their responsibilities as employees of the Company.
Preparatory curriculum	We are developing e-learning aimed at advance acquisition of the knowledge and skills (in-house knowledge, problem solving, management skills, etc.) that employees need in order to take on the duties and responsibilities of higher job grade categories. Under this training, employees autonomously consider their careers and study and acquire required knowledge, capabilities, and skills in advance, to enhance their capabilities for executing work and to meet expectations for fulfilling their required duties and responsibilities.

3-Year Program for Managerial-Track New Employees

We consider the first three years since joining the Company to be a development period for new employees, during which the foundation for the employees as businesspersons is formed. By urging employees to envision their futures beyond those first three years, encouraging self-improvement under clearly defined three-year goals, and conducting training programs at set times, we promote employees' growth as individuals.

Training program for new employees	We conduct new employee training for about one month under a curriculum focused on classroom learning, group work, and visits to business sites and facilities related to the Company, while also teaching fundamental matters for working persons. This training is aimed at equipping employees with an awareness as employees of the Company and a recognition of their responsibilities, and having them envision their own roles and futures. Together with this training, we implement overseas programs such as language training to develop global human resources.
Second-year training	We work to enhance motivation toward work and engagement with the organization by providing employees with opportunities to reaffirm their positions and expected roles, as well as to envision their future careers, by looking back on their first two years since joining the Company.
Third-year graduation paper presentation	To wrap up the three-year development system, we hold a paper presentation event aimed at letting employees reaffirm their roles and organize their medium- to long-term career prospects. We work to promote autonomous career formation by having employees summarize the issues and work that they tackled during their first three years, along with their prospects from their fourth to tenth years.

Development of Next Generation of Management

We believe in the importance of expanding our human resource pool through planned development as well as experience through work. Toward that end, we implement multiple selection-based programs (Middle Management Programs, Training to develop the next generation of executive managers, Officers' Coaching School, etc.) for specific target groups as a way to develop the next generation of management. We also actively dispatch personnel to multiple external programs and, through training and seminars with next-generation management resources outside the company, work to equip employees with perspectives not obtainable within our Company alone.

Officers' Coaching School	We launched the Officers' Coaching School in 2014 as a venue for executive officers and the school's students to inspire each other and consider their self-development. Each class consists of 8 to 10 junior and middle-management employees. Executives serve as the head and deputy head of each class, which operates independently and issues a report once a year. Classes established based on functions such as mineral resource business, smelting and refining business, materials business, research and development, equipment and technology, human resources, accounting, and sales select key themes for the Company every year and engage in activities with the goals of strengthening the ability to think issues through, to learn together, and to put learning to practical use in the workplace.
----------------------------------	---

Training to develop the next generation of executive managers

We have held training to develop the next generation of executive managers since FY2011. This training is for the purpose of selecting leader human resources in their late 40s who will lead our Company in the near future, instilling managerial sensibilities in the participants. We implement a practical program of about nine months aimed at fostering preparedness and motivation, while training participants in the knowledge and thinking skills needed to stand at the starting line of change and growth and engage in corporate management amid global and rapid environmental changes.

Middle Management Program (MMP)

Since FY2008, we have carried out MMP as a program to select human resources in their 30s to early 40s who can be expected to lead organizations in the future, and to equip these persons with more high-level perspectives. Through discussions of material issues for the achievement of Vision for 2030 over the course of about five months, with members of our management team serving as lecturers, MMP works to raise the level of the mid-level managers who will lead the next generation.

Self-Development Support and Recommendations

To actively support employees' own motivation and ambition, we offer numerous programs including online video-based learning, e-learning, correspondence education, and foreign language courses (English, Spanish, and Chinese), and are preparing systems that let employees learn autonomously. In our online video-based learning program for all managerial track employees, we promote autonomous learning by employees through the acquisition of knowledge and skills required for higher grade categories (problem solving capabilities, management skills, basic management knowledge) and knowledge concerning the Company's business strategy, occupational health and safety, diversity, and labor management. From FY2023, all employees are eligible for qualification congratulatory gifts aimed at developing employees who possess high-level expertise and at securing holders of qualifications necessary for business or closely related to work, along with appointment and notification allowances designed to motivate employees who take on new external responsibilities due to appointment or notification.

Promotion of Growth, Communication, and Human Resource Network Creation

One-on-one meetings

In FY2021, we introduced one-on-one meetings aimed at raising the quality of communication between superiors and subordinates, tapping the capabilities of every individual, and building organizations that achieve results. Led by and for the benefit of subordinates, one-on-one meetings provide regular opportunities to draw out the capabilities of subordinates and promote their autonomous growth through dialogues with superiors. In carrying out the meetings internally, we work to widely communicate psychological safety, the purpose and significance of the meetings, and the required skills and mindset to superiors and subordinates.

DX Salon

Every two months, we hold DX Salon as an opportunity for reviewing conventional ways of working as well as to spur employees' interest in digital technologies. Here, employees who have tackled business efficiency through digital means can share the background, details, and outcomes of their efforts. Through these casual face-to-face exchanges of information, participants have increasingly expressed the desire to make their work easier through digital technologies.

Head Office ACROSS

We hold ACROSS* once a month as an event to advance "communication activation," one of the goals of our renewal of the Head Office. In ACROSS, employees provide overviews of their business, examples of DX initiatives, and other topics to promote understanding of each other's work and targets.

* Accelerate Co-creation Roundly Over the Sections in Sumitomo Metal Mining

Career Design Training, Career Design & Life Plan Training

To remain a company where employees can work with pride, motivation, and joy, we believe it is important that employees are able to autonomously envision their careers and continue working with spirit. Toward that end, beginning from employees' second year after joining the Company, we conduct career design training at the ages of 35, 43, 50, and 58. We have also set opportunities for employees to clarify their future career goals and action plans through reviews of their careers while touching on age-specific career issues.

Diverse Human Resources / Development and Participation of Human Resources

JCO Study Center Training

We believe that we bear an obligation and responsibility to pass on lessons of the JCO criticality accident that must never be forgotten by Group employees. For this reason, we established the JCO Study Center in October 2010 as an experience-oriented facility where people can come into direct contact with the facts of the incident. Through materials, audio, video, and other media, visitors can learn about topics including the accident's direct causes and risk management at the time, to ensure that such an accident never occurs again. We are making efforts to have all Group employees undergo JCO Study Center training at least once, by incorporating it into all manner of training. As of the end of March 2023, 92% of our employees and 78% of employees of Group companies have experienced the training.

Human Rights Seminar

As stated in our Corporate Philosophy, we aim to be a forward-minded and vibrant company that recognizes the dignity and value of people based on respect for all individuals. Setting December of every year as Human Rights Month, we undertake human rights training throughout our Group. In the advancement of diversity, people's unconscious assumptions, preconceptions, and stereotypes can create hindrances and lead to harassment. In FY2022, we conducted education on unconscious bias at workplaces, with the aim of recognizing differences in people's attributes, backgrounds, and experiences and creating workplace in which people can inspire each other and grow—in other words, achieving diversity.

Time spent on employee education [P.153-154](#) Amount of investment in education [P.154](#)

Utilization of Human Resources (working style reform and the creation of workplaces where diverse human resources can play active roles)

Working Style Reform

Approach

The purpose of the working style reform that our Group pursues goes beyond shortening working hours to enhance the growth and productivity of every employee, thereby efficiently advancing high-quality work in a limited time frame and creating new value. Restated, the purpose is "rebuilding the ability to work," which we believe will lead to growth of the Group as a whole. We announced the start of working style reform efforts in April 2017, and since then have continuously advanced a variety of initiatives. In addition to strengthening management of appropriate working hours and reducing long working hours, we have created an environment that lets all employees demonstrate their abilities in work. We anticipate that employees will invest the time created through working style reform in themselves, using it as an opportunity for personal growth.

Working Style Reform Initiatives

In our Group, particulars of work often differ by division and workplace, with the result that working style reform activities are generally undertaken on a per-workplace basis. Every year at every workplace, we create and carry out an action plan aimed at assessing and improving current conditions related to working styles.

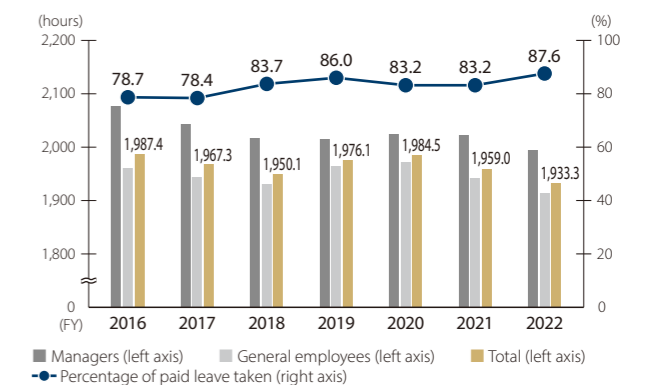
Average annual working hours are steadily decreasing, and we have begun initiatives aimed at reducing the number of persons who work long hours.

Commitment by top management	Communication of messages within the Company	
Assessment of current conditions	Assessment of current conditions, formulation of workplace-specific action plans, etc.	
New employment rules	Improvement of employment management systems, pursuit of flexible and efficient working styles, etc.	
Advancement of new jobs	Review of ideals for meetings and ways of creating meeting materials	Utilization of IT tools (in cooperation with the Information Systems Department), reduction of labor, switch to RPA
	Review of shift to paperless work and rules for using email	Work inventorying, work improvements, ideals for human resource development, etc.
Reform of awareness	Training for supervisors and staff	
Proper human resource assignment	Review of approach to staff organization	
Development of mechanisms for employment	Staggered working hours, flextime system, work-from-home system, half-day annual leave, hourly annual leave, half-day compensatory leave, etc.	

Diverse Working Styles and Labor Productivity

We make efforts to reduce employee average annual working hours to our target of 1,900 hours or lower, and report on progress toward this target every month at executive officers' Meetings. The recognition of diverse working styles (work-from-home and flextime systems) matched to the job leads a more active involvement in work from employees and promotes reduced working hours and enhanced productivity. In the Head Office District, we have introduced a flextime system with no core hours, achieving flexible working styles grounded in the autonomy of employees. To promote the taking of annual paid leave, we also engage in labor-management dialogue at all business sites, and study and carry out related measures based on the situation at each site. Based on the reduction of annual working hours achieved through these initiatives, since April 2021 we have unified the annual scheduled working hours for all working styles to 1,920 hours. In FY2022, annual total working hours were 1,933.3 hours (average for all employees) and the percentage of paid leave taken was 87.6% (annual average for all employees). [P.154](#)

■ Average Annual Working Hours¹ and Percentage of Paid Leave Taken²



1. Average annual working hours = scheduled working hours (excluding leave, paid leave, etc.) + overtime hours
 2. Scope: Employees of Sumitomo Metal Mining Co., Ltd. during the year (excluding limited-term employees who are specially hired employees)

Prevention of Long Working Hours and Overwork

Our Company complies with the laws and regulations of countries and regions regarding long working hours and overwork. As an initiative in Japan to prevent health disorders due to overwork, since 2003, before our working style reform initiatives, we have made superiors aware of employees who have worked overtime for over 45 hours per month and conducted health guidance by occupational physicians for employees who have worked overtime for over 80 hours per month. In working hours management, since 2016 we have linked login and logoff time of PCs to our attendance management system to check the state of working hours. When the discrepancy between working hours and PC login/log-off times exceeds a certain criterion, we check whether a labor situation exists. From the standpoint of compliance with overtime and holiday work in accordance with Article 36 of the Labor Standards Act, we are building a mechanism that delivers email alerts about subordinates' overtime hours to superiors, and are providing support for appropriate management in the workplace.

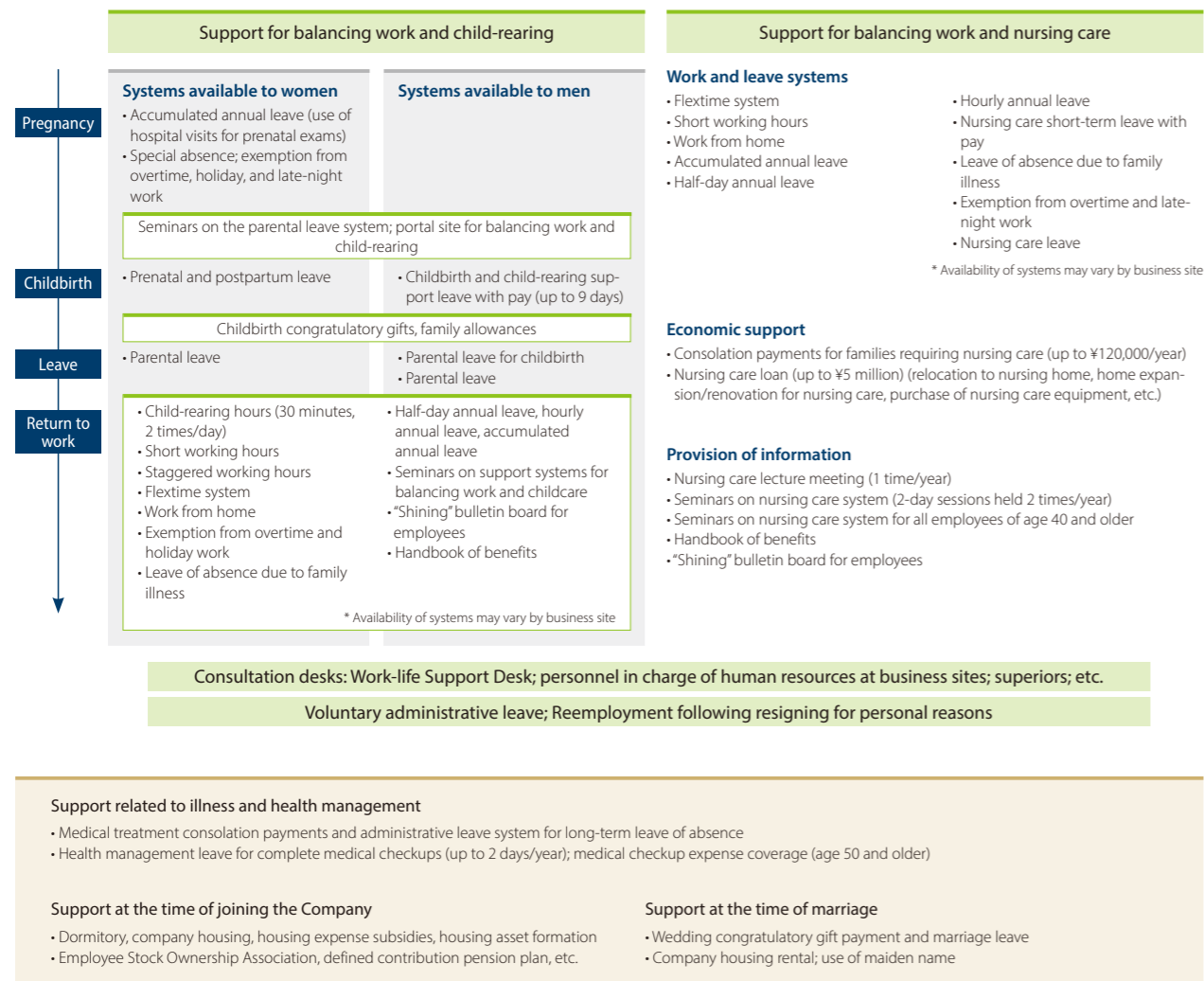
Diverse Human Resources / Development and Participation of Human Resources

Creation of Workplaces Where Diverse Human Resources Can Play Active Roles (initiatives and development of systems) GRI 401-2

Support Matched to Employees' Life Stages

Our Company offers support measures and systems matched to changes in life stages, such as joining the Company, marriage, childbirth, childcare, nursing care, and reaching retirement age. We also provide consultation and opportunities for information provision through training.

Support matched to employees' life stages



Development of Support Systems for Balancing Work and Child-Rearing and Nursing Care GRI 401-3

By enhancing our support measures beyond statutory requirements to let employees balance work and child-rearing and nursing care without worry, we are making efforts to create comfortable working environments. Our handbook on benefits summarizes internal systems, including those for child-rearing and nursing care. We revise the handbook to accommodate changes in systems, and make this information familiar to employees.

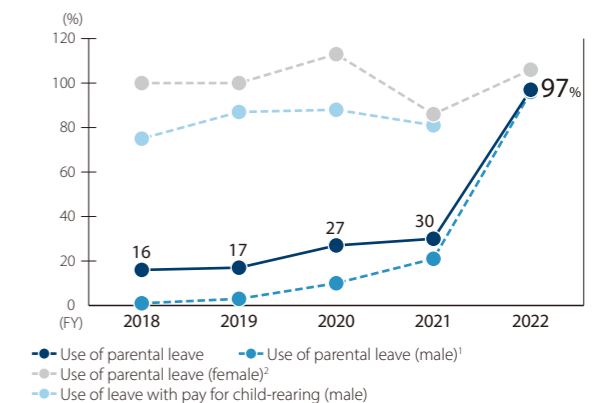
We further hold seminars on support systems for balancing work and child-rearing, aimed at employees and their supervisors before and after return from parental leave; seminars on the parental leave system to aid managers' understanding of systems associated with revision of the Act on Childcare and Caregiver Leave; and individual informational sessions on the parental leave system and interviews to confirm intent to take leave to aid understanding of the leave system by employees preparing for childbirth in the family.

Initiatives	Main content
Seminars on support systems for balancing work and child-rearing (from FY2019)	We conduct these seminars for employees in the Head Office District who have returned to work from parental leave, and for their superiors and other applicants, to build understanding of the aims and details of our in-house parental leave-related systems. From FY2022, we have offered seminars prior to employees' return to work to explain details of preparations for the return and for balancing work and child-rearing
Seminars on the parental leave system (from FY2019)	We conduct these seminars for employees who are expecting the birth of a child, as well as for their superiors and, from FY2022, all managers. The seminars' aim is to extend understanding of systems associated with revisions to the Act on Childcare and Caregiver Leave and to foster a supportive workplace culture. (All managers are scheduled to attend the session by the end of FY2023.)
Individual informational sessions on the parental leave system and interviews to confirm intent to take leave (from FY2022)	For employees who have provided notification of their own or a spouse's pregnancy, childbirth, etc., we hold these sessions in face-to-face or online format, attended by two or more people from the business site's human resources staff or from the Diversity Promotion Section of the Human Resources Department at the Head Office
Interviews before return to work	Before employees return to work, we conduct exchanges of information between the employees and their superiors to ensure trouble-free preparations for returning to work, balancing work and child-rearing, and readying systems in the workplace
Distribution of tablets	Development of an environment enabling access to Company information during parental leave

Of 107 employees (91 men and 16 women) who were eligible to take parental leave in FY2022, 104 (87 men and 17 women) did so. The percentage of eligible employees taking parental leave was 97.2% (95.6% for men and 106.3% for women). P.155

In support for balancing work and nursing care, we regularly conduct questionnaire surveys on nursing care-related awareness, conditions, and needs within the Company, and use the findings to continuously strengthen support for measures. Our questionnaire survey in FY2015 uncovered problems in the workplace climate for employees who provide nursing care, along with considerable anxiety among employees over nursing care in the future. In response, in FY2018 we launched a seminar on balancing work and nursing care, and have continued this seminar from FY2019 (including e-learning format) for all employees of age 40 and older. As understanding and cooperation by superiors and others in the workplace are indispensable in balancing work and nursing care, through the seminars we will establish an atmosphere that facilitates consultation with people in the workplace, and will explain necessary preparations and the Company's support systems for achieving that balance. Based on needs uncovered in the FY2019 questionnaire, we have continuously offered lectures by experts on nursing care and seminars on the Company's nursing care system, in order to reform awareness concerning balancing work and nursing care and to make the Company's nursing care-related systems known to employees. From FY2023, too, we plan to advance new initiatives such as creating opportunities for employees to exchange information and ideas on balancing work and nursing care. In FY2022, 2 employees took nursing care leave and 67 employees took nursing care short-term leave with pay. P.155

Status of Taking Parental Leave



From FY2022, the percentage of parental leave includes the percentage of leave with pay for child-rearing (male)
 The percentage of parental leave (female) in FY2022 includes those who gave birth in FY2021 and took parental leave in FY2022, and thus exceeds 100%
 1. Number of employees who took parental leave in FY2022 ÷ number of employees who submitted a notification of birth to the Company for birth by their spouse in FY2022 x 100
 2. Number of employees who took parental leave in FY2022 ÷ number of employees who gave birth in FY2022 x 100

Work-life Support Desk

In April 2021, we established the Work-life Support Desk to respond to a wide range of requests for consultation from all Group employees and to provide support for resolving issues. These issues span not only harassment and human rights matters but also careers, human relations in the workplace, and balancing work with childcare and nursing care. In FY2022, the desk responded to 18 inquiries.

Diverse Human Resources / Development and Participation of Human Resources

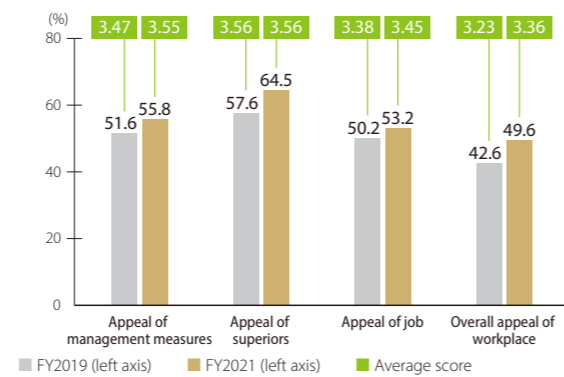
Employee Awareness Surveys and Internal System Development

To achieve the goal of creating workplaces where diverse human resources can play active roles, as set out in Vision for 2030, we are undertaking reviews of our personnel-related systems. We have selected items related to "Management by managers and superiors," "Appeal of job," and "Work environment" as KPIs, and have set the goal of improving these scores. In results for FY2021, scores for all items improved from the previous survey and the percentage of positive responses increased as well. [P.156](#)

We had conducted our employee awareness survey* once every three years, but from FY2023 will conduct the survey every year and use it to monitor performance. We will use the survey scores to continue planning and advancing better personnel-related measures for employees.

* Employee awareness survey [P.128](#)

Percentage of Positive Responses¹ and Scores² for Items related to the Employee Awareness Survey



1. Percentage of positive responses: Calculated from total responses of "Very much so" and "Somewhat so" among all response options ("Very much so," "Somewhat so," "Cannot say," "Not so much," and "Not at all")
 2. Average score: Calculated as the average value of responses, with "Very much so" as 5, "Somewhat so" as 4, "Cannot say" as 3, "Not so much" as 2, and "Not at all" as 1

Status of Development of Main Internal Systems over the Past Three Years (development of environments that facilitate and encourage work)

FY2020	Improvement of wages	Average for union members: ¥1,500
	Nursing care short-term leave with pay	Relaxation of requirements for usage and units for taking leave
FY2021	Extension of retirement age	Extension of retirement age for general employees (age 65)
	Annual scheduled working hours	Consolidation (reduction) to 1,920 hours
	Flextime system	Introduction of "no core time" (Head Office District)
	Internal reporting hotline	Establishment of a new Work-life Support Desk
	Special hourly leave with pay for child-rearing	Relaxation of requirements for usage and units for taking leave
	Health management leave	Elimination of age restrictions (when undergoing complete medical checkups)
	System for remote assignment away from family	Expansion of certification requirements, increase in allowances
	Miscellaneous expenses for transfers	Establishment of vehicle expense subsidy (up to ¥500,000)
	Housing allowance	Expansion of targets for payment, increase in payment amount to employees who are single
	Overseas worker allowance	Increase in hardship allowance
FY2022	Consolation payments	Review of accident consolation payments, establishment of evacuation and damaged vehicle payments
	Personnel evaluation	Review of handling of mid-career hires and employees returning from parental leave
	Telework system	Restructuring of work styles at the Head Office District
	Improvement of wages	Average for union members: about ¥4,800
	Annual paid leave	Increase in number of days granted, elimination of expiration of leave
	Accumulated annual leave	Increase in upper limit for accumulation, addition of usage requirements
	Family allowance	Changes to eligible employees and allowance amounts
Work-from-home allowance	Payment according to number of days worked from home	

Diverse Working Styles for Older Employees

GRI 404-2

Through FY2020, we offered continued employment for employees reaching the age of 60 in the form of re-employment. From FY2021, however, we have changed the retirement age for general employees to 65, so that employees can remain in active roles for a longer time. In FY2023, we revised our managerial track personnel system so that senior employees can continue working past the retirement age of 65, up to age 70. By offering a variety of options, we are achieving diverse working styles. We have also developed career and life plan training targeting employees age 50 or older at age 50 and 58, as well as a support system for change of career (with transfer support subsidies, re-employment support, etc.) to back up employees' post-retirement lives.

Diversity & Inclusion

GRI 3-3/405-1

Approach

Our Corporate Philosophy calls for recognizing the dignity and value of people based on respect for all individuals. The SMM Group Code of Conduct, which summarizes specific standards of conduct for officers and employees in achieving that respect for individuals, stipulates that we "accept diversity and respect the individuality and rights of people." The Sumitomo Metal Mining Group Policy on Human Rights declares that we will not allow discrimination, harassment, or bullying on the basis of race, religion, gender, age, sexual orientation, disabilities, nationality, or other characteristics in employment and work scenarios. Viewing diverse human resources and the development and participation of human resources as material issues, we aim to be "a company where all employees can take a vibrant and active part" as our Vision for 2030.

Perspectives and ways of thinking differ by individual, and values and criteria for judgment change with the environment and the times. For these reasons, it is important that we accept the differences among diverse members, accept one another, and work together while respecting and making use of individuals' characteristics. To do so, we must make continuous efforts as individuals and organizations on a basis of mutual trust, thereby realizing diversity and inclusion, creating new wisdom, and becoming an organization capable of advancing growth strategies.

In order for diverse members to work together with motivation, in addition to the development of working environments and systems, since FY2017 we have worked to create an open and vibrant organizational climate* while fairly providing opportunities. We believe that under an open and vibrant organizational climate, every individual will respect the backgrounds of others regardless of differences and will engage in competitive hard work together with open discussion and generation of ideas.

Open and Vibrant Organizational Climate

* To activate the goodness of the organizational climate that was rooted in our Company, we have again put this into words and communicated it to employees

- Employees are able to convey their thoughts and insights without concern over differences among individuals, such as superior/subordinate relationships, senior/junior employee relationships, or gender
 - Employees welcome new ideas and challenges
 - Employees make what is right, not who is involved, their criteria for judgments
- Assumption: Organizational policies, targets, regulations, and rules are shared.

