



Our Sustainability Mission Vision for 2030

March 4, 2020



SUMITOMO METAL MINING



Foreword



Revision of Vision for 2020



Formulation of Vision for 2030



The Relationships among Material Issues and the SDGs



Summary



Appendix I. List of Material Issues and KPIs



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SMM Group Corporate Philosophy

- Sumitomo Metal Mining Co., Ltd. (SMM), in accordance with the Sumitomo Business Spirit, shall, through the performance of sound corporate activities and the promotion of sustainable **co-existence with the global environment**, seek to make positive contributions to society and to fulfill its responsibilities to its stakeholders, in order to win ever greater trust.
- SMM shall, based on **respect for all individuals** and recognizing each person's dignity and value, seek to be a forward-minded and vibrant company.

SMM Group Management Vision

- By improving **technical capabilities**, we shall fulfill **our social responsibilities as a manufacturing enterprise**.
- Based on the principles of compliance, environmental protection and operational safety, SMM Group shall pursue maximum corporate value through **the securing of resources and the provision of high-quality materials such as non-ferrous metals and advanced materials** via its global network.

Contribute to forming a sustainable society

The Sumitomo Business Spirit—The DNA of Sumitomo

- **Article 1**

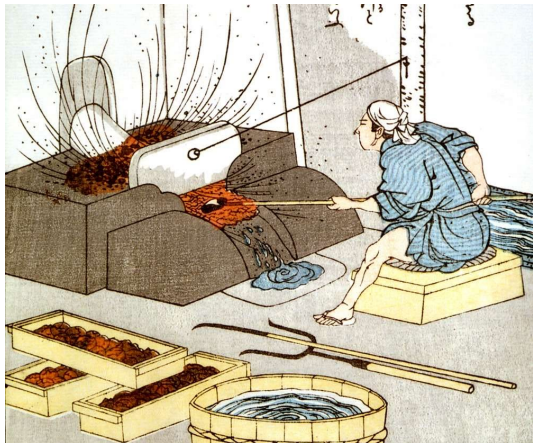
Sumitomo shall achieve strength and prosperity by placing prime importance on integrity and sound management in the conduct of its business.

- **Article 2**

Sumitomo shall manage its activities with foresight and flexibility in order to cope effectively with the changing times. Under no circumstances, however, shall it pursue easy gains or act imprudently.

The embodiment of Sumitomo DNA

- Technological capabilities: Development of innovative *Nanban-buki* technology that separates copper and silver, and release of the technology to the industry
- Co-existence and mutual prosperity with local communities:
 - Contribution to communities and relationships of trust through operation of the Besshi Copper Mine for 283 years
 - Relocation of smelter to an uninhabited island in the Seto Inland Sea to control the spread of smoke pollution from modernization
 - Global leadership in resolution of 47-year-long smoke pollution problem (zero sulfur dioxide gas emissions)



Nanban-buki (Kodo Zuroku)

Photo credit: Sumitomo Historical Archives

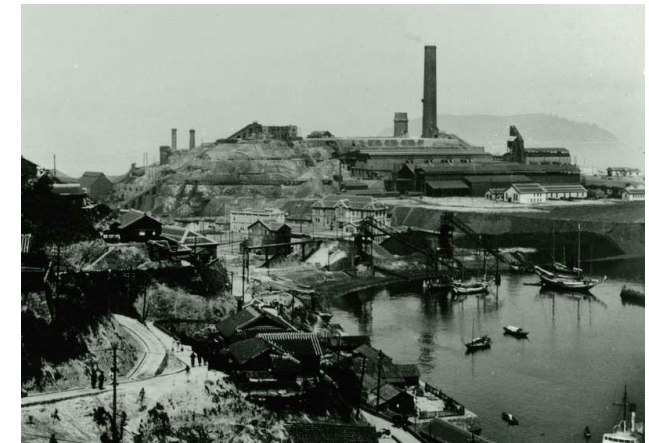


Sumitomo Tonaru Private Elementary
School

1967, Besshi Copper Mine, Tonaru District



Sumitomo Besshi Hospital, Tonaru Branch



Shisaka Island Smelter

1920s

Photo credit: Sumitomo Historical Archives

The embodiment of Sumitomo DNA

- Environmental preservation: Restoration of the devastated forest of the Besshi Copper Mine by planting up to 2 million trees a year



