Medium-term Management Strategy

Performance Review of Previous Medium-term Management Strategy

The Group has formulated its Medium-term Management Strategy covering the fiscal years ending March 2027 through 2029 to realize Our Commitment: "For people, society and the earth, circulating resources for a sustainable future." Through this Medium-term Management Strategy, we aim to enhance both corporate value and stock value.

Review of FYE March 2026 Performance and Outlook for FYE March 2027

The fiscal year ended March 31, 2026 was a year in which we not only formulated our Medium-term Management Strategy (FYE March 2027–2029), but also accelerated structural reforms and the establishment of a foundation for growth in order to implement it.

In the business environment, structural changes have become apparent for the materials industry, including regional differences in the automotive market and polarization of semiconductor demand, as well as deterioration in copper concentrate procurement conditions (TC/RC). In this environment, we have simultaneously reviewed our earnings structure and transitioned to resource circulation business.

In terms of performance, although net sales decreased to ¥1,844.0 billion (down ¥118.0 billion from the previous year), operating profit increased to ¥60.5 billion (up ¥23.3 billion) and ordinary profit increased to ¥97.5 billion (up ¥37.3 billion). Additionally, profit attributable to owners of parent was ¥40.5 billion, which was affected by one-time expenses associated with structural reforms.

In terms of capital efficiency, ROIC has significantly improved to 6.1% (+1.9 p.p. from the previous year), indicating steady progress in terms of earnings quality. Furthermore, in the fiscal year ending March 31, 2027, although we expect a temporary decrease in profit due to the promotion of structural reforms, we expect ROIC to improve to 6.7% based on the reduction of invested capital.

As described above, although there will be fluctuations in profits in the short term, the foundation for improving profitability and capital efficiency over the medium- to long-term is steadily being laid.

	FY2031 Strategy FYE March 2026 Plan	FYE March 2026 Results	Change
Net sales (Billions of yen)	1,940.0	1,844.0	(96.0)
Operating profit (Billions of yen)	70.0	60.5	(9.5)
Ordinary profit (Billions of yen)	87.0	97.5	+10.5
ROIC*1 (%)	5.5	6.1	+0.6
ROE*2 (%)	10.0	5.7	(4.3)
EBITDA*3 (Billions of yen)	150.0	153.2	+3.2
Net D/E ratio (Times)	0.7	0.7	+0.0
Net interest-bearing debt / EBITDA ratio (Times)	3.5	3.5	(0.0)
Dividends (annual) (Yen/share)	–	100	–

*1 ROIC = NOPAT ÷ invested capital
NOPAT = (Ordinary profit + net interest expense – equity-method earnings) × (1 – effective tax rate) + equity-method earnings
Invested capital = Net interest – bearing debt + net assets
*2 Return on Equity
*3 EBITDA = Ordinary profit + Interest expense + Depreciation + Amortization of goodwill

Medium-term Management Strategy

Medium-term Management Strategy Policy and Details

Our Company has adopted the Basic Policy of becoming a company that is “creating the future through resource circulation.” The pillars of our strategy are: (1) global expansion of our resource circulation business, (2) expanding secondary smelting, doubling E-Scrap*[1] processing and achieving 100% tungsten recycling, and (3) strengthening international competitiveness through joint purchasing of copper concentrates in a low TC/RC environment. The background to this strategy is a business environment not due to temporary market fluctuations, but one that is undergoing structural changes.

The current low TC/RC of copper concentrate is expected to continue in the future. Therefore, a shift to highly profitable E-Scrap is essential to achieve sustainable growth. While future demand for copper is expected to increase over the long term due to advances in decarbonization and digitalization, the supply of copper concentrate is limited, making recycled raw materials such as E-Scrap increasingly important. The amount of E-Scrap generated is expected to increase worldwide, but in Europe and the United States, it is predicted that the amount generated will continue to exceed the amount processed. Furthermore, critical minerals are being confined, which means we must establish treatment systems in the areas where they are located. In addition to having world-class E-Scrap collection and processing capabilities and technological capabilities, we also have a value chain from home appliance recycling to copper and copper alloy products. By leveraging these strengths and expanding E-Scrap collection and processing globally, we aim to double the processing volume by the fiscal year ending March 2036.

Next, demand for tungsten, a rare metal, is expected to increase for next-generation batteries and the defense industry, but reserves of the primary raw material are unevenly distributed. Through the acquisition of Germany’s H.C. Starck in the fiscal year ended March 2025, we have acquired the world’s largest scrap processing capacity. By expanding processing capacity and achieving a 100% recycled raw material rate at our tungsten manufacturing bases by the fiscal year ending March 2031, we will respond to increasing demand and improve profitability.

As mentioned above, as resource constraints and environmental regulations increase, our policy is to leverage our competitive advantage, shift to the resource circulation business, recycle secondary raw materials as valuable resources, and simultaneously increase social and corporate value by reducing environmental impact and creating economic value.

Business Opportunities

Metals/Resources Circulation

- Continuing low TC/RC
- Increasing future copper demand
- Increasing output of E-Scrap
- Hoarding of critical minerals

Tungsten

- Increasing demand for tungsten products for next-generation batteries, defense, etc.
- Uneven geographic distribution, geopolitical risks

Strategies

Global Expansion

Expansion in three regions: Europe, US, Asia/Japan

Transitioning to a new organization system consolidating the Materials Business Area

Expanding secondary smelting

Doubling E-Scrap processing (FYE March 2036)

Improving tungsten recycling rate

100% recycling rate*[2] (FYE March 2031)

Joint purchasing of copper concentrates

Integrating businesses related to the purchase of copper concentrates and sales of copper cathodes, etc. produced from copper concentrates, with Pan Pacific Copper Co., Ltd.

Competitive Advantages

Metals/Resources Circulation

- World-leading E-Scrap collection/ processing capabilities
- High-efficiency E-Scrap processing technology
- Home appliance recycling/ Smelting / Copper and copper alloy product value chain

Tungsten

- Recycling technology
- World’s largest tungsten scrap processing capacity
- Global network of carbide product business

*1 A collective term for discarded circuit boards of electronic devices that contain high concentrations of valuable metals
*2 Ratio of recycled raw materials used at our Group’s tungsten product manufacturing sites excluding sites in China

Medium-term Management Strategy

Fundamental Structural Reforms

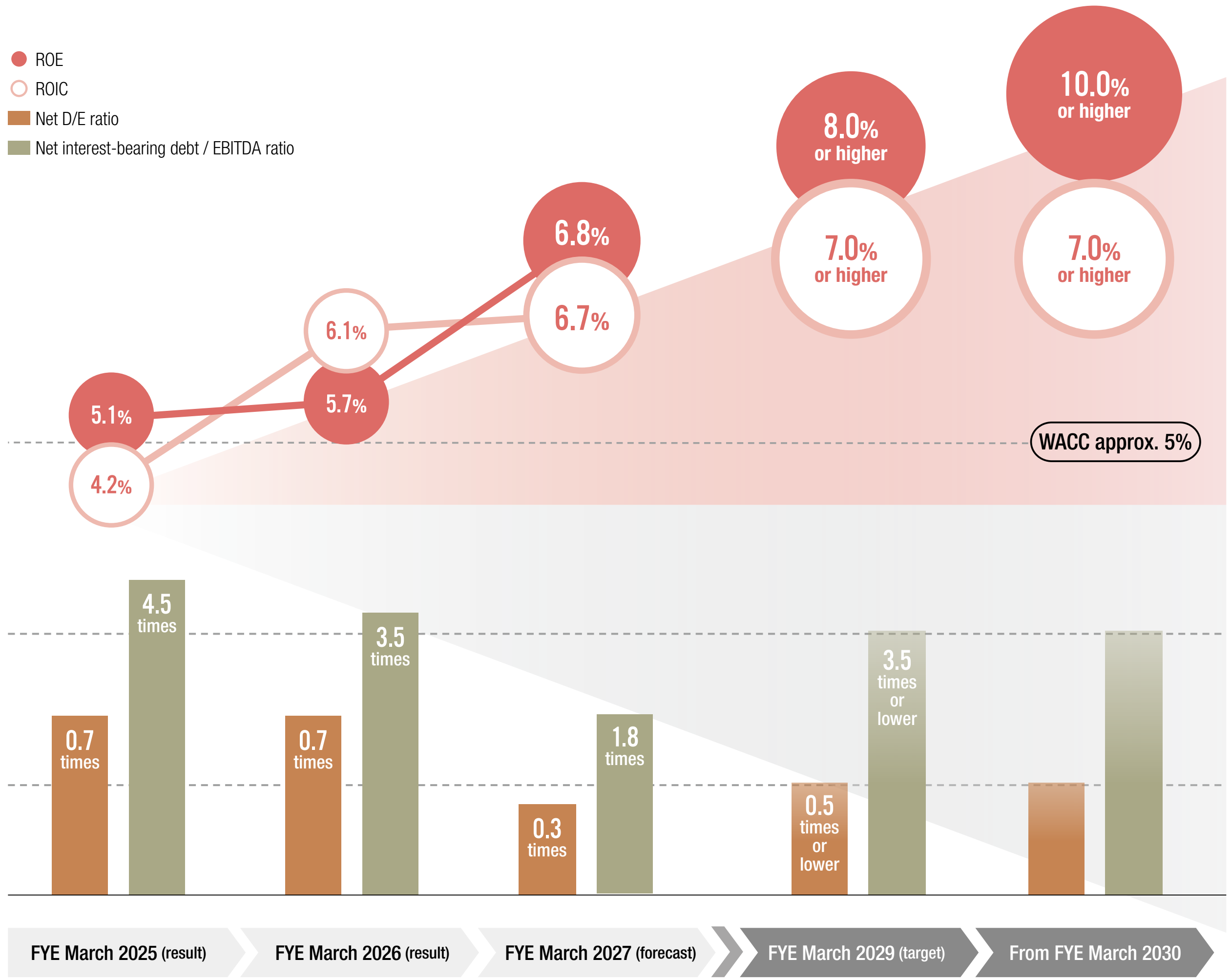
We are fundamentally restructuring our earnings model, centering on a shift from a "volume" to "value" management approach.

The most significant change is the transition from reliance on primary raw materials (copper concentrate) to a focus on secondary raw materials (E-Scrap). We have decided to reduce the volume of copper concentrate processed at the Onahama Smelter & Refinery by approximately 40% from December 2025 and to cease processing copper concentrate there entirely by the end of March 2027. Meanwhile, we plan to increase E-Scrap processing capacity at the Naoshima Smelter & Refinery by approximately 30% compared to the fiscal year ended March 2026.

We are also working to improve capital efficiency by consolidating headquarters functions, optimizing our workforce, and reducing working capital, while also exploring investments and partnerships for recycling businesses in North America and Europe.

Furthermore, we have signed a definitive agreement with Pan Pacific Copper Co., Ltd. to integrate our businesses regarding the purchase of copper concentrate and the sale of products derived from that concentrate, such as electrolytic copper. Through this integration, we aim to generate economies of scale by centralizing raw material procurement and sales functions, which will enable us to strengthen our international competitiveness, countering adverse procurement conditions and achieving cost reductions.

