Enhancing Corporate Value

The Challengers of MMC

Metals/Resources Circulation Businesses

Building resource circulation loops on a global scale

Centered on the Mitsubishi Process for continuous copper smelting, we produce high-quality electrolytic copper, gold and silver, PGM*1, etc., from copper concentrate and E-Scrap*2. We collect and recycle valuable metals from used home appliances and automobiles, and promote the creation of resource circulation loops globally.

Copper & Copper Alloy Products Business

Contributing to next-generation industries such as AI and electrification

Leveraging the technology cultivated through copper smelting, we carry out integrated production of advanced copper products such as oxygen-free copper and advanced copper alloys. We stably supply high-quality products for automobiles, semiconductors, and electronic equipment, contributing to the development of next-generation industries that support the advancement of AI and electrification.

Tungsten Business

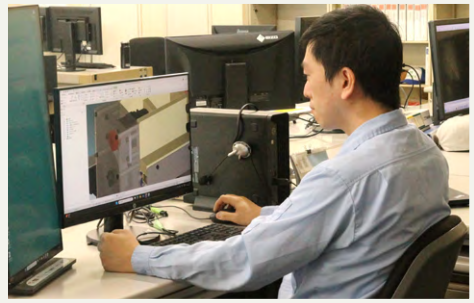
Contributing to the development of next-generation industries through "enhanced precision"

We provide high-hardness, high-heat-resistant materials, primarily tungsten powder and carbide, on a global scale. Leveraging our proprietary material development capabilities and quality control technologies, we support the enhancement of cutting tools and industrial machinery components, thereby contributing to improved productivity, greater precision, and stable supply in manufacturing operations.

Metalworking Solutions Business

Supporting sustainable manufacturing through high-efficiency machining and resource circulation

We develop and manufacture cemented carbide tools essential for metalworking in industries such as automotive and aerospace, and supply them to customers around the world. In addition to delivering outstanding durability and machining precision, we are committed to the collection and recycling of used tools. By combining high-efficiency machining with reduced environmental impact, we help improve our customers' productivity and advance sustainable manufacturing.



Advanced Products Business

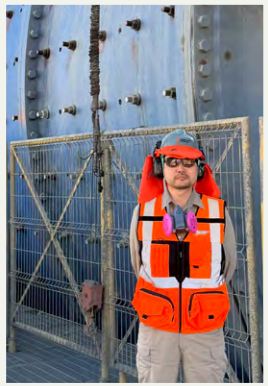
Providing a stable global supply through integrated operations from material design

We provide electronic materials and advanced components based on our proprietary material technologies, catering to growth sectors such as semiconductors, xEVs, healthcare, and electronic devices. By managing the entire value chain from material design and development to manufacturing and sales, we ensure the stable supply of products requiring high precision and reliability, thereby supporting the development of next-generation industries.

Mineral Resources Business

Securing a stable supply of copper concentrates and strengthening our earnings base

Through investments in overseas copper mines, we secure a stable supply of copper concentrates while strengthening our earnings base through investment returns. Leveraging the extensive expertise we have cultivated over many years, we also support the operation and management of investee mines and evaluate new development projects.



Renewable Energy Business

Contributing to the achievement of a decarbonized society

We are engaged in the renewable energy power generation business, with a primary focus on geothermal, hydroelectric, and solar power. Leveraging our long-accumulated track record in geothermal development, we are also working to ensure a stable supply of hydroelectric power and explore potential sites on Company-owned land for solar and wind power generation. Through these efforts, we contribute to the achievement of a decarbonized society and the stable supply of locally rooted electric power.

*1 Platinum Group Metals
*2 A collective term for discarded circuit boards of electronic devices that contain high concentrations of valuable metals

Enhancing Corporate Value

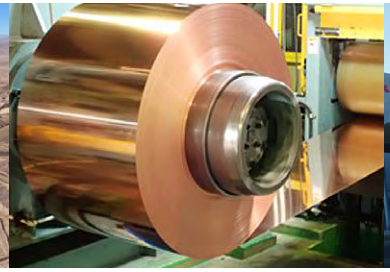
Pursuit of Value Creation

For over 150 years, we have contributed to society by supplying materials and products that meet the needs of the times. And now, we're making full use of the strengths we've developed over that time to further improve our corporate value.

Naoshima Smelter & Refinery (1932)

CVD coated grade for steel turning

Mantoverde Mine



MSP™5 lead-free copper-magnesium alloy

MM Metal Recycling B.V.

Appi Geothermal Power Plant

1871-

In 1871, Tsukumo Shokai began operating coal mines in Kishu, and in 1873, expanded into the metal mining business by acquiring the Yoshioka Mine in Okayama Prefecture. From there, the company expanded operations to various locations across Japan, starting with the Takashima Coal Mine in Nagasaki Prefecture, working to modernize mining and smelting technologies and strengthen its management foundation. In 1918, Mitsubishi Mining Company Ltd. was established, taking over the mining and coal mining divisions of Mitsubishi Goshi Kaisha and laying the foundation for the businesses that continue to this day.

1920s-

From the 1920s, Mitsubishi Mining Company Ltd. developed metals and coal mines both domestically and internationally, expanding smelters and refineries, including the Naoshima Smelter & Refinery. The Mining Research Institute conducted research on cemented carbide and tungsten, expanding into Metalworking Solutions Business, including cutting tools. During WWII, the company handled the supply of key resources to support industry. Following post-war corporate restructuring, in 1950 the company was split into Mitsubishi Mining Company Ltd., the coal division, and Taihei Mining Co., Ltd., the metals division.

1950s-

From the 1950s, Mitsubishi Mining Company Ltd. began streamlining coal business in response to the energy revolution, diversifying into sectors such as cement, construction materials, petroleum and overseas resource development. Meanwhile, Taihei Mining Co., Ltd. changed its name to Mitsubishi Metal Mining Company Ltd, honing its smelting and processing technologies and expanding into high-value-added sectors such as cemented carbide tools, high-purity silicon for semiconductors, and aluminum. Mitsubishi Mining & Cement Co., Ltd. was established in 1973, and Mitsubishi Metal Mining Company Ltd. changed its name to Mitsubishi Metal Corporation.