Initiatives toward Gender Balance (women's active engagement)

GRI 202-1/404-2/405-1/405-2

To realize our Vision for 2030 to create workplaces where diverse human resources can play vibrant and active roles, we have set "number and percentage of female SMM managers" and "number and percentage of female SMM employees" as KPIs. In FY2022, the percentage of female SMM managers was 2.9% (20 employees) and the percentage of female SMM employees was 12.9% (445 employees), both figures having increased from the previous year. We have formulated an action plan based on the Act on the Promotion of Women's Active Engagement in Professional Life* and are working to achieve our goals. Furthermore, through various measures such as proactive recruitment, appointment to a wide range of positions, and training of female leaders, we are making efforts toward furthering the active engagement of women. [P.156](#)

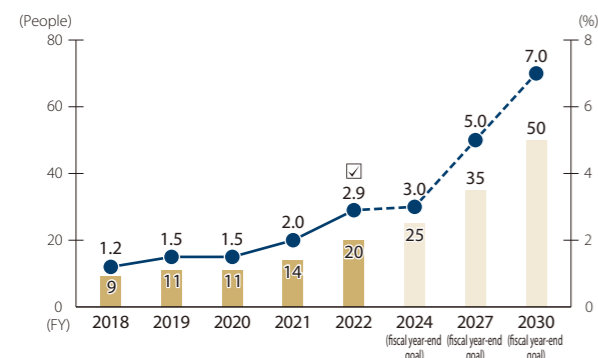
* Enacted in 2016 with the aim of realizing a society in which women can fully demonstrate their individuality and abilities, this law stipulates the responsibilities of the national government, local governments, and general business owners with regard to the promotion of women's active engagement

Our Company's Action Plan Based on the Act on the Promotion of Women's Active Engagement in Professional Life (period of plan: April 1, 2021 to March 31, 2024)

Initiatives	
Number of female managers	20 or more
Percentage of paid leave taken	80% or more
Enact measures to support balance according to life stage	

Diverse Human Resources / Development and Participation of Human Resources

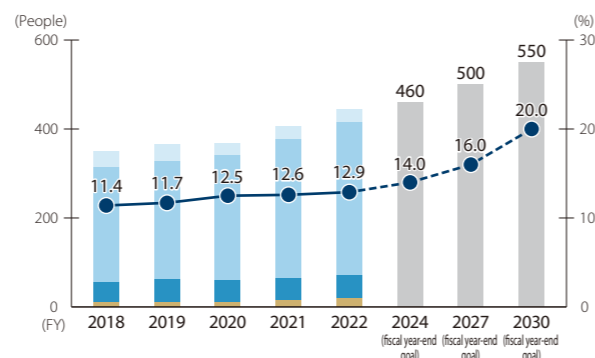
Number and Percentage of Female Managers



■ Number of female managers (left axis)
● Percentage of female managers (right axis)

Scope: Sumitomo Metal Mining Co., Ltd. (including seconded employees)

Number and Percentage of Female Employees



■ Number of female managers (left axis)
■ Number of female general employees in managerial track positions (left axis)
■ Number of female general employees in core track positions (left axis)
■ Number of female limited-term employees (left axis)
■ Number of female employees (left axis)
● Percentage of female employees (right axis)

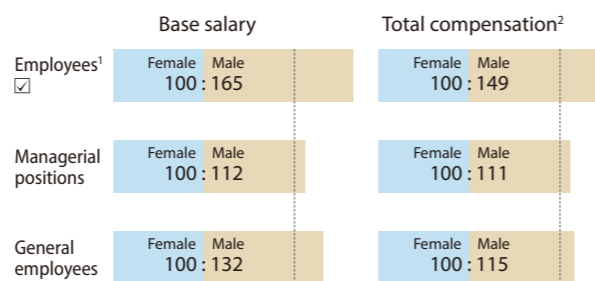
Scope: Sumitomo Metal Mining Co., Ltd. (including seconded employees)

Fair Systems of Evaluation and Treatment

Based on the Sumitomo Metal Mining Group Policy on Human Rights, we comply with laws and regulations concerning compensation, including the minimum wages established by countries and regions. In Japan, we have entered into an agreement with the Federation of Sumitomo Metal Mining Workers Unions on internal minimum wages that exceed region- and industry-specific minimum wages set under the Minimum Wage Act, as we work to improve the treatment of employees. [P.157](#)

We have also introduced an evaluation and compensation system free of distinctions or difference based on gender and age, with compensation determined by individuals' roles and achievements. The ratios of female-to-male compensation for non-limited-term employees in FY2022 were 100:165 for base salary and 100:149 for total compensation. We believe that this difference between male and female stems from the facts that the number of years of service is longer for male employees and the percentage of females in managerial positions is lower. To eliminate the difference, we will improve our retention rate for female employees and raise the percentage of female managers to an appropriate level. [P.156](#)

Ratios of Female-to-Male Base Salary and Total Compensation (FY2022)



1. Scope: Non-limited-term employees of Sumitomo Metal Mining Co., Ltd. (including short-time workers)
2. Total compensation includes base salary, overtime pay, allowances for housing, family, commuting, etc., and excludes payments to employees who resigned

Training for the Development of Female Leaders

As the number of female managerial track employees in our Company is relatively small, in addition to training in line with our Company-wide human resource development program, we identify female employees who are expected to play future roles as leaders and send them to exchange meetings of nine companies in different industries. Our aim is for the employees to encounter different corporate cultures, expand their horizons, and acquire the practical skills required of leaders by tackling issues together with female employees of the same generation from other companies.

Training for Female Core Track Employees

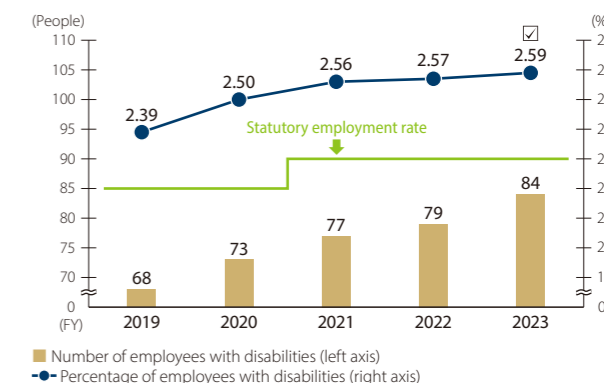
From FY2019, we have selected female core track employees to participate in our Career Coaching School, which is aimed at the creation of an autonomous career mindset and the enhancement of basic business capabilities. From FY2022, we have been expanding the pool of eligible employees and have held the training under two categories: "Career design training for employees in their 30s" and "Business basics enhancement training."

Promotion of Employment for People with Disabilities

In addition to career recruitment, every year since FY2019 we have accepted students from special support schools near our workplaces to take part in workplace experiences. By deepening understanding of our workplaces and work through the experience, we are increasing the number of students who feel confident in joining our Company. To support retention, we arrange meetings with human resource staff one and three months after joining the company and every six months thereafter to eliminate job-related anxieties and problems and to offer lifestyle-related support as needed, strengthening linkage with our employment support. Every year since FY2020, we have offered internships for university students with disabilities and actively recruited these students at workplaces that can make use of their expertise and characteristics.

From the standpoint of undertaking reasonable considerations, we install PATLITE lighting systems on all floors to enhance visual communication for deaf employees, make use of speech recognition software, hold in-house sign language classes and workshops allowing non-disabled employees to experience simulated disabilities, eliminate level differences inside facilities, and make improvements to restrooms. By acting under the idea of normalization to create environments in which people with and without disabilities can work together, we are steadily increasing our percentage of employees with disabilities. As of June 2023, our percentage of employees with disabilities was 2.59%, which exceeds the statutory rate of 2.3%. [P.157](#)

Number and Percentage of Employees with Disabilities* over the Past Five Years



Data is as of June 1 for each fiscal year, covering employees of Sumitomo Metal Mining Co., Ltd.

* The number of employees with disabilities is calculated according to methods prescribed in the relevant laws

Increase in Foreign Employees

Foreign employees in managerial track positions in our Company numbered 14 at the end of FY2022, an increase of 2 from the previous year. By content of work, these employees are divided roughly equally between technical occupations (research and development, engineering, manufacturing divisions, etc.) and clerical occupations (business divisions, corporate divisions, etc.), and are active in a range of workplaces and job categories.

In FY2022, we conducted a questionnaire to assess issues faced by foreign employees, along with interviews with those who wanted them, feedback to superiors, and hearings on issues. By holding round-table discussions with foreign employees in our Company and communicating the content through our Group in-house bulletins, we make all employees aware of the activities of our global human resources and internally raise awareness of the importance of creating workplace environments in which everyone can play active roles. In FY2023, we will study measures to address the issues identified in FY2022 and will undertake initiatives to expand the number of foreign employees in managerial track positions.

LGBT-related Initiatives

Our Sumitomo Metal Mining Group Policy on Human Rights prohibits harassment and discriminatory treatment on the basis of sexual orientation. From FY2018 to 2020, we held workshops aimed at deepening understanding of LGBT issues. In FY2020, we began training for executive officers and managers aimed at promoting understanding of changes in the external environment and of LGBT issues, and have since been gradually expanding the target groups for the training.

Diverse Human Resources / Development and Participation of Human Resources

Maintaining and Improving Employees' Health

GRI 3-3/403-6

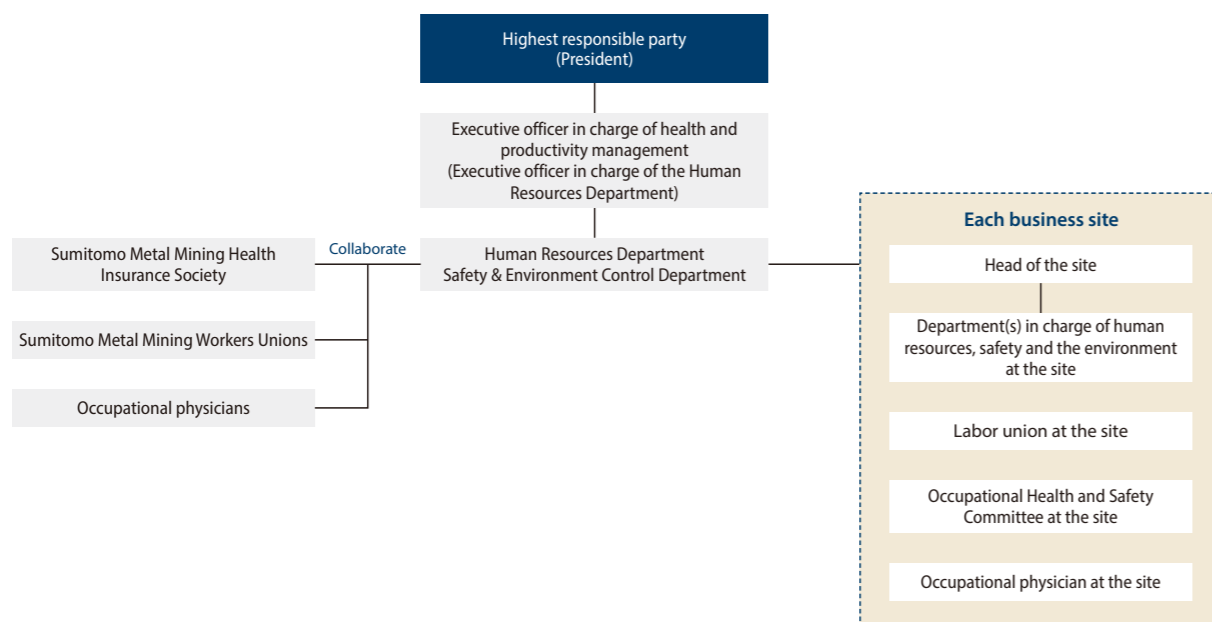
From an early stage, our Group has made securing the safety and health of officers and employees a priority from the standpoint of occupational health and safety. To ensure that all employees in our Group can work with greater health and motivation, we are undertaking and enhancing more effective maintenance and promotion measures for mental and physical health, in accordance with our health and productivity management policy. In March 2023, we received certification as a Health & Productivity Outstanding Organization 2023 (large enterprise category) under the Certified Health & Productivity Management Outstanding Organizations Recognition Program of the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi (Japan Health Council).

Sumitomo Metal Mining Group Health and Productivity Management Policy

The Sumitomo Metal Mining Group recognizes that the ability of officers and employees to exert their capabilities to the fullest in good physical and mental health is an important foundation of our management. Accordingly, we promote efforts for the maintenance and improvement of health for every individual.

Sumitomo Metal Mining Group Health and Productivity Promotion Structure

GRI 403-6



Health and Productivity Management Plan

GRI 403-6

Employee Health Promotion Roadmap

Initiative stage	KPIs for health issues	FY2021 results	2021 3-Year Business Plan			FY2027 targets (Final year of 2024 3-Year Business Plan)	FY2030 targets (Final year of 2027 3-Year Business Plan)	
			FY2022 results	FY2023 targets	FY2024 targets			
First Stage Improvement phase for employees facing high health risks (Target: High-risk employees)	I. Risk of onset of lifestyle-related diseases Reduction of percentage of men at medium or greater risk (requiring checkup, physician consultation)	Percentage at medium or greater risk	29.0%	29.6%	26.0%	25.0%	20.0%	18.0%
	II. Risk from smoking Halving of smoking rate for employees of age 40 and older	Smoking rate	25.0%	23.9%	21.0%	20.0%	16.0%	12.5%
Second Stage Health risk reduction and health promotion phase (Target: All employees)	III. Re-commitment to mental health measures (1) Reduction of number of workers taking long-term absence of 1 month or longer (2) Reduction of total number of days of absence for workers taking long-term absence	Number of employees Number of days	12 1,688	—	(1) Reduction of number of workers taking long-term absence of 1 month or longer (2) Reduction of total number of days of absence for workers taking long-term absence (3) Expansion of training and management of training attendance records, situational assessment, and confirmation of individual actions			
	IV. Risk of obesity Reduction of obesity rate (BMI over 25) for employees of age 40 and older	Obesity rate (male) Obesity rate (female)	39.0% 23.0%	38.0% 23.4%	38.0% 22.5%	37.0% 22.0%	28.0% 19.0%	26.0% 18.0%
Promotion of health and productivity management			(1) Construction of health and productivity management policy, regulations, and promotion framework; in-house education and awareness-raising (2) Acquisition of Health & Productivity Outstanding Organization certification (3) Company-wide introduction of health management support system			(1) Continuation of Health & Productivity Outstanding Organization certification (2) Deployment of support system	(1) Acquisition of "White 500" Health & Productivity Outstanding Organization certification (2) Acquisition of Health & Productivity Stock Selection	Continuation of Health & Productivity Stock Selection
Percentage of employees receiving regular health checkups			100%	Continuation of 100% checkup percentage				

Addressing Mental Health Care

GRI 403-6

In 2007, we issued our "In-House Guidelines on the Prevention of Health Disorders Due to Overwork and on Mental Health Care." We take action to prevent overwork from an early stage onward, and promote four types of mental health care: self-care, care by line management, care by staff, and care by external organizations. To support early return to the workplace, we are also developing systems for leave from work and trial return to work. [P.158](#)

Percentage of Employees Taking Leave due to Mental Health Disorders

FY	2018	2019	2020	2021	2022
Percentage of employees taking leave*	0.51%	0.45%	0.40%	0.37%	0.43%

* Percentage of employees taking leave: Total number of days of leave taken ÷ number of scheduled working days x number of employees at end of fiscal year x 100
Scope: Employees of Sumitomo Metal Mining Co., Ltd.

Utilization of Stress Checks

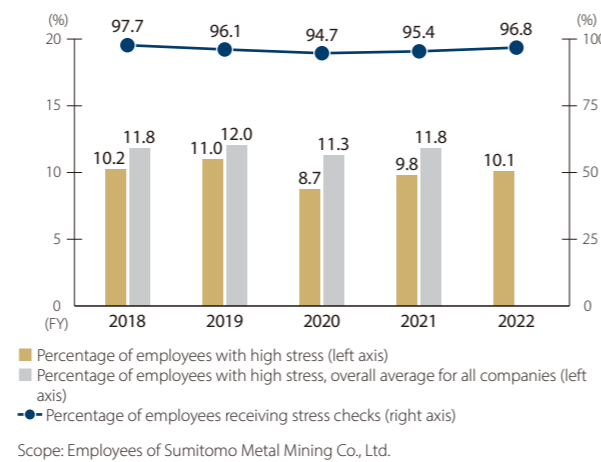
To make effective use of statutory stress check systems, we conduct stress checks for all employees every year in accordance with our "Regulations for Promotion of the Stress Check System." We also carry out workplace analyses and workplace environment improvements for which efforts are mandated, and report the results to management.

We developed a stress check system beginning in 2008, before systems were made mandatory in 2015. As the importance of the checks are well known, the rate of employees undergoing checks has remained very high.

Diverse Human Resources / Development and Participation of Human Resources

Based on results of the checks, we study and implement initiatives to improve the motivation of employees (i.e., increase the health and well-being of employees). Stress checks are a tool for evaluating employees' psychological load and stress factors. The data is kept anonymous and confidential by outsourced companies. To an extent that does not specify individuals, we assess and analyze trends and issues in departments, workplaces, and employee attributes, and feed the results back to organizations so that effective initiatives can be carried out at each business site. Employees identified in the checks as having high stress receive follow-up email communication from physicians regarding early response, checkups by specialists, and early recovery (shortening of the leave period). Upon request from individuals concerned, the Company also provides individual engagement and support.

Percentage of Employees Receiving Stress Checks and Percentage of Employees with High Stress



Initiatives for mental health care

- Occupational Health and Safety Committees (formulation, implementation, evaluation, and deliberation concerning plans)
- Labor-management committees (surveys and study)

Mental health promotion plans

	Self-care	Care by line management	Care by in-house staff (occupational physicians)	Care by external organizations (EAP)
Prevention, indications	<ul style="list-style-type: none"> Statutory stress checks Self-care training EAP consultation desk In-house consultation desk Work-life Support Desk Approach toward employees with high stress indicated by stress checks 	<ul style="list-style-type: none"> Training for care by line management Assessment and improvement of workplace environment Awareness of and response to unwell employees 	<ul style="list-style-type: none"> Health awareness-raising activities Health consultations with occupational physicians Consultation and guidance by occupational physicians for employees working long hours 	<ul style="list-style-type: none"> Follow-up based on results of stress checkups Counseling (online, face-to-face, or telephone counseling for employees and their families) Consultation and counseling by EAP staff (physicians, clinical psychologists, etc.)
Onset, recurrence, return to work	<ul style="list-style-type: none"> Leave system 	<ul style="list-style-type: none"> Assessment and improvement of workplace environment Support for return to work Trial return to work system 	<ul style="list-style-type: none"> Regular consultations with occupational physicians Support for return to work Consultation with occupational physicians when returning to work 	

Care by staff, line management, and cross-sectional organizations

- Promotion of participation in training and education
- Reduction of long working hours and notification of consultations with occupational physicians
- Management of leave period
- Training for personnel in charge of human resource
- Support for return to work
- Training and assignment of occupational counselors

Personal information is handled with due care in all of the initiatives

Illness Prevention and Health Promotion Initiatives

GRI 403-6

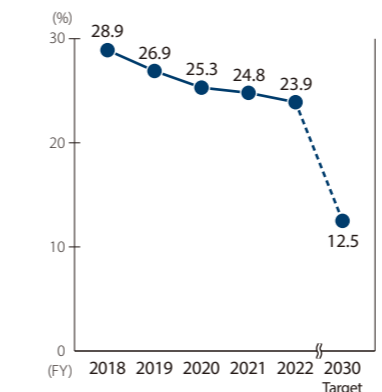
In cooperation with the Sumitomo Metal Mining Health Insurance Society, we are making initiatives for illness prevention and health promotion for our employees and their family members (dependents). To prevent lifestyle-related diseases, we promote the implementation of specific health checkups and specified health guidance, and encourage those at particularly high risk of serious illnesses to undergo checkups. We also subsidize all or part of the costs of various medical examinations, comprehensive health checkup system (Ningen Dock), and complete brain checkups. When undergoing complete medical checkups, employees can take health management leave (up to two days per year).

Furthermore, to promote smoking cessation, we have reduced the number of smoking areas and offer an online smoking cessation program for those who wish to quit. About 70% of participants in the smoking cessation program have successfully quit smoking. P.158

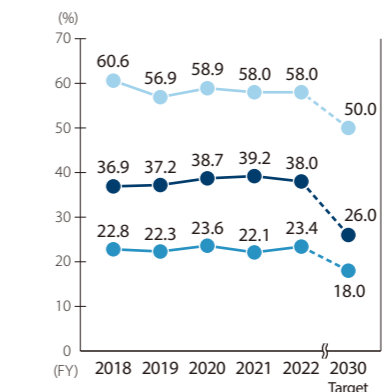
Main Projects for Illness Prevention and Health Promotion

- Specified health checkups and specific health guidance for the prevention and remediation of metabolic syndrome
- Comprehensive health checkup system (Ningen Dock), colon cancer screening, abdominal ultrasound screening, gastric X-ray screening, dental checkup
- "Body Report Card" to encourage checkups for employees at high risk of worsening of lifestyle-related diseases
- Online smoking cessation program
- Intermediary sales of household medicines

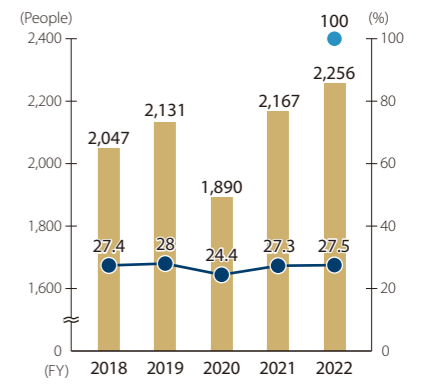
Smoking Rate and Target



Percentage of Employees with Abnormal Findings¹, Obesity Rate², and Targets



Percentage and Number of Employees Receiving Health Checkups



New Initiatives in FY2022

- Complete brain checkups**
For insured persons who are of age 40 or older and covered under the health insurance society, we have begun checkups for early detection of brain-related disorders. About 140 employees underwent checkups in FY2022.
- The personal health portal site "My Health Web"**
Employees can view incentive points, health information, health checkup results, medical expenses statements, health advice, and other information on this site to enhance their health awareness and better manage their health. In FY2022, we held a walking event in which about 500 participants competed on number of steps walked, based on measurements by smartphone.
- HPV virus checks**
In FY2022 screenings for human papillomavirus (HPV), a potential cause of cervical cancer, about 120 insured persons (women) (80% of available screening openings) covered by the health insurance society made use of the screenings.

Diverse Human Resources / Development and Participation of Human Resources

New Initiatives Planned for FY2023

- **Health seminars**
We plan to hold health seminars four times a year on themes including diet, women's health, and combating cancer.
- **Genome analysis**
Investigating one's own genetic information to learn about innate risks such as disease susceptibilities aids in the prevention of disorders.

Long-Term Incentives and Rewards System for Employees

GRI 401-2

Details

Retirement Allowance

Under the Company's retirement benefits system, our defined benefit pension plan, defined contribution pension plan, and retirement lump sum plan are wholly or partially applied at all Group companies. Through these, we are responding to the diversification of lifestyles later in life and changes in forms of employment, while providing peace of mind and stability in post-retirement life. In line with the revision of our managerial track personnel system in FY2023, we have introduced a point-based retirement allowance plan for managerial track employees, based on duties and years of service. We also abolished the resignation payment rate that applied to resignation for personal reasons, in order to appropriately return employees' degree of contribution to the Company to those employees. The result is a system that addresses the mobility of human resources while assuring the ability for employees to play active roles in the Company for a long time.

Commendations for Long Service

Through certificates of merit and supplementary awards, we commend employees who have worked diligently for many years and who are recognized as models for others to follow.

Years of service	Supplementary award
10 years	2-day leave and ¥50,000 in travel vouchers
20 years	3-day leave and ¥100,000 in travel vouchers
30 years	5-day leave and ¥400,000 in travel vouchers
40 years	3-day leave and ¥50,000 in travel vouchers or 5-day leave

President's (General Manager of Division's) Commendation for Achievement and President's Letter of Appreciation

To commend efforts and achievements in line with the scale and results of outstanding contributions to the Company through everyday work, once per year the Company presents certificates of merit and supplementary awards or letters of appreciation from the president or from general managers of divisions to individuals, groups, or workplaces.

Commendations in FY2022

- **President's Commendation**
Finance & Accounting Department: 30 people; Mineral Resources Division: 32 people; Non-Ferrous Metals Division: 31 people; Battery Materials Division: 606 people
- **President's Letter of Appreciation**
Shisaka Smelting Co., Ltd.: 67 people; Ohkuchi Materials Co., Ltd. and Niihama Materials Co., Ltd.: 149 people

Commendation for Achievements in Security, Occupational Health and Safety, and Environmental Preservation

Once per year, the Company presents certificates of merit to individuals or workplaces that have demonstrated significant achievements in security, occupational health and safety, and environmental preservation and that are recognized as models for others.

Commendations in FY2022

- **Excellent Employees:** Harima Refinery (27 people), Sumiko Techno-Research Co., Ltd. (14 people)
- **Long-term Zero Accidents:** Ichikawa Research Center, Materials Laboratories, Ome District Division

Employee Stock Ownership Association

The Employee Stock Ownership Association was launched in 1982 to assist employees with long-term asset formation. With the Company and Group company employees (including non-regular employees) as members, the association contributes funds from salaries and bonuses for the purpose of purchasing shares of the Company. The incentive from the Company is 12% of the contribution, with dividends reinvested as members' stock purchase funds. As of March 1, 2023, the membership rate is 36.0%.

Invention Rewards

The Company has established "Regulations for the Management of Patents, etc." conforming to the Patent Act, and pays bonuses at the time of patent application and for results for inventions made by employees in their work. No upper limit is set on the results-based amount of bonus paid for inventions that contribute to business, which enhances employees' motivation to create valuable inventions. [▶ P.139-140](#)

Labor-Management Relations (freedom of association and collective bargaining)

GRI 2-30/402-1/407-1/G4-MM4

Basic Approach

In the Sumitomo Metal Mining Group Policy on Human Rights and the SMM Group Code of Conduct, we stipulate respect for the basic rights of employees as indicated in the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

Dialogue between Labor and Management (Japan)

The Company and Group companies in Japan have built solid labor-management relations over the years and engage in trouble-free discussions. The collective agreements concluded between the Company and the Federation of Sumitomo Metal Mining Workers Unions guarantee that labor unions have basic labor rights, including freedom of association and workers' right to collective bargaining. At unionized sites of our branch offices and domestic Group companies, most unions are active under the Federation of Sumitomo Metal Mining Workers Unions. In Japan, based on union shop agreements, all general employees except managers are eligible to join. As of March 31, 2023, labor union membership was 60.2% in Japan and 58.8% for the entire Group in Japan and overseas. [▶ P.158](#)

In order for the Company and labor unions to respect each other's positions and build positive labor-management relations based on trust, the Company holds labor-management council meetings, labor-management discussions, and other meetings with labor unions and employee representative organizations at all business sites at least once a month, and set regular opportunities to explain management conditions and take in opinions and requests from employees. In response to requests regarding improvements to occupational health and safety and working environments, we enact necessary improvement measures after confirming situations. We also hold a Central Labor-Management meeting at least once a year as meetings between the Company's management team and the executives of labor unions under the Federation of Sumitomo Metal Mining Workers Unions.

From February to March every year, the Company and the Federation of Sumitomo Metal Mining Workers Unions negotiate working conditions including wages and lump-sum payments for the following fiscal year. In March 2022, labor and management jointly confirmed that "all employees will work as one toward achievement of the shared annual targets of labor and management, and, with labor unions also powerfully backing established goals and measures to achieve them, will foster a new culture of sharing in the joy of that achievement under the 2021 3-Year Business Plan." Setting the three years from FY2022 as the target period and setting all Group business sites in Japan (directly controlled business sites, domestic subsidiaries, and domestic Group companies with labor unions under the Federation of Sumitomo Metal Mining Workers Unions) + domestic contractors as the scope of initiatives, we are undertaking initiatives to reduce repetitive accidents. As a result, we successfully met some of our targets in FY2022.

Diverse Human Resources / Development and Participation of Human Resources

We have also established individual Labor-Management Advisory Committees for specific themes such as human resource systems, wages, shorter working hours, benefits, and occupational diseases. In Labor-Management Advisory Committees, labor and management together investigate, examine, and solve issues under themes on which both sides have reached consensus. The results of the committees' examinations are reported to representatives of labor and management.

Content of Discussions with the Federation of Sumitomo Metal Mining Workers Unions (initiatives in FY2021-2022)

- Revision of the managerial track personnel system, review of wage levels, review of the family allowance system, payment of cost-of-living allowances
- System for remote assignment away from family (relaxation of requirements, increase in allowance), housing-related systems (relaxation of requirements, increase in allowance, decision on new dormitory maintenance fees)
- Measures to reduce relocation burdens (vehicle expense subsidies)

Dialogue between Labor and Management (overseas)

Among our overseas consolidated subsidiary companies are three that have labor unions. As of March 31, 2023, the labor union membership at these subsidiaries was 54.3%. Overseas, we assess the state of unionization through questionnaires, and track on-the-ground labor-management conditions and engage in exchanges of ideas through seconded employees assigned by the Company to overseas posts. On issues of importance to labor and management, we conduct discussions by both sides and reflect the opinions of both in reviews of measures and the formulation of new systems, in accordance with the laws and regulations of relevant countries and regions. As a result of such efforts, in FY2022 there were no reports of cases of child labor or forced labor, serious infringements on freedom of association, or plant closures due to causes such as strikes in our Group, either domestically or overseas.