Through these initiatives, we aim to achieve an ROE of 8.0% or higher, an ROIC of 7.0% or higher, and a net D/E ratio of 0.5 times or lower by the fiscal year ending March 2029.



The size of the ROIC and ROE bubbles is not related to the listed numerical values.

Medium-term Management Strategy

Financial Targets / Capital Allocation

Message from the Chief Financial Officer

Kayo Hirano
Managing Executive Officer (Representative Executive Officer), CFO
Responsible for: Responsibilities of the CFO,
Procurement, Mineral Resources Business

Financial Targets

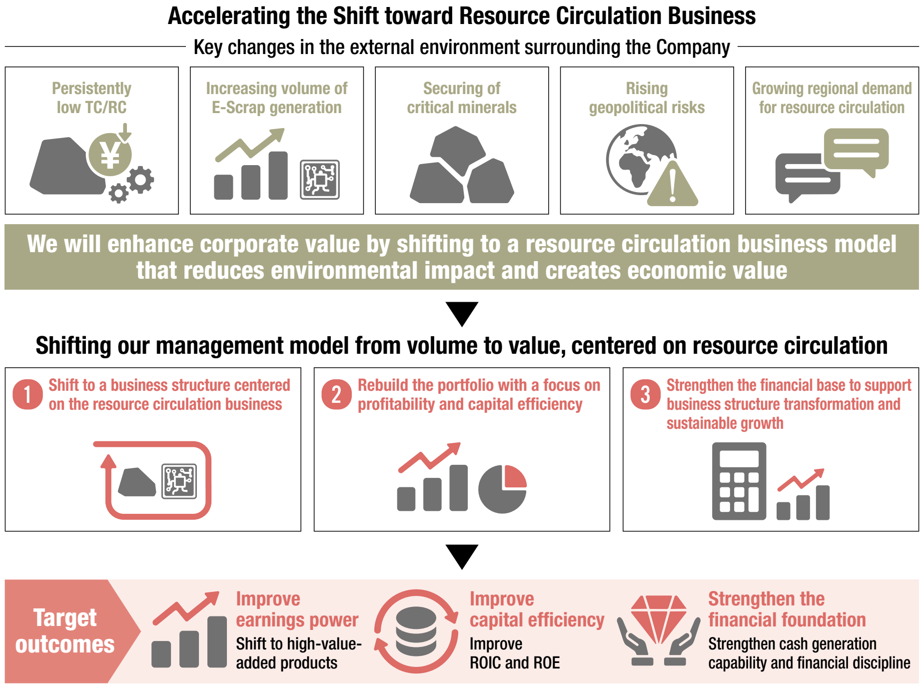
Q1 Currently, the external environment is undergoing significant changes, including shifts in resource prices, exchange rates and interest rate trends, as well as geopolitical risks. Given this assessment of the business environment, could you share your thoughts as CFO regarding the background and objectives underlying the Group's decision to formulate this Medium-term Management Strategy at this particular time?

A1 Mitsubishi Materials is at a major turning point. Our business environment is undergoing significant change, driven by fluctuations in resource prices, foreign exchange rates and interest rates; increasingly challenging terms for copper concentrate procurement; heightened geopolitical risks; and government initiatives to secure critical minerals. The impact is already reflected in our results for the fiscal year ended March 2026 and our outlook for the fiscal year ending March 2027. As CFO, closely reviewing our financial performance each day, I am increasingly convinced that we can no longer simply extend our past business assumptions into the future.

At the same time, I do not view these changes merely as headwinds. Rather, I see them as an opportunity to translate the smelting, metal recovery and recycling technologies and global business platform we have developed over many years into our next phase of growth. At the heart of this opportunity is our resource circulation business.

Expanding resource circulation will help address societal challenges, including resource constraints and geopolitical risks. It is also a growth strategy designed to transform our earnings structure into one that is more resilient and less vulnerable to changes in the external environment. Our new Medium-term Management Strategy is therefore more than a plan to respond to external change. It is an action plan to reshape our business portfolio and earnings structure and convert our strengths into sustainable corporate value.

We will change what needs to be changed, while further strengthening the technologies and operational capabilities that we must preserve and refine. By pursuing both, we aim to demonstrate a clear path toward Mitsubishi Materials' next phase of growth.



Q2 How do you evaluate current capital efficiency, such as ROIC or ROE, in order to achieve financial KPIs? Also, given the changes in the external environment mentioned above, what management issues do you recognize as the most important?

A2 My objective as CFO is to transform Mitsubishi Materials from a company whose performance is heavily influenced by resource prices and foreign exchange rates into one that can generate cash independently and consistently deliver returns above its cost of capital in any business environment.

ROIC and ROE are more than financial metrics. I regard them as measures of management performance itself—indicating how effectively we deploy the capital entrusted to us by our shareholders and investors and translate it into future value creation.

From this perspective, we still have considerable work to do to improve our capital efficiency. While we have made progress toward the targets set under our previous Medium-term Management

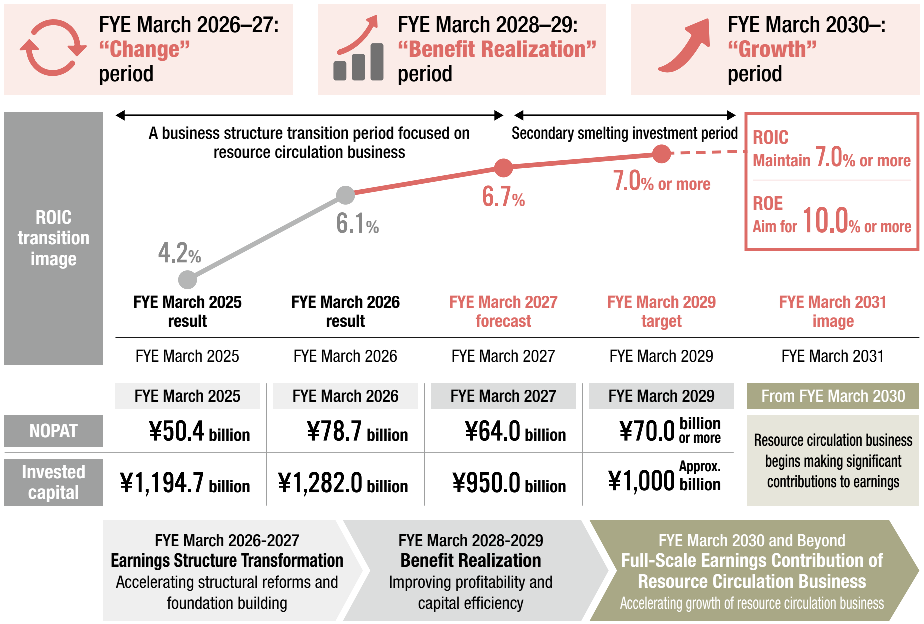
Medium-term Management Strategy > Financial Targets / Capital Allocation

Strategy, this progress has also benefited from external tailwinds, including the weaker yen and higher copper prices. What matters is building a business structure capable of generating earnings not only when market conditions are favorable, but also when the operating environment is challenging.

Another issue I take seriously as CFO is our ability to translate the profits generated by our businesses into net profit and, ultimately, into cash. We recognize that there remains room to improve the efficiency with which operating profit is converted into net profit and free cash flow.

This challenge cannot be resolved through single-year profit and loss management alone. We must enhance the quality of investment decisions and reduce the risk of future impairment losses and restructuring costs. We must also strengthen tax and cash management across the Group and review our business portfolio from the perspective of each business's contribution to net profit. We regard the fiscal year ending March 2027 as an important milestone. Through structural reforms, we will continue

Roadmap from Structural Reforms to Full-Scale Earnings Contribution from the Resource Circulation Business



* NOPAT and invested capital for FYE March 2029 and FYE March 2031 are based on FYE March 2027 forecast assumptions.
NOPAT = (Ordinary profit + net interest expense – equity-method earnings) × (1 – effective tax rate) + equity-method earnings
Invested capital = Net interest – bearing debt + net assets

to replace assets and optimize capital employed. From the second half of the fiscal year ending March 2027 onward, we will accelerate investment in new earnings platforms centered on resource circulation and further enhance the quality of our business portfolio.

We will make the investments necessary for future growth. At the same time, we will rigorously assess when and how each investment will generate cash and deliver returns above the cost of capital. As CFO, I will place investment discipline and capital efficiency at the foundation of management decision-making. Our goal is not simply to improve ROIC or free cash flow. It is to transform Mitsubishi Materials into a company capable of generating cash and creating value above its cost of capital regardless of commodity prices, foreign exchange rates, or economic cycles. By demonstrating tangible progress toward that goal, we aim to earn the confidence of capital market participants and enhance our corporate value over the long term.

Capital Allocation

Q3 Under the Medium-term Management Strategy, what priority will you place on balancing financial soundness, growth investments, and shareholder returns (capital allocation)? Additionally, what is your policy for reviewing this approach in response to changes in the external environment?

A3 The most important principle for our capital allocation is to direct capital toward areas that will drive future growth. Our priorities are, first, growth investments centered on resource circulation; second, maintaining the financial strength and liquidity required to execute our strategy; and third, providing stable shareholder returns with due consideration for capital efficiency.

Our businesses are particularly sensitive to fluctuations in resource prices, foreign exchange rates and interest rates. These factors affect not only earnings, but also working capital and funding requirements. Maintaining financial flexibility is therefore essential to advancing our growth investments. Under our Medium-term Management Strategy, we have adopted a policy of prioritizing growth investments while retaining sufficient capacity to repay interest-bearing debt and maintaining a financial foundation resilient to changes in the external environment.

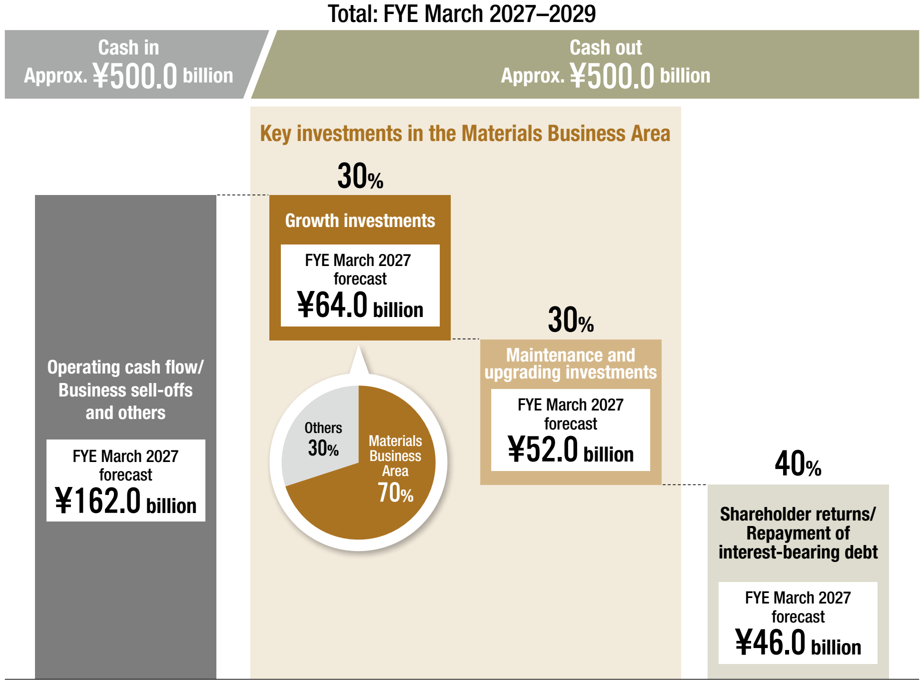
Investments required for the transition to our resource circulation business have long lead times. It takes time to construct facilities, commence operations and develop them into fully established businesses. From the second half of the fiscal year ending March 2027, however, these growth investments will begin to move into full-scale execution. We therefore chose convertible bonds for the financing executed in the fiscal year ending March 2027. This enables us to secure the necessary growth capital in advance and establish a sound funding base before entering the investment execution phase. It also helps limit interest expense and the impact on capital efficiency during the period in which investment precedes earnings and cash generation. The proceeds will be allocated

Medium-term Management Strategy > Financial Targets / Capital Allocation

to growth investments supporting our transition to resource circulation business and will contribute to strengthening our medium- to long-term earnings base. By incorporating conversion restrictions and cash settlement provisions, we have structured the convertible bonds to secure the funds required for growth while also taking capital efficiency and shareholder value into consideration.