1989-

In the late 1980s, against the backdrop of a changing business environment for the materials industry, both companies accelerated efforts to strengthen their business foundations, increase high-value-added capabilities, and expand internationally. In December 1990, Mitsubishi Metal Corporation and Mitsubishi Mining & Cement Co., Ltd. merged on equal terms to form Mitsubishi Materials Corporation. By pooling a wide range of businesses and technologies including smelting, cement, fabrication, electronic materials, and aluminum, the new company advanced its global operations, research and development, and the creation of new businesses as a diversified materials enterprise.

2000s-

Since the 2000s, we have promoted business selection and concentration and Group restructuring, strengthening core businesses such as cement, metals, processing, and electronic materials. While accelerating overseas expansion with a focus on emerging countries, we built a new valuable metals recycling facility at the Naoshima Smelter & Refinery and expanded the recycling of home appliances, E-Scrap*, and waste. By leveraging our smelting and cement technologies and our domestic and international business bases, we have developed a business model that contributes to building a recycling-oriented society.

2019-

From 2019, we advanced governance reforms by transitioning to a Company with a Nomination Committee and strengthening our quality control systems. We optimized our business portfolio and transformed our business structure through initiatives such as the integration of our cement business and the divestiture of our aluminum business. We expanded our recycling businesses, including E-Scrap processing, and renewable energy initiatives, thereby laying the foundation for a management approach centered on resource circulation. We also worked to strengthen our digital transformation (DX), R&D, and marketing capabilities.

2026-

Our Group formulated a new Medium-term Management Strategy covering the fiscal years ending March 2027–2029, adopting our basic policy of becoming a company that is "creating the future through resource circulation," and we are accelerating the shift from primary to secondary smelting. We are strengthening our collection and processing systems both in Japan and overseas, aiming to increase E-Scrap processing volumes and achieve a 100% tungsten recycling rate, and are building global resource circulation loops while deepening collaboration with customers and other partners.

Related Information:
Integrated Report, P28
▶ Materials Business Area: Metals/Resources Circulation

Related Information:
Integrated Report, P29
▶ Materials Business Area: Copper & Copper Alloy Products / Tungsten

Related Information:
Integrated Report, P30
▶ Products Business Area: Metalworking Solutions / Advanced Products

Related Information:
Integrated Report, P31
▶ Mineral Resources / Renewable Energy

Related Information:
Integrated Report, P56
▶ Corporate Governance

Related Information:
Integrated Report, P22
▶ Medium-term Management Strategy

*A collective term for discarded circuit boards of electronic devices that contain high concentrations of valuable metals

Enhancing Corporate Value

Value Creation Process

Our Commitment

For people, society and the earth, circulating resources for a sustainable future

Invested capital ▶P12 → **Our strengths** → **MMC's business** → **Materiality** ▶P17 → **Output** → **Outcomes**

Invested capital ▶P12 / Our strengths

Manufactured capital	World-leading E-Scrap*1 collection and processing capabilities, and highly efficient processing technology
Human capital	World-leading tungsten scrap processing capacity and advanced processing technology
Intellectual capital	
Social and relationship capital	A value chain spanning from the dismantling of end-of-life home appliances and resource recovery to the supply of copper and copper alloy products
Natural capital	Capabilities to provide high-value-added products and solutions through integrated operations from materials development to precision machining
Financial capital	Advanced exploration and analysis technologies for mineral resources and renewable energy

MMC's business

For people, society and the earth, circulating resources for a sustainable future

Creating the future through resource circulation

Resource procurement → Decomposition and separation → Smelting → Materials processing → Product manufacturing → Sales and use → Recovery

Materials Business Area

Copper (Metals/Resources Circulation, Copper & Copper Alloy Products)
- Resource circulation loops through secondary smelting
- Overseas expansion of schemes and networks
- Promoting the circular use of scrap generated in-house and by customers
- Advancement of alloy recycling technology

Tungsten
- Establishing a global resource circulation system for tungsten

Products Business Area

Advanced Products
- Providing high-value-added products and solutions (semiconductors, xEV, and healthcare)

Metalworking Solutions
- Providing high-value-added products and solutions (aerospace, medical, and semiconductors)

Creating and providing new materials*2

Mineral Resources
- Stable procurement of copper concentrate

Renewable Energy
- Geothermal, hydroelectric, solar and wind power business

Medium-term Management Strategy ▶P22

Business Strategy ▶P28

Management Foundation ▶P33

Human Resources Strategy | Production Engineering Strategy | R&D Strategy | Digital Strategy

Governance ▶P56

Materiality ▶P17 / Output

Materiality ▶P17	Output	
Promotion of resource circulation	Metals/Resources Circulation Businesses	Smelting and resource circulation for gold, silver, lead, tin and palladium
Enhancement of human capital	Copper & Copper Alloy Products Business	Manufacture and sale of copper and copper alloy
Strengthening measures to address global environmental issues	Tungsten Business	Manufacture and sale of tungsten products
Providing high-value-added products and solutions	Metalworking Solutions Business	Manufacture and sale of cemented carbide products
Strengthening R&D and production engineering capabilities	Advanced Products Business	Manufacture and sale of advanced products
Strengthening digital strategies	Mineral Resources Business	Investment and participation in mining projects
Strengthening response to SCQ issues	Renewable Energy Business	Geothermal, hydroelectric and solar power generation, etc.

