

Materiality 3

Create Attractive Workplaces



Dynamic workplaces where employees can demonstrate their unique capabilities and be healthy in mind and body are essential for any enterprise seeking sustained growth. The JX Nippon Mining & Metals Group strives to create workplaces that are attractive from many perspectives. Examples include our work to ensure occupational health and safety, provide an appropriate personnel evaluation system, and offer human resources training.

Major Initiatives
Foster a Culture of Safety

Promote Diversity

Develop Human Resources and Promote Health



▶ P54



▶ P57



▶ P59

KPIs and Progress

Assessment : 😊 Achieved/Steady Progress 😞 Not Achieved

KPI	Fiscal 2020 Results/Progress	Assessment
Reduce serious occupational accidents: Less than 0.7 accidents (four days or more of lost work time) per 1,000 workers in fiscal 2020	The occupational injury rate per 1,000 Employees in fiscal 2020 was 1.1. With solemn consideration for the accidents that have occurred, we constantly strive to improve our health and safety management system and prevent occupational accidents by improving the effectiveness of our risk assessments and enhancing the ability of employees to investigate the causes of accidents. Foster a Culture of Safety ▶ P54 / ESG Data Book (Occupational Health and Safety) ▶ P91	😞
Increase annual leave utilization rate: 80% or more in fiscal 2020	Despite our efforts to create a work environment that encourages employees to take vacation days and to provide more days where employees are encouraged to take leave, the rate of paid leave taken was 73% due to migrating to a flexible work system and restrictions on going out arising from the spread of COVID-19. Moving forward, we will take actions to encourage employees to take more vacation. Promote Diversity ▶ P57	😞
Implement initiatives to revitalize people and organizations	We implemented a variety of measures for Activity-Based Working (ABW) and vitalizing communications in conjunction with the relocation of our head office. In addition, we took action to build an environment in which diverse human resources can play an active role through securing and utilizing highly specialized and senior citizen talent. In addition, we further enhanced existing education systems by introducing career design training. Develop Human Resources and Promote Health ▶ P59 / ESG Data Book (Human Resources Development) ▶ P92	😊
Initiatives for health promotion: Cancer screenings for 70% of employees or more in fiscal 2020	Employees conducted screenings at a rate of 54.7% due to restrictions on intake imposed by medical institutions to combat the spread of COVID-19. In fiscal 2021, we began granting special leave for employees to take physical examinations and cancer screenings, and we will continue to work on building a better environment encouraging these processes. Develop Human Resources and Promote Health ▶ P59	😞
Maintain and improve hiring rate for disabled persons: 2.3% or more in fiscal 2020	In the belief that diversity in human resources will lead to corporate growth, we are actively recruiting a diverse workforce, including senior citizens, people with disabilities, women, and mid-career hires. In fiscal 2020, employees with disabilities comprised 2.19% of our total number of employees. We will continue to explore a variety of measures in this area going forward. Promote Diversity ▶ P57 / ESG Data Book (Diversity) ▶ P94	😞



Foster a Culture of Safety

JX Nippon Mining & Metals Basic Policy on Health and Safety

We place the highest priority on ensuring the health and safety of people working in all areas of business operations at the JX Nippon Mining & Metals Group and create attractive workplaces by providing safe, secure, and healthy working environments.

1. We will comply with all laws and regulations relating to health and safety, establish voluntary standards required to achieve compliance, and rigorously manage and adhere to such standards.
2. We will strive to continuously improve and enhance industrial health and safety management systems and achieve health and safety goals.
3. We will actively provide information and education in order to develop human resources that think and act spontaneously, and raise health and safety awareness throughout the organization.
4. We will identify hazards in all areas of business operations, work to eliminate such hazards and reduce risk, steadily achieve annual accident reduction targets, and ultimately aim to ensure no accidents ever occur.
5. We will work to maintain and improve employees' mental and physical health by ensuring good communication and comfortable working environments and taking steps to maintain health and prevent sickness.