Notification of Reassignment, Secondment, and Transfer in Work

The collective agreement we have concluded with the Federation of Sumitomo Metal Mining Workers Unions stipulates that when employees are reassigned, seconded, or transferred in large numbers for reasons of business, the Company will discuss basic matters with the labor union. The agreement also stipulates that when employees are reassigned, seconded, or transferred, the Company will promptly notify the individuals concerned and the labor union regarding the destination.

Labor-Management Agreements to Improve the Level of Occupational Health and Safety

GRI 403-4

Collective agreements concluded between the Company and the Federation of Sumitomo Metal Mining Workers Unions stipulate the assurance of occupational health and safety, the establishment of Occupational Health and Safety Committees, education, training, health checkups, and other matters. Through cooperation between management and labor, we are working to improve the level of occupational health and safety. Occupational Health and Safety Committees* formulate annual plans for occupational health and safety activities, check progress under the plans, examine measures to prevent occupational accidents and their recurrence, and share information on the use of health checkups, with the goal of creating an environment for working with safety and good health.

* Occupational Health and Safety Committees [P.82](#)

Co-Existence and Mutual Prosperity with Local Communities

Vision for 2030

A company that contributes to regional development and earns trust as a member of the local community

Approach and Policy

GRI 3-3

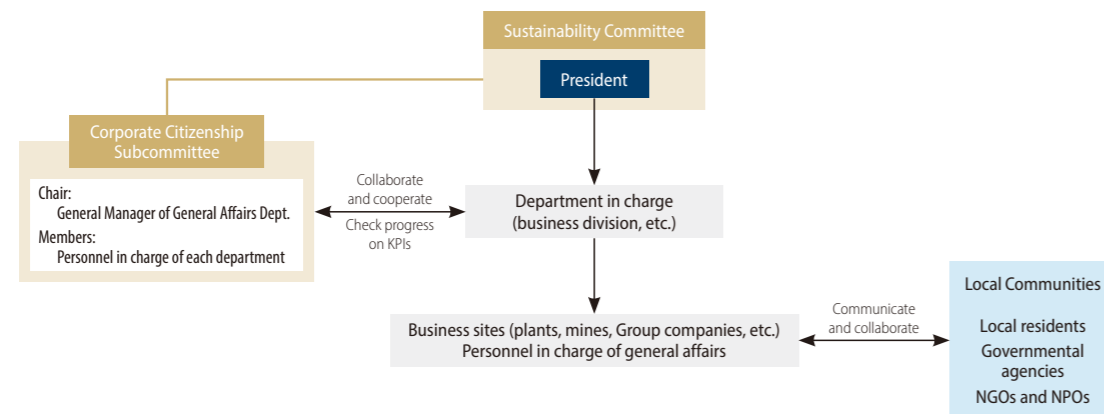
Development activities, particularly the development of mining or smelting and refining projects, can have a considerable impact on the lives of local residents, including forcing relocations. We think it is important that we engage with communities in the areas in which we do business through dialogue to find out what issues they are facing and to see how we can contribute to solving these issues. Based on this, we will vitalize regional economies, including by hiring and procuring locally in accordance with needs, and continue to support areas that have been affected by major natural disasters such as earthquakes and typhoons.

Promotion Structure

GRI 3-3

We maintain dialogue with local communities and collaborate with them in order to understand the issues and expectations in each region, and then use this understanding to implement social contribution activities in the areas in which we do business. These initiatives are carried out in coordination with the General Affairs Department, which is the secretariat of the Corporate Citizenship Subcommittee. The personnel responsible for general affairs at each business site gather for regular exchanges of opinions, held four times a year, during which they share information on the social contribution activities being conducted in each region. We also verify the effects of our business and social contribution activities through dialogue with governmental agencies and local communities. Any complaints or grievances are acknowledged and responded to by business sites and we strive to share and understand the details so that improvements can be made.

Promotion Structure



Medium-Term Targets and Progress

GRI 3-3

To achieve our Vision for 2030, we are managing progress for each KPI and have made achievement criteria and action plans for up to 2030.

FY2022 Results	FY2023 Plan	Final Year of 2021 3-Year Business Plan (FY2024)	Final Year of 2027 3-Year Business Plan (FY2030)
KPI Participate in local communities through dialogue and collaboration • Accurately identify local issues through dialogues with local communities, and execute measures			
Ome model project • Collaborated with the Tama University Research Institute on the Localized Contribution Survey using the Ome District Division as a model business site • Held mixed workshops for employees and external stakeholders to raise awareness regarding social contribution among employees • The Ome District Social Contribution Promotion Committee was established by seven employees, most of whom participated in the above workshops • Held regular meetings for sharing ways to collaborate with external stakeholders to solve community issues (starting with the Ome City and Hamura City Councils of Social Welfare)	Ome District follow-up • Hold workshops through the Ome District Social Contribution Promotion Committee and develop new social contribution activities based on ideas generated • Break down a vision of the Ome District in 2030 • Hold a sponsored bocchia tournament at the Sumitomo Metal Mining Arena Ome in collaboration with government agencies and the NEC Pro Bono Initiative as an opportunity to contribute to exchange in the community • Continue to hold collaborative meetings with local stakeholders Company-wide • Prepare for the implementation of the survey assessing the degree of social contribution to the regions in which we do business (regional dialogue model) at other sites	Achievement Criteria • Establish mechanisms for identifying issues and expectations through dialogues with local communities • Identify baseline values for local community contribution levels at all sites in Japan (17 regions), specify expected contributions and contribution levels by the end of FY2030, and incorporate them in each measure	• Ascertain the achievement status of community contribution levels at all sites in Japan compared to the baseline values and clarify issues to be addressed in the future Items or targets to be implemented during the 2024 3-Year Business Plan • Manage progress of all sites in Japan with regard to issues and expectations through dialogues with local communities and incorporate into measures, including any subsequent changes
		Action Plan • Run trial operation of mechanisms for identifying issues and expectations through dialogues with local communities at model business sites (FY2022) • Operate mechanisms as necessary at all sites in Japan to identify baseline values for community contribution levels, specify expected contributions and contribution levels by the end of FY2030, and incorporate them in each measure	• Operate mechanisms as necessary at all sites in Japan, ascertain contribution levels compared to baseline values, identify expected contributions and any changes in level by the end of FY2030, and revise and adapt each measure as necessary
KPI 1. Support the local community via employee participation • Implement employee participation programs (from 2023)			
Business sites • Implemented the existing plan roughly on schedule despite the impact of the COVID-19 pandemic, including activities such as cleaning coastlines and areas around plants, supporting events, planting trees, collecting used books, used stamps, and PET bottle caps, and conducting blood donations Company-wide • Conducted a survey based on the Company Employee Social Participation Questionnaire survey to increase the number of programs that can be provided in the Head Office region and other sites (support for people tackling dementia, sponsorship for holding bocchia tournaments, etc.) • Planned collaboration to be implemented together with the Minato City Council of Social Welfare, organizations that participate in social contribution forums, the Japan Philanthropic Association, and the NEC Pro Bono Initiative	Business sites • Continue implementing FY2022 initiatives • Identify examples of initiatives at each business site that could be implemented anywhere and implement these at new locations as appropriate Company-wide • Establish the Employee Volunteer Pro Bono Support System (tentative name) • Have employees participate in regional promotion initiatives that support volunteer activities and incorporate their opinions • Carry out promotional activities that encourage employees to sign up to the Volunteer Pro Bono Support System • Showcase at least one new program each month • Build frameworks for the nationwide development and continuous improvement of programs (implementation organizations that include external experts)	Achievement Criteria • Support social contribution activities of employees and develop employee participation programs at all sites to improve employee satisfaction and motivation to contribute to society	• Ascertain effects of employee participation programs (number of participants and employee satisfaction) and manage progress • Improve employee participation programs
		Action Plan • Trial a program at Head Office that incorporates the findings of the FY2021 Company Employee Social Participation Questionnaire survey conducted in the Head Office (FY2022) • Conduct a questionnaire survey at the main sites and offer the program trialed at Head Office all sites with modifications • Ascertain baseline values for the numbers of employees participating and satisfaction and improve programs	• Conduct the Company Employee Social Participation Questionnaire survey at the main sites at the end of FY2024 and the end of FY2027, ascertain satisfaction and needs, and improve programs

Co-Existence and Mutual Prosperity with Local Communities

FY2022 Results	FY2023 Plan	Final Year of 2021 3-Year Business Plan (FY2024)	Final Year of 2027 3-Year Business Plan (FY2030)
KPI 2. Hire and procure locally • Continually implement and assess of performance			
<ul style="list-style-type: none"> Percentage of procurement from local suppliers and percentage of employees hired locally Percentage of senior managers hired from the local community P.159-160	Continue implementing FY2022 initiatives	Achievement Criteria <ul style="list-style-type: none"> Assess hiring and procurement status at the main sites and disclose the information on the company website Action Plan <ul style="list-style-type: none"> Assess hiring and procurement status at the main sites and collect data 	Achievement Criteria <ul style="list-style-type: none"> Assess hiring and procurement status at the main sites and disclose the information on the company website Action Plan <ul style="list-style-type: none"> Assess hiring and procurement status at the main sites and collect data
KPI 3. Support for nurturing of the next generation 1) Implement programs to nurture the next generation in collaboration with government, local bodies, NPOs, etc. (one or more times/year)			
<ul style="list-style-type: none"> Leased ground to junior baseball team (Harima) Sponsored junior baseball tournament (GRANOPT Co., Ltd.) Accepted interns from technical colleges and high schools (Besshi, Hyuga Smelting Co., Ltd., Shinko Co., Ltd.) Participated in an adult education lecture program (Sumiko Energy Materials Co., Ltd.) Provided visiting classes for elementary schools (Besshi, Hyuga Smelting Co., Ltd.) Subsidized educational fees (CBNC) Provided financial support toward school construction costs (THPAL) Gifted tickets to the Pompeii Exhibition to organizations affiliated to Carillon Children's Center (Head Office) Donated to FC Imabari's Satoyama Stadium Project and bought the rights to an engraved plate (Besshi, Head Office) 	Business sites <ul style="list-style-type: none"> Continue implementing FY2022 initiatives In the second round of workshops implemented by the Corporate Citizenship Subcommittee, consider a breakdown of the ideal vision for each business site based on four KPI (nurturing of the next generation, support for people with disabilities, support for the elderly, and support during and after disasters) Company-wide <ul style="list-style-type: none"> Support organizations that participate in social contribution forums Support organizations collaborating with employee participation programs Develop and implement programs that support time for all-around exploration in response to new governmental educational guidelines 	Achievement Criteria <ul style="list-style-type: none"> Provide support for nurturing of the next generation in line with the expected content and level of contribution as assessed through mechanisms for regular dialogue with local communities Solicit assessments of the above activities from local communities Action Plan <ul style="list-style-type: none"> Provide support for nurturing of the next generation in line with the expected content and level of contribution as assessed through mechanisms for regular dialogue with local communities Solicit assessments of the above activities from local communities 	Achievement Criteria <ul style="list-style-type: none"> Provide support for nurturing of the next generation in line with the expected content and level of contribution as assessed through mechanisms for regular dialogue with local communities Solicit assessments of the above activities from local communities Action Plan <ul style="list-style-type: none"> Provide support for nurturing of the next generation in line with the expected content and level of contribution as assessed through mechanisms for regular dialogue with local communities Solicit assessments of the above activities from local communities
KPI 3. Support for nurturing of the next generation 2) Establish and award scholarships in Japan and maintain existing overseas scholarships (from 2023)			
<ul style="list-style-type: none"> Envisaged the target scholarship recipients (people from the local community or people who contribute to the local community) and considered suitable designs (Head Office) Continued the SMM Arizona (Morenci) and SMM Oceania (Northparkes) programs Supported a measure for student loan repayment exemptions for students scheduled to be employed in Isa City, which was added to the agenda for discussion by the city assembly (Hishikari) 	Scholarships for regional contributions in Japan <ul style="list-style-type: none"> Applications for JEEES-SMM Local Contribution Scholarships to be accepted from May 2023 In the first year, scholarships will be awarded to 20 students who intend to contribute to four regions in which we have directly-controlled business sites Develop programs for raising the effectiveness of the system's goals, support activities that teach students about regional contribution, and implement follow-up monitoring Overseas, Hishikari <ul style="list-style-type: none"> Continue implementing FY2022 initiatives 	Achievement Criteria <ul style="list-style-type: none"> Start provision from FY2023 Action Plan <ul style="list-style-type: none"> Prepare application guidelines and select qualifying universities for applications (June 2022) Finalize funding scheme (September 2022) First application for scholarship students (with funding in March 2023) 	Achievement Criteria <ul style="list-style-type: none"> Continue to work graduates in positions that contribute to the local community and raise and consolidate awareness of the purpose and results of the scholarship program at each of the qualifying universities Items or targets to be implemented during the 2024 3-Year Business Plan Work some of the first students to receive scholarships in positions that contribute to their local communities after graduation in March 2027 Action Plan <ul style="list-style-type: none"> Establish opportunities to communicate the purpose of the scholarships, the philosophy of SMM, and the career paths of graduates to university faculty members and scholarship recipients (Plan to provide from the 2024 3-Year Business Plan for scholarship recipients)

FY2022 Results	FY2023 Plan	Final Year of 2021 3-Year Business Plan (FY2024)	Final Year of 2027 3-Year Business Plan (FY2030)
KPI 4. Support for people with disabilities and the elderly • Implement programs to support people with disabilities and the elderly in collaboration with government, local bodies, NPOs, etc. (one or more times/year)			
<ul style="list-style-type: none"> Accepted practical training students from special needs schools (Hishikari, Harima, Shinko Co., Ltd.) Purchased from businesses that employ people with disabilities (Ome, Hishikari, Ichikawa Research Center, GRANOPT Co., Ltd., Sumiko Energy Materials Co., Ltd., Head Office) Contracted work to a silver human resources center, an organization that provides work to elderly workers (Hishikari) Held a social contribution forum (on understanding dementia and preventing the need for people to leave work to provide nursing care) and implemented a matching gift program Implemented an online market and matching gift program with NPO Shinsei (Head Office) Prepared to host and sponsor a bocchia tournament (Ome) Implemented an end-of-year mutual support activity aimed at supporting the elderly (Ohkuchi Electronics Co., Ltd.) 	Business sites <ul style="list-style-type: none"> Continue implementing FY2022 initiatives In the second round of workshops implemented by the Corporate Citizenship Subcommittee, consider a breakdown of the ideal vision for each business site based on four KPI Company-wide <ul style="list-style-type: none"> Support organizations that participate in social contribution forums Support organizations collaborating with employee participation programs 	Achievement Criteria <ul style="list-style-type: none"> Provide support for people with disabilities and the elderly that matches the expected content and contribution levels as assessed through mechanisms for regular dialogue with local communities Receive recognition from local communities for these activities Action Plan <ul style="list-style-type: none"> Provide support for people with disabilities and the elderly that matches the expected content and level of contribution as assessed through mechanisms for regular dialogue with local communities Share information on methods of support and know-how via the person in charge of general affairs at sites at the regular Corporate Citizenship Subcommittee meetings Publish achievements of activities internally and externally 	Achievement Criteria <ul style="list-style-type: none"> Provide support for people with disabilities and the elderly that matches the expected content and contribution levels as assessed through mechanisms for regular dialogue with local communities Receive recognition from local communities for these activities Action Plan <ul style="list-style-type: none"> Provide support for people with disabilities and the elderly that matches the expected content and level of contribution as assessed through mechanisms for regular dialogue with local communities Share information on methods of support and know-how via the person in charge of general affairs at sites at the regular Corporate Citizenship Subcommittee meetings Publish achievements of activities internally and externally
KPI 5. Support during and after disasters • Support regions affected by large-scale disasters			
<ul style="list-style-type: none"> Held drills in cooperation with regional authorities in preparation for a heavy rainfall disaster (Hishikari) Built a stock of emergency meals and other emergency supplies that can be handed out to the local community (Ichikawa Research Center) Cooperated with volunteer fire company activities, registered as a corporate member, and dispatched employees when needed (Sumiko Energy Materials Co., Ltd.) Sold special goods produced in Naraha Town inhouse (Head Office) Donated to the Japanese Red Cross Society (Hyuga Smelting Co., Ltd.) Continued to donate to scholarship funds for children who were orphaned by the Great East Japan Earthquake (Head Office) Held Tohoku Reconstruction Fair: Consuming Foods from Disaster-Hit Areas (Head Office) Supported areas affected by the earthquake in Turkey and Syria (Head Office) Sponsored NPOs supporting evacuees from Ukraine (Head Office) 	Business sites <ul style="list-style-type: none"> Continue implementing FY2022 initiatives In the second round of workshops implemented by the Corporate Citizenship Subcommittee, consider a breakdown of the vision for each business site based on four KPI Company-wide <ul style="list-style-type: none"> Respond appropriately when disasters occur in Japan or overseas Support the training of employees as volunteer responders Head Office <ul style="list-style-type: none"> Prepare to take in people who are unable to return home during a disaster in the area around Shinbashi Station 	Achievement Criteria <ul style="list-style-type: none"> Provide timely local support in the event of a large-scale disaster (earthquake, typhoon, etc.) Continue support for people affected by disasters as necessary Action Plan <ul style="list-style-type: none"> Provide timely support, including donations, in large-scale disasters Engage in community disaster prevention activities during normal times (participate in drills, lend facilities, etc.) Provide timely support for people affected by large-scale disasters overseas (major disasters, wars, etc.) in collaboration with business divisions 	Achievement Criteria <ul style="list-style-type: none"> Provide timely local support in the event of a large-scale disaster (earthquake, typhoon, etc.) Continue support for people affected by disasters as necessary Conclude collaboration agreements with local governments and other organizations at major business sites Action Plan <ul style="list-style-type: none"> Provide timely support, including donations, in large-scale disasters Consider local disaster prevention agreements (lend facilities, etc.) Provide timely support for people affected by large-scale disasters overseas (major disasters, wars, etc.) in collaboration with business divisions

Co-Existence and Mutual Prosperity with Local Communities

Cost of Social Contribution Activities

GRI 203-1

We are carrying out the following activities aimed at nurturing the next generation, supporting people with disabilities and the elderly, providing support during and after disasters, investing in infrastructure, and providing support services. As a result, in FY2022 the cost of our social contribution activities amounted to approximately ¥1.9 billion. [▶ P.159](#)

Investment in Infrastructure and Support Services¹

Region	Details	Amount (FY2022)
Japan	<ul style="list-style-type: none"> • Donations to scholarship funds for orphans in Iwate, Miyagi, and Fukushima Prefectures, which were hit by the Great East Japan Earthquake (making donations every year since 2012) • Donations to medical organizations such as the Cancer Institute and the Japan Heart Foundation • Donations to sports organizations such as the Japanese Para-Sports Association • Support for basic science research, environmental research, and activities for the maintenance and restoration of cultural properties through The Sumitomo Foundation • Donations to Keidanren Nature Conservation Fund • Support for employment of former inmates and others by donating to the National Organization of Labor Support Providers • Support for victims of crime through donations to the Victim Support Center of Tokyo • Expenditure on social contribution activities, such as contribution to Expo 2025 Osaka, Kansai, Japan 	¥250 million
Philippines	<ul style="list-style-type: none"> • Supporting measures to prevent dengue fever in communities neighboring the plant (awareness activities, spraying insecticide, cleaning activities, etc.) • Undertaking a water supply equipment installation project for communities neighboring the plant • Popularizing organic rice cultivation among communities neighboring the plant with the help of technical experts <p>In the Philippines we are continuing to provide support through SDMP²</p>	¥1,620 million

1. Investment in infrastructure and support services are non-commercial and provided free of charge
 2. SDMP: Social Development and Management Program, conducted by a company for the welfare of residents living in the vicinity of its operating area

Communication with Local Communities and NGOs

GRI 2-29

We work to raise the direct contribution we make to the local economy through measures such as recruiting from areas surrounding our business site and procuring from local suppliers, and we also contribute to improving the living standards of these communities, particularly in emerging nations, by providing infrastructure such as roads and ports, building needed facilities, building and operating public facilities such as schools, hospitals, and marketplaces, providing teaching materials as educational support and the goods required to operate facilities, supporting free healthcare for local communities, and promoting activities that help households to support themselves. When implementing these measures, we establish opportunities for regular communication with local communities and move forward while also checking the requirements of local residents. In addition, twice a year we exchange opinions with the international environmental NGO FoE Japan regarding issues such as the water quality of rivers around Coral Bay Nickel Corporation (CBNC) and Taganito HPAL Nickel Corporation (THPAL), both of which are located in the Philippines. Those opinions and recommendations are referred to when implementing necessary improvements.

Acknowledging Grievances and Providing Explanations for Relocations

GRI 2-25/2-26/203-2/413-2/G4-MM7/G4-MM9

When grievances are voiced by governmental agencies or local communities at each site, we respond appropriately and share the information within the Company. In FY2022, the Group received four grievance reports from local residents, including ones concerning abnormal odors. All of these were handled in an appropriate manner.

Additionally, whenever we have no choice but to ask local residents to relocate their residences due to development of a mine or related facilities, we provide alternative sites and obtain their understanding in advance. At the Hishikari Mine, we asked three local households to relocate between 1983 and 1989, and at THPAL, we asked 41 households in the affected area to relocate.*

We are also planning to implement a human rights due diligence program targeting local residents at our overseas sites.

Furthermore, when closing a mine, we work to maintain local employment through initiatives such as building plants for other businesses in the area. For example, when excavation at the Kunitomi Mine was stopped because of resource depletion, it continued to operate as a Smelter & Refinery. Then, when the Smelter & Refinery was closed in 1973, it was converted into a plant for

manufacturing materials used in electronic components. Currently it is being operated by Sumiko Kunitomi Electronics Co., Ltd. and produces high-quality products, such as lithium tantalate and samarium iron nitride.

* The relocation was planned in accordance with the World Bank Operational Policy on Involuntary Resettlement and was completed by December 2010 with the consent of all residents. After the relocation, we have continued to provide support for the repair and maintenance of the houses, as well as livelihood restoration support programs that encourage residents to acquire skills and know-how that will enable them to generate income in the future

Closure Plans for Mines, Smelters and Refineries

G4-MM10

Business site	Details	Amount	Time period
Hishikari Mine	Mine pollution control reserve	¥23,090,000	From 1984
CBNC	Closure and cleanup for the refinery and mineral processing plant	Total approx. 330 million pesos*	From 2012 (accumulating every year)
THPAL	Expenses required for the closure plan	Total approx. 286 million pesos	From 2016 (accumulating every year)

* Expenses according to the closure plan CBNC submitted to the Department of Environmental and Natural Resources

Model Project for Dialogue and Collaboration

Local issues vary from region to region, and we believe it is important to understand and resolve the issues facing each region through dialogue with the local community.

The Ome District Division and the Tama University Research Institute collaborated to conduct a model project for dialogue and collaboration called the Localized Contribution Survey. The purpose of this survey was to identify local issues through research, and to develop, operate, and evaluate our unique program that contributes to solving these issues.

The initiatives include interviews with local governments and neighboring companies and their employees, holding panel discussions and workshops with local stakeholders under the title of PROJECT OME, followed by the establishment of a Social Contribution Promotion Committee at the Ome District Division. In addition, regular collaborative meetings with local social welfare councils and government officials have been established to explore issues.

Going forward, the Ome District Division will involve its employees in the formulation of the OME VISION and other activities to foster a sense of ownership and create concrete results with local stakeholders. In addition, the model projects implemented at the Ome District Division will be implemented at other business sites to contribute to the sustainable development of local communities by resolving issues faced by those communities.

Establishment of Scholarships in Japan

As one of the measures to support the nurturing of the next generation, in FY2023 we established the JEES-SMM Regional Contribution Scholarship within the Japan Educational Exchanges and Services (JEES) based on our donation to support students who are willing to contribute to the sustainable development of the regions where our plants and mines are located and who need financial assistance.

This scholarship provides ¥100,000 per month, non-repayable until graduation, to students who are motivated to contribute to the sustainable development of the Tama District of Tokyo, Hyogo, Ehime, and Kagoshima Prefectures. We are awarding 20 scholarships to selected applicants in FY2023.

In addition, as a program to help scholars learn about supporting local communities, we are considering the formation of a community among scholarship recipients and the implementation of experiences for scholarship recipients to participate in efforts to solve real community issues in collaboration with the local community.

Rights of Indigenous Peoples

Vision for 2030

A company that understands and respects the traditions and culture of indigenous peoples

Approach and Policy

GRI 3-3

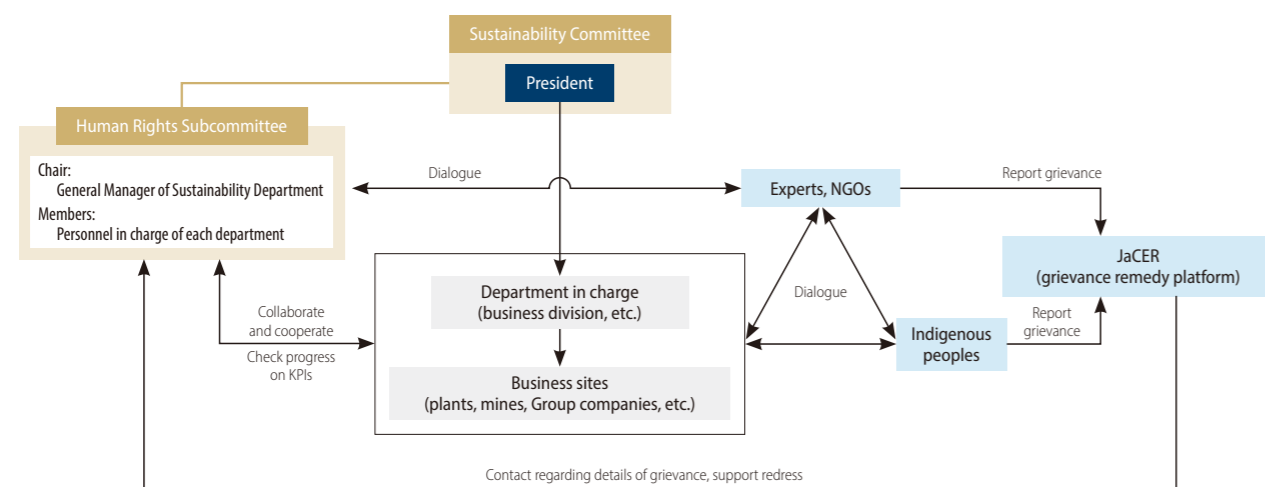
Mine development, smelting, and refining can have a considerable effect on the environment and local communities and there is a risk that the rights of the indigenous peoples living on the land, who generally occupy a vulnerable position in society, will be violated. Therefore, we think it is most important to proceed while gaining the understanding and trust of these indigenous peoples. We comply with international standards such as the United Nations Declaration on the Rights of Indigenous Peoples and collaborate with local governments and other stakeholders while also maintaining an ongoing dialogue with local indigenous peoples based on an understanding of their traditions and culture.

Promotion Structure

GRI 2-24/3-3

In accordance with our operational procedures related to business and human rights,¹ at each business site we are engaging in dialogue with indigenous peoples who are directly affected by our business activities. Each business division and Head Office division coordinates with the Human Rights Subcommittee to carry out in-house education that aims to provide Group employees with an understanding of indigenous peoples and their traditions and culture. In addition to this, the Sustainability Department, which is the secretariat of the Human Rights Subcommittee, conducts exchanges of opinions through dialogue with external experts, NGOs, and others. We also use the platform provided by the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)² as a mechanism for redressing grievances.