Improving working capital efficiency through the planned integration of joint copper concentrate procurement and the sale of copper concentrate-derived copper cathode is another important initiative that directly addresses a key management challenge. The transaction remains subject to regulatory approvals under applicable competition laws, but we believe it represents a significant step toward strengthening our business platform and increasing the likelihood of successfully delivering on our Medium-term Management Strategy.

Going forward, we will not treat capital allocation as fixed. Through rolling forecasts, we will continue to update our multi-year outlook and assess changes in the external environment, cash-generating capacity, investment opportunities and financial soundness. Based on these assessments, we will flexibly review the balance among growth investments, financial discipline, and shareholder returns.



Q4 How do you hope to be evaluated by capital market participants through your financial and non-financial initiatives? Furthermore, what specific metrics and key dialogue points do you prioritize as CFO to achieve this?

A4 Our goal is not to remain a company whose performance is driven by fluctuations in resource prices or foreign exchange rates. We aim to become a company that can continuously enhance corporate value by transforming its own business structure.

We recognize that our current market valuation reflects concerns over the sensitivity of our earnings structure to resource prices and foreign exchange rates, the time required for growth investments to generate returns, and the certainty of improvements in capital efficiency. This is precisely why we must steadily build stable cash-generating capacity, improve capital efficiency, and maintain disciplined investment for future growth, rather than focusing on temporary fluctuations in earnings.

The indicators I place particular importance on are ROIC, ROE, free cash flow and financial soundness. These are not merely figures disclosed to external stakeholders. We also use them as a common language within the Group when reviewing our business portfolio, making investment decisions and allocating management resources.

Financial capital alone, however, is not sufficient to enhance corporate value. Expanding our resource circulation business requires us to direct non-financial capital—including people, facilities, technologies and supply chains—toward priority areas. By leveraging our operational, technological and procurement capabilities across our global business platform, we will further strengthen Mitsubishi Materials' distinctive competitive strengths.

In our dialogue with the capital markets, we will communicate not only the factors behind short-term changes in performance, but also the progress of our earnings structure transformation, our investment discipline, and our approach to and execution of management resource allocation. We will present these elements as a consistent story encompassing both financial and non-financial perspectives. I believe it is important to explain even complex matters as clearly and candidly as possible.

Dialogue with the capital markets is not simply an opportunity to explain our views. It is also an important opportunity to listen carefully to the opinions and expectations of our shareholders and investors and use them to improve the quality of our management.

Transformation cannot be completed all at once. We will therefore communicate our progress sincerely, openly share both our achievements and remaining challenges, and build trust with capital market participants. By steadily improving capital efficiency, strengthening cash-generating capacity, and maintaining disciplined capital allocation, we will demonstrate through tangible results that Mitsubishi Materials is creating sustainable corporate value over the long term.

Medium-term Management Strategy > Business Strategy

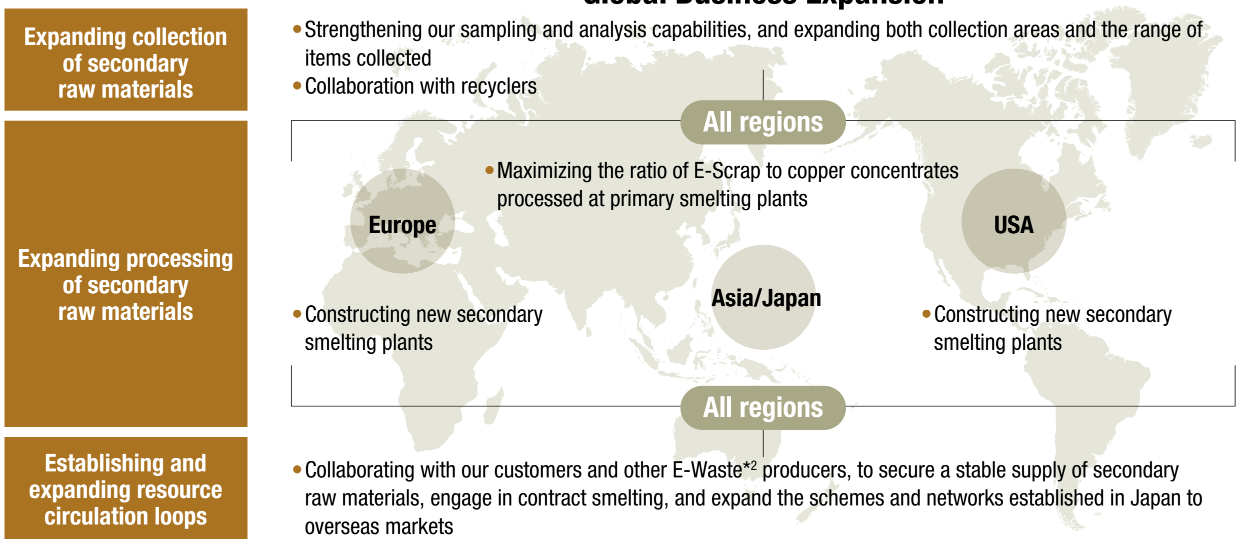
Materials Business Area: Metals/Resources Circulation

Key Measures

- Expanding collection of secondary raw materials
- Expanding processing of secondary raw materials
- Establishing resource circulation loops, overseas expansion of scheme/networks

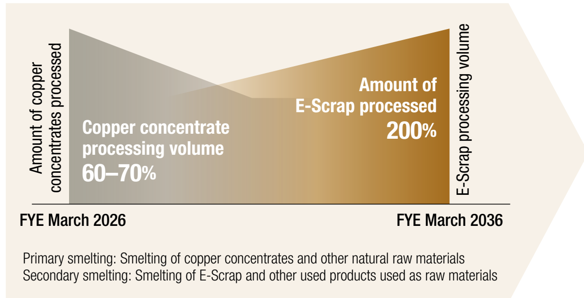
While demand for copper is projected to increase in the long term due to decarbonization and digitalization, the supply of copper concentrate is limited, and the TC/RC (treatment charge and refining charge) conditions for purchasing copper concentrate from mining companies have deteriorated significantly. In this environment, the Group is working to realize a sustainable society by leveraging our expertise in non-ferrous metals smelting. Under the previous Medium-term Management Strategy, we increased the proportion of recycled raw materials in our copper smelting business and accelerated the shift to a raw material composition less affected by the worsening conditions for purchasing copper concentrate, aiming to achieve both reduced environmental impact and economic value. In the fiscal year ended March 2026, in order to reduce copper concentrate processing and shift to secondary smelting, we decided to reduce the amount of copper concentrate processed at the Onahama Smelter & Refinery by 40% from December 2025 as part of a restructuring of our domestic businesses, and to cease copper concentrate processing by around the end of March 2027. Additionally, we began considering the integration of our copper concentrate purchasing and copper concentrate-derived copper cathode and other by-products sales business with Pan Pacific Copper Co., Ltd. (final agreement reached on May 28, 2026), and aimed to establish recycling bases in Europe and the United States. From the fiscal year ending March 2027 onward, we plan to complete other business restructurings and promote increased E-Scrap*1 processing. Specifically, to maximize the strengths of the Mitsubishi Process for continuous copper smelting, which is particularly adept at E-Scrap processing, we are planning to expand the secondary raw materials (E-Scrap) processing capacity at the Naoshima Smelter & Refinery. In addition, we will promote the global expansion of our resource circulation business, accelerating technological development and strengthening our value chain. Outside Japan, we have invested in ReElement Technologies Corporation, a US-based rare earth and rare metals recycling company, aiming for global expansion of our resource circulation business. We have also acquired shares in Elemental USA E-Waste & ITAD, Inc., a US-based E-Waste recycling company under Elemental Holdings, with the goal of transitioning to secondary smelting using E-Scrap as a raw material. Through these initiatives, we plan to build a sustainable resource circulation supply chain.

Global Business Expansion

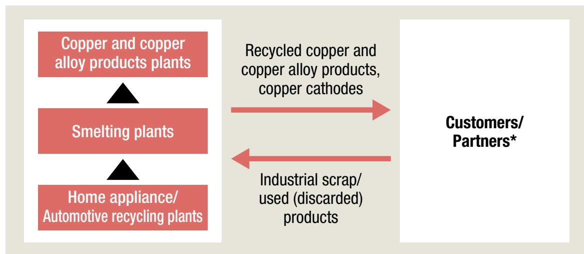


Improving Profitability by Transitioning to Secondary Smelting

Reduction of primary smelting and expansion of secondary smelting
(FYE March 2036 forecast vs FYE March 2026 result)



Closed resource circulation loop, in partnership with customers and other E-Waste producers



*Including materials processors, components processors, finished product manufacturers, and waste producers.

*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

Materials Business Area: Copper & Copper Alloy Products / Tungsten

Copper & Copper Alloy Products

Key Measures

Resource circulation

- Promoting circular use of scrap generated in-house and by customers
- Advancing alloy recycling technologies

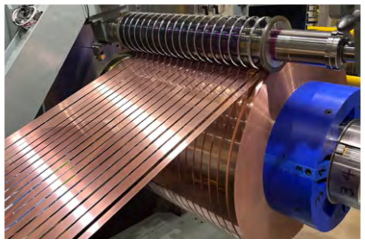
Product portfolio, market and customer strategies, etc.

- Developing and supplying high-value-added copper alloys
- Improving capital efficiency by shifting to high-profit products
- Developing new fields through strengthened marketing (e.g., for data centers)
- Optimizing operations through the organizational integration of production bases

Despite market growth falling below expectations, the Group continued to reduce lead times and optimize inventories, strengthening a lean and resilient operating structure capable of delivering stable earnings. As a result, we achieved ordinary profit of ¥14.2 billion for the fiscal year ended March 2026, exceeding our original forecast. Under our current Medium-term Management Strategy, we will further strengthen our business foundation while addressing challenges identified under the previous strategy, particularly in sales and market development. Our objective is to build a business capable of generating stable earnings regardless of fluctuations in automotive market conditions. To support this objective, we established a dedicated Marketing Department in the fiscal year ended March 2026 and are pursuing growth opportunities beyond the automotive sector, including heat sinks for AI and data center applications. We are also accelerating the development of environmentally responsible products and materials in response to growing demand for sustainability solutions. Through these initiatives, we aim to diversify our earnings base, reduce dependence on any single market, and build a more resilient business portfolio. At the same time, we are leveraging digital technologies to improve quality and productivity through enhanced data visibility and faster decision-making. We also remain committed to developing our people. By fostering a diverse and highly skilled workforce, we will strengthen our competitiveness and support sustainable growth to enhance corporate value over the medium- to long-term.

