Message from the President GRI 2-22

Akira Nozaki
President and
Representative Director

From Sumitomo's earliest days, a commitment to winning social license

In our Long-Term Vision, the Sumitomo Metal Mining Group aims to become "the world leader in the non-ferrous metals industry." To achieve that goal, we believe one important element is to proactively address social issues through our business operations. This stance reflects Sumitomo's underlying belief that our businesses must be in harmony with, and inseparable from, the public interest, in keeping with the following words etched in the Sumitomo Business Spirit: "Benefit self and benefit others, private and public interests are one and the same," the spirit that Sumitomo has inherited, meaning that Sumitomo's business must benefit the nation and society, and emphasize harmony with the public interest.

This philosophy has been central to all business activities undertaken by SMM since its earliest beginnings: starting with the copper refining and smithing business launched by Riemon Soga in 1590, and continuing with the Company's operations in mining inaugurated at the Besshi Copper Mine (Niihama, Ehime) – the original business that set the foundations for the Sumitomo Group's subsequent development and expansion.

Business operations involving mineral resources in many instances require large-scale development, which means they often have significant impacts on the local communities and the environment. As such, we believe a major requisite when developing mineral resources is, in every case, to obtain the social license to operate. This can be achieved only by making positive contributions through employment, tax payments, promotion of local industries, etc., while keeping adverse environmental and other impacts to a minimum.

At the Besshi Copper Mine, for a period of 283 years starting with the commencement of operations in 1691, Sumitomo continuously took steps to share in co-prosperity with the local community and to coexist in harmony with the environment. For example, Sumitomo supported the lives of the mine's workers – nearly 12,000 at peak – and their families by creating local infrastructure including housing, schools, hospitals and other community facilities. Sumitomo also undertook large-scale revegetation at the site, at times planting more than two million trees a year, and also led the world in completely eliminating emissions of sulfur dioxide produced in the process of copper smelting. Today, the SMM Group carries on this firm commitment as we conduct our mineral resource development projects around the globe. We always make every possible effort to acquire social license and to build relationships of trust with our highly diverse stakeholders everywhere.

Defining what the SMM Group can do to help solve today's social challenges

Today, upsurges in geopolitical risk, accelerating global fragmentation and polarization and other factors are fueling increasingly complex social issues on a global scale. Meanwhile, a variety of uncertainties affecting corporate activities are also gathering momentum: turmoil in supply chains, rising costs of energy and other commodities, the emergence of issues relating to economic security, etc. Even under these challenging circumstances, we believe that there are numerous and varied ways in which the SMM Group can play a positive role and contribute to the world at large.

One example is our operations in non-ferrous metals: copper, nickel, cobalt, etc. Demand for these metals is projected to increase in the years ahead in numerous fields being promoted to combat climate change, including renewable energy-related infrastructure and electric vehicles. We believe the SMM Group has an inherent duty to provide society with stable supplies of the resources that will underpin activities of these kinds. With many non-ferrous metals, however, the number of highly productive mines is steadily decreasing, and this and other factors today are making an efficient recovery and reuse of metal resources already in the market a matter of increasing importance. Within the SMM Group, today we are responding proactively, applying our technologies nurtured through our smelting and materials businesses to realize highly efficient resource recycling and recycling of spent batteries into secondary battery cathode materials.

In our "Vision for 2030," the SMM Group has identified a total of 11 material issues to promote in priority. For each issue, we have also set KPIs and goals, and today we are striving vigorously toward realizing those goals to achieve a truly sustainable society.

Integrating our business operations and sustainability measures

In FY2022, we totally revamped our Groupwide sustainability advancement structure in order to more closely coordinate our sustainability realization measures with our business operations. Simultaneously we strengthened our response to such urgent issues as digital transformation (DX) and green transformation (GX), i.e., conversion from use of fossil fuels to renewable energies. During the 2022 fiscal period, we also undertook initiatives to address issues relating to human rights, a matter garnering increased attention globally, in line with the UN Guiding Principles on Business and Human Rights. To begin, we undertook a major review of our "Sumitomo Metal Mining Group Policy on Human Rights." We refined this policy using various international codes of conduct, etc. as references, and also sought out the opinions of outside experts. In the area of human rights due diligence, we put together a structure concerning our nickel operations and sought third-party certification. Furthermore, through our involvement with the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), we improved our grievance mechanism and enhanced justice assurance.