Besshi Copper Mine (1881)

Photo credit: Sumitomo Historical Archives



Current view from the same location at Besshi Copper Mine

Photo credit: Sumitomo Historical Archives

The DNA that we carry forward today

- Technological capabilities
 - HPAL Technology
 - The first in the world to commercially use low-grade nickel ore that previously couldn't be used as a resource
 - Technology to develop and produce high-nickel, low-cobalt cathode materials
 - Developed and are producing high capacity automotive secondary battery cathode materials while ensuring a high level of safety



HPAL Plant (The Philippines)



Isoura Plant (Ehime) for manufacturing battery cathode materials

The DNA that we carry forward today

- Co-existence and mutual prosperity with local communities
Contribution to local communities through the operation of hospitals and schools, provision of power, water and sewage services, construction of roads, ports and airports, running of malaria and dengue fever prevention projects, etc.
- Operation of a scholarship program since 1987 for middle and high school students in the Morenci school district in America

In 2019, we contributed another US\$210,000 to support educational activities for Morenci middle and high schools, and supported an overseas field trip to Isa City, where Hishikari Mine is located, in which students from Morenci and Isa City were able to interact with each other.



Operation of elementary schools (The Philippines)



Free medical care for local residents (The Philippines)



Students from the Morenci district and people from the SMM Scholarship Fund

The DNA that we carry forward today

- Environmental preservation

- Rehabilitation (greening) of a tailings dam

Total area for Coral Bay Nickel Corporation and Taganito HPAL Nickel Corporation: 350 ha (2012-2018 (excluding the greened areas outside of the development site)) (approximately equal to 74 Tokyo Domes)



Rehabilitation (CBNC (The Philippines)) Left: completed. Right: before rehabilitation.



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Background to the revision

2008

- We systematically launched CSR activities and formulated Vision for 2020.

2015

- We revised Vision for 2020. We identified material issues and further clarified goals by establishing KPIs.

Formulation of our next Vision upon reaching the target year of 2020

II. Revision of Vision for 2020

Evaluation of level of achievement for major initiatives in Vision for 2020

Areas	Goals and KPIs	Evaluation	Reason for evaluation
Effective Use of Resources	<ul style="list-style-type: none"> ◆ Promote recycling • Improve our effective use of recycled resources 	○	In the development of the LIB recycling process, we developed a process for the generation, leaching, and refinement of battery raw materials from detoxified battery scrap, using a pyrometallurgical process and a hydrometallurgical process.
Environmental Preservation	<ul style="list-style-type: none"> ◆ Advance biodiversity preservation initiatives • Implement global warming countermeasures Achieve a 5-fold expansion of revenue (measured against FY2011) from materials for products contributing to a low carbon society 	◎	Products with low carbon impact (battery materials (for EV batteries), ink materials (for infrared absorbing films for buildings and automobiles), and lead frame materials (for LED substrates)) continue to grow steadily, with sales in FY2017 reaching 6.04 times sales in FY2011.
Contribution to Society and Local Communities	<ul style="list-style-type: none"> ◆ Communicate with local communities to recognize social issues in regions where we do business, and implement programs to support solutions to those issues 	○	In activities to contribute to society, Coral Bay Nickel Corporation and Taganito HPAL Nickel Corporation communicate with local government bodies and communities, and conduct activities that range from improvement of social infrastructure such as education and medicine to agriculture and other projects involved with people's livelihoods.