FYE March 2027–2029

Reducing invested capital Improving profitability	• Shifting to high-profit products
Improving management efficiency	• Organizational integration of production bases


MSP™5 lead-free copper-magnesium alloy

Tungsten

Key Measures

Resource circulation

- Increasing recycling at our European site (H.C. Starck) by 1.5 times
- Evaluation to establish regional circular systems in the Americas
- Increasing collection of E-Scrap by utilizing our collection routes

Product portfolio, market and customer strategies, etc.

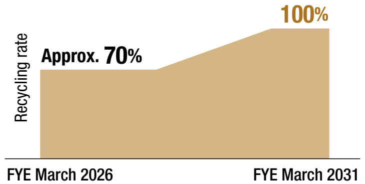
- Reducing fixed costs by optimizing production systems
- Increasing sales of high-value-added tungsten products

Tungsten is a rare metal, and tungsten ore resources are concentrated in specific regions, making it an important raw material that is highly susceptible to geopolitical risks and competition for resource procurement. Demand is projected to continue growing, particularly in the semiconductor field.
In light of this, we are shifting toward resource circulation business centered on recycling. We are leveraging networks for E-Scrap*1 collection to increase our collection of tungsten scrap, working to advance resource circulation in Europe and build a global collection network, while also considering the establishment of circulation systems in the Americas. Additionally, we are enhancing recycling processing capabilities at both Japan New Metals Co., Ltd. and H.C. Starck to stabilize supply. Japan New Metals Co., Ltd. is currently evaluating the development of a supply framework to strengthen tungsten circulation in Japan, with a target launch date of 2028 or later. Furthermore, we aim to boost profitability and capital efficiency by expanding sales of high-value-added tungsten products and optimizing our production systems. Through these initiatives, we will build a global tungsten supply chain anchored in resource circulation, striving to achieve both a 100% recycling rate and a stable supply.

FYE March 2027–2029

Reducing invested capital Improving profitability	• Establishment of collection systems in Europe, the Americas, Japan • Optimizing production systems

Aiming for 100% recycling rate*2 in Europe, the Americas, Asia and Japan



*1 A collective term for discarded circuit boards of electronic devices that contain high concentrations of valuable metals
*2 Proportion of recycled raw materials used at Group tungsten product manufacturing sites (excluding China)

Medium-term Management Strategy > Business Strategy

Products Business Area: Metalworking Solutions / Advanced Products

Metalworking Solutions

Key Measures

- Enhancing the collection of used products through sales companies in each country
- Reducing fixed costs by optimizing the production system
- Providing high-value-added products and solutions in the fields of aerospace, medical, and semiconductors
- Positioning India as a strategic hub for sales expansion in Asia, Oceania, the Middle East, and Africa
- Expanding investment of resources into rock and wear resistant tools

Our Metalworking Solutions Business provides cemented carbide tools to a wide range of industries, including automotive, aerospace, medical, and mold manufacturing. In recent years, the recovery of global automotive demand remains uncertain, and from the fiscal year ended March 2026 onwards, the price of tungsten, a key raw material, has surged due to tight supply. To address these challenges, we will further strengthen our stable supply system utilizing our strength in tungsten recycling, and promote reforms to our profit structure by optimizing our production system, streamlining our organizational structure and workforce, and reviewing our market and product portfolio. For our market portfolio, we will position areas with promising future growth and high profitability as key markets. In these areas, there is a demand for high-performance materials that can perform even in harsh environments, and high-performance cemented carbide tools are also required to process them. Therefore, we will leverage our strengths in materials and coating technologies to expand our range of high-value-added products, such as solid tools for machining difficult-to-cut materials and inserts in the MP90/91 and MV10/90 series. Furthermore, we will prioritize allocating development resources to areas where differentiation is possible, accelerating the development of next-generation cutting tool grades and high-performance coating technologies. Through these efforts, we aim to shift to a high-value-added sales mix, improving profitability and ROIC.

FYE March 2027–2029

Reducing invested capital Improving profitability	• Optimizing production systems

Cemented carbide products

Advanced Products

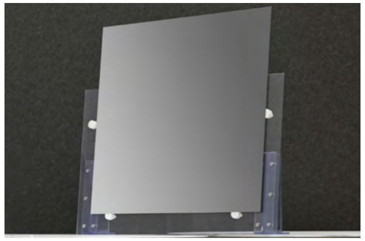
Key Measures

Strengthening existing businesses	Optimizing the product and business portfolio	Creating value in growth areas
• Accelerating the ramp-up of investment projects and improving the speed of return on investment • Improving production efficiency through automation	• Shifting to high-value-added products through active portfolio reshuffling and creating value in growth areas	• Creating and monetizing new products in the semiconductor and thermal management fields

The Advanced Products Business supplies materials and products mainly for semiconductors, automobiles, and electronics, and aims to become a Global First Supplier providing high-value-added products and solutions primarily in the semiconductor field. To achieve this goal, we are working to capture demand and strengthen our earnings base through concept-in development, based on the pillars of “strengthening existing businesses,” “selecting and concentrating businesses,” and “developing new products.” In the Electronic Materials & Components Business, demand for semiconductor-related products, which we are focusing on, has recovered significantly, mainly for use in generative AI and advanced packaging applications, and sales of low alpha solder materials from the Sanda Plant have been particularly strong. Mitsubishi Cable Industries, Ltd., a Group company, aims to quickly start operating the Kumagaya Works No. 2, a smart factory that utilizes automation and DX, in order to increase production of high-value-added seal products for semiconductor manufacturing equipment. Furthermore, since the press release, we have received many inquiries about the world’s largest 600 mm rectangle silicon panel, “KAKUGATA™,” and are currently evaluating it for practical use in order to accelerate the spread of next-generation semiconductor packages such as server CPUs and GPUs. In Luvata Business, we will quickly reap the benefits of our previously implemented capacity expansion investments and expand our business in growth markets such as electric vehicles and healthcare. We will continue to accelerate the “selection” based on profitability and capital efficiency and the “concentration” of management resources in growth areas, with the aim of flexibly reorganizing our portfolio and improving capital efficiency.

FYE March 2027–2029

Reducing invested capital Improving profitability	• Portfolio optimization



KAKUGATA™

Medium-term Management Strategy > Business Strategy

Mineral Resources / Renewable Energy

Mineral Resources

Key Measures

- Improving the profitability of operating assets
- Increasing the ratio of our equity copper production* to our total processing volume
- Developing technologies to the increasing development and operating costs of copper mines (collecting cobalt, scandium, and other valuable byproduct elements)

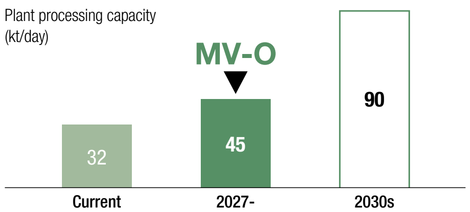
*Copper production at invested mines × investment ratio

The Group is focused on expanding the processing of recyclable materials (secondary raw materials). To expand processing of these materials, which are complex in composition and inconsistent in quality, it is increasingly important that the primary raw material, copper concentrate, be of consistent quality and contain few impurities.

Currently, in order to stably procure copper concentrate with low impurities and capture profits from copper mines through dividends, we are currently involved in three operating copper mines and multiple mine development projects mainly in North and South America. In recent years, Mantoverde Mine (Chile), in which we acquired an ownership interest in February 2021, began producing copper concentrate in June 2024, and has since transitioned to full production. We are currently promoting an expansion project (MV-O) that will contribute to increasing profitability. This project aims to increase daily production capacity by approximately 40%, increase annual production of copper and gold by 20,000 tons and 6,000 oz, respectively, and extend the mine life from 19 to 25 years. Following commissioning between October and December 2026, we plan to start full-scale operations and contribute to earnings from January 2027.

We are also working on technology development to mitigate rising copper mine development and operating costs. At Mantoverde Mine, we are developing a process to separate and recover trace amounts of cobalt and scandium contained in the ore. Going forward, we will continue to focus on improving the profitability of operating assets while exploring opportunities to participate in new projects and working to increase our ratio of equity copper production, aiming to ensure a stable supply of copper concentrate and build a stable revenue base.

Plans for Expansion of Plant Processing Capacity at Mantoverde Mine



Chile: Mantoverde Mine

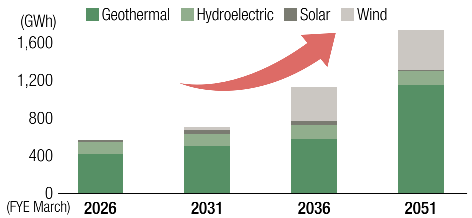
Renewable Energy

Key Measures

- Improving the resiliency and efficiency of our existing power plants
- Pioneering new development sites leveraging our geothermal development capabilities
- Broadening our operations and diversifying our profit streams by expanding into onshore windfarms and electricity retailing

The Group is leveraging the technology and knowledge accumulated in underground resources over many years to develop Renewable Energy Business centered on geothermal, hydroelectric and solar power generation in order to contribute to the stable supply of electricity to local communities. To build a decarbonized society, the Renewable Energy Business Division has set a long-term goal of generating an amount of electricity equivalent to our consumption and is actively developing new sites, primarily focused on geothermal energy. Regarding our geothermal power generation businesses, following a lightning-induced shutdown at the Appi Geothermal Power Plant in 2025, we are implementing measures to enhance protection against lightning strikes while also aiming to increase power output by drilling new geothermal wells. We are also conducting surveys at multiple potential sites for new geothermal power plants, primarily in the Hokkaido and Tohoku regions. In the solar power generation business, we constructed the Torinooku Solar Power Plant on company-owned land in Asago City, Hyogo Prefecture. Operations began in November 2025, and we initiated the supply of electricity to our Akashi Plant via a “self-consignment” arrangement (a system where the company supplies its own generated power to its other facilities using the transmission and distribution networks of general transmission and distribution operators). For the fiscal year ending March 2027, we plan to construct solar power plants on company-owned land in Aomori and Akita Prefectures, aiming to expand the internal supply of renewable energy via self-consignment. Furthermore, we are conducting surveys for onshore wind power at multiple company-owned sites to expand the scope of our Renewable Energy Business and are pursuing revenue diversification through initiatives such as registering for the electricity retail business.

Renewable Energy Production



Torinooku Solar Power Plant

Medium-term Management Strategy > Business Strategy

Messages from the Managing Executive Officers

Materials Business Area

Tatsuya Inoue

Managing Executive Officer
Responsible for Materials Business Area

As demand for resource circulation and secure supplies of critical minerals continues to grow worldwide, our mission is to strengthen both profitability and long-term competitiveness through excellence in smelting, separation, refining, and materials technologies.

