

Acquiring land, building plants and recruiting people to work there. Procuring raw materials and utilizing technologies to create products with added value...products which are delivered to customers in the electronics or automotive industries or manufacturers of different materials, who add new value, all of this then culminating in the delivery of final products to the market. This has long been the business flow of Mitsui Kinzoku Group. It is the business of manufacturing.

Our work processes involve many environmental risks. We are constantly striving to monitor each of these risks and to minimize their impact as much as possible. It is in this “Environment” domain - more than in any other - that we are required to work on through both of our business and CSR activities.



Flitting Fireflies (in Kanagawa, Japan. June 2017)

Reduce environmental footprint

We are striving to conserve the global environment while producing useful materials that will contribute to sustainable development in society. Continuing to achieve such a balance is one of the important management issues of Mitsui Kinzoku Group.

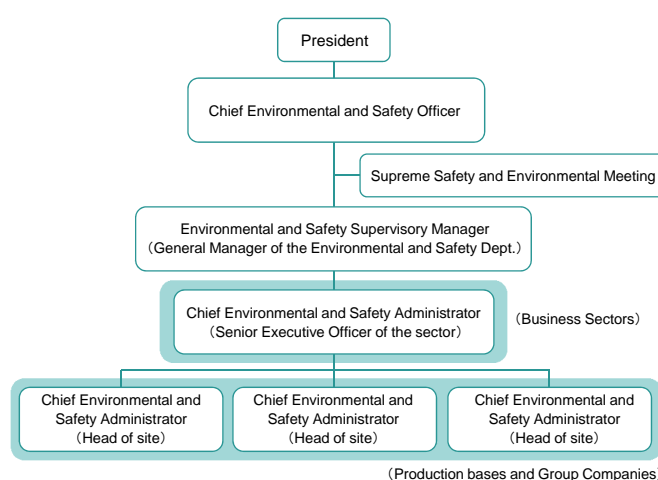
Conserve the environment and continue our business

Smelting non-ferrous metals from mineral ore and supplying useful materials for various industries and society. This is the origin of our business. However, developing mines and mining have an impact on the environment. Even in the process of refining and processing ore, we consume energy and water. We also inevitably create by-products, CO2 and waste. In 2001, we established the Basic Policy on Environmental Conservation and formulated the Environmental Action Plan aiming to improve our environmental management system and minimize the environmental impact.

Environmental management

Mitsui Kinzoku Group has established the Supreme Safety & Environmental Meeting as a place to deliberate and determine the most important matters related to safety and the environment.

Guidelines and action plans determined at the Meeting are spread to the business locations of the Group by the Environmental and Safety Supervisory Manager (General manager of the Environmental and Safety Dept.) under the direction of the Chief Environmental and Safety Officer. At each business location, the Head will execute the action plans as the Chief Environmental and Safety Administrator.



Environmental Management System

Basic Policy on Environmental Conservation

【Principle】 Positioning the conservation of the global environment as one of the most important management issues, we will act with consideration for environmental conservation in all aspects of our business activities.

- 【Policies】**
1. We will make efforts to prevent environmental contamination and reduce environmental burden by complying with environment-related laws and regulations and setting necessary self-standards.
 2. We will improve the organization and system to promote the environmental preservation activities at each location and company of the Mitsui Kinzoku Group.
 3. We will strive to prevent global warming and reduce wastes and the emission of environmental pollutants by setting targets.
 4. We will actively promote the development of environmentally-friendly technologies, materials, and products.
 5. We will continuously improve the environmental management system by regularly implementing an audit.
 6. We will increase the awareness of environmental preservation by reminding all people working for the Mitsui Kinzoku Group of its importance through education and information, etc. about the environment.

These policies apply to all the directors, officers and employees of Mitsui Kinzoku and its Group companies.

Environmental audits

We conduct an environmental audit at all 45 business locations in Japan. We conduct it annually at mines and business locations with a high environmental risk that engage in smelting, once every two years at business locations with a moderate environmental risk among those that engage in the processing of parts, and once every three years at business locations with a low environmental risk. In 2016, we carried out an audit at a total of 23 business locations.

In an environmental audit, usually two or more auditors spend half a day to two days at one business location and conduct the audit according to ISO14001. The auditors collect performance data such as measured values of waste water and waste gases, etc., checking on-site risks, and also check responses to matters pointed out in the previous audit. The business locations complete the remedial measures for the matters pointed out in the audit within the relevant fiscal year.

In June 2015, we added the audit of statutory applications and notifications. We check whether applications required by laws and regulations are appropriately made.

Environmental training

Mitsui Kinzoku Group believes that increasing the environmental awareness of individual employees will help encourage environmental activities. We, therefore, provide lectures to encourage compliance with environmental laws and regulations. We implement workshops about environment-related laws and regulations as group training for employees of all group companies, gathering at our headquarters.

We are also focusing on environmental training that is helpful at the workplace. For example, we give lectures to site managers at each site about the laws and regulations required for their own operations. We provide training in relation to actual operations.



Environment-related laws basic seminar

Domestic and overseas operating sites that have obtained ISO14001 certification

[Mitsui Kinzoku]

- Catalysts Division, Ageo Operation
- Catalysts Division, Kamioka Plant
- Engineered Powders Division, Miike Rare Metal Plant
- Engineered Powders Division, Hibi Magnetic Materials Plant
- Takehara Refinery
- Copper Foil Division, Ageo Operation
- PVD Materials Division, Omuta Plant
- Ceramics Division, Omuta Plant

[Mitsui Kinzoku Group]

- Nihon Kessho Kogaku Co., Ltd.
- Mitsui Kinzoku Catalysts Zhuhai Co., Ltd.
- PT.MITSUI KINZOKU CATALYSTS JAKARTA
- Mitsui Kinzoku Catalysts (Thailand) Co., Ltd.
- Mitsui Kinzoku Catalysts Vietnam Co., Ltd.
- Powdertech Co., Ltd.
- Nippon Yttrium Co., Ltd.
- Taiwan Copper Foil Co., Ltd.
- MITSUI COPPER FOIL (MALAYSIA) SDN.BHD
- Oak-Mitsui Inc.
- Mitsui Copper Foil (Suzhou) Co., Ltd.
- Mitsui Electronic Materials Co., Ltd.
- Mitsui Kinzoku Korea Co., Ltd.
- Kamioka Mining and Smelting Co., Ltd.
- Hachinohe Smelting Co., Ltd.
- Hikoshima Smelting Co., Ltd.
- Miike Smelting Co., Ltd.
- Mitsui Kushikino Mining Co., Ltd.
- Public Nuisance & Medical Research Institute, Inc
- Shanghai Mitsui Xin Yun Precious and Rare Metal Recycle Co., Ltd.
- Compania Minera Santa Luisa S.A.
- Mitsui Kinzoku ACT Corporation
- GECOM Corp.
- MITSUI SIAM COMPONENTS CO.,LTD.
- MITSUI COMPONENTS EUROPE LTD.
- Mitsui Components Guangdong Co., Ltd.
- MITSUI KINZOKU ACT MEXICANA, S.A. de C.V.
- Mitsui Kinzoku Trading Co., Ltd.
- Mitsui Grinding Wheel Co., Ltd.
- Mitsui Kinzoku Die-Casting Technology Co., Ltd.
- Kamioka Components Co., Ltd.
- Kyusyu Precision Equipment and Components Co., Ltd.
- Nihon Mesalite Industry Co., Ltd.
- Mitsui Kinzoku Instrumentations Technology Corporation
- Mitsui Sumitomo Metal Mining Brass & Copper Co., Ltd.
- Yoshinogawa Electric Wire & Cable Co., Ltd.
- MESCO, Inc.
- MINDECO, Iwami mining station
- Okuaizu Geothermal Co., Ltd. Nishiyama Office
- Mitani Rolled Copper Co., Ltd.

Environmental audit 2016

[Audited]	[Date]
Ceramics Division., Omuta plant	Feb. 05
Miike Rare Metal Plant	Mar. 01
Catalysts Division., Kamioka Plant	Mar. 03
Nihon Kessho Kogaku Co., Ltd., Nobe Plant	Mar. 15
PVD Materials Division., Omuta Plant	Mar. 29
Nippon Yttrium Co., Ltd.	Apr. 12
Miike Smelting Co., Ltd.	Jul. 28-29
Perlite Division., Osaka Plant	Aug. 23
Takehara Refinery	Aug. 25-26
Mitsui Kinzoku ACT, Kyushu Plant	Sept. 05
Yoshinogawa Electric Wire & Cable Co., Ltd.	Sept. 08-09
Mitsui Grinding Wheel Co., Ltd.	Sept. 14
Hikoshima Smelting Co., Ltd.	Sept. 28-29
Kamioka Mining and Smelting Co., Ltd.	Oct. 18-19
Mitsui Kinzoku Instrumentations Technology	Oct. 24
Mitsui Kinzoku Die-Casting Technology Co., Ltd.	Oct. 27
Mitsui Sumitomo Metal Mining Brass & Copper	Nov. 01-02
Mitani Rolled Copper Co., Ltd.	Nov. 8-11
Hachinohe Smelting Co., Ltd.	Nov. 10-11
Kamioka Components Co., Ltd.	Nov. 15
Nihon Mesalite Industry Co., Ltd.	Dec. 14
Kyusyu Precision Equipment and Components	Dec. 20

Environment-related laws workshops (FY2016)

[Site]	[Date]	[Participants]
Tokyo Head Office	Apr. 28	10
Kamioka Mining & Smelting Co., Ltd.	Jul. 01	9
Hikoshima Smelting Co., Ltd.	Aug. 05	8
Takehara Refinery	Sept. 02	10
Ageo training center	Sept. 16	7
Kamioka Mining & Smelting Co., Ltd.	Oct. 14	7
Miike Smelting Co., Ltd.	Nov. 18	6

Environmental law seminars (FY 2016)

[Target]	[Date]	[Participants]
Person in charge of environmental	Sep. 09	50
Person in charge of environmental	Mar. 07	25

Environmental seminars as Training for each level of employees (FY2016)

[Target]	[Date]	[Participants]
New employees	Apr. 10	38
Employees in the third year	Jul. 13	47
New employees (Follow-up)	Oct. 11	38
6th grade (1)	Nov. 07	28
6th grade (2)	Nov. 28	27
6th grade (3)	Jan. 30	31

Environmental e-Learning course (FY2016)

[Target]	[Term]	[Participants]
Newly-appointed person	Oct. 2016-Mar. 2017	151

* 73 participants have already completed the course at the end of FY.