In the current 2023 fiscal year, we have already compiled a new "SMM Group Water Policy." The policy incorporates initiatives we must take concerning water usage, a social issue of global scope that is closely interconnected with human rights issues. Going forward, we will strive to achieve sustainable use and management of water resources based on this policy.

In the area of human resources, we drastically overhauled our comprehensive personnel system in order to foster individual and organizational openness to change. Through proper and effective operation of this new system, we aim to create an organization capable of taking up challenges, reforming its practices, and marking positive growth by supporting all employees in their right to continue independent learning.

To achieve the SMM Group's Long-Term Vision to become the "world leader in the non-ferrous metals industry" and the goals of our "Vision for 2030," it is of paramount importance that we secure the trust of our many stakeholders. To achieve this aim, starting this year we began issuing a "Sustainability Report" targeted at winning broader understanding of the SMM Group's sustainability-related initiatives and activities. Going forward, we will seek continuous dialogue with our many stakeholders and steadily strive to fulfill our responsibilities toward achieving a truly sustainable world.

Sustainability Management at the Sumitomo Metal Mining Group

Sumitomo Metal Mining Group Sustainability Policy	GRI 2-22/2-23

The SMM Group will tackle management issues that contribute to society's sustainable development, and will strive to achieve continuous growth in our business and improve our corporate value.

Sustainability Promotion Structure

GRI 2-12/2-13/2-14/2-24

Our Group advances sustainability activities primarily through our Sustainability Committee. Since setting out our Vision for 2020 in 2008, we have consistently undertaken solutions to social issues through our business. In April 2022, we reorganized our sustainability promotion structure with the aim of engaging in management and sustainability with greater consistency.

Sustainability Committee

Chair	President
Deputy Chair	Executive officer in charge of sustainability (executive officer in charge of the Corporate Planning Department)
Members*	General Managers of Divisions, General Managers of Administration Departments, General Manager of the Technology Division, General Manager of the Planning & Administration Department of the Technology Division, General Manager of the Engineering Division, General Manager of the Facilities Technology Department of the Engineering Division, heads of operational divisions in the Head Office * The Chairman of the Board, outside directors, and Audit & Supervisory Board members attend as observers
Secretariat	Sustainability Department and Corporate Planning Department
Number of times convened	Two or more times per year (five times in FY2022)
Content of deliberations	• Deliberation on revision or abolition of material issues, Vision for 2030, and the Sustainability Policy • Deliberation and decision-making concerning important items related to annual plans and other sustainability promotion activities, and indicators for evaluating our level of achievement toward Vision for 2030 • Regular evaluation of sustainability promotion activities reflecting issues and opinions obtained through engagement with stakeholders, and invoking of corrective measures • Provision of information on sustainability promotion activities, exchanges of information, explanation of key measures, sharing of awareness, and setting of important themes related to sustainability activities In FY2022, the committee deliberated on progress toward Vision for 2030, standards for achievement and action plans for 2030, revision of the Sumitomo Metal Mining Group Policy on Human Rights, and establishment of the SMM Group Digital Transformation (DX) Vision, etc. The committee shared information on opinions and issues identified through engagement with stakeholders, grievance mechanisms, internal audits, and other means, and reflected this information in our sustainability activities. In particular, the committee made revisions to the Sumitomo Metal Mining Group Policy on Human Rights to reflect the opinions and requests of diverse stakeholders.
Board of Directors	• Internal control and supervisory functions related to sustainability activities • Deliberation, decision-making, and approval concerning sustainability activities, progress reports, evaluation of performance, review of activity plans for the following fiscal year, etc. In FY2022, the Board of Directors deliberated and resolved matters including establishment of the SMM Group DX Vision and revision of the Sumitomo Metal Mining Group Policy on Human Rights.

■ Sustainability promotion framework

7 Sustainability Subcommittees

Our 7 Sustainability Subcommittees manage progress toward Vision for 2030 and engage in sustainability activities integrated with our businesses.