II. Revision of Vision for 2020

Evaluation of level of achievement for major initiatives in Vision for 2020

Areas	Goals and KPIs	Evaluation	Reason for evaluation
Respect for People and Human Rights	<ul style="list-style-type: none"> ◆ Prevent major human rights infringements • Regular human rights due diligence: once every 3 years <ul style="list-style-type: none"> ➢ Employees ➢ Supply chain ➢ Local communities 	○	<ul style="list-style-type: none"> • Employees: we surveyed the human rights support structure of all SMM Group sites through questionnaires. • Local communities: we performed a test survey in the Hishikari District (FY2017). • Supply chain: we conducted hearings with four companies every year.
Occupational Health and Safety	<ul style="list-style-type: none"> ◆ Ensure safety 	×	<ul style="list-style-type: none"> • The number of accidents in recent years is about 14. • Reduction of risks on site and reform of safety consciousness in top management at sites are both progressing, but we have not deterred accidents that are caused primarily by unsafe behavior.
Stakeholder Communication	<ul style="list-style-type: none"> ◆ Encourage mutual understanding with shareholders and investors • Publish integrated reports and improve their content 	◎	<p>Since 2015, we have made preparations for the integration of related departments, and in October 2016 published our first integrated report on schedule. We have received a degree of acclaim, including commendations from outside the company.</p>

II. Revision of Vision for 2020

Viewpoints in the Review

Major trends in the materials industries

- Metal materials and advanced materials will play an important role in the rapid advance of digitalization such as the IoT and CASE, and in the switchover of energy sources and technological innovation aimed at achieving a low-carbon society.

Major prerequisites for business continuity and sustainable growth

- In response to growing social demands related to human rights issues in the sourcing of minerals and avoiding complicity in human rights violations in the supply chain, our Group has a duty as a resource company to actively address these issues.
- Actively addressing the SDGs and other social issues through CSR and TCFD is indispensable to the achievement of growth strategies in the Mineral Resources business and Smelting & Refining business.



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The positioning of Vision for 2030

As an overarching concept for our Long-Term Vision,
and as a milestone for achieving this Long-Term Vision,
we have reset our vision forward 10 years,
taking into account forecasts for changes in social demands.



Accordingly, we have identified, evaluated, and selected material issues not simply as conventional sustainability issues but as management issues.

III. Formulation of Vision for 2030

Image for achievement of the Vision

As a World Leader in the Non-Ferrous Metals Industry We Are Aiming to

- Have a **global presence** in terms of mineral resource interests and metal production volumes
- Have **leading technology and a unique business model** that cannot be easily emulated by other major mineral resource companies
- **Grow sustainably** and stably produce a certain amount of profit
- **Actively tackle social issues** such as the SDGs
- Have employees work **with spirit**

Long-Term Vision

Become a World Leader in the Non-Ferrous Metals Industry

Vision for 2030
(Implementation of Action Items)

Vision for 2020
(Sustainability issues)

Corporate value

Growth potential

Sustainability

SMM Group Corporate Philosophy SMM Group Management Vision

Identification of issues and association with the SDGs

We identified 89 issues and linked them with the targets of closely related SDGs based mainly on the following guidelines.

- Principles and position statements of the ICMM
- Sustainable Development Goals (SDGs)
- The Ten Principles of the United Nations Global Compact
- GRI Standards
- Issues in ISO 26000

Evaluation of issues and identification of material issues

- We evaluated the 89 issues on a five-point scale from social and business perspectives.

Perspectives for evaluation

- Degree of impact on society
- Risks increased if not actively addressed
- Opportunities gained if actively addressed

Identification of 11 material issues that are important to both society and business

11 material issues



III. Formulation of Vision for 2030

Approaches to the 11 material issues

	Material issues	Approaches		Material issues	Approaches
1	Effective Use of Non-Ferrous Metal Resources	Search for and develop superior non-ferrous metal resources	6	Diverse Human Resources	Promote diversity
		Effective use of recycled raw materials, low-grade ores, and raw materials with high levels of impurities	7		Development and Participation of Human Resources
2	Climate Change	Shift to, and substitute in, low-carbon energy; improve technology to conserve energy	8	Engagement with Stakeholders	
		Develop and sell products contributing to energy conservation and a low-carbon society	9		Co-Existence and Mutual Prosperity with Local Communities
3	Significant Environmental Accidents	Strengthen seismic resistance and weather resistance of equipment, tailings dams, and accumulation sites	10	Rights of Indigenous Peoples	
		Prevent industrial accidents that affect communities	11		Human Rights in the Supply Chain
4	Biodiversity	Reduce releases of chemical substances into rivers, seas, and the atmosphere			
5	Employees' Occupational Health and Safety	Provide safe work environments			
		Provide sanitary work environments			
		Provide healthy work environments			