Environmental training in overseas bases (FY2016)

[Company name]	[Contents]
Mitsui Components Europe Ltd.	"Waste Segregation"
Mitsui Kinzoku Catalysts America Inc.	"Operation standard"
Oak-Mitsui, Inc. Camden	"Resource conservation & recovery, Hazardous material transportation & disposal, Chemical spill prevention & control, P/C waste water treatment, OMI environmental permits & requirements."
GECOM Corporation	"ISO14001 Overview"
Mitsui Kinzoku ACT Mexicana	"Environmental Standard"
Compania Minera Santa Luisa S.A.	"Environment assessment, Waste separation, Effluent standard and Tree plantation"
Shanghai Mitsui Xin Yun Precious and Rare Metal Recycle Co., Ltd.	"Treatment in emergencies (Liquid leak)"
Mitsui Kinzoku Catalysts Zhuhai Co., Ltd.	"ISO14001 Basic"
Mitsui Kinzoku Advanced Ceramics (Suzhou) Co., Ltd.	"Effluent standard"
Mitsui Copper Foil (Suzhou) Co., Ltd.	"Environmental management system"
Wuxi Dachong Industry	"Protection of environment and Waste separation"
Mitsui Components Guangdong Co., Ltd.	"Environment+Energy-saving and Training for internal inspectors"
Taiwan Copper Foil Co., Ltd.	"The education of environment-related controlled substances"
Mitsui Electronic Materials Co., Ltd.	"ISO14001 Concept and Protection of environment"
PT. Mitsui Kinzoku Catalysts Jakarta	"Anticipation for Chemical's Leakage and gas's leakage"
Mitsui Kinzoku Catalysts Vietnam Co., Ltd	"Environmental training by outside instructor"
Mitsui Grinding Technology(Thailand)Co., Ltd.	"Chemical waste control"
Mitsui Kinzoku Catalysis (Thailand) Co., Ltd.	"Theory and Practice"
Mitsui Siam Components Co., Ltd.	"Theory and Practice"
Mitsui Copper Foil (Malaysia) Sdn. Bhd.	"Series of ISO14001 : 2015 Training"
MITSUI KINZOKU COMPONENTS INDIA PRIVATE LIMITED	"Tree Plantation"

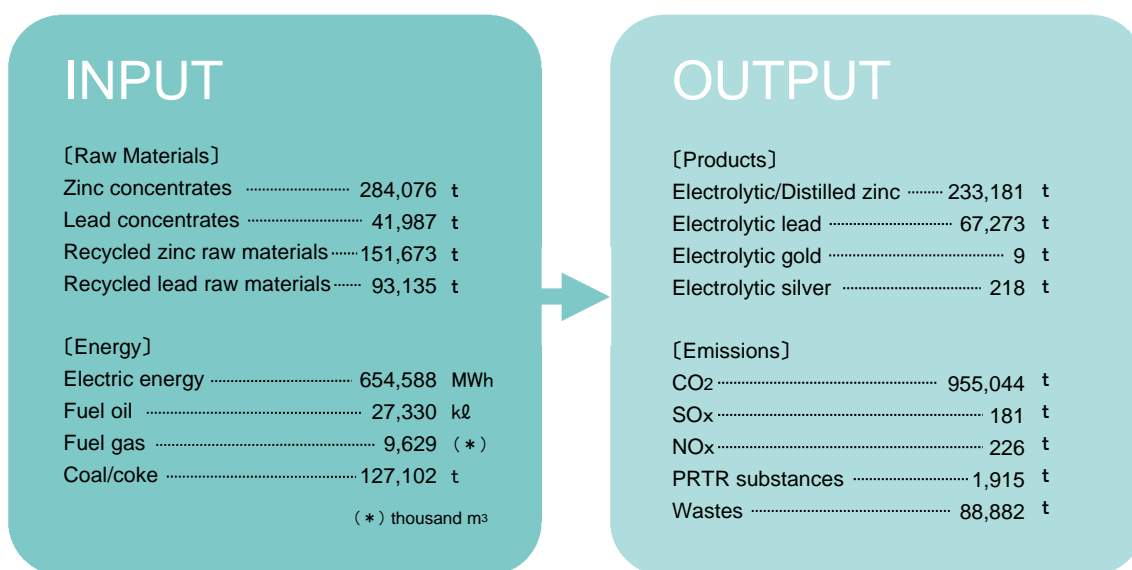
A total of 3,441 people participated in environmental training held in 21 overseas production bases.

Overall environmental adverse impacts in the smelting business^(※)

In fiscal 2016, Mitsui Kinzoku Group emitted 1,338,000 tons of CO2 from fuel combustion through its business in Japan, of which the smelting business makes up more than 70%. Accordingly, we have compiled raw materials and energy (input) as well as products and emissions (output) in the smelting business. The smelting business requires massive electricity. The Group works to

contribute to resource recycling society by reducing its energy consumption and promoting recycle-smelting.

(※) The scope covers four manufacturing sites: Hachinohe Smelting Co., Ltd., Kamioka Mining and Smelting Co., Ltd., Hikoshima Smelting Co., Ltd., and Takehara Refinery. We have started to gather environment-related information on businesses other than the smelting business, including overseas sites.



Use of recycled raw materials

Mitsui Kinzoku Group is working on the recycling of waste to contribute to the sustainability of society by using resources as effectively as possible.

In fiscal 2016, the use of recycled raw materials exceeded its use of natural resources such as ore.

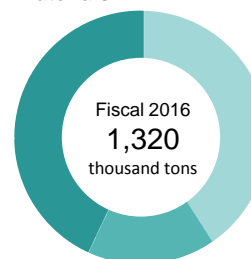
In Japan, recycled materials account for 42.3% of the raw materials used in smelting and materials segment and 51.9% of the raw materials used in other business segments. The share for our group, as a whole, including overseas affiliates, is 37.9%.

Breakdown of usage by type of raw material

Used products that have become waste, by-products of another company, etc.

Recycled raw materials

43.0%
567,723 t



Unused natural products such as ore

Primary raw materials

41.0%
540,922 t

Unused products, parts, etc. manufactured or processed by another company

Secondary raw materials

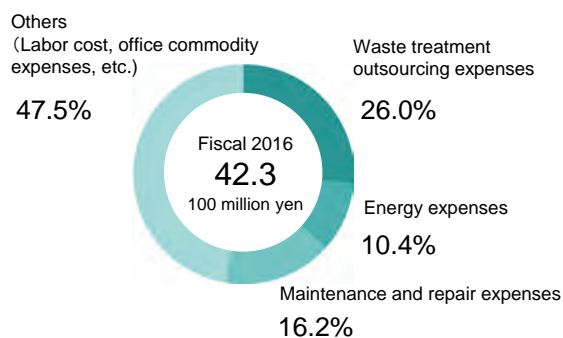
16.1%
212,122 t

Investment and expenses

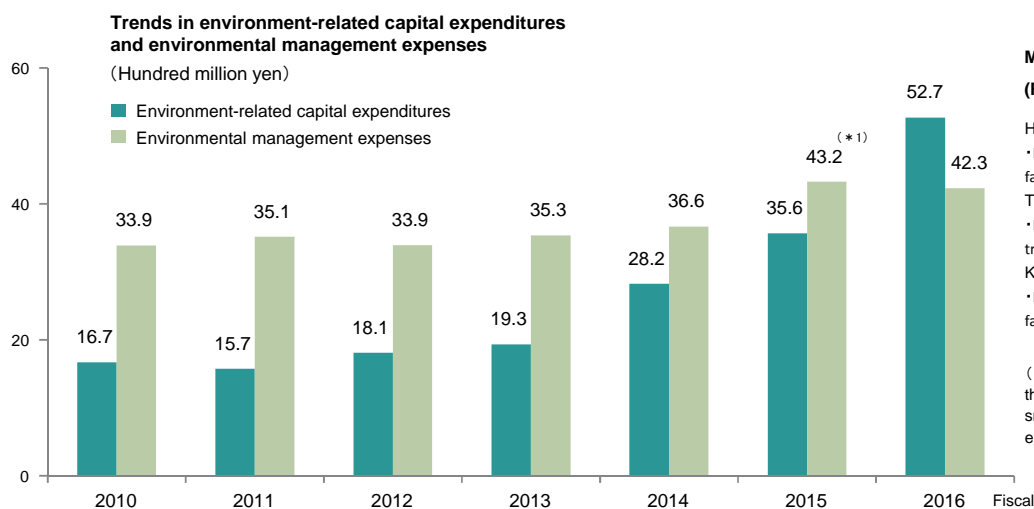
Every year we invest in environmental conservation activities and we are steadily reducing our environmental impact.

We make efficient environmental investments, taking into account their cost effectiveness. Environmental expenses in fiscal 2016 were 4,230 million yen, a decrease of 2.1% year on year. Environmental investments totaled 5,270 million yen, an increase of 48.0% year on year.

Large investments in fiscal 2016 included expansion of wastewater processing capacity at Hachinohe Smelting and expansion of waste gas processing capacity at Takehara Refinery and Kamioka Mining and Smelting. We make environment-related investments at a total of 29 business locations in Japan, mainly at business locations related to the smelting business.



Break down of environmental management expenses



Main capital expenditures (FY 2016)

- Hachinohe Smelting Co., Ltd.
 - Improvement of waste water treatment facilities
- Takehara Refinery
 - New construction of waste gas treatment facilities
- Kamioka Mining and Smelting Co., Ltd.
 - New construction of fuel gas treatment facilities

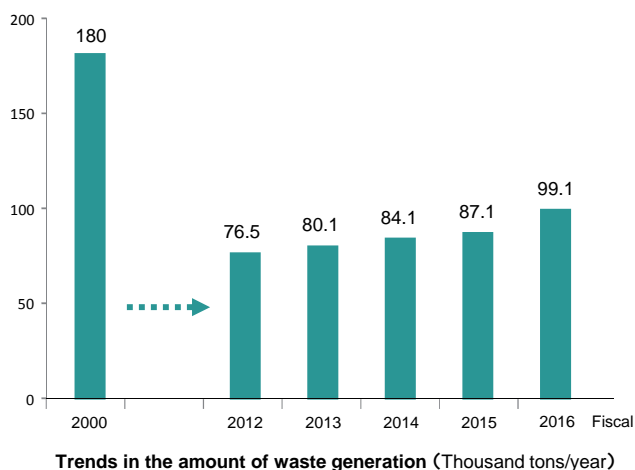
(*1) The figures are different from those in last year's report because some smelters changed the classification of environmental management expenses.

Reduce waste

We are constantly working to reduce waste through efforts to develop the process of reuse and recycle wastes in such a way as crushing waste flexible containers for use as a heat source.

In the Environmental Action Plan formulated in 2001, we set a target waste generation rate (the amount of waste generation excluding waste to be reused and recycled/net sales) at each business location.

In fiscal 2016, the amount of waste generation rose by 12.0 tons from the previous fiscal year due to an increase in the amount of production.



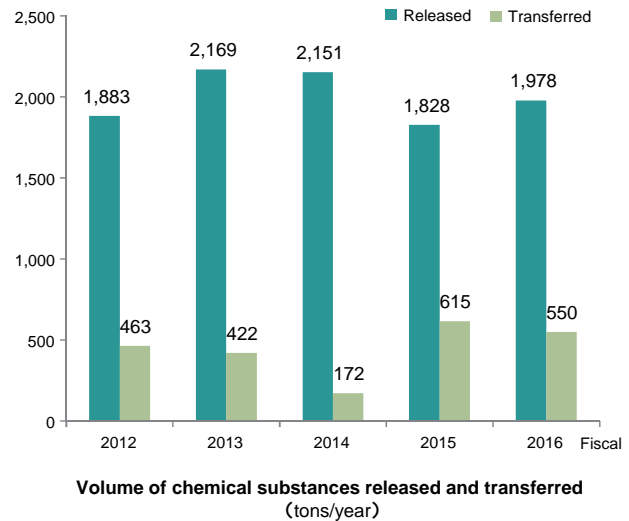
Trends in the amount of waste generation (Thousand tons/year)

Reduce emissions of chemical substances

Each manufacturing site of the Group files the release and the transfer amount of chemical substances to the government under the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (Law concerning Pollutant Release and Transfer Register [PRTR]). The release of the top six substances, such as lead compounds, arsenic, and inorganic compounds thereof amount to 97.9% of the total released in fiscal 2016.