In the near term, our businesses face an increasingly uncertain operating environment characterized by fluctuations in resource prices, energy costs, and exchange rates, alongside rising protectionism, geopolitical tensions, and the risk of concentration of global supply chains. Under these conditions, our priority is to maintain the highest standards of safety, quality, and operational stability while further improving the profitability and resilience of our Metals/Resources Circulation Businesses, Copper & Copper Alloy Products Business, and Tungsten Business.

In the Metals/Resources Circulation Businesses in particular, we are expanding the use of secondary raw materials, including E-Scrap*, and enhancing the efficiency of our smelting and refining processes. Through these initiatives, we aim to contribute to a circular economy while reinforcing stable supplies of strategically important resources.

Looking further ahead, we expect demand for critical minerals such as copper and rare metals to increase steadily as decarbonization, electrification, and digitalization accelerate worldwide. To capture these opportunities and sustain our competitive advantage, we believe it is essential to strengthen the foundations that support our business: advanced technologies, highly skilled staff, and operational expertise.

Accordingly, we will continue to invest in technological development, on-site capabilities, and human resources, particularly in the fields of smelting, separation, and refining. By advancing multi-element recovery technologies and high-efficiency metallurgical processes, and by promoting close collaboration across our businesses, we will create greater value for society through resource circulation and the stable supply of critical minerals.

Our goal is not only to deliver strong business performance today, but also to build the technological and human-resource foundations that will drive sustainable growth and corporate value over the long term.

Products Business Area

Zhang Shoubin

Managing Executive Officer
Responsible for Products Business Area

We will continue to create new materials that exceed customer expectations and strive to improve corporate value by strengthening our business, products, and organizational foundation.

The cemented carbide product market is undergoing major changes, including structural changes in the automobile market due to the progress of the xEV shift centered on China, as well as a sharp rise in the price of tungsten, a key raw material. We recognize that accurately grasping these changes, ensuring a stable supply of products to our customers, establishing a revenue base, and further improving our earning power are key management issues. Furthermore, we plan to expand our high-value-added products based on Group strengths in materials and coating technologies, and review our business portfolio to focus on a stable supply system based on tungsten recycling, while steadily moving forward with the consolidation and discontinuation of low-profit and low-competitive advantage products. Going forward, we will further strengthen our stable supply system based on tungsten recycling, which is a strength of the Group, by expanding the collection of used carbide products by leveraging the sales channels of our sales companies in each country. We also aim to shift to a high-value-added business structure that is not dependent on volume. The Advanced Products Business is supported by growth markets centered on semiconductors, automobiles (xEV), electronics, and medical care, and demand for high-value-added materials is recovering and expanding, especially with the expansion of generative AI and advances in advanced packaging applications. In this environment, we aim to achieve our Medium-term Management Strategy, with the pillars of strengthening existing businesses, flexibly reorganizing our business portfolio, and creating value in growth areas. Additionally, by leveraging our technological capabilities in the electronic materials and components field, centered on semiconductors and our Group-wide product portfolio, we will strengthen our concept-in business, where we are involved with customers from the development stage, and focus resources on growth markets (AI, semiconductors, electrification, medical care, etc.). In order to improve ROIC and profitability, we will work to improve capital efficiency through structural reforms and flexibly reorganize our business portfolio, thereby leading to sustainable growth and enhanced corporate value.

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

Medium-term Management Strategy > Strengthening Our Management Foundation

Human Resources Strategy

Message from the Chief Human Resources Officer

Makiko Nogawa
Managing Executive Officer, CHRO
Responsibilities of the CHRO, Responsible for Legal & General Affairs, Corporate Communications, Business Transformation

Employees are the source of the value creation and sustainable growth. Unlocking the potential of the people and organization of the Mitsubishi Materials Group to drive the enhancement of corporate value.

We regard the people who drive our business activities as the source of sustainable growth. By maximizing the value of our human resources and building a foundation for co-creation and growth, we strive to achieve Our Commitment of the future.

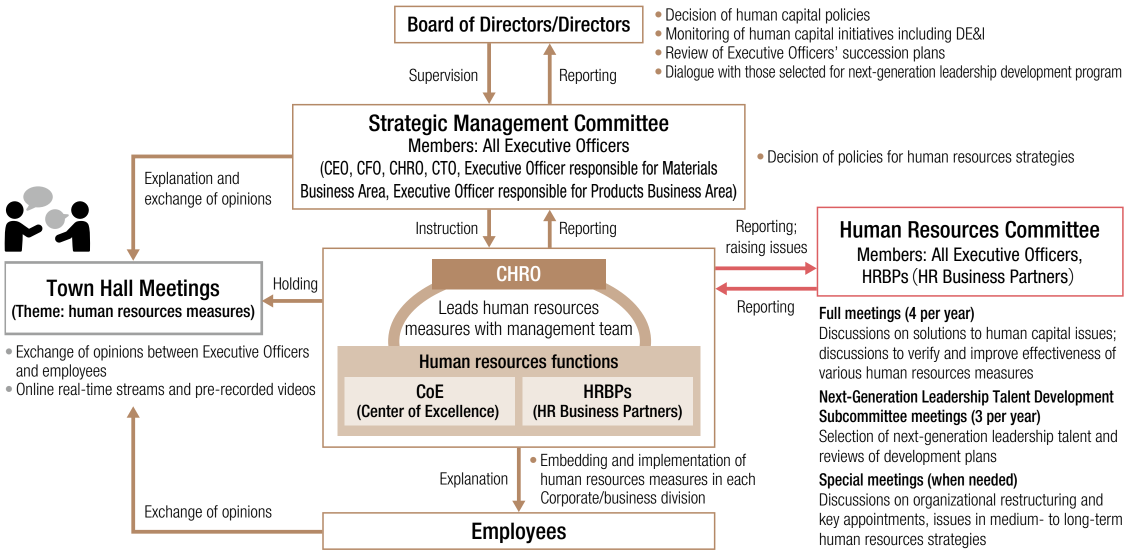
As set forth in our Medium-term Management Strategy, we aim to become a company that is "creating the future through resource circulation," and have formulated a new Human Resources Strategy that is linked to our Management Strategy.

Further evolving our existing human resources strategy, we will strategically acquire, develop, and deploy human resources to support the global expansion of our resource circulation business, based on the three pillars of "supporting our resource circulation business," "supporting frontline value addition," and "supporting every individual to thrive." At the same time, we will aim to improve the sophistication of human resources operations in order to steadily promote fundamental structural reforms and productivity improvements. Furthermore, guided by Our Values of "Challenge," "Change," "Growth," "Praise and Appreciation," and "A Better Tomorrow," we will foster diversity and improve engagement to unlock the potential of our people and organization across the entire Group and further drive our contribution to the enhancement of corporate value. In implementing our Human Resources Strategy, in addition to mutual dialogue with employees through Town Hall Meetings and other means, our Human Resources Committee, which is comprised of all Executive Officers and HR Business Partners (HRBPs), continuously verifies the effectiveness of measures linked to our Human Resources Strategy, and promptly implements these measures while refining them as appropriate.

By continuing to view people as human capital and maximizing the value they create, we will support the achievement of our Medium-term Management Strategy and our evolution into a company that is "creating the future through resource circulation."

Human Resources Strategy Aligned with Management Strategy

Implementation Structure of Human Resources Strategies



Medium-term Management Strategy > Strengthening Our Management Foundation
Human Resources Strategy

We have organized HR Strategy and key initiatives to align with our Corporate Strategy, with the aim of “creating the future through resource circulation.” To achieve Our Vision by the end of the fiscal year ending March 2029, we are steadily implementing initiatives based on specific indicators while continuously monitoring progress and making improvements.

Related Information:
Integrated Report, P17 ▶ Materiality

Management Strategy

Global expansion
- Expansion in three regions: Europe, the Americas, and Asia/Japan.
- Transitioning to a new organization system consolidating the Materials Business Area

Expansion of secondary smelting
Improving tungsten recycling rate

Joint purchasing of copper concentrates

Management target
From volume to value
ROE: +3.0 p.p.
ROIC: +2.0 p.p.
(FYE March 2029: Compared to FYE March 2026)

Human Resources Strategy	Main Initiatives	KPI (Indicator)	Vision for FYE March 2029
Supporting our resource circulation business Achieving strategic recruitment, development, and deployment of talent in our resource circulation business • Acquiring and optimizing talent to advance our global businesses • Strengthening the expertise of core talent and reskilling • Proactively assigning next-generation leadership talent	• Diversification of talent acquisition channels and strengthening of the talent pipeline • Establishment and support for reskilling methods • Continuous development and active appointment of next-generation leadership talent	★ Ratio of candidates on the Next-Generation Leadership Talent Development Program to successors of Executive Officers (FYE March 2026 result: 71.7%)	★ Ratio of candidates on the Next-Generation Leadership Talent Development Program to successors of Executive Officers: 80.0%
Supporting frontline value addition Driving transformation to enhance productivity and capital efficiency • Strengthening HR management based on role and performance • Promoting talent who will achieve transformation • Individual growth to increase productivity	• Operating the HR system based on role and performance • Enhancing performance management • Continuously enhancing management capabilities • Fostering and support for autonomous career development	★ Positive response rate for the performance management-related questions in employee engagement survey* (FYE March 2026 result: 76.9%)	★ Positive response rate for the performance management-related questions in employee engagement survey*: 78.0%
Supporting every individual to thrive Building a foundation for co-creation and growth in the Mitsubishi Materials Group • Promoting DE&I • Promoting health and productivity management, and enhancing employee engagement • Leveraging talent data	• Promoting DE&I, including increasing the proportion of individuals with diverse attributes within decision-making bodies. • Promoting health and productivity management, and enhancing employee engagement across the Group • Enhancing and streamlining HR operations, and the strategic utilization of workforce data to execute HR strategies.	★ Percentage of women in management positions* (FYE March 2026 result:4.0%) ★ Positive response rate in employee engagement survey* (FYE March 2026 result:71.7%)	★ Percentage of women in management positions*: 7.0% ★ Positive response rate in employee engagement survey*: 76.0%

★: Key KPIs,

Enhancing corporate value: ● Supporting our resource circulation business ● Supporting frontline value addition ● Supporting every individual to thrive

*Covers the Company and certain Group companies in Japan and overseas

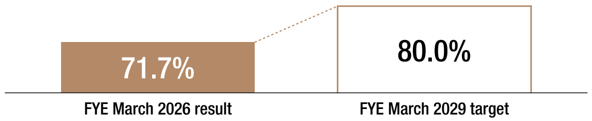
Supporting Our Resource Circulation Business

Background of Formulation and Key KPIs

To realize the "global expansion of our resource circulation business"—a growth strategy that forms a pillar of the Medium-term Management Strategy—it is essential to ensure and enable the success of the talent who will drive this strategy forward. Accordingly, we have made "supporting our resource circulation business" a pillar of our Human Resources Strategy, and we are working on the strategic recruitment, development, and placement of talent for this business.