The 11 material issues and our Vision

	Material issues	Vision
1	Effective Use of Non-Ferrous Metal Resources	<p>A company that generates resources through high technological capabilities</p> <ol style="list-style-type: none"> 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
2	Climate Change	A company that actively undertakes climate change countermeasures, by reducing emissions and stably supplying products contributing to a low-carbon society, to achieve zero emissions of greenhouse gases GHGs
3	Significant Environmental Accidents	A company that values water resources and biodiversity, and protects the richness of the sea and land
4	Biodiversity	

III. Formulation of Vision for 2030

The 11 material issues and our Vision

	Material issues	Vision
5	Employees' Occupational Health and Safety	A company where all employees put safety first in work, with comfortable workplace environments, safe equipment, and operations
6	Diverse Human Resources	A company where all employees can take a vibrant and active part
7	Development and Participation of Human Resources	<ol style="list-style-type: none">1. A company that respects the humanity of each and every employee, and where employees feel pride, motivation, and joy in work2. A company that provides each and every employee with opportunities to improve his/her capabilities, and grows together with employees
8	Engagement with Stakeholders	A company that is appreciated and understood to be the world leader in non-ferrous metals
9	Co-Existence and Mutual Prosperity with Local Communities	A company that contributes to regional development and earns trust as a member of the local community
10	Rights of Indigenous Peoples	A company that understands and respects the traditions and culture of indigenous peoples
11	Human Rights in the Supply Chain	A company that undertakes CSR procurement (responsible sourcing) across the supply chain

Issue-specific key measures

Effective use of non-ferrous metal resources



- **Strengthen our production structure at JV copper mines:** Achieve and maintain 300 kt/year copper production level from interests
- Increase use of **low-grade nickel ore**
 - Operation of third HPAL plant: Start of operation in mid-2020s
- **Contribute to marine resource development** and other national projects
- Participate in business to recover **lithium** from salt lake brine with high levels of impurities
- **Recycle automotive lithium-ion batteries**
 - Commercialize battery recycling that recovers cobalt

Environmental preservation Response to climate change



- Keep total GHG emissions below that of FY2013 and formulate a plan to reduce our emissions to zero in the second half of the century
- Reduce GHG emissions by **more than 26% based on FY2013 levels**
- Expand business in **products contributing to a low-carbon society (battery materials, sunlight shielding inks, etc.)**
 - Contribution to GHG reduction: 600 kt-CO₂/year or more**
 - **Cathode materials:** Maintain **top class global share**
 - **NiO for fuel cells (nickel oxide):** Commercialize and supply stably
- **TCFD:** Became a supporter in February 2020

Issue-specific key measures

Promotion of occupational health and safety



- **Make plant processes and equipment safer**
 - **Promote smart technology in plants and mines**
 - New battery factory, employ remote operation and automated heavy machinery, etc. for work in Hishikari Mine
 - **Develop people who work with a priority on safety**
 - Develop human resources with keen hazard awareness – 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** in areas where we have operations
 - Support the 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**

Participation of diverse human resources Development of human resources



- Prepare company infrastructure that lead to the participation of diverse human resources and use digital technology
- Expand support for employees' mental and physical health by promoting **health management**
- Provide **diverse opportunities to employees to enhance their abilities** according to their needs and work needs



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IV. The Relationships among Material Issues and the SDGs

Material issues and the SDGs

- After identifying nine SDGs strongly connected to our material issues, we set “Responsible consumption and production,” which is directly connected to our management vision, as the most important goal directly connected to our management vision.

