

# Efforts to prevent global warming

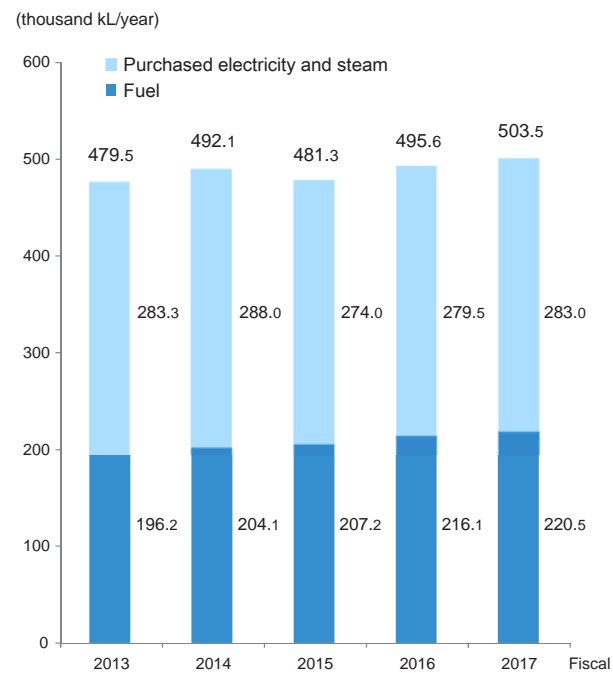
**We have been striving to save energy and reduce greenhouse gases at our production sites. We have set a new target of reducing CO2 emissions by 7%\* in the Group by FY 2030 in conjunction with the rapid progress of countermeasures against climate change. We will take steady steps toward a sustainable low-carbon society.**

\* The benchmark is the figures for FY 2013.

## Save energy and reduce CO2 emissions

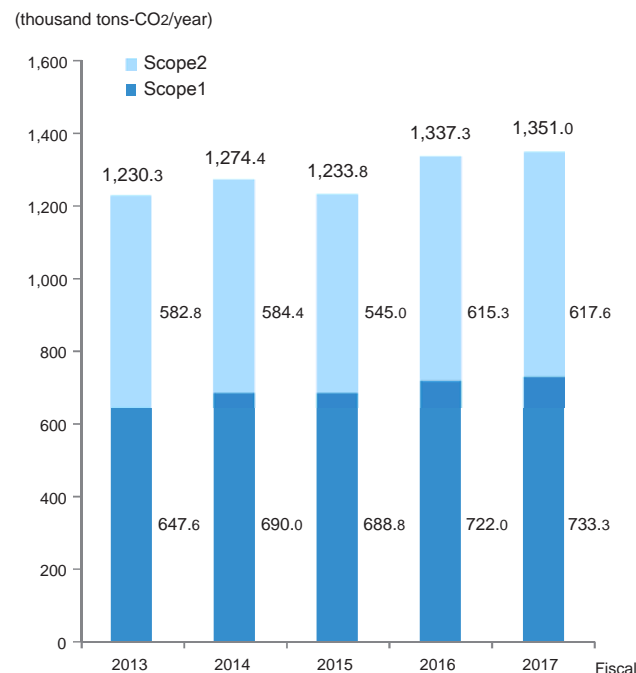
Mitsui Kinzoku Group has set a reduction target for the energy consumption rate (crude oil equivalent energy consumption/net sales). We are executing a specific reduction plan. The crude oil equivalent energy used by the overall Group has declined since its peak in FY 2007. However, the energy volume increased for the last two years, affected by business segments that increased production. It rose 1.7% year on year, to 503.5 thousand kiloliters per year, in FY 2017. In FY 2017, the CO2 emissions from energy consumption

in Japan of Mitsui Kinzoku Group as a whole rose by 1.0% year on year, to 1,351.0 thousand tons-CO2 per year. In the medium and long term, the CO2 emissions from fuel combustion increased by about 17.0% from FY 1990, the base year of the Kyoto Protocol, due to the expansion of production in 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.



Total energy consumption volume in a crude oil equivalent

\* Covers only the sites of Mitsui Kinzoku and affiliates in Japan

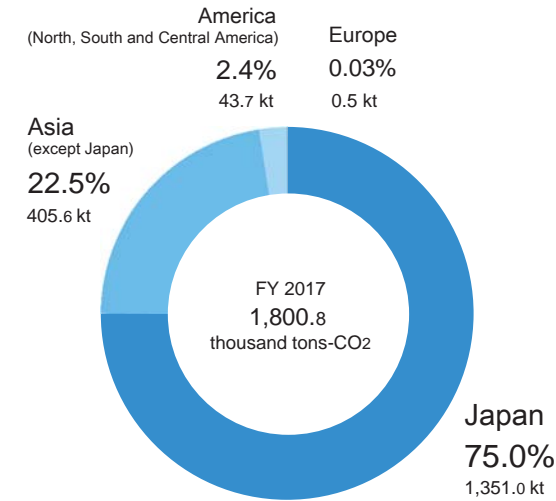


CO2 emissions from energy consumption

\* Covers only the sites of Mitsui Kinzoku and affiliates in Japan

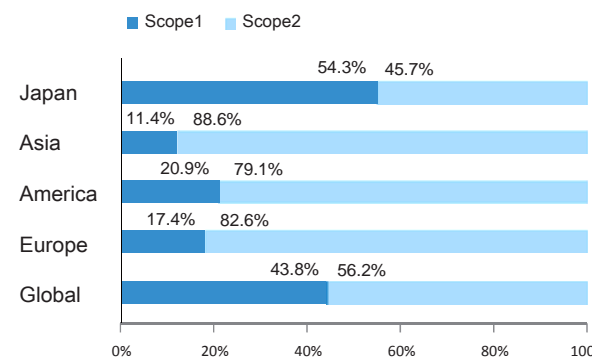
\* For the calculation of CO2 emissions from energy consumption, the respective emission factors based on the Act on Promotion of Global Warming Countermeasures are used.

\* We have received a third-party assurance for the figures for FY 2017 in this information to which  is attached.

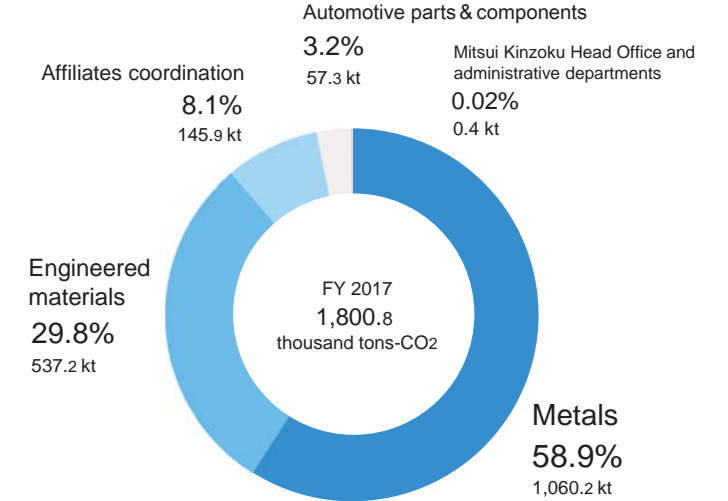


Breakdown of CO2 emissions of Mitsui Kinzoku Group by region

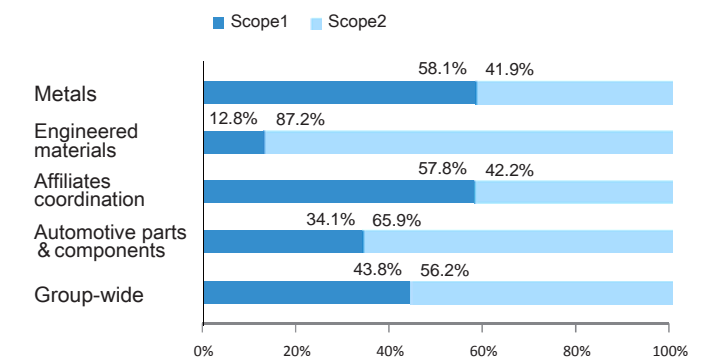
\* For the calculation of CO2 emissions of purchased electricity, we use emission factors by electric power supplier in Japan and emission factors by country and region based on The Greenhouse Gas Protocol at overseas sites.



Breakdown by scope of CO2 emissions by region



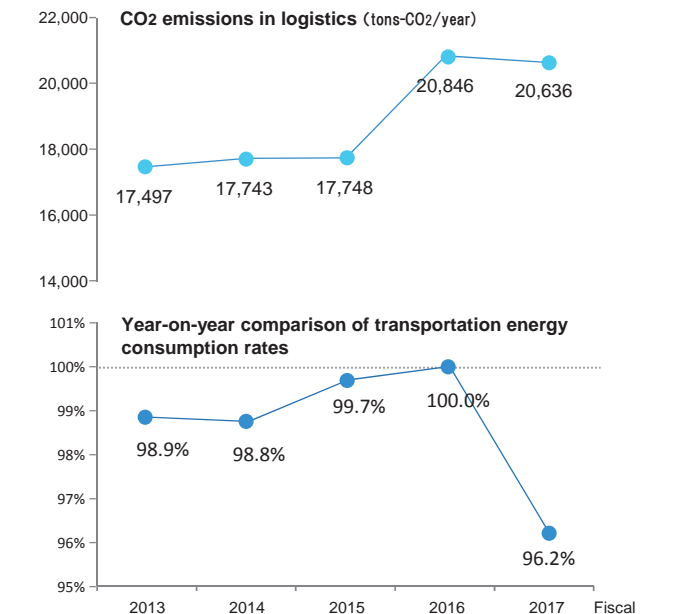
Breakdown of CO2 emissions of Mitsui Kinzoku Group by business unit



Breakdown by scope of CO2 emissions by business unit

## Reduce energy consumption in logistics

Mitsui Kinzoku Group strives to reduce the use of transportation fuel and CO2 emissions. We are striving to improve the loading ratio at the time of transportation and shorten transportation routes and promote a modal shift from trucks to railways and ships. We are also working to reduce transportation fuels and CO2 by negotiating the form and frequency of delivery with customers and suppliers. We have continued to achieve a year-on-year reduction since FY 2012, and the average rate of change in energy consumption per unit in the five most recent years is 98.6%. In FY 2017, energy consumption per unit improved 3.8% due to the return to normal operation at some plants where production efficiency had declined in the previous fiscal year and an improvement in the loading ratio overall.



\* 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)

**Creation of renewable energy**

While fossil fuels such as oils and coal are limited energy resources, types of energy such as solar light, solar heat, water power, wind power and geothermal heat are non-exhaustible. These types of energy also emit almost no CO<sub>2</sub>, which causes global warming, at the time of power generation and thermal usage.

We will strengthen our response to climate change in the entire group by advancing the use of renewable energy globally.

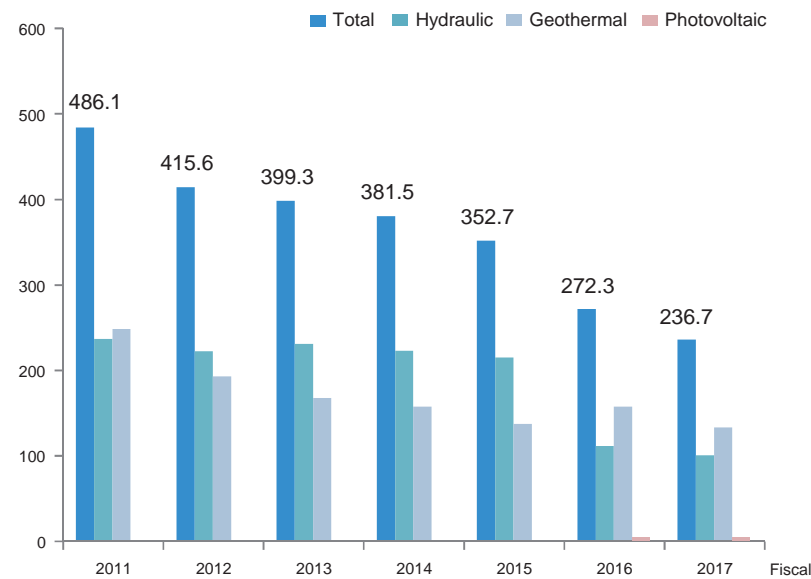
Mitsui Kinzoku Group will further expand the use of renewable energy as clean energy in place of fossil fuels. Kamioka Mining and Smelting Co., Ltd. has 10 hydroelectric power plants. The earliest one began operating in 1917. Now those plants are under renewal construction in order. The total hydroelectric 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 CO<sub>2</sub> 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.

We will proceed these activities including overseas bases, and strengthen our response to climate change throughout the entire group.



**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.



**Kamioka Mining and Smelting Co., Ltd.**

The Kanakido power plant, which had made a contribution as a private power generation facility for about 60 years since 1953, has been recently renovated.

Kamioka Mining and Smelting has been proceeding with the large-scale renovation of five aging hydroelectric power plants since June 2015. To mark the first completed renovation, the completion ceremony of the Kanakido power plant was held in September 2017.

At the ceremony, which took place in Kamioka, associated individuals in a number of companies and government offices and local residents who were committed to the project gathered to celebrate the completion of the power plant without any accidents by holding a Shinto ritual, a start-up ceremony and a celebratory gathering.

The Kanakido hydroelectric power plant, which takes advantage of the rich nature in Kamioka and water, will be an important supply source of renewable energy.



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



# 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.

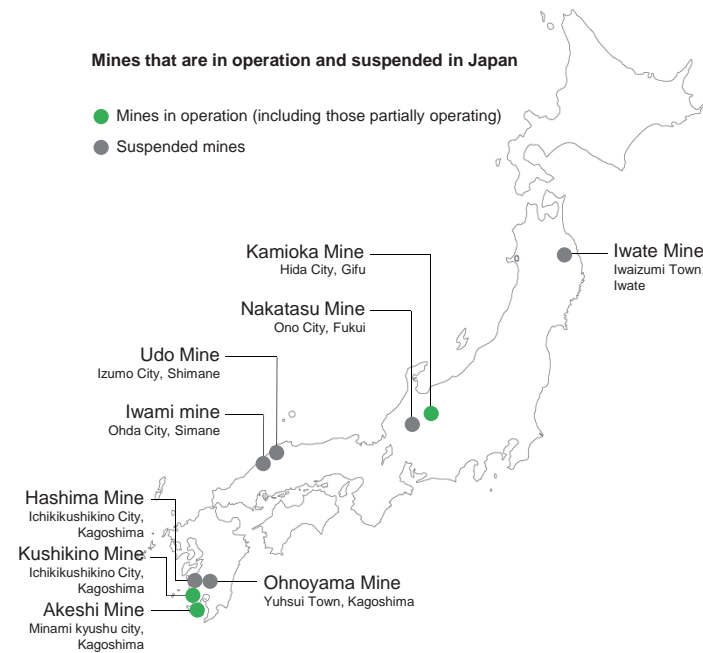
Currently, many of these mines have already been suspended and closed due to the depletion of resources and the increase in overseas procurement. In the suspended and closed mines, management needs to be continued to prevent mine pollution.

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.

### Mines that are in operation and suspended in Japan

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



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.



We patrol suspended and closed mines on a regular basis. If we find a new caved-in hole, it will be plugged or enclosed by fences to prevent people from falling. There are numerous aspects to check to see whether closed pits are solidly closed, whether drain channels are working well and whether water is springing from a closed mine.



In environmental audits, we check the management status of suspended and closed mines along with detailed audit items. The impact on neighboring water areas such as rivers is also an important audit item.