Subcommittee	Chair	Deputy Chair	Secretariat
Efficient Resource Utilization Subcommittee	Executive officer in charge of the Technology Division	Senior Deputy General Manager of the Technology Division	Technology Division
Environmental Preservation Subcommittee	Executive officer in charge of the Safety & Environment Control Department	Executive officer in charge of the Technology Division	Safety & Environment Control Department
Corporate Citizenship Subcommittee	General Manager of the General Affairs Department	—	General Affairs Department
Diversity Subcommittee	General Manager of the Human Resources Department	—	Human Resources Department
Human Rights Subcommittee	General Manager of the Sustainability Department	—	Sustainability Department
Occupational Health & Safety Subcommittee	Executive officer in charge of the Safety & Environment Control Department	General Manager of the Human Resources Department	Safety & Environment Control Department
Communications Subcommittee	General Manager of the Public Relations & Investor Relations Department	—	Public Relations & Investor Relations Department

Details of each subcommittee are described on the Material Issues page ➡ P.32-137

4 Management Systems Working Groups

The Risk Management Working Group, Compliance Working Group, Quality Assurance Working Group, and "Responsible Mineral Sourcing" Working Group play roles in operating our Group's major management systems across organizations and in strengthening our management foundations. Each working group formulates policies in line with its theme and conducts checks of progress toward achieving its activity plans.

Working Group	Chair	Deputy Chair	Secretariat	Members
Risk Management Working Group ➡ P.182-184	Executive officer in charge of the Corporate Planning Department	Executive officer in charge of the Safety & Environmental Control Department	Corporate Planning Department, Safety & Environmental Control Department	General managers of divisions, General Manager of the Technology Division, General Manager of the Engineering Division, heads of operational divisions in the Head Office
Compliance Working Group ➡ P.176-179	Executive officer in charge of the Legal Department	General Manager of the Legal Department	Legal Department	General managers of divisions, General Manager of the Technology Division, General Manager of the Engineering Division, heads of operational divisions in the Head Office
Quality Assurance Working Group ➡ P.186-190	General Manager of the Quality Assurance Department	—	Quality Assurance Department	General managers of divisions, General Manager of the Technology Division, General Manager of the Engineering Division, heads of operational divisions in the Head Office
"Responsible Mineral Sourcing" Working Group ➡ P.120-122	General Manager of the Non-Ferrous Metals Division	General Manager of the Sustainability Department	Administration Department, Non-Ferrous Metals Division	Mineral Resources Division: General Manager of the Division, General Manager of the Administration Department Non-Ferrous Metals Division: General Manager of the Administration Department, General Manager of the Nickel Sales & Raw Materials Department, General Manager of the Copper & Precious Metals Raw Materials Department, General Manager of the Copper & Precious Metals Sales Department

Sustainability Management at the Sumitomo Metal Mining Group

Corporate Value Enhancement Strategic Committee

We have established the Corporate Value Enhancement Strategic Committee to grow the SMM Group's business sustainably and enhance our corporate value. To further ensure the achievement of this objective, we have established the Group for Realizing the World Leader in the Non-Ferrous Metal Industry, the Company-wide Group on Human Resources, and the *"Shikinen Kaikaku"* Group as subordinate organizations.

Chair	Executive officer in charge of the Corporate Planning Department
Deputy Chair	General Manager of the Corporate Planning Department
Members	General managers, senior deputy general managers of divisions, General Manager of the Technology Division, General Manager of the Engineering Division, General Manager of the Legal Department, General Manager of the Human Resources Department, General Manager of the Finance & Accounting Department
Secretariat	Corporate Planning Department
Number of times convened	Two or more times per year (two times in FY2022)
Content of deliberations	• Deliberation on candidates for new large-scale projects • Selection of "seeding" projects as candidates for new large-scale projects • Reporting on the progress of large-scale projects, from the "planting" stage to the "harvesting" stage • Instruction to the Group for Realizing the World Leader in the Non-Ferrous Metal Industry, the Company-wide Group on Human Resources, and the *"Shikinen Kaikaku"* Group regarding examination of matters specified as issues

Digital Transformation Committee

The committee was established in April 2021 to clarify the future vision of Digital Transformation (DX) that our Group should aim for and to maximize the contribution to management through Group-wide promotion of DX.

