

June 30, 2022

JX Nippon Mining & Metals Corporation

Funding through Transition-Linked Loan

JX Nippon Mining & Metals Corporation (President: Murayama Seiichi; “the Company”) has signed a contract for a Transition-Linked Loan (TLL) with Joyo Bank, Ltd. (President: Akino Tetsuya), based on the Company’s Transition-Linked Loan Framework^{*1}, as part of our efforts to realize a carbon-free and recycling-oriented society.

A TLL is a type of loan that supports a company in its efforts to transition away from the use of carbon and ultimately aims to accelerate the realization of a carbon-free society. This loan is the first TLL in the Japanese non-ferrous metals industry. The funds will be used to cover costs relating to environmental measures at the New Hitachi-kita Factory now under construction in Hitachi City, Ibaraki Prefecture, which will serve as a new production site making sputtering targets for semiconductors.

The TLL links the interest rate conditions of the loan to progress toward achieving two sustainability performance targets (SPTs) defined in our Transition-Linked Loan Framework. (The SPTs are: 1. Reduce and maintain CO₂ emissions by 50% (compared to FY2018 levels) by FY2030; and 2. Increase the ratio of recycled raw materials to 25% by FY2030.) In this way, the Company is building a framework that commits us to executing our transition strategy. In arranging the loan, we obtained third-party opinion from the Japan Credit Rating Agency, Ltd.^{*2}, certifying that the loan complies with the various rules and guidelines such as the Basic Guidelines on Climate Transition Finance formulated by the Ministry of Economy, Trade and Industry, Ministry of the Environment, and the Financial Services Agency.

We will continue to contribute to the development of a sustainable society through our integrated business operations from resources and metal smelting to advanced materials and recycling.

*1 “Drawing Up the First Transition-Linked Loan Framework in the Non-Ferrous Metals Industry” (Released June 29, 2022)

https://www.nmm.jx-group.co.jp/english/newsrelease/fy2022/20220629_02.html

*2 Website of the Japan Credit Rating Agency, Ltd.

<https://www.jcr.co.jp/en/greenfinance/>