The most important SDG

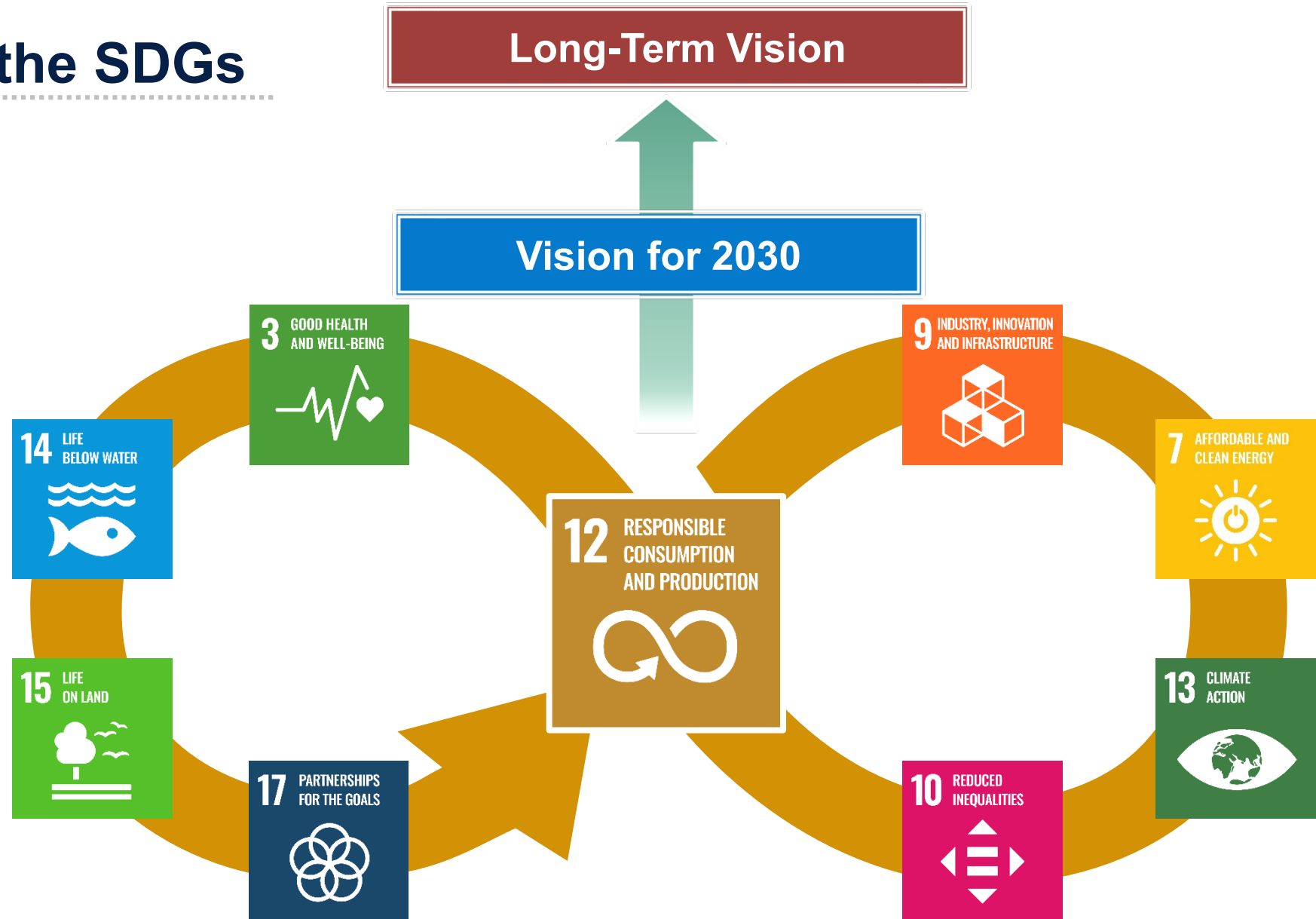


	Material issues	SDGs		Material issues	SDGs
1	Effective Use of Non-Ferrous Metal Resources		5	Employees' Occupational Health and Safety	
2	Climate Change		6	Diverse Human Resources	
			7	Development and Participation of Human Resources	
3	Significant Environmental Accidents		8	Engagement with Stakeholders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

IV. The Relationships among Material Issues and the SDGs

Material issues and the SDGs

- We will work to resolve the issue of “Responsible consumption and production” through our approaches to the nine SDGs strongly connected to our material issues, and will achieve our Long-Term Vision.



IV. The Relationships among Material Issues and the SDGs

Material issues and the SDGs

- The nine SDGs can be organized according to business sustainability and growth potential, based on the business attributes of our Group.





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V. Summary

- This revision is a full-model change based on a rapidly changing social environment
- High goals and determination that are worthy of our Long-Term Vision: World leader in the non-ferrous metals industry
- We will make all-out efforts toward 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.



