

Value Creation Model

Key Social Trends

Expanding demand for advanced materials

- The spread of COVID-19 has accelerated the advance of the data society, and demand is increasing for smart devices and communication infrastructure.
- As supply shortages of semiconductors and other materials become apparent, demand is increasing rapidly for materials to resolve these shortages.

Global acceleration in addressing climate change

- As environmental issues become more apparent around the world, global companies are accelerating concrete actions to address climate change, particularly toward decarbonization.

Deepening mineral resource shortages/depletion

- With greater resource consumption, competition is intensifying in acquiring high quality, low cost resources.
- There is focus on nonferrous metals to support future infrastructure and growing concerns about depletion

The JX Nippon Mining & Metals Group works to identify and recognize the social issues calling for resolution by JX, and seeks to promote a value creation model in growing sustainably and resolving social issues.

Inputs (Capital)

Financial capital



Intellectual capital



Human capital



Manufacturing capital



Social/Relationship capital



Natural capital



Business Activities (Business Model)

Long-term Vision

By pivoting from being an equipment industry company to a technology-based company, we will realize a highly profitable structure even in the face of intensifying international competition and contribute to the realization of a sustainable society as targeted by the SDGs

Base Businesses

Businesses such as the mineral resources business and the smelting and refining business where we will enhance competitiveness and bolster the organizational foundation by further improving production efficiency, etc.

- ▶ Implementing structural reforms (e.g. thorough optimizations and reviewing resource portfolios) to maintain a certain level of profits

Focus Businesses

Core of our growth strategy

These businesses, like advanced materials and technology-based recycling, establish competitive advantage by using technology to differentiate

- ▶ Expanding the scope of revenue by building a system that constantly maintains a product/technology lineup with small-lot, diverse production and high profitability

Materiality

Given the business environment where the Group operates and society's changing demands, we have established six materialities (priority issues) that we will prioritize, incorporating them into specific activity plans.

- Contributing to Environmental Conservation ▶ P47
- Provide Advanced Materials That Support Lives and Lifestyles ▶ P61
- Create Attractive Workplaces ▶ P77
- Respect Human Rights ▶ P89
- Coexistence and Co-Prosperity With Local Communities ▶ P94
- Strengthen Governance ▶ P99

Sustainable Copper Vision

Offer a stable supply system to support growing demand and conduct ESG-oriented production and supply (decarbonized, circular economy, etc.)

Medium-Term Management Plan

Mineral Resources Business

▶ P29

Metals & Recycling Business

▶ P30

Functional Materials Business

▶ P31

Thin Film Materials Business

▶ P32

Tantalum and Niobium Business

▶ P33

Titanium Business

(Toho Titanium Co., Ltd.)

▶ P34

Outputs (Products/Services)

Refined copper



Treated rolled copper foil



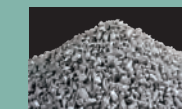
Sputtering targets



High-purity tantalum powder



Titanium sponge



Outcomes (Created Value)

Advanced materials-derived products support a data-driven society, contributing to rich, convenient lifestyles



Limited resources are effectively utilized through recycling technologies, realizing a rich and sustainable world



Conducting community-based social contribution activities at domestic & overseas locations, as we have consistently valued harmony with local communities since our founding