At old tailings dams, we check whether slag flows out, whether the sites are managed well, and whether they have an impact on the surrounding environment.





At the Huanzala Mine, trees are raised from seedlings and planted on the premises in view of greening. Local residents, as well as the employees, take part. The picture above shows fences being built to prevent animals from entering and eating the greenery.

The surrounding environment is monitored without fail. The wastewater discharged from areas of operation as well as natural water, water table and drinking water are regularly analyzed and managed (bottom right picture).



#### 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, has been pursuing a number of environmental initiatives over many years. We neutralize acid water generated from the mine and promote the recycling of waste water for ore processing. We constantly monitor the stability of tailings dams and install a dust collection system at mills. In addition, we purify living drainage. We also sort and collect waste, and waste that cannot be used effectively is duly outsourced to processors for disposal. We are currently transferring the water-purifier tank to a new facility to improve the processing efficiency.

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. Currently, the mine is also facilitating a transition from the 2014 version to the 2015 version of ISO 14001, in addition to PAMA.

\* 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.

#### Mine closure plan to minimize the impact on the environment

In the mining business, some mining sites draw up a closure plan for the entire site or certain facilities and accumulate expenses for closure from the development stage to minimize the impact and risk after closure. They also carry out some closure work ahead of the plan.

Mine	With or without a closure plan	Amount of accumulated expenses (FY 2017)
Huanzala Mine (Peru)	existence	7.0 million US dollars
Palka Mine (Peru)	existence	2.0 million US dollars
Akeshi Mine (Kagoshima, Japan)	naught	243.4 million yen

**We recognize that environmental conservation and occupational health and safety are essential to sustainability. Our constant efforts to make improvements in these areas also help fulfill the UN Sustainable Development Goals (SDGs).**

Mitsui Kinzoku got its start in mining and smelting. While expanding our business, we have always recognized the significant impact of our business activities on the environment and the importance of our responsibility to environmental issues. Environmental conservation is one of the highest priority issues in our business management.

In particular, to achieve harmonious coexistence between our business sites and local communities, we place an emphasis on preventing environmental pollution. Our efforts regarding this matter include improvement of our environmental management system and implementation of regular environmental audits. We also provide all employees with environmental education.

To protect the surrounding environment, we take proactive measures, from a global perspective, to save energy and reduce CO<sub>2</sub> emissions and waste. We also promote the effective use of resources in the recycle-smelting business and place emphasis on generating renewable energy using hydropower, sunlight, and geothermal heat.

We recognize it is also our responsibility as a manufacturer to ensure the safety and health of all employees. Our basic rule is to identify sources of risks and prevent easy contact with them. Based on this rule, our priority is on ensuring fundamental safety at all worksites, including by the removal of equipment without sufficient safety measures. Employees are strictly required to comply with safety regulations. We provide them with education on occupational health and safety, as well as with on-site instructions, to help them increase their risk sensitivity.

In FY 2018, we revised our Environmental Action Plan. All the goals were reviewed and specific goals were additionally set to address environmental issues such as reduction in CO<sub>2</sub> emissions so that we can achieve the SDGs and other international commitments.

We are currently developing the medium-term management plan that will be effective in FY 2019. This plan will be designed with emphasis on corporate social responsibilities. We are sure that the plan will be viable and effective in addressing climate change, using resources more effectively, and solving other pressing global issues.

Information on the progress of each project and the newly developed medium-term management plan will be provided to stakeholders in the annual CSR report.

#### Isshi Hisaoka

Director, Senior Executive Officer,  
Chief Environmental Safety Officer



# Strong, transparent and trusted partnerships

**Collaboration with our suppliers enables us to supply steadily high-quality products and services to our customers. Responsible and resilient supply chains create value for us and our customers by reducing supply chain risks and improving our performance.**

### Supply Chain Sustainability

Economic activity has become increasingly globalized. The business activities of Mitsui Kinzoku Group have likewise expanded on a global scale to include suppliers and customers throughout the world. As a result, the impact of the Group's business on its supply chain has also expanded beyond national borders. In line with this globalized landscape, we need to expand our activities for sustainability to cover the entire supply chain. We recognize that customers expect supply chains to meet a certain level of environmental and social responsibility.

Mitsui Kinzoku Group strives to develop sustainability in its supply chain in response to requests and expectations from customers and other stakeholders.

### Procurement Policy

In April 2018, we established the procurement policy that advocates for supply chain sustainability. We require supply chain members to pursue sound business management, improvement of technical competence, excellent quality, price competitiveness and stable supply (appropriate delivery). The policy also clearly states we encourage supply chain sustainability by ensuring supply chain responsibility in the fields of human rights and labor practices, health and safety, ethics, and the environment.

Firstly, Mitsui Kinzoku Group believes that the principle of procurement transactions is to comply with laws, regulations, social norms, and the corporate code of ethics. With regard to compliance with the Antimonopoly Act and the Subcontract Act, in particular, we protect free and fair competition in procurement transactions in accordance with Article 4 of the Code of Conduct, which defines "fair business practices." In 2014, we issued the Compliance Guidebook on the Antimonopoly Act, which has been distributed to the Group's companies. In addition, we implement seminars and other programs on fair trade. Our efforts are also focused on promoting fair subcontracting practices and protecting subcontractors' interests. In transactions with suppliers governed by the Subcontract Act, it is essential to observe legal requirements and avoid prohibited activities.

Secondly, in procurement transactions, we drive to ensure supply chain responsibility in the fields of human rights and labor practices, health and safety, ethics, and the environment. In particular, in order to promote the responsible minerals sourcing, proactive measures are taken to eliminate human rights abuses, including child labor and forced labor in our supply chain. In addition, we do not tolerate any bribery or corruption in procurement and support the requirements of international initiatives and guidelines.

Thirdly, we develop criteria for supplier selection which include the aspects of corporate responsibility such as human rights and labor practices, health and safety, ethics, and the environment. These criteria are also applied to both deciding new supplier and judging continuance of current business relationships.

### Application of the Procurement Guidelines

Mitsui Kinzoku Group is engaged in its supply chain responsibility based on the Basic Procurement Policy and following internationally recognized rules and guidelines, such as the United Nations Global Compact. In particular, we implement supply chain management in line with the approach of the RBA (Responsible Business Alliance) Code of Conduct to address risks in supply chain.

We established the Mitsui Kinzoku Group Procurement Guidelines based on the RBA Code of Conduct. The Group as well as suppliers are all required to observe the guidelines in procurement transactions.

[The Mitsui Kinzoku Group Procurement Guidelines]

[https://www.mitsui-kinzoku.co.jp/wp-content/uploads/supplychain\\_guideline\\_e.pdf](https://www.mitsui-kinzoku.co.jp/wp-content/uploads/supplychain_guideline_e.pdf)

## Mitsui Kinzoku Group Procurement Policy

Mitsui Kinzoku Group operates sustainable supply chain that are in accordance with its Code of Conduct so as to "contribute to society by providing valuable products" as defined in the Management Philosophy. Through fulfilling our supply chain responsibility based on mutual understanding and trust with suppliers, we work to achieve mutual development and growth with suppliers.

1. We comply with laws, regulations, social norms, and the corporate code of ethics in procurement.
2. We require suppliers' sound business operating bases, improvement of technical competence, excellent quality, price competitiveness, and stable supply, as well as promote supply chain responsibility in the fields of human rights and labor practices, health and safety, ethics, and the environment. We are not complicit directly or indirectly in human rights abuses, including child labor and forced labor. We conduct procurement based on transparent and fair competition and work against corruption in all its forms.
3. In selecting suppliers, we make a comprehensive assessment to ensure supply chain responsibility in the fields of human rights and labor practices, health and safety, ethics, and the environment. In actual transactions, we, in cooperation with suppliers, work on responsible procurement in these fields. In deciding whether to continue business relationships, we place priority on supply chain responsibility.

→ Addressing the issue of conflict minerals 「Mitsui Kinzoku Group Conflict Minerals Policy」

### Supply chain structure

The structure of supply chain can be specified as follows:

- ¶ Mineral extraction from mines
- ¶ Procurement and smelting of mine-derived materials
- ¶ Procurement of waste-derived recycled materials from recycling agents and smelting of procured materials
- ¶ Procurement and processing of materials and parts

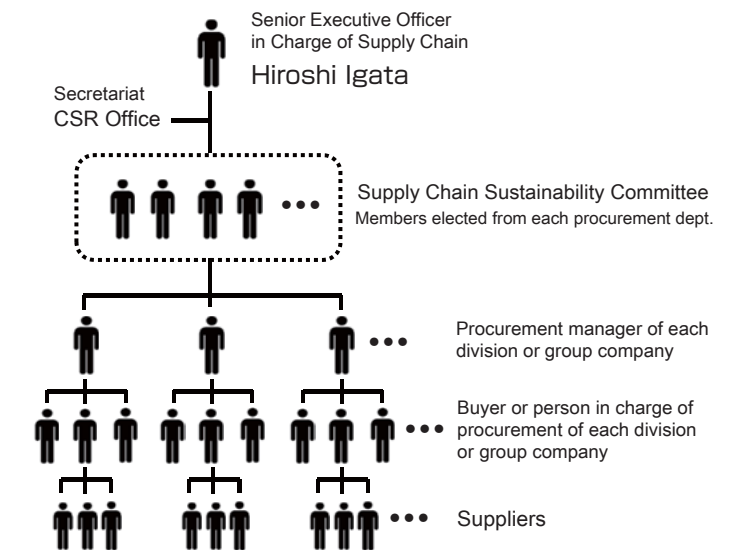
In FY 2017, no major change was made in the structure.

[Annual amount of procurement, including services]  
¥ 417,796 million  
(Consolidated cost of sales for FY 2017)

### Supply chain management system

We established the supply chain management system to implement the procurement policy. In June 2018, the supply chain sustainability committee, consisting of members selected from each department to serve as procurement managers, was formed.

### [Organization of the Supply Chain Management]





# Responsible Minerals Sourcing



Mitsui Kinzoku ACT Corporation (Mitsui Kinzoku ACT) holds regular explanatory meetings to which it invites suppliers as part of its engagement activities. The photo below shows the meeting held to provide suppliers in Japan with an explanation of the procurement policy. ( March 2018, Yokohama )



With regard to the scope of responsible minerals sourcing, concerned minerals and risks have been expanded in recent years. Mitsui Kinzoku Group adopts the process in line with globally recognized frameworks to promote responsible minerals sourcing that takes into account social and environmental responsibility including compliance and human rights protection.

### Addressing concerns about conflict minerals

As a member of the global supply chain, Mitsui Kinzoku Group responds to the social requirement of responsible minerals sourcing. We promote responsible mineral sourcing taking human rights and compliance into consideration and address supply chain sustainability.

Conflict minerals (gold, tin, tantalum, and tungsten) produced in the Democratic Republic of the Congo (DRC) and the nine adjoining countries could be partially the source of funds for armed groups who violate human rights and engage in acts of violence. Mitsui Kinzoku Group, in its Conflict Minerals Policy, prohibits the use of conflict minerals that were produced in the covered countries and directly or indirectly bring profits to armed groups. As a company that forms part of the supply chain of conflict minerals, we cooperate in customers' due diligence, which traces back through the supply chain, in accordance with industrial standards. In addition, each department engaged in smelting conflict minerals develops its own policy and has been validated as RMAP (Responsible Minerals Assurance Process) conformant smelter every year.

### Engineered Materials Sector (Tantalum smelting)

As a tantalum smelter, the Engineered Powders Division has undergone an annual third-party audit since 2011 based on the RMAP program\*1 and has been validated as RMAP conformant smelter. The Tantalum Procurement Policy has been published and prohibits the purchase of tantalum minerals which were excavated in covered countries and bring profits to armed groups. The division joins ITSCI Program in order to fulfill due diligence for its mineral supply chain. The due diligence process is implemented with the understanding and cooperation of suppliers. The division ensures its responsible tantalum sourcing.

### Metals Sector (Gold and silver smelting)

As a gold smelter, the Mineral Resources Division takes appropriate measures to address the conflict mineral issue. The division has established a supply chain due diligence system in accordance with the LBMA\*2 Guidance. In order to eliminate use of gold and silver minerals associated with conflicts and human rights abuse, the division strives to identify the origin of raw materials and distribution routes.

The division undergoes an annual audit by a third-party auditor and files audit results to the LBMA. The Gold and Silver Supply Chain Policy, which was revised to include silver in its scope in 2018, along with the auditor's certificate and files to the LBMA are available to the public. The revised LBMA Guidance also requires a grievance mechanism that is available to external stakeholders and allows anonymous reporting. In response to this requirement, the CSR Inquiry Line has been set up on the website of Mitsui Kinzoku Group.

\*1 **RMAP** ( Responsible Minerals Assurance Process )

A program developed by the Responsible Minerals Initiative (RMI), a subsidiary body of the Responsible Business Alliance (RBA), which is an industry group mainly consisting of members of the electronic industry. The RMAP, formerly Conflict-Free Smelter Program (CFSP), has developed its standard of conformant smelter to cover not only the Democratic Republic of the Congo (DRC) and the adjoining countries but also conflict-affected or high-risk areas.

\*2 **LBMA**

The London Bullion Market Association is an international trade association, LBMA has set up the LBMA Responsible Gold/Silver Guidance for LBMA accredited smelters and requires systematic and worldwide compliance in order to combat abuses of human rights, funding of conflicts and money laundering.

### Supplier engagement

Mitsui Kinzoku ACT plays a central role in our automotive parts business, which is one of the most globally expanded business sections in Mitsui Kinzoku Group.

For Mitsui Kinzoku ACT, which aims to be the world's leading company in door latch production, it is essential to pursue the best possible quality and competitive prices on a daily basis. In this regard, the company must cooperate with suppliers.

Each business unit in each business area around the world holds regular meetings to which suppliers are invited in order to provide an explanation of the business policy and the procurement policy. These meetings also serve as opportunities to share issues and concerns of suppliers as well as to explain CSR of Mitsui Kinzoku Group to deepen suppliers' understanding.

### Roadmap for initiatives in the supply chain

Mitsui Kinzoku Group classifies sustainability issues as material. Our approach to supply chain sustainability is promoted according to the following plan:

<p><b>FY 2020</b> Rate of implementation of a Self-Assessment Questionnaire (SAQ) to major suppliers 100%</p>
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#### [April 2018]

- Establishment of the procurement policy (Basic Procurement Policy and Guidelines)
- Establishment of the supply chain management system (Selection of the procurement manager for each department/site)

#### [FY 2018]

- Provision of information on the procurement policy to all Group companies
- Establishment of medium- to long-term goals for supply chain sustainability
- Provision of information on the procurement policy to all suppliers

#### [FY 2019]

- Implementation of a Self-Assessment Questionnaire (SAQ) to suppliers

# 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."

### Management structure

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.

### Respect for IP as corporate culture

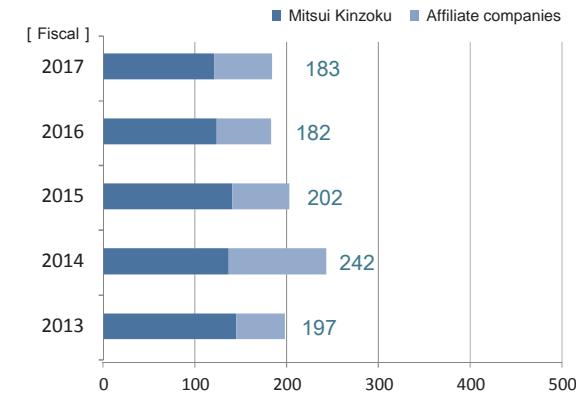
We aim to instill respect for intellectual property relating to inventions, designs, brands, etc. throughout the company and to establish this as part of our corporate culture. Intellectual Property Department provides beginner, intermediate and advanced training for employees mainly involved in R&D-related 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.