The management of hazardous chemical substances contained in products has become an essential requirement. We also respond to the guidelines for chemical substances contained in products, such as the RoHS Directive and the REACH regulations required by customers.

Mitsui Kinzoku Group continuously strives to collect and replace chemical substances that may cause environmental pollution. Thus we focus to reduce or remove use of such chemical substances from our products.

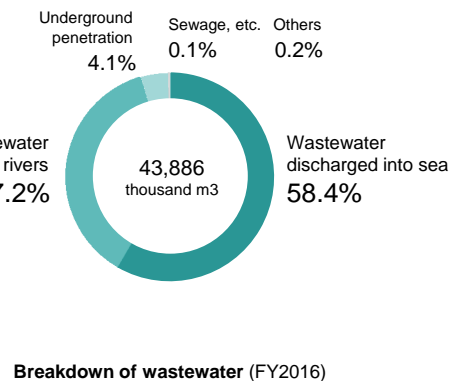
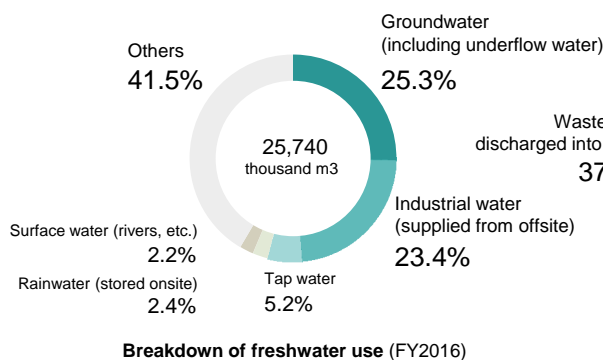
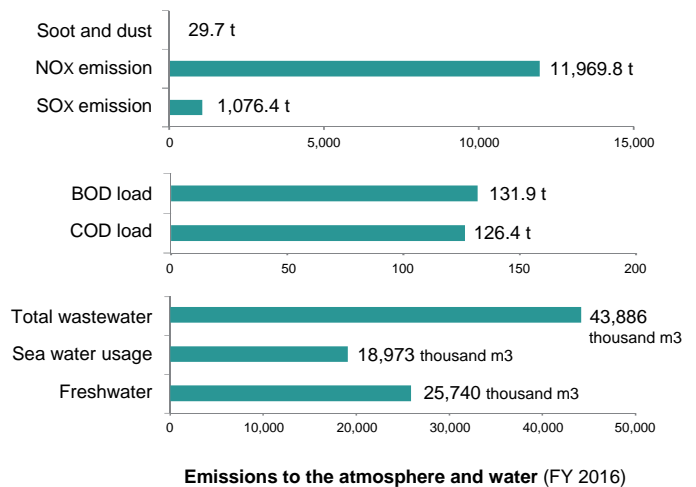


Prevent air pollution and water pollution

Every manufacturing site of Mitsui Kinzoku Group monitors the following in accordance with laws, regulations and ordinances and voluntary standards.

Sulfur oxide (SOx) emissions produced on the combustion of fossil fuels containing sulfur, nitrogen oxide (NOx) emissions from boilers, incinerators and other combustion equipment, and particulate matter, as well as water quality including BOD and COD which indicate the level of organic material in wastewater. Starting from this fiscal year, we are gathering the monitoring results of each business site across the entire Group.

* The accuracy of figures for some overseas business sites cannot be fully verified and are therefore omitted from this report.



Efforts to prevent global warming

We steadily take steps towards sustainable low-carbon society through expanding and sharing approach and performances by our manufacturing sites and logistics departments to other processes in the Group.

We also set a group-wide reduction target of carbon footprint.

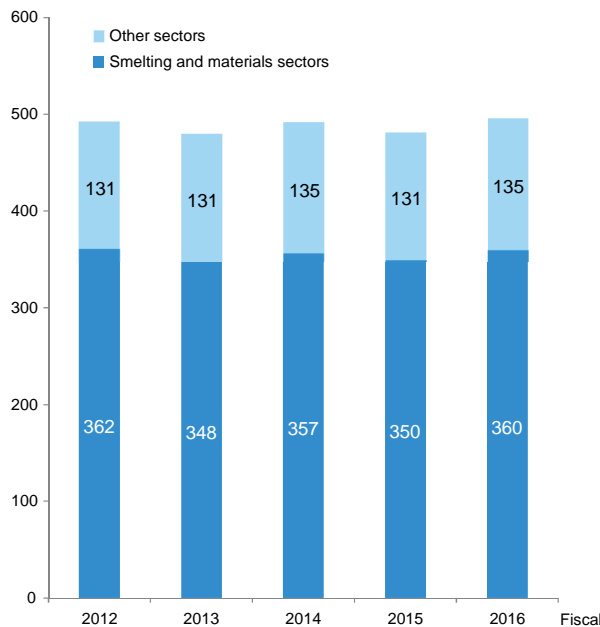
Reduce CO2 emissions

Mitsui Kinzoku Group has set a reduction target for the energy consumption rate (crude oil equivalent energy consumption/net sales). We are executing a specific reduction plan.

The crude oil equivalent energy used by the overall Group has declined since its peak in fiscal 2007. In fiscal 2016, however, the smelting and materials segment increased the energy volume by 2.9% year on year, to 360,200 kiloliters per year, and the Group as a whole increased it by 3.0%, to 495,600 kiloliters per year.

In fiscal 2016, CO2 emissions from fuel combustion of Mitsui Kinzoku Group as a whole rose by 8.4% year on year, to 1,338,000 tons per year. The CO2 emissions from fuel combustion increased by 16.3% from fiscal 1990, the base year of the Kyoto Protocol, due to the production expansion at the smelting segment and changes in the power generation mix of the electric power companies. We will strive to reduce CO2 emissions further through the efficient use of electric power and coke at the manufacturing sites.

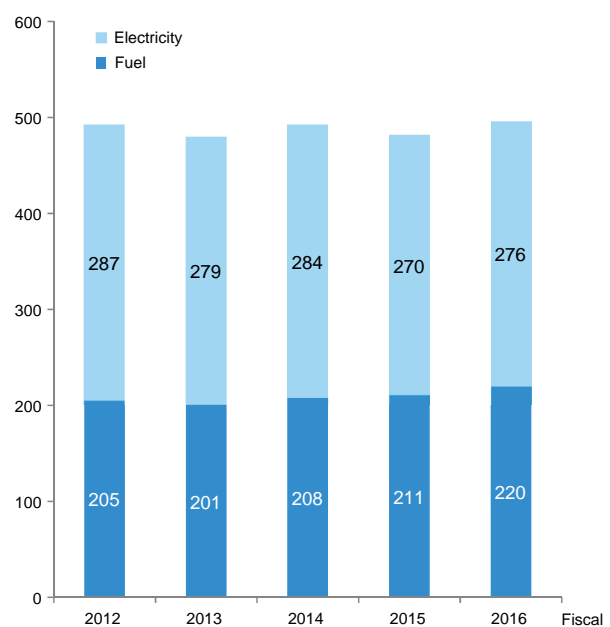
(thousand kL / year)



Total energy consumption volume in a crude oil equivalent

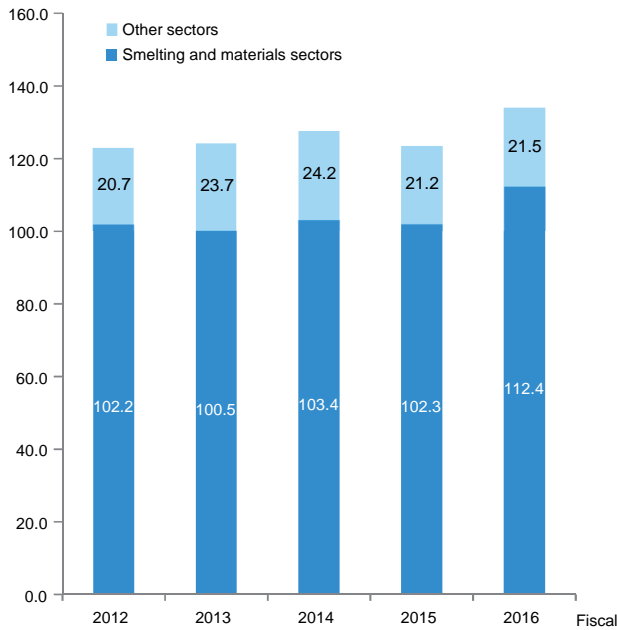
※ Covers only business locations of Mitsui Kinzoku domestic consolidated.
 ※ The breakdown figures prior to FY2016 are different from those in last year's report due to a change in segmentation at certain business locations.

(thousand kL / year)



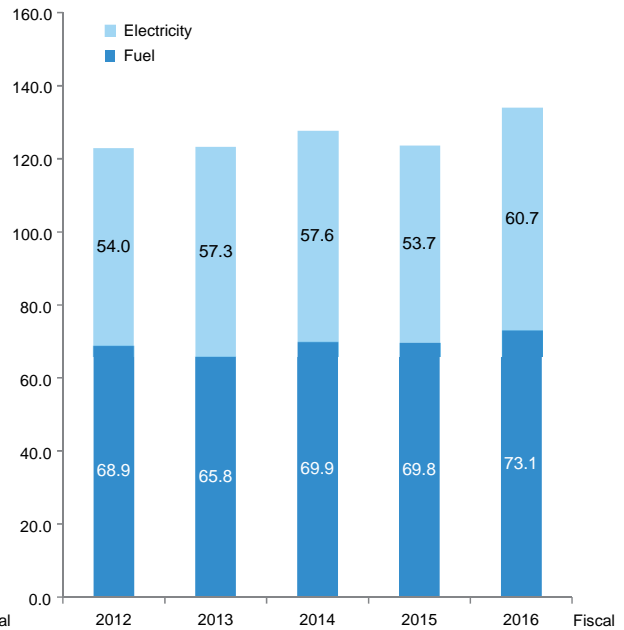
Breakdown of energy consumption by type of energy

※ Covers only business locations of Mitsui Kinzoku domestic consolidated.