Outcomes

Economic value

	FYE March 2029 Target
Ordinary profit	¥85.0 billion or more
ROIC	7.0% or more
ROE	8.0% or more
Net D/E ratio	0.5 times or less
Net interest-bearing debt/ EBITDA ratio	3.5 times or less

Social value

	FYE March 2031	FYE March 2046
GHG reduction	47% or more*3	Carbon neutrality

E-Scrap processing volume	FYE March 2036 Double (compared to FYE March 2026)
Tungsten recycling ratio	FYE March 2031 100%
Renewable electricity self-sufficiency ratio	FYE March 2051 100%

	FYE March 2026 Result	FYE March 2029 Target
Ratio of candidates on the Next-Generation Leadership Talent Development Program to successors of Executive Officers	71.7%	80.0%
Positive response rate for performance management in Employee Engagement Survey*4	76.9%	78.0%
Percentage of women in management positions*4	4.0%	7.0%
Positive response rate in Employee Engagement Survey*4	71.7%	76.0%

*1 A collective term for discarded circuit boards of electronic devices that contain high concentrations of valuable metals
*2 Products and services that go beyond customer expectations
*3 Scope 1 and 2 compared to FYE March 2021, excluding GHG emissions from resource circulation efforts
*4 Covers the Company and certain Group companies in Japan and overseas

Enhancing Corporate Value

Invested Capital

The management capital and strengths the Group has accumulated over the past 150 years are the source of our value creation.
As we fully leverage these, we aim to realize Our Commitment, "For people, society and the earth, circulating resources for a sustainable future."

	Priority	Goals	Capital Position	Challenges	Related Materiality / Content
Manufactured capital	The production facilities and operational infrastructure that we have cultivated since our founding are the source of our business competitiveness, and support improvements in profitability and capital efficiency through the transition to secondary smelting and the construction of resource circulation bases.	In addition to reducing copper concentrate processing and doubling E-Scrap* processing volume, we are considering the construction of secondary smelters in Europe and the United States with the aim to build a system with a 100% tungsten recycling rate.	We have the ability to collect and process E-Scrap, processing technology, and a value chain from home appliance recycling to copper and copper alloy products, and are making progress in transitioning to resource circulation business.	In order to transition to secondary smelting, the challenge is to strengthen production technology, human resources, capital investment, and collection systems, and to improve operational stability, quality, safety, and environmental friendliness.	Related Information: Integrated Report, P22 ▶ Medium-term Management Strategy
Human capital	As a source of creating new value and supporting sustainable growth, we are supporting the transition to resource circulation business by maximizing the value of each individual and co-creating with and fostering diverse human resources.	We will promote understanding and personal ownership of the Medium-term Management Strategy, cultivate people who take on challenges with ambition and passion, and transition toward higher value-added work through reskilling and the use of AI.	We are working to strengthen our human resources foundation that supports our transition to resource circulation business by consolidating talent by function, implementing a voluntary retirement program, and promoting understanding of the Medium-term Management Strategy.	The challenges are fostering understanding and acceptance of structural reforms, securing and developing human resources responsible for resource circulation, operating based on roles and results, utilizing DX/AI, and strengthening DE&I/engagement.	Related Materiality: **Enhancement of human capital** Related Information: Integrated Report, P33 ▶ Human Resources Strategy
Intellectual capital	Smelting and recycling technologies, material development capabilities, intellectual property, and AI-driven production technologies are core intangible assets that underpin our competitive advantage in resource circulation business and high-value-added products.	We aim to maximize the value of our intellectual property and intangible assets. By redesigning R&D functions and focusing resources on strategic areas, we are advancing the creation of new materials and the sophistication of resource circulation technologies.	We are making progress on the creation of new materials, leveraging our capabilities in smelting, E-Scrap processing, tungsten recycling technologies, and material development, which serve as the foundation for our resource circulation business and high-value-added products.	Challenges include translating technical prowess into profitability, implementing secondary smelting, utilizing AI to enhance operational sophistication, accelerating commercialization, and realigning our R&D workforce.	Related Materiality: **Strengthening R&D and production engineering capabilities** Related Information: Integrated Report, P39 ▶ R&D Strategy / Corporate Production Engineering Strategy / Digital Strategy
Social and relationship capital	Trust-based relationships with stakeholders—including customers, suppliers, recyclers, local communities, and shareholders/investors—form the key foundation for establishing resource circulation loops and expanding globally.	By incorporating stakeholder expectations into our business activities and collaborating with E-Scrap producers, recyclers, government bodies, and industry partners, we are advancing the creation of resource circulation loops and collection systems.	We are promoting initiatives such as home appliance recycling, E-Scrap collection, and the circular use of customer-generated scrap, while also making progress on equity investments in and strategic partnerships with recyclers in North America.	Challenges include concentration of control over critical minerals and geopolitical risks, responding to growing regional resource circulation needs, securing stable supply of raw materials, establishing overseas networks, response to human rights and environmental concerns, and providing quantitative explanation to investors.	Related Information: Integrated Report, P28 ▶ Metals/Resources Circulation Businesses Integrated Report, P55 ▶ Communication with Stakeholders
Natural capital	Mineral resources, water, energy, forests, and biodiversity are fundamental to our business activities. By transitioning to resource circulation, we support the reduction of environmental impact as well as the conservation and sustainable use of natural capital.	We are advancing the strengthening of resource circulation, the utilization of urban mines, and the development of renewable energy, with the aim of achieving carbon neutrality by the fiscal year ending March 2046 and 100% self-sufficiency for renewable electricity by the fiscal year ending March 2051.	We are advancing efforts to reduce environmental impact and conserve natural capital through initiatives such as utilizing secondary raw materials (including E-Scrap), establishing resource circulation loops, operating renewable energy businesses, and managing Company-owned forests.	To achieve carbon neutrality and a nature-positive state, challenges include reducing environmental impact, ensuring stable procurement amidst resource constraints, increasing the proportion of secondary raw materials, and building resource circulation models.	Related Materiality: **Strengthening measures to address global environmental issues** Related Information: Integrated Report, P43 ▶ Addressing Climate Change Integrated Report, P54 ▶ Biodiversity
Financial capital	A robust and sound financial foundation is a prerequisite for supporting sustainable growth and strategic investments, enabling the expansion of resource circulation business and the enhancement of corporate value while maintaining financial discipline.	We aim to achieve an ROE of 8.0% or higher, an ROIC of 7.0% or higher, a net D/E ratio of 0.5 times or lower, and a net interest-bearing debt/EBITDA ratio of 3.5 times or lower by the fiscal year ending March 2029.	Our results for the fiscal year ended March 2026: ordinary profit of ¥97.5 billion, ROIC of 6.1%, ROE of 5.7%, a net D/E ratio of 0.7 times, and a net interest-bearing debt / EBITDA ratio of 3.5 times.	To improve asset efficiency and profitability, challenges include capital allocation that balances growth investment with financial discipline by enhancing invested capital efficiency and cash flow generation capabilities.	Related Information: Integrated Report, P25 ▶ Financial Targets