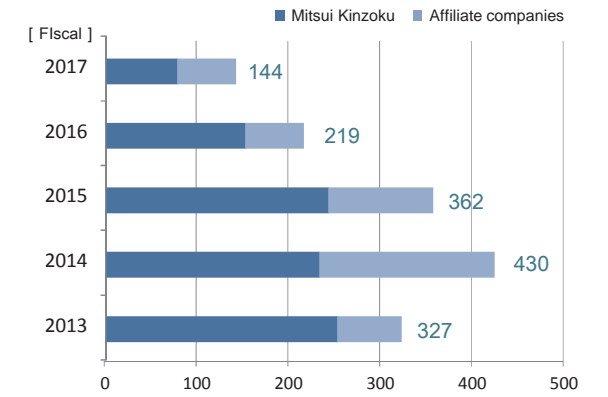
### 10-year vision

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.



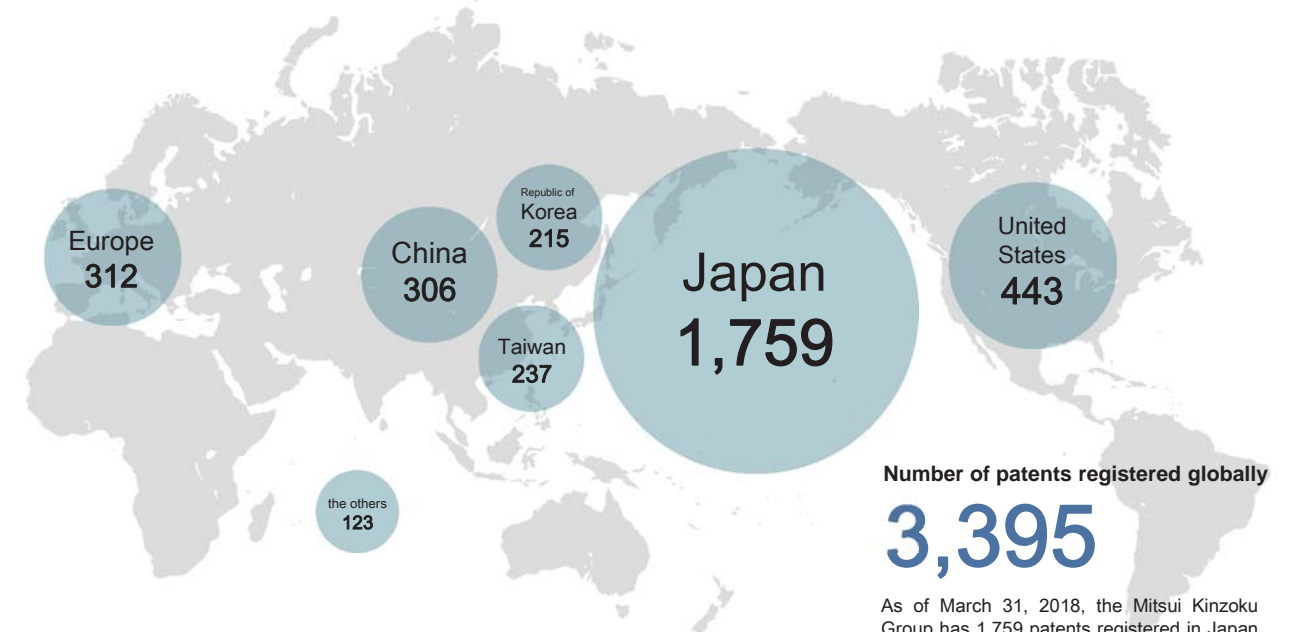
Number of Japanese patent applications

The total number of patent applications filed in Japan has trended down in recent years from the peak in FY 2014, but the applications filed by Mitsui Kinzoku have remained almost flat, ranging between 120 and 140. (Figures have changed from those disclosed last year because we have renewed the number of patent applications in prior years.)



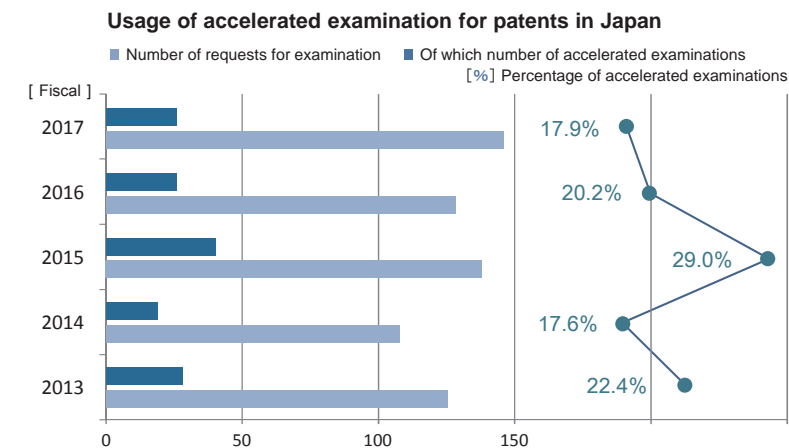
Number of foreign patent applications

The number of foreign patent applications filed by Mitsui Kinzoku is usually between 150 and 200, while it declined in the previous fiscal year. Recently, applications filed in China, South Korea and Taiwan accounts for around two-thirds of the total. (Figures have changed from those disclosed last year because we have renewed the number of patent applications in prior years.)



Number of patents registered globally  
**3,395**

As of March 31, 2018, the Mitsui Kinzoku Group has 1,759 patents registered in Japan and 1,637 registered overseas, bringing the total number of patents registered globally to 3,395. A breakdown of patents registered overseas by country/region shows that the U.S. accounts for the largest share with 443 patents or around 27%. 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 758, that is almost half of all granted foreign patents.



**Use of the accelerated examination**  
We use the accelerated examination for between 15% 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 approach

The domains of the products and services of the 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 manufacture of safe, high-quality products that satisfy customers by establishing the Basic Quality Policy in 2012 as the standards for our resolute efforts to achieve quality in each business area and site in Japan and overseas.

## Strengthening of the quality assurance system

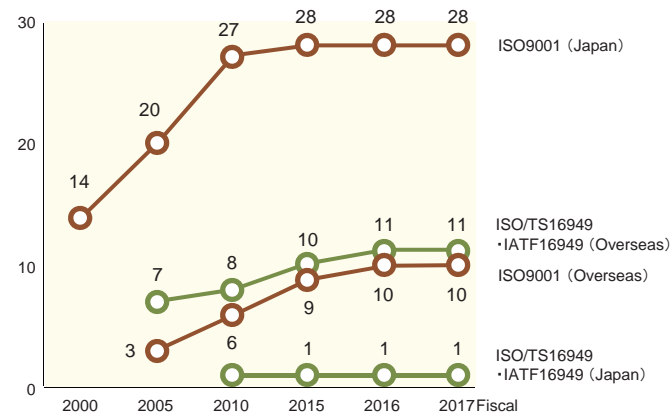
To strengthen the quality assurance system, Mitsui Kinzoku Group established the Quality Assurance Department on March 20, 2018. Its main function is to design and further the quality assurance of the Group, audit its effectiveness, cultivate human resources and obtain information outside the company and provide it to the Group. We also set up the Quality Assurance Office in R&D Center on May 1, 2018 to establish the quality assurance system from the research and development stage for the purpose of launching developed products smoothly.

## 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 an official certification for their quality management such as ISO9001. We have acquired ISO9001 certification at 38 manufacturing sites including overseas sites. We have acquired IATF16949(formerly ISO/TS16949) certification, which is a specification for the automotive industry, at 12 manufacturing sites (as of the end of March 2018).



Quality management system



Number of operating sites with certifications

## 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.

## 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.



Training of statistical methods (beginner course) (at Takehara Refinery)

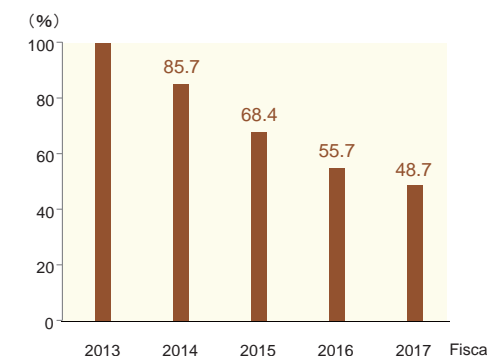
## Product safety information

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.

## Quality issues

In FY 2017, 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 five years (see the graph below).

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 FY 2013 being 100.

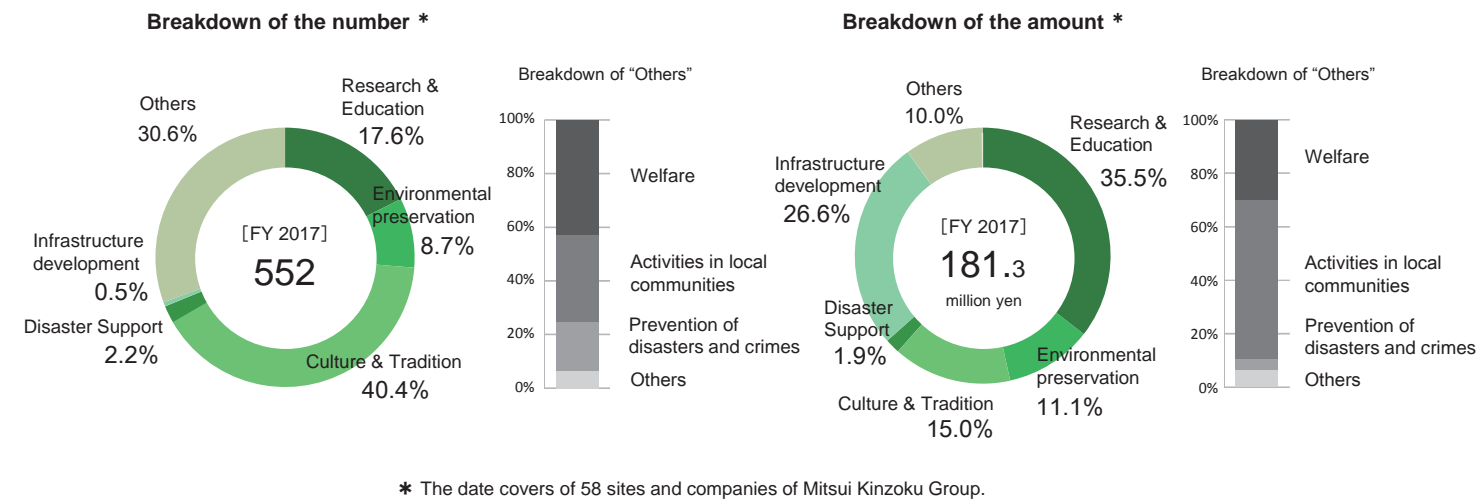


Testing using psychoacoustic technology to monitor the closing sound of car doors in an anechoic room (Mitsui Kinzoku ACT)



# Deemed necessary by communities and society

**We are committed to continue contributing to members of communities and society.  
We do what we can do, even little by little.**



### 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.

### Structure of initiatives

Thus far, we have conducted social contribution closely linked to communities at each of our business sites. From FY 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 for social contribution

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.

## The first step as a "corporate citizen"

In FY 2017, Mitsui Kinzoku added volunteer training to the training for new employees to help them learn about "contribution to local community," "group work," and "basic practices and expected attitudes." In FY 2017, a four-day volunteer training program was conducted in Iijima-machi and Nakagawa-mura in Nagano Prefecture. The training program consisted of performing maintenance work in a bamboo forest, maintenance and improvement of forest roads, and implementation of preventive measures against damage caused by animals. In the bamboo forest maintenance, bamboo trees that were falling over passages and obstructing traffic were cut down and removed. In Japan, bamboo forests that have not been managed for years due to a shortage of forest keepers can be found here and there. Participants in the training program cleared a passage that is used by elementary school students on their way to school, letting in more sunlight and making it safer.

In the maintenance and improvement of forest roads, participants removed fallen leaves, dead trees, and soil accumulated in drainage ditches alongside forest roads to restore the flow of water.

A labor shortage has made it difficult to maintain the upkeep of forest roads. If drainage ditches remain blocked with fallen leaves and soil, torrential rain can result in flooding that can cause serious damage. Clearing ditches will ensure the safety of vehicle traffic, secure water sources downstream, and, furthermore, make it easier to manage forests and mountains. During the training this year, around three kilometers of drainage ditches were cleared.

While the area offers abundant nature for people's enjoyment, damage to nearby farms by wild boars, deer, and monkeys from the mountains has also been reported. Participants made and installed electric fences to help reduce damage by wild animals to agricultural and forestry products. Economic effects can be expected from the prevention of such damage.

After completing the outdoor work and returning to their accommodation, participants reflected on what they did for the day and discussed what they had learned through their work about ideal interactions between a company and local communities. They also listened to talks given by the mayor of Iijima-cho and town officials on local issues and interaction between local communities and companies.

After completing the training program, the following comments were received from participants: "Through my experience in cutting bamboo trees to clear the passage and from the mayor's talk, I learned about issues faced by local communities and the importance of sharing roles," "I found the group work also useful as training for predicting dangerous situations ahead of time and thought this experience can be applied to actual work settings," and "We were able to be of use to the town and were also able to enhance our relationships with coworkers."

Having achieved better results than expected, Mitsui Kinzoku will provide the volunteer training to new employees again in FY 2018.



Clearing of soil and dead trees from a forest road (photo on the left)

Cutting of overgrown bamboo trees that obstructed the road (photo on upper right)

With elementary school students who helped clear the bamboo forest (photo on lower right)





These are examples of volunteer activities initiated by employees, independently from internal programs that encourage volunteering. Mitsui Kinzoku Group has developed and is improving a system for supporting volunteer activities and social contribution activities, and encourages its employees to take the initiative in volunteering.

### “I hope the children's safety, I only hope so”

Kazuhiko Tabata, who currently serves as an adviser to Mitsui Kushikino Mines Co., Ltd., has been serving as an elementary school crossing guard every morning for the last 11 years. With a flag in his hand, he ensures the safety of school children.

A female crossing guard standing at a school road who ensures the safety of elementary school children was formerly called a “midori-no obasan” (“green lady”). Until seven years ago, when school crossing guards were officially certified as “gakudo yogoin,” volunteers served as crossing guards. Tabata started serving as a crossing guard because he wanted to do something to contribute to the local community. He stands at a school road for about 20 minutes at around 7:30 each morning before going to the office.

Twenty minutes is not long but it is not easy to stand outside when it is raining or cold in winter.

However, he has continued this routine because seeing the energy of the children makes him feel encouraged and energized.

He sometimes chaperones students back to school when they forget something and have to rush back home to get it. When he is away on business for a few days, children ask him, “What happened? Did you catch a cold?” upon his return. Even though he only sees them for a short time in the morning, Tabata seems to get on well with the children. Many of them give him a high five as they pass. He sometimes notices a student’s slight change of countenance and wonders if something has happened at home or school.

In such a case, he talks to the child while they wait for the traffic light to turn green.