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1. Effective Use of Non-Ferrous Metal Resources

Vision

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

KPIs and goals

- 1
 - 1) Advance copper mine projects
 - Strengthen production structure at JV mines to achieve and maintain copper production level 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) Yield compared to FY2018: +2%
- 2
 - 1) Develop technology to separate, stabilize and bleed off, and create value from impurities generated by smelting processes and mines
 - Develop technology to retain 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 with high levels of impurities
- 3 Demonstrate and commercialize automotive secondary battery recycling technology
 - Demonstrate, commercialize, and expand scale of recycling technology that recovers cobalt from automotive lithium-ion batteries
 - Commercialization: 2022
- 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

2. Climate Change



Vision

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)

KPIs and goals

Reduce GHG emissions

- Keep total GHG emissions below that of FY2013 and formulate a plan to reduce our emissions to zero in the second half of the century
- Cut GHG emissions intensity by at least 26% compared to FY2013
- Expand contribution of GHG reduction by products contributing to a low-carbon society: 600 kt-CO₂ or more

3. Significant Environmental Accidents, 4. Biodiversity



Vision

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

KPIs and goals

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



5. Employees' Occupational Health and Safety

Vision

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

KPIs and goals

- 1 Prevent occupational accidents
 - Serious accidents: zero (in Japan and overseas, including contractors)
 - All accidents: reduce year-on-year, with aim of eventually zero
- 2 Prevent occurrence of occupational diseases
 - Number of workplaces that present higher health risks: reduce year-on-year
 - Occurrence of occupational diseases: zero

VI. List of Material Issues and KPIs

6. Diverse Human Resources,

7. Development and Participation of Human Resources



Vision

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

KPIs and goals

- 1 Promote working style reform and create workplaces that make use of digital technology, letting diverse human resources play vibrant and active roles
 - Improve scores for “Management by top management and superiors,” “Appeal of job,” and “Work environment” in employee awareness survey
 - (1) Number of female managers: 50 (SMM employees)
 - (2) Increase workplaces open to women and improve ratio of female employees (20% or higher at Japanese sites)
 - Expand number of managerial track employees of foreign nationality
 - Percentage of employees with disabilities: 3% or higher
 - Assign jobs and provide support matched to employees’ life stages
- 2 Support employees’ mental and physical health
 - Halve the number of people found to require support in stress checks
 - 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
 - Utilize 1-on-1 meetings that bring out the motivation and potential of every employee and boost the growth of subordinates through regular dialogues between superiors and subordinates.
 - 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
 - Provide opportunities for self-development matched to each employee’s life plans and needs (correspondence courses, online training, etc.)



8. Engagement with Stakeholders

Vision

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

KPIs and 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 at the level of “world leader in the non-ferrous metals industry”
 - Earn a high reputation for the integrated report from outside the company (including hearings with shareholders and investors, and improvements in questionnaire and evaluation results)
- 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.)



9. Co-Existence and Mutual Prosperity with Local Communities

Vision

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

KPIs and goals

Participate in local communities through dialogue and collaboration.
Accurately identify local issues through dialogues with local communities, and execute the following measures.

- 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
 - Implement programs to nurture the next generation in collaboration with government, local bodies, NPOs, etc. (1 or more times/year)
 - 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. (1 or more times/year)
- 5 Support during disasters
 - Support regions affected by large-scale disasters



10. Rights of Indigenous Peoples

Vision

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

KPIs and goals

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

11. Human Rights in the Supply Chain

Vision

A company that undertakes responsible sourcing across the supply chain

KPIs and goals

- Promote responsible sourcing, particularly responsible mineral sourcing
- Responsible mineral sourcing
 - Establish a responsible mineral sourcing management system in line with international standards by the end of FY2021
 - Zero mines or smelters and refineries complicit in child labor or other infringements of human rights in the supply chain
 - Responsible sourcing
 - Business partners that have received and agreed with the SMM Group Responsible Sourcing Policy: 100% by the end of FY2030
 - Establish a responsible sourcing management system in line with international standards by the end of FY2024
 - Continue implementing due diligence (DD)





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VII. Glossary

HPAL

Pages 8, 10, 13, 24

An acronym for High Pressure Acid Leach. This technology enables the recovery of nickel from nickel oxide ores that were difficult to process conventionally. The SMM Group was the first company in the world to apply it successfully on a commercial scale. HPAL causes oxide ores to react stably with sulfuric acid under high-temperature and high-pressure conditions, to produce a high-grade nickel raw material. As of March 2020, the SMM Group operates two HPAL plants in the Philippines: Coral Bay Nickel Corporation and Taganito HPAL Nickel Corporation.