*A collective term for discarded circuit boards of electronic devices that contain high concentrations of valuable metals

Enhancing Corporate Value

The Value Creation Story

Our Group is implementing a variety of initiatives to create both financial and non-financial value to increase our corporate value. Here are several examples of our value creation story.

Establishing a Resource Circulation Model to Visualize the Value of Recycled Materials

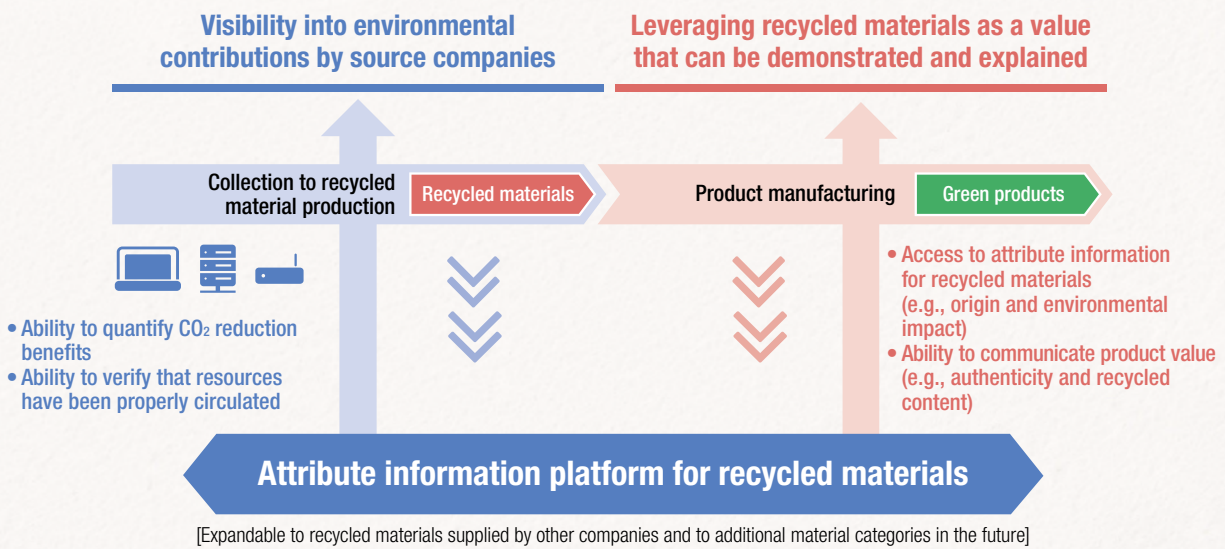
Demand for copper is projected to continue rising, driven by the expansion of EVs, renewable energy, and data centers. Japan relies entirely on imports for copper concentrate, and consequently, alongside addressing resource constraints, there is growing importance in circulating valuable metals recovered from used products domestically. In recent years, there has also been a demand for systems capable of properly sharing and communicating information across the entire supply chain regarding the attributes of recycled materials, such as their origin and environmental impact.

With this in mind, in July 2026, we established a new company, NTT Circurust, Inc., jointly with NTT Corporation, to advance resource circulation initiatives centered on used IT equipment and telecommunications infrastructure. The new company manages the flow of materials from collection and resource recovery to the production and sale of recycled materials, while also developing mechanisms to effectively communicate attribute data, such as material origins, allocation, environmental impact, and usage history. Through this, we aim to encourage product manufacturers to expand their use of recycled materials and to create an environment where companies generating waste can easily track how their discarded materials contribute to resource circulation and environmental sustainability.

The NTT Group is a major waste generator, producing 475,000 tons of waste annually, and possesses expertise cultivated in the fields of data distribution and traceability. For our part, we maintain a robust foundation for Resources Circulation Business, handling everything from E-Scrap* collection and smelting to material supply, and have accumulated extensive technology and know-how regarding non-ferrous metal recycling. Furthermore, we have established ISO-compliant guidelines for a mass-balance credit model and have launched the “REMINE” series of copper cathode, ensuring reliability through third-party verification. By combining the strengths of both companies, we can integrate the supply of recycled materials with the communication of attribute data.

These efforts give concrete form to the transformation outlined in our Medium-term Management Strategy, “creating the future through resource circulation.” By promoting the circulation of valuable metals recovered from used equipment in Japan, we contribute to securing a stable supply of secondary raw materials and expanding the market for recycled materials. Simultaneously, by connecting the various stakeholders involved in resource circulation, we are building a foundation where the value of circulation is appropriately recognized. Moving forward, we will first establish a circulation model centered on waste generated by the NTT Group. Subsequently, with a view toward deploying information-sharing platforms and expanding the scope to include other companies and materials, we aim to enhance our corporate value over the medium- to long-term through the practical implementation of sustainable resource circulation.