Promotion Structure



1. Business and human rights initiatives process P.76
 2. JaCER P.77

Medium-Term Targets and Progress

GRI 3-3

To achieve our Vision for 2030, we are managing progress for each KPI and have made achievement criteria and action plans for up to 2030.

FY2022 Results	FY2023 Plan	Final Year of 2021 3-Year Business Plan (FY2024)	Final Year of 2027 3-Year Business Plan (FY2030)
KPI 1. Understand indigenous peoples and their traditions and culture • Percentage of SMM Group sites implementing in-house education: 100% by the end of FY2023			
<ul style="list-style-type: none"> Created an in-house educational video on the Sumitomo Metal Mining Group Policy on Human Rights, which was revised on June 1, 2022, and used it to implement in-house training Started consideration of the content of the second educational video (As of the end of FY2021, the first video was viewed by 5,902 employees and screened at 100% of SMM Group sites) 	<ul style="list-style-type: none"> Following on from the first video, exchange information with experts regarding the second video. 	Achievement Criteria <ul style="list-style-type: none"> Screen second and subsequent in-house educational videos at 100% of SMM Group sites 	<ul style="list-style-type: none"> Screen third and subsequent in-house educational videos at 100% of SMM Group sites
		Action Plan <ul style="list-style-type: none"> Consider content of second educational video Exchange information with experts 	<ul style="list-style-type: none"> Exchange information with experts (Consider content of third educational video during the 2024 3-Year Business Plan)
KPI 2. Support initiatives that lead to respect for the traditions and cultures of indigenous peoples 1) Provide scholarships for indigenous peoples (continue existing initiatives)			
<ul style="list-style-type: none"> Implemented existing initiatives. Philippines Continued to provide local scholarships in consultation with stakeholders, including local residents and governments North America and South America JV mines Implemented initiatives in collaboration with efforts of joint venture partners 	<ul style="list-style-type: none"> Continue to implement existing initiatives 	Achievement Criteria <ul style="list-style-type: none"> Continue to implement existing initiatives 	<ul style="list-style-type: none"> Continue to implement existing initiatives
		Action Plan <ul style="list-style-type: none"> Regularly confirm implementation status of existing initiatives Review the need for new scholarships for indigenous peoples, including exchange of information with experts and individual sites 	<ul style="list-style-type: none"> Regularly confirm implementation status of existing initiatives Review the need for new scholarships for indigenous peoples, including exchange of information with experts and individual sites
KPI 2. Support initiatives that lead to respect for the traditions and cultures of indigenous peoples 2) Support indigenous people-related initiatives by NGOs, academic societies, etc.: one initiative or more each year			
<ul style="list-style-type: none"> Attended lectures given by the NPOs that the experts we are continuing dialogue with belong to and held an exchange of opinions on the theme of responsible mineral sourcing. 	<ul style="list-style-type: none"> Continue dialogue with experts and consider support initiatives. 	Achievement Criteria <ul style="list-style-type: none"> Support one or more indigenous people-related initiatives by NGOs, academic societies, etc. each year 	<ul style="list-style-type: none"> Support one or more indigenous people-related initiatives by NGOs, academic societies, etc. each year
		Action Plan <ul style="list-style-type: none"> Continue dialogue with experts Collect information on indigenous people-related initiatives by NGOs, academic societies, etc. 	<ul style="list-style-type: none"> Continue dialogue with experts Collect information on indigenous people-related initiatives by NGOs, academic societies, etc.

Rights of Indigenous Peoples

Initiatives through Dialogue at Workplaces

GRI 2-24/2-25/411-1/MM5/MM6/MM7

The SMM Group collaborates with local governments, NGOs, and other stakeholders to engage in dialogue with indigenous peoples directly affected by its business activities.

In the Philippines, after acquiring Environmental Compliance Certificates through many consultations with stakeholders, including governments and indigenous peoples, we started operating Coral Bay Nickel Corporation (CBNC) in 2005 and Taganito HPAL Nickel Corporation (THPAL) in 2013. Even after operations started, we established organizations to carry out community development (Social Development) in accordance with local laws and regulations, and are engaged in a Social Development and Management Program (SDMP). Specifically, CBNC holds regular information exchanges with 22 barangays,* including 11 “impact barangays” near Rio Tuba, while THPAL holds them with 14 barangays, including four neighboring “impact barangays.” Based on these exchanges, budgets are prepared for the categories of health, education, welfare, livelihood, etc., and free health checkups, medical treatment, agricultural assistance, etc. are provided after obtaining approval from the local government. In addition, we also separately budget for activities not included in the SDMP, such as the construction of schools and assembly halls for indigenous peoples to educate them about their culture and unique languages.

In Canada, together with, IAMGOLD Corporation, our partner in the Cote Gold Project for which the decision to begin construction was made in 2020, we have held ongoing dialogue with First Nation peoples affected by it, as well as providing explanations before gaining approvals, with the aim of helping them understand the project. We have fostered relationships of mutual trust and understanding with the organization through participation in initiatives such as cultural workshops hosted by the organization, and as a result, we were able to conclude an Impact Benefit Agreement. Currently, we are working with indigenous groups and partners to construct a new lake with the same water surface area as the lake on the proposed development site, and to conserve biodiversity by releasing aquatic organisms from the existing lake into the newly constructed lake and surrounding water system.

Moreover, there have been no incidents of serious conflicts concerning land use or the customary rights of indigenous peoples reported in the vicinity of any of the mines or smelters and refineries in which we have more than 50% interest. There have also been no such incidents reported through channels including JaCER (grievance remedy platform).

* The smallest administrative division that makes up cities and towns in the Philippines, and denotes a village, district, or ward.

Dialogue with Experts, NGOs, and NPOs

GRI 2-25

We regularly create opportunities for dialogue with experts, mainly through the secretariat of the Human Rights Subcommittee, and hold exchanges of opinions on topics including international trends concerning the human rights of indigenous peoples.

In FY2022 in particular, we participated in meetings of NPOs engaged in activities related to the human rights of indigenous peoples and gave lectures on the theme of responsible mineral sourcing concerning the overall mining, smelting, and refining industries and Group initiatives. We gave explanations of corporate initiatives, such as international third-party verification frameworks that are engaging the entire industry, and exchanged opinions on problems and challenges concerning initiatives.

Implementation of In-house Education

GRI 2-24/2-25

The SMM Group conducts in-house education to ensure that employees understand who indigenous people are and how the Group should handle indigenous rights. This education will enable employees to understand that it is an issue that concerns us all through messages from top management and case studies from within the Group. We are also continuing dialogues with experts* on indigenous people regarding content and receiving guidance to ensure fairness in the materials.


Acting under the guidance of experts, we will continue our efforts to further deepen Group employees’ understanding of indigenous peoples and their traditions and cultures.

* Keiichi Omoto (emeritus professor of anthropology at the University of Tokyo), Tomoaki Nishihara (professor at Seisa University), Eiichiro Noguchi (coordinator of the NGO Taiga Forum)

Support initiatives that lead to respect for the traditions and cultures

In 2007, we established Sumitomo Metal Mining Peru S.A. (SMM Peru) as our subsidiary in Peru, and since then, we have worked continuously to foster strong relationships with the country, including acquiring a stake in the Cerro Verde copper mine and carrying out exploration activities. One example of this relationship building is the donations we have made to the AMANO Pre-Columbian Textile Museum.* The museum was established in 1964 in Lima, Peru, by the late businessman Yoshitaro Amano with the goal of conserving important Andean cultural artifacts and sharing the results of research into these cultures. We support the museum’s efforts to communicate the richness of the Andean civilizations to not only Japan, but also the entire world, and from 2007 to 2014 we made donations totaling approximately US\$590,000.

We will continue to support initiatives that lead to respect for the traditions and cultures of indigenous peoples.

*  [AMANO Pre-Columbian Textile Museum](http://eng.museoamano.org/)
<http://eng.museoamano.org/>

Human Rights in the Supply Chain

Vision for 2030

A company that undertakes sustainable procurement across the supply chain

Approach and Policy

GRI 3-3

The SMM Group aims to build a sustainable supply chain in cooperation with its stakeholders. In our supply chains, we monitor risk related to human rights and labor, compliance, quality assurance, and environment and local communities based on international standards and in accordance with the SMM Group Sustainable Procurement Policy. Should any issues occur, they are corrected. In regard to the sourcing of minerals in particular, in order to avoid procuring minerals that may have negative impacts such as child labor and other human rights abuses or environmental pollution, we carry out activities with respect to the Organisation for Economic Co-operation and Development (OECD) guidance and in accordance with the SMM Group Responsible Mineral Sourcing Policy.

Promotion Structure

GRI 2-24/3-3/406-1/407-1/408-1/409-1

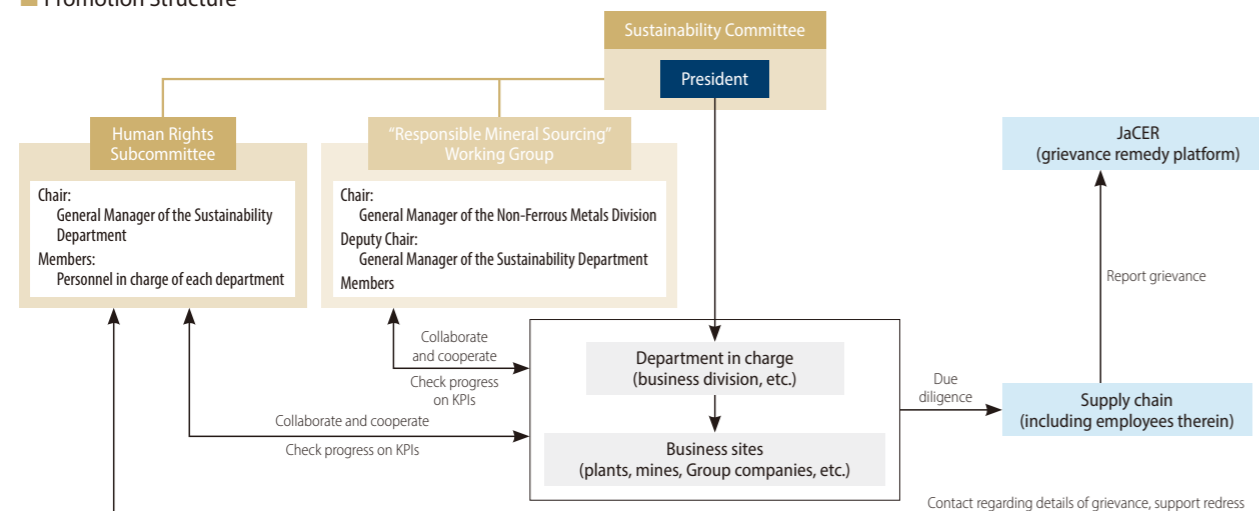
In accordance with the Business and Human Rights Initiatives Process¹, we conduct due diligence on our business partners (suppliers) through the raw material procurement staff of each business division, the Purchasing Department, and each business site with the aim of building a sustainable supply chain. The Sustainability Department, the secretariat of the Human Rights Subcommittee, collaborates and cooperates with these efforts.

In particular, the “Responsible Mineral Sourcing” Working Group, which makes decisions on important matters related to mineral sourcing, has been established under the Sustainability Committee to address responsible mineral sourcing throughout the entire supply chain.

In addition, we use the platform of the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)² as a grievance mechanism.

Through our due diligence and grievance mechanisms, we have not identified any business partners (suppliers) at risk with respect to discrimination, freedom of association, the right to collective bargaining, or child or forced labor.

Promotion Structure



1. Business and human rights initiatives process P.76
2. JaCER P.77

Medium-Term Targets and Progress

GRI 3-3

To achieve our Vision for 2030, we are managing progress for each KPI and have made achievement criteria and action plans for up to 2030.

FY2022 Results	FY2023 Plan	Final Year of 2021 3-Year Business Plan (FY2024)	Final Year of 2027 3-Year Business Plan (FY2030)		
KPI 1. Promote sustainable procurement, particularly responsible mineral sourcing 1) Establish a responsible mineral sourcing management system in line with international standards by the end of FY2021 2) Maintain a record of zero mines, smelters, and refineries complicit in child labor or other infringements of human rights in the supply chain					
1) Received third-party audits at nickel smelters and refineries (Niihama Nickel Refinery and Harima Refinery). Responded to requests from battery materials customers in cooperation with the Battery Materials Division and the Non-Ferrous Metals Division. Continued to receive third-party audits at the gold and silver smelter and refinery (Toyo Smelter & Refinery) and the cobalt smelters and refineries (Niihama Nickel Refinery and Harima Refinery). Made plans to undergo third-party audits at the copper smelter and refinery (Toyo Smelter & Refinery). 2) Zero business partners to our smelters and refineries complicit in human rights infringements. As for external raw materials used in the battery materials and advanced materials businesses, the survey conducted using a standardized supply chain questionnaire revealed that no business partners were involved in human rights infringements.	1) 2) • Consider acquiring Copper Mark certification for responsible production activities at our copper smelters and refineries. • In cooperation with target divisions (Battery Materials Division and Advanced Materials Division), plan to establish a due diligence system for procurement of external raw materials in line with international standards.	1) 2) • Select international standards in response to demands of stakeholders, particularly customers. • Complete establishment of mineral sourcing management system.	1) 2) • Maintain mineral sourcing management system.		
2) Sustainable Procurement 1) Business partners that have received and agreed with the Sumitomo Metal Mining Group Sustainable Procurement Policy ¹ : 100% by the end of FY2030 2) Establish a sustainable procurement management system in line with international standards by the end of FY2024 3) Continue implementing due diligence (DD)		1) 2) 3) • Distributed a 15-minute video explaining the SMM Group's sustainable procurement to major business partners. The video includes an explanation of the Group's Sustainable Procurement Policy, sustainability-related topics (climate change, responsible mineral sourcing), and a message from top management. • Five companies were selected from among our major business partners, one from each business division and Purchasing Department, and each company was visited for discussions on sustainability (especially business and human rights). • Organized trends on international sustainable procurement management systems. Considered the use of existing platforms such as the Responsible Business Alliance (RBA) ² in light of the status of their use by customer companies. • Participated in JaCER, which provides a platform as a grievance (remedy) mechanism. (Number of grievances about the Company: 0)	1) 2) 3) • Consider measures to help business partners gain further understanding of the Group's sustainable procurement (e.g., update content of explanatory videos, expand target business partners). • Continue to have discussions with business partners and other dialogues and consider the use of existing platforms, such as RBA, for due diligence in the supply chain. • Promote external awareness of our participation in JaCER.	1) 2) • Receive agreement from 100% of major business partners. • Establish sustainable procurement management system.	1) 2) • Finalize scope of business partners subject to self-assessment during the 2024 3-Year Business Plan and receive agreement from 100% of those business partners. • Maintain sustainable procurement management system.
1) In cooperation with the in-house related departments, promote understanding of our policy among main business partners by holding briefing sessions, etc. (consider video streaming format). 2) 3) • Consider participation in multi-stakeholder initiatives on due diligence and a grievance mechanism. • Implement second-party audits of business partners (target: 5 business partners/year).		1) 2) 3) • In cooperation with the in-house related departments, promote understanding of policy extension and receiving agreement among the main business partners (review scope during the 2024 3-Year Business Plan). • Exchange information with experts and business partners. • Implement second-party audits (target from the 2024 3-Year Business Plan: 8 business partners/year). • Implement due diligence including third-party audits in line with the management system. • Operate the grievance mechanism in line with the management system.	1) 2) 3) • In cooperation with the in-house related departments, promote understanding of policy extension and receiving agreement among the main business partners (review scope during the 2024 3-Year Business Plan). • Exchange information with experts and business partners. • Implement second-party audits (target from the 2024 3-Year Business Plan: 8 business partners/year). • Implement due diligence including third-party audits in line with the management system. • Operate the grievance mechanism in line with the management system.	1) 2) 3) • In cooperation with the in-house related departments, promote understanding of policy extension and receiving agreement among the main business partners (review scope during the 2024 3-Year Business Plan). • Exchange information with experts and business partners. • Implement second-party audits (target from the 2024 3-Year Business Plan: 8 business partners/year). • Implement due diligence including third-party audits in line with the management system. • Operate the grievance mechanism in line with the management system.	

1. [Sumitomo Metal Mining Group Sustainable Procurement Policy](https://www.smm.co.jp/en/sustainability/management/csr_procurement/)
https://www.smm.co.jp/en/sustainability/management/csr_procurement/

2. [RBA](https://www.responsiblebusiness.org/)
<https://www.responsiblebusiness.org/>

Human Rights in the Supply Chain

SMM Group Responsible Mineral Sourcing Policy

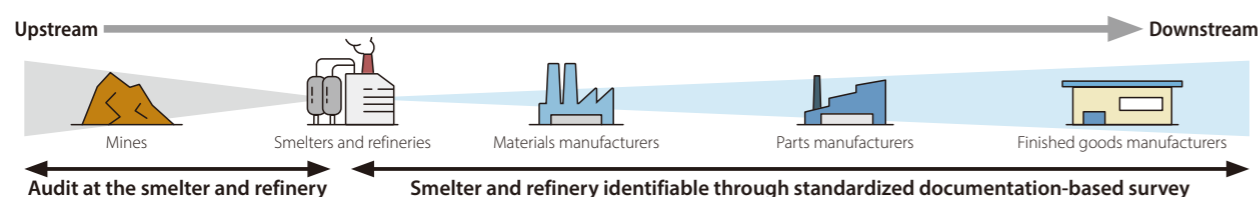
Pursuant to the SMM Group Policy on Human Rights, we do not buy minerals that may be associated with human rights violations such as child labor or forced labor, environmental destruction, illegal mining, or corruption, or minerals that may be used as a source of funding for armed groups or other such organizations. We respect the guidance established by the OECD regarding mineral sourcing, and we exercise appropriate influence over suppliers as we work for responsible mineral sourcing throughout the entire supply chain.

Sumitomo Metal Mining Group Sustainable Procurement Policy

The SMM Group carries out procurement activities in cooperation with its stakeholders that take into account human rights and labor, compliance, quality assurance, and environment and local communities based on the SMM Group Corporate Philosophy, the SMM Group Sustainability Policy and the SMM Group Code of Conduct.

Responsible Mineral Sourcing

GRI 2-24/2-25/308-1/414-1/MM8



We undertake responsible mineral sourcing initiatives in line with mechanisms advanced by the international Responsible Minerals Initiative (RMI)* to ensure supply chain transparency (see diagram above). These mechanisms aim to ensure transparency in the supply chain from upstream to downstream in a more efficient manner by starting with smelters and refineries, which are relatively few in number.

At the finished goods manufacturers downstream from the smelters and refineries, a standardized survey is extended for the purpose of identifying the smelters and refineries that produced the minerals used in their products. We have established an approval process for responses to these surveys, which are sent up the supply chain from customer companies, and are working to ensure unified responses across the SMM Group. In FY2022, we responded to 330 surveys. [P.161](#)

Upstream of smelters and refineries, we regularly undergo third-party, international standards-based audits of responsible mineral sourcing mechanisms at our smelters and refineries, covering matters including risk assessments of suppliers. Since audit standards vary from mineral to mineral, we work to ensure that each standard is met by conducting due diligence, developing internal systems and regulations, and providing internal training. The table below shows the status of third-party audits at our smelters and refineries.

	Subject Minerals				
	Gold	Silver	Cobalt	Nickel	Copper
Audit standards (issuing organization)	RGG (LBMA)	RSG (LBMA)	RMAP Cobalt (RMI)	JDDS (The Copper Mark)	JDDS (The Copper Mark)
Certification Body	LBMA	LBMA	RMI	RMI	RMI
Audit start date	FY2012	FY2018	FY2020	FY2022	FY2023

Additionally, when the Smelting and Refining Business selects a new company as a supplier, we assess how that company carries out environmental management, including management of water resources and tailings dams. In FY2022, there were no new suppliers selected. There were also no instances of artisanal and small-scale mining (ASM) in or adjacent to the project area.

* Responsible Minerals Initiative (RMI): An international initiative on the responsible sourcing of minerals by the Responsible Business Alliance (RBA), an organization founded in 2004 for the purpose of promoting a common code of conduct in the world's electronic equipment industry.

Initiatives Related to Sustainable Procurement

GRI 2-24/2-25/308-2/414-2

The SMM Group aims to build a sustainable supply chain by asking major business partners (including local suppliers*) to consent to our Sustainable Procurement Policy, requesting responses to a questionnaire, distributing videos explaining the Group's sustainable procurement initiatives, and visiting business partners.

* Percentage of on-site procurement from local suppliers [P.159](#)

Requesting for Consent to the Procurement Policy

In April 2020, we established and announced the SMM Group Responsible Sourcing Policy (currently the Sumitomo Metal Mining Group Sustainable Procurement Policy; hereinafter "the Procurement Policy"), to clarify the Group's stance of working to build a sustainable supply chain with consideration of human rights, the environment, and other social issues in all of our procurement activities.

While ensuring thorough compliance with the Procurement Policy by the Group's officers and employees, we also request the understanding of our business partners. In FY2020, we asked major business partners to consent to the Procurement Policy, in response to which approximately 99% of those business partners have stated their consent.

Request for Responses to Survey on Sustainable Procurement

We prepared a survey on sustainable procurement in FY2021 and sent this survey to our major business partners who consented to our Procurement Policy, requesting their responses. The survey consisted of 38 questions based on each item of the Procurement Policy (human rights and labor, compliance, quality assurance, and environment and local communities) and the results of the survey were tabulated, having received responses from 98% of our business partners. The responses reveal that S, A, and B evaluations (the highest of the five levels of evaluation) accounted for about 85% of overall evaluations, confirming that many business partners are advancing initiatives related to sustainability. For those business partners that received a C or D rating, we plan to provide them with a better understanding of their own situation, and we will cooperate with them by offering advice and other measures to help them improve their efforts.

Distribution of Videos Explaining the SMM Group's Sustainable Procurement

A video explaining the Group's sustainable procurement initiatives was distributed in FY2022 to major business partners who have consented to our Procurement Policy. The video includes explanations of the SMM Group's Sustainable Procurement Policy, sustainability topics (climate change, responsible mineral sourcing), and a message from top management. In a survey conducted after viewing the video, 95.5% of the respondents answered that the content was "easy to understand." They commented that the video helped them better understand the Group's initiatives and provided reference for their own initiatives.

Exchange of Opinions with Business Partners on Sustainability

We selected five of our major business partners, one from each business division and Purchasing Department, to exchange opinions on sustainability (especially concerning business and human rights) in FY2022 based on their responses to a survey on sustainable procurement conducted in FY2021. In addition to hearing about their actual situations, we exchanged opinions about effective activities while introducing the initiatives of the SMM Group.

Engagement with Stakeholders

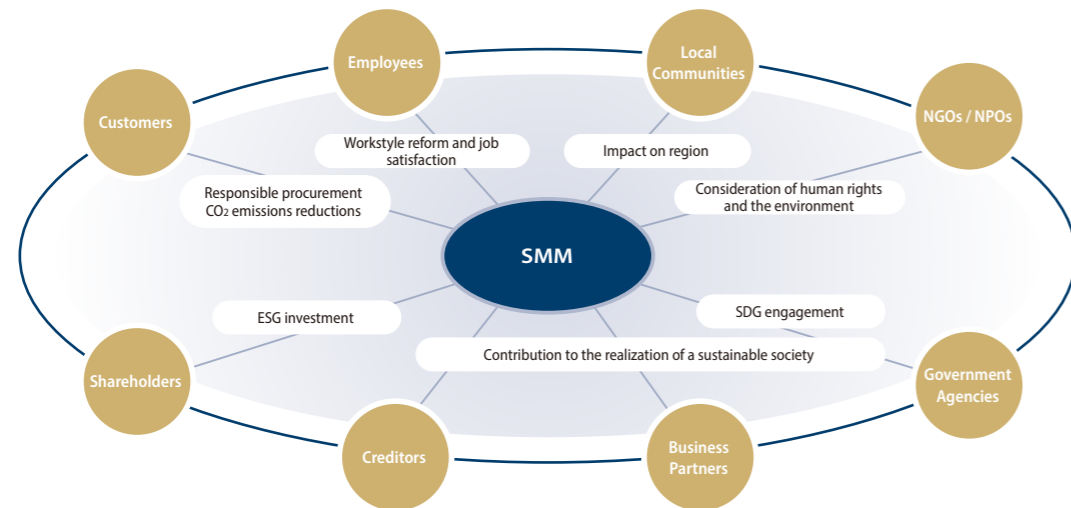
Vision for 2030

A company that is appreciated and understood to be the world leader in non-ferrous metals

Approach and Policy

GRI 3-3

Our Vision for 2030 aims to solve social issues and gaining the trust of stakeholders is essential for realizing this vision. We are working to ensure that our diverse stakeholders correctly understand the true size of the Group and encouraging them to share in our goal of becoming the world leader in the non-ferrous metals industry. We have identified the groups of stakeholders who affect or are affected by the SMM Group as customers, shareholders, employees, local communities, creditors, business partners, NGOs and NPOs, and government agencies. We have set targets for how we should engage with each of these groups, and we are advancing various initiatives to achieve these targets.



SMM's Vision for Stakeholder Engagement

GRI 2-29

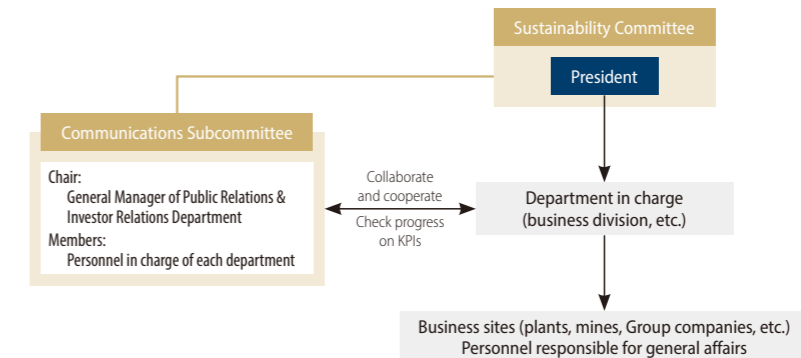
Customers	Be a company that accurately understands customer needs and has comprehensive competitiveness with an edge over other firms with respect to technology, quality, delivery and costs.
Shareholders	Be an excellent entity in which to invest: one that pursues maximum corporate value through growth strategies and sound governance, disburses dividends matching its business performance, and discloses information as appropriate.
Employees	Be a company that provides a favorable work environment, clearly defines the roles of all individuals within the organization, and makes employees proud to work for it.
Local Communities	Be a company that coexists well with its local communities, makes positive contributions to those regions' development, and acts with respect for the traditions and culture of indigenous peoples.
Creditors	Be a company that has earning capacity, outstanding financial strength, and trustworthiness.
Business Partners	Be a company that possesses outstanding technological strength, places importance on integrity and trust, and which is capable of conducting business on an equal footing for co-prosperity.
NGOs / NPOs	Be a company that listens to diverse opinions on social issues and undertakes appropriate communication through dialogue and other means.
Government Agencies	Be a company that implements compliance fully and makes positive contributions for the benefit of the countries and local communities where it is undertaking its projects.

Promotion Structure

GRI 3-3

Engagement with stakeholders is one of our material issues, and we have made each of our business divisions and business sites into a channel for maintaining dialogue with governmental agencies and local communities. Furthermore, the Public Relations & Investor Relations Department, which is the secretariat of the Communications Subcommittee, compiles information from within the Company and uses it in communications with the media and investors. In addition to this, the Communications Subcommittee, which is an organization under the Sustainability Committee, coordinates with members dispatched from each business and corporate division to check progress being made on KPIs.

Promotion Structure



Medium-Term Targets and Progress

GRI 3-3

To achieve our Vision for 2030, we are managing progress for each KPI and have made achievement criteria and action plans for up to 2030.

