

# Participation in the Initiatives

## Communication with Industrial Associations

As a member of the global community, the Group actively participates in industrial associations to fulfill its corporate social responsibility and contribute to the realization of a sustainable society.

Name of Association	The Role of JX Nippon Mining & Metals in FY2019	Activity Content
Japan Mining Industry Association (JMIA)	Director	The JMIA is an association of companies engaged in the smelting business and nonferrous metal resource development. JMIA promotes the sound growth of the industry by conducting research and publicizing knowledge for technical improvement and making policy proposals to concerned government ministries and agencies. The Group participates in committees and is involved in the administration of JMIA with a representative serving as Director.
The Sulphuric Acid Association of Japan	Chairman	The Association was established to promote the development of the sulfuric acid industry, communication among manufacturers, and the increase of common benefits. JX Nippon Mining & Metals is involved in the administration of the association as well as in the survey and reporting of supply and demand as a member of the Operations Committee and General Affairs Committee.
Japan Copper and Brass Association (JCBA)	Director	The JCBA works with member companies to promote progress and growth throughout the entire copper production industry. The Group sits on the Roadmap Committee to take part in the improvement of quality and the discovery of new demand. The Group is also involved in survey and reporting of market size as a member of the Statistics Committee.
Japan Society of Newer Metals (JSNM)	Director	The JSNM was established to promote the sound growth of new metals that support high-tech and related industries through research and the collection and provision of information. JX Nippon Mining & Metals sits on the Compound Semiconductors Subcommittee and the Target Subcommittee in order to be involved in the survey and reporting of market size as well as to take part in providing opinions and advice to concerned government ministries and agencies. JX Nippon Mining & Metals also sits on the Safety Committee to contribute to the improvement of health and safety throughout the industry.
Japan Catalyst Recovering Association (JCRA)	Chairman	Comprising companies engaged in the reuse of catalysts, JCRA was established to promote the recycling of precious and rare metals through appropriate processing of used catalysts. It holds periodical training for technical improvement and mutual communication among members while engaging in the investigation and collection of statistics relating to recycling. JX Nippon Mining & Metals provides the chairman of the association and is also involved in the publication of survey reports as well as management of general meetings as a member of the PR Committee.

## Joining ICMM

The International Council on Mining & Metals (ICMM) is an international organization established to promote the sustainable growth of society through the nonferrous metal industry business.

As a member of the ICMM, JX Nippon Mining & Metals established the Code of Conduct in accordance with the ICMM Mining Principles and works to address issues highlighted in the Position Statements.

### ICMM Mining Principles

1. Apply ethical business practices and sound systems of corporate governance and transparency to support sustainable development.
2. Integrate sustainable development in corporate strategy and decision-making processes.
3. Respect human rights and the interests, cultures, customs and values of employees and communities affected by our activities.
4. Implement effective risk-management strategies and systems based on sound science, and which account for stakeholder perceptions of risk.
5. Pursue continual improvement in health and safety performance with the ultimate goal of zero harm.
6. Pursue continual improvement in environmental performance issues, such as water stewardship, energy use and climate change.
7. Contribute to the conservation of biodiversity and integrated approaches to land-use planning.
8. Facilitate and support the knowledge-base and systems for responsible design, use, re-use, recycling and disposal of products containing metals and minerals.
9. Pursue continual improvement in social performance and contribute to the social, economic and institutional development of host countries and communities.
10. Proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner. Effectively report and independently verify progress and performance.



#### ICMM Position Statements

- Protected Areas
- Indigenous Peoples
- Climate Change
- Mineral Revenues
- Mining Partnerships for Development
- Mercury Risk Management
- Tailings Governance
- Water Stewardship

## Agreement with and Support for EITI

The Extractive Industries Transparency Initiative (EITI) is the multilateral cooperation standard for the promotion of open and accountable management of extractive resources with the goal of reducing poverty and achieving sustainable development in resource-producing countries. Being engaged in resource development at the global level, JX Nippon Mining & Metals agrees to the goals of the EITI and supports its activities.

### The EITI Principles

1. We share a belief that the prudent use of natural resource wealth should be an important engine for sustainable economic growth that contributes to sustainable development and poverty reduction, but if not managed properly, can create negative economic and social impacts.
2. We affirm that management of natural resource wealth for the benefit of a country's citizens is in the domain of sovereign governments to be exercised in the interest of their national development.
3. We recognise that the benefits of resource extraction occur as revenue streams over many years and can be highly price dependent.
4. We recognise that a public understanding of government revenues and expenditure over time could help public debate and inform choice of appropriate and realistic options for sustainable development.
5. We underline the importance of transparency by governments and companies in the extractive industries and the need to enhance public financial management and accountability.
6. We recognise that achievement of greater transparency must be set in the context of respect for contracts and laws.
7. We recognise the enhanced environment for domestic and foreign direct investment that financial transparency may bring.
8. We believe in the principle and practice of accountability by government to all citizens for the stewardship of revenue streams and public expenditure.
9. We are committed to encouraging high standards of transparency and accountability in public life, government operations and in business.
10. We believe that a broadly consistent and workable approach to the disclosure of payments and revenues is required, which is simple to undertake and to use.
11. We believe that payments' disclosure in a given country should involve all extractive industry companies operating in that country.
12. In seeking solutions, we believe that all stakeholders have important and relevant contributions to make – including governments and their agencies, extractive industry companies, service companies, multilateral organisations, financial organisations, investors and non-governmental organisations.