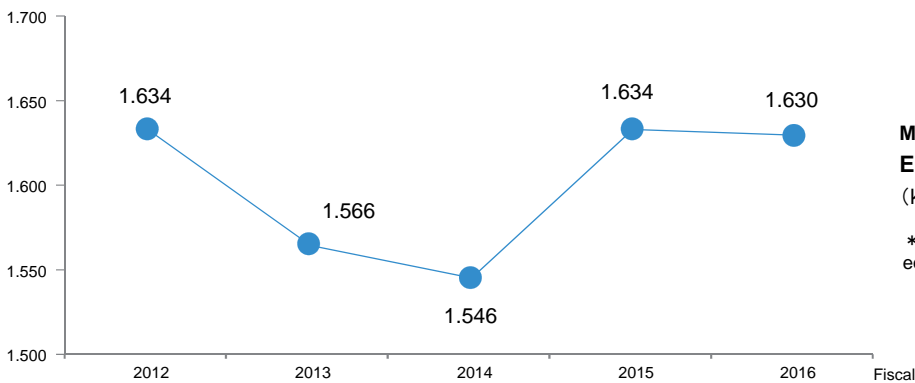
CO2 emissions from energy consumption
(ten thousand tons CO₂/year)

※ Covers only business locations of Mitsui Kinzoku domestic consolidated.
 ※ The breakdown figures prior to FY2016 are different from those in last year's report due to a change in segmentation at certain business locations.



Breakdown of CO2 emissions by type of energy
(ten thousand tons CO₂/year)

※ Covers only business locations of Mitsui Kinzoku domestic consolidated.



**Mitsui Kinzoku Group (domestic)
Energy consumption per unit**
(kL / million yen) *

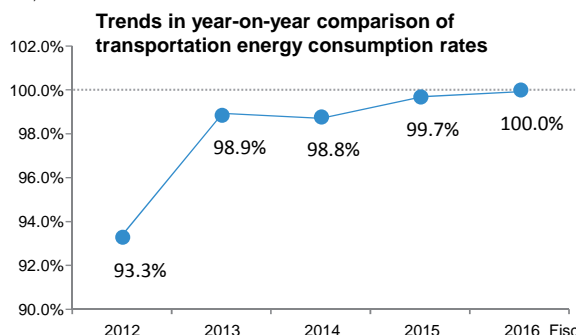
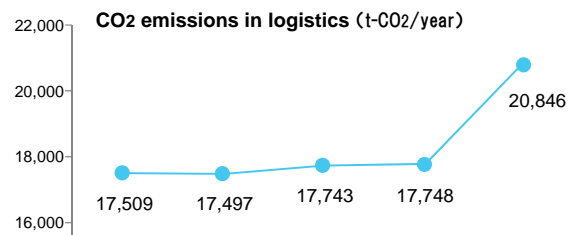
* Energy consumption in a crude oil equivalent / net sales

Reduce energy consumption in logistics

Mitsui Kinzoku Group strives to reduce the use of transportation fuel and CO₂ emissions through measures such as improving the loading ratio at transportation, shortening transportation routes, and promoting a modal shift from trucks to transportation by railways and ships. Although transportation efficiency deteriorated in fiscal 2011 when we were affected by the Great East Japan Earthquake, we have been consistently reducing energy consumption on a year-on-year basis from fiscal 2012. The average rate of change in the basic unit in the most recent five fiscal years has reached 99.3%.

(Graphs on the right)

- * Non-consolidated values for Mitsui Kinzoku are reported annually to the Ministry of Economy, Trade and Industry.
- * Energy basic unit = Energy consumption (crude oil equivalent) / ton-kilometer (t-km)
- * Year-on-year comparison value for fiscal 2015 has been revised from the value published last year.



Creation of renewable energy

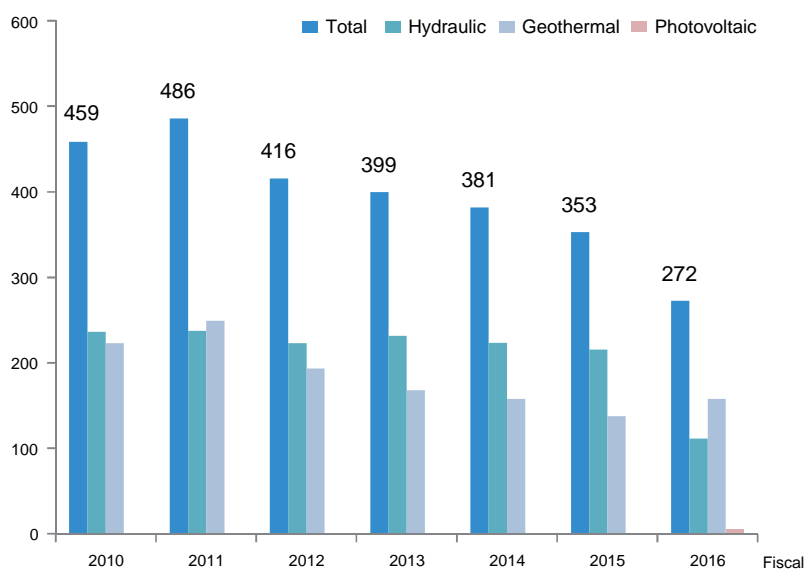
Types of energy such as solar light, solar heat, water power, wind power, and geothermal heat are non-exhaustible. These types of renewable energy also emit almost no CO₂. Mitsui Kinzoku Group will further expand the use of renewable energy as clean energy in place of fossil fuels.

Kamioka Mining and Smelting Co., Ltd. has 10 hydroelectric power plants. The earliest one began operating in 1917. Now those plants are under renewal construction in order. The total hydroelectric output will be around 40,000 kW after all renewal have been completed. Hikoshima Smelting Co., Ltd. has started the solar PV which outputs around 2 MW (megawatts) since March 2016.

Energy-Saving Committee

We have an Energy-Saving Committee which promotes the reduction of energy consumption and the reduction of greenhouse gas emissions at manufacturing sites in Japan. The chair is nominated by the President from among the Directors and take on responsibility as the Energy Management Administrator.

The Energy-Saving Committee sets goals for the rationalization of energy consumption and checks the progress of activities at each business location. It also plans measures to save energy and reduce CO₂ emissions such as the adoption of energy-saving equipment, improvement in the in-house generation rate, and effective use of renewable energy and waste heat.



Total power generation using renewable energy (GWh)

※ Includes power consumed in house as well as power supplied to utilities.

※ Includes domestic sites as well as overseas sites which generate their own power.

Okuaizu Geothermal Co., Ltd. has supplied geothermal heat to Yanaizu-Nishiyama Geothermal Power Plant of Tohoku Electric Power Co., Inc. since the operation start in May 1995. As a single unit of geothermal power generation, it has largest output of 65,000 kW in Japan.



Hikoshima Smelting Co., Ltd. has started solar PV which outputs around 2 MW (megawatts) since March 2016. The generation capacity is expected about 2,500,000 kWh annually which is to be covered annual electricity consumption for about 670 households.



Hydroelectric power plant in Huanzala Mine, Peru



Kamioka Mining and Smelting Co., Ltd. has 10 hydroelectric power plants. The earliest one began operating in 1917. Now those plants are under renewal construction in order. The total hydroelectric output will be around 40,000 kW after all renewal have been completed.

Atotsu power plant (photo above left), Do No.1 power plants (upper right), Kanakido No.2 power plant (middle right), Kanakido power plant (lower right)

Whether abundant or scarce, mineral resources are always finite. Every mine will enter the time of closing eventually.

Mines produce materials which are useful for our life and for industry. We have to manage them properly, both while they are in operation and also after they have closed. This is because mines may continue to impact on the surrounding environment even after operations are suspended.

This requires managing a much wider area than the area involved when managing a manufacturing site. As a company engaged in the mining business, this is a responsibility we have to fulfill.



Udo Mine (Izumo City, Shimane)

Preserve the natural environment

Mining mineral ore, which is a natural resource, and changing it to non-ferrous metal materials that are useful for industries and society are activities that we have been conducting for many years. We understand that these activities will work out only if we consider the environment and care about nature.

Management of suspended and closed mines

Mitsui Kinzoku has its origins in the commencement of mine operations in the Kamioka area by the Mitsui Clan in 1874. We have been developing and operating mines in different parts of Japan for the stable supply of underground resources. Currently, many of these mines have already been suspended and closed due to the depletion of resources and the increase in overseas procurement. In the suspended and closed mines, management needs to be continued to prevent mine pollution.

We are taking various measures to prevent mine pollution, such as keeping tailings dams where slag generated from ore mining has accumulated safe, keeping the quality of waste water from the pit mouths and tailings dams, regularly conducting inspection tours and the checking of managed sites for the above purposes, monitoring water quality in neighboring areas, and purifying water quality at the pit waste-water treatment facilities.

We have drawn the following conclusion from a stability analysis of tailings dams we conducted against large-scale earthquake vibrations: the risk of collapse and the possibility of the occurrence of disaster downstream are extremely low, even if a large-scale earthquake occurs.



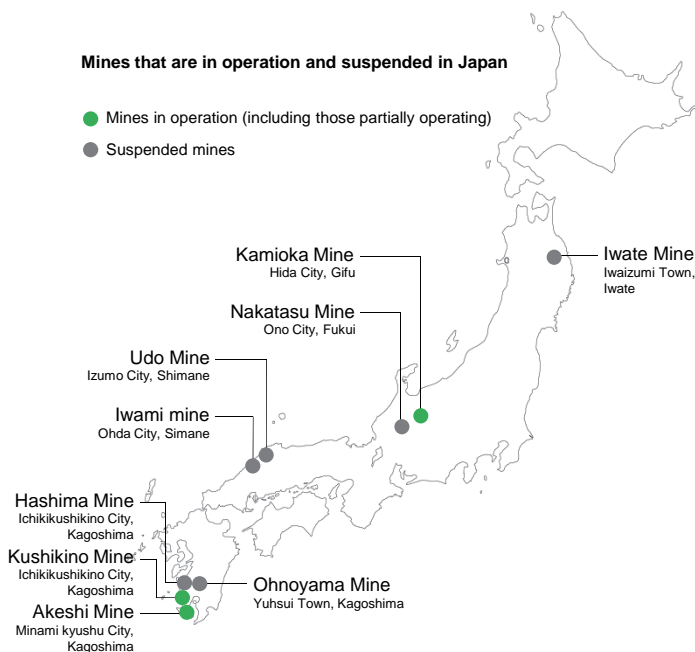
Contact of rainwater seeping underground with ore may generate acid water containing heavy metals. Therefore, it is necessary to monitor water from surrounding springs even at suspended and closed mines continually.



If we find caved holes, holes must be plugged or enclosed by fences to prevent people from falling. Closed pits are also controlled carefully.

Mines that are in operation and suspended in Japan

- Mines in operation (including those partially operating)
- Suspended mines





01

Management at Iwami Mine

Acquired by Mitsui Kinzoku in 1955, the Iwami Mine (Ohda City, Shimane Prefecture) produced black ore containing zinc, copper, etc. and gypsum. In 1975, we closed the gypsum mine due to falling sales. In 1984, we suspended black ore mining operations due to the depletion of mineral deposits. Since then, we have managed the suspended mine in the area.

The two accumulation sites cover a total area of 50,000 m². The water seeping out from each accumulation site is collected in a collecting tank and fed into a pit waste water treatment facility where the metal content is removed in a treatment tank. Once wastewater requirements are met, the water is then discharged.

In the Iwami area, we still mine zeolite, which is used in agents for soil remediation and feed additives.

01 Water seepage varies depending on inflows of rainwater and groundwater. It is necessary to measure and monitor this wetness on a regular basis. We also check whether there is any new water welling up from the mine and to provide drainage canals or carry out reinforcement work where necessary.