FY2022 Results	FY2023 Plan	Final Year of 2021 3-Year Business Plan (FY2024)	Final Year of 2027 3-Year Business Plan (FY2030)
KPI 1. Further penetrate our Group brand among employees • Improve results of employee awareness survey (increase percentage of employees who feel pride in working at the Company)			
<ul style="list-style-type: none"> Application of good practices in in-house communication measures at other sites Developed good practices for Communications Subcommittee members in January 2023 Raising brand profile within the Group Set the creation and use of a brand booklet as a major measure with the goal of "creating loyalty and affection for the Company among employees" Employee awareness survey Held meetings to report the results of the March 2022 survey to senior management members, heads of divisions and business sites, and presidents of Group companies (The percentage of employees who gave a positive response to the question of feeling pride in working at the Company was 63.7%) 	<ul style="list-style-type: none"> Application of good practices in in-house communication measures at other sites Develop good practices for Communications Subcommittee members in the second half of the fiscal year Raising brand profile within the Group Advance the creation and use of a brand booklet with the Ome District Division as a pioneer site Employee awareness survey From FY2023, the frequency of surveys will be increased from every three years to every year. These surveys will be conducted in November 	<ul style="list-style-type: none"> Improve employee awareness survey KPI values from results of FY2021 survey 	<ul style="list-style-type: none"> Improve employee awareness survey KPI values from results of each fiscal year's survey
Achievement Criteria		<ul style="list-style-type: none"> Implement in-house communication measures at each site to gain understanding and empathy of employees and their families Apply good practices in in-house communication measures at other sites Create framework for raising the brand profile within the Group, implement and review measures for further penetrating the brand among employees 	<ul style="list-style-type: none"> Refine in-house communication measures Verify level of penetration of the brand within the Group (continue from 2024 3-Year Business Plan), consider strategies for application to Group companies
Action Plan			

Engagement with Stakeholders

FY2022 Results	FY2023 Plan	Final Year of 2021 3-Year Business Plan (FY2024)	Final Year of 2027 3-Year Business Plan (FY2030)
<p>KPI 2. Ensure quality and quantity in communication of information at the level of “world leader in the non-ferrous metals industry” 1) Expand opportunities for dialogues with media and investors 2) Achieve positive evaluations of our Integrated Report from outside the Company</p>			
<p>1) • Conducted intensive media engagement, including interviews with top management, alongside the release of the 2021 3-Year Business Plan • Responded actively to media coverage focused on the Materials Business, which is attracting attention due to the introduction of EVs • Expanded interviews aimed at institutional investors. Also, restarted efforts such as small meetings on specific businesses that are in high demand from investors, as well as plant observations and overseas IR activities, which had been suspended due to the pandemic (site visits) • Implemented new initiatives such as the participation of outside directors in shareholder relations interviews and holding Sustainability Briefing (IR-Day)</p> <p>2) Issued Integrated Report 2022 (Japanese and English) Received a Silver Award at the WCI Japan Integrated Reporting Awards 2022 and the Grand Prix S Award at the NIKKEI Integrated Report Awards 2022</p>	<p>1) • Enhance public relations events and strengthen relationships with the media • Enhance opportunities for ongoing dialogue with important institutional investors with a focus on executive officers and senior management members</p> <p>2) Issue the Japanese version of Integrated Report 2023, our eight such report, in September and the English version in November. During editing, improve content based on the feedback received from various stakeholders to date</p>	<p>Achievement Criteria</p> <ul style="list-style-type: none"> Quantitatively increase information dissemination (compared to the 2018 3-Year Business Plan) Increase opportunities for top management to engage with shareholders and investors (compared to the 2018 3-Year Business Plan) Earn a high reputation for the integrated report from outside the Company 	<p>During all 3-Year Business Plans, compared to the previous plan</p> <ul style="list-style-type: none"> Quantitatively increase information dissemination Expand the methods for disseminating information Increase opportunities for top management to engage with shareholders and investors Earn a high reputation for the integrated report from outside the Company <p>Target for final year of the 2027 3-Year Business Plan</p> <ul style="list-style-type: none"> Establish a system capable of building relationships with international media Increase the number of interviews, news releases, and public relations events conducted
		<p>Action Plan</p> <ul style="list-style-type: none"> Increase the number of interviews, news releases, and public relations events conducted Take initiatives to increase spokesperson engagement levels Improve the quality of disclosure in investor relations and shareholder relations engagement Improve and enhance tools for engagement with shareholders and investors (integrated reports, shareholder communications, etc.) 	<ul style="list-style-type: none"> Establish public relations organizations at overseas business sites Acquire (2024 3-Year Business Plan) and increase highly specialized human resources in the field of public relations Improve the quality of disclosure in investor relations and shareholder relations engagement Improve and enhance tools for engagement with shareholders and investors (integrated reports, shareholder communications, etc.) Expand the types of information dissemination media and public relations events (2024 3-Year Business Plan)
<p>KPI 3. Increase in recognition and understanding of our goal of “world leader in the non-ferrous metals industry” • Improvement in findings of surveys by external bodies (degree of recognition and understanding, etc.)</p>			
<ul style="list-style-type: none"> According to a survey gauging degree of recognition implemented by an external body in the first half of FY2022, recognition of the Company remained roughly level (effects of corporate advertising activities carried out from October 2022 onward not reflected) Launched a corporate advertising campaign from October 2022 that used a celebrity to raise recognition with the aim of securing human resources. This included a TV commercial and online advertisements Sponsored the Minato City Half Marathon, Ehime Marathon, and the Ohme 30&10Km Road Race, and strove to enhance the Company's presence around business sites through exhibition booths, etc. 	<ul style="list-style-type: none"> Continue corporate advertising activities Implement our own original survey gauging degree of recognition, in addition to the survey implemented by an external body, to gain a better understanding of the Company's position through cross-referencing Consider and implement sponsorship of sports events, etc. 	<p>Achievement Criteria</p> <ul style="list-style-type: none"> Raise the result of the survey gauging degree of recognition implemented by an external body by 35% compared to FY2021 	<ul style="list-style-type: none"> Meet target value in the 2021 3-Year Business Plan regarding the result of the survey gauging degree of recognition implemented by an external body
		<p>Action Plan</p> <ul style="list-style-type: none"> Promote branding activities that lead to recognition, understanding, and empathy for SMM. Run a large-scale advertising campaign to secure human resources Implement external communication measures at Head Office and individual sites to build positive relationships with communities and government 	<ul style="list-style-type: none"> Run ongoing advertising campaigns to consolidate recognition, understanding, and empathy Continue external communication measures at individual sites over the medium to long term <p>Targets to be implemented during the 2024 3-Year Business Plan</p> <ul style="list-style-type: none"> Consider additional measures for branding activities depending on KPI achievement status Promote and accelerate external communication measures

Stakeholder Engagement

Stakeholders	Purpose	Content	Communication methods
Customers	Correctly understand customer needs	Dissemination of information on the Company and its business activities	Various media, website
		Guidance for products, service, and business activities, and in-house sharing of feedback, including opinions and requests	Business activities
		Matters related to ESG, mineral sourcing, etc.	Survey responses
Shareholders (Including Investors)	Enhance corporate value through growth strategies and firm governance and carry out appropriate information disclosure	Financial results, business reports, ESG information, etc.	General meetings of shareholders
			Briefings on financial results and progress of business strategy
			Telephone conferences aligned with financial results disclosures
			Sustainability Briefing held as part of Sumitomo Metal Mining IR-Day 2022
			Meetings with institutional investors from Japan and overseas
Employees	Make workplaces where employees are proud to work by building good work environments and ensuring each individual has a clear role within the organization	Dissemination of management information including business activities, event information, etc.	Issuance of shareholder communications
			Briefings for individual investors
			In-house bulletins and intranet
			Various training activities
Local Communities (Including Indigenous Peoples)	Coexist with the local community, contribute to regional development, and behave with respect for the traditions and culture of indigenous peoples	Exchange with and contribution to the development of local communities	Various surveys (employment environment surveys, employee awareness surveys, stress check surveys)
			Labor-management council meetings, labor-management discussions, and Labor-Management Advisory Committee meetings
			Central Labor Management Conference
Business Partners (Including Suppliers)	Reduce risk related to human rights and labor, compliance, quality assurance, and environment and local communities, etc., and practice sustainable procurement	Explanations of the Sustainable Procurement Policy, sustainability matters, etc.	Exchanges of opinions on human rights, including the rights of indigenous peoples
			Exchanges of opinions on human rights issues with external experts, indigenous peoples, etc.
NGOs / NPOs	Listen to diverse opinions regarding social issues and maintain appropriate communication, including dialogue	Information gathering and exchanges of opinions	Videos explaining sustainability
			Visits to business partners
Government Agencies	Practice thorough compliance and contribute to the development of the countries and communities in which we do business	Information gathering and exchanges of opinions	Regular exchanges of opinions

Engagement with Stakeholders

Implementation and Results of the Employee Awareness Survey

The SMM Group has commissioned a specialized external organization to conduct employee awareness surveys in order to measure the satisfaction and engagement of its employees, who are important stakeholders, and to create a better company and workplace. These surveys have been conducted every three years since FY2010, with the fifth survey conducted in FY2021. The survey covered 5,153 people from 10 companies,* with a total of 141 questions, and a response rate of 94.4%. Their purpose is to gain a quantitative understanding of how employee awareness has changed over the three years since the previous survey and what kind of awareness employees currently have about working at the Company, and to use this information to develop management measures to create an even better company and workplace.

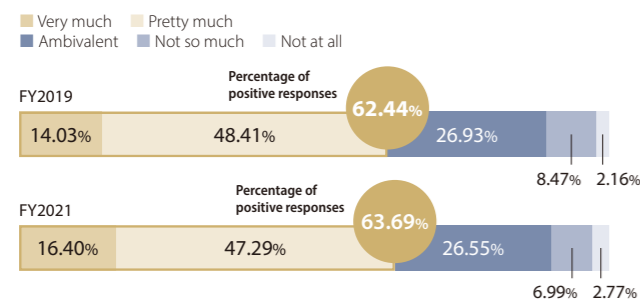
The results of this survey are fed back to top management, general managers of departments and divisions at the head office, heads of business divisions and business sites, presidents of Group companies, labor unions, etc. For directly controlled business sites, Group companies, and other sites, we disclose data by site to help improve management at each site. In FY2022, we held approximately 30 feedback briefings on the results of the FY2021 survey. The survey results and explanatory articles are published in in-house magazine for employees to read.

In order to make more effective use of the employee awareness survey, the frequency of the survey will be increased from every three years to annually starting in FY2023, and the survey content and feedback methods will be revised.

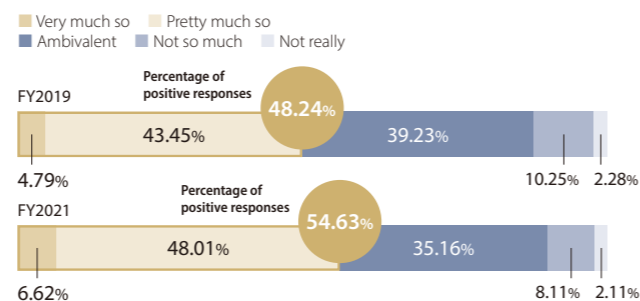
* Companies surveyed: Sumitomo Metal Mining Co., Ltd., Sumiko Logistics Co., Ltd., Hyuga Smelting Co., Ltd., Sumiko Energy Materials Co., Ltd., Ohkuchi Electronics Co., Ltd., Sumiko Kunitomi Electronics Co., Ltd., Ohkuchi Materials Co., Ltd., Shinko Co., Ltd., Sumiko Techno-Research Co., Ltd., Sumitomo Metal Mining Siporex Co., Ltd.

Results of employee awareness survey

Q. Are you proud of being an employee for Sumitomo Metal Mining?



Q. Do you think your company is an attractive workplace for you?



List of Main External Awards (FY2022)

Awards	Year/month	Recipient	Award received for
The Japan Society for Analytical Chemistry Award of Merit	2022/9	Sumitomo Metal Mining Co., Ltd., Non-Ferrous Metals Division Sumiko Techno-Research Co., Ltd.	The award is given to individuals who have amassed long-term research results in chemical analysis or for their meritorious service in the maintenance and manufacture of equipment, instruments, and reagents which are indispensable for analytical work. The work of two Group employees was recognized with the Award of Merit.
General Meeting of the Korean Institute of Resources Recycling Excellent Paper Presentation Award	2022/10	Sumitomo Metal Mining Co., Ltd., Technology Division	This award for excellent paper presentations was awarded to two employees in the Technology Division by the Korean Institute of Resources Recycling (KIRR), a South Korean academic research organization equivalent to the Mining and Materials Processing Institute of Japan.
Japan Association of Solvent Extraction Award	2022/11	Sumitomo Metal Mining Co., Ltd., Technology Division	This award was presented to an employee of the Technology Division in recognition of his contribution to the application of solvent extraction technologies in the non-ferrous metals field by the Japan Association of Solvent Extraction (JASE), an organization comprising academic research institutes, technology development institutes, universities, and other organizations from a wide range of fields, including chemical engineering, analytical chemistry, nuclear power engineering, and metallurgy.
2022 Presidential Mineral Industry Environmental Award (PMIEA)	2022/11	Coral Bay Nickel Corporation and Taganito HPAL Nickel Corporation	In the Philippines, CBNC was awarded the 2022 Presidential Mineral Industry Environmental Award (PMIEA). This is the third consecutive year it has won this award and the eight time overall. Furthermore, it also won awards for Safest Mineral Processing - Extraction Category Award for a second consecutive year, as well as an award for Best Mining Forest Contest alongside THPAL. The PMIEA is the highest honor that can be awarded in the Philippine mining industry. SMM received the award after scoring highly on a comprehensive assessment of factors including environmental and safety management at plants, conservation of local environments, and contribution to local communities.
Modal Shift Excellent Company Award	2022/12	Sumiko Logistics Co., Ltd.	Modal shift refers to a shift in the modes of transportation used in logistics systems from long-distance trucks to sea or rail transportation. At the Awards Ceremony for Excellent Company Working on Modal Shift hosted by Japan Association for Logistics and Transport, Sumiko Logistics was awarded the Excellent Company Working on Modal Shift Award (Improvement Category) due to its excellence in proactively working to advance a modal shift. This is the second time the company has won the award.

Main Organizations in Which SMM Has Membership

GRI 2-28

Organization	Responsibilities of SMM officers and employees	Initiatives relating to public policy
Japan Business Federation (Keidanren)	Executive member; participation in the following committees: Overseas Development Cooperation, Canada, Environment, Oceanic Resources, International Cooperation, China, South Asia, Japan-Myanmar Economic, Japan-Brazil Economic, Diversity & Inclusion, Crisis Management & National Resilience, Innovation, Mobility, Energy and Resources (Planning subcommittee), Labor Legislation (Occupational Health and Safety subcommittee)	As a unified business organization with the goal of making improvements to the autonomous growth of the domestic economy and to public life, we act reliably and swiftly after gathering opinions from the business world with regards to various internal and external economic challenges.
APEC Business Advisory Council Japan	Member	As a member of the Japanese Chapter of the APEC Business Advisory Council (ABAC), an official private sector advisory entity for the Asia-Pacific Economic Cooperation (APEC), we support the organization's activities.
Japan Mining Industry Association (JMIA)	Chair (2023); participation in the following committees and others: Reserves (chair and deputy chair), Planning and Coordination (chair and deputy chair), Energy, Overseas Development, Environmental Management (chair and deputy chair), Customs Duties, Funds, Supply and Demand, Taxation, Exploration and Development, Sulfide Ore and Sulfuric Acid, the Special Committee for Depletion Allowance Measures (chair and deputy chair), and Safety Promotion	Submission of mining industry policy requests to relevant government agencies regarding climate change countermeasures, electricity issues, taxation, resource development, smelting and recycling, mine safety, and personnel recruitment and training development. Sending observers to government-sponsored investigative committees to present industry viewpoints.
International Council on Mining and Metals (ICMM)	Participation in the Council, Principal Liaisons Committee, and other related bodies	Implement ICMM's Mining Principles Initiatives addressing priority issues in the fields of environment, society, governance and transparency, and innovation
International Copper Association, Ltd. (ICA)	Participation in the Board of Directors, Strategy Committee, Material Stewardship Council, Asia Regional Council, and other related bodies	Brings together the global copper industry to develop and defend markets for copper and to make a positive contribution to society's sustainable development goals. • Develop new uses for copper • Promote demand for copper • Contribute to achieving the SDGs
Japan Copper Development Association (JDCA)	Chairperson One director	• Develop uses for copper/copper products; develop technology • Provide correct information about copper (verdigris, bluish water from copper pipes, etc.)
Nickel Institute (NI)	Participate in meetings of the Board, Executive Committee, Strategic and Planning Advisory Committee, and other related bodies Participate on committees for PP&S (public policy and sustainability), Science (scientific research), and MD (market development)	Supporting the sustainable growth and development in the current stainless steel market and new markets for nickel, promoting sound science, risk management, and socio-economic benefit as the basis for public policy and regulation.
Cobalt Institute (CI)	One director Participate in Board, and Executive Committee (EXCO) meetings.	As a representative of the cobalt industry, we provide advice addressing all issues related to cobalt, including health, safety, and environmental issues, in a way that encourages sustainable and responsible production and use. We also work to obtain and share original information regarding sourcing, production, and use.
The Sulphuric Acid Association of Japan	One director; participation in the General Affairs Committee, Business Affairs Committee, Technical Committee and Editorial Committee	Communicating policy and information from the Manufacturing Industries Bureau of the Ministry of Economy, Trade and Industry to member companies and compiling and presenting requests from member companies. Striving to publicize and promote use of sulfuric acid as an industry organization through means such as issuing booklets on sulfuric acid, and establishing the Standard of the Sulphuric Acid Association of Japan (a quality standard for sulfuric acid).
Japan Electronics and Information Technology Industries Association (JEITA)	Participate in Electronic Components Board and Dielectric Ceramics Committee	Collection of various statistics, and participation in reviews of regulations, standards, environmental measures and other issues.
Battery Association of Japan (BAJ)	Associate member	Promotion of measures related to recycling, quality performance, and product safety that will be required in the future as demand for secondary batteries increases.
Battery Association for Supply Chain (BASC)	Regular member One director (deputy chairperson)	Provide advice on government policy to strengthen the global competitiveness of Japan and promote deliberation in Japan regarding conforming to international standards for each type of raw material in order to facilitate the development of healthy supply chains for batteries, battery parts, and materials.

As of July 2023

Engagement with Stakeholders

Participation in and Declarations of Support for International Organizations

GRI 2-28



SMM participates in international organizations, issues declarations of support, complies with the organizations' rules, and supports their activities. As a company in the mining and metal smelting and refining industries, we undertake initiatives for the sustainable development demanded of us.

International Council on Mining and Metals (ICMM)

ICMM is an international organization established to ensure that the mining and metals industries are made safe, fair, and sustainable. It is comprised of the world's biggest mining and metals companies, as well as regional and commodity-focused organizations. SMM is a member company.

ICMM has Mining Principles as guidance for environmental, social, and governance initiatives in the mining and metals industries. The Mining Principles comprise 10 Principles, a set of performance expectations that stipulate specific targets for action on these principles, position statements concerning certain specific issues, and an assurance and validation procedure.

The SMM Group reflects the ICMM 10 Principles and position statements in the visions and materiality issues of our Vision for 2030.

-  <https://www.icmm.com/>
-  [Performance Expectations](https://www.icmm.com/en-gb/our-principles) [P.131](#)

The 10 Principles of the ICMM

<p>Principle 1: Apply ethical business practices and sound systems of corporate governance and transparency to support sustainable development.</p> <p>Principle 2: Integrate sustainable development in corporate strategy and decision-making processes.</p> <p>Principle 3: Respect human rights and the interests, cultures, customs and values of workers and communities affected by our activities.</p> <p>Principle 4: Implement effective risk-management strategies and systems based on sound science and which account for stakeholder perceptions of risks.</p> <p>Principle 5: Pursue continual improvement in physical and psychological health and safety performance with the ultimate goal of zero harm.</p>	<p>Principle 6: Pursue continual improvement in environmental performance issues, such as water stewardship, energy use and climate change.</p> <p>Principle 7: Contribute to the conservation of biodiversity and integrated approaches to land-use planning.</p> <p>Principle 8: Facilitate and support the knowledge-base and systems for responsible design, use, re-use, recycling and disposal of products containing metals and minerals.</p> <p>Principle 9: Pursue continual improvement in social performance and contribute to the social, economic and institutional development of host countries and communities.</p> <p>Principle 10: Proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner. Effectively report and independently verify progress and performance.</p>
---	--

Position statements

ICMM has set forth the following position statements regarding important individual issues. The SMM Group is committed to complying with these initiatives.

Diversity, equality and inclusion; transparency of mineral revenues; climate change; water stewardship; tailings governance framework; indigenous peoples and mining; mining partnerships for development; mercury risk management; mining and protected areas

Validation of Implementation and Progress of Performance Expectations (PEs)

Within our target sites* for PEs, we have prioritized the sites to undergo third-party validation as follows.

Sites that produce or smelt and refine gold, silver, copper, and nickel, which are included in the minerals subject to international responsible mineral sourcing, sites that are large in scale (production volume, number of employees, etc.), and sites that produce metals as finished products (excluding facilities producing intermediate products)

- In FY2022, the Toyo Smelter & Refinery underwent third-party validation. [P.132-137](#)
- Hishikari Mine is scheduled to undergo verification in FY2023, and Niihama Nickel Refinery in FY2024.

* Defined by ICMM as operations involved in the production or refining of minerals and metals for sale or further processing.

Self-Assessment Results for the Entire Company (conducted in 2022)

Meets	Outcome ¹			Total
	Partially Meets	Does not meet	N/A	
14	14	2 ²	0	30

1. Each of the PEs was evaluated in light of the judgment criteria indicated for each PE in ICMM's Validation Guidance, as follows
 Meets: Systems and/or practices related to the PE have been implemented (all the judgment criteria in the Validation Guidance are met) and there is sufficient evidence thereof
 Partially meets: Systems and/or practices related to the PE have been partially implemented (some judgment criteria of Validation Guidance are met). Or, verifiable evidence provided is insufficient
 Does not meet: Systems and/or practices related to the PE are not in place (all Validation Guidance judgment criteria are not met) or there is no evidence thereof
 N/A: Not applicable
2. Items that fell under "does not meet," the reasons for the differences compared to "meets," and future initiatives
 - PE1.5: Political contributions
Data on political contributions are not disclosed. We will consider the possibility of disclosing this information in the future
 - PE 7.1: Operations in World Heritage sites
There is no clear policy for the Group regarding the exploration and development of mines in World Heritage sites, so, we will consider such a policy. Currently, the Group does not conduct any mining exploration or development in the World Heritage sites

Extractive Industries Transparency Initiative (EITI)

We agree with and have declared our support for the aims of the Extractive Industries Transparency Initiative (EITI).*

* EITI is a framework for multinational cooperation that enhances transparency in the flow of funds from the so-called extractive industries, those that are involved in oil, gas, and mineral resources, to the governments of resource-producing countries, to prevent corruption and conflict and thereby promote responsible resource development that leads to growth and the reduction of poverty.

-  <https://eiti.org/>

EITI Principles

<p>1 We share a belief that the prudent use of natural resource wealth should be an important engine for sustainable economic growth that contributes to sustainable development and poverty reduction, but if not managed properly, can create negative economic and social impacts.</p> <p>2 We affirm that management of natural resource wealth for the benefit of a country's citizens is in the domain of sovereign governments to be exercised in the interest of their national development.</p> <p>3 We recognise that the benefits of resource extraction occur as revenue streams over many years and can be highly price dependent.</p> <p>4 We recognise that a public understanding of government revenues and expenditure over time could help public debate and inform choice of appropriate and realistic options for sustainable development.</p> <p>5 We underline the importance of transparency by governments and companies in the extractive industries and the need to enhance public financial management and accountability.</p> <p>6 We recognise that achievement of greater transparency must be set in the context of respect for contracts and laws.</p>	<p>7 We recognise the enhanced environment for domestic and foreign direct investment that financial transparency may bring.</p> <p>8 We believe in the principle and practice of accountability by government to all citizens for the stewardship of revenue streams and public expenditure.</p> <p>9 We are committed to encouraging high standards of transparency and accountability in public life, government operations and in business.</p> <p>10 We believe that a broadly consistent and workable approach to the disclosure of payments and revenues is required, which is simple to undertake and to use.</p> <p>11 We believe that payments' disclosure in a given country should involve all extractive industry companies operating in that country.</p> <p>12 In seeking solutions, we believe that all stakeholders have important and relevant contributions to make—including governments and their agencies, extractive industry companies, service companies, multilateral organisations, financial organisations, investors, and non-governmental organisations.</p>
---	--

Engagement with Stakeholders

International Council on Mining and Metals' (ICMM) Performance Expectations (PEs)

Self-Assessment

FY2022 Asset Level Report (Toyo Smelter & Refinery)

We implemented a PEs self-assessment for the Toyo Smelter & Refinery in FY2022 as shown below and underwent third-party validation in FY2022.

FY2022 Self-Assessment Result (Toyo Smelter & Refinery)

Items	Performance Expectation	Assessment Summary	Implementation Evidence and Gaps
1	Apply ethical business practices and sound systems of corporate governance and transparency to support sustainable development.		
1.1	Establish systems to maintain compliance with applicable law	Meets	A mechanism we have to identify relevant legal requirements is a monthly newsletter sent to all employees that contains information on laws and regulations that were revised in the previous month. This newsletter is a product of Sumitomo Metal Mining Co., Ltd's legal department. Our group has "The Basic Compliance Regulations" as a mechanism to track, assess, implement and communicate changes to relevant legal requirements. When a compliance violation has been detected at the Toyo Smelter & Refinery, countermeasures to prevent reoccurrence shall be evaluated by the legal division with jurisdiction and the details shall be reported to Sumitomo Metal Mining Co., Ltd's board of directors.
1.2	Implement policies and practices to prevent bribery and corruption, and to publicly disclose facilitation payments.	Partially Meets	Our group has "The Basic Policies for Anti-Bribery" as a policy related to the prevention of bribery and corruption. While facilitation payments are stipulated as being handled in the same manner as the provisioning of standard benefits, we have not disclosed specific details. Additionally, while training is delivered to employees on policies and prohibited practices, we were not able to provide evidence that training was being implemented for contractors.
1.3	Implement policies and standards consistent with the ICMM policy framework.*	—	—
1.4	Assign accountability for sustainability performance at the Board and/or Executive Committee level.*	—	—
1.5	Disclose the value and beneficiaries of financial and in-kind political contributions whether directly or through an intermediary.*	—	—
2	Integrate sustainable development in company strategy and decision-making processes.		
2.1	Integrate sustainable development principles into corporate strategy and decision-making processes relating to investments in the design, operation and closure of facilities.*	—	—
2.2	Support the adoption of responsible health and safety, environmental, human rights and labour policies and practices by joint venture partners, suppliers and contractors, based on risk.	Partially Meets	Our group has the "SMM Group's Sustainable Procurement Policy" as a policy in place to define company expectations in the value chain with respect to health and safety, environmental, human rights and labour practices. We ask that all of our primary suppliers and contractors consent to the "SMM Group's Sustainable Procurement Policy" as a means to promote health and safety, environmental, human rights and labour performance. We were not able to submit evidence that we had mechanisms in place, based on risk, to support the health and safety, environmental, human rights and labour performance of partners.