In addition, following the previous Medium-term Management Strategy, the continuous development and retention of leadership talent who will drive the Group's business is the most important issue in our Human Resources Strategy, so we have set the "Ratio of candidates on the Next-Generation Leadership Talent Development Program to successors of Executive Officers" as a key KPI regarding the continuous retention and development of management leadership candidates. The results for the fiscal year ended March 2026 are as shown in the figure below; we achieved a figure exceeding the 70% target set for March 31, 2026. To achieve the 80% target for the fiscal year ending March 2029, we will further accelerate efforts to strengthen talent development, including upper management, and foster growth through practical work experience.

Ratio of Candidates on the Next-Generation Leadership Talent Development Program to Successors of Executive Officers



Related Measures

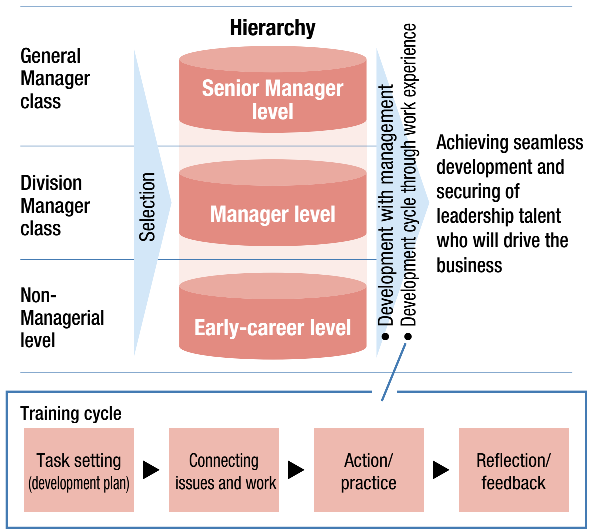
In order to develop our resource circulation business globally, it is essential to acquire "circular economy specialists" who have both technical knowledge and business acumen regarding the circular economy for each market. Therefore, while clarifying our workforce portfolio, we draw a picture of the talent (quality and quantity) required to execute Management Strategy, and then decide on the prioritization of "recruitment, placement, and training" and allocate investment according to the phase of business development. Specifically, we envision talent with advanced secondary smelting expertise related to E-Scrap and tungsten recycling, an understanding of environmental regulations, and negotiation skills in the global market. We aim to diversify our recruitment channels from a global perspective in order to acquire the talent we need to immediately launch and expand our business in these markets. For training, we will utilize internal and external resources to strengthen leadership development and reskilling that contribute to resource circulation expertise, digital utilization, cross-cultural communication, and global management, working to build a system that promotes collaboration with local partners while placing the right people in the right places. Even in Japan, where our headquarters is located, we will promote talent development to enhance global management skills in order to further strengthen coordination with overseas bases.

While efforts are progressing in terms of identifying core talent who play a central role in our business and strengthening their expertise, we continue to position strengthening the development of next-generation leadership talent Company-wide as one of the most important issues in our Human Resources Strategy. Since the fiscal year ended March 2023, we have steadily promoted the Next-generation Leadership Talent Development Program, working to select and develop talent who demonstrate high potential and performance using Company-wide standards. Furthermore, we have established a training system that connects this next-generation leadership talent with opportunities for promotion as candidates for Executive Officer succession, and the results of this are also reflected in the trends in our performance in key KPIs over the past three years. Since the fiscal year ended March 2026, we have continued to strengthen the development of next-generation leadership talent across the Group by introducing a new initiative called "roundtables" between Executive Officers and next-generation leadership talent, as well as by selecting candidates from Group companies. We will continue to visualize our talent pipeline and aim to achieve sustainable corporate management while working to strengthen our talent from a medium- to long-term perspective.

In addition to next-generation leadership talent, we will proactively promote flexible workforce allocation through the development and reskilling of core talent and our in-house recruitment system for overseas businesses, and will strongly support the "global expansion of our resource circulation business" from a talent perspective.

Next-Generation Leadership Talent Development Program

This initiative will lead to securing a pool of potential Executive Officer successors and strengthen the pipeline of high-caliber talent over the medium term within the Group.



Medium-term Management Strategy > Strengthening Our Management Foundation
Human Resources Strategy

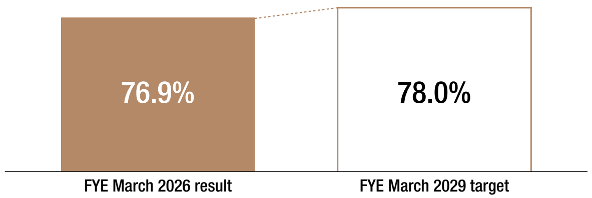
Supporting Frontline Value Addition

Background of Formulation and Key KPIs

Under our Medium-term Management Strategy, we are undertaking sweeping structural reforms with a sense of urgency—shifting our management focus from volume to value and transforming our earnings structure from copper concentrate processing to secondary smelting. Accordingly, we have positioned “supporting frontline value addition” as a core pillar of our Human Resources Strategy, driving transformation that will boost productivity and capital efficiency from a human capital perspective.

As we face this major transition, we recognize that in order for each employee to maximize their performance, it is essential to clarify each employee’s duties and roles, set personal goals that are linked to organizational goals, and then provide continuous feedback toward goal achievement and improve the credibility of performance evaluations. Therefore, we view performance management as the “foundation for creating organizational results,” and from the perspective of ensuring a thorough management cycle and ensuring the engagement of each employee, we have established the “positive response rate for the performance management-related questions in employee engagement survey” as a key KPI.

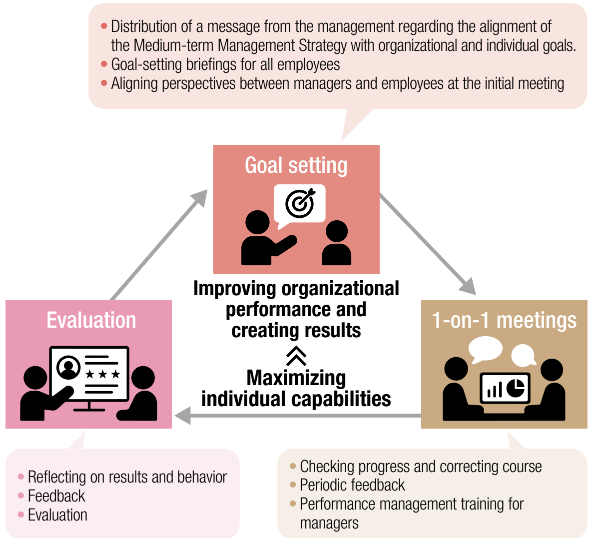
Positive Response Rate for the Performance Management-related Questions in Employee Engagement Survey



Related Measures

To enhance value creation on the front lines of business operations, it is crucial to improve the effectiveness of performance management—a process wherein each employee correctly understands their expected duties and roles, maximizes their individual performance, and achieves organizational goals. Therefore, we are strengthening our HR management based on the “role and performance” framework, without being constrained by individual attributes such as age or year of joining the Company. The Role-based HR System for the non-managerial level introduced in the fiscal year ended March 2026 has made it possible to set grades according to work at all levels, including non-managerial positions, and has laid the foundation for improving business competitiveness and clarifying roles. This has clarified the expected results and actions for each employee’s role, helping to foster an organizational culture where we strive to achieve even higher levels of performance. Furthermore, in performance evaluations, in addition to the degree to which performance goals have been achieved, we have also added behavior that embodies Our Values (Challenge, Change, Growth, Praise and Appreciation and A Better Tomorrow) into the evaluation process, thereby creating a system to assess performance from the perspectives of both performance and behavior. In order to ensure that this system takes hold and operates in accordance with its intentions, it is essential that each employee correctly understands organizational goals and then achieves results in their individual work. To this end, we hold goal-setting briefings for all employees, encouraging them to set individual goals aligned with organizational objectives and to take practical steps toward achieving them. Additionally, we conduct performance management training for organizational managers, who are the key people responsible for promoting thorough performance management, with training that is tailored to the Company’s actual situation. Through these measures, we will increase the effectiveness of our performance management

cycle and improve our organizational capabilities by bringing out the full potential of each employee, which in turn will lead to the achievement of our Management Strategy.



We also aim to maximize the use of the digital infrastructure established through past capital investments and DX initiatives—transforming our work methods by leveraging various IT tools and implementing business process reforms based on N-H-K (eliminate, reduce, and change) principles. By identifying and empowering talent that pursues results without being bound by conventional thinking, we intend to foster problem-solving and innovation driven by the frontline. Furthermore, we aim to elevate the capabilities of the entire workforce by fostering individual growth—by strengthening “Genba-ryoku (frontline capabilities),” we seek to transform the frontline into a “source of value-added creation” that drives our corporate competitiveness.

Medium-term Management Strategy > Strengthening Our Management Foundation
Human Resources Strategy

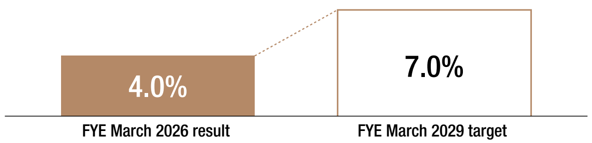
Supporting Every Individual to Thrive

Background of Formulation and Key KPIs

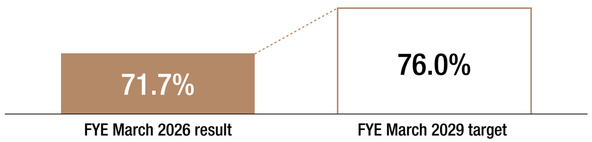
Under our Medium-term Management Strategy, as the diversity of our talent continues to increase as our business expands globally, in order to bring together our shared knowledge and create new added value, it is essential to foster an organizational culture based on DE&I (Diversity, Equity & Inclusion) and to create an environment where every individual can thrive. In addition, we believe that improving the quality of talent by ensuring employee health and improving engagement will directly lead to sustainable growth, so we have made “supporting every individual to thrive” a pillar of our Human Resources Strategy.

For this, we have set the “percentage of women in management positions” and “positive response rate in employee engagement survey” as our main KPIs, and are striving to enhance our decision-making and organizational capabilities through promotion of active participation of women and inclusion measures. By visualizing the alignment between employee job satisfaction and the Company’s direction, we will foster a foundation that will generate co-creation and growth for our Group.

Percentage of Women in Management Positions



Positive Response Rate in Employee Engagement Survey



Related Measures

Promoting DE&I

In the fiscal year ended March 2026, we were selected for the first time as a “Nadeshiko Brand.” The purpose of the Nadeshiko Brand is to evaluate companies that excel in promoting the active participation of women from the perspective of enhancing corporate value over the medium- to long-term, and to promote investment and accelerate the efforts of individual companies. We position the advancement of women as a key management priority and have driven effective initiatives—such as establishing a framework where senior management bears responsibility and incorporating DE&I-related indicators into officer remuneration. We were further recognized for expanding the scope of women’s participation through recruitment, development, and promotion, as well as for making steady progress in ensuring diversity within decision-making bodies.

As a result of our efforts to date, as of the fiscal year ending March 2027, we continue to make progress in increasing diversity among our Executive Officers, with a percentage of 50% for women, a percentage of over 30% for mid-career hires, and a percentage of over 15% for non-Japanese managers. In order to contribute to further improvements in the quality of management, we will continue to strengthen our pipeline by focusing on women at the decision-making level, and further ensure diversity by setting goals and continuing measures at each level. For further information on DE&I promotion initiatives, see the page on “Diversity, Equity & Inclusion” on our Sustainability website.