02-03 Daily water quality checks to determine the state of pit waste water welling up from the mine are indispensable.

※ In the picture, the periphery of the drainage port of the pond has turned red is due to the iron contained in the waste water.



02



03



Huanzala Mine (Peru)

Environmental measures at Huanzala mine

To stably supply non-ferrous metals, Mitsui Kinzoku has been exploring and developing mines around the world. The Huanzala Mine is located at an altitude of around 4,000 meters in the Andes Mountains. Mitsui Kinzoku has improved the infrastructure in neighboring areas, protected the natural environment and built relationship with local communities.

Peru, in South America, is one of the largest mineral resource-producing countries in the world. Since 1968, Mitsui Kinzoku has been operating the Huanzala Mine in Ancash located middle of Peru. Since its founding, we've supplied concentrated minerals to Peru as well as to Japan for nearly half century.

Compania Minera Santa Luisa S.A. operates the Huanzala Mine. The subsidiary has been pursuing a number of environmental initiatives over many years. It neutralizes acid water generated from the pit and promotes the recycling of waste water. It always investigates the stability of tailings dams and installs a dust collection system at mills. In addition, it purifies living drainage. It also sorts and collects waste, and waste that cannot be used effectively is duly outsourced to processors for disposal. The company also works on tree planting on the premises.

The Huanzala Mine was the first mine at which PAMA※, enacted in 1997 in Peru, was applied.

※ PAMA = Programa de Adecuación y Manejo Ambiental (the Environmental Adjustment and Management Program)

Support for local communities

Compania Minera Santa Luisa S.A. has also been consistently striving to support local communities, aiming to coexist and prosper together with them based on a relationship of trust.

The company supplies electricity from the in-house hydraulic power plant to Huallanca, a local town, free of charge. It has also built a school, donated school supplies and equipment such as computers and books, built cultural facilities, improved the infrastructure in the town such as streets and water and sewerage systems, and provided medical support. It has also provided guidance on agricultural and animal production technology. The company shares information on mine operations with local residents in the committee the company has established and offers support under an agreement with them.



04

04 Environmental monitoring. The wastewater discharged from areas of operation as well as natural water and drinking water are regularly analyzed and managed.



05

05 Tree planting on the premises. Local residents also take part.

from Chief Environmental and Safety Officer

Ensure the safety of everyone involved in our manufacturing processes, and minimize the impact on the environment.

We aim to use natural resources to create products that help solve social issues.

As a company with its roots in mining and the smelting business, we are aware of the impact our activities have on the environment and the role required of us. And as we broaden our business fields, we position preservation of the environment as one of our most important management issues.

In particular, in seeking co-existence between our bases and communities, we place importance on preventing pollution of the environment. We are strengthening our environmental management structure and conduct regular environmental audits. We also provide environmental training to our employees.

To preserve the environment, we are saving energy, cutting our CO₂ emissions and reducing waste from a global perspective. At the same time, we also effectively use resources through our recycle-smelting operations and create renewable energy using water power, sunlight and ground heat.

As a manufacturing company, we are also required to protect the occupational safety and health of our employees, which is the bedrock of all business. We identify hazards at all our business locations and prioritize increasing intrinsic safety, including scrapping dangerous equipment or isolating it so that no one comes into contact with it.

The eradication of accidents caused by activities which are against the rules is also an important issue for us. We take various steps to ensure safety compliance and increase the hazard perception of individual employees, including providing experiential safety training, sharing near miss scenarios and conducting site patrols.

Mitsui Kinzoku Group believes that to continue being trusted by society and its stakeholders, it must fulfil its responsibility to protect the environment and raise awareness about occupational safety and health. The Group will update its stakeholders on its progress and new initiatives in these areas in CSR report.



Hiroshi Mozumi

Executive Officer Chief Environmental and Safety Officer

With business partners

To continue to reliably deliver quality products and services to customers, collaboration is essential with the suppliers of raw materials and various partners who engage in our business. Involving supply chains in all aspects of our business as a whole is also necessary to address CSR, rather than only for the Company on a non-consolidated basis and its Group companies.

For impartial and fair transactions

We will protect the social benefits of providing consumers with quality products and services at low prices by working to protect and promote free and fair competition, ensuring competition in the market. Mitsui Kinzoku Group respects and observes the Antimonopoly Act.

The Legal Department prepared the Compliance Guidebook related to the Antimonopoly Act in 2014 to be distributed in the Group and also implements seminars on fair trade.

The Legal Department is also making efforts to ensure fairness in transactions with subcontractors and to protect their interests. It promotes understanding in the Group to firmly maintain fair and impartial business relationships with business partners by providing seminars, etc. to fully enforce any obligations and make sure on prohibited matters in the case where a business partner is an enterprise subject to the Subcontract Act.

As guidelines for maintaining fair and impartial transactions, we have set Fair Business Activities in Article 4 of the Code of Conduct.

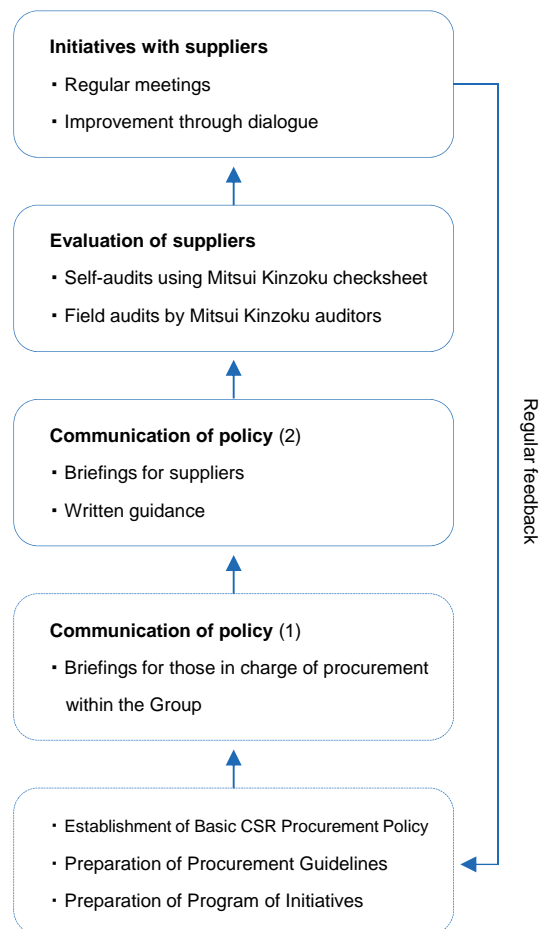
Accelerating efforts with business partners.

Mitsui Kinzoku Group understands that to contribute to the achievement of a sustainable society through its business, it is important to fully enforce fair and impartial transactions with business partners and fulfill the social responsibilities expected for the supply chain as a whole, in terms of compliance, human rights, labor practices, quality, and the environment.

We will promote the efficiency of the supply chain and risk management and enhance collaboration and sharing with business partners through our CSR efforts.

In the years ahead, we plan to make progress in formulating the CSR Procurement Policy as the Mitsui Kinzoku Group and to hold policy meetings and implement questionnaires and on-site interviews to trace the CSR efforts made by business partners in order to further strengthen our collaboration.

Our Basic Procurement Policy and a proposed Program of Activities with suppliers has been prepared by our Corporate Planning Department and CSR Office. We plan to make the transition from planning to execution of concrete measures by fiscal 2018.



Future supply chain initiatives



All photos show a supplier briefing session held in Japan (March 2017, Yokohama)

Approach at Mitsui Kinzoku ACT Corporation

The automotive parts business is one of the most globalized business in Mitsui Kinzoku Group. For Mitsui Kinzoku ACT which aims to become the No.1 supplier of the door latch in the world, pursuing the highest quality and competitive costs is the most essential element in daily operation. It's highly important to collaborate with its business partners to achieve the ACT's purpose. ACT's each business unit divided by global business areas encourages business partners to follow ACT's business and procurement policy. In addition, supplier seminars are held regularly in order to share business issues.

Acquisition of external evaluation of CSR by Mitsui Kinzoku Act

In the automotive industry, which is Mitsui Kinzoku Act's customer, initiatives to integrate CSR practices in the supply chain are increasing. As a Tier 1 supplier, Mitsui Kinzoku Act also underwent an assessment by EcoVadis, a third-party CSR assessment organization introduced by the customer.

Mitsui Kinzoku Act had operated a management system according to OHSAS, ISO14001 and ISO/TS16949 prior to the assessment. It has also focused on areas such as compliance and supplier audits. Mitsui Kinzoku Act received a Bronze Medal in fiscal 2016 from EcoVadis for the first time. This represents a starting point for further promotion of CSR activities in the future. The acquisition of an external assessment of CSR enables visualization of corporate value which previously could not be quantified. Mitsui Kinzoku Act will continue to undergo an external assessment in the future to quantitatively show its corporate value to customers and to become an attractive supplier for customers in areas other than QCDDS*.



* Quality, Cost, Development, Delivery, Service

Intellectual property for business advantage

Intellectual property is an essential part of business activities.
We respect intellectual property rights and promote to acquire and to use them.

Our activities for intellectual property

Intellectual property (IP) is essential for Mitsui Kinzoku Group's business operations. We respect intellectual property rights and seek to acquire and use them. The President's Policy on Intellectual Property sets out the Group's philosophy as follows: "Based on our recognition of intellectual property as an important management resource, we will aim to maximize corporate value by using intellectual property to fully consolidate our "world-class manufacturing capability."

Group structure for IP

The organization of our IP operations consists of the Intellectual Property Department, specialist IP sections in our business units, and the IP staff of each division/group companies.

The IP Department plans the Group's IP activities, provides support to divisions, centrally manages IP administrative tasks and provides IP training. The specialist IP sections of business units conduct the IP activities of their respective business units while the IP staff of divisions/group companies conduct IP activities in their own divisions respectively.

Proper use of IP rights

When formulating our business strategies and R&D strategies, we first investigate the IP rights of other companies. By acquiring and protecting the IP of new products and new technologies, we obtain advantageous positions in our existing businesses and seek to create new businesses.

We prevent from disputing any IP risks by promptly detecting and dealing with them and we take appropriate action to deal with infringements of our IP rights.

Establishment of respect for IP as corporate culture

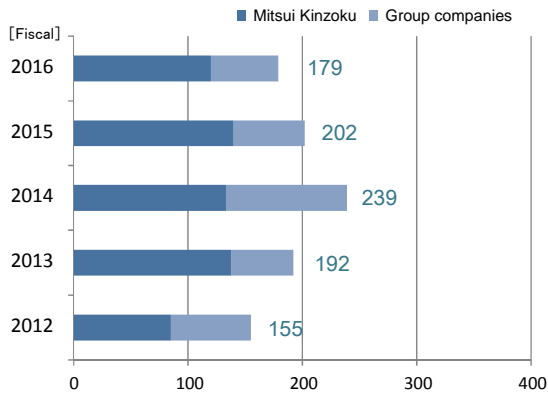
We aim to instill respect for intellectual property relating to inventions, designs, brands, etc. throughout the company and to establish this as part of our corporate culture. Intellectual Property Department provides beginner, intermediate and advanced training for employees mainly involved in R&D-related jobs to enhance employees' IP-related skills. It also provides individual training and training on specific themes according to the needs of each division.