Items	Performance Expectation	Assessment Summary	Implementation Evidence and Gaps
3	Respect human rights and the interests, cultures, customs and values of employees and communities affected by our activities.		
3.1	Support the UN Guiding Principles on Business and Human Rights by developing a policy commitment to respect human rights, undertaking human rights due diligence and providing for or cooperating in processes to enable the remediation of adverse human rights impacts that members have caused or contributed to.	Partially Meets	Our group has the "Sumitomo Metal Mining Group Policy on Human Rights" as a policy commitment to avoid causing or contributing to adverse human rights impacts from operational activities or from activities directly linked to the operations, products or services by business relationships. While we are delivering human rights training to all employees, including those in the group, we were not able to provide evidence for mechanisms to communicate negative human rights impacts in an appropriate manner to potentially impacted neighboring inhabitants, nor for company-wide due diligence for human rights.
3.2	Avoid the involuntary physical or economic displacement of families and communities. Where this is not possible apply the mitigation hierarchy and implement actions or remedies that address residual adverse effects to restore or improve livelihoods and standards of living of displaced people.	Partially Meets	As the development plan for the Toyo Smelter & Refinery started before 2001 (before the start of the ICMM), assessment related to the involuntary resettlement plan for the Toyo Smelter & Refinery is not applicable. A development plan requiring involuntary resettlement has not been implemented for the Toyo Smelter & Refinery from 2001 and after. At present, we have not drafted a policy statement covering the avoidance of involuntary resettlement to the extent possible.
3.3	Implement, based on risk, a human rights and security approach consistent with the Voluntary Principles on Security and Human Rights.	Partially Meets	We are delivering human rights training to security personnel. Incidents between security personnel and neighboring inhabitants are recorded in a security record. We were not able to present evidence that we were implementing an approach to security and human rights (including a human rights risk assessment) that was in line with the Voluntary Principles on Security and Human Rights, nor were we able to present evidence of consultations related to security and human rights that had taken place with stakeholders (neighboring inhabitants) who were potentially affected.
3.4	Respect the rights of workers by: not employing child or forced labour; avoiding human trafficking; not assigning hazardous/dangerous work to those under 18; eliminating harassment and discrimination; respecting freedom of association and collective bargaining; and providing a mechanism to address workers grievances.	Meets	Our recruitment process employs those who have graduated high school, so we do not employ child labour or assign hazardous/dangerous work to those under 18. Our group has labour contracts that are based on the consent of the labourers as evidence that forced labour and human trafficking are not occurring. Our group has the internal "Human Rights Regulations" as a mechanisms to identify, assess, and eliminate potential employment and human rights risks related to harassment and discrimination. Our group has a collective labour agreement as a mechanism to respect the right to freedom of association and collective bargaining. Our group has a "Grievance Redressal Council" as a mechanism to enable workers' grievances to be brought forward and addressed.
3.5	Remunerate employees with wages that equal or exceed legal requirements or represent a competitive wage within that job market (whichever is higher) and assign regular and overtime working hours within legally required limits.	Meets	Our group has labour contracts as contracts related to employee compensation. We monitor working hours and check against statutory working hours. Our group has internal regulations for personnel evaluations and achievement level evaluations as evidence related to mechanisms to demonstrate implementation of fair remuneration.
3.6	Respect the rights, interests, aspirations, culture and natural resource-based livelihoods of Indigenous Peoples in project design, development and operation; apply the mitigation hierarchy to address adverse impacts; and deliver sustainable benefits for Indigenous Peoples.	Not Applicable	We determined that this was "Not applicable," as the area used for the construction of the Toyo Smelter & Refinery had no indigenous people.

Engagement with Stakeholders

Items	Performance Expectation	Assessment Summary	Implementation Evidence and Gaps
3.7	Work to obtain the free, prior and informed consent of Indigenous Peoples where significant adverse impacts are likely to occur, as a result of relocation, disturbance of lands and territories or of critical cultural heritage, and capture the outcomes of engagement and consent processes in agreements.	Not Applicable	We determined that this was "Not applicable," as the area used for the construction of the Toyo Smelter & Refinery had no indigenous people.
3.8	Implement policies and practices to respect the rights and interests of women and support diversity in the workplace.	Meets	Our group has salary regulations as evidence that our standards governing employment and compensation are based on objective criteria and are not discriminatory based on gender or other social or economic criteria. For employment and compensation for the company, including the Toyo Smelter & Refinery, data on the ratio of female managers, the ratio of female employees, the ratio of male and female employees taking childcare leave, and the employment and turnover rate for male and female employees is disclosed in our Integrated Report.
4	Implement effective risk-management strategies and systems based on sound science and which account for stakeholder perceptions of risks.		
4.1	Assess environmental and social risks and opportunities of new projects and of significant changes to existing operations in consultation with interested and affected stakeholders, and publicly disclose assessment results.	Meets	As the development plan for the Toyo Smelter & Refinery started before 2001 (before the start of the ICMM), assessment related to the Environmental Impact Assessment (EIA) for the Toyo Smelter & Refinery is not applicable. From 2001 onwards, the "Toyo Smelter & Refinery Sulfuric Acid Equipment Reinforcement Plan" was a development plan requiring an EIA by Japanese law. Evidence that the EIA was submitted to Ehime Prefecture and that procedures were finished is available on the Ehime Prefecture website. (https://www.pref.ehime.jp/kankyoku/k-hp/theme/assessment/jokyo/sumikin.html)
4.2	Undertake risk-based due diligence on conflict and human rights that aligns with the OECD Due Diligence Guidance on Conflict Affected and High Risk Areas, when operating in, or sourcing from, a conflict-affected or high-risk area.	Meets	The Toyo Smelter & Refinery is enacting due diligence to ensure that the sourcing of copper is in line with the responsible sourcing requirements of the London Metal Exchange and that the sourcing of gold and silver is in line with the guidelines of the London Bullion Market Association.
4.3	Implement risk-based controls to avoid/prevent, minimise, mitigate and/or remedy health, safety and environmental impacts to workers, local communities, cultural heritage and the natural environment, based upon a recognised international standard or management system.	Meets	The Toyo Smelter & Refinery conducts management of occupational health and safety based on ISO45001 and implements an environmental management system based on ISO14001. Our group has "Risk Management System Regulations" and "Environmental Management Regulations" as evidence that we implement risk-based controls to avoid/prevent, minimise, mitigate and/or remedy health, safety and environmental impacts to workers, local communities, cultural heritage and the natural environment, and minimise or compensate for adverse impacts.
4.4	Develop, maintain and test emergency response plans. Where risks to external stakeholders are significant, this should be in collaboration with potentially affected stakeholders and consistent with established industry good practice.	Meets	Our group has internal regulations such as the "Risk Management Regulations," "Business Continuity Plan" and "Emergency Response Procedure" as evidence of emergency response plans that include the identification of foreseeable hazards and risks that could lead to emergency situations.
5	Pursue continual improvement in health and safety performance with the ultimate goal of zero harm.		
5.1	Implement practices aimed at continually improving workplace health and safety, and monitor performance for the elimination of workplace fatalities, serious injuries and prevention of occupational diseases, based upon a recognised international standard or management system.	Meets	The Toyo Smelter & Refinery conducts management of occupational health and safety based on ISO45001. Our group has internal regulations such as the "Regulations for Security, Safety and Occupational Health Management" as a mechanism to identify, assess, eliminate (if possible), or control the health and safety hazards and occupational diseases at the asset.

Items	Performance Expectation	Assessment Summary	Implementation Evidence and Gaps
5.2	Provide workers with training in accordance with their responsibilities for health and safety, and implement health surveillance and risk-based monitoring programmes based on occupational exposures.	Meets	Our group has internal regulations such as the "Regulations for Security, Safety and Occupational Health Management" as a mechanism in place for identifying and implementing health and safety training for employees that is aligned with their job responsibilities. Our group's internal regulations such as the "Regulations for Safety and Sanitation" identify the activities, materials and processes to which employees are exposed, and the procedures to follow when exposure levels are exceeded.
6	Pursue continual improvement in environmental performance issues, such as water stewardship, energy use and climate change.		
6.1	Plan and design for closure in consultation with relevant authorities and stakeholders, implement measures to address closure-related environmental and social aspects, and make financial provision to enable agreed closure and post-closure commitments to be realized.	Not Applicable	We determined that this was "Not applicable," as the asset does not have mines or tailing dams.
6.2	Implement water stewardship practices that provide for strong and transparent water governance, effective and efficient management of water at operations, and collaboration with stakeholders at a catchment level to achieve responsible and sustainable water use.	Meets	We are monitoring water intake amounts, effluent amounts and contaminants at the Toyo Smelter & Refinery. We report to the authorities on the compliance with applicable requirements based on the Water Pollution Control Law, which serves as evidence of stakeholder engagement on water management at the catchment level.
6.3	Design, construct, operate, monitor and decommission tailings disposal/storage facilities using comprehensive, risk-based management and governance practices in line with internationally recognised good practice, to minimise the risk of catastrophic failure.	Not Applicable	We determined that this was "Not applicable," as the asset does not have tailing facilities.
6.4	Apply the mitigation hierarchy to prevent pollution, manage releases and waste, and address potential impacts on human health and the environment.	Meets	We implement an environmental management system at the Toyo Smelter & Refinery based on ISO14001. Our group has internal regulations such as the "Environmental Management Regulations" and "Waste Management Regulations" as mechanisms to identify, assess, and control sources of potential pollution and their impacts on human health and the environment. As substantive mechanisms in line with mitigation hierarchy, we control waste by recycling water used in processes and by investing resources that are not useable in one process in another.
6.5	Implement measures to improve energy efficiency and contribute to a low-carbon future, and report the outcomes based on internationally recognised protocols for measuring CO ₂ equivalent (GHG) emissions.	Meets	The Toyo Smelter & Refinery reports energy usage to Sumitomo Metal Mining Co., Ltd. based on internal "Energy Management Regulations." Sumitomo Metal Mining Co., Ltd. calculates the group's CO ₂ emissions using emission factors that are based on the "Act on Promotion of Global Warming Countermeasures" and discloses them in its Integrated Report.
7	Contribute to the conservation of biodiversity and integrated approaches to land-use planning.		
7.1	Neither explore nor develop new mines in World Heritage sites, respect legally designated protected areas, and design and operate any new operations or changes to existing operations to be compatible with the value for which such areas were designated.	Not Applicable	We determined that this was "Not applicable," as there are no listed World Heritage sites in the area surrounding the asset.
7.2	Assess and address risks and impacts to biodiversity and ecosystem services by implementing the mitigation hierarchy, with the ambition of achieving no-net-loss to biodiversity.	Meets	We implement an environmental management system at the Toyo Smelter & Refinery based on ISO14001. Our group has an "Environmental Management Program" that aims to minimize the effect on water and the atmosphere based on the Act on Special Measures Concerning Conservation of the Environment of the Seto Inland Sea as a programme in place to identify and assess potential adverse impacts to biodiversity and ecosystem services.


Engagement with Stakeholders


Items	Performance Expectation	Assessment Summary	Implementation Evidence and Gaps
8	Facilitate and support the knowledge-base and systems for responsible design, use, re-use, recycling and disposal of products containing metals and minerals.		
8.1	In project design, operation and de-commissioning, implement cost-effective measures for the recovery, re-use or recycling of energy, natural resources, and materials.	Partially Meets	Our group has evidence that sustainable development principles have been integrated into the project design. On the other hand, we were not able to present evidence related to mechanisms to identify and analyse practices to recover, recycle and re-use materials such as natural resources throughout the life of the asset.
8.2	Assess the hazards of the products of mining according to UN Globally Harmonised System of Hazard Classification and Labelling or equivalent relevant regulatory systems and communicate through safety data sheets and labelling as appropriate.	Meets	Internal regulations such as the "SMM Group Chemical Management Guidelines" exist as evidence that practices are in place to identify, assess and classify the hazards of products according to the UN Globally Harmonised System of Hazard Classification and Labelling or equivalent relevant regulatory mechanism. We are communicating the hazards of products to stakeholders through safety data sheets for hazardous substances and clearly label containers and packaging with information regarding hazardous substances.
9	Pursue continual improvement in social performance and contribute to the social, economic and institutional development of host countries and communities.		
9.1	Implement inclusive approaches with local communities to identify their development priorities and support activities that contribute to their lasting social and economic wellbeing, in partnership with government, civil society and development agencies, as appropriate.	Meets	Our group has CSR societal contribution activities (tree planting business, business for the promotion and development of sports, culture and the arts, etc.) as evidence of the implementation of participatory engagement practices to identify, assess and implement community development activities that address priorities with the intent that communities can thrive, including post-closure.
9.2	Enable access by local enterprises to procurement and contracting opportunities across the project life cycle, both directly and by encouraging larger contractors and suppliers, and also by supporting initiatives to enhance economic opportunities for local communities.	Meets	The Toyo Smelter & Refinery maintains communication minutes with subcontractors (local enterprises implementing on-premises logistics and maintenance) as evidence of consultation with local communities, to define, identify, communicate and promote procurement opportunities for local enterprises or contractors.
9.3	Conduct stakeholder engagement based upon an analysis of the local context and provide local stakeholders with access to effective mechanisms for seeking resolution of grievances related to the company and its activities.	Partially Meets	While we have mechanisms in place for the redressal of grievances from stakeholders, for the implementation of investigations and for grievance processing based on internal reporting, we were not able to present evidence related to "stakeholder mapping based on, for example, type of stakeholder, level of influence, and capacity to engage," "stakeholder engagement informed by social, economic and environmental assessments/baseline studies" and "grievance mechanism fit for purpose and aligned with the UN Guiding Principles on Business and Human Rights."
9.4	Collaborate with government, where appropriate, to support improvements in environmental and social practices of local Artisanal and Small-scale Mining (ASM).	Not Applicable	We confirmed that this was "Not applicable," as artisanal and small-scale mining does not exist in the local area.
10	Proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner. Effectively report and independently verify progress and performance.		
10.1	Identify and engage with key corporate-level external stakeholders on sustainable development issues in an open and transparent manner.*	—	—
10.2	Publicly support the implementation of the Extractive Industries Transparency Initiative (EITI) and compile information on all material payments, at the appropriate levels of government, by country and by project.	Not Applicable	We determined that this was "Not applicable," as the asset is not developing resources in a country in which EITI is implemented.
10.3	Report annually on economic, social and environmental performance at the corporate level using the GRI Sustainability Reporting Standards.*	—	—

Items	Performance Expectation	Assessment Summary	Implementation Evidence and Gaps
10.4	Each year, conduct independent assurance of sustainability performance following the ICMM guidance on assuring and verifying membership requirements.*	—	—

Items for which we were not able to disclose evidence will become issues for discussion moving forward

* The asset level report is not applicable, as it is a corporate level item

 [ICMM Mining Principles: Performance Expectations](https://www.icmm.com/en-gb/our-principles/mining-principles/mining-principles)
<https://www.icmm.com/en-gb/our-principles/mining-principles/mining-principles>

 [Independent Assurance Report for the FY2022 Asset Level Report \(Toyo Smelter & Refinery\)](https://www.smm.co.jp/en/sustainability/icmm/pdf/asset_toyo_report_en.pdf)
https://www.smm.co.jp/en/sustainability/icmm/pdf/asset_toyo_report_en.pdf

Research & Development

Approach and Policy

The SMM Group has four research and development sites and we are engaged in raising our competitiveness by evolving existing technologies while also advancing research and development into next-generation metal smelting and refining technologies and pioneering new materials for carbon neutrality. To achieve the Vision for 2030, the 2021 3-Year Business Plan* set out (1) promotion of development of new technologies and processes to achieve carbon neutrality; (2) business innovation in manufacturing and R&D divisions through DX (Digital Transformation); and (3) activation of individuals and utilization of human resources, and we are pursuing research and development in these areas.

* [2021 3-Year Business Plan](https://www.smm.co.jp/en/ir/management/plan/pdf/220215_setsumeikai_e.pdf)
https://www.smm.co.jp/en/ir/management/plan/pdf/220215_setsumeikai_e.pdf

FY2022 Results

The Group's business consists of processes that produce significant direct and indirect emissions of greenhouse gases (GHGs), such as CO₂. As such, in FY2022, we worked to reduce use of neutralizers in existing smelting and refining processes, fix CO₂, and develop next-generation processes for smelting and refining without using fossil fuels with the aim of reducing direct CO₂ emissions, and we obtained the results for proceeding to scale-up testing.

In the area of creating new businesses to support the value chain of the 3-business collaboration in Mineral Resources, Smelting and Refining, and Materials, our work on the development and demonstration of the storage battery recycling process and the development and demonstration of high-performance cathode materials for next-generation storage batteries has been adopted as a part of the Next-generation Storage Battery and Motor Development project under the Green Innovation Fund* of the New Energy and Industrial Technology Development Organization (NEDO), and we accelerated development toward commercialization.

* [Green Innovation Fund](https://www.nedo.go.jp/news/press/AA5_101535.html)
https://www.nedo.go.jp/news/press/AA5_101535.html

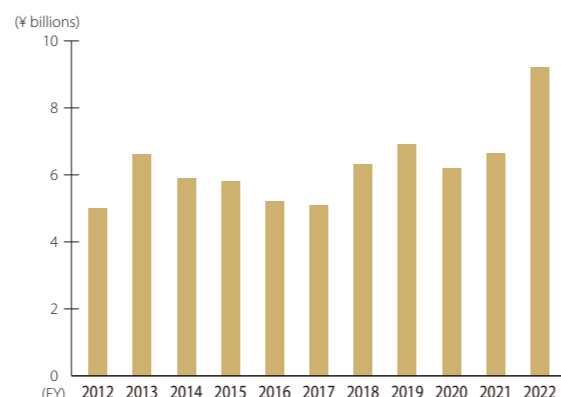
Strategy

In the materials field, we will continue to develop high functionality and new products for battery materials, powder materials, and crystal materials. In the field of battery cathode materials, regarded as a growth market, alongside development to improve performance, we will develop next-generation battery materials, including solid-state batteries, and new processes that will help to improve productivity.

Under the Vision Co-Creation Partnership with Tohoku University aimed at creating innovative materials in the lead-up to 2050, we established the Tohoku University GX Materials Science Co-Creation Research Center on October 1, 2022 in partnership with the Tohoku University Advanced Institute for Materials Research to accelerate exploration of R&D themes. Through the exploration of R&D themes at the research center, we will develop young engineers. We will also focus on the development of photocatalyst materials for use in artificial photosynthesis for CO₂ recycling and hydrogen production and materials related to energy-saving and energy harvesting with the aim of realizing carbon neutrality.

In formulating the Vision for 2030, we discussed how we will create materials without damaging the global environment in the world of 2050 or 2100 and what the non-ferrous metals industry should be like in order to achieve this goal. In terms of the medium-term outlook, we will be closely watching how the world changes and transforms by 2030, and we will work to respond rapidly in step with this change and transformation and make effective use of non-ferrous metal resources. In terms of concrete initiatives in the smelting and refining field, we are pursuing research and development related to next-generation nickel smelting and refining processes and lithium refining processes to significantly reduce GHG emissions. We are also exploring R&D themes that solve the social needs presented in the Vision for 2030 while continuing to develop improvements in resource exploration, mining, and mineral processing technologies.

■ Research and Development Expenses



Intellectual Property

Approach and Policy

The SMM Group Code of Conduct includes a basic policy on intellectual property (IP) and its protection and effective use. Also, its 2021 3-Year Business Plan states that the Intellectual Property Department will closely cooperate with the business and R&D divisions and promote the utilization of intellectual property in line with business development.

SMM Group Code of Conduct: Handling of Intellectual Property

- We will nurture and maintain conscious recognition of the importance of intellectual property as a vital asset of the Group, and strive toward the creation of such property.
- We will strive to properly protect and effectively use all corporate intellectual properties; we will also respect intellectual properties of other parties.

Strategy

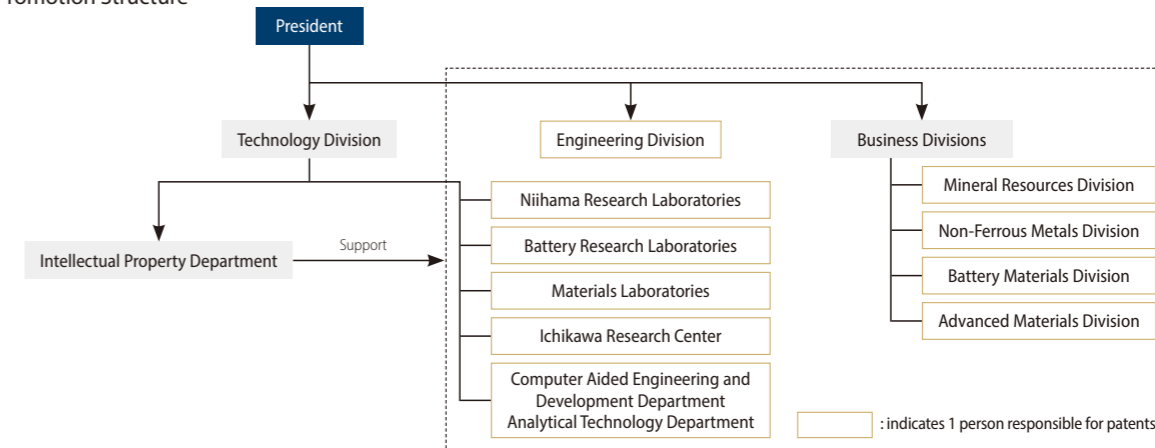
We are working on four major areas: improving intellectual property capabilities, establishing a patent portfolio, promoting the use of patent searches and patent information analysis, and developing an infrastructure for intellectual property activities. In particular, we ensure that the intellectual property strategies we have formulated are implemented in conjunction with the business strategies of our priority businesses and projects. We are using education and training to promote the development of human resources and IP awareness to execute the strategies, and we are establishing an IP rights management system that includes protection of inventors' rights and handling of other parties' IP rights. In terms of brand protection, we promote the use of trademarks and take appropriate measures against counterfeit products (patent infringement).

Promotion Structure

The Company's intellectual property activities are undertaken by the Intellectual Property Department of the Technology Division, each business division, and each department, such as research laboratories, and are under the supervision of the General Manager of the Technology Division (executive officer). Each division has one person responsible for patents, for a total of 10 people, and promotes intellectual property activities. Twice a year, the Intellectual Property Department and the people responsible for patents hold meetings to discuss strategies and management systems related to patents, and other matters, and to monitor these activities.

Under the supervision of the person responsible for patents, each division is in charge of intellectual property-related work, such as the development of patent strategies for each product or research theme, patent searches, and evaluation responses. The Intellectual Property Department is in charge of formulating Group-wide strategies, establishing and maintaining a patent management system, human resource development, etc., and promotes intellectual property activities in cooperation with each division by providing support in establishing patent strategies, conducting patent searches, establishing a patent portfolio, and effectively using Group patent rights, etc.

■ Promotion Structure



Intellectual Property

Education about Intellectual Property

With the aim of preventing copyright law violations in daily operations, in FY2022 we provided all employees with education on intellectual property law and Copyright Act through e-learning. As part of the training program, new technical employees are educated on basic intellectual property matters, the patent system, and our management system. For employees in their second and later years of employment, we provide more specific knowledge on patents, drafting of specifications, technical contracts, etc. For employees in management positions, we conduct case studies (group discussions) on technical contracts, lectures by outside experts, etc., depending on the level of the employee.

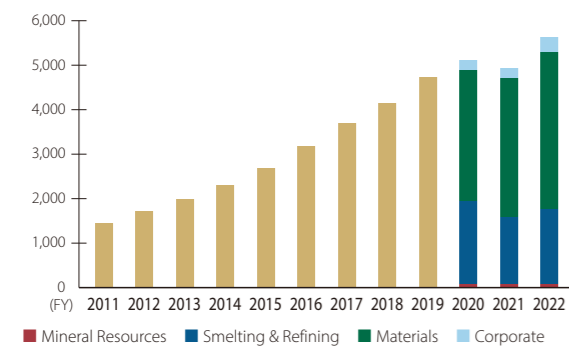
Rewards for Invention

We have established Regulations for the Management of Patents, etc. in accordance with the Patent Act, and provide monetary rewards for employee inventions made in the course of their duties, both when applying for a patent and when contributing to the business. The Company does not set a limit on the amount of rewards to be paid for inventions that contribute to the business, they are based on performance thereby motivating employees to create valuable inventions.

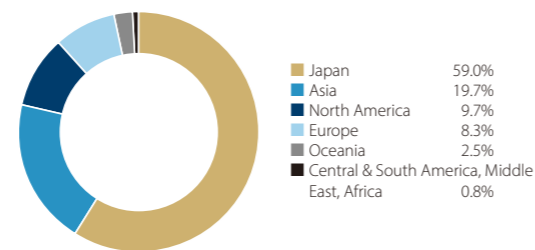
Number of Patents

We are establishing and expanding our patent portfolio by promoting patent applications for inventions created from our business activities and research and development. In recent years, we have particularly increased the number of patents related to our Materials Business (battery materials business and advanced materials business). In addition, the number of patent applications we filed in 2021 was 382, the largest number among the member companies of the Japan Mining Industry Association.

Number of Patents held by the Group



Percentage of Patents by Region (FY2022)



External Recognition

At the National Commendation for Invention 2018 (sponsored by the Japan Institute of Invention and Innovation), which aims to encourage and foster inventions and contribute to the improvement of science and technology in Japan and the promotion of industry, we were awarded the Keidanren Chairman's Award in recognition of our invention of the "Hydrometallurgical process of nickel oxide ore*", and our achievement in commercializing this process to recover nickel and cobalt from low grade nickel oxide ore by HPAL technology.