## Participation in the United Nations Global Compact

The United Nations (UN) Global Compact is a framework which helps individual companies and associations act as good members of society for the realization of sustainable growth. JX Nippon Mining & Metals has been a participant in the UN Global Compact since August 2008, supporting the Ten Principles derived from four fields and striving for their realization.

### The Ten Principles of the UN Global Compact

#### Human Rights

Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2 make sure that they are not complicit in human rights abuses.

#### Labour

Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4 the elimination of all forms of forced and compulsory labour;

Principle 5 the effective abolition of child labour; and

Principle 6 the elimination of discrimination in respect of employment and occupation.

#### Environment

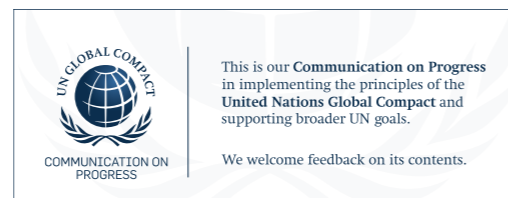
Principle 7 Businesses should support a precautionary approach to environmental challenges;

Principle 8 undertake initiatives to promote greater environmental responsibility; and

Principle 9 encourage the development and diffusion of environmentally friendly technologies.

#### Anti-Corruption

Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.



## CSR Questionnaire

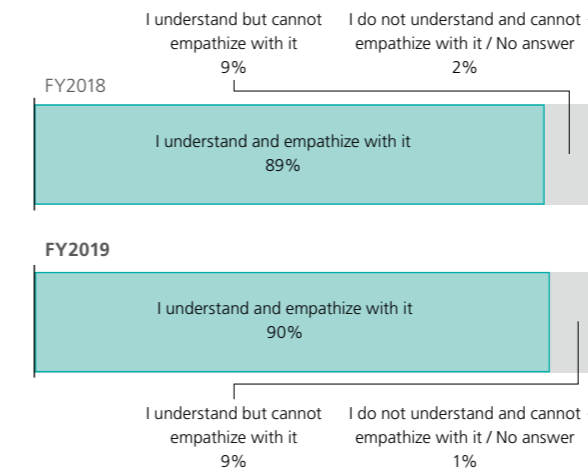
JX Nippon Mining & Metals surveyed employees to understand the level of CSR awareness and the degree of practical involvement. The details are shown below.

Period: October – December 2019  
 Method: Distributed questionnaire along with Sustainability Report 2019  
 Respondents: 6,005 individuals (Target: 7,079 individuals/Response Rate: 85%)

### (1) About the JXTG Group (currently ENEOS Group) Philosophy and Code of Conduct

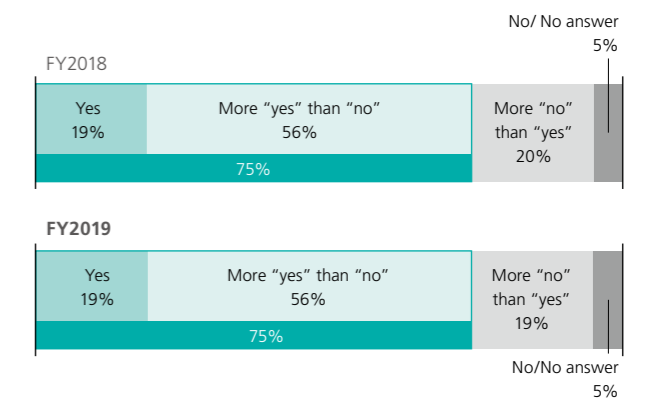
Level of understanding and empathy

(Do you understand/empathize with the Code of Conduct?)



Level of penetration

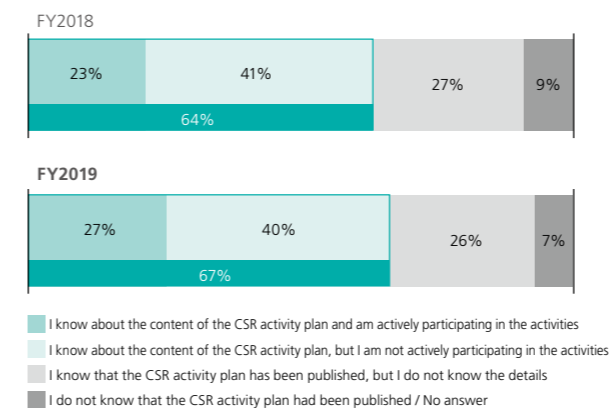
(Do you think the Code of Conduct thoroughly penetrates the organization and workplace?)



### (2) About the CSR activity plan

Level of penetration

(Do you know about the content of the CSR activity plan of the organization that you belong to? How are you working on that?)



### (3) Requests for and opinions about Sustainability Report 2020

- I would like to read any special features about the long-term vision.
  - ▷ We have written about the relocation of the head office building, which was one of the plans designed to achieve our long-term vision.
- I think it would be much better if we could see the achievement rate for individual goals.
  - ▷ This fiscal year, we have set KPIs for each materiality. We will continue to report our progress next fiscal year using these KPIs.
- I hope that the company reduces the use of abbreviations and industry-specific terminology.
  - ▷ We have tried to use easy-to-understand and common terms as much as possible.
- The type of content was sufficient, but the volume of data was excessive.
  - ▷ We structured the report to meet the needs of both those who prefer detailed data and those who prefer narrative.

\* For FY2018 report, the number of respondents was 5,697 (target: 6,059 individuals/Response rate: 94%). The questionnaire period was between October and December 2018, and the method of collecting responses was the same as FY2019.