Inventions by employees

Mitsui Kinzoku has established and applies rules for handling inventions in accordance with the Patent Act in Japan to encourage inventions by employees. Rather than inventions by employees belonging to the company, inventors receive reasonable benefits for submission of IP after filing and wage of IP after granted.

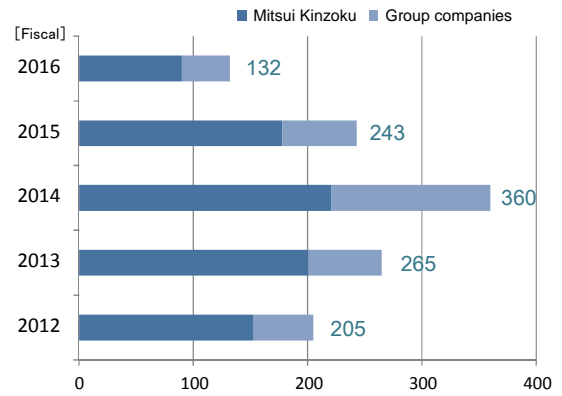
10-year vision

Our current Medium-Term Management Plan sets out a 10-year vision for IP operations of increasing the contribution of IP to business. We aim to strategically file applications to acquire IP rights and aggressive use of IP rights to establish ourselves as a company with strong IP.



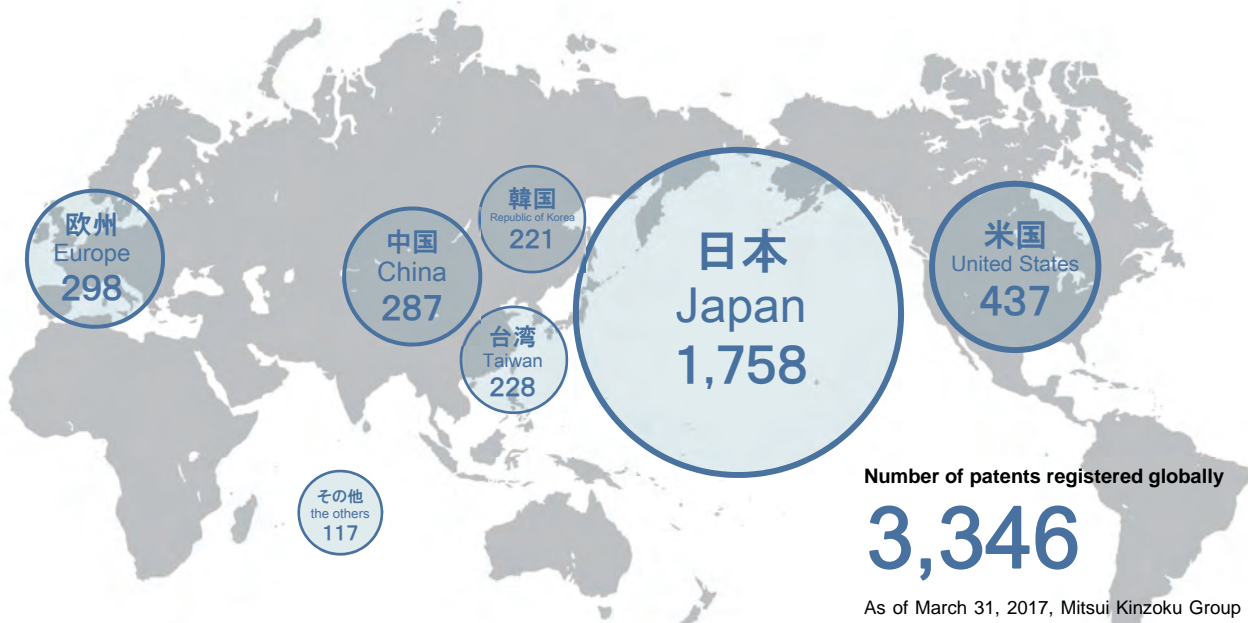
Number of Japanese patent applications

The total number of patent applications filed in Japan has trended down over the most recent three fiscal years, but applications filed by Mitsui Kinzoku have remained almost flat, ranging between 120 and 140.



Number of foreign patent applications

The number of foreign patent application filed by Mitsui Kinzoku is usually between 150 and 200. Recently, applications filed in China, South Korea and Taiwan account for around two-thirds of the total.

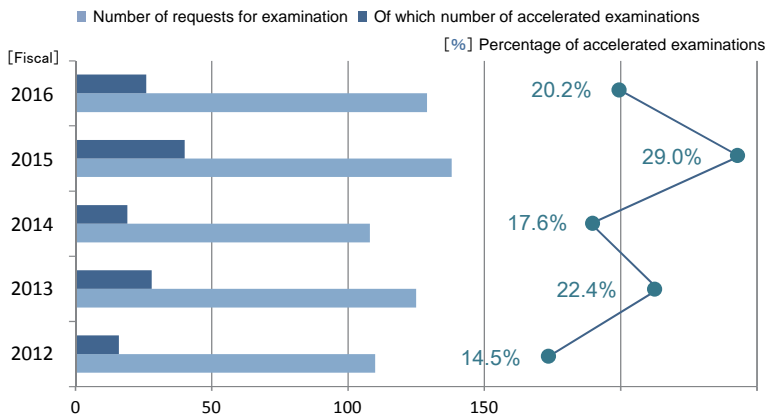


Number of patents registered globally

3,346

As of March 31, 2017, Mitsui Kinzoku Group has 1,758 patents registered in Japan and 1,588 registered overseas, bringing the total number of patents registered globally to 3,346. A breakdown of patents registered overseas by country/region shows that the U.S. accounts for the largest share with 437 patents or around 28%. The number of applications filed in China, South Korea and Taiwan has increased in recent years. The number of granted patents in those area is 736, that is almost half of all granted foreign patents.

Usage of accelerated examination for patents in Japan



Use of the accelerated examination

We use the accelerated examination for between 20% and 30% of our patent examination requests in Japan. We intend to get early grant of important rights. Average usage of accelerated examination for patents in Japan is between 7% and 9%, indicating that our use of the accelerated examination is high.

Efforts for quality assurance and improvement

Mitsui Kinzoku Group ever more strongly recognizes that the responsibility for providing safe products and services of adequate quality is becoming increasingly larger as we expand our business domains and promote globalization, along with the broadening of customers into the electronics and automobile industries.

Our basic approach to quality

The domains of the products and services of Mitsui Kinzoku Group, which are rooted in the development of resources and the smelting business, are expanding from non-ferrous metals to various functional materials for the electronics and other industries, the manufacturing and assembly of functional parts for automobiles, the provision of technical services in the engineering business, and others.

We are pursuing the manufacturing of safe and high-quality products that satisfy customers by establishing the Basic Quality Policy in 2012 as the standards for our firm efforts for quality in each business areas and business locations in Japan and overseas.

Quality management system

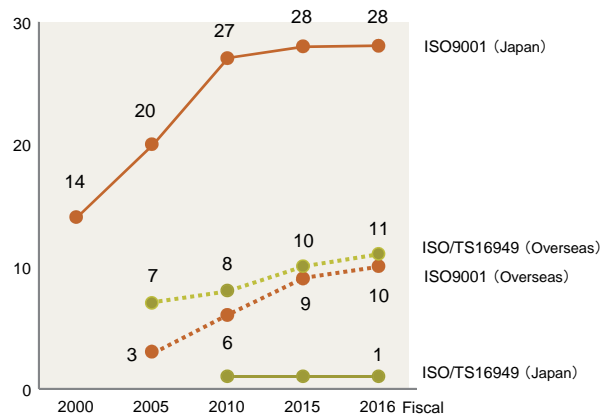
Each site in the Group conducts appropriate quality control in accordance with the quality management system regulated by respective division. The manufacturing sites, which had been judged required, have a official certification for their quality management such as ISO9001.

We have acquired ISO9001 certification at 38 manufacturing sites including overseas sites. We have acquired ISO/TS16949 certification, which is a specification for the automotive industry, at 12 manufacturing sites (as of the end of September 2016).

Quality control training

Throughout the year, we hold group training where employees learn and practice approaches and techniques to help improve quality. We also deliver onsite training and individual training.

In particular, we provide training to fully understand customer needs and mitigate product risks in new product development.



Number of operating sites with certifications

* The figure of 2016 is as of the end of September



Management skills training

Fundamental Quality Policy

[Philosophy]

The Mitsui Kinzoku group considers the voice of its customers to be an asset and as such uses this asset in our efforts to constantly ensure optimal quality.

[Policy]

1. We will anticipate the needs of our customers and proactively offer products and services that satisfy them.
2. The quality of our products is a reflection of the quality of our work. Therefore, we place importance on the participation of all our members and on speed as we strive to raise our overall quality.
3. In order to guarantee product quality, we adapt our quality assurance systems for each of our business areas and strive to refine our systems.

This policy applies to all subsidiaries and facilities of the Mitsui Kinzoku group worldwide.

Mechanism to support quality assurance

The Quality Management Rules established for all Group companies in 1984 advocate the involvement of all employees of the Group in Group Activities* as part of their operations, with the aim of cultivating human resources, invigorating workplaces, and improving operations. At the same time the Group Activities aim for human development in order to respect the humanity of individual workers, emphasize their abilities, and create strong work sites, in addition to the assurance and improvement of quality of our products.

* Group Activities: The term used by Mitsui Kinzoku for its activities to improve operations in a small group.



The company-wide Group Activities meeting in FY2016

Product safety information

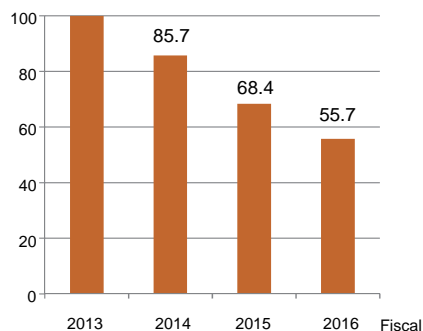
Mitsui Kinzoku Group complies with safety-related laws and regulations, and product safety information is communicated to customers via specifications, technical materials, safety data sheets, etc.



Testing using psychoacoustic technology to monitor the closing sound of car doors in an anechoic room (Mitsui Kinzoku ACT)

Quality issues

In fiscal 2016, there were no problems with our products and services in terms of product liability. Quality claims at our 13 sites in Japan have been trending down over the past four years (see graph on the right). As stated in our Fundamental Quality Policy, we adapt our quality assurance systems for each of our business areas and strive to refine our systems.



Number of claims at sites that hold QA meetings

* The data is expressed as relative values, with the data of FY2013 being 100.

Contributing to communities

Deemed necessary by communities and society

We are committed to continue contributing to members of communities and society.

Our approach

Mitsui Kinzoku Group communicates with all its stakeholders and actively promotes social contribution. Harmonious and mutually prosperous relationships with communities are fundamental to our business. This is because Mitsui Kinzoku Group's business is entirely contingent on the understanding and cooperation of local people.

Aware of our role as "a good corporate citizen," we continue to engage in communication with communities through our activities and build relationships of trust with local residents. We have recognized that it is time to move onto the stage of increasing understanding for our business activities among local people.