* Patent number 4525428

Social Data

Employees' Occupational Health and Safety

Work-Related Incidents

				GRI 403-9				
		Scope ¹	Unit	2018	2019	2020	2021	2022
Work-related fatalities <input checked="" type="checkbox"/>	Number of injuries	Business sites in Japan	Employees	0	1	0	1	0
			Non-employee workers	0	0	0	1	0
		Overseas business sites	Employees	0	0	0	0	0
	Frequency rate ²	Business sites in Japan	Employees	0.00	0.08	0.00	0.07	0.00
			Non-employee workers	0.00	0.00	0.00	0.50	0.00
		Overseas business sites	Employees	0.00	0.00	0.00	0.00	0.00
		Non-employee workers	—	0.00	0.00	0.00	0.00	
Work-related injuries resulting in disability <input checked="" type="checkbox"/>	Number of injuries	Business sites in Japan	Employees	0	0	0	0	0
			Non-employee workers	0	0	0	0	1
		Overseas business sites	Employees	0	0	0	0	0
	Frequency rate ²	Business sites in Japan	Employees	0.00	0.00	0.00	0.00	0.00
			Non-employee workers	0.00	0.00	0.00	0.00	0.50
		Overseas business sites	Employees	0.00	0.00	0.00	0.00	0.00
		Non-employee workers	—	0.00	0.00	0.00	0.00	
Number of recordable work-related injuries <input checked="" type="checkbox"/>	Number of injuries ³	Business sites in Japan	Employees	23	14	15	20	24
			Non-employee workers	9	11	8	8	5
		Overseas business sites	Employees	5	1	0	1	1
	Frequency rate ²	Business sites in Japan	Employees	6	6	3	7	3
			Non-employee workers	1.71	1.05	1.13	1.48	1.63
		Overseas business sites	Employees	3.29	4.05	4.07	3.99	2.48
		Non-employee workers	1.61	0.35	0.00	0.35	0.31	
		Non-employee workers	—	0.67	0.28	0.58	0.25	
Cumulative hours worked	Business sites in Japan	Employees	13,417,350	13,321,652	13,288,058	13,528,961	14,722,399	
		Non-employee workers	2,734,000	2,714,000	1,966,000	2,004,000	2,018,000	
	Overseas business sites	Employees	3,098,667	2,826,000	2,856,000	2,870,000	3,240,000	
		Non-employee workers	—	8,922,000	10,620,000	11,980,000	12,158,000	
Number of potential incidents ⁶	Business sites in Japan	Employees	25	26	20	26	40	
			Non-employee workers	8	14	7	7	14
		Overseas business sites	Employees	7	1	0	0	2
	Overseas business sites	Employees	5	2	1	2	6	
			Non-employee workers					
			Non-employee workers					

- "Employees" includes employees and part-time workers from Group companies
- Frequency rate calculated per 1,000,000 hours
- "Recordable work-related injuries" is the total of injuries that required hospital treatment and resulted in absence from work and injuries not resulting in absence from work
- Estimated based on one person working 2,000 hours per year
- Total working hours of workers other than employees (those working at regular contractors) based on survey numbers from May of each year. Calculated based on note 4 above
- The number of minor incidents (visited the hospital but no treatment needed)

Work-Related Incidents (2022 results)

	Business sites in Japan	Overseas business sites
Main types of work-related incidents	Caught in/between, cut, contact to high or low-temperature, reaction to motion/improper motion, fall from height, falling to same level, crashed by injuries	Reaction to motion/improper motion, caught in/between, crashed by, falling to same level
Sources of work-related hazards that could lead to disability, and method of determination	Sources have been classified based on analysis into damage caused by incidents in the past: 1) Heavy loads, 2) chemicals, 3) high-temperatures objects 4) rotating objects, 5) electricity, 6) high places, 7) heavy machinery, 8) cylinders, 9) hand tools	Applied based on the results of analysis of incidents in Japan: 1) Heavy loads, 2) chemicals, 3) high-temperatures objects, 4) rotating objects, 5) electricity, 6) high places, 7) heavy machinery, 8) cylinders, 9) hand tools
Incidents leading to disabilities and resulting from sources of work-related hazards, and actions taken or underway to eliminate these hazards using the hierarchy of controls*	Employees • Heavy loads (resulting in absence from work): Creation of a platform, installation of a safety fence, and layout change • Heavy loads (not resulting in absence from work): Change sensors, interlocks, and sequences • High places (resulting in absence from work): measures to prohibit entry to temporary scaffolds, relocation of equipment Contractors • High places (resulting in absence from work): Installation of special stepladder with handrail • Rotating objects (resulting in absence from work): Change sensors and interlocks	N/A
Incidents resulting from other sources of workplace hazards and actions taken or underway to eliminate these hazards using the hierarchy of controls*	N/A	N/A

* Hierarchy of controls: An approach for lowering risk to acceptable levels through prioritization as follows: Elimination of source of risk → Substitution of source of risk → Engineering controls → Administrative controls → Personal protective equipment
Source: The US National Institute for Occupational Safety and Health (NIOSH)

Work-Related Ill Health

GRI 403-10

		Scope*	Unit	2018	2019	2020	2021	2022
Number of fatalities as a result of work-related ill health	Business sites in Japan	Employees	cases	0	0	0	0	0
		Non-employee workers		—	0	0	0	0
	Overseas business sites	Employees		0	0	0	0	0
Number of cases of recordable work-related ill health	Business sites in Japan	Non-employee workers	0	0	0	0	0	
		Non-employee workers	—	—	—	0	0	
	Overseas business sites	Employees	0	0	0	0	0	
		Non-employee workers	0	0	0	0	0	

* "Employees" includes employees and part-time workers from Group companies

Work-Related Ill Health (FY2022 results)

Main types of work-related ill health and method of determination	Business sites in Japan	Overseas business sites
	As stated in the Japanese occupational health and safety laws and regulations • Pneumoconiosis • Ionizing radiation injury • Organic solvent poisoning • Damage caused by specified chemical substances (occupational cancer, skin damage, etc.) • Lead poisoning • Vibration-induced damage • Noise-induced hearing loss • Occupational dental problems (dental erosion, etc.)	As set forth in the Occupational Safety and Health Standards of the Philippines • Occupational cancer • Hearing loss • Dermatitis • Ionizing radiation injury • Poisoning and sequelae due to chemical substances • Pneumoconiosis • Pneumonia • Vibration-induced damage • Malaria • Asbestos-related diseases, etc. As set forth in the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases • Pneumoconiosis • Dermatitis • Hearing loss • Vibration-induced damage • Dental erosion • Chemical poisoning • Radiation injury • Occupational cancer, etc. As set forth in the Occupational Safety and Health Act (Taiwan) Labor Insurance Act • Pneumoconiosis • Ionizing radiation injury • Hearing loss • Vibration-induced damage • Dental erosion • Dermatitis • Poisoning and sequelae due to chemical substances (organic solvent poisoning, etc.) As set forth in Vietnamese law • Pneumoconiosis • Lead poisoning • Organic solvent poisoning • Noise-induced hearing loss • Vibration-induced damage • Skin damage • Occupational cancer
Sources of work-related hazards that lead to work-related ill health	• Dust • Ionizing radiation • Organic solvents • Specified chemical substances • Lead • Vibrating tools • Noise • Substances that erode the teeth (acids)	—
Incidents resulting from sources of work-related hazards leading to work-related ill health and actions taken or underway to eliminate these hazards using the hierarchy of controls*	• No work-related ill health occurred that required treatment • Implementing improvements to working environments at business sites, with Control Class 3 workplaces as a priority, including Control Class 2 workplaces • Using a risk assessment database of chemical substances to prevent illness	No work-related ill health occurred that required treatment

* Hierarchy of controls: An approach for lowering risk to acceptable levels through prioritization as follows: Elimination of source of risk → Substitution of source of risk → Engineering controls → Administrative controls → Personal protective equipment
Source: The US National Institute for Occupational Safety and Health (NIOSH)

Social Data

Occupational Health and Safety Management System

GRI 403-1/403-8

SMM Group

	Scope ¹	Unit	2018	2019	2020	2021	2022
Workers covered by an Occupational Health and Safety Management System	Business sites in Japan		6,763 (100)	6,885 (100)	6,849 (100)	7,008 (100)	6,760 (100) ^{2,4}
	Overseas business sites		1,355 (100)	1,357 (100)	1,431 (100)	1,452 (100)	1,644 (100) ^{2,4}
Workers covered by an Occupational Health and Safety Management System subject to internal audits ³	Business sites in Japan	people (%)	6,763 (100)	6,885 (100)	6,849 (100)	7,008 (100)	6,760 (100)
	Overseas business sites		1,355 (100)	1,357 (100)	1,431 (100)	1,452 (100)	1,644 (100)
Workers covered by an Occupational Health and Safety Management System subject to third party audits and certification	Business sites in Japan		1,620 (24)	1,631 (24)	1,837 (27)	1,964 (28)	2,348 (35)
	Overseas business sites		45 (3)	89 (6)	90 (6)	99 (7)	98 (6)
Percentage of business sites with third party certification ⁵	Business sites in Japan		16.3	16.3	18.6	20.9	23.1
	Overseas business sites	%	60.0	60.0	60.0	60.0	50.0

Regular contractors

	Scope ¹	Unit	2018	2019	2020	2021	2022
Workers covered by an Occupational Health and Safety Management System	Business sites in Japan		1,367 (100)	1,357 (100)	983 (100)	1,002 (100)	1,009 (100) ^{2,4}
	Overseas business sites		2,904 (100)	4,461 (100)	5,310 (100)	5,990 (100)	6,079 (100) ^{2,4}
Workers covered by an Occupational Health and Safety Management System subject to internal audits ³	Business sites in Japan	people (%)	1,297 (95)	1,333 (98)	979 (99)	1,002 (100)	1,000 (99)
	Overseas business sites		2,233 (77)	3,551 (100)	5,310 (100)	5,990 (100)	6,079 (100)
Workers covered by an Occupational Health and Safety Management System subject to third party audits and certification	Business sites in Japan		21 (2)	21 (2)	21 (2)	21 (2)	23 (2)
	Overseas business sites		0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Percentage of business sites with third party certification ⁶	Business sites in Japan		1	1	1	1	1
	Overseas business sites	companies	—	—	—	—	—

1. Includes temporary employees covered by SMM Group occupational health and safety administration
 2. Japan: We have built an occupational health and safety management framework as stipulated by the Japanese Industrial Safety and Health Act, formulated policies, targets, and plans, and implemented a one-year PDCA cycle. Activities are carried out for each level of the organization and cover 100% of employees
 Overseas: We have built the system in accordance with the occupational health and safety laws and regulations of each country
 3. Japan: Internal audits are implemented at each business site in the form of inspections by the business division with jurisdiction, the Safety & Environment Control Department, the Besshi-Niihama District Division Safety & Environment Control Center (Besshi District), or other organizations. The inspections check each business site's policy, targets, activity plan, and implementation status and check to see if a PDCA cycle is being carried out or not
 Overseas: The business division with jurisdiction carries out audits around twice a year in the form of inspections. Dongguan Sumiko Electronic Paste Co., Ltd. carries out an internal audit each year
 4. Workers at business sites covered by safety statistics
 5. Results for 2022 are as follows:
 Japan: ISO 45001: Nippon Ketjen Co., Ltd.; Hishikari Mine; Hishikari Office, Mining Dept., Sumiko Resources Exploration & Development Co., Ltd.; Niihama Nickel Refinery; Toyo Smelter & Refinery
 Japan Industrial Safety and Health Association (JISHA) OSHMS standards: Numazu Office and Tsukuba Office of N.E. Chemcat Corporation; Shinko Co., Ltd.; Ome District Division
 Overseas: Safety and production standardization (State Administration of Work Safety): Dongguan Sumiko Electronic Paste Co., Ltd.
 Safety and production standardization (State Administration of Work Safety): Shanghai Sumiko Electronic Paste Co., Ltd.
 Third party audit implemented by the Ministry of Labor: Taiwan Sumiko Materials Co., Ltd.
 6. Results for 2022 are as follows:
 Japan: JISHA OSHMS standards: Certification acquired by one contractor of Hyuga Smelting Co., Ltd.
 While there are cases where some small contractors do not implement checks on the level of internal audits, contracting organizations offer guidance on occupational health and safety and carry out patrols, inspections, and other measures, and the majority do implement checks on the level of internal audits
 Overseas: At Coral Bay Nickel Corporation, internal audits take the form of patrols and contractor safety meetings led by the contracting organization. At Taganito HPAL, contractors implement internal audits or participate in patrols led by Taganito HPAL

Identification of Hazard Sources, Risk Assessment, and Accident Investigation (2022)

GRI 403-2/403-7

SMM Group

	Business sites in Japan	Overseas business sites
Ongoing improvements to risk assessment process quality assurance and management systems	Risk assessment has been introduced and we continuously make improvements in regard to risk at business sites. The effectiveness of whether they contribute to preventing serious accidents is reviewed as appropriate under the leadership of the Safety & Environment Control Department.	Risk assessment is being introduced and we continuously make improvements in regard to risk at business sites. The effectiveness of these is reviewed as appropriate.
Processes for employees to report hazards and employee protection methods	We receive reports of hazards from employees through minor incident reports, morning meetings, informal discussions, etc., and take necessary measures.	We receive reports of hazards from employees through minor incident report forms, oral reports, etc. and take necessary measures.
Methods for protecting employees carrying out work that might lead to illness or injury	In addition to risk assessment, we promote risk avoidance through methods including various patrols and work observation. We work to reduce risks through hazard prediction training and mutual attention.	In addition to risk assessment and hazard prediction activities, we reduce risk through methods including inspections.
Accident investigation and countermeasures and system improvement processes	When accidents occur, we consider and deal with each case through the accident reporting database which stipulates a process that includes, investigating the characteristics of the hazard source and any background factors, and formulating countermeasures. Measures tackling the hazard source are handled according to the hierarchy of controls (in the same way as risk assessment, etc.), which prioritizes measures targeting equipment.	Investigations and countermeasures are implemented in accordance with systems at each business site including case studies and horizontal development. Measures tackling the hazard source are handled according to the hierarchy of controls, which prioritizes measures targeting equipment.

Regular contractors

	Business sites in Japan	Overseas business sites
Ongoing improvements to risk assessment process quality assurance and management systems	A similar in-house process as the contracting organization is used. (In some cases, using the contracting organization's process.)	At Coral Bay Nickel Corporation, some contractors are introducing risk assessment initiatives such as 10-second employee hazard prediction, and at Taganito HPAL, some are introducing risk assessment.
Processes for employees to report hazards and employee protection methods	A framework is in place to ensure implementation of necessary measures and provide reports, either orally or in prescribed forms, in areas such as minor incident and points on which to take note.	A framework is in place so that if either the contracting organization or contractor discovers information such as minor incident, they will contact each other.
Methods for protecting employees carrying out work that might lead to illness or injury	In addition to RA, various inspections and patrols are implemented by the contracting organization and measures are taken as necessary.	Measures implemented center on hazard prediction activities. Measures such as patrols by the contracting organization are also implemented.
Accident investigation and countermeasures and system improvement processes	A similar process as the contracting organization is used for accident investigation and countermeasures and system improvement processes. (Also using the accident reporting database of the contracting organization.)	Either checks are made by the contracting organization following consideration of the case by the contractor, or the contracting organization works with the contractor to implement an investigation, counter measures, and improvements. Measures tackling the hazard source are handled according to the hierarchy of controls, which prioritizes measures targeting equipment.

Social Data

Services, Education and Training Related to Occupational Health and Safety (2022)

GRI 403-3/403-5

To ensure that employees have access to information on health and safety and disaster countermeasure services at all times, we distribute operational guidelines and procedure manuals, hang up bulletin boards, and post on the Company's intranet.

Item	Contents		Details
Working environment and work management	Health checkups and exams	We conduct health checkups (general, special, and specific) as stipulated by the Industrial Safety and Health Act.	
	Health management	Exposure countermeasures	In accordance with the Industrial Safety and Health Act, we implement the measuring of working environments, wearing of protective equipment, and management of exposure times.
Disaster countermeasures	Provision of occupational physicians	In accordance with the Industrial Safety and Health Act, or under contract to an occupational physician, we provide health guidance, stress checks, etc. which make use of the results of health checkups.	
	Countermeasures against Infectious Diseases	<ul style="list-style-type: none"> We provide financial assistance for tetanus, hepatitis A, hepatitis B, and other vaccinations for employees on assignment overseas and their accompanying family members, taking into consideration the prevalence of these diseases in the destination countries. We are continuing work from home and online meetings and events as a measure against COVID-19. In addition to subsidizing the cost of influenza vaccinations through the health insurance association, we have also established rules and guidelines for countermeasures against new strains of influenza and other infectious diseases. 	P.80-85, P.102-106
	Mental health care	We conduct stress checks in accordance with laws and regulations, set up internal and external hotlines and counseling services, and provide self- and line-care training, etc.	
	Communication with employees	We collect employee requests and opinions through working environment questionnaires, inspection tours, and Labor-Management Advisory Committee meetings, and implement measures based on these requests and opinions.	
	Equipment, facilities, and supplies	Various equipment and facilities have been installed to provide a physically and mentally healthy working environment where employees can spend their time. Dining halls, break rooms, laundry rooms, bath/shower facilities (for dealing with specified chemical substances, etc.), first-aid kits and AED, emergency rooms, alcohol detectors, etc., accident prevention facilities, stockpile warehouses, company-owned sports facilities/grounds, company housing/dormitories, external fitness gyms, and spa facilities related to the Company, etc.	
Education and training on occupational health and safety	Legally mandated education	Education is provided at the time of new employee training, special education, and training when starting hazardous or potentially harmful operations, etc.	
	Education beyond legal requirements	In addition to legally mandated training, the following training is provided. <ul style="list-style-type: none"> Education to foster qualified personnel (e.g., safety managers, industrial counselors) Hazard simulations, internal workshops, small group activities (e.g., development of occupational accident case studies) JCO Study Center training, lectures from external instructors (e.g., life-saving and first-aid, drunk driving prevention) 	P.84, P.94
Disaster countermeasures	Evacuation drills	We conduct fire and earthquake evacuation drills at least once a year.	
	Self-defense fire brigade	We have established a self-defense fire brigade, etc., and have a first-response system in place in the event of a disaster.	
	Emergency supplies	Each business site prepares emergency supplies such as emergency food and equipment in preparation for disasters.	P.184
	Safety confirmation	We use an external safety confirmation system to quickly confirm the safety of employees and their families in the event of a disaster. We also conduct safety confirmation drills on a regular basis.	
Emergency contact network	An emergency contact network has been created for the entire Company and each business site, and is reviewed on a regular basis.		

Diverse Human Resources / Development and Participation of Human Resources

Employee Data

Average Years of Service, Age, and Annual Compensation

	Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Average years of service		year	21.1	19.7	19.5	18.9	18.0
Average age	Sumitomo Metal Mining Co., Ltd.	age	43.9	43.0	42.7	42.3	41.5
Average annual compensation*		thousand yen	8,195	8,185	7,952	7,878	8,349

*Average annual compensation includes compensation other than base salary, other allowances, and bonuses

Number of Officers and Employees (by country and region)

GRI 2-4/2-7/2-9/405-1

Number of officers and employees ^{1,2}	SMM Group	Scope		Unit	FY2018	FY2019	FY2020	FY2021	FY2022	
		Total	By country and region	people	7,408	7,570	7,797	7,879	7,950	
			Japan	people	5,844	5,905	6,150	6,224	6,085	
			Male		4,916	4,950	5,120	5,198	5,098	
			Female		928	955	1,030	1,026	987	
			Philippines	people	1,327	1,429	1,430	1,433	1,504	
			Male		1,006	1,075	1,068	1,071	1,124	
			Female		321	354	362	362	380	
			Asia & Oceania (excluding the Philippines)	China	people	101	97	102	108	105
			Male		61	62	68	76	75	
			Female		40	35	34	32	30	
			Taiwan	people	28	29	27	27	26	
			Male		13	13	12	12	11	
			Female		15	16	15	15	15	
			Thailand	people	4	4	4	4	—	
			Male		1	1	1	1	—	
			Female		3	3	3	3	—	
			South Korea	people	4	7	4	4	5	
			Male		2	2	2	2	2	
			Female		2	5	2	2	3	
			Vietnam	people	—	—	—	—	145	
			Male		—	—	—	—	112	
			Female		—	—	—	—	33	
			Australia	people	8	8	7	8	7	
			Male		6	6	5	6	5	
			Female		2	2	2	2	2	
			North America & Europe	Canada	people	13	13	13	13	19
			Male		12	12	11	11	16	
			Female		1	1	2	2	3	
			Netherlands	people	1	1	1	1	1	
			Male		1	1	1	1	1	
			Female		0	0	0	0	0	
			U.S.A.	people	9	12	13	14	12	
			Male		4	6	6	6	5	
			Female		5	6	7	8	7	
			South America	Brazil	people	16	11	4	1	1
			Male		14	9	3	0	0	
			Female		2	2	1	1	1	
			Chile	people	28	30	26	26	23	
			Male		21	20	18	18	14	
			Female		7	10	8	8	9	
			Peru	people	25	24	16	16	17	
			Male		22	21	13	13	14	
			Female		3	3	3	3	3	

1. Data are as of the end of the fiscal year in each country (including employees on leave), and dispatched employees are recorded in the number of officers and employees of the company to which they are dispatched

2. The scope of officers includes directors, Audit & Supervisory Board members, and executive officers (excluding outside directors and Audit & Supervisory Board members) of SMM, and directors and Audit & Supervisory Board members of consolidated subsidiaries in Japan and overseas

* Some revisions have been made to previous years' figures based on a close examination of historical data

Social Data

Number of Officers and Employees (by age group and employee category)

GRI 2-4/2-7/2-8/2-9/405-1

Number of officers and employees ¹	SMM Group	Scope		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
		Number of full-time officers ²	Total	people	110	105	110	109	105
			Sumitomo Metal Mining Co., Ltd.	Male	21	23	25	23	24
				Female	0	0	0	0	0
			Consolidated subsidiaries in Japan	Male	62	56	58	61	57
				Female	0	0	0	0	0
			Consolidated subsidiaries overseas	Male	27	25	26	24	23
				Female	0	1	1	1	1
		Number of employees	Total	people	7,298	7,465	7,687	7,770	7,845
			Sumitomo Metal Mining Co., Ltd.	Total	2,630	2,679	2,699	2,813	2,993
			Management staff	people	487	491	487	470	479
			Younger than 30 years old		0	0	0	0	0
				Male	0	0	0	0	0
				Female	0	0	0	0	0
			30-49 years old		179	171	170	177	198
				Male	175	166	164	168	184
				Female	4	5	6	9	14
			50 years old and older		308	320	317	293	281
				Male	304	315	312	289	277
				Female	4	5	5	4	4
			Regular employees	people	1,907	1,933	1,936	2,072	2,246
			Younger than 30 years old		427	429	490	584	688
				Male	349	351	388	468	558
				Female	78	78	102	116	130
			30-49 years old		920	952	908	908	938
				Male	754	774	733	737	768
				Female	166	178	175	171	170
			50 years old and older		560	552	538	580	620
				Male	508	500	477	510	542
				Female	52	52	61	70	78
			Limited-term employees	people	236	255	276	271	268
				Male	201	218	237	235	232
				Female	35	37	39	36	36
			Consolidated subsidiaries in Japan	Total	3,131	3,147	3,368	3,327	3,011
			Management staff	people	306	286	278	270	240
			Younger than 30 years old		0	0	0	0	0
				Male	0	0	0	0	0
				Female	0	0	0	0	0
			30-49 years old		97	85	90	92	82
				Male	95	83	88	89	80
				Female	2	2	2	3	2
			50 years old and older		209	201	188	178	158
				Male	209	201	188	178	157
				Female	0	0	0	0	1

Number of officers and employees ¹	SMM Group	Scope		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
		Number of employees	Regular employees	people	2,456	2,454	2,671	2,659	2,453
			Younger than 30 years old		421	417	442	453	423
				Male	350	353	377	387	366
				Female	71	64	65	66	57
			30-49 years old		1,503	1,480	1,603	1,583	1,414
				Male	1,225	1,189	1,273	1,259	1,115
				Female	278	291	330	324	299
			50 years old and older		532	557	626	623	616
				Male	465	484	538	527	527
				Female	67	73	88	96	89
			Limited-term employees	people	369	407	419	398	318
				Male	198	237	262	267	211
				Female	171	170	157	131	107
			Consolidated subsidiaries overseas	Total	1,537	1,639	1,620	1,630	1,841
			Management staff	people	314	299	317	321	315
			Younger than 30 years old		63	43	38	31	29
				Male	49	30	28	19	15
				Female	14	13	10	12	14
			30-49 years old		227	228	249	260	253
				Male	176	174	182	192	179
				Female	51	54	67	68	74
			50 years old and older		24	28	30	30	33
				Male	17	23	24	23	26
				Female	7	5	6	7	7
			Regular employees	people	1,216	1,324	1,288	1,302	1,509
			Younger than 30 years old		459	500	429	390	410
				Male	306	324	266	245	265
				Female	153	176	163	145	145
			30-49 years old		702	767	814	851	1,032
				Male	538	588	631	655	799
				Female	164	179	183	196	233
			50 years old and older		55	57	45	61	67
				Male	46	48	37	52	57
				Female	9	9	8	9	10
			Limited-term employees	people	7	16	15	7	17
				Male	4	15	13	6	15
				Female	3	1	2	1	2
Temporary employees	SMM Group	Total		people	481	464	495	538	438
			Sumitomo Metal Mining Co., Ltd.		175	185	163	182	204
			Consolidated subsidiaries in Japan		274	251	331	355	234
			Consolidated subsidiaries overseas		32	28	1	1	0

1. Data are as of the end of the fiscal year in each country (including employees on leave), and dispatched employees are recorded in the number of officers and employees of the company to which they are dispatched
 2. The scope of officers includes directors, Audit & Supervisory Board members, and executive officers (excluding outside directors and Audit & Supervisory Board members) of SMM, and directors and Audit & Supervisory Board members of consolidated subsidiaries in Japan and overseas
 * Some revisions have been made to previous years' figures based on a close examination of historical data

Social Data

New Hires and Departures (by hiring type and reason for departure)¹

GRI 401-1

		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022	
New hires and departures	Sumitomo Metal Mining Co., Ltd.	New hires	Total	158	128	176	223	284	
			New graduates	61	48	107	132	128	
			Managerial track employees	23	35	32	55	46	
			Of which are women	4	4	7	11	6	
			Core track	38	13	75	77	82	
			Of which are women	9	7	22	21	10	
		Mid-career hires	Total	97	80	69	91	156	
			Managerial track employees	11	26	19	31	62	
			Of which are women	2	5	0	3	4	
			Core track	86	54	50	60	94	
			Of which are women	12	8	11	3	17	
		Departures	Number of departures	Total	52	66	55	50	68
				Departed for personal reasons	34	54	39	41	56
				Of which are women	8	8	10	8	8
				Departed for company-related reasons	1	0	2	0	6
Other ²	17			12	14	9	6		

1. Data are as of the end of each fiscal year (excluding directors, limited-term employees, and temporary employees)

2. Other: departures due to having reached mandatory retirement age, death, expiration of leave of absence, etc.

New Hires and Departures (by region)¹

GRI 401-1

		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
New hires and departures	Total	New hires	people	348	401	343	394	594
		Departures	people (%) ²	185	179	233	196	326
SMM Group	Japan	Total	people	247	251	299	353	431
		Departures	people (%)	112	117	191	161	223
Younger than 30 years old	Male	New hires	128	117	142	196	239	
		Departures	40	29	24	41	43	
			(5.7)	(4.1)	(3.1)	(4.8)	(4.7)	
	Female	New hires	20	27	46	42	40	
		Departures	6	13	7	7	11	
			(4.0)	(9.2)	(4.2)	(3.8)	(5.9)	
30-49 years old	Male	New hires	79	71	68	87	114	
		Departures	42	49	40	37	46	
			(1.9)	(2.2)	(1.8)	(1.6)	(2.1)	
	Female	New hires	16	30	28	11	12	
		Departures	7	19	9	10	20	
			(1.6)	(4.0)	(1.8)	(2.0)	(4.1)	
50 years old and older	Male	New hires	3	5	11	15	22	
		Departures	15	6	104	62	97	
			(1.0)	(0.4)	(6.9)	(4.1)	(6.5)	
	Female	New hires	1	1	4	2	4	
		Departures	2	1	7	4	6	
			(1.6)	(0.8)	(4.5)	(2.4)	(3.5)	

		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
New hires and departures	SMM Group	Philippines	Total	82	134	44	28	151
			New hires	67	57	42	23	86
			Departures	(5.1)	(4.0)	(3.0)	(1.6)	(5.8)
Younger than 30 years old	Male	New hires		45	76	19	10	62
				(13.6)	(22.8)	(6.9)	(4.2)	(26.8)
			Departures	40	30	18	8	16
		(12.0)	(9.0)	(6.6)	(3.3)	(6.9)		
	Female	New hires		20	27	15	5	38
				(13.3)	(15.4)	(9.3)	(3.4)	(24.8)
Departures			9	4	8	4	17	
	(6.0)	(2.3)	(5.0)	(2.7)	(11.1)			
30-49 years old	Male	New hires		14	22	9	13	44
				(2.2)	(3.3)	(1.2)	(1.7)	(5.5)
			Departures	15	19	10	9	40
		(2.4)	(2.8)	(1.4)	(1.2)	(5.0)		
	Female	New hires		3	5	0	0	3
				(1.9)	(2.9)	(0.0)	(0.0)	(1.4)
Departures			1	3	4	1	9	
	(0.6)	(1.7)	(2.1)	(0.5)	(4.1)			
50 years old and older	Male	New hires		0	4	1	0	4
				(0.0)	(8.3)	(2.4)	(0.0)	(6.1)
			Departures	2	1	2	1	4
		(5.3)	(2.1)	(4.8)	(1.8)	(6.1)		
	Female	New hires		0	0	0	0	0
				(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Departures			0	0	0	0	0	
	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)			
Asia & Oceania ³ (excluding the Philippines)	Total	New hires	4	3	0	12	12	
		Departures	0	1	0	11	17	
			people (%)	(3.0)	(2.2)	(0.0)	(8.6)	(4.4)
				(0.0)	(0.7)	(0.0)	(7.9)	(6.2)
Younger than 30 years old	Male	New hires		0	0	—	8	9
				(0.0)	(0.0)	—	(44.4)	(19.6)
			Departures	0	0	—	5	8
		(0.0)	(0.0)	—	(27.8)	(17.4)		
	Female	New hires		3	0	—	0	0
				(21.4)	(0.0)	—	(0.0)	(0.0)
Departures			0	0	—	0	2	
	(0.0)	(0.0)	—	(0.0)	(40.0)			
30-49 years old	Male	New hires		1	0	—	3	2
				(2.4)	(0.0)	—	(5.2)	(1.4)
			Departures	0	1	—	5	6
		(0.0)	(2.2)	—	(8.6)	(4.3)		
	Female	New hires		0	3	—	1	1
				(0.0)	(6.0)	—	(2.1)	(1.4)
Departures			0	0	—	1	1	
	(0.0)	(0.0)	—	(2.1)	(1.4)			
50 years old and older	Male	New hires		0	0	—	0	0
				(0.0)	(0.0)	—	(0.0)	(0.0)
			Departures	0	0	—	0	0
		(0.0)	(0.0)	—	(0.0)	(0.0)		
	Female	New hires		0	0	—	0	0
				(0.0)	(0.0)	—	(0.0)	(0.0)
Departures			0	0	—	0	0	
	(0.0)	(0.0)	—	(0.0)	(0.0)			