“My primary role is to help them avoid accidents on their way to school,” he says. “I would be more than happy if I can also be of help in ensuring the children’s safety and protection against crime. I hope the children in the local community will become adults who greet each other nicely and are kind and considerate, and will play a leading role in supporting the development of the community in the future.” This is the hope that motivates Tabata to go to the school crossing every morning.



Tabata exchanging words with students and holding his hand out for a quick high five with one of them at a crossing in Kagoshima Prefecture.



Not a few students say that they did not know their town is one of the few places where perlite ore is produced and that they now feel pride at living in such a town.

**Mikata Quarry** (Kami-cho, Mikata-gun, Hyogo Prefecture)  
At the Mikata Quarry, we mine perlite ore using the surface bench mining method. Since the development started in 1987, the total output has reached 750,000 tons. The area where the Mikata Quarry is located is surrounded by a rich natural environment and has been designated as a prefectural natural park. To conserve this natural environment for future generations, we comply not only with laws such as the Quarrying Act and the Forest Act, but also the Natural Park Ordinance in our mining operations. We have greening and tree planting programs to restore the land after mining is completed.



### It is our pleasure to give children an opportunity to learn something and become aware of something.

The Perlite Division of Mitsui Kinzoku, in cooperation with Daiichi Kogyo, a partner company, has visited Ojiro Elementary School every year since 2013 to give a talk to fifth graders. The elementary school is situated in the area where the Mikata Quarry is located. This is one of the efforts under the Furusato Gakushukai (Local Study Group) program. We provide students with an opportunity to learn about perlite produced in the Ojiro District.

In the lesson, students learn that there are only seven perlite mines in Japan and that perlite is a resource produced by the Earth over many years.

An instructor explains that perlite is very useful in our daily life. For example, due to its light weight, perlite is used as a material for external walls of houses and, due to its good water-retention and draining properties, it is also used as soil conditioner.

In addition to classroom talks, the program includes a visit to the quarry, where rocks are crushed dynamically using crushers.

Students are also offered an opportunity to conduct an experiment to confirm the foamability of perlite, one of its properties, by heating perlite ore using a gas burner.

Similar to the above example, we offer lessons to school classes and tours of our plants at many sites to contribute to promoting science and education in local communities while helping local children deepen their understanding of the Mitsui Kinzoku Group’s projects and products.

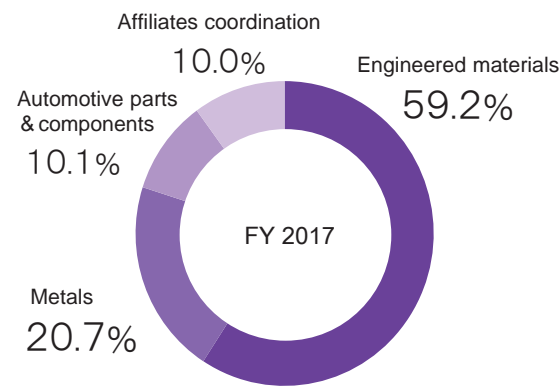


Continuing to create growth products and businesses, centered around functional materials, metals and automotive parts, and continuing to enhance corporate value. That is our vision of we want to be in 10 years' time.

**Corporate profile**

[Company Name]  
 MITSUI MINING & SMELTING CO.,LTD.  
 <Common name= MITSUI KINZOKU >  
 [Established]  
 May 1, 1950  
 [Head Office]  
 1-11-1, Osaki, Shinagawa-ku, Tokyo, Japan  
 [Paid-in capital]  
 42,129million yen (as of March 31, 2018)  
 [Sales]  
 Consolidated 519,215 million yen  
 (year ended March 31, 2018)  
 Non-consolidated 260,719 million yen  
 (year ended March 31, 2018)  
 [Employees]  
 Consolidated 12,276 Non-consolidated 1,840  
 (as of March 31, 2018)  
 [Subsidiaries and affiliates]  
 Subsidiaries 74 (include 53 consolidated )  
 Affiliates 29

**Consolidated operating income breakdown**

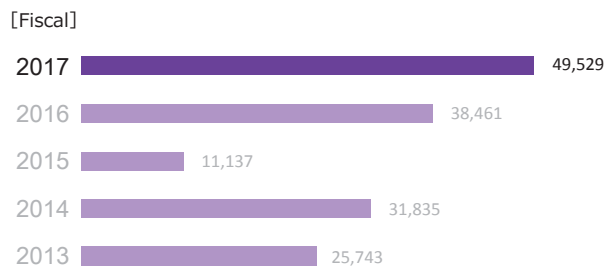


(value before consolidated adjustment)

**Consolidated net sales (Millions of Yen)**



**Consolidated operating income (Millions of Yen)**



**Consolidated total assets (Millions of Yen)**



**Functional materials for more comfortable lives in the information age**

**Battery materials**

We have been supplying a wide range of different battery materials for many years, and have continued to evolve hand-in-hand with battery technology. Materials include lithium manganese oxide and lithium nickel oxide, which are used in lithium ion batteries for mobile devices and electric vehicles, as well as hydrogen-absorbing alloys, which are used in nickel hydride batteries for hybrid vehicles, and zinc powder, which is used in alkali batteries. There are high performance materials underpinning the workings of batteries in almost every aspect of our everyday lives. We were the first in the world to develop mercury-free zinc powder for batteries, and were among the first to start supplying hydrogen-absorbing alloys after mass production of hybrid vehicles got underway.

**Catalysts**

Catalysts are directly linked to reducing environmental impact. With motorization and the worldwide tightening of regulations on emissions have led to a real need for reliable high performance catalysts. To cater to global demand, we have an overseas network of supply facilities across six countries. We supply catalysts that offer outstanding heat resistance, low-temperature activation and peel resistance, for motorcycles, cars and general purpose engines for a range of industrial machinery.

**Engineered powders**

The technologies we have built up over many years, particularly in the field of non-ferrous materials, have paved the way to create even more high added value products from metal. Whether oxidizing metal, turning it into powder, or coming up with all manner of other ideas, there are ways to achieve different functions from metal in bullion form. By focusing on these properties, and making the most of powder-related technologies we have built up to date, in terms of high purity, pulverization, and grain shape and diameter, we have been able to develop and supply a whole host of functional engineered powders. Our products include pastolan conductive powder for antistatic coatings, magnetite toner materials for printers and copiers, cerium oxide abrasives for polishing glass for flat screens and hard disks, tantalum and niobium oxides for optical lenses and ceramic condensers, and tantalum and niobium carbides for cemented carbide tools.

**Copper foil**

Computers, mobile phones and all other electronic devices contain electronic circuit boards with precision wiring between IC chips. Electrodeposited copper foil provides the essential wiring material on printed circuit boards, used to form the circuit patterns. As electronic devices become more compact and lightweight, there is also growing demand for even more precisely

detailed circuit boards. As a leading manufacturer of copper foil, we supply a wide range of products, from general purpose foils to state-of-the-art products capable of forming ultra-precise circuits, and have the development capabilities to meet the needs of the market.

One of our core products at the moment is an electrodeposited copper foil with carrier, called MicroThin™. This is a product that combines the ultra-thin properties required to form precise circuits (1.5-5µm) with an ultra-fine surface coating. It has helped customers to improve process productivity and yield, thanks to benefits such as the ability to ship foil in wide rolls. Sales have been increasing steadily ever since we commenced mass production. As smartphones acquire ever more advanced functionality, the substrates inside are expected to require increasingly precise wiring too. That is why demand for MicroThin™ is expected to keep on growing in the future.

**Sputtering targets**

LCD televisions, smart phones, tablets and other electronic devices are made from circuits consisting of multiple layers of thin films. The technique used to form these thin films, which are just a few micrometers (µm) thick, is called sputtering. The base materials used in this process are sputtering targets. We supply target materials for a variety of purposes, including ITO transparent conducting films for LCD panels, organic EL panels and touch panels, IGZO transparent oxide semiconductors, and thin-film solar cells. Recently, we have also started producing target materials for rotary cathodes, which improve process efficiency for our customers. With manufacturing facilities in Japan, Taiwan and South Korea, we continue to maintain a strong share of the target material market for displays in particular.

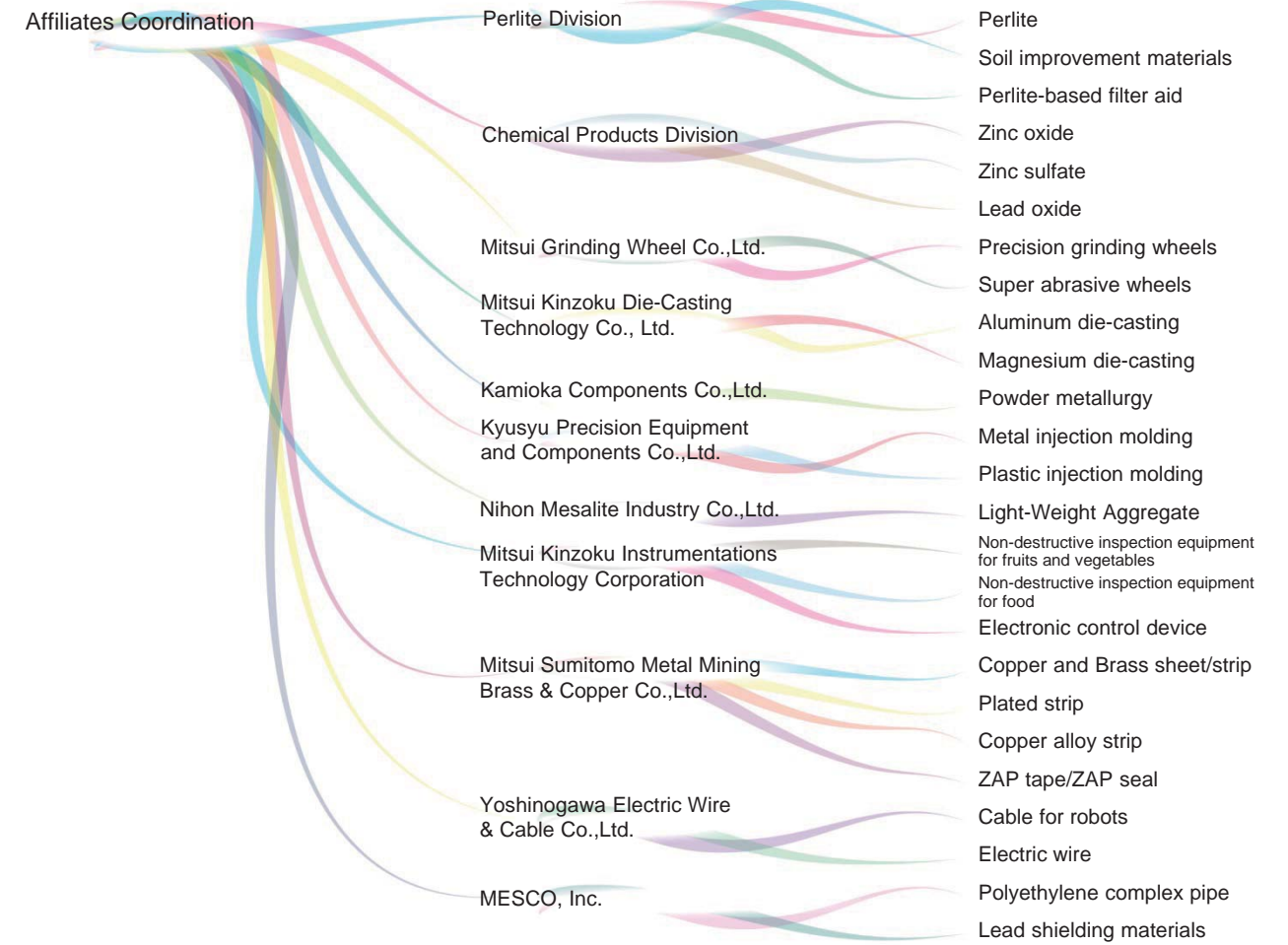
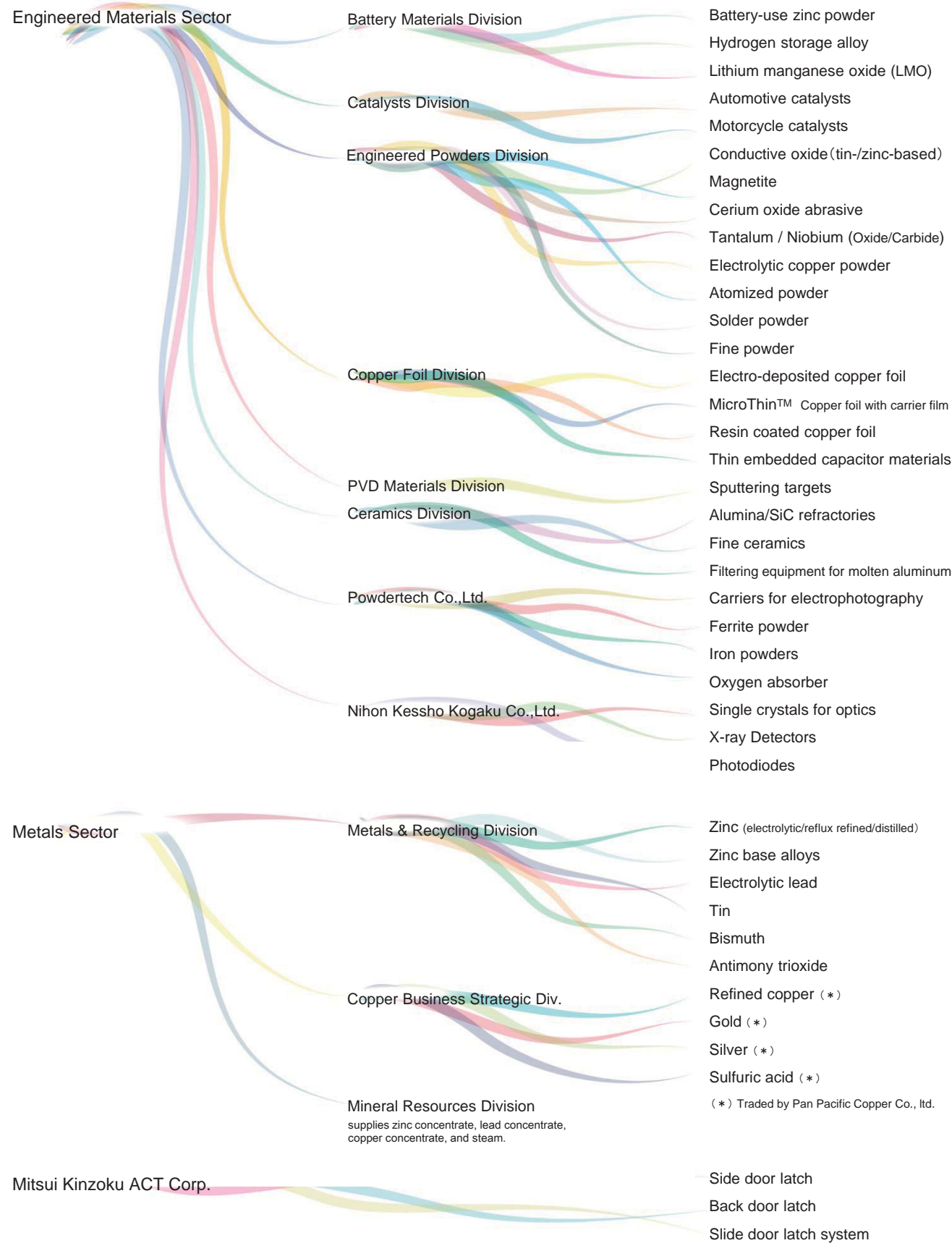
**Ceramics**

Our ceramics division manufactures firing furnaces, which are essential to the production of electronic ceramics, lining bricks, kiln tools, and bricks for non-ferrous metal melting furnaces. Products also include Metalofilter, which removes impurities from molten aluminum. Having been highly acclaimed throughout the global market for its excellent filtration capabilities, this has made a difference to the production of aluminum drinks cans the world over.