Chair	Executive officer in charge of Digital Transformation (Executive officer in charge of the Technology Division)
Deputy Chair	General Manager of the Digital Transformation Department
Members	General managers of divisions, executive officers in charge of corporate divisions, Executive officer in charge of the Safety & Environment Control Department, Executive officer in charge of the Quality Assurance Department, General Manager of the Technology Division, General Manager of the Engineering Division, General Manager of the Corporate Planning Department, General Manager of the Human Resources Department, General Manager of the Information Systems Department
Secretariat	Digital Transformation Department
Number of times convened	Two or more times per year (three times in FY2022)
Content of deliberations	• Drafting of DX promotion policy and deliberation on material issues • Deliberation and decision-making on fiscal year plans for DX promotion activities and other key matters • Regular evaluation of DX promotion activities and invoking of corrective measures • Provision of information on DX promotion, exchanges of information, explanation of key measures, and sharing of awareness • Other key issues related to DX promotion activities

Carbon Neutrality Committee

This committee was established in April 2022 to set a clear policy and path toward achievement of the carbon neutrality that our Group should pursue, and to quickly and powerfully move forward in this pursuit.

The basic principle is that each business division, and each organization related to carbon neutrality, should work together with the aim of having all parties involved actively engage in activities.

Chair	Executive officer in charge of Carbon Neutrality (Executive officer in charge of the Technology Division)
Deputy Chair	Executive officer in charge of the Safety & Environment Control Department
Members	General managers of divisions, General Manager of the Technology Division, General Manager of the Engineering Division, General Manager of the Safety & Environment Control Department, General Manager of the Corporate Planning Department, General Manager of the Sustainability Department, General Manager of the Finance & Accounting Department
Secretariat	Planning & Administration Department of the Technology Division
Number of times convened	Two or more times per year (six times in FY2022)
Content of deliberations	• Drafting of company-wide policy, goals, and roadmap for the achievement of carbon neutrality, and deliberation on material issues • Deliberation and decision-making on fiscal year plans and other key matters related to carbon neutrality promotion activities • Regular evaluation of carbon neutrality promotion activities, review of goals, and invocation of corrective measures • Provision of information on carbon neutrality promotion, exchanges of information, explanation of key measures, and sharing of awareness • Deliberation and decision-making on other key issues related to carbon neutrality promotion activities

Putting Sustainability Promotion Activities into Practice

GRI 2-24

The 7 Sustainability Subcommittees manage and advance the progress of our sustainability promotion activities, with the Sustainability Committee at the center. However, responsibility for putting activities into practice is assigned across different levels through job classification-based management. In conjunction with our 2021 3-Year Business Plan, the subcommittees also formulated plans for organizations in areas related to Vision for 2030 during the period of the 3-Year Business Plan, and are managing the progress of these plans. The 7 subcommittees assess details of organizations' activities through the subcommittees' members or secretariats, and check progress through the Sustainability Committee.

Through dialogue with shareholders and investors and through briefing videos for business partners, we explain our Group's sustainability promotion activities to outside stakeholders and call for their cooperation.

Penetration of Sustainability Promotion Activities

GRI 2-24

For Vision for 2030 and other sustainability promotion activities, we distribute simple, illustrated booklets with specific examples of activities to all Group employees, and post interviews and columns on specific activities in our in-house bulletins and on our portal site. We also conduct education on sustainability in annual training (new employee training, mid-career hire training, grade-specific training, selective training, etc.). In addition to regular training, in FY2022 we held "Reorganization of Sustainability Promotion Structure" briefings for managers and young employees in every district.

In conjunction with the adoption of the Sustainable Development Goals (SDGs) by the United Nations General Assembly in September 2015, we have also set every September as a month for thinking about the Sumitomo Metal Mining Group's Vision for 2030. As a part of this, we hold the Sumitomo Metal Mining Group Vision for 2030 Awards every year as a rule. These awards recognize individuals and groups for their contributions to achieving Vision for 2030. In FY2022, a total of seven awards were given, with one individual award and six group awards (115 people in total). We also engage in awareness activities such as communicating messages from top management and conveying our progress toward Vision for 2030 to employees in a concise manner.

Positioning of Vision for 2030

Overview of Vision for 2030

Drawing on its corporate philosophy and management vision, the SMM Group will expand its growth potential and sustainability by securing resources and providing non-ferrous metals, battery materials, advanced materials, and other high-quality materials in an effort to enhance its company value and achieve its long-term vision of becoming the world leader in the non-ferrous metals industry. Vision for 2030 specifies concrete milestones indicating KPIs and deadlines toward achieving this long-term vision.

In formulating Vision for 2030, we assessed and reflected on our Group's Vision for 2020, taking societal changes into account, and sorted the material issues that need to be addressed by 2030. Vision for 2030 and KPIs* were deliberated for the 11 material issues identified, and formulated and released in March 2020.