Social Data

		Scope		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
New hires and departures	SMM Group	North America & Europe ⁴	Total	New hires	0	0	0	1	0
				Departures	(0.0)	(0.0)	(0.0)	(4.2)	(0.0)
				people (%)	0	0	0	1	0
					(0.0)	(0.0)	(0.0)	(4.2)	(0.0)
		Younger than 30 years old	Male	New hires	—	—	—	0	—
				Departures	—	—	—	0	—
								(0.0)	—
			Female	New hires	—	—	—	0	—
				Departures	—	—	—	0	—
								(0.0)	—
		30–49 years old	Male	New hires	—	—	—	1	—
				Departures	—	—	—	0	—
								(0.0)	—
			Female	New hires	—	—	—	0	—
				Departures	—	—	—	0	—
								(0.0)	—
		50 years old and older	Male	New hires	—	—	—	0	—
				Departures	—	—	—	1	—
								(50.0)	—
			Female	New hires	—	—	—	0	—
				Departures	—	—	—	0	—
								(0.0)	—
		South America ⁵	Total	New hires	15	13	0	0	0
				Departures	(23.4)	(21.7)	(0.0)	(0.0)	(0.0)
					6	4	0	0	0
					(9.4)	(6.7)	(0.0)	(0.0)	(0.0)
		Younger than 30 years old	Male	New hires	2	3	—	—	—
				Departures	(33.3)	(50.0)	—	—	—
					1	0	—	—	—
					(16.7)	(0.0)	—	—	—
			Female	New hires	2	1	—	—	—
				Departures	(100.0)	(20.0)	—	—	—
					0	1	—	—	—
					(0.0)	(20.0)	—	—	—
		30–49 years old	Male	New hires	8	6	—	—	—
				Departures	(23.5)	(19.4)	—	—	—
					2	1	—	—	—
					(5.9)	(3.2)	—	—	—
			Female	New hires	0	1	—	—	—
				Departures	(0.0)	(16.7)	—	—	—
					2	1	—	—	—
					(28.6)	(16.7)	—	—	—
		50 years old and older	Male	New hires	3	2	—	—	—
				Departures	(25.0)	(25.0)	—	—	—
					1	1	—	—	—
					(8.3)	(12.5)	—	—	—
			Female	New hires	0	0	—	—	—
				Departures	(0.0)	(0.0)	—	—	—
					0	0	—	—	—
					(0.0)	(0.0)	—	—	—

1. Data are based on the number of employees as of the end of the fiscal year in each country (excluding directors, limited-term employees, and temporary employees)
 2. Percentage of new employees: number of new employees ÷ total employees x 100; turnover: number of departures ÷ total employees x 100
 3. Asia & Oceania (excluding the Philippines) includes China, Taiwan, South Korea, Thailand, Vietnam, and Australia (FY2022)
 4. North America & Europe includes Canada and the U.S. (FY2022)
 5. South America includes Peru, Chile, and Brazil (FY2022)

Human Resources Development

Time Spent on and Investment in Employee Education

GRI 2-4/404-1

		Scope		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Total time spent on employee education ¹ <input checked="" type="checkbox"/>	Sumitomo Metal Mining Co., Ltd.	Total		hours	36,051	99,740	119,221	188,913	131,106
				Officers	79	638	281	324	368
				Male	79	638	281	324	368
				Female	0	0	0	0	0
		Managers		hours	6,718	16,144	19,653	17,257	16,375
				Male	6,566	15,876	19,268	17,038	15,883
				Female	152	268	385	219	491
		Regular employees		hours	28,174	80,395	93,165	153,038	109,723
				Male	23,997	71,003	81,119	135,008	95,756
				Female	4,177	9,391	12,046	18,030	13,967
		Limited-term employees and temporary employees		hours	1,080	2,563	6,122	18,294	4,640
				Male	484	2,188	5,013	13,439	3,555
				Female	596	375	1,109	4,855	1,086
	Consolidated subsidiaries in Japan	Total		hours	25,643	20,374	23,769	43,769	33,021
		Officers		hours	429	358	342	402	481
				Male	429	358	342	402	481
				Female	0	0	0	0	0
		Managers		hours	4,459	1,889	1,838	3,219	2,245
				Male	4,447	1,886	1,812	3,153	2,177
				Female	12	3	25	66	68
		Regular employees		hours	17,352	15,269	18,721	34,115	26,363
				Male	15,190	13,301	15,766	31,087	23,011
				Female	2,162	1,968	2,955	3,028	3,353
		Limited-term employees and temporary employees		hours	3,404	2,859	2,868	6,034	3,932
				Male	2,018	1,747	1,600	4,323	2,434
				Female	1,386	1,112	1,268	1,711	1,499
	Consolidated subsidiaries overseas	Total		hours	19,316	30,174	29,545	18,323	27,616
		Officers		hours	168	144	223	275	312
				Male	168	133	215	264	300
				Female	0	11	8	11	12
		Managers		hours	1,421	1,284	1,223	897	1,330
				Male	1,044	913	643	562	837
				Female	377	371	581	335	493
		Regular employees		hours	17,651	28,605	20,795	17,080	25,684
				Male	12,585	22,573	15,676	12,985	18,252
				Female	5,066	6,032	5,120	4,095	7,432
		Limited-term employees and temporary employees		hours	78	141	7,304	70	290
				Male	64	80	5,762	47	182
				Female	14	61	1,542	23	109

Social Data

		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Average annual hours of education per employee ³ <input checked="" type="checkbox"/>	SMM Group	Total	hours	10.3	18.7	20.8	29.8	22.9
		Officers	hours	6.1	10.9	7.7	9.2	11.1
		Male		6.1	10.9	7.7	9.2	11.0
		Female		0.0	10.5	8.0	11.0	12.0
		Managers	hours	11.4	18.0	21.0	20.1	19.3
		Male		11.8	18.8	22.0	21.7	20.6
		Female		6.6	7.6	10.3	6.0	9.1
		Regular employees	hours	11.3	21.8	22.5	33.9	26.1
		Male		11.4	23.2	23.8	37.0	27.4
		Female		11.0	15.8	17.1	21.1	20.4
	Limited-term employees and temporary employees	hours	4.2	4.9	13.5	20.1	8.5	
Amount of investment in education per employee ⁴	Sumitomo Metal Mining Co., Ltd.		yen	153,000	132,000	90,000	98,000	107,000

Figures are rounded to the nearest whole number, so totals may not match

- Data are as of the end of the fiscal year in each country. Education hours cover all training except for routine on-the-job training (so-called OJT) conducted in the workplace by instructors and other personnel, emergency drills, and small-group activities
 - In addition to the total time spent on education, employees spent the following number of hours on e-learning courses: 5,763 hours for SMM, and 2,012 hours for consolidated subsidiaries in Japan and overseas
 - Average annual hours of education per employee: Total hours of education for all employees ÷ number of officers and employees
 - Amount of investment in education does not include labor costs for on-the-job training and education and training hours (rounded up to the nearest ¥1,000)
- * Some revisions have been made to previous years' figures based on a close examination of historical data

Utilization of Human Resources

Working Style Reform

		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Working hours	Sumitomo Metal Mining Co., Ltd.	Average annual working hours ^{1,2}	hours	1,950.1	1,976.1	1,984.5	1,959.0	1,933.3
		Managers		2,016.1	2,015.7	2,024.7	2,021.7	1,994.6
		Regular employees		1,930.3	1,964.3	1,972.6	1,941.0	1,913.4
		Average monthly overtime hours worked		14.7	17.9	17.9	16.1	16.6
Annual paid leave	Sumitomo Metal Mining Co., Ltd.	Average annual scheduled working hours		1,940 or 1,920		1,920	1,920	1,920
		Average annual number of days of paid leave taken	day	18.0	18.3	17.4	17.4	18.2
		Percentage of average annual paid leave taken ³	%	83.7	86.0	83.2	83.2	87.6
Number of enrolled employees ⁴			people	2,348	2,453	2,551	2,666	2,801
Volunteer leave ⁵	SMM Group	Average number of days of leave taken	day	2.2	1.9	1.0	—	2.0
		Total number of employees who took leave	people	30	8	1	0	1

- Average annual working hours = scheduled working hours (excluding leave, paid leave, etc.) + overtime hours
- The working style reform started in FY2017. In FY2016, there were 1,987.4 hours (managers: 2,076.1 hours, regular employees: 1,960.7 hours) In FY2017, there were 1,967.3 hours (managers: 2,043.9 hours, regular employees: 1,943.9 hours)
- Percentage of paid leave taken by employees for the full year (excluding limited-term employees who are specially hired employees)
- Average of 4 years (excluding limited-term employees who are specially hired employees) FY2016: 2,274 employees; FY2017: 2,317 employees
- Data cover the period from January to December of each year

Creating Workplaces Where Diverse Human Resources Play Vibrant and Active Roles

GRI 401-3

		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022		
Parental leave	Sumitomo Metal Mining Co., Ltd.	Use of parental leave ¹	Total	%	15.6	17.3	26.9	30.0	97.2	
			Male		1.0	2.9	10.3	20.9	95.6	
			Female		100.0	100.0	113.3	85.7	106.3	
		Use of leave with pay for child-rearing ²	Male	%	75.0	87.0	88.5	81.4	—	
				Number of employees who took parental leave ³	people	19	14	25	30	104
			Male		1	2	8	18	87	
				Female		18	12	17	12	17
		Number of employees eligible for parental leave ⁴	Total	people	122	81	93	100	107	
				Male		104	69	78	86	91
				Female		18	12	15	14	16
Return-to-work rate after leave ⁵	Male	%	—	100.0 (1/1)	100.0 (5/5)	100.0 (15/15)	100.0 (37/37)			
		Female (people)	67.0 (8/8)	100.0 (16/17)	100.0 (16/16)	100.0 (11/11)				
Retention rate after leave ⁶	Male	%	—	—	100.0 (1/1)	100.0 (6/6)	100.0 (17/17)			
		Female (people)	100.0 (14/14)	100.0 (12/12)	100.0 (16/16)	100.0 (15/15)				

The percentage of parental leave (female) in FY2022 includes those who gave birth in FY2021 and took parental leave in FY2022, and thus exceeds 100%

- Until FY2021 the percentage is only for those who took parental leave, but from FY2022 onward, the percentage (male) is for both those who have taken parental leave and those who have taken leave for child-rearing
- Childbirth and child-rearing support leave : male employees can take leave to care for and support their spouse after the birth of a child. Seven consecutive days can be taken from the day of hospital admission, delivery, or discharge (up to nine days)
- Male employees: number of employees who took parental leave (starting) in FY2022
Female employees: number of employees who took parental leave (starting) in FY2022
- Male employees: number of employees who submitted a notification of birth to the Company for birth by their spouse in FY2022
Female employees: number of employees who gave birth in FY2022
- Return-to-work rate: number of employees who returned to work in FY2022 ÷ number of employees who intended to return to work in FY2022 x 100
- Retention rate: number of employees who returned to work in FY2021 and were still working at the Company 12 months later ÷ number of employees who returned to work in FY2021 x 100

		Scope	Unit	2018	2019	2020	2021	2022		
Nursing care leave	Sumitomo Metal Mining Co., Ltd.	Number of employees who took nursing care leave	Total	people	2	2	2	2	2	
			Male		0	0	1	2	2	
			Female		2	2	1	0	0	
		Total number of days of leave taken	Total	day	209	127	259	24	140	
				Male		0	0	173	24	140
				Female		209	127	86	0	0
		Average number of days per person	Total	day	104.5	63.5	129.5	12.0	70.0	
				Male		0.0	0.0	173.0	12.0	70.0
				Female		104.5	63.5	86.0	0.0	0.0
		Nursing care short-term leave	Sumitomo Metal Mining Co., Ltd.	Number of employees who took nursing care short-term leave	Total	people	21	40	58	70
Male					14	27	43	57	52	
Female					7	13	15	13	15	
Total number of days of leave taken	Total			day	85.0	173.0	228.0	288.2	303.5	
				Male		53.0	110.0	169.9	225.9	239.5
				Female		32.0	63.0	58.1	62.3	64.0
Average number of days per person	Total	day	4.0	4.3	3.9	4.1	4.5			
		Male		3.8	4.1	4.0	4.0	4.6		
		Female		4.6	4.8	3.9	4.8	4.3		

Social Data

		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Average score for questions in the employee awareness survey ¹ Percentage of positive responses ²	Sumitomo Metal Mining Co., Ltd.	Appeal of management measures	Average score	—	3.47	—	3.55	—
			Percentage of positive responses	%	—	51.6	—	55.8
	Appeal of supervisors	Average score	—	3.56	—	3.69	—	
		Percentage of positive responses	%	—	57.6	—	64.5	—
	Appeal of job	Average score	—	3.38	—	3.45	—	
		Percentage of positive responses	%	—	50.2	—	53.2	—
	Overall appeal of workplace	Average score	—	3.23	—	3.36	—	
		Percentage of positive responses	%	—	42.6	—	49.6	—

1. Calculated as the average value of responses, with "Very much so" as 5, "Somewhat so" as 4, "Cannot say" as 3, "Not so much" as 2, and "Not at all" as 1
 2. Calculated from total responses of "Very much so" and "Somewhat so" among all response options ("Very much so," "Somewhat so," "Cannot say," "Not so much," and "Not at all")

Diversity & Inclusion

Gender Balance (women's active engagement)

GRI 405-2

		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022	
Female officers and employees ¹	Percentage of employees	Sumitomo Metal Mining Co., Ltd.	Officers	3.7	3.4	3.4	3.6	3.4	
			Managers (Managerial track employees)	1.2	1.5	1.5	2.0	2.9	
		Regular employees	Managerial track & professional	%	10.9	11.7	12.5	12.9	12.3
			Core track	15.8	16.2	17.2	17.0	16.9	
		Limited-term employees	13.0	12.1	12.1	11.1	11.4		
	Number of employees	Sumitomo Metal Mining Co., Ltd.	Officers	1	1	1	1	1	
			Managers (Managerial track employees)	9	11	11	14	20	
		Regular employees	Managerial track & professional	people	46	50	52	57	59
			Core track	259	267	295	309	329	
		Limited-term employees	36	37	40	37	37		
Percentage of female recruits	Sumitomo Metal Mining Co., Ltd.	Managerial track employees	New graduates	25.8	16.7	20.0	20.9	16.3	
			Mid-career hires	20.0	16.2	5.0	11.4	6.3	
		Core track	New graduates	18.2	29.2	29.3	27.6	14.5	
			Mid-career hires	17.4	13.7	20.3	5.9	17.4	

1. The number and percentage of female employees are calculated with dispatched employees counted under the company from which they were dispatched

		Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Ratios of Female-to-Male Base Salary	Sumitomo Metal Mining Co., Ltd.	Employees ²		—	—	—	—	100:165
		Managers	female to male	—	—	—	—	100:112
		Regular employees	—	—	—	—	100:132	
		Limited-term employees ³	—	—	—	—	100:333	
Ratios of Female-to-Male Total Compensation (annual compensation) ⁴	Sumitomo Metal Mining Co., Ltd.	Employees		—	—	—	—	100:149 ⁵
		Managers	female to male	—	—	—	—	100:111
		Regular employees	—	—	—	—	100:115	
		Limited-term employees	—	—	—	—	100:279 ⁶	

2. Non-limited-term employees (including employees with short working hours and dispatched employees in Japan, but not including employees dispatched overseas)
 3. Limited-term employees (including employees dispatched in Japan, but not including employees dispatched overseas)
 4. Includes base salary, overtime pay, allowances for housing, family, commuting, etc., and excludes payments to employees who resigned
 5. The main reasons for the compensation difference are that the average length of continuous service for women is 12.8 years (about 6 years shorter than the 18.7 years for men) and the percentage of women in management positions is 2.9%
 6. The main reason for the compensation difference is that the average years of continuous service for women is 11 years, which is 22.6 years less than that of men (33.6 years)

Standard Entry-level Salary to Regional Minimum Wage

GRI 202-1

		Scope	Unit	April 2019	April 2020	April 2021	April 2022	April 2023	
Starting salary	Sumitomo Metal Mining Co., Ltd.	Male:female base salary	ratio	100:100	100:100	100:100	100:100	100:100	
		High school graduate	Monthly salary	yen	168,628	171,128	173,628	173,628	176,628
			Comparison with minimum wage	%	137	134	137	132	129
		College of technology graduate	Monthly salary	yen	192,158	194,658	197,158	197,158	200,158
			Comparison with minimum wage	%	156	152	155	150	147
		University graduate	Monthly salary	yen	221,850	227,350	229,950	229,950	232,950
			Comparison with minimum wage	%	139	139	142	138	136
		Master's degree	Monthly salary	yen	236,290	241,790	244,390	244,390	250,390
			Comparison with minimum wage	%	148	148	151	147	146
		Doctorate degree	Monthly salary	yen	268,341	272,341	273,541	273,541	281,541
Comparison with minimum wage	%		169	166	169	164	164		

* In the comparison of standard entry-level salary to regional minimum wage, Ehime Prefecture is used for the regional minimum wage for high school and technical college graduates, and Tokyo Metropolitan minimum wage is used for university graduates and above
 Monthly wages and minimum wage data are as of April 1 of each fiscal year

Promoting Employment of People with Disabilities

GRI 405-1

		Scope	Unit	June 2019	June 2020	June 2021	June 2022	June 2023
Employment of people with disabilities ¹	Sumitomo Metal Mining Co., Ltd.	Number of employees with disabilities ²	people	68	73	77	79	84
		Employment rate of employees with disabilities	%	2.39	2.50	2.56	2.57	2.59
		Statutory employment rate	%	2.20	2.20	2.30	2.30	2.30

1. Data as of June 1 of each fiscal year
 2. The number of employees with disabilities is counted by the method of counting in the statutory employment rate calculation method

Social Data

Maintaining and Improving Employees' Health

Addressing Mental Health Care

GRI 403-6

Scope		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Long-term leave	Percentage of employees taking long-term leave (due to mental health disorders)*		0.51	0.45	0.40	0.37	0.43
Stress checks	Percentage of employees receiving stress checks		97.7	96.1	94.7	95.4	96.8
	Sumitomo Metal Mining Co., Ltd.	%					
	Percentage of employees with high stress		10.2	11.0	8.7	9.8	10.1
	Percentage of employees with high stress, average for all Group companies		11.8	12.0	11.3	11.8	—

* Percentage of employees taking leave: Total number of days of leave taken ÷ number of scheduled working days x number of employees at end of fiscal year x 100

Illness Prevention and Health Promotion Initiatives

GRI 403-6

Scope		Unit	FY2018	FY2019	FY2020	FY2021	FY2022	
Various health checkups	Sumitomo Metal Mining Health Insurance Association	Percentage of employees with abnormal findings ¹	60.6	56.9	58.9	58.0	58.0	
		Percentage of employees receiving complete medical checkups ²	27.4	28.0	24.4	27.3	27.5	
	Sumitomo Metal Mining Co., Ltd.	Obesity rate ³	Male	36.9	37.2	38.7	39.2	38.0
			Female	22.8	22.3	23.6	22.1	23.4
		Smoking rate ³	%	28.9	26.9	25.3	24.8	23.9
	Percentage of employees receiving regular health checkups ⁴		—	—	—	—	100.0	

1. Employees insured by the Sumitomo Metal Mining Health Insurance Association
2. Employees insured by the Sumitomo Metal Mining Health Insurance Association who are 18 years old or older
3. Employees of Sumitomo Metal Mining Co., Ltd., age 40 or older (results of specified health checkup interview)
4. All employees

Labor-Management Relations (freedom of association and collective bargaining)

GRI 2-30

Scope		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Labor union members ¹	SMM Group ²	Total	4,310	4,346	4,469	4,582	4,722
		Japan	3,506	3,538	3,634	3,712	3,727
		Overseas	804	808	835	870	995
Labor union membership	SMM Group ²	Total	55.7	57.5	57.7	58.2	58.8
		Japan	59.4	58.7	59.5	59.4	60.2
		Overseas	44.0	52.8	51.0	53.7	54.3

1. Labor union members are employees covered by collective agreements (as of March 31 of each fiscal year)
2. Consolidated subsidiaries of the SMM Group

Co-Existence and Mutual Prosperity with Local Communities

Investment in Infrastructure and Support Services (cost of social contribution activities)

GRI 203-1

Scope		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Japan	SMM Group	¥ billions	0.10	0.10	0.43	0.09	0.25
Philippines			0.90	1.02	1.03	1.25	1.62

Percentage of procurement² from local suppliers¹ and percentage of employees hired locally³

GRI 204-1

Scope	Unit	FY2018		FY2019		FY2020		FY2021		FY2022	
		Local procurement	Percentage of locally-hired employees	Local procurement	Percentage of locally-hired employees	Local procurement	Percentage of locally-hired employees	Local procurement	Percentage of locally-hired employees	Local procurement ²	Percentage of locally-hired employees ³
Niihama District (Ehime) ^{4,5}		12,800 (46)	82%	18,300 (52)	82%	12,900 (54)	84%	15,000 (53)	83%	20,924 (58)	82%
Hishikari Mine (Kagoshima)	¥ millions (%)	1,138 (57)	88%	1,230 (49)	89%	2,220 (53)	89%	1,173 (47)	88%	3,587 (40)	88%
Sumiko Energy Materials Co., Ltd. (Fukushima)		421 (32)	78%	486 (35)	86%	383 (36)	91%	418 (33)	95%	506 (32)	95%
Taganito HPAL Nickel Corporation (Philippines)	SMM Group	99,000 (44)	43%	109,000 (44)	42%	94,000 (45)	42%	104,000 (44)	43%	136,000 (40)	42%
Coral Bay Nickel Corporation (Philippines)	\$ thousands (%)	61,000 (43)	58%	69,000 (49)	59%	69,000 (54)	59%	78,000 (51)	59%	92,000 (38)	59%
Shanghai Sumiko Electronic Paste Co., Ltd. (China)	CNY millions (%)	132 (28)	93%	106 (28)	93%	197 (30)	91%	202 (21)	95%	92 (22)	91%

1. Targets the three core segments (Mineral Resources, Smelting & Refining, and Materials), business sites that are not only necessary for the business, but are also relatively large-scale (one domestic, one overseas site for each segment)
2. Local procurement: Amount paid to each area and percentage of payments (percentage of payments: amount of payments to payment area ÷ amount of total procurement payments x 100)
3. Percentage of locally-hired employees: number of employees from each of the above business sites at the end of each fiscal year ÷ total number of employees x 100
4. Scope of local procurement: Sumitomo Metal Mining Co., Ltd.'s Besshi-Niihama District Division, Toyo Smelter & Refinery, Niihama Nickel Refinery, Isoura Plant and Niihama Research Laboratories
5. Scope of percentage of locally-hired employees: Sumitomo Metal Mining Co., Ltd.'s Besshi-Niihama District Division, Toyo Smelter & Refinery, Niihama Nickel Refinery, Isoura Plant, Niihama Research Laboratories and Battery Research Laboratories

Social Data

Percentage of Locally-Hired Senior Managers^{1,2}

GRI 202-2

	Scope	Unit	FY2018		FY2019		FY2020		FY2021		FY2022	
			Number of managers	Percentage	Number of managers	Percentage	Number of managers	Percentage	Number of managers	Percentage	Number of managers	Percentage
Sumitomo Metal Mining Philippine Holdings Corporation (Philippines)			2 (1)	3.0%	3 (1)	4.1%	2 (1)	2.6%	3 (2)	3.8%	4 (3)	5.0%
Taganito HPAL Nickel Corporation (Philippines)			1 (0)	0.2%	2 (1)	0.3%	2 (1)	0.3%	2 (1)	0.3%	3 (2)	0.4%
Coral Bay Nickel Corporation (Philippines)			2 (0)	0.4%	4 (0)	0.7%	5 (1)	0.8%	6 (1)	1.1%	7 (1)	1.1%
Sumitomo Metal Mining Peru S.A. (Peru)			2 (0)	8.7%	2 (0)	8.7%	0 (0)	0.0%	1 (0)	6.7%	1 (0)	6.3%
SMM Korea Co., Ltd. (South Korea)	SMM Group	people/%	1 (0)	25.0%	1 (0)	14.3%	1 (0)	25.0%	1 (0)	25.0%	1 (0)	20.0%
Shanghai Sumiko Electronic Paste Co., Ltd. (China)			2 (0)	5.1%	2 (0)	5.4%	2 (0)	4.8%	2 (0)	4.9%	3 (1)	7.1%
Taiwan Sumiko Materials Co., Ltd. (Taiwan)			1 (0)	4.0%	4 (2)	15.4%	1 (0)	0.4%	0 (0)	0.0%	0 (0)	0.0%
Dongguan Sumiko Electronic Paste Co., Ltd. (China)			2 (1)	13.3%	2 (1)	13.3%	2 (1)	11.1%	3 (1)	12.5%	3 (1)	12.0%
Sumitomo Metal Mining Oceania Pty. Ltd. (Australia)			—	—	1 (1)	25.0%	2 (1)	50.0%	2 (1)	50.0%	2 (1)	50.0%

1. The number of senior managers include general managers or above of overseas subsidiaries (as of the end of each fiscal year). Figures in parentheses indicate the number of female managers
 2. Percentage of senior managers: number of senior managers ÷ locally-hired employees x 100
 (Number of locally-hired employees is the number of employees directly employed by overseas subsidiaries, excluding dispatched employees and transferees)

Human Rights in the Supply Chain

	Scope	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Number of responses to responsible mineral sourcing questionnaire*	SMM Group	cases	—	—	199	270	330

* Number of responses out of the Responsible Mineral Sourcing questionnaire forms from customers, mainly smelter and refinery specific survey forms developed by RMI

Economic Performance

GRI 201-1/201-3/201-4/207-4

	Scope	Unit	FY2022
Distribution of economic value to stakeholders <input checked="" type="checkbox"/>	SMM Group	Total	¥ billions
			1,384.4
		Suppliers	Payments to suppliers
			1,165.4
		Employees	Payments to employees
			75.0
		Shareholders and Creditors	Payments of dividends and interest
			93.1
		Government	Taxes paid
			49.0
		Society*	Donations
			1.9

No governments have an equity stake in SMM

Other than the above, there is retained value of ¥90.7 billion. Rent for use of land is minimal and therefore included in "Payments to suppliers."

* Society: In the Philippines (CBNC, THPAL), the ¥1.6 billion expended through the Social Development and Management Program (SDMP) and other contributions in the same country is included

	Scope	Unit	FY2022
Financial assistance from the government <input checked="" type="checkbox"/>	SMM Group	Government	Subsidies, grants, etc.
			¥ billions
			0.5

Projected benefit obligation

The SMM Group has adopted both funded and unfunded defined benefit plans and defined contribution plans for allocating retirement benefits to its employees. Its defined benefit obligations as of March 31, 2023 were ¥65.1 billion , which include funded defined benefit obligations of ¥62.5 billion , and pension asset available for allocation to those funded defined benefit obligations were ¥85.7 billion

	Scope	Unit	FY2022
Income Tax by Country or Region	SMM Group	Total	¥ millions
			69,444
		Japan	40,374
		Australia	266
		Chile	4,975
		China	1,212
		Netherlands	453
		New Caledonia	707
		Peru	12,303
		Philippines	3,717
		U.S.A.	5,431
		Other	6

With regard to equity-method affiliates, the above amounts include the Company's proportional burden of income tax