Framework for Communicating and Utilizing the Value of Recycled Materials



*A collective term for discarded circuit boards of electronic devices that contain high concentrations of valuable metals

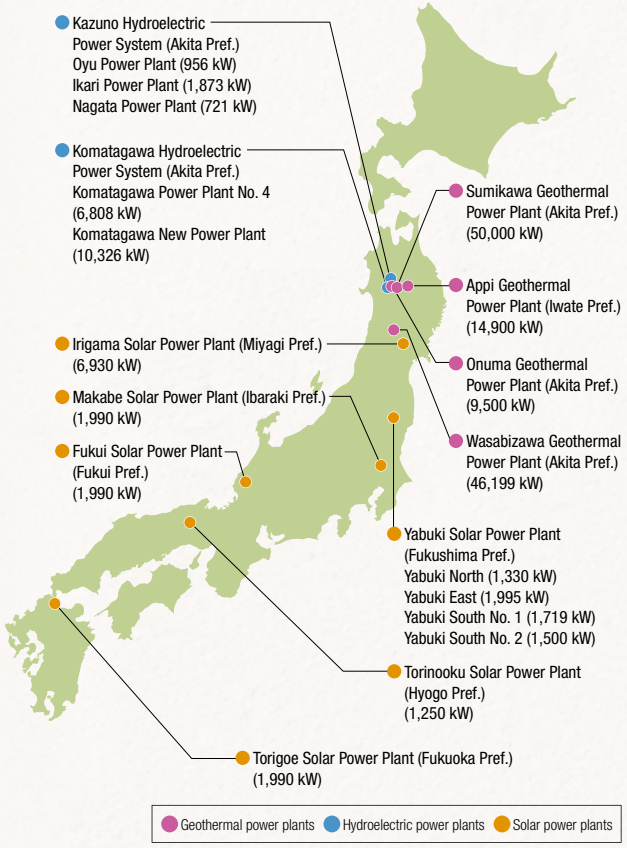
Advancing Resource Circulation through Tungsten Recycling at H.C. Starck

H.C. Starck (HCS) has been a pioneer in tungsten recycling for more than 100 years. Building on its long-standing expertise in powder metallurgy and materials processing, HCS has established itself as a technology leader in the recovery and reuse of tungsten from industrial scrap and end-of-life products. Tungsten is a critical raw material with limited primary availability. HCS addresses this challenge by closing material loops: tungsten-containing materials are collected through a global network and processed into high-quality secondary raw materials. These materials are reintroduced into production, enabling a closed loop approach and contributing to a stable and resilient supply chain.

Recycling is a core part of HCS's value creation. Today, recycled tungsten already accounts for a significant share of raw material input, supporting the Mitsubishi Materials Group's strategy to promote resource circulation. At the company's largest production site in Goslar (Germany), a significant portion of tungsten demand is already covered by secondary raw materials. By substituting primary raw materials with recycled tungsten, HCS contributes to reducing the consumption of natural resources and lowering environmental impact. At the same time, recycling strengthens supply security for critical materials and creates economic value along the value chain. In April 2026, HCS further increased transparency on its environmental performance by obtaining, for the first time, certification of its CO_2 emissions footprint at the Goslar site, including Scope 1, 2 and 3 emissions. The certified data confirms the significant impact of recycling: using secondary tungsten from scrap reduces CO_2 emissions by more than half compared to primary raw materials.

Looking ahead, HCS will continue to leverage its technological expertise and global network to further advance tungsten recycling. As demand for sustainable and traceable materials increases, the company will play a key role in enabling a circular economy for tungsten, supporting customer initiatives and contributing to Our Commitment: "For people, society and the earth, circulating resources for a sustainable future."

Generation and Utilization of Renewable Electricity



Appi Geothermal Power Plant: Overview and Progress

As a form of renewable energy, geothermal power generation is characterized by the ability to stably utilize underground thermal energy—it serves as a baseload power source unaffected by weather or time of day, positioning it as a crucial power source for achieving a decarbonized society. Appi Geothermal Power Plant in Hachimantai City, Iwate Prefecture, maximizes the inherent characteristics of geothermal power generation to balance CO_2 emission reduction with stable electricity supply. In the Appi region, surveys were conducted in stages starting in the 1980s by the New Energy and Industrial Technology Development Organization (NEDO). Based on the results of these surveys, we began working with Mitsubishi Gas Chemical Company, Inc. to examine the feasibility of commercial development in 2004. In 2015, two companies invested and established Appi Geothermal Energy Corporation, and began environmental impact assessment. In 2018, we welcomed Electric Power Development Co., Ltd. as a new partner, and the three companies began promoting the business in a joint system. After obtaining FIT certification and commencing construction in 2019, we steadily progressed with site preparation, well drilling, building construction, and the installation of steam and power generation equipment. After integrated systems testing in 2023, commercial operation began in March 2024.

Efforts Toward Stable Operation After Start of Operations

The Appi Geothermal Power Plant is located in the Hachimantai National Forest at an elevation of approximately 1,130 meters, and is situated about 35 kilometers from our office within the city. During the day on weekdays, operators travel from the office to the power plant to inspect and maintain equipment.

Appi Geothermal Power Plant
Output capacity: 14,900 kW
Business entity: Appi Geothermal Energy Corporation

During long holidays such as New Year's, the team works in rotating shifts to ensure the facilities are not left unmanned for extended periods of time. The plant's management system prioritizes safety. In the event of an abnormality occurring at night or another time when the power plant is unmanned, an alert is sent to an employee's cell phone. They then confirm the situation in the communications monitoring room in the office. Snowfall can be considerable in the area, reaching 3 to 4 meters in the harsh winter months, so a 300-horsepower rotary snow blower is used to clear snow from the access road to the power plant for on-site inspections and maintenance work.

Currently, as part of efforts to coexist with the local community, the team has continued to carry out environmental impact assessments (follow-up surveys), operation, and regularly monitors surrounding hot springs. In coordination with Hachimantai City, Iwate Prefecture, in its efforts to promote local production and consumption of renewable energy, the plant supplies electricity to Hachimantai Geo Power Corporation, a new regional power company in which the city has invested. The plant sponsors and participates in local events and opened part of the grounds to provide foot access to the mountain trail adjacent to the plant. Taking advantage of geothermal development experience dating back to the 1970s, our Group will continue to prioritize working in harmony with the environment and local communities, aiming to create social value through stable supply of electricity and advancing decarbonization through further use of domestically produced geothermal resources, thereby increasing corporate value over the medium- to long-term.