CASE

Page 15

An acronym for Connected, Autonomous, Shared/Service, and Electric. The term is becoming increasingly recognized as a key word indicating major trends in the automobile industry.

IoT

Pages 15, 33

An acronym for “Internet of Things,” referring to communication among objects via the Internet. Communication devices such as smartphones and PCs, and even items such as home appliances, are becoming connected to the Internet, creating expectations for a future society in which all things are connected to networks.

SDGs

Pages 15, 18, 19, 27, 28, 29

Listed in the 2030 Agenda for Sustainable Development and adopted at the UN Sustainable Development Summit in September 2015, the Sustainable Development Goals (SDGs) are a set of international goals for creating a sustainable and better world by 2030. They are composed of 17 goals and 169 targets, and pledge to “leave no one behind.”

TCFD

Pages 15, 24

An acronym for the Task Force on Climate-related Financial Disclosures. Established by the Financial Stability Board (FSB) to examine the disclosure of climate-related information and how financial institutions should respond. It recommends the disclosure of information concerning governance, strategy, risk management, and metrics and targets concerning climate change-related risks and opportunities.

ICMM, ICMM 10 Principles, Position statements

Page 19

ICMM:

An acronym for International Council on Mining and Metals. This is an organization composed of worldwide metal and mining companies and related industry bodies. Its mission is “In collaboration with others, we will strengthen the social and environmental performance of the mining and metals industry and build recognition of its contribution to local communities and society at large.”

ICMM 10 Principles:

A best-practice framework for sustainable development in the mining and metals industry, to be observed by ICMM member companies.

Position statements:

These set forth the responses and approaches of ICMM member companies to specific issues (water stewardship, indigenous peoples, climate change, etc.), with the aim of augmenting the ICMM 10 Principles.

VII. Glossary

GRI

Page 19

An acronym for Global Reporting Initiative. An organization that creates and promotes international guidelines and standards for sustainability reports. It issued its first guidelines in 2000, and has transitioned to issuing standards from 2016.

ISO 26000

Page 19

An international standard for social responsibility, ISO 26000 was created with the participation of 99 countries and was released in November 2010 by the International Organization for Standardization (ISO). It addresses the seven themes of organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues, and community involvement and development.

UN Global Compact

Page 19

Announced by then-UN Secretary-General Kofi Annan at the 1999 World Economic Forum (Davos meeting), the UN Global Compact is a global framework for achieving sustainable growth. It sets forth 10 principles in the four areas of protection of human rights, elimination of unjust labor, environmental initiatives, and anti-corruption.

CSR procurement (responsible sourcing)

Pages 23, 25, 38

Responsible sourcing ensures that there is no complicity in negative effects such as infringement on human rights, environmental destruction, or corruption in the procurement of parts, services, etc. It affirms that companies in the supply chain do not cause such negative effects, requests corrections when necessary, and enhances transparency in the supply chain.

NiO (nickel oxide) for fuel cells

Pages 24, 33

Fuel cells are a clean and highly efficient method for generating electricity and heat through the chemical reaction of hydrogen and oxygen. Plans for increased use of fuel cells in a wide range of applications, from homes to factories, are being formulated in countries around the world. Nickel oxide powder for fuel cells is used in the electrodes of solid oxide fuel cells (SOFC), which deliver the highest power generation efficiency.

Human rights due diligence

Pages 14, 38

An approach to human rights protection based on the United Nations Guiding Principles on Business and Human Rights approved by the United Nations Human Rights Council in 2011, this is a series of processes for performing preventive investigations to avoid and mitigate the negative effects that organizations have on human rights, and for taking appropriate corrective action based on the findings. The SMM Group built a system for human rights due diligence in FY2014 and has followed it since then.