In formulating Vision for 2030, we have kept firmly in mind the SDGs with close affinity to our corporate philosophy and vision. The results of our work to evaluate issues and connect them with SDG targets are shown in the diagram below. We set the 12th SDG, "responsible consumption and production," as our most important goal, as this goal indicates our approach toward all issues and directly connects to our management vision.

* Vision for 2030; Material Issues, KPIs ➡ P.28-29

■ Diagram of Relationship with the SDGs

Sustainability 12 RESPONSIBLE CONSUMPTION AND PRODUCTION Growth potential

* The numbers ❶ to ⓫ in the diagram indicate material issues in Vision for 2030 ➡ P.25

Material Issues and Their Background

The below material issues were identified in March 2020. There have been no changes to material issues for FY2022.

① Effective Use of Non-Ferrous Metal Resources ➡ P.32

The SMM Group is engaged in the mining of natural resources, the production of highly advanced materials, and everything in between. We handle a wide range of non-ferrous metal materials in the process. We believe that it is the SMM Group's responsibility to take on the challenge of making more effective use of limited non-ferrous metal resources without waste through the utilization of resources that could hitherto not be used due to technical obstacles and through the development of recycling technologies.

② Climate Change ➡ P.42

Society's demand for companies to reduce greenhouse gas (GHG) emissions has increased dramatically, and the business risks associated with climate change are also increasing. On the other hand, a stable supply of products contributing to a low-carbon society, such as the secondary battery materials for electric vehicles and the near-infrared absorbing materials CWO®, both produced by our Group, are expected to contribute to the reduction of GHG emissions.

③ Significant Environmental Accidents   ④ Biodiversity ➡ P.52

The SMM Group recognizes that there are risks of adverse impacts on the natural environment when developing natural resources and using chemical substances. In addition to preventing significant environmental accidents, we recognize that minimizing our negative environmental impacts, including rationalization the use of water, and preserving biodiversity in our day-to-day management of operations are prerequisites for business continuity.

⑤ Employees' Occupational Health and Safety ➡ P.80

It is the responsibility of management to prevent work-related accidents and illnesses, provide a safe, healthy and comfortable work environment, and strive to improve employee comfort. All of these also lead to greater motivation and productivity among employees. The SMM Group bases management on job classification, striving to ensure the safety and health of our employees through intrinsic equipment safety improvements and safety education, etc.

⑥ Diverse Human Resources   ⑦ Development and Participation of Human Resources ➡ P.86

The source of the SMM Group's growth is its employees. We respect individuality and diversity, and aim to create an open and vibrant organizational climate in which everyone can demonstrate their strengths and thrive. With the globalization of business and the rapid development of DX, it is a management challenge to develop human resources who can think and act on their own initiative based on their expertise.

⑧ Engagement with Stakeholders ➡ P.124   ⑨ Co-Existence and Mutual Prosperity with Local Communities ➡ P.110   ⑩ Rights of Indigenous Peoples ➡ P.116

The SMM Group's main premise for business continuity is to earn a social license to operate. To this end, we recognize the importance of promoting information disclosure and transparency to the greatest extent possible, as well as deepening mutual understanding and building relationships of trust through ongoing dialogue with local communities and other stakeholders. In particular, when there is a risk that development may affect the livelihood of indigenous peoples, we gain a thorough understanding of their culture, traditions and history and engage in a continuing dialogue prior to development. It is then necessary to proceed carefully to prevent such impacts of development.

⑪ Human Rights in the Supply Chain ➡ P.120

As for Business and Human Rights, the calls for companies to take strong measures to prevent human rights violations throughout their supply chains are increasing. It is necessary for the SMM Group to construct sustainable supply chains in collaboration with business partners to prevent our business activities from having negative impacts on human rights along our diverse supply chains.