Building a Circular Resource Value Chain in the United States

In our Medium-term Management Strategy, we have set the basic policy of "creating the future through resource circulation," and are working to expand our resource circulation business globally in Europe, the United States, and Asia, and to transition to secondary smelting using raw materials such as E-Scrap*1 and copper scrap. As the spread of electronic devices, electrification, and digitalization progress around the world, the importance of recycling used products and scrap as raw materials is increasing, and we view these social demands as growth opportunities. In the United States in particular, while the generation of secondary raw materials is expected to continue to increase, there is a need to strengthen the processing capacity of recycling infrastructure, and we position the country as one of the growth markets for our resource circulation business.

Based on this understanding, we are moving forward with business development in the United States in stages. In April 2026, we established a new Resources Circulation Division at Mitsubishi Materials U.S.A. Corporation. Based in Chicago, we have established a system to develop a secondary smelting business for critical minerals in North America and to consider collaboration and M&A in the resource circulation field. Through this, we are positioning the United States as one of the Group's regional strategic bases and building a foundation for accelerating the global expansion of our resource circulation business.

One concrete measure taken was the investment in Elemental USA E-Waste & ITAD, Inc., announced in December 2025. The company's group processes approximately 18,000 tons of E-Waste*2 annually across four facilities in the United States, so this investment will lead to an increased volume of recovered secondary raw materials such as E-Scrap, and a strengthened collection network within the U.S. Furthermore, this initiative complements the U.S.-based secondary smelting business currently being considered by Mitsubishi Materials U.S.A. Corporation, contributing to the strengthening of a resource circulation value chain that connects collection and dismantling to smelting operations. By linking the expertise in non-ferrous metal smelting we have cultivated over many years with collection infrastructure in the United States, we are advancing the construction of a global resource circulation platform.

Additionally, in March 2026, we invested in ReElement Technologies Corporation, a company engaged in the recycling of critical mineral resources such as rare earths, and signed a memorandum of understanding regarding collaboration between Japan and the U.S. The company possesses proprietary chromatography-based technology for separation and purification processes. Compared to the currently dominant solvent extraction method, this technology offers the advantages of reduced construction and operating costs through equipment miniaturization, as well as a lower environmental impact by eliminating the use of hazardous solvents. Furthermore, this enables the recovery of rare earths and rare metals with high purity and high yields not only from scrap materials such as used magnets and batteries, but also from natural ores and mine tailings. Through this investment, we will participate in the supply chain for critical resources in North America. At the same time, in Japan, we will explore a joint business venture that combines our pretreatment and metal recovery technologies and raw material sourcing capabilities with the company's separation and purification technology.

These investments represent an important initiative to concretely advance the "enhancement and global expansion of our resource circulation business." By strengthening collection networks in the U.S. and acquiring capabilities for the separation and refining of critical minerals, we will secure a stable supply of secondary raw materials and build a resource circulation supply chain. In doing so, we aim to expand the circular use of critical resources, simultaneously achieving a decarbonized society and enhancing corporate value over the medium- to long-term.

Headquarters of Colt Recycling, a wholly owned subsidiary of Elemental USA

Large-scale commercial plant scheduled to begin operations in 2026: Marion Advanced Technology Center

*1 A collective term for discarded circuit boards of electronic devices that, among E-Waste, contain particularly high concentrations of valuable metals
*2 A general term for used or unwanted electrical and electronic equipment

Enhancing Corporate Value

Materiality

We identify material issues from various perspectives and evaluate them from both the perspective of the impact of Group business activities on the environment and society (impact materiality) and the financial impact of environmental and social issues on our Group (financial materiality). We then comprehensively assess their importance and identify them as material issues. These issues are reviewed annually to ensure they appropriately reflect environmental changes.

Selection and Review Process

STEP 1 Identification of issues

We identify issues from the perspective of social, environmental and economic trends, trends in markets related to the Company, and initiatives undertaken by the Group to increase our corporate value in the medium- to long-term. We also consider international guidelines and principles when selecting potential issues.

STEP 2 Organization and assessment of issues

The impact and importance of each issue is organized in terms of both the impact that Group business activities have on the environment and society (impact materiality) and the financial impact that environmental and social issues have on the Group (financial materiality). We compare and examine the issues, taking into account their relationship with management strategy and medium- to long-term importance.

After all of our Executive Officers and Directors have organized the issues and key themes, they are discussed from the perspective of their importance to our stakeholders and the Company.

STEP 3 Selection of issues

Based on the evaluation results, issues judged to be of high importance are identified as material issues. In addition, for each material issue, we establish “key themes” for the Group to focus on. During the review process, we confirm the priorities that management must address through discussions at the Strategic Management Committee and Board of Directors meetings.

STEP 4 Establishment of nature and objectives of initiatives

The nature and objectives of initiatives to address the redefined material issues and key themes are established. The progress and results of these initiatives are regularly disclosed. Review is conducted annually to identify factors such as changes in the business environment in a timely and appropriate manner, then take measures as required.

Recent Revisions

The basic policy of our Medium-term Management Strategy starting in the fiscal year ending March 2027 is “creating the future through resource circulation.” To achieve this, we have revised materiality into seven items that are linked to our business strategy, which will lead to increased corporate value by reducing environmental impact and achieving economic value by converting to a resource circulation business.

