The SMM Group's Value Creation Process

The SMM Group will continuously grow by stably supplying basic materials and highquality products through collaboration by its mineral resources business, smelting and refining business, and materials business. At the same time, these businesses can have a considerable impact on the environment.

Accordingly, we contribute to a sustainable society by working toward global environmental preservation, development of products with low environmental impact, and co-existence with local communities.



Seven strengths nurtured over 420 years



Continually honed technology

Our technology, accumulated and honed over many years, enables the stable supply of high-quality materials and products. Our HPAL technology, for example, marks the world's first success in commercialization of this technology, and is a major strength of



Employees who share our Business Spirit and goals

Employees share our goals and corporate philosophy, which are based on the Sumitomo Business Spirit, and support the SMM Group's creation of value. Aiming to achieve our goals, employees respect human rights and put their capabilities to work in each of their fields.



Solid relationships with business partners

Strong relationships of trust with partners are vital in the stable operation and development of mines. The SMM Group builds solid relationships of trust through technical cooperation and other collaboration.



Relationships of trust with local communities

Holding up co-existence with local communities as part of our corporate philosophy, the SMM Group has built relationships of trust with these communities over many years through varied activities. These relationships support the long-term operation of our businesses.



Safe labor environment

While many major mineral resource companies have an occupational accident frequency rate of four or five, the SMM Group has maintained a rate of about one. Establishing and maintaining this safe labor environment enables stable work by employees and provides a foundation for the stable supply of products

2021 Long-Term Vision Become a world leader in the non-ferrous metals industry and an excellent company of Japan

Our

three-business

process

Current value creation

Created

value

Nurtured

strengths

Good relationships with customers

Good relationships of trust born from careful attentiveness are a strength in our relationships with customers. A perfect example is seen in our highly regarded battery materials, products created through collaboration with market leading customers from the research and development stage.



A sound financial standing

The acquisition of interests can at times require bold investment decisions accompanied by financial risk. A sound financial standing is indispensable in reducing such risk. The SMM Group maintains an equity ratio of about 60%, compared with around 30-40% for other major mineral resource companies. Our robust financial standing supports decisionmaking on large-scale investments.

Spiraling up toward goals

Sustainable growth and maximization of corporate value

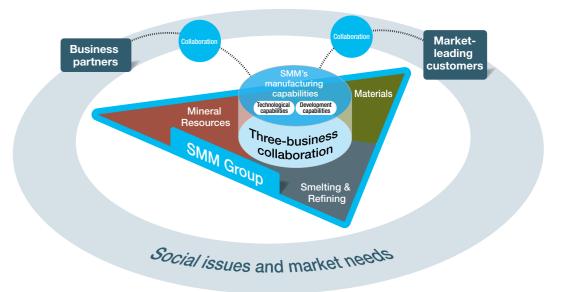


Sustainable growth through the securing of mineral resources and the stable supply of basic materials and high-functionality materials

Contribution to sustainable society through global environmental preservation, development of products with low environmental impact, and co-existence with local communities



Our three-business process



The SMM Group is leveraging the strengths produced by its globally unique, seamless collaboration of three businesses: mineral resources, smelting and refining, and materials. In addition, it is advancing its business, with a focus on manufacturing capabilities based on technological and development capabilities cultivated over many years.

Furthermore, we also collaborate with marketleading customers in areas such as product development, and collaborate with business partners primarily through the development and management of mines. By maximizing the effects of these three types of collaboration, we can respond flexibly and effectively to social issues and market needs.

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