



Policy for the future:

We recognize that our business activities benefit from natural resources such as minerals and water, and we will conduct business activities that minimize the impact on the natural environment in order to pass on these limited resources to future generations. In addition, we will conserve forests, closed mines and renewable energy power plants, as important assets and also raise awareness about biodiversity conservation through community activities. To promote these activities, we have established a Biodiversity Conservation Policy and will promote biodiversity conservation activities to contribute to a nature-positive society.

< Example of Efforts >

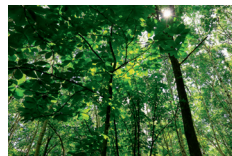
● Initiatives at the Smelter

At Naoshima Smelter and Refinery in Kagawa County, we have been engaged in tree-planting activities at a rate of one hectare per year with the aim of promoting vegetation and restoring forests which were partially destroyed by forest fires in the past and where it is difficult for plant life to grow due to the dry soil conditions and low rainfall. Naoshima Smelter & Refinery also ensures thorough treatment of exhaust gas and effluent released from the facility under its own standards, which are stricter than government standards, in its efforts to protect the natural environment of Setouchi.



● Initiatives at the Company-owned Forests

We own 13,000 hectares of forest across Japan and manage it by considering the habitats of the plants and animals that live there. In October 2023, “Teine Forest, one of the Materials’ forests” in Hokkaido was certified as a “Nationally Certified Sustainably Managed Natural Sites,” and the certified areas were registered in the international database as “OECM” in August 2024, excluding areas overlap with protected areas.



< Future Issues >

In May 2025, our company published the TNFD Report based on the disclosure framework of TNFD ver. 1.0. Going forward, we will deepen our efforts to deal with risks and opportunities related to nature through our business activities based on the analysis results obtained by the LEAP approach.

< Message to Society >

Based on the corporate philosophy of “For people, society and the earth,” we state “Proactive Engagement for the Global Environment” in the Sustainability Policy. In the area of biodiversity conservation, we will continue to take proactive measures while striving for sustainable growth as a corporate group.