In the future, after completing this stage, we actively focus on solving the social issues faced by communities and link this to community development and to our own development as a member of the local community.

We are committed to continued engagement in the type of social contribution which only Mitsui Kinzoku Group can deliver.

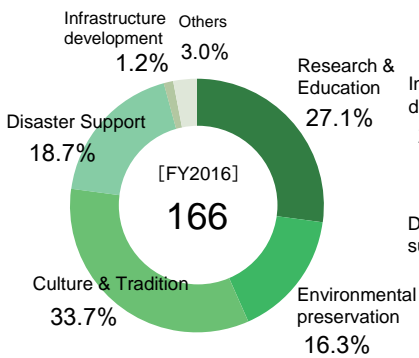
Promotional structure

Thus far, we have conducted social contribution closely linked to communities at each of our business sites, From fiscal 2018, General Affairs Department gather the results of social contribution in the previous fiscal year from each site as well as a report on planned activities for the fiscal year in question in every April. We will then share these within the Group to further promote CSR activities.

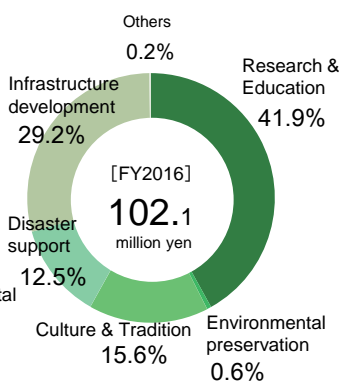
Our priorities

In light of actual activities in each region to date, we have identified "Research & Education," "Environmental Preservation," "Culture & Tradition" and "Disaster support" as priority areas. We participate in various activities including hosting plant visits and internships, community clean-up activities, and participation in community events. We also provide appropriate disaster support in line with our regulations.

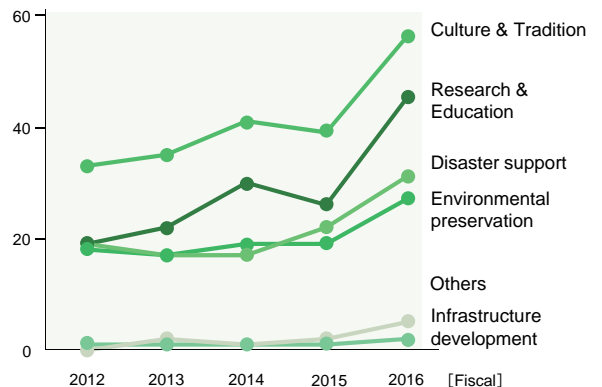
Breakdown of the number*



Breakdown of the amount*



Trend in the number*



* The date covers of 71 sites and companies of Mitsui Kinzoku Group.



From the old Satsuma province to the world – Transfer of mining technology –

Every year, around 100 trainees visit Akeshi Mine, operated by Mitsui Kushikino Mining Co., Ltd. to learn about mining technology. In particular, visits and training by trainees from overseas through organizations such as the Institute for Mining Technology, JICA (Japan International Cooperation Agency) and JMEC (Japan Mining Engineering & Training Center) are increasing. At Akeshi Mine, trainees can see the entire workflow from the extraction of ore from the ground to the crushing and sizing process all in one go. It is therefore popular among trainees. Akeshi Mine is highly rated as “one of Japan’s well-managed mines” for its strict environmental measures such as prevention of dust generation and waste water management.

Mitsui Kushikino Mining welcomes trainees who are keen to learn about mine development technologies to contribute to mine development in their home countries. In 2016, as in other years, the mine was visited as a “learning opportunity” by trainees on training programs of International Institute for Mining Technology as well as trainees from various African countries, the US, Canada, South Korea and a number of other regions. Akeshi Mine definitely contributes to develop human resources involved in mine development.

Presentations about the company to local students – useful for the students and us –

Kamioka Mining & Smelting Co., Ltd. and YOURSOFT Inc. took part in a corporate exhibition event called WAKUWAKU (EXCITING) WORK for students in Years 1-3 at Kamioka Junior High School, Hida city, Gifu Prefecture. This event explained the features and attractions of local companies to students and was the first of its kind planned by the Kamioka Chamber of Commerce & Industry to try to increase the number of young people hoping to work in local industries. Kamioka Mining & Smelting explained about Super-Kamiokande and its recycling business which involves removing lead from used car batteries, while YOURSOFT,

a system developer, talked about the role played by IT in society and how interesting IT work is.

Feedback from students included comments such as “I knew they were big companies located in Kamioka but I found out about the work they do,” “It was informative and made me interested in the company” and “IT makes the world go round and is cool.”

We continue to disseminate information by creating opportunities like this to help local residents to understand about our businesses.

(December 2016)



Experiencing the weight of ore by actually holding it.

Summer dance with 2,000 participants – Livening up local traditional events –

With its dance parades which feature around 2,000 dancers, Kushikino Sanosa Matsuri held in Ichikikushikino City, Kagoshima Prefecture is famous throughout Japan. Around 60 employees from Mitsui Kushikino Mining Co., Ltd. also took part in the parades, helping liven up this traditional event.

Kushikino Port, which is in Mitsui Kushikino Mining’s local area, is famous for deep-sea tuna fishing. Since the Meiji Era, fishing boats have gone out fishing as far as the waters off the Korean peninsula in search of tuna. However, Japanese-style sailing ships known as HACCHORO do not even have an auxiliary engine. They were, therefore, unable to adapt to sudden changes in the weather and many were apparently shipwrecked near Goto in Nagasaki Prefecture. The fishermen in those days used to set sail from Kushikino Port prepared to meet their fate. Kushikino Sanosa has its origins in a Goto folk song called Sanosa-Bushi. However, the emotions of the fishermen recalling their hometown of Kushikino were made into song lyrics and the folk song

turned into the mournful Kushikino Sanosa folk song, which has been passed down from generation to generation. A dance was choreographed for the song in 1971 and since then the dance has become a summer festival called Kushikino Sanosa Matsuri.

(August 2016)



Smiling faces – Connecting through sports –

The Indian subsidiary of Mitsui Kinzoku's catalyst business in India, MITSUI KINZOKU COMPONENTS INDIA (MKCI) held sports days to increase employee motivation and improve communication. One sports day was held for Bewal (the Bewal Plant and Gurugram Office) on February 9 and another was held for the Sanand Plant on March 19. Totally, around 300 employees took part. On the day, everyone wore matching sportswear and the participants enjoyed various sports. The games were lively, with teams including some Japanese staff competing against each other. MKCI President Yoshiyuki Komatsu says that "MKCI has withstood the slump in orders received caused by the withdrawal of high value bank notes in India at the end of 2016 and orders



received now exceed the budget. It is time to create a sense of unity among employees. We intend to keep coming up with new ideas for more company activities." MKCI plans to increasingly develop exchange among employees. (April 2017)



Community disaster preparedness – Snow-covered mountains in extreme cold –

Japan Maritime Self-Defense Force (JMSDF) Hachinohe Air Base Snow Rescue Team Drills were conducted at the Okunakayama Ski resort in Iwate Prefecture. Tsutomu Nakamura from the Equipment Technology Section of Hachinohe Smelting Co., Ltd. was the lecturer and provided guidance on rescue skills in snow-covered mountainous regions.

As former chairman of the Aomori Prefecture Mountaineering Association Accident Prevention Committee and a Japan Mountaineering Association accredited senior instructor, Mr. Nakamura is a mountaineering professional with extensive experience and qualifications and mountain rescue is his area of

specialty. At the request of a JMSDF official who belongs to the same Mountaineering Association, Mr. Nakamura has worked as an outside lecturer for the JMSDF Snow Rescue Team since 2010.

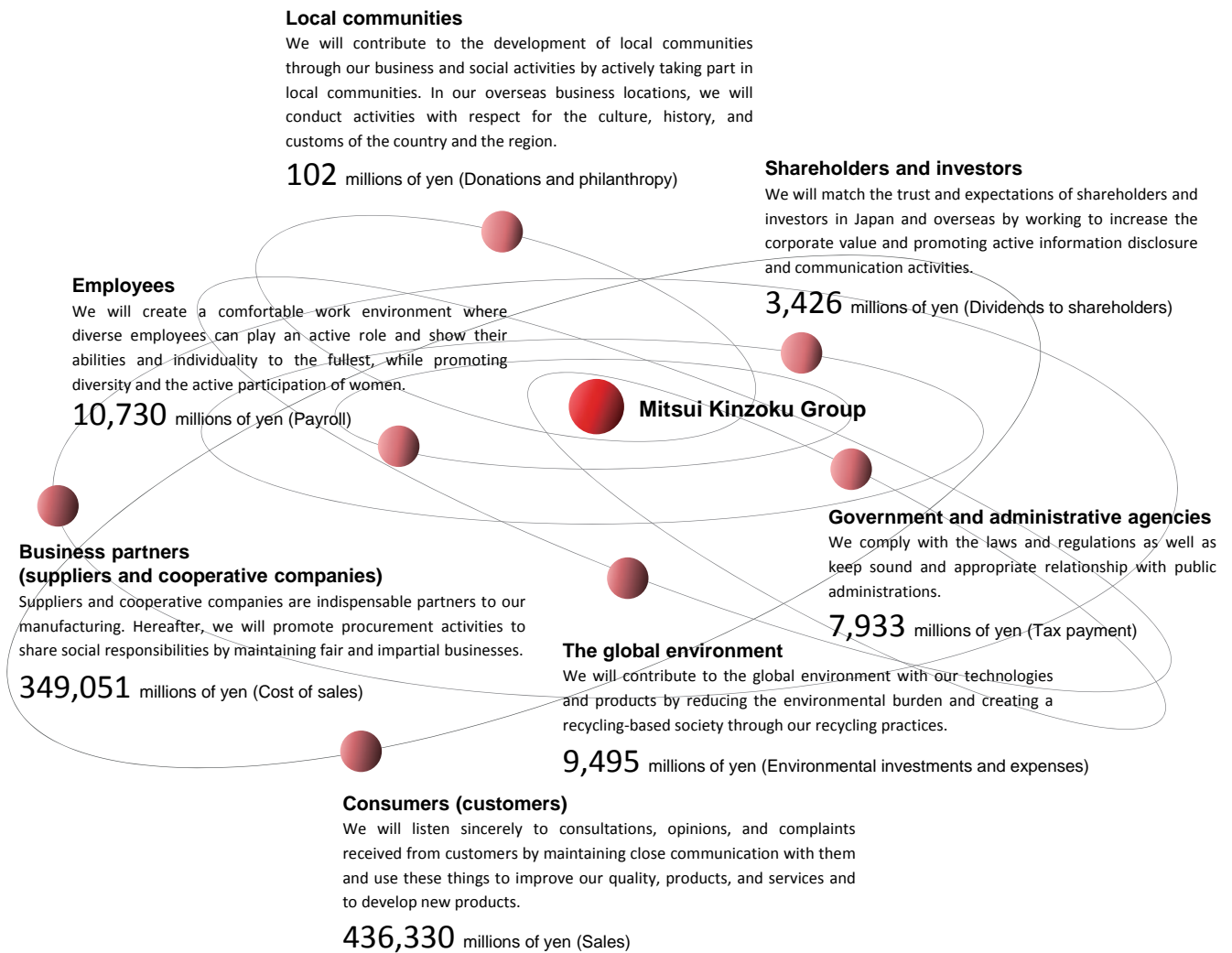
Mr. Nakamura paid tribute to the JMSDF officers for their daily activities and also commented that "This training can also be used when dispatching officers to the scene of accidents during snow cover. I sincerely hope there won't be any accidents but if there is, I hope that this training will serve of some use." We hope that Mr. Nakamura will continue making mountain rescue skills more widespread in the future.