Related Information:

- Sustainability website ▶ Diversity, Equity & Inclusion*
- Accelerating Value Creation Centered on People: Selected as a “Nadeshiko Brand” for the First Time in FYE March 2026*
- Receiving a second consecutive Gold award in the PRIDE Index 2025*
- Joint event by the non-ferrous metals industry ahead of International Women’s Day Non-Ferrous Metals DE&I Forum 2026*

*This information is available only in Japanese on the website.

DE&I Promotion Initiatives

Supporting the aspirations of diverse talent, starting with women

To foster a leadership style that is authentic to each individual while ensuring a clear understanding of their roles, our division implemented a leadership development program for women. Participants from a wide range of departments—including production sites—took part in the program, which featured hands-on support from senior divisional leadership, roundtable discussions with Executive Officers, and opportunities for peer networking. Participants reported that the program provided valuable insight into the importance of embracing new challenges and helped clarify the direction of their careers. Moving forward, we will continue to support the growth and success of a diverse workforce by promoting DE&I within the division.

Yu Hayama
Products Business Area
Metalworking Solutions Div.,
Planning & Administration Dept.
Sustainability Section
Mitsubishi Materials Corporation

By expanding opportunities for diverse talent to excel and actively participate in decision-making, we aim to foster autonomous career development and sustainable growth for every individual.

Improving Employee Engagement

To measure the status of achievement related to continuous improvement of employee engagement, we have been conducting employee engagement surveys for non-consolidated employees once a year since fiscal year ended March 2023. Starting in the fiscal year ended March 2026, the scope was expanded to the entire global Group, and “positive response rate in employee engagement survey” was as shown in the chart below.

	FYE March 2023	FYE March 2024	FYE March 2025	FYE March 2026
Non-consolidated	71.3%	73.3%	74.9%	74.4%
Consolidated*	–	–	–	71.7%

*Covers the Company and certain Group companies in Japan and overseas

On a non-consolidated basis, the target for the fiscal year ended March 2026 was 75%, but the actual result was 74.4%, falling slightly short of the target. This survey consists of five categories (work, colleagues, organization, compensation, growth opportunities), and in particular, “organization” decreased by 3.7 p.p. compared to the fiscal year ended March 2025. We believe that this is due to changes in the organization and roles associated with structural reforms implemented in the first half of the fiscal year ended March 2026. In response to this, this fiscal year we are focusing on promoting understanding of management and fostering a sense of acceptance through detailed explanations and dialogue through workshops and Town Hall Meetings held during the MTMS* Executive Caravan, in which Executive Officers visit each site. On the other hand, “growth opportunities,” which has been an area of focus since the start of the survey, improved by 1.7 p.p. compared to the fiscal year ended March 2025, and 11 p.p. compared to the fiscal year ended March 2023. We believe that this is the result of steady efforts to support autonomous career development and growth, such as the enhancement of our Internal Job Posting System and career planning month, which is held every November.

Category	Work	Colleagues	Organization	Compensation	Growth Opportunities	All Questions
Year-on-year change	+1.0 p.p.	-0.4 p.p.	-3.7 p.p.	-2.1 p.p.	+1.7 p.p.	-0.5 p.p.

Moving forward, based on a detailed analysis of the fiscal year ended March 2026 survey results, we will address “fairness and acceptance regarding evaluations,” “autonomous career development,” and “self-growth”—key drivers of overall engagement—as priority issues on a consolidated basis. Through career initiatives such as further strengthening performance management and activating Internal Job Posting System, we aim to enhance both individual and organizational performance, ultimately leading to increased corporate value.

Promoting Health and Productivity Management

We position health and productivity management as a management priority, and under a promotion system headed by the CEO, we are strategically working on health and productivity management in coordination with the Mitsubishi Materials Health Insurance Society. In recognition of these ongoing and diverse initiatives, we have been selected for KENKO Investment for Health for two years consecutively, and have been recognized for the third consecutive year as a White 500 Health & Productivity Management Outstanding Organization in 2026 (Large Enterprise Category) under the Certified Health & Productivity Management Outstanding Organizations Recognition Program, jointly administered by the Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi.

In particular, the KENKO Investment for Health, jointly conducted by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange, selects particularly outstanding listed companies that approach employee health and productivity management from a management perspective implemented strategically.

2026 健康経営銘柄 KENKO Investment for Health

2026 健康経営優良法人 KENKO Investment for Health 大規模法人部門 ホワイト500

Since the fiscal year ended March 2024, we have set three-year numerical targets for four priority implementation items (improving health literacy, reducing high-risk health individuals (hypertension, diabetes), reducing smoking rates, and addressing mental health) and have been promoting Company-wide improvement activities. From the fiscal year ending March 2027, we will formulate a new three-year plan based on past achievements and challenges, reset target indicators for the four items, and proceed with various measures in a planned manner. Through these efforts, in addition to continuing our White 500 recognition, we aim to increase the number of companies in our Group that are certified as excellent health and productivity management organizations, raise the level of initiatives tailored to the circumstances of each Group company, and aim to advance the level of health and productivity management for the Group as a whole.

Going forward, we will continue to improve productivity and sustainably increase corporate value by improving the health of our employees.

For further information on Diverse Initiatives for health and Productivity Management, see the page on “Health and Productivity Management Initiatives” on our Sustainability website.

Related Information:

Sustainability website ▶ Health and Productivity Management Initiatives*

Selected for KENKO Investment for Health 2026 for the second consecutive year in recognition of health and productivity management initiatives Recognized for the third consecutive year as a White 500 Health & Productivity Management Outstanding Organization in 2026 (Large Enterprise Category)*

Recognized for the first time as a Food and Nutrition Education Outstanding Organization 2026*

*This information is available only in Japanese on the website.

*Medium-term Management Strategy

Employee Engagement

Boosting engagement by strengthening organizational connections

At Mitsubishi Materials Mexico, all our actions are geared towards enhancing and developing our human capital while strengthening organizational connections. We promote inclusion through initiatives aligned with Our Values, which guide our daily decisions and behaviors. We build a positive organizational environment with open communication, approachable leadership, social support, and flexible work arrangements, thereby supporting employee engagement and performance. In addition, the outcomes of these initiatives are continuously monitored and improved through engagement surveys and other measures. Through these efforts, we cultivate well-being, a strong sense of belonging, and sustainable organizational growth.

Cecilia Mejia
Supervisor
Human Resources
Mitsubishi Materials Mexico

Through ongoing improvement through survey analysis, we will increase employee sense of belonging and job satisfaction, leading to the growth of the organization.

Promoting Health and Productivity Management

Leveraging Group expertise to achieve social well-being

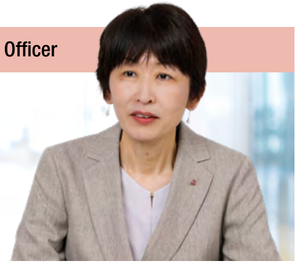
In promoting health and productivity management, we have implemented measures tailored to us while drawing on the best practices of other Group companies. For instance, by leveraging Microsoft Teams to visualize assignments and progress, and by clearly defining roles and responsibilities, we have fostered a culture of proactive engagement. Furthermore, semi-annual in-person meetings and recognition programs have strengthened mutual understanding and team unity; we are delighted that these steady, ongoing efforts have led to external accolades, such as certification as a Health & Productivity Management Outstanding Organization. Moving forward, we will continue to advance health and productivity management through initiatives that reflect our unique corporate identity, aiming to achieve “social well-being.”

Atsushi Sato
MITSUBISHI MATERIALS TRADING CORPORATION
Safety Environment & Quality Dept.
Safety Group

We will share the know-how we have accumulated across the Group to accelerate initiatives at each company, ultimately driving improvements in productivity and corporate value.

R&D Strategy / Corporate Production Engineering Strategy / Digital Strategy

Message from the Chief Technical Officer



Miki Adachi

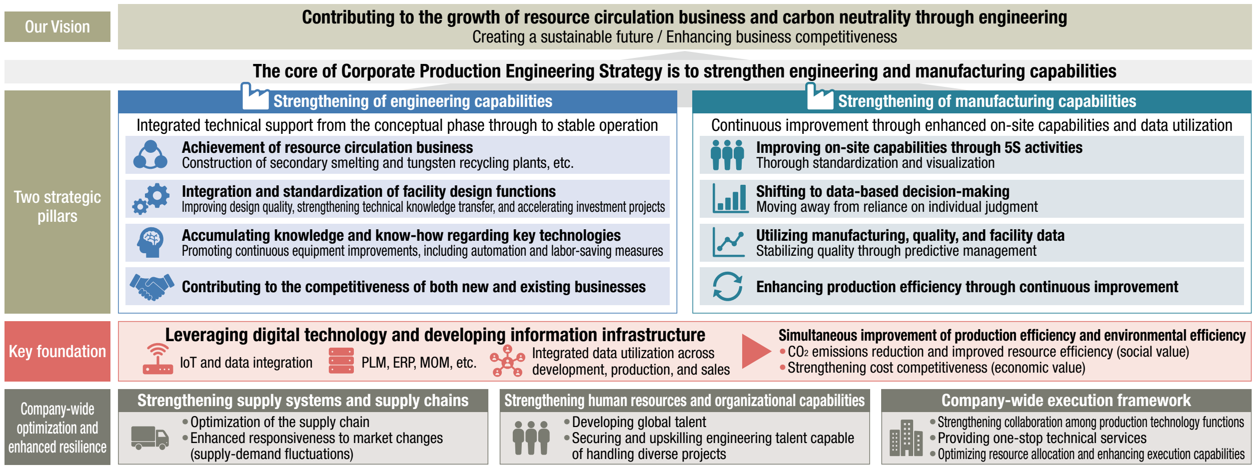
Managing Executive Officer, CTO
Responsible for: Responsibilities of the CTO, Sustainability & SCQ Promotion and Renewable Energy Business

In addition to selection and concentration, as well as cross-departmental coordination, we will enhance our ability to execute to produce results, balance social and economic value through technology, and work to accelerate transformation.

The environment surrounding development, corporate production engineering, and digital is undergoing major changes due to accelerated technological innovation, emphasis on sustainability, and labor shortages. In response to these changes, as CTO, I am working to realize the basic policy of "creating from the site to the future by connecting through technology and seeing initiatives through, based on our Three Key Priorities*1." In the short term, we will connect development, corporate production engineering, and digital based on SCQ*2 without separating them, improve engineering and manufacturing capabilities through the use of AI, process improvements, and standardization, and promote implementation on-site. In addition, we plan to steadily advance initiatives that contribute to resource circulation business, such as applying MEX*3 to Tungsten Business, secondary smelting and recycling plant construction. In the medium- to long-term, we aim to simultaneously grow our resource circulation business and strengthen our management foundation by creating new businesses and technologies in areas like resource circulation and GHG reduction, while establishing a competitive production base. Moving forward, it is essential to further advance the selection and concentration of themes, foster cross-departmental collaboration, and strengthen the execution capabilities needed to translate results into reality by accurately understanding the significance, return on investment, and risks associated with technologies. We will work to strengthen our business from an overall optimization perspective, using technology as a starting point to achieve both social and economic value, and accelerate transformation.