**Transforming our business to create a recycling-oriented society**

**Non-ferrous metals**

Mitsui Kinzoku is Japan's leading manufacturer of zinc, a basic material that is used across a wide range of sectors, including essential plating for rust-proofing steel, alloys, chemical products and die-cast products. It is also where our roots as a business lie. Having built up zinc smelting technologies and a supply structure over more than a century, we have earned a high level of trust from the market.



We also retain a strong share of the domestic market for lead, which is used for lead piping, radiation shielding materials and alloys, particularly for automotive and industrial batteries. At Kamioka Mining & Smelting Co., Ltd., one of our lead smelting facilities, in 1995 we took the pioneering move of switching raw materials from conventional ore to recycled materials, chiefly used batteries.

We established a system to recycle waste back into resources at an early stage too. We recover gold, silver, platinum, palladium and other metals from items such as used electronic devices and electronic substrates. We also recover metals such as zinc and copper from general waste. We continue to develop essential technologies to enable us to preserve the environment and make more effective use of resources.

Copper is used for electrical wiring, and a whole host of other electronic parts and processed products. Pan Pacific Copper Co., Ltd. established in 2000 as part of an alliance between Mitsui Kinzoku and JX Nippon Mining & Metals Corporation. It operates a fully integrated system covering every aspect of copper, from procuring raw materials through to manufacturing and sales.

### Safety, comfort and inspiration

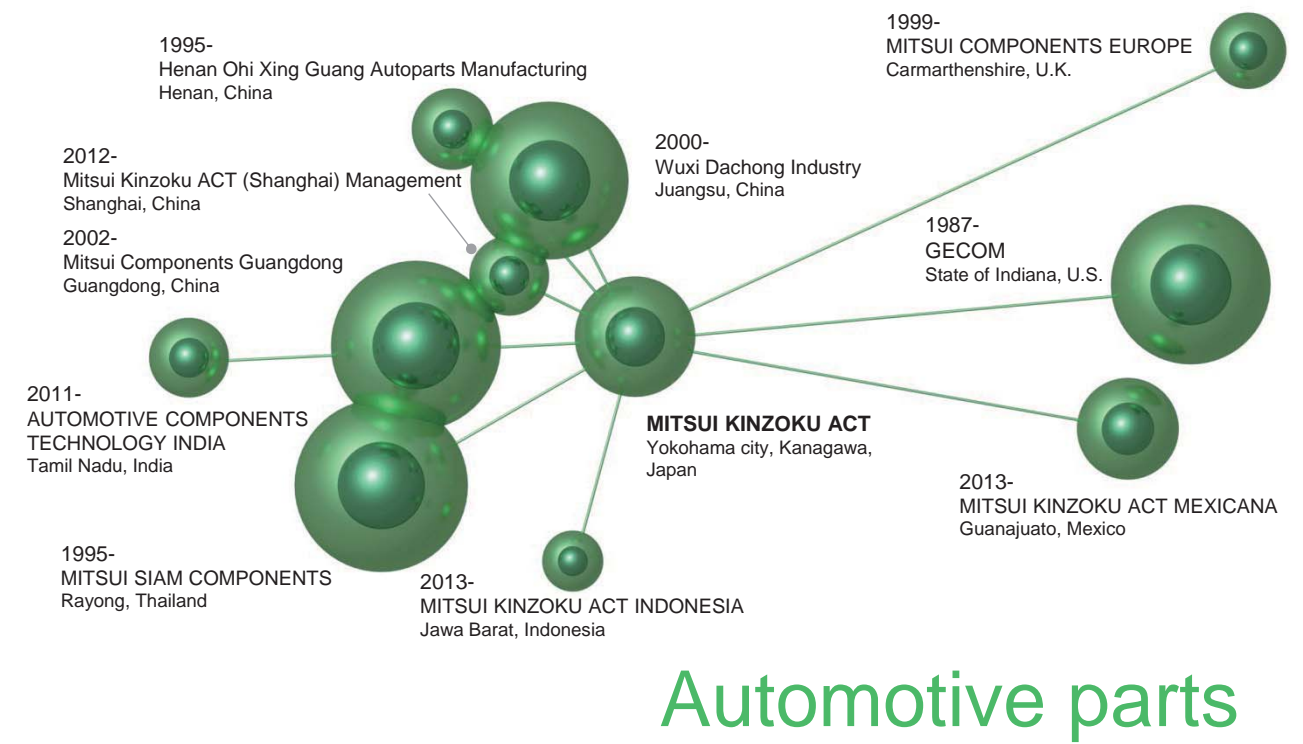
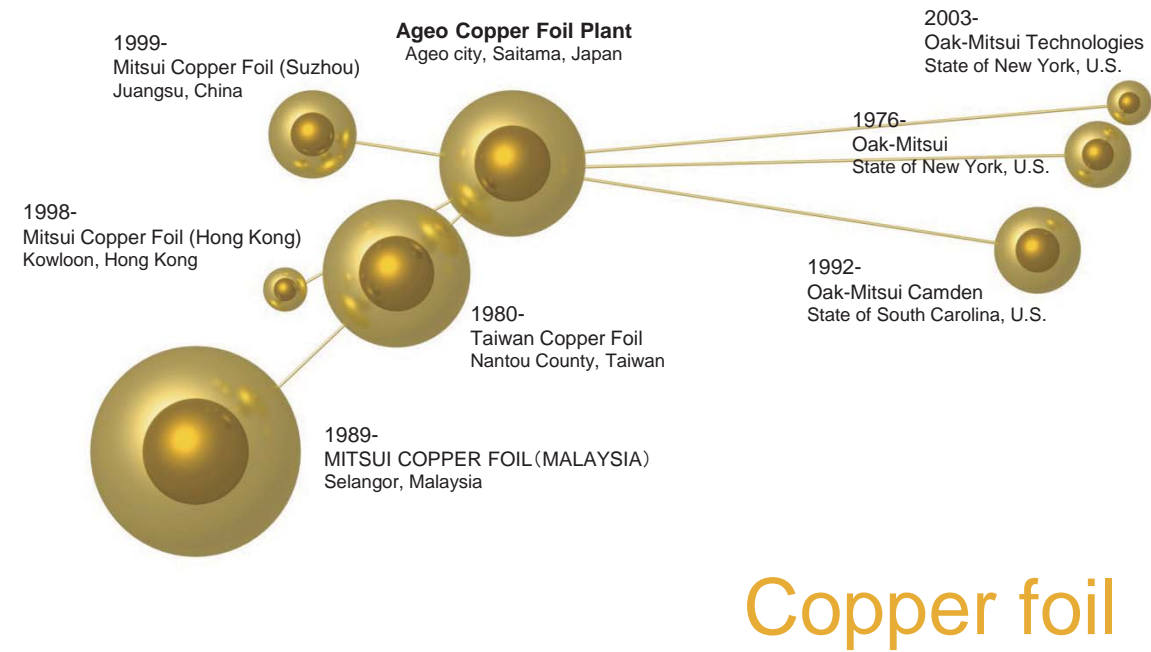
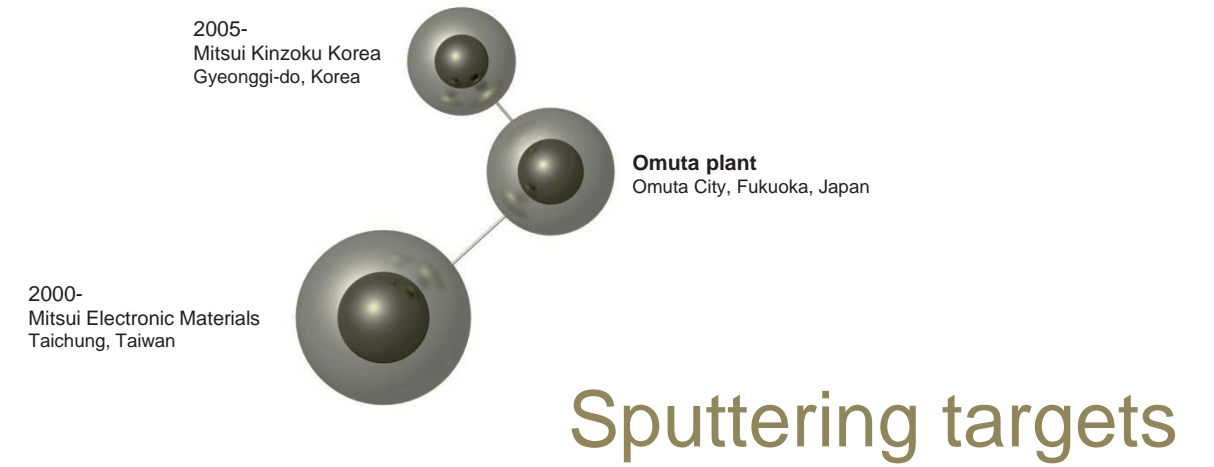
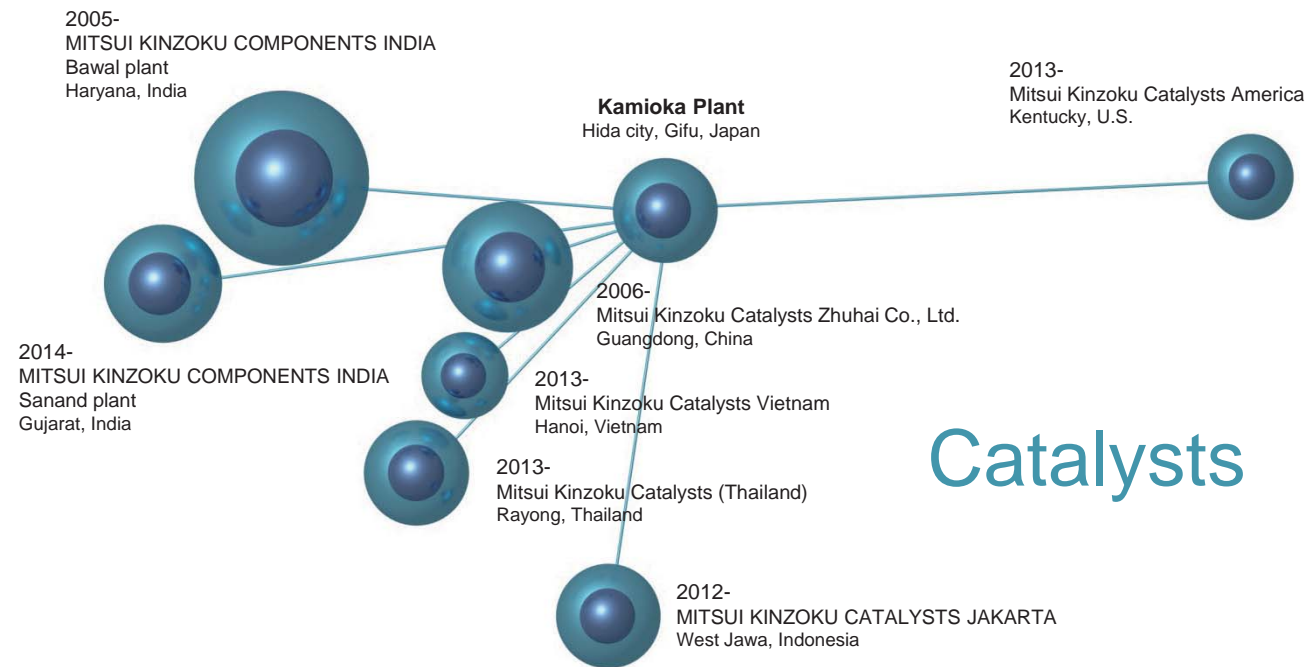
#### Automotive parts

We have always developed a range of alloys, precision processed components and functional parts in order to expand the range of applications for non-ferrous materials. We also supply products that offer added value above and beyond materials. That was where Mitsui Kinzoku's parts processing business started. We now supply an extensive array of functional parts that are crucial for vehicles, home appliances and office equipment.

In particular, auto manufacturers all over the world have been using our door latches and other automotive parts for half a century. We have a leading share of the global market for side door latches. Having spun off our automotive parts business in 2010, Mitsui Kinzoku ACT Corporation is now responsible for handling automotive parts. We have a network of manufacturing and supply facilities covering Japan, the US, Mexico, UK, China, Thailand, Indonesia and India. Combined with our efforts to improve quality assurance, research and development systems, this has enabled us to establish ourselves as a global supplier of automotive parts.



Global expansion of Mitsui Kinzoku Group's key businesses (as of July 2018) \* The size of each circle stands for the number of personnel working at each site.



## Independent Practitioner's Assurance Report

July 10, 2018

Mr. Keiji Nishida,  
President, Representative Director,  
MITSUI MINING & SMELTING CO., LTD.

Masahiko Sugiyama  
Representative Director  
Deloitte Tohmatsu Sustainability Co., Ltd.  
3-3-1, Marunouchi, Chiyoda-ku, Tokyo

We have undertaken a limited assurance engagement of the CO<sub>2</sub> information indicated with  for the year ended March 31, 2018, stated in "CO<sub>2</sub> emissions from energy consumption" (the "CO<sub>2</sub> Information") included in the "CSR REPORT 2018" (the "Report") of MITSUI MINING & SMELTING CO., LTD. (the "Company").

### The Company's Responsibility

The Company is responsible for the preparation of the CO<sub>2</sub> Information in accordance with the calculation and reporting standard adopted by the Company (indicated with the CO<sub>2</sub> Information included in the Report). CO<sub>2</sub> quantification is subject to inherent uncertainty for reasons such as incomplete scientific knowledge used to determine emissions factors and numerical data.

### Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. We apply International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Our Responsibility

Our responsibility is to express a limited assurance conclusion on the CO<sub>2</sub> Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board ("IAASB"), ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the IAASB and the *Practical Guideline for the Assurance of Sustainability Information*, issued by the Japanese Association of Assurance Organizations for Sustainability Information.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. These procedures also included the following:

- Evaluating whether the Company's methods for estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or reperforming the estimates.
- Undertaking site visits to assess the completeness of the data, data collection methods, source data and relevant assumptions applicable to the sites.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

### Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the CO<sub>2</sub> Information is not prepared, in all material respects, in accordance with the calculation and reporting standard adopted by the Company.

The above represents a translation, for convenience only, of the original Independent Practitioner's Assurance report issued in the Japanese language.