(April 2016)

Stakeholder engagement

Mitsui Kinzoku Group has set the facilitation of communication with all stakeholders in the Code of Conduct.

We will incorporate the voices of stakeholders in our management by working on the disclosure of appropriate information and by actively providing opportunities for day-to-day dialogues and communications with them to deepen our mutual understanding.



Setting up a mechanism for smooth dialogues with stakeholders

In yearly, monthly and daily cycles, our business and economic activities are established with the involvement of our stakeholders. We are conducting business activities while associated with various stakeholders. We understand that accepting their opinions and expectations is important.

From this point forward, we will construct a mechanism to examine whether our activities are meeting the requests and expectations of our stakeholders.

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This report contains Standard Disclosures from the GRI G4 Sustainability Reporting Guidelines.

[General Standard Disclosures]

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G4-15 Externally developed charters, principles, or other initiatives to which the organization subscribes or endorses
—N/A
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—N/A

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P38-39 Corporate governance
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P26-27 CSR promotion system
G4-43 Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics
—N/A
G4-44 Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics.
—N/A
G4-45 Board's role in the identification and management of sustainability impacts, risks, and opportunities, and in the implementation of due diligence processes
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G4-49 Process for communicating critical concerns to the highest governance body.
P26-27 CSR promotion system

G4-50 Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.
—N/A

G4-51 The remuneration policies for the board and senior executives, and the linkage between performance criteria and the organization's sustainability objectives
—N/A

G4-52 Process for determining remuneration
—N/A

G4-53 How stakeholders' views are sought and taken into account regarding remuneration
—N/A

G4-54 Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees in the same country
—N/A

G4-55 Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees in the same country
—N/A

Ethics and Integrity

G4-56 Organization's values, principles, standards and norms of behavior
P22-23 Our approach to CSR

G4-57 Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity
P40-41 Highest priority on compliance

G4-58 Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity
P40-41 Highest priority on compliance

[Specific Standard Disclosures]

Category : Economic

Economic Performance

G4-EC1 Direct economic value generated and distributed
P90 Communication with stakeholders

G4-EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change
—N/A

G4-EC3 Coverage of the organization's defined benefit plan obligations
—N/A

G4-EC4 Financial assistance received from government
—N/A

Market Presence

G4-EC5 Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation
—N/A

G4-EC6 Proportion of senior management hired from local community at significant locations of operations
—N/A

Indirect Economic Impacts

G4-EC7 Development and impact of infrastructure investments and services supported
P86 Contributing to communities

G4-EC8 Significant indirect economic impacts, including the extent of impacts
—N/A

Procurement Practices

G4-EC9 Proportion of spending on local suppliers at significant locations of operation
—N/A

Category : Environmental

Materials

G4-EN1 Materials used by weight or volume
P35 Expansion of recycle-smelting
P67 Overall environmental adverse impacts in the smelting business
P67 Use of recycled raw materials

G4-EN2 Percentage of materials used that are recycled input materials
P67 Use of recycled raw materials

Energy

G4-EN3 Energy consumption within the organization
P70-71 Efforts to prevent global warming

G4-EN4 Energy consumption outside of the organization
—N/A

G4-EN5 Energy intensity
P70-71 Efforts to prevent global warming

G4-EN6 Reduction of energy consumption
P70-71 Efforts to prevent global warming

G4-EN7 Reductions in energy requirements of products and services
P70-71 Efforts to prevent global warming

Water

G4-EN8 Total water withdrawal by source
P69 Breakdown of freshwater use

G4-EN9 Water sources significantly affected by withdrawal of water
—N/A

G4-EN10 Percentage and total volume of water recycled and reused
—N/A

Biodiversity

G4-EN11 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas
—N/A

G4-EN12 Significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas
—N/A

G4-EN13 Habitats protected or restored
—N/A

G4-EN14 Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk
—N/A

MM1 Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated
—N/A

MM2 The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place
—N/A

Emissions

G4-EN15 Direct greenhouse gas (GHG) emissions (Scope 1)
P70-71 Efforts to prevent global warming

G4-EN16 Energy indirect greenhouse gas (GHG) emissions (Scope 2)
P70-71 Efforts to prevent global warming

G4-EN17 Other indirect greenhouse gas (GHG) emissions (Scope 3)
—N/A

G4-EN18 Greenhouse gas (GHG) emissions intensity
—N/A

G4-EN19 Reduction of greenhouse gas (GHG) emissions
P71 CO2 emissions from energy consumption

G4-EN20 Emissions of ozone-depleting substances (ODS)
—N/A

G4-EN21 NOx, SOx, and other significant air emissions
P69 Emissions to the atmosphere and water

Effluents and Waste

G4-EN22 Total water discharge by quality and destination
P69 Breakdown of wastewater

G4-EN23 Total weight of waste by type and disposal method
—N/A

G4-EN24 Total number and volume of significant spills
—N/A

G4-EN25 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally
—N/A

G4-EN26 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff
—N/A

MM3 Total amounts of overburden, rock, tailings, and sludges (in tons) and their associated risks
—N/A

Products and Services

G4-EN27 Extent of impact mitigation of environmental impacts of products and services

—N/A

G4-EN28 Percentage of products sold and their packaging materials that are reclaimed by category

—N/A

Compliance (Environmental)

G4-EN29 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

—N/A

Transport

G4-EN30 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce

—N/A

Overall

G4-EN31 Total environmental protection expenditures and investments by type
P68 Investment and expenses

Supplier Environmental Assessment

G4-EN32 Percentage of new suppliers that were screened using environmental criteria

—N/A

G4-EN33 Significant actual and potential negative environmental impacts in the supply chain and actions taken

—N/A

Environmental Grievance Mechanisms

G4-EN34 Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms

—N/A

Category: Social

Labor Practices and Decent Work Employment

G4-LA1 Total number and rates of new employee hires and employee turnover by age group, gender and region

P51 Employee turnover

G4-LA2 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation

—N/A

G4-LA3 Return to work and retention rates after parental leave, by gender

P50 Return to work and retention rates

Labor/Management Relations

G4-LA4 Minimum notice periods regarding operational changes, including whether these are specified in collective agreements

—N/A

MM4 Number of strikes and lock-outs exceeding one week's duration, by country

—N/A

Occupational Health and Safety

G4-LA5 Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs

—N/A

G4-LA6 Type and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender

—N/A

G4-LA7 Workers with high incidence or high risk of diseases related to their occupation

—N/A

G4-LA8 Health and safety topics covered in formal agreements with trade unions

—N/A

Training and Education

G4-LA9 Average hours of training per year per employee by gender, and by employee category

P48 Total training hours

G4-LA10 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings

P55 Active participation of experienced retiree

G4-LA11 Percentage of employees receiving regular performance and career development reviews, by gender and by employee category

—N/A

Diversity and Equal Opportunity

G4-LA12 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity

P51 Breakdown of consolidated employees

Equal Remuneration for Women and Men

G4-LA13 Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation

—N/A

Supplier Assessment for Labor Practices

G4-LA14 Percentage of new suppliers that were screened using labor practices criteria

—N/A

G4-LA15 Significant actual and potential negative impacts for labor practices in the supply chain and actions taken

—N/A

Labor Practices Grievance Mechanisms

G4-LA16 Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms

—N/A

Human Rights

Investment

G4-HR1 Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

—N/A

G4-HR2 Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained

—N/A

Non-discrimination

G4-HR3 Total number of incidents of discrimination and corrective actions taken

—N/A

Freedom of Association and Collective Bargaining

G4-HR4 Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights

—N/A

Child Labor

G4-HR5 Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor

—N/A

Forced or Compulsory Labor

G4-HR6 Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor

—N/A

Security Practices

G4-HR7 Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations

—N/A

Indigenous Rights

G4-HR8 Total number of incidents of violations involving rights of Indigenous Peoples and actions taken

—N/A

MM5 Total number of operations taking place in or adjacent to Indigenous Peoples' territories, and number and percentage of operations or sites where there are formal agreements with Indigenous Peoples' communities

—N/A

Assessment

G4-HR9 Total number and percentage of operations that have been subject to human rights reviews or impact assessments

—N/A

Supplier Human Rights Assessment

G4-HR10 Percentage of new suppliers that were screened using human rights criteria
—N/A

G4-HR11 Percentage of new suppliers that were screened using human rights criteria
—N/A

Human Rights Grievance Mechanisms

G4-HR12 Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms
—N/A

Society**Local Communities**

G4-SO1 Percentage of operations with implemented local community engagement, impact assessments, and development programs
—N/A

G4-SO2 Operations with significant actual and potential negative impacts on local communities
—N/A

MM6 Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples
—N/A

MM7 The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples, and the outcomes
—N/A

Anti-corruption

G4-SO3 Total number and percentage of operations assessed for risks related to corruption and the significant risks identified
—N/A

G4-SO4 Communication and training on anti-corruption policies and procedures

P40-41 Highest priority on compliance

G4-SO5 Confirmed incidents of corruption and actions taken
—N/A

Public Policy

G4-SO6 Total value of political contributions by country and recipient/beneficiary
—N/A

Anti-competitive Behavior

G4-SO7 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes
—N/A

Compliance (Social)

G4-SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations
—N/A

Supplier Assessment for Impacts on Society

G4-SO9 Percentage of new suppliers that were screened using criteria for impacts on society
—N/A

G4-SO10 Significant actual and potential negative impacts on society in the supply chain and actions taken
—N/A

Grievance Mechanisms for Impacts on Society

G4-SO11 Number of grievances about impacts on society files, addressed, and resolved through formal grievance mechanisms
—N/A

MM8 Number (and percentage) of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks
—N/A

MM9 Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process
—N/A

MM10 Number and percentage of operations with closure plans
—N/A

Product Responsibility**Customer Health and Safety**

G4-PR1 Percentage of significant product and service categories for which health and safety impacts are assessed for improvement
—N/A

G4-PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes
—N/A

Product and Service Labeling

G4-PR3 Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements
—N/A

G4-PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes
—N/A

G4-PR5 Results of surveys measuring customer satisfaction
—N/A

Marketing Communications

G4-PR6 Sale of banned or disputed products
—N/A

G4-PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes
—N/A

Customer Privacy

G4-PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data
—N/A

Compliance (Product Responsibility)

G4-PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services
—N/A

Materials Stewardship

MM11 Programs and progress relating to materials stewardship

P34-35 Recycle-smelting ~Implementing materials stewardship~



CSR REPORT 2017

mitsui kinzoku

We look forward to hearing your views and impressions to help us improve our CSR activities and our CSR report.

If you have any inquiries about this report or any questions about our CSR activities, please contact the CSR Office using the details below.

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