Vision for 2030 – Formulation Approach GRI 3-1

To formulate Vision for 2030 and achieve sustainable value creation, we undertook a full change revision of the Vision for 2020. The revision addressed issues remaining from Vision for 2020, the changes to the needs of stakeholders (our response to climate change, business and human rights, etc.), changing trends in the materials industry with the rapid advance of digitalization, and connections to the SDGs, which have the same target year of 2030. As shown in the figure on the right, we underwent an extensive process of deliberations that involved the input of everyone from officers to employees, as well as outside experts as needed.
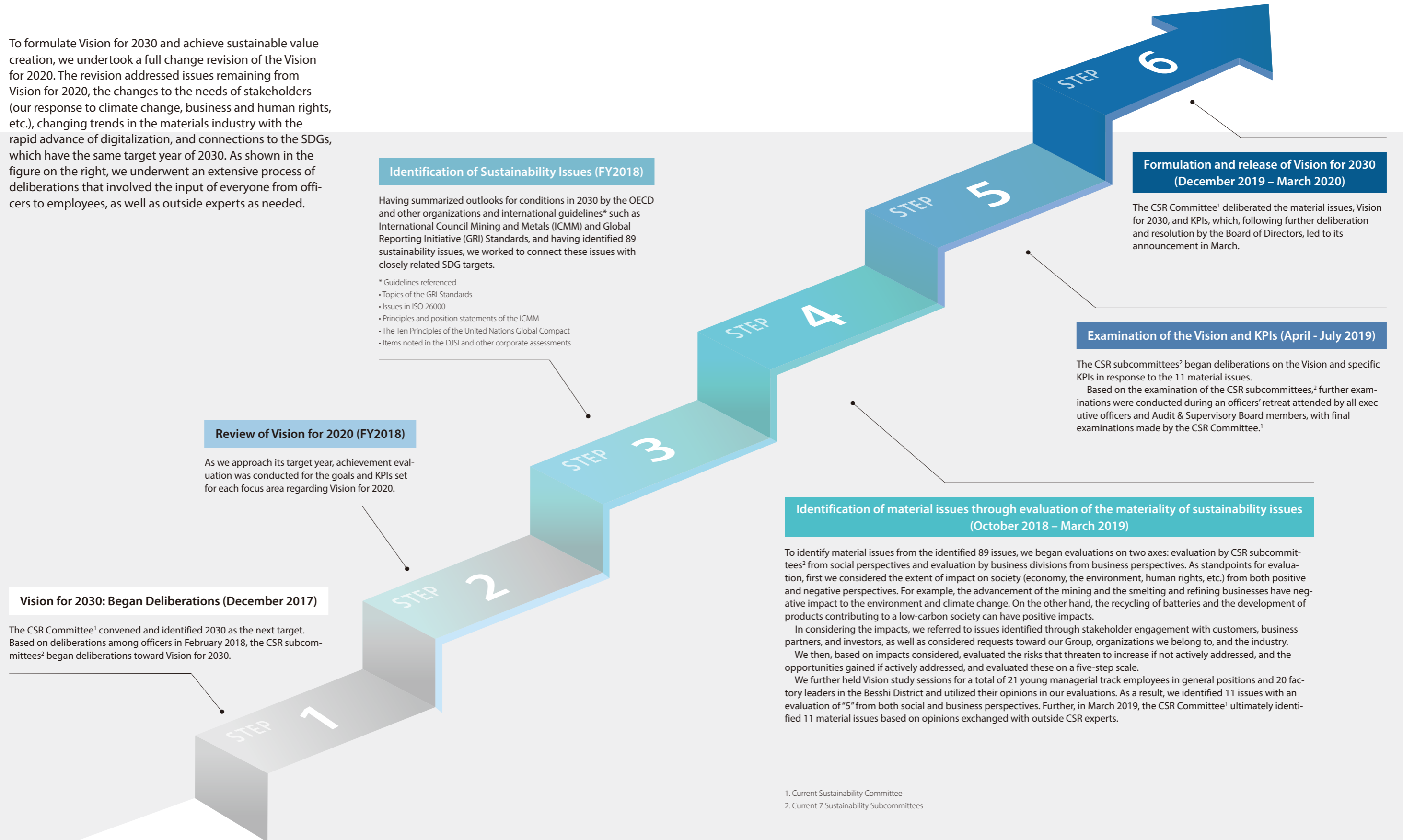
Vision for 2030: Began Deliberations (December 2017)

The CSR Committee[1] convened and identified 2030 as the next target. Based on deliberations among officers in February 2018, the CSR subcommittees[2] began deliberations toward Vision for 2030.

Review of Vision for 2020 (FY2018)

As we approach its target year, achievement evaluation was conducted for the goals and KPIs set for each focus area regarding Vision for 2020.

Identification of Sustainability Issues (FY2018)

Having summarized outlooks for conditions in 2030 by the OECD and other organizations and international guidelines* such as International Council Mining and Metals (ICMM) and Global Reporting Initiative (GRI) Standards, and having identified 89 sustainability issues, we worked to connect these issues with closely related SDG targets.