Member of  
Deloitte Touche Tohmatsu Limited

# Comparative Table with GRI Standard

This report is prepared in accordance with the core option of the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

100 series (Universal)	102-8 Information on employees and other workers	102-12 External initiatives
GRI 102 : General Disclosures 2016	Disclosure Title	Disclosure Title
1. Organizational profile	a. Total number of employees by employment contract (permanent and temporary), by gender.	a. A list of externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses.
102-1 Name of the organization.	b. Total number of employees by employment contract (permanent and temporary), by region.	References <a href="#">Stakeholder Engagement P12</a>
Disclosure Title	c. Total number of employees by employment type (full-time and part-time), by gender.	102-13 Membership of associations
a. Name of the organization.	d. Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.	Disclosure Title
References	e. Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries).	a. A list of the main memberships of industry or other associations, and national or international advocacy organizations.
<a href="#">Corporate overview P76</a>	f. An explanation of how the data have been compiled, including any assumptions made.	References <a href="#">Stakeholder Engagement P12</a> <a href="#">Responsible Minerals Sourcing P67</a>
102-2 Activities, brands, products, and services	References	2. Strategy
Disclosure Title	<a href="#">Corporate overview P77-79</a>	102-14 Statement from senior decision-maker
a. A description of the organization's activities.	102-3 Location of headquarters	Disclosure Title
b. Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.	Disclosure Title	a. A statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.
References	a. Location of the organization's headquarters.	References
<a href="#">Corporate overview P76-79</a>	References	<a href="#">Breakdown of consolidated employees P38-39</a>
102-3 Location of headquarters	<a href="#">Corporate overview P76</a>	102-9 Supply chain
Disclosure Title	102-4 Location of operations	Disclosure Title
a. Location of the organization's headquarters.	Disclosure Title	a. A description of the organization's supply chain, including its main elements as they relate to the organization's activities, primary brands, products, and services.
References	a. Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	References
<a href="#">Corporate overview P76</a>	References	<a href="#">My Commitment P06</a>
102-4 Location of operations	<a href="#">Corporate overview P78-81</a>	102-15 Key impacts, risks, and opportunities
Disclosure Title	102-5 Ownership and legal form	Disclosure Title
a. Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	Disclosure Title	a. A description of key impacts, risks, and opportunities.
References	a. Nature of ownership and legal form.	3. Ethics and integrity
<a href="#">Corporate overview P78-81</a>	References	102-16 Values, principles, standards, and norms of behavior
102-5 Ownership and legal form	<a href="#">Corporate overview P76</a>	Disclosure Title
Disclosure Title	102-6 Markets served	a. A description of the organization's values, principles, standards, and norms of behavior.
a. Nature of ownership and legal form.	Disclosure Title	References <a href="#">Putting our Management Philosophy into practice P08-09</a>
References	a. Markets served, including:	102-17 Mechanisms for advice and concerns about ethics
<a href="#">Corporate overview P76</a>	i. geographic locations where products and services are offered;	Disclosure Title
102-6 Markets served	ii. sectors served;	a. A description of internal and external mechanisms for:
Disclosure Title	iii. types of customers and beneficiaries.	i. seeking advice about ethical and lawful behavior, and organizational integrity;
a. Markets served, including:	References	ii. reporting concerns about unethical or unlawful behavior, and organizational integrity.
i. geographic locations where products and services are offered;	<a href="#">Corporate overview P76-81</a>	References <a href="#">Internal Audit Committee and Internal Audit Department P31</a> <a href="#">Whistle-blowing system P33</a> <a href="#">Internal Audit P33</a>
ii. sectors served;	102-7 Scale of the organization	102-11 Precautionary Principle or approach
iii. types of customers and beneficiaries.	Disclosure Title	Disclosure Title
References	a. Scale of the organization, including:	a. Whether and how the organization applies the Precautionary Principle or approach.
<a href="#">Corporate overview P76-81</a>	i. total number of employees;	References
102-7 Scale of the organization	ii. total number of operations;	<a href="#">Materiality Assessment P14</a> <a href="#">Investment and expenses for environmental management P54</a>
Disclosure Title	iii. net sales (for private sector organizations) or net revenues (for public sector organizations);	
a. Scale of the organization, including:	iv. total capitalization (for private sector organizations) broken down in terms of debt and equity;	
i. total number of employees;	v. quantity of products or services provided.	
ii. total number of operations;	References	
iii. net sales (for private sector organizations) or net revenues (for public sector organizations);	<a href="#">Corporate overview P76</a>	
iv. total capitalization (for private sector organizations) broken down in terms of debt and equity;		
v. quantity of products or services provided.		
References		
<a href="#">Corporate overview P76</a>		



## Comparative Table with GRI Standard

### 4. Governance

#### 102-18 Governance structure Disclosure Title

a. Governance structure of the organization, including committees of the highest governance body.

b. Committees responsible for decision-making on economic, environmental, and social topics.

References  
[Organization to address materiality](#) P15  
[Corporate Governance System](#) P31

#### 102-19 Delegating authority Disclosure Title

a. Process for delegating authority for economic, environmental, and social topics from the highest governance body to senior executives and other employees.

#### 102-20 Executive-level responsibility for economic, environmental, and social topics Disclosure Title

a. Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental, and social topics.

b. Whether post holders report directly to the highest governance body.

#### 102-21 Consulting stakeholders on economic, environmental, and social topics Disclosure Title

a. Processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics.

b. If consultation is delegated, describe to whom it is delegated and how the resulting feedback is provided to the highest governance body.

#### 102-22 Composition of the highest governance body and its committees Disclosure Title

a. Composition of the highest governance body and its committees by:

- i. executive or non-executive;
- ii. independence;
- iii. tenure on the governance body;
- iv. number of each individual's other significant positions and commitments, and the nature of the commitments;
- v. gender;
- vi. membership of under-represented social groups;
- vii. competencies relating to economic, environmental, and social topics;
- viii. stakeholder representation.

References  
[To gain and secure stakeholders' trust](#) P30

#### 102-23 Chair of the highest governance body Disclosure Title

a. Whether the chair of the highest governance body is also an executive officer in the organization.

b. If the chair is also an executive officer, describe his or her function within the organization's management and the reasons for this arrangement.

References  
[Directors and Board of Directors](#) P30

#### 102-24 Nominating and selecting the highest governance body Disclosure Title

a. Nomination and selection processes for the highest governance body and its committees.

b. Criteria used for nominating and selecting highest governance body members, including whether and how:

- i. stakeholders (including shareholders) are involved;
- ii. diversity is considered;
- iii. independence is considered;
- iv. expertise and experience relating to economic, environmental, and social topics are considered.

References  
[To gain and secure stakeholders' trust](#) P30-31

#### 102-25 Conflicts of interest Disclosure Title

a. Processes for the highest governance body to ensure conflicts of interest are avoided.

b. Whether conflicts of interest are disclosed to stakeholders, including, as a minimum:

- i. Cross-board membership;
- ii. Cross-shareholding with suppliers and other stakeholders;
- iii. independence is considered;
- iv. Related party disclosures.

References  
[Business operations](#) P30

#### 102-26 Role of highest governance body in setting purpose, values, and strategy Disclosure Title

a. Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics. References

[Materiality](#) P13  
[Management System](#) P15

#### 102-27 Collective knowledge of highest governance body Disclosure Title

a. Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental, and social topics.

#### 102-28 Evaluating the highest governance body's performance Disclosure Title

a. Processes for evaluating the highest governance body's performance with respect to governance of economic, environmental, and social topics.

b. Whether such evaluation is independent or not, and its frequency.

c. Whether such evaluation is a self-assessment.

d. Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental, and social topics, including, as a minimum, changes in membership and organizational practice.

References  
[Effectiveness Assessment of the Board of Directors](#) P31

#### 102-29 Identifying and managing economic, environmental, and social impacts Disclosure Title

a. Highest governance body's role in identifying and managing economic, environmental, and social topics and their impacts, risks, and opportunities – including its role in the implementation of due diligence processes.

b. Whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental, and social topics and their impacts, risks, and opportunities.

References  
[Stakeholders](#) P10  
[Materiality](#) P13-14  
[Management System](#) P15

#### 102-30 Effectiveness of risk management processes Disclosure Title

a. Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental, and social topics.

References  
[Management System](#) P15

#### 102-31 Review of economic, environmental, and social topics Disclosure Title

a. Frequency of the highest governance body's review of economic, environmental, and social topics and their impacts, risks, and opportunities.

References  
[Management System](#) P15

#### 102-32 Highest governance body's role in sustainability reporting Disclosure Title

a. The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material topics are covered.

References  
[Management System](#) P15

#### 102-33 Communicating critical concerns Disclosure Title

a. Process for communicating critical concerns to the highest governance body.

#### 102-34 Nature and total number of critical concerns Disclosure Title

a. Total number and nature of critical concerns that were communicated to the highest governance body.

b. Mechanism(s) used to address and resolve critical concerns.

#### 102-35 Remuneration policies Disclosure Title

a. Remuneration policies for the highest governance body and senior executives for the following types of remuneration:

- i. Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares;
- ii. Sign-on bonuses or recruitment incentive payments;
- iii. Termination payments;
- iv. Clawbacks;
- v. Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees.

b. How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics.

References  
[Nomination Review Committee and Compensation Committee](#) P31

#### 102-36 Process for determining remuneration Disclosure Title

a. Process for determining remuneration.

b. Whether remuneration consultants are involved in determining remuneration and whether they are independent of management.

c. Any other relationships that the remuneration consultants have with the organization.

References  
[Nomination Review Committee and Compensation Committee](#) P31

#### 102-37 Stakeholders' involvement in remuneration Disclosure Title

a. How stakeholders' views are sought and taken into account regarding remuneration.

b. If applicable, the results of votes on remuneration policies and proposals.

#### 102-38 Annual total compensation ratio Disclosure Title

a. 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 (excluding the highest-paid individual) in the same country.

#### 102-39 Percentage increase in annual total compensation ratio Disclosure Title

a. Ratio of the 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 (excluding the highest-paid individual) in the same country.

### 5. Stakeholder engagement

#### 102-40 List of stakeholder groups Disclosure Title

a. A list of stakeholder groups engaged by the organization.

References  
[Stakeholder Engagement](#) P12

#### 102-41 Collective bargaining agreements Disclosure Title

a. Percentage of total employees covered by collective bargaining agreements.

References  
[Percentage of total employees covered by collective bargaining agreements](#) P39

#### 102-42 Identifying and selecting stakeholders Disclosure Title

a. The basis for identifying and selecting stakeholders with whom to engage.

References  
[Stakeholders](#) P10-11

#### 102-43 Approach to stakeholder engagement Disclosure Title

a. The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.

References  
[Stakeholder Engagement](#) P12

#### 102-44 Key topics and concerns raised Disclosure Title

a. Key topics and concerns that have been raised through stakeholder engagement, including:

- i. how the organization has responded to those key topics and concerns, including through its reporting;
- ii. the stakeholder groups that raised each of the key topics and concerns.

References  
[Key issues proposed through engagement](#) P13

### 6. Reporting practice

#### 102-45 Entities included in the consolidated financial statements Disclosure Title

a. A list of all entities included in the organization's consolidated financial statements or equivalent documents.

b. Whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.

References  
[Corporate overview](#) P78-79

#### 102-46 Defining report content and topic Boundaries Disclosure Title

a. An explanation of the process for defining the report content and the topic Boundaries.

b. An explanation of how the organization has implemented the Reporting Principles for defining report content.

References  
[Mitsui Kinzoku Group's CSR](#) P10-15

#### 102-47 List of material topics Disclosure Title

a. A list of the material topics identified in the process for defining report content.

References  
[Progress of Material Issues](#) P16-21

#### 102-48 Restatements of information Disclosure Title

a. The effect of any restatements of information given in previous reports, and the reasons for such restatements.

References  
[Proportion of female employees in management positions](#) P41  
[Emissions to the atmosphere and water in Japan](#) P55  
[Number of Japanese patent applications](#) P69  
[Number of foreign patent applications](#) P69

## Comparative Table with GRI Standard

102-49 Changes in reporting  
Disclosure Title  
a. Significant changes from previous reporting periods in the list of material topics and topic Boundaries.  
References  
( [There is no change.](#) )

102-50 Reporting period  
Disclosure Title  
a. Reporting period for the information provided.  
References  
[About this report](#) P04

102-51 Date of most recent report  
Disclosure Title  
a. If applicable, the date of the most recent previous report.  
References  
[About this report](#) P04

102-52 Reporting cycle  
Disclosure Title  
a. Reporting cycle  
References  
[About this report](#) P04

102-53 Contact point for questions regarding the report  
Disclosure Title  
a. The contact point for questions regarding the report or its contents.  
References  
[Mitsui Kinzoku CSR office](#) P95

102-54 Claims of reporting in accordance with the GRI Standards  
Disclosure Title  
a. The claim made by the organization, if it has prepared a report in accordance with the GRI Standards, either:  
i. 'This report has been prepared in accordance with the GRI Standards: Core option';  
ii. This report has been prepared in accordance with the GRI Standards: Comprehensive option'.  
References  
[Comparative Table with GRI Standard](#) P83

102-55 GRI content index  
Disclosure Title  
a. The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the report.  
b. For each disclosure, the content index shall include:  
i. the number of the disclosure (for disclosures covered by the GRI Standards);  
ii. the page number(s) or URL(s) where the information can be found, either within the report or in other published materials;

iii. if applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.  
References  
[Comparative Table with GRI Standard](#) P83

102-56 External assurance  
Disclosure Title  
a. A description of the organization's policy and current practice with regard to seeking external assurance for the report.  
b. If the report has been externally assured:  
i. A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process;  
ii. The relationship between the organization and the assurance provider;  
iii. Whether and how the highest governance body or senior executives are involved in seeking external assurance for the organization's sustainability report.  
References  
[Independent Practitioner's Assurance Report](#) P82

GRI 103 : Management Approach

103-1 Explanation of the material topic and its Boundary  
Disclosure Title  
a. An explanation of why the topic is material.  
b. The Boundary for the material topic, which includes a description of:  
i. where the impacts occur;  
ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.  
c. Any specific limitation regarding the topic Boundary.  
References  
[Materiality](#) P13-14  
[Progress of Material Issues](#) P16-21

103-2 The management approach and its components  
Disclosure Title  
a. An explanation of how the organization manages the topic.  
b. A statement of the purpose of the management approach.  
c. A description of the following, if the management approach includes that component:  
i. Policies  
ii. Commitments  
iii. Goals and targets  
iv. Responsibilities  
v. Resources  
vi. Grievance mechanisms

vii. Specific actions, such as processes, projects, programs and initiatives  
References  
[CSR Management](#) P15  
[Progress of Material Issues](#) P16-21

103-3 Evaluation of the management approach  
Disclosure Title  
a. An explanation of how the organization evaluates the management approach, including:  
i. the mechanisms for evaluating the effectiveness of the management approach;  
ii. the results of the evaluation of the management approach;  
iii. any related adjustments to the management approach. References  
[CSR Management](#) P15

200 series (Economic topics)

GRI 201 : Economic Performance 2016

2. Topic-specific disclosures

201-1 Direct economic value generated and distributed  
Disclosure Title  
a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:  
i. Direct economic value generated: revenues;  
ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;  
iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'.  
b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.

201-2 Financial implications and other risks and opportunities due to climate change  
Disclosure Title  
a. Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure, including:  
i. a description of the risk or opportunity and its classification as either physical, regulatory, or other;  
ii. a description of the impact associated with the risk or opportunity;  
iii. the financial implications of the risk or opportunity before action is taken;  
iv. the methods used to manage the risk or opportunity;  
v. the costs of actions taken to manage the risk or opportunity.

201-3 Defined benefit plan obligations and other retirement plans  
Disclosure Title  
a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities.  
b. If a separate fund exists to pay the plan's pension liabilities:  
i. the extent to which the scheme's liabilities are estimated to be covered by the assets that have been set aside to meet them;  
ii. the basis on which that estimate has been arrived at;  
iii. when that estimate was made.  
c. If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage.  
d. Percentage of salary contributed by employee or employer.  
e. Level of participation in retirement plans, such as participation in mandatory or voluntary schemes, regional, or country-based schemes, or those with financial impact.

