

News Release

June 15, 2026
Proterial, Ltd.

Proterial to Use J-Credits from Forest Management Activities in Okuizumo-cho

Proterial, Ltd. (hereinafter “Proterial”) has decided to step up its efforts to reduce CO₂ emissions by purchasing J-Credits*¹ generated through forest management activities in Okuizumo-cho in Nita-gun, Shimane Prefecture (hereinafter “Okuizumo-cho”).

1. Background and overview

Proterial has defined a contribution to realizing a decarbonized society as an important management issue (material issue). To address this issue, the Company has set the medium-term target of reducing CO₂ emissions from its own business activities by 38% by FY2030 compared with FY2015, and the long-term target of achieving carbon neutrality by 2050. To achieve these targets, Proterial is expanding its use of renewable energy, including the use of solar power generation systems, while also promoting energy conservation through measures to improve the efficiency of production equipment and other measures.

Proterial’s main plant, the Yasugi Works (Yasugi, Shimane Prefecture), has its roots in Tatara steelmaking, an ancient Japanese ironmaking method that flourished in Okuizumo-cho. The spirit of manufacturing embodied by this tradition has been preserved in the advanced manufacturing activities of Proterial today, and it remains a source of Proterial’s competitiveness. Because Tatara steelmaking uses natural resources such as iron sand and charcoal, the forests used for charcoal production in Okuizumo-cho have traditionally been harvested on an approximately 30-year cycle that enables their sustainable and circular use.

Proterial has decided to step up its efforts to reduce CO₂ emissions by purchasing J-Credits generated through forest management activities in Okuizumo-cho, a place with deep historical ties to the Company and where Nittoho Tatara*² operations continue today. In addition to using the purchased J-Credits to offset carbon emissions, Proterial will continue to support forest management activities in Okuizumo-cho, thereby contributing to the reduction of CO₂ emissions and the preservation of the historical and cultural heritage that is the foundation of the Yasugi Works so that it can be passed down to future generations.

2. J-Credits to be purchased and used

Purchaser: Proterial, Ltd.
Credit originator: Okuizumo-cho
Seller: Bywill Inc.
Sales intermediary: The San-in Godo Bank, Ltd.
Purchase period: Eight years (April 2026–March 2034)
Purchase volume: 500 t-CO₂ per year (4,000 t-CO₂ in total)

3. Comment from Hiroshi Watanabe, Plant Manager of Proterial’s Yasugi Works

Proterial’s roots lie in Tatara steelmaking, a tradition that has been passed down in Okuizumo-cho since ancient times. Today, the Company continues to preserve this tradition and spirit through its manufacturing activities, including the production of its Yasugi Specialty Steel™. In this context, reducing CO₂ emissions is an issue on which Proterial must focus. We believe that using the J-Credits generated through the forest management activities in Okuizumo-cho is of great significance to Proterial. We would like to express our sincere gratitude to the people of Okuizumo-cho and to everyone else involved in these activities.

Proterial, Ltd.

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- *1 In the J-Credit Scheme, the Japanese government certifies reductions in greenhouse gas emissions achieved through initiatives such as the introduction of energy-saving and renewable energy equipment, as well as the sequestration of greenhouse gases achieved through appropriate forest management and other activities as J-Credits. Issued J-Credits can be traded with other companies, and purchasers can use them to achieve their own greenhouse gas reduction targets and for other purposes.
- *2 Nittoho Tataru is operated by the Society for Preservation of Japanese Art Swords. Proterial has supported Nittoho Tataru's operations since 1977 (when the Company was known as Hitachi Metals, Ltd.) to help preserve and pass on the techniques and culture of Tataru steelmaking.

Yasugi Specialty Steel is a trademark of Proterial, Ltd.

■About Proterial

PROTERIAL

The Thinking Behind our Company Name

“Proterial” combines “**pro-**” with the word “**material.**”

“Pro-” represents elements of our Values:

- **Unparalleled Professionalism**
- **Unbounded Progressiveness**
- **Unleashing Proactiveness**

“Material” refers to the high-performance materials that our original technologies produce and underpinned by the three pros. With our focus on solving customer issues and bringing new levels of value, we promise to contribute to the realization of a sustainable society through the products and services that embody our philosophy.

■Proterial, Ltd. — Company Overview

Established: April 1956

Head office: Toyosu Prime Square, 5-6-36 Toyosu, Koto-ku, Tokyo 135-0061, Japan

Capital : 310 million yen (as of March 31, 2025)

Representative : Sean M. Stack

Representative Director, Chairperson, President, & CEO

Sales revenue: 768.6 billion yen (Term ended March 2025)

History: 1910: Founded as Tobata Foundry Co.

1937: Merged with Hitachi, Ltd.

1956: Established separately as Hitachi Metals Industries, Ltd.

2023: Renamed from Hitachi Metals, Ltd. to Proterial, Ltd.

Proterial is a participant of the United Nations Global Compact and adheres to its principles-based approach to responsible business. In January 2026, Proterial received a Silver rating in the EcoVadis Sustainability Assessment for the second consecutive year.

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