* Guidelines referenced
• Topics of the GRI Standards
• Issues in ISO 26000
• Principles and position statements of the ICMM
• The Ten Principles of the United Nations Global Compact
• Items noted in the DJSI and other corporate assessments

Formulation and release of Vision for 2030 (December 2019 – March 2020)

The CSR Committee[1] deliberated the material issues, Vision for 2030, and KPIs, which, following further deliberation and resolution by the Board of Directors, led to its announcement in March.

Examination of the Vision and KPIs (April - July 2019)

The CSR subcommittees[2] began deliberations on the Vision and specific KPIs in response to the 11 material issues.
   Based on the examination of the CSR subcommittees,[2] further examinations were conducted during an officers' retreat attended by all executive officers and Audit & Supervisory Board members, with final examinations made by the CSR Committee.[1]

Identification of material issues through evaluation of the materiality of sustainability issues (October 2018 – March 2019)

To identify material issues from the identified 89 issues, we began evaluations on two axes: evaluation by CSR subcommittees[2] from social perspectives and evaluation by business divisions from business perspectives. As standpoints for evaluation, first we considered the extent of impact on society (economy, the environment, human rights, etc.) from both positive and negative perspectives. For example, the advancement of the mining and the smelting and refining businesses have negative impact to the environment and climate change. On the other hand, the recycling of batteries and the development of products contributing to a low-carbon society can have positive impacts.
   In considering the impacts, we referred to issues identified through stakeholder engagement with customers, business partners, and investors, as well as considered requests toward our Group, organizations we belong to, and the industry.
   We then, based on impacts considered, evaluated the risks that threaten to increase if not actively addressed, and the opportunities gained if actively addressed, and evaluated these on a five-step scale.
   We further held Vision study sessions for a total of 21 young managerial track employees in general positions and 20 factory leaders in the Besshi District and utilized their opinions in our evaluations. As a result, we identified 11 issues with an evaluation of "5" from both social and business perspectives. Further, in March 2019, the CSR Committee[1] ultimately identified 11 material issues based on opinions exchanged with outside CSR experts.

1. Current Sustainability Committee
2. Current 7 Sustainability Subcommittees

Vision for 2030, Material Issues, KPIs (Indicators and Goals) GRI 3-2/3-3

❶ Effective Use of Non-Ferrous Metal Resources

Vision for 2030 A company that generates resources through high technological capabilities
1. A company that stably provides non-ferrous metals to society
2. A company that contributes to society by effectively using impurities through collaborative, open technological development among industry, academia, and government
3. A company that contributes to the construction and maintenance of recycling systems for non-ferrous metals
4. A company that develops and supplies highly advanced materials that contribute to the resolution of social issues

KPI Indicators	Goals
1. 1) Advance copper mine projects	• Strengthen production structure at JV mines to achieve and maintain copper production levels of 300 kt/year from interests • Achieve steady copper production level by reinforcing exploration of surrounding and deep areas in JV mines, expanding mineral processing technology, and improving operations leveraging IoT and AI • Advance Phase 2 and later projects at the Quebrada Blanca Copper Mine
2) Acquire new superior copper and gold resources	• Develop new mines for which we have operatorship
3) Improve productivity by introducing new technology	• Promote remote operation and unmanned operation of heavy machinery and information infrastructure equipment inside and outside of the Hishikari Mine
4) Advance nickel ore projects and improve productivity	(1) Nickel production: 150 kt/year (2) Recovery rate compared to FY2018: +2% (3) Recovery of scandium by-product (4) Recovery of chromite by-product
2. 1) Develop technology to separate, stabilize and bleed off impurities, and create value from impurities generated by smelting processes and mines	• Develop technology to stabilize and bleed off impurities: Develop and demonstrate the process
2) Develop technology to create value from unused non-ferrous metal resources	• Contribute to existing (e.g. marine resource development) and new development projects
3) Recover non-ferrous metals from hard-to-process resources	• Participate in business and technology for recovery of lithium from salt-lake water in the presence of high levels of impurities
3. Demonstrate and commercialize automobile secondary battery recycling technology	• Demonstrate, commercialize, and expand scale of recycling technology that recovers cobalt from automotive lithium-ion batteries Commence commissioning and commercial operation of pre-commercial plant: FY2026*
4. 1) Leverage our strengths to create new products and new businesses that contribute to society	• Research, develop, and commercialize new advanced materials in the fields of energy, automobiles, and information communications
2) Hold raw materials in-house for favorable and stable procurement	• Commercialize NiO for fuel cells following demonstration project
3) Expand sales of low-cost battery cathode materials through favorable, stable procurement of our own nickel raw materials	• Maintain top class global share in the expanding cathode materials market