201-4 Financial assistance received from government  
Disclosure Title  
a. Total monetary value of financial assistance received by the organization from any government during the reporting period, including:  
i. tax relief and tax credits;  
ii. subsidies;  
iii. investment grants, research and development grants, and other relevant types of grant;  
iv. awards;  
v. royalty holidays;  
vi. financial assistance from Export Credit Agencies (ECAs);  
vii. financial incentives;  
viii. other financial benefits received or receivable from any government for any operation.  
b. The information in 201-4-a by country.  
c. Whether, and the extent to which, any government is present in the shareholding structure.

GRI 202 : Market Presence 2016

202-1 Ratios of standard entry level wage by gender compared to local minimum wage  
Disclosure Title  
a. When a significant proportion of employees are compensated based on wages subject to minimum wage rules, report the relevant ratio of the entry level wage by gender at significant locations of operation to the minimum wage.  
b. When a significant proportion of other workers (excluding employees) performing the organization's activities are compensated based on wages subject to minimum wage rules, describe the actions taken to determine whether these workers are paid above the minimum wage.

c. Whether a local minimum wage is absent or variable at significant locations of operation, by gender. In circumstances in which different minimums can be used as a reference, report which minimum wage is being used.  
d. The definition used for 'significant locations of operation'.

202-2 Proportion of senior management hired from the local community  
Disclosure Title  
a. Percentage of senior management at significant locations of operation that are hired from the local community.  
b. The definition used for 'senior management'.  
c. The organization's geographical definition of 'local'.  
d. The definition used for 'significant locations of operation'.  
References  
[Percentage of managers holding local nationality](#) P38

GRI 203 : Indirect Economic Impacts 2016

203-1 Infrastructure investments and services supported  
Disclosure Title  
a. Extent of development of significant infrastructure investments and services supported.  
b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant.  
c. Whether these investments and services are commercial, in-kind, or pro bono engagements.

203-2 Significant indirect economic impacts  
Disclosure Title  
a. Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts.  
b. Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols, and policy agendas.

GRI 204 : Procurement Practices 2016

204-1 Proportion of spending on local suppliers  
Disclosure Title  
a. Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation (such as percentage of products and services purchased locally).  
b. The organization's geographical definition of 'local'.  
c. The definition used for 'significant locations of operation'.

GRI 205 : Anti-corruption 2016

205-1 Operations assessed for risks related to corruption  
Disclosure Title  
a. Total number and percentage of operations assessed for risks related to corruption.  
b. Significant risks related to corruption identified through the risk assessment.  
References  
[Due diligence at Group sites](#) P34

205-2 Communication and training about anti-corruption policies and procedures  
Disclosure Title  
a. Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region.  
b. Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region.  
c. Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations.  
d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.  
e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.  
References  
[Efforts to prevent anti-competitive practices and corruption/bribery](#) P33  
[Compliance training](#) P32

205-3 Confirmed incidents of corruption and actions taken  
Disclosure Title  
a. Total number and nature of confirmed incidents of corruption.  
b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.  
c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.  
d. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.  
References  
[Efforts to prevent anti-competitive practices and corruption/bribery](#) P33



## Comparative Table with GRI Standard

### GRI 206 : Anti-competitive Behavior 2016

206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

Disclosure Title

a. Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant.

b. Main outcomes of completed legal actions, including any decisions or judgments.

References

[Efforts to prevent anti-competitive practices and corruption/bribery P33](#)

300 series (Environmental topics)

### GRI 301 : Materials 2016

301-1 Materials used by weight or volume

Disclosure Title

a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by:

- i. non-renewable materials used;
- ii. renewable materials used.

301-2 Recycled input materials used

Disclosure Title

a. Percentage of recycled input materials used to manufacture the organization's primary products and services.

References

[Use of recycled raw materials P53](#)

301-3 Reclaimed products and their packaging materials

Disclosure Title

a. Percentage of reclaimed products and their packaging materials for each product category.

b. How the data for this disclosure have been collected.

### GRI 302 : Energy 2016

302-1 Energy consumption within the organization

Disclosure Title

a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.

b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.

c. In joules, watt-hours or multiples, the total:

i. electricity consumption

ii. heating consumption

iii. cooling consumption

iv. steam consumption

d. In joules, watt-hours or multiples, the total:

i. electricity sold

ii. heating sold

iii. cooling sold

iv. steam sold

e. Total energy consumption within the organization, in joules or multiples.

f. Standards, methodologies, assumptions, and/or calculation tools used.

g. Source of the conversion factors used.

References

[Save energy and reduce CO2 emissions P56](#)

302-2 Energy consumption outside of the organization

Disclosure Title

a. Energy consumption outside of the organization, in joules or multiples.

b. Standards, methodologies, assumptions, and/or calculation tools used.

c. Standards, methodologies, assumptions, and/or calculation tools used.

References

[Reduce energy consumption in logistics P57](#)

302-3 Energy intensity

Disclosure Title

a. Energy intensity ratio for the organization.

b. Organization-specific metric (the denominator) chosen to calculate the ratio.

c. Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all.

d. Whether the ratio uses energy consumption within the organization, outside of it, or both.

302-4 Reduction of energy consumption

Disclosure Title

a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.

b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.

c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.

d. Standards, methodologies, assumptions, and/or calculation tools used.

302-5 Reductions in energy requirements of products and services

Disclosure Title

a. Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples.

b. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.

c. Standards, methodologies, assumptions, and/or calculation tools used.

### GRI 303 : Water 2016

303-1 Water withdrawal by source

Disclosure Title

a. Total volume of water withdrawn, with a breakdown by the following sources:

i. Surface water, including water from wetlands, rivers, lakes, and oceans;

ii. Ground water;

iii. Rainwater collected directly and stored by the organization;

iv. Waste water from another organization;

v. Municipal water supplies or other public or private water utilities.

b. Standards, methodologies, and assumptions used.

References

[Prevent air pollution and water pollution P55](#)

303-2 Water sources significantly affected by withdrawal of water

Disclosure Title

a. Total number of water sources significantly affected by withdrawal by type

i. Size of the water source;

ii. Whether the source is designated as a nationally or internationally protected area;

iii. Biodiversity value (such as species diversity and endemism, and total number of protected species);

iv. Value or importance of the water source to local communities and indigenous peoples.

b. Standards, methodologies, and assumptions used.

303-3 Water recycled and reused

Disclosure Title

a. Total volume of water recycled and reused by the organization.

b. Total volume of water recycled and reused as a percentage of the total water withdrawal as specified in Disclosure 303-1.

c. Standards, methodologies, and assumptions used.

### GRI 304 : Biodiversity 2016

304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

Disclosure Title

a. For each operational site owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas, the following information:

i. Geographic location;

ii. Subsurface and underground land that may be owned, leased, or managed by the organization;

iii. Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas;

iv. Type of operation (office, manufacturing or production, or extractive);

v. Size of operational site in km<sup>2</sup> (or another unit, if appropriate);

vi. Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem);

vii. Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).

304-2 Significant impacts of activities, products, and services on biodiversity

Disclosure Title

a. Nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following:

i. Construction or use of manufacturing plants, mines, and transport infrastructure;

ii. Pollution (introduction of substances that do not naturally occur in the habitat from point and non-point sources);

iii. Introduction of invasive species, pests, and pathogens;

iv. Reduction of species;

v. Habitat conversion

vi. Changes in ecological processes outside the natural range of variation (such as salinity or changes in groundwater level).

b. Significant direct and indirect positive and negative impacts with reference to the following:

i. Species affected;

ii. Extent of areas impacted;

iii. Duration of impacts;

iv. Reversibility or irreversibility of the impacts.

304-3 Habitats protected or restored

Disclosure Title

a. Size and location of all habitat areas protected or restored, and whether the success of the restoration measure was or is approved by independent external professionals.

b. Whether partnerships exist with third parties to protect or restore habitat areas distinct from where the organization has overseen and implemented restoration or protection measures.

c. Status of each area based on its condition at the close of the reporting period.

d. Standards, methodologies, and assumptions used.

304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations

Disclosure Title

a. Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization, by level of extinction risk:

i. Critically endangered

ii. Endangered

iii. Vulnerable

iv. Near threatened

v. Least concern

### GRI 305 : Emissions 2016

305-1 Direct (Scope 1) GHG emissions

Disclosure Title

a. Gross direct (Scope 1) GHG emissions in metric tons of CO<sub>2</sub> equivalent.

b. Gases included in the calculation; whether CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFC, PFC, SF<sub>6</sub>, NF<sub>3</sub>, or all.

c. Biogenic CO<sub>2</sub> emissions in metric tons of CO<sub>2</sub> equivalent.

d. Base year for the calculation, if applicable, including:

i. the rationale for choosing it;

ii. emissions in the base year;

iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.

e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.

f. Consolidation approach for emissions; whether equity share, financial control, or operational control.

g. Standards, methodologies, assumptions, and/or calculation tools used.

References

[Save energy and reduce CO2 emissions P56-57](#)

305-2 Energy indirect (Scope 2) GHG emissions

Disclosure Title

a. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO<sub>2</sub> equivalent.

b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO<sub>2</sub> equivalent.

c. If available, the gases included in the calculation; whether CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, or all.

d. Base year for the calculation, if applicable, including:

i. the rationale for choosing it;

ii. emissions in the base year;

iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.

e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.

f. Consolidation approach for emissions; whether equity share, financial control, or operational control.

g. Standards, methodologies, assumptions, and/or calculation tools used.

References

[Save energy and reduce CO2 emissions P56-57](#)

305-3 Other indirect (Scope 3) GHG emissions

Disclosure Title

a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO<sub>2</sub> equivalent.

b. If available, the gases included in the calculation; whether CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, or all.

c. Biogenic CO<sub>2</sub> emissions in metric tons of CO<sub>2</sub> equivalent.

d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.

e. Base year for the calculation, if applicable, including:

i. the rationale for choosing it;

ii. emissions in the base year;

iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.

f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.

g. Standards, methodologies, assumptions, and/or calculation tools used.

References

[Reduce energy consumption in logistics P57](#)

## Comparative Table with GRI Standard

305-4 GHG emissions intensity  
Disclosure Title  
a. GHG emissions intensity ratio for the organization.  
b. Organization-specific metric (the denominator) chosen to calculate the ratio.  
c. Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).  
d. Gases included in the calculation; whether CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, or all.

305-5 Reduction of GHG emissions  
Disclosure Title  
a. GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO<sub>2</sub> equivalent.  
b. Gases included in the calculation; whether CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, or all.  
c. Base year or baseline, including the rationale for choosing it.  
d. Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).  
e. Standards, methodologies, assumptions, and/or calculation tools used.

305-6 Emissions of ozone-depleting substances (ODS)  
Disclosure Title  
a. Production, imports, and exports of ODS in metric tons of CFC-11 (trichlorofluoromethane) equivalent.  
b. Substances included in the calculation.  
c. Source of the emission factors used.  
d. Standards, methodologies, assumptions, and/or calculation tools used.

305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions  
Disclosure Title  
a. Significant air emissions, in kilograms or multiples, for each of the following:  
i. NOx  
ii. SOx  
iii. Persistent organic pollutants (POP)  
iv. Volatile organic compounds (VOC)  
v. Hazardous air pollutants (HAP)  
vi. Particulate matter (PM)  
vii. Other standard categories of air emissions identified in relevant regulations  
b. Source of the emission factors used.  
c. Standards, methodologies, assumptions, and/or calculation tools used.  
References  
[Prevent air pollution and water pollution P55](#)

GRI 306 : Effluents and Waste 2016

306-1 Water discharge by quality and destination  
Disclosure Title  
a. Total volume of planned and unplanned water discharges by:  
i. destination;  
ii. quality of the water, including treatment method;  
iii. whether the water was reused by another organization.  
b. Standards, methodologies, and assumptions used.  
References  
[Prevent air pollution and water pollution P55](#)

306-2 Waste by type and disposal method  
Disclosure Title  
a. Total weight of hazardous waste, with a breakdown by the following disposal methods where applicable:  
i. Reuse  
ii. Recycling  
iii. Composting  
iv. Recovery, including energy recovery  
v. Incineration (mass burn)  
vi. Deep well injection  
vii. Landfill  
viii. On-site storage  
ix. Other (to be specified by the organization)  
b. Total weight of non-hazardous waste, with a breakdown by the following disposal methods where applicable:  
i. Reuse  
ii. Recycling  
iii. Composting  
iv. Recovery, including energy recovery  
v. Incineration (mass burn)  
vi. Deep well injection  
vii. Landfill  
viii. On-site storage  
ix. Other (to be specified by the organization)  
c. How the waste disposal method has been determined:  
i. Disposed of directly by the organization, or otherwise directly confirmed  
ii. Information provided by the waste disposal contractor  
iii. Organizational defaults of the waste disposal contractor  
References  
[Use of recycled raw materials P53](#)  
[Reduce waste P54](#)

306-3 Significant spills  
Disclosure Title  
a. Total number and total volume of recorded significant spills.  
b. The following additional information for each spill that was reported in the organization's financial statements:  
i. Location of spill;  
ii. Volume of spill;  
iii. Material of spill, categorized by: oil spills (soil or water surfaces), fuel spills (soil or water surfaces), spills of wastes (soil or water surfaces), spills of chemicals (mostly soil or water surfaces), and other (to be specified by the organization).  
c. Impacts of significant spills.

306-4 Transport of hazardous waste  
Disclosure Title  
a. Total weight for each of the following:  
i. Hazardous waste transported  
ii. Hazardous waste imported  
iii. Hazardous waste exported  
iv. Hazardous waste treated  
b. Percentage of hazardous waste shipped internationally.  
c. Standards, methodologies, and assumptions used.  
References  
[Reduce emissions of chemical substances P55](#)

306-5 Water bodies affected by water discharges and/or runoff  
Disclosure Title  
a. Water bodies and related habitats that are significantly affected by water discharges and/or runoff, including information on:  
i. the size of the water body and related habitat;  
ii. whether the water body and related habitat is designated as a nationally or internationally protected area;  
iii. the biodiversity value, such as total number of protected species.

GRI 307 : Environmental Compliance 2016  
Disclosure Title  
a. Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations in terms of:  
i. total monetary value of significant fines;  
ii. total number of non-monetary sanctions;  
iii. cases brought through dispute resolution mechanisms.  
b. If the organization has not identified any non-compliance with environmental laws and/or regulations, a brief statement of this fact is sufficient.  
References  
[\( There was no violation on environmental regulations. \)](#)

307-1 New suppliers that were screened using environmental criteria  
Disclosure Title  
a. Percentage of new suppliers that were screened using environmental criteria.  
References  
[Roadmap for initiatives in the supply chain P66](#)  
[\( Since the initiatives begin in fiscal 2018, there is no disclosure information this time. \)](#)

308-1 Negative environmental impacts in the supply chain and actions taken  
Disclosure Title  
a. Number of suppliers assessed for environmental impacts.  
b. Number of suppliers identified as having significant actual and potential negative environmental impacts.  
c. Significant actual and potential negative environmental impacts identified in the supply chain.  
d. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment.  
e. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why.  
References  
[Roadmap for initiatives in the supply chain P66](#)  
[\( Since the initiatives begin in fiscal 2018, there is no disclosure information this time. \)](#)

308-2 Parental leave  
Disclosure Title  
a. Total number of employees that were entitled to parental leave, by gender.  
b. Total number of employees that took parental leave, by gender.  
c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender.  
d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender.  
e. Return to work and retention rates of employees that took parental leave, by gender.  
References  
[Parental leave P43](#)  
[Return to work and retention rates after parental leave P43](#)

400 series (Social topics)

GRI 401 : Employment 2016  
Disclosure Title  
a. Total number and rate of new employee hires during the reporting period, by age group, gender and region.  
b. Total number and rate of employee turnover during the reporting period, by age group, gender and region.  
References  
[New employee hires by region P39](#)  
[Employee turnover by region P39](#)

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees  
Disclosure Title  
a. Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees, by significant locations of operation.