Related Information:
Sustainability website ▶ Materiality

Materiality List

- Promotion of resource circulation
- Enhancement of human capital
- Strengthening measures to address global environmental issues
- Providing high-value-added products and solutions
- Strengthening R&D and production engineering capabilities
- Strengthening digital strategies
- Strengthening response to SCQ issues

Enhancing Corporate Value > Materiality

◎ Ahead of schedule, ○ Generally on schedule, △ Behind schedule

Materiality	Key Theme	Main Initiatives	Indicators and Targets	Result	Self-assessment
Promotion of resource circulation	**Expansion of secondary smelting (global expansion)**	Americas, Europe Expansion of secondary material collection and processing operations Japan Expanding E-Scrap*1 processing ratio Building resource circulation loops	Americas, Europe Partnerships with recyclers Establishment of secondary smelting plants Japan Establishing a framework to increase E-Scrap processing capacity Operation of a joint venture with the NTT Group	Americas Investment in a recycler completed Multiple plans are under consideration for the secondary smelting project Europe The project execution structure for a new secondary smelting plant has been established Japan Expansion work at the Naoshima Smelter & Refinery is progressing generally on schedule NTT Circurust, Inc. established in July 2026	○
	Improving our tungsten recycling rate	H.C. Starck, Japan New Metals Co., Ltd. Expansion of tungsten recycling processing capacity	H.C. Starck FYE March 2029: 40% capacity increase compared to FYE March 2026 Japan New Metals Co., Ltd. FYE March 2030: 100% capacity increase compared to FYE March 2026	H.C. Starck, Japan New Metals Co., Ltd. Conducting business feasibility assessments for facility expansion	○
Enhancement of human capital	**Strategic recruitment, development, and deployment of talent for resource circulation business**	Diversifying talent acquisition channels and enhancing talent pipelines Establishing and supporting reskilling methods Continuous development and proactive appointment of next-generation leadership talent	Ratio of candidates on the Next-Generation Leadership Talent Development Program to successors of Executive Officers End of FYE March 2029: 80.0%	Ratio of candidates on the Next-Generation Leadership Talent Development Program to successors of Executive Officers FYE March 2026 results: 71.7%	○
	Transformation to enhance productivity and capital efficiency	Operation of HR system based on roles and results Thorough implementation of performance management Ongoing strengthening of management capabilities Fostering and supporting a sense of career autonomy	Positive response rate for performance management in Employee Engagement Survey*2 End of FYE March 2029: 78.0%	Positive response rate to performance management in Employee Engagement Survey*2 FYE March 2026 results:76.9%	○
	Building a foundation for co-creation and growth at Mitsubishi Materials Group	Promotion of DE&I, including increasing the ratio of diverse attributes among managers	Percentage of women in management positions*2 End of FYE March 2029: 7.0%	Percentage of women in management positions*2 FYE March 2026 results: 4.0%	○
		Promoting health and productivity management and enhancing engagement across the Group	Positive response rate in Employee Engagement Survey*2 End of FYE March 2029: 76.0%	Positive response rate in Employee Engagement Survey*2 FYE March 2026 results: 71.7%	○

*1 A collective term for discarded circuit boards of electronic devices that contain high concentrations of valuable metals
*2 Covers the Company and certain Group companies in Japan and overseas

Enhancing Corporate Value > Materiality

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Materiality	Key Theme	Main Initiatives	Indicators and Targets	Result	Self-assessment
Strengthening measures to address global environmental issues	**Strengthening initiatives to achieve carbon neutrality**	Promoting energy conservation Transition to lower-carbon energy sources Emissions reductions as part of a comprehensive review of business operations	GHG emissions (excluding GHG emissions from resource circulation efforts, compared to FYE March 2021) FYE March 2031: 47% reduction / FYE March 2036: 65% reduction / FYE March 2041: 82% reduction / FYE March 2046: Carbon neutrality	Ongoing promotion of energy conservation Transition to lower-carbon fuels Consideration of solar power installation Commencement of the self-consignment system at the Torinooku Solar Power Plant	○
	Developing and promoting the use of renewable energy	Planned transition to renewable electricity (including the use of non-fossil certificates)	Share of renewable electricity in total electricity consumption FYE March 2031: 80% FYE March 2036: 100%	Renewable electricity utilization rate*3 FYE March 2025 result: 36%, FYE March 2026 result: 45% Self-sufficient renewable electricity rate*3 FYE March 2025 result: 38%, FYE March 2026 result: 38%	○
Providing high-value-added products and solutions	**Creating new materials**	R&D strategy Acquire medium- to long-term technologies aligned with potential market needs to drive future growth in the Resources Circulation Business and other growth businesses Advanced Products Div. Development of advanced materials to address thermal challenges in high-performance semiconductors Metalworking Solutions Div. Accelerating new cutting tool product launches	R&D strategy Identify priority technology areas, develop detailed plans for R&D and investment projects with future commercialization potential, and establish an execution framework Advanced Products Div. Commercialization and Business Development of Advanced Materials for Semiconductor and Thermal Management Applications Metalworking Solutions Div. No. of items launched to the market FYE March 2027: Approx. 4,000	R&D strategy Promoting the exploration of technologies and solutions based on social issues and market needs, and gathering information for external collaboration Advanced Products Div. Initiating validation for practical application using production equipment at leading-edge semiconductor equipment manufacturers Metalworking Solutions Div. Progressing on schedule	○
	Strengthening marketing and sales capabilities	Advanced Products Div. Strengthen solution offerings that combine products, technologies, and services for the semiconductor and semiconductor equipment markets Metalworking Solutions Div. focus on the aerospace/defense industry, medical equipment, and small precision parts processing fields as priority targets, strengthening proposal and sale of high-value-added products, leading to new product development proposals	Advanced Products Div. Increased adoption of high-value-added products and solutions Metalworking Solutions Div. Securing new projects for high-value-added products, led by specialized teams FYE March 2027: 150 projects	Advanced Products Div. Proposal activities based on customer issues progressing on schedule Metalworking Solutions Div. Progressing on schedule	○

*3 The fiscal year ended March 2025 covers the Company and major 84 Group companies; the fiscal year ended March 2026 covers the Company and major 77 Group companies

