

## **Formulated “Vision for 2030” to work towards Our Long-Term Vision of “Becoming the World Leader in the Non-Ferrous Metals Industry”**

At Sumitomo Metal Mining Co., Ltd. (SMM), we are committed to realizing our Long-Term Vision of Becoming the World Leader in the Non-Ferrous Metals Industry. To achieve this, we have formulated the Vision for 2030 as our milestone for 2030.

<Main Ideas>

- ◆ Implement a full-model change of the conventional ideal image vision based on the rapidly changing social environment
- ◆ Announce high goals and show a determination that is worthy of our Long-Term Vision of Becoming the World Leader in the Non-Ferrous Metals Industry
- ◆ Make commitments to initiatives for the formation of a sustainable society by resolving social issues such as achieving a low-carbon society, and meeting the needs of society against a background of digital technology evolution and development.

### **1. Background and Purpose of Formulation**

The management philosophy of the SMM Group calls for co-existence with the global environment. For the past 430 years of our history, we have improved our technical capabilities as a manufacturing enterprise to reliably provide resources and high quality materials. This has allowed us to contribute to the creation of a sustainable society and pursue initiatives to resolve societal issues.

We began systematic CSR activities as well as formulated the Vision for 2020 to indicate our new direction for creating value in 2008. This vision led to the development of lithium-ion secondary batteries recycling, increased sales of low-carbon products such as automotive battery materials and ink materials, and societal contributions in the Philippines, where two of our plants are located.

As we approach the target year of Vision for 2020, we have included new societal and management challenges into our perspective to formulate our new Vision for 2030, including improving effective use of non-ferrous metal resources, recognizing the importance of a post-carbon society, and protecting human rights worldwide.

### **2. Overview**

Vision for 2030 has our Long-Term Vision as its overall goal and has been formulated as a milestone to achieve it. We have once again set how we hope to envision ourselves in 10 years by taking into account forecasts for changes in social demands. We have identified 11 issues, including the Effective Use of Non-Ferrous Metal Resources, Climate Change, Significant Environmental Accidents, and Rights of Indigenous Peoples, as the material issues. These issues have a particularly high impact, risk, and opportunity, evaluating from both societal perspectives and those of our Group's business.

For each of the material issues, we have set out the goals of initiatives to resolve them, the vision we would like society to recognize, and the KPIs for measuring achievement.

<The 11 Material Issues>

	Material issues		Material issues
1	Effective Use of Non-Ferrous Metal Resources	6	Diverse Human Resources
		7	Development and Participation of Human Resources
2	Climate Change	8	Engagement with Stakeholders
3	Significant Environmental Accidents	9	Co-Existence and Mutual Prosperity with Local Communities
		10	Rights of Indigenous Peoples
4	Biodiversity	11	Human Rights in the Supply Chain
5	Employees' Occupational Health and Safety		

2030 is the target year for both the goals of our Vision and the SDGs adopted by the UN. The SDGs' approach to a sustainable society with a principle of "leaving no one behind" is highly compatible with SMM Group Corporate Philosophy, SMM Group Management Vision, and what we have been working on for 430 years of our history. The 11 material issues and the SDGs are similarly compatible.

After linking and evaluating each material issues with its corresponding SDG, we realized there were shared approaches in our answers to each issue, so we set "12: Responsible consumption and production" as our most important goal as it is directly connected to our management vision.



### 3. Leading Measures

- ◆ Effective use of non-ferrous metal resources
  - ✓ Strengthen our production structure at JV copper mines (reinforced mineral exploration in surrounding and deep areas, expanded concentration capabilities, improved operations through implementation of IoT and AI, etc.)
  - ✓ Increase use of underutilized low-grade nickel ore resources
  - ✓ Contribute to the development of marine resources and other national projects
  - ✓ Participate in business to recover lithium from salt lake brine with high levels of impurities
  - ✓ Commercialize battery recycling that recovers cobalt
- ◆ Climate change countermeasures
  - ✓ Formulate a plan to reduce GHG emissions to zero in the second half of the century
  - ✓ Expand business for low-carbon products such as automotive battery materials, sunlight shielding inks, etc.
  - ✓ Become a TCFD supporter (February 2020)
- ◆ Promotion of occupational health and safety
  - ✓ Promote smart technologies in plants and mines (new battery factory, employ remote operation and automated heavy machinery, etc. for work in Hishikari Mine)

- ✓ Cultivate talent that can work with a priority on safety
- ✓ Cultivate personnel with keen hazard awareness through education using cutting-edge technology
- ✓ Foster a culture of safety
- ◆ Respect for human rights
  - ✓ Strengthen initiatives that respect the traditions and cultures of indigenous peoples (support creation of environments enabling education for indigenous peoples, including scholarships, etc.)
  - ✓ Eliminate infringements of human rights violations in the SMM Group and the supply chain (promote responsible mineral sourcing and CSR procurement)

The social landscape and generational demands that affect SMM Group are constantly changing. In addition to adhering to the ideas in our corporate philosophy and management vision, we will strive to realize our Vision for 2030, as well as endeavor to address societal issues through our business operations to achieve sustainable growth and maximize our corporate value.

<Image for achievement of the Vision>

### Image for achievement of the Vision



For more information, please check the presentation slides.

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