Corporate Production Engineering Strategy

The Group's corporate production engineering strategy is based on the vision of "contributing to the growth of resource circulation business and carbon neutrality through engineering," and the basic policy is to achieve both the creation of a sustainable society and the enhancement of business competitiveness. The core of our strategy is to improve our "engineering capabilities" and "manufacturing capabilities." In terms of "engineering capabilities," we are establishing a comprehensive technical support system—spanning from the conceptual phase to stable operation—to successfully implement resource circulation business, such as secondary smelting and the construction of tungsten recycling plants, thereby achieving SCQDE at our facilities. Furthermore, by promoting the integration and standardization of facility design functions, we will improve design quality and enhance the transmission of technology, as well as accumulate knowledge and know-how regarding key technologies internally. In terms of "manufacturing capabilities," in addition to improving on-site capabilities through 5S activities, we will move away from individual judgments and shift to data-based decision-making through thorough standardization and visualization. In addition, by utilizing manufacturing, quality, and facility data, we aim to stabilize quality through predictive management and make ongoing improvements to enhance production efficiency. Furthermore, by positioning the use of digital technology as a key foundation of our strategy and developing information infrastructure—such as IoT, data integration, and PLM*4, ERP*5, and MOM*6 systems—we will achieve the consistent use of data across the entire value chain, from development and production to sales. Through these initiatives, we aim to achieve both social value, such as improvements in production and environmental efficiency, reduction of CO_2 emissions, and improvement in resource efficiency, as well as economic value, such as strengthening cost competitiveness. We will also promote optimization for the entire supply chain, enhancement of supply and demand management, and visualization of cost and profit structures, thereby strengthening our ability to respond quickly to rapidly changing market environments. As a core organization that not only supports sites but also drives business transformation, the Corporate Production Engineering Division will contribute to sustainable growth by building a recycling-oriented society, in order to realize the basic policy of the Medium-term Management Strategy: Creating the future through resource circulation.

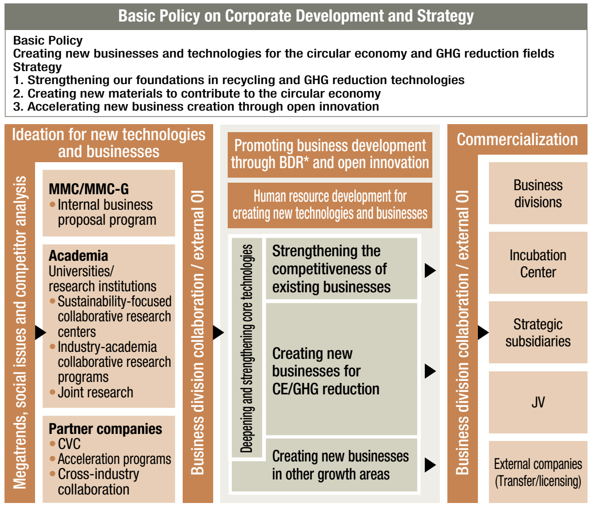


*1 SCQDE, Bad News First, Free and Open Communication *2 Safety & health (Safety & health come first), Compliance & environment (Compliance & environment to ensure fair activities), Quality (Quality of products and services provided to our "customers")
*3 Mitsubishi Materials E-Scrap EXchange *4 Product Lifecycle Management *5 Enterprise Resource Planning *6 Manufacturing Operations Management

R&D Strategy

Basic Policy

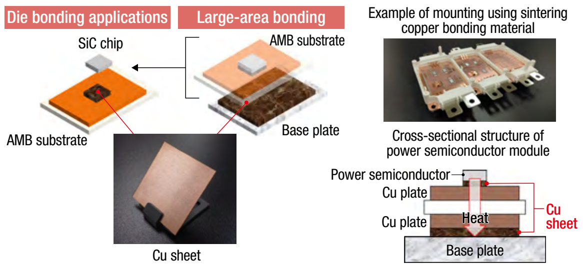
Aiming to achieve the goals of our Medium-term Management Strategy, the R&D Strategy Division is responsible for developing and promoting R&D strategies and new business strategies across the entire Group. The division strategically works to optimize development portfolios by addressing medium- to long-term issues and Company-wide themes that are difficult to address within existing businesses, as well as by developing new market areas that would be difficult for existing businesses to pursue due to their higher risk profile. Furthermore, as part of corporate development, it prioritizes the allocation of management resources to circular economy (CE) and GHG emission reduction from a medium- to long-term perspective, aiming to achieve both social and economic value. R&D is organized into areas such as strengthening fundamental and basic technologies, creating new businesses, and strengthening the competitiveness of existing businesses. Within these areas, the division focuses resources on selected initiatives that drive future growth.



*Business Design Review

New Business Development

As a specific development example, in January 2026, we harnessed submicron copper particle design technology and proprietary synthesis technology to develop a sintering copper bonding material that combines low-temperature sinterability and high reliability, resulting in a material option that can be tailored to different applications. Our technological foundation enabled optimization of everything from powder synthesis to material design, improving handling ease during the mounting process and uniformity during large-area bonding. This product achieves low-temperature, short-time bonding, large-area bonding, and high reliability, contributing to improved heat resistance, higher efficiency, and lower power consumption in high-output power modules for automobiles and railways.



Intellectual Property Strategy

The Group promotes its intellectual property strategy that is integrated with our business strategy to achieve our goal of "creating the future through resource circulation," as indicated in our Medium-term Management Strategy. In the Materials Business Area, we will actively expand our patent portfolio for core technologies that contribute to resource recycling and decarbonization, while aiming to enhance brand value through intellectual property activities. In the Products Business Area, we aim to secure a competitive advantage by developing an optimized patent portfolio considering the competitive environment. Furthermore, in intellectual property governance, we will promote global intellectual property activities across the entire Group, and strengthen our global intellectual property governance framework by utilizing generative AI and introducing a new patent management system.

Materials Business Area
- Expansion of patent portfolio
- Mitigation of patent-related risks and securing strategic options
- Promotion of branding initiatives

Products Business Area
- Lean IP activities based on competitive analysis
- Comprehensive risk assessment based on patent portfolio balance
- Promotion of patent filings that contribute to resource circulation

Intellectual Property Governance
- Strengthening of global IP activities
- Enhancement of the IP governance framework
- Utilization of generative AI

VOICE

Yoshiyuki Nagatomo
CINO
General Manager of R&D Strategy Division

In corporate development, we have integrated planning functions that were previously dispersed within departments to enhance research and development and expedite decision-making. Our aim is to increase the interconnectedness of diverse innovation initiatives and create greater synergy.

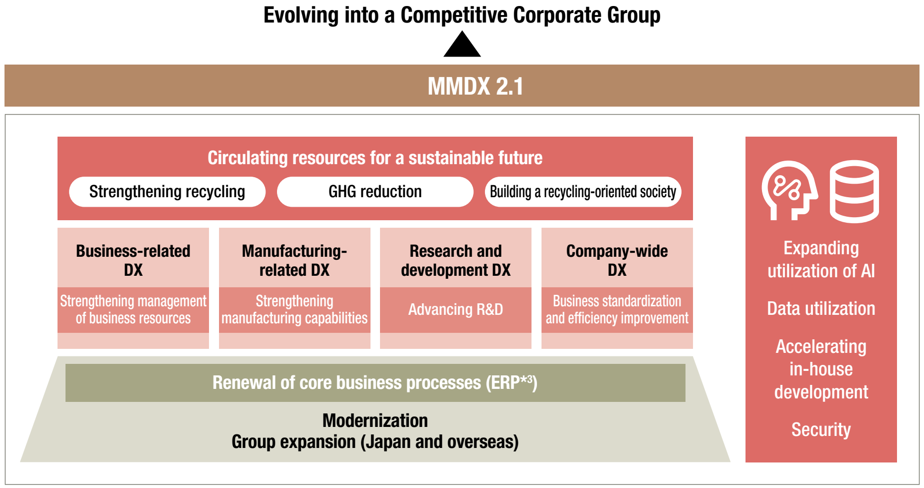
In particular, in focus areas such as resource circulation and GHG emissions reduction, we will promote collaboration with external startups and universities, as well as co-creation with partners in different industries. Specifically, we will deepen initiatives such as the acceleration program "Wild Wind" and contribute to the creation of our resource circulation business through the utilization and strengthening of open innovation initiatives with external partners. Regarding intellectual property, in addition to contributing to strengthening the competitiveness of our business through patent applications and rights acquisition, we will also deepen discussions on identifying unmet needs by utilizing intellectual property information and challenge ourselves to create new value from intellectual property.

Digital Strategy

Digital Strategy (MMDX*1)

As a part of our Medium-term Management Strategy, the Group has set the goal of expanding and enhancing our resource circulation business through acceleration of AI utilization. At the same time, we updated the content of our DX strategy, "MMDX," to "MMDX2.1." This strategy is the foundation that enables us to prevail in global competition. Specifically, we will promote "update and modernization of core operations" based on the following four key pillars: "business-related DX," "manufacturing-related DX," "research and development DX," and "company-wide DX." Furthermore, we will also advance DX in our measure, "circulating resources for a sustainable future," which is a key pillar of our Medium-term Management Strategy. In all of these DX initiatives, we will focus on expanding the use of AI, enhancing data preparation and utilization, accelerating in-house development from conception to operation and maintenance, and strengthening security measures. Furthermore, to accelerate the aforementioned use of AI, we will deploy AI literacy education, establish a secure usage environment, and create examples of AI agents that autonomously make decisions and perform tasks in business areas such as administration and sales. Through these efforts, we aim to improve the sophistication of our operations and strengthen our management foundation.

*1 Mitsubishi Materials Digital Business Transformation



*3 Enterprise Resource Planning

Expanding and Developing Resource Circulation Business

MEX (Mitsubishi Materials E-Scrap*2 EXchange), a digital platform for E-Scrap trading, has established a system that allows customers to directly check information regarding the trading of E-Scrap online, and is striving to further enhance the sophistication and transparency of transactions. Looking ahead, we plan to expand the scope of MEX beyond E-Scrap to include tungsten scrap. In addition, we will actively utilize AI and digital technologies in the operation of furnaces for the secondary smelting of copper using recycled materials, which is being promoted in Europe, and advance technological development such as feed control and automated operation monitoring. Through these efforts, we aim to strengthen our business competitiveness and achieve sustainable resource circulation.

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

VOICE

Nobuhisa Hayama
CDIO
General Manager of Digital Strategy Division

In the fiscal year ending March 2027, our Group will evolve its DX strategy, "MMDX," and accelerate Group-wide transformation, centered on the use of AI. We aim to build a system that enables continuous value creation as an organization by embedding AI into business processes, going beyond streamlining individual tasks through generative AI. To this end, we will deploy AI literacy training throughout the MMC Group and establish a safe and controlled AI environment. Furthermore, we will enhance our data infrastructure, modernize core business operations, promote in-house development of systems from planning through to maintenance and operation, and thoroughly implement security measures globally. In addition, we will promote the creation of case studies using AI agents, aiming to improve operational efficiency and enhance management. We will extend these efforts to the optimization of global business operations and supply chains, contributing to sustainable growth and the resolution of social issues through the power of digital technology.