Enhancing Corporate Value > Materiality

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Materiality	Key Theme	Main Initiatives	Indicators and Targets	Result	Self-assessment
Strengthening R&D and production engineering capabilities	**Strengthening foundational technological capabilities**	Focusing corporate development resources on core technologies for the circular economy (CE) and GHG reduction	Clarification of priority technology areas related to circular economy (CE) and GHG reduction Enhancement of specialized talent Creation of New Technology Development Themes	Advancing the exploration and prioritization of strategic technology areas	○
	Creating new businesses and technologies	Creating new businesses that will serve as a starting point for CE*4 business growth through the use of open innovation and CVC*5	Formulation of Specific R&D Themes Enhancing Collaboration with External Partners Technology Acquisition and Business Expansion through CVC Investments	Advancing the exploration and development of new business themes through co-creation with external startups, universities, and cross-industry partners	○
	Enhancing manufacturing and engineering capabilities	Strengthening the manufacturing foundation through a culture of continuous improvement (Kaizen) Developing global engineering talent	Data-Driven Assessment and Continuous Kaizen Improvement Using Proprietary Manufacturing Excellence Metrics Clarification of definition and required skills for global engineering talent, and establishment of an organizational/ongoing skill acquisition support system	Developed quantitative assessment metrics Clarification of necessary skills for global engineering talent and development of skill acquisition support system progressing as planned	○
Strengthening digital strategies	**Business model transformation through AI and digital technologies**	Implementing DX and promoting AI adoption to enhance customer touchpoints and transform business models based on customer and societal needs	FYE March 2027: Completion of AI literacy training at Mitsubishi Materials Corporation (non-consolidated) and rollout to Group companies FYE March 2028: Rollout of MEX*6 to the tungsten sector FYE March 2030: Core system renewal FYE March 2031: Developing 3,000 advanced digital talent	AI literacy training commenced at Mitsubishi Materials Corporation (non-consolidated) and Mitsubishi Materials IT Solutions Co., Ltd. from the end of April 2026 Initial studies underway for the rollout of MEX to the tungsten sector Evaluation of required specifications and costs for core systems currently in progress No. of advanced digital talent in development June 30, 2026: 1,365	○
	Strengthening IT/OT security and resilience	Expansion of SOC*7/CSIRT*8 and advanced monitoring utilizing AI Vulnerability countermeasures linked with asset management systems Enhanced defense for supply chains and OT*9 environments, and Company-wide improvement of cyber resilience through BCP drills	Rollout of standardized global cybersecurity and incident response processes Thorough management of key IT and OT risks Expansion of AI application and prevention of major incident centered on the MMDX foundation	Rollout of processes to implement security measures based on the criticality and risk levels of information systems Rollout of efforts to streamline and enhance security operations and incident response using AI	○

*4 Circular Economy
*5 Corporate venture capital
*6 Mitsubishi Materials E-Scrap Exchange
*7 Security Operation Center
*8 Computer Security Incident Response Team
*9 Operational Technology

Enhancing Corporate Value > Materiality

◎ Ahead of schedule, ○ Generally on schedule, △ Behind schedule

Materiality	Key Theme	Main Initiatives	Indicators and Targets	Result	Self-assessment
Strengthening response to SCQ* issues *Safety & Health, Compliance & Environment, Quality	**Prevention of occupational accidents**	Prevention of similar incidents through incident information sharing Enhancement of equipment and operational safety through risk assessments Fostering a safety culture and promoting occupational health and safety education (including heat stress prevention, chemical management, measures for older workers, and prevention of fire and explosion accidents)	Number of accidents resulting in 4 or more days of lost work: 0 accident Number of fire/explosion accidents: 0 accident	FYE March 2026 Results*10: Number of accidents resulting in 4 or more lost workdays: 12 Number of fire and explosion accidents: 4	△*11
	Responding to pandemics and natural disasters	Implementation of infectious disease prevention measures Development of crisis management systems (including emergency headquarters drills and the preparation and deployment of BCP documentation) Strengthening crisis response capabilities through safety confirmation drills	Conducting crisis response drills (simulating natural disasters, etc.): At least once a year Development and rollout of an all-hazards BCP	Establishing Basic Policy on BCP and guidelines Deploying BCP response measures to business divisions	○
	Reinforcing compliance	Implementation of domestic and overseas compliance training and awareness surveys to eliminate serious compliance violations Enhancement of awareness of the in-house reporting system and reorganization of its operational framework	Number of compliance training sessions conducted FYE March 2027: 6 sessions for Executive Officers and 2 sessions for employees (one each in Japan and overseas) FYE March 2028 onward: Continue implementing effective compliance training programs to prevent serious compliance violations	FYE March 2026 Results: 6 compliance training sessions for Executive Officers and 2 sessions for employees (one each in Japan and overseas)	○
	Enhancing internal control through Group governance	Implementation of Sustainability Deliberative Council Risk assessment and response through risk management activities	Progress management via the annual sustainability management plan Submission/update rate: 100% Progress management using a risk management sheet Submission/update rate: 100%	Preparation of annual sustainability management plans at site and department levels; management of implementation status Convening of Sustainability Deliberative Council Continuation of risk management activities	○
	Preventing off-site leakage of hazardous substances and eliminating violations of environmental laws	Ensuring compliance with environmental regulations and enhancing compliance education Enhancing the visualization and management of environmental risks Reduction and recycling of waste plastics and other industrial waste	Environmental law violations: 0 Waste plastics, etc.: Reduction of emissions and increase of recycling of industrial waste containing plastics by 35% compared to FYE March 2022 by FYE March 2028 Reduction of industrial waste generation intensity (waste generated relative to net sales) by 6% compared to FYE March 2024 by FYE March 2031	FYE March 2026 Results*12: Waste plastics, etc.: 34% reduction (non-consolidated, vs. FYE March 2022) Industrial waste generation intensity relative to net sales: 1% increase (consolidated, vs. FYE March 2024)	○
	Establishing and implementing a system to prevent substandard products	Execution of plans to achieve built-in quality through product design, equipment, and processes that prevent nonconforming products	Zero major quality nonconformities Achievement of FYE March 2031 targets set forth in the built-in quality execution plan	Accelerating initiatives to realize product designs, equipment, and processes that prevent nonconforming products, and ensuring the steady execution of plans and procedures	△*11

*10 Covers the Company and 29 major Group companies
*11 Although the initiatives progressed as planned, the target was not achieved; therefore, the self-assessment was rated as △
*12 Covers the Company and 46 major Group companies with manufacturing sites