❷ Climate Change

Vision for 2030 A company that actively undertakes climate change countermeasures, by reducing emissions and stably supplying products contributing to a low-carbon society, a future with zero greenhouse gases (GHGs)

KPI Indicators	Goals
Reduce GHG emissions	1. Continuing to grow our business while maintaining GHG emissions below the level of FY2013. Accelerating actions to achieve net zero GHG emissions by 2050 or sooner. 2. Cut GHG emissions intensity by at least 26% compared to FY2013 3. Expand contribution of GHG reduction by products contributing to a low-carbon society: 600 kt-CO_2 or more

❸ Significant Environmental Accidents ❹ Biodiversity

Vision for 2030 A company that values water resources and biodiversity, and protects the richness of the sea and land

KPI Indicators	Goals
1. Zero significant environmental accidents	1) Promote improvements through the use of risk management and environmental management systems 2) Reinforce and improve equipment and infrastructure to address increases in sources of natural hazard
2. Reduce emissions of hazardous substances (year-on-year)	1) Optimize water use; reduce emissions of hazardous substances to the atmosphere and water 2) Promote various environmental preservation and biodiversity preservation activities, such as regular reforestation

❺ 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

KPI Indicators	Goals
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
2. Prevent occurrence of occupational diseases	Number of workplaces that present higher health risks: reduce year-on-year Occurrence of occupational diseases: zero

❻ Diverse Human Resources ❼ 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

KPI Indicators	Goals
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 2) (1) Number of female managers: 50 (SMM) (2) Ratio of female employees: 20% or higher (SMM) 3) Expand number of managerial track employees of foreign nationality 4) Percentage of employees with disabilities: 3% or higher (SMM) 5) Assign jobs and provide support matched to employees' life stages
2. Support employees' mental and physical health	1) Reduce the number of employees taking long-term leave 2) Percentage of employees with abnormal findings indicated in health checkups: 50% or lower
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 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 3) Provide opportunities for self-development matched to each employee's life plans and needs (correspondence courses, online training, etc.)

❽ Engagement with Stakeholders

Vision for 2030 A company that is appreciated and understood to be the world leader in non-ferrous metals

KPI Indicators	Goals
1. Further penetrate our Group brand among employees	• Improve results of employee awareness survey (increase ratio of employees who feel pride in working at the Company)
2. Ensure quality and quantity in communication of information and dialogue at the level of "world leader in the non-ferrous metals industry"	• Expand opportunities for dialogues with media and investors • Achieve positive evaluations of our Integrated Report from outside the Company
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.)

❾ 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

KPI Indicators	Goals
Participate in local communities through dialogue and collaboration	Accurately identify local issues through dialogues with local communities, and execute measures 1. to 5. as follows
1. Support the local community via employee participation	• Implement employee participation programs (from 2023)
2. Hire and procure locally	• Continually implement and assess of performance
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) 2) Establish and award scholarships in Japan and maintain existing overseas scholarships (from 2023)
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)
5. Support during and after disasters	• Support regions affected by large-scale disasters

❿ Rights of Indigenous Peoples

Vision for 2030 A company that understands and respects the traditions and culture of indigenous peoples

KPI Indicators	Goals
1. Understand indigenous peoples and their traditions and culture	• Percentage of SMM Group sites implementing in-house education: 100% by the end of FY2023
2. Support initiatives that lead to respect for the traditions and cultures of indigenous peoples	1) Provide scholarships for indigenous peoples (continue existing initiatives) 2) Support indigenous people-related initiatives by NGOs, academic societies, etc.: one initiative or more each year

⓫ Human Rights in the Supply Chain

Vision for 2030 A company that undertakes sustainable procurement across the supply chain

KPI Indicators	Goals
Promote sustainable procurement, particularly responsible mineral sourcing	1. 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 2. Sustainable procurement 1) Business partners that have received and agreed with the Sumitomo Metal Mining Group Sustainable Procurement Policy: 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)

* The underlined KPIs for this year have been partially revised
  No change has been made to the material issues