401-3 Parental leave  
Disclosure Title  
a. Total number of employees that were entitled to parental leave, by gender.  
b. Total number of employees that took parental leave, by gender.  
c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender.  
d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender.  
e. Return to work and retention rates of employees that took parental leave, by gender.  
References  
[Parental leave P43](#)  
[Return to work and retention rates after parental leave P43](#)

GRI 402 : Labor/Management Relations 2016  
Disclosure Title  
a. Whether formal agreements (either local or global) with trade unions cover health and safety.  
b. If so, the extent, as a percentage, to which various health and safety topics are covered by these agreements.  
References  
[Labor-management activities P47](#)

GRI 403 : Occupational Health and Safety 2016  
Disclosure Title  
a. The level at which each formal joint management-worker health and safety committee typically operates within the organization.  
b. Percentage of workers whose work, or workplace, is controlled by the organization, that are represented by formal joint management-worker health and safety committees.  
References  
[Labor-management activities P47](#)

403-1 Workers representation in formal joint management-worker health and safety committees  
Disclosure Title  
a. Average hours of training that the organization's employees have undertaken during the reporting period, by:  
i. gender;  
ii. employee category.  
References  
[Total training hours \(FY 2017\) P37](#)

403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities  
Disclosure Title  
a. Types of injury, injury rate (IR), occupational disease rate (ODR), lost day rate (LDR), absentee rate (AR), and work-related fatalities, for all employees, with a breakdown by:  
i. region;  
ii. gender.  
b. Types of injury, injury rate (IR), and work-related fatalities, for all workers (excluding employees) whose work, or workplace, is controlled by the organization, with a breakdown by:  
i. region;  
ii. gender.  
c. The system of rules applied in recording and reporting accident statistics.  
References  
[Safety results in 2017 P49](#)

403-3 Workers with high incidence or high risk of diseases related to their occupation  
Disclosure Title  
a. Whether there are workers whose work, or workplace, is controlled by the organization, involved in occupational activities who have a high incidence or high risk of specific diseases.

403-4 Health and safety topics covered in formal agreements with trade unions  
Disclosure Title  
a. Whether formal agreements (either local or global) with trade unions cover health and safety.  
b. If so, the extent, as a percentage, to which various health and safety topics are covered by these agreements.  
References  
[Labor-management activities P47](#)

GRI 404 : Training and Education 2016  
Disclosure Title  
a. Average hours of training per year per employee  
b. Average hours of training that the organization's employees have undertaken during the reporting period, by:  
i. gender;  
ii. employee category.  
References  
[Total training hours \(FY 2017\) P37](#)

404-1 Average hours of training per year per employee  
Disclosure Title  
a. Average hours of training that the organization's employees have undertaken during the reporting period, by:  
i. gender;  
ii. employee category.  
References  
[Total training hours \(FY 2017\) P37](#)

404-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities  
Disclosure Title  
a. Types of injury, injury rate (IR), occupational disease rate (ODR), lost day rate (LDR), absentee rate (AR), and work-related fatalities, for all employees, with a breakdown by:  
i. region;  
ii. gender.  
b. Types of injury, injury rate (IR), and work-related fatalities, for all workers (excluding employees) whose work, or workplace, is controlled by the organization, with a breakdown by:  
i. region;  
ii. gender.  
c. The system of rules applied in recording and reporting accident statistics.  
References  
[Safety results in 2017 P49](#)

404-3 Workers with high incidence or high risk of diseases related to their occupation  
Disclosure Title  
a. Whether there are workers whose work, or workplace, is controlled by the organization, involved in occupational activities who have a high incidence or high risk of specific diseases.

404-4 Health and safety topics covered in formal agreements with trade unions  
Disclosure Title  
a. Whether formal agreements (either local or global) with trade unions cover health and safety.  
b. If so, the extent, as a percentage, to which various health and safety topics are covered by these agreements.  
References  
[Labor-management activities P47](#)

GRI 404 : Training and Education 2016  
Disclosure Title  
a. Average hours of training per year per employee  
b. Average hours of training that the organization's employees have undertaken during the reporting period, by:  
i. gender;  
ii. employee category.  
References  
[Total training hours \(FY 2017\) P37](#)

404-1 Average hours of training per year per employee  
Disclosure Title  
a. Average hours of training that the organization's employees have undertaken during the reporting period, by:  
i. gender;  
ii. employee category.  
References  
[Total training hours \(FY 2017\) P37](#)

404-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities  
Disclosure Title  
a. Types of injury, injury rate (IR), occupational disease rate (ODR), lost day rate (LDR), absentee rate (AR), and work-related fatalities, for all employees, with a breakdown by:  
i. region;  
ii. gender.  
b. Types of injury, injury rate (IR), and work-related fatalities, for all workers (excluding employees) whose work, or workplace, is controlled by the organization, with a breakdown by:  
i. region;  
ii. gender.  
c. The system of rules applied in recording and reporting accident statistics.  
References  
[Safety results in 2017 P49](#)

404-3 Workers with high incidence or high risk of diseases related to their occupation  
Disclosure Title  
a. Whether there are workers whose work, or workplace, is controlled by the organization, involved in occupational activities who have a high incidence or high risk of specific diseases.

404-4 Health and safety topics covered in formal agreements with trade unions  
Disclosure Title  
a. Whether formal agreements (either local or global) with trade unions cover health and safety.  
b. If so, the extent, as a percentage, to which various health and safety topics are covered by these agreements.  
References  
[Labor-management activities P47](#)



## Comparative Table with GRI Standard

404-2 Programs for upgrading employee skills and transition assistance programs  
Disclosure Title

a. Type and scope of programs implemented and assistance provided to upgrade employee skills.  
b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

References  
[Development and training system P36](#)  
[Active participation of experienced retiree P42](#)

404-3 Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.  
Disclosure Title

a. Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.  
References  
[Performance review P37](#)

GRI 405 : Diversity and Equal Opportunity 2016

405-1 Diversity of governance bodies and employees  
Disclosure Title

a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories:

i. Gender;  
ii. Age group: under 30 years old, 30-50 years old, over 50 years old;  
iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).  
b. Percentage of employees per employee category in each of the following diversity categories:  
i. Gender;  
ii. Age group: under 30 years old, 30-50 years old, over 50 years old;  
iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).

References  
[To gain and secure stakeholders' trust P30](#)  
[Breakdown of consolidated employees P38](#)

405-2 Ratio of basic salary and remuneration of women to men  
Disclosure Title

a. Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation.  
b. The definition used for 'significant locations of operation'.

GRI 406 : Non-discrimination 2016

406-1 Incidents of discrimination and corrective actions taken  
Disclosure Title

a. Total number of incidents of discrimination during the reporting period.  
b. Status of the incidents and actions taken with reference to the following:  
i. Incident reviewed by the organization;  
ii. Remediation plans being implemented;  
iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes;  
iv. Incident no longer subject to action.

GRI 407 : Freedom of Association and Collective Bargaining 2016

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk  
Disclosure Title

a. Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of:  
i. type of operation (such as manufacturing plant) and supplier;  
ii. countries or geographic areas with operations and suppliers considered at risk.  
b. Measures taken by the organization in the reporting period intended to support rights to exercise freedom of association and collective bargaining.

GRI 408 : Child Labor 2016

408-1 Operations and suppliers at significant risk for incidents of child labor  
Disclosure Title

a. Operations and suppliers considered to have significant risk for incidents of:  
i. child labor;  
ii. young workers exposed to hazardous work.  
b. Operations and suppliers considered to have significant risk for incidents of child labor either in terms of:  
i. type of operation (such as manufacturing plant) and supplier;  
ii. countries or geographic areas with operations and suppliers considered at risk.  
c. Measures taken by the organization in the reporting period intended to contribute to the effective abolition of child labor.

References  
[Integral base for our business P34](#)  
( There were no significant risks at domestic model bases. Investigation into suppliers is started from fiscal 2018, so there is no disclosure information this time. )

GRI 409 : Forced or Compulsory Labor 2016

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor  
Disclosure Title

a. Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor either in terms of:  
i. type of operation (such as manufacturing plant) and supplier;  
ii. countries or geographic areas with operations and suppliers considered at risk.  
b. Measures taken by the organization in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labor.

References  
[Integral base for our business P34](#)  
( There were no significant risks at domestic model bases. Investigation into suppliers is started from fiscal 2018, so there is no disclosure information this time. )

GRI 410 : Security Practices 2016

410-1 Security personnel trained in human rights policies or procedures  
Disclosure Title

a. Percentage of security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security.  
b. Whether training requirements also apply to third-party organizations providing security personnel.

GRI 411 : Rights of Indigenous Peoples 2016

411-1 Incidents of violations involving rights of indigenous peoples  
Disclosure Title

a. Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period.  
b. Status of the incidents and actions taken with reference to the following:  
i. Incident reviewed by the organization;  
ii. Remediation plans being implemented;  
iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes;  
iv. Incident no longer subject to action.

GRI 412 : Human Rights Assessment 2016

412-1 Operations that have been subject to human rights reviews or impact assessments  
Disclosure Title

a. Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country.

412-2 Employee training on human rights policies or procedures  
Disclosure Title

a. Total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations.  
b. Percentage of employees trained during the reporting period in human rights policies or procedures concerning aspects of human rights that are relevant to operations.

412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening  
Disclosure Title

a. Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.  
b. The definition used for 'significant investment agreements'.

GRI 413 : Local Communities 2016

413-1 Operations with local community engagement, impact assessments, and development programs  
Disclosure Title

a. Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of:  
i. social impact assessments, including gender impact assessments, based on participatory processes;  
ii. environmental impact assessments and ongoing monitoring;  
iii. public disclosure of results of environmental and social impact assessments;  
iv. local community development programs based on local communities' needs;  
v. stakeholder engagement plans based on stakeholder mapping;  
vi. broad based local community consultation committees and processes that include vulnerable groups;  
vii. works councils, occupational health and safety committees and other worker representation bodies to deal with impacts;  
viii. formal local community grievance processes.

413-2 Operations with significant actual and potential negative impacts on local communities  
Disclosure Title

a. Operations with significant actual and potential negative impacts on local communities, including:  
i. the location of the operations;  
ii. the significant actual and potential negative impacts of operations.

GRI 414 : Supplier Social Assessment 2016

414-1 New suppliers that were screened using social criteria  
Disclosure Title

a. Percentage of new suppliers that were screened using social criteria.

References  
[Roadmap for initiatives in the supply chain P66](#)

( Since the initiatives begin in fiscal 2018, there is no disclosure information this time. )

414-2 Negative social impacts in the supply chain and actions taken  
Disclosure Title

a. Number of suppliers assessed for social impacts.  
b. Number of suppliers identified as having significant actual and potential negative social impacts.  
c. Significant actual and potential negative social impacts identified in the supply chain.  
d. Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment.  
e. Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.

References  
[Roadmap for initiatives in the supply chain P66](#)

( Since the initiatives begin in fiscal 2018, there is no disclosure information this time. )

GRI 415 : Public Policy 2016

415-1 Political contributions  
Disclosure Title

a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary.  
b. If applicable, how the monetary value of in-kind contributions was estimated.

GRI 416 : Customer Health and Safety 2016

416-1 Assessment of the health and safety impacts of product and service categories  
Disclosure Title

a. Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.

416-2 Incidents of non-compliance concerning the health and safety impacts of products and services  
Disclosure Title

a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by:  
i. incidents of non-compliance with regulations resulting in a fine or penalty;  
ii. incidents of non-compliance with regulations resulting in a warning;  
iii. incidents of non-compliance with voluntary codes.

b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.

References  
[Quality issues P71](#)

GRI 417 : Marketing and Labeling 2016

417-1 Requirements for product and service information and labeling  
Disclosure Title

a. Whether each of the following types of information is required by the organization's procedures for product and service information and labeling  
i. The sourcing of components of the product or service;  
ii. Content, particularly with regard to substances that might produce an environmental or social impact;  
iii. Safe use of the product or service;  
iv. Disposal of the product and environmental or social impacts;  
v. Other (explain).  
b. Percentage of significant product or service categories covered by and assessed for compliance with such procedures.

417-2 Incidents of non-compliance concerning product and service information and labeling  
Disclosure Title

a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling, by:  
i. incidents of non-compliance with regulations resulting in a fine or penalty;  
ii. incidents of non-compliance with regulations resulting in a warning;  
iii. incidents of non-compliance with voluntary codes.  
b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.

## Comparative Table with GRI Standard

417-3 Incidents of non-compliance concerning marketing communications  
Disclosure Title

- a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by:
- incidents of non-compliance with regulations resulting in a fine or penalty;
  - incidents of non-compliance with regulations resulting in a warning;
  - incidents of non-compliance with voluntary codes.
- b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.

GRI 418 : Customer Privacy 2016

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data  
Disclosure Title

- a. Total number of substantiated complaints received concerning breaches of customer privacy, categorized by:
- complaints received from outside parties and substantiated by the organization;
  - complaints from regulatory bodies.
- b. Total number of identified leaks, thefts, or losses of customer data.
- c. If the organization has not identified any substantiated complaints, a brief statement of this fact is sufficient.

References

[Promotion of information management P33](#)

GRI 419 : Socioeconomic Compliance 2016

419-1 Non-compliance with laws and regulations in the social and economic area  
Disclosure Title

- a. Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of:
- total monetary value of significant fines;
  - total number of non-monetary sanctions;
  - cases brought through dispute resolution mechanisms.
- b. If the organization has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient.
- c. The context against which significant fines and non-monetary sanctions were incurred.

References

[Efforts to prevent anti-competitive practices and corruption/bribery P33](#)

<Disclosure Title by GRI G4 Sustainability Reporting Guidelines specified for the metal and mining peer>

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

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

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

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

[Labor-management relations P39](#)

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  
References

[Migration and resettlement P35](#)

MM6 Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples  
References

[Migration and resettlement P35](#)

[Grievance mechanisms P35](#)

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  
References

[Grievance mechanisms P35](#)

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  
References

[Artisanal and Small-scale Mining P35](#)

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

[Migration and resettlement P35](#)

MM10 Number and percentage of operations with closure plans  
References

[Mine closure plan to minimize the impact on the environment P62](#)



### Posting of the Code of Conduct at all sites

We develop business activities by taking advantage of Material Intelligence based on the Management Philosophy and the Code of Conduct as our CSR activities.

The specific commitment to practice the Management Philosophy is the Code of Conduct. It sets forth the basic matters that we should observe in all aspects of our daily corporate activities so that each of us will be able to grow with the stakeholders, being aware of our own responsibility that we should fulfill for society. It is also the essence that each of us should address.

We have displayed the Code of Conduct at all sites in Japan and overseas to share it and ensure its infiltration. At sites where multiple languages are spoken, the Code of Conduct is displayed in these languages.

For example, the picture above shows the display at Mitsui Electronic Materials Co., Ltd. (Taichung), a production site of thin-film materials. The Traditional Chinese version as well as the English version for Filipinos, who account for about 30% of the employees, are displayed.

It is also prepared in Spanish, Malay, Indonesian, Thai, Vietnamese, Korean, Simplified Chinese and Hindi.

## CSR REPORT 2018

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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