

April 22, 2024
JX Metals Corporation

Establishment of Joint Venture with Mitsubishi Corporation in the Field of Resource circulation

JX Metals Corporation (President: Hayashi Yoichi; “JX Metals”) and Mitsubishi Corporation (President: Nakanishi Katsuya; “MC”) have entered into an agreement to establish a joint venture (hereinafter “JV”) for the resource circulation of nonferrous metals from waste including home appliances, electronic equipment, and automotive lithium-ion batteries, with the aim of commencing operations around July 2024.

As decarbonization progresses, future demand for metal resources such as copper and minor metals is expected to expand. Thus there is growing interest in closed-loop recycling, in which used products are collected, recycled, and reused as the same material, particularly in the automotive, home appliance, and electronics industries. This process is not easy to achieve, however, and requires that the entire supply chain involved in the product lifecycle works together to develop an efficient system.

In this context, JX Metals has split off the copper and precious metals recycling and automotive lithium-ion battery recycling businesses,¹ which have been so far operated by JX Metals and its wholly owned subsidiary, JX Metals Trading Co., Ltd. (President: Mutsunobu Atsushi; “JX Metals Trading”), and these businesses will form the JV established with MC. The aim is to further promote resource circulation.² The JV will leverage MC’s global, cross-industry network and knowledge to enhance the collection of recyclable materials and promote recycling process reform and digitalization in cooperation with domestic and overseas recyclers. It also aims to contribute to the realization of a circular economy by providing solutions to challenges faced by automotive OEMs and general electronics manufacturers based on the resource circulation of nonferrous metals.

After the JV starts operations, JX Metals Trading’s functions will also expand through deeper cooperation in sales and marketing with the various divisions of the JX Metals Group related to semiconductor materials and ICT materials. As a core trading company in the Group’s focus business, it will further promote business operations that take advantage of its agility, and contribute to the growth of the entire Group.

Going forward, the JX Metals Group will continue its group-wide efforts to steadily implement the growth strategies set forth in the “JX Metals Group Long-Term Vision 2040.”

Outline of the JV

1. Trade name	JX Metals Circular Solutions Co., Ltd.
2. Address	2-10-4 Toranomom, Minato-ku, Tokyo
3. Representatives	TBD
4. Description of business	Resource circulation of nonferrous metals from waste including home appliances, electronic equipment, and automotive lithium-ion batteries
5. Capital	TBD
6. Start of JV operation ³	July 2024 (scheduled)
7. Ownership structure	JX Metals 80%, MC 20%

Outline of JX Metals (as of April 1, 2024)

1. Trade name	JX Metals Corporation
2. Address	2-10-4 Toranomom, Minato-ku, Tokyo
3. Representatives	Murayama Seiichi, Representative Director & Chairman Hayashi Yoichi, President & Representative Director, CEO
4. Description of business	Thin film materials, tantalum and niobium, functional materials, metals and recycling, and mineral resources businesses
5. Established	September 27, 2002

Outline of MC (as of April 1, 2024)

1. Trade name	Mitsubishi Corporation
2. Address	2-3-1 Marunouchi, Chiyoda-ku, Tokyo
3. Representative	Nakanishi Katsuya, Representative Director, President & CEO
4. Description of business	MC operates a wide range of businesses spanning multiple industries and overseen by eight industry-specific business groups: Environmental Energy, Materials Solution, Mineral Resources, Urban Development & Infrastructure, Mobility, Food Industry, Smart-Life Creation, and Power Solution.
5. Founded	July 1, 1954

Outline of JX Metals Trading (as of April 1, 2024)

1. Trade name	JX Metals Trading Co., Ltd.
2. Address	13-4 Arakicho, Shinjuku-ku, Tokyo
3. Representative	Mutsunobu Atsushi, President & CEO
4. Shareholder	JX Metals Corporation 100%
5. Description of business	Sale of rolled metals used for electronic components and fabrication of such metals on consignment; sale of basic and functional chemical products; sale of high-purity and minor metals used for electronic components; collection of nonferrous metal scrap; recovery of valuables from such scrap; and sale, development, and manufacturing of surface finishing chemicals for electronic components
6. Established	February 20, 1948

1 Part of JX Metals' business entailing collection of raw materials for recycling and recycling of waste automotive lithium-ion batteries will be transferred to the JV, together with JX Metals Trading's business involving collection of raw materials for recycling. In addition, JX Metals Circular Solutions Co., Ltd., a wholly owned subsidiary of JX Metals, which is currently conducting demonstration tests for recycling of waste automotive lithium-ion batteries, will become a wholly owned subsidiary of the JV, and its name will be changed to JX Metals Circular Solutions Tsuruga Co., Ltd. JX Metals Takasho Co., Ltd., a wholly owned subsidiary of JX Metals Trading Co., Ltd., will also become a wholly owned subsidiary of the JV.

2 Guided by its Sustainable Copper Vision, the JX Metals Group is working to increase the amount of recyclable

materials collected and processed for “green hybrid smelting,” a process that dramatically increases the ratio of recycled materials in the copper smelting process. The JV will improve the Group’s ability to collect recyclable materials, accelerating its efforts to achieve the goal of 50% or more recycled materials in the copper smelting process by 2040. For details on the Sustainable Copper Vision, see the news release dated August 3, 2022, [“Sustainable Copper Vision: JX Metals Aims to Supply Sustainable Copper”](#) and its attachment, [“Sustainable Copper Vision: JX Mining & Metals’ approach towards realization of ‘Sustainable Copper’.”](#)

³ All dates are subject to change pending discussions between the related parties.