Organization for Occupational Health and Safety Management

The Group maintains health and safety committees and other bodies at operating sites and Group companies in keeping with the Industrial Safety and Health Act. We have also established a system to have discussions with workers, including those from subcontractors stationed permanently, within the framework of our management system. At our head office, the Central Health and Safety Committee meets once a year, attended by representatives (key safety managers and labor union branch committee chairs) from the divisions and operating sites. The Central Health and Safety Standing Committee meets five times a year, attended by standing committee members of the former (safety managers at each division and the three officers from the Central Labor Union). Members manage health and safety measures, discuss health and safety policies, and consult on measures to prevent recurrence of accidents. Joint labor/management health and safety visitations are conducted once a year and Group safety supervisors' meetings twice a year to exchange health and safety information. Also, workshops are held once a year for safety staff while safety lectures by outside experts likewise are held once a year for executives. In fiscal 2020, meetings were held online if possible due to the spread of COVID-19, while some were suspended.

Environment and safety audits are conducted periodically by a team under direct supervision of the president at operating sites directly run by the Company (including Group companies within the sites) and major domestic Group companies. Issues discovered in the audits are reported to the president, and also notified to the respective operating sites. The team requests improvements from these sites and follows up by monitoring progress. Audits were conducted at 11 sites in fiscal 2020, but due to the spread of COVID-19, on-site audits were only completed at three of these locations, while all locations underwent document audits through online channels. No major issues were identified. For those locations only undergoing document audits, on-site audits are to be postponed to fiscal 2021.

Operating Sites That Have Obtained ISO 45001 Certification (Fiscal 2020) *1 *2

- Domestic**
- Hitachi Works (including the Technology Development Center and affiliated companies on the premises)
 - Saganoseki Smelter & Refinery of JX Metals Smelting Co., Ltd. (including affiliated companies on the premises)
 - Nasu Works and Kakegawa Works of JX Metals Precision Technology Co., Ltd.
 - JX Nippon Mikkaichi Recycle Co., Ltd.
 - Chigasaki Plant of Toho Titanium Co., Ltd.

- Overseas**
- JX Nippon Mining & Metals Philippines, Inc.
 - Nikko Metals Taiwan Co., Ltd. (Longtan)
 - TANI OBIS GmbH
 - TANI OBIS Co., Ltd.
 - TANI OBIS Smelting GmbH & Co. KG

*1 Domestic operating sites listed here are those certified under JIS Q 45100 (a JIS standard that adds Japan's own requirements to the requirements of the international standard ISO 45001).

*2 ISO 45001 covers all people working in the workplace, including Subcontractors. Also, through obtaining ISO 45001 and constructing our health and safety management system accordingly, we show our commitment to protecting workers from retaliation when they report incidents, hazards, risks, etc.

Management Policy on Health and Safety for 2020

The Group formulates the Management Policy on Health and Safety each fiscal year. The goals and key policy measures are set based on analysis of health and safety performance in the previous year. The policy is discussed and approved by the Central Health and Safety Committee and then promulgated across the Group.

Activities in 2020 to Ensure Safety (Domestic Operating Sites)

Risk assessments

Each of the Group's operating sites carries out its own risk assessment activities based on our management system. Risks at operating sites are managed by implementing PDCA cycles, consisting of hazard identification, devising accident scenarios, risk assessments, necessary measures to mitigate risk (beginning by considering tangible measures first, and then intangible measures only if tangible measures are unapplicable), and evaluation of the effectiveness of those measures.

In fiscal 2020, we had planned to provide status checks, skills improvement education, and on-site follow-ups with regard to risk assessments, but due to the spread of COVID-19, we were unable to provide on-site guidance. Therefore, we conducted spot checks on documents and provided guidance as part of our environment and safety audits.

Improving the level of our risk assessments is an issue that we will continue to work on in the future, and we have also started to visualize the progress of risk mitigation, including the management of residual risks.

Preventing accidents involving collisions between heavy machinery and people

One of the most important safety issues for our Group is to prevent accidents involving collisions between heavy machinery and people. In order to prevent these collisions, which can easily

Goals

- 1. Accidents with lost work days or worse: Zero
- 2. Explosions and fires: Zero
- 3. Occupational diseases: Zero
- 4. Rate of lost work days due to ordinary illnesses: Reduction by 10% or more from the average in the past three years

Key Measures

- Promoting inherent safety
- Expanding health and safety education
- Strengthening safety management in construction
- Maintaining and promoting mental and physical health

Key Safety Activities

Systematically promoting improvements with a primary focus on inherent safety in order to prevent serious accidents from occurring.

lead to serious accidents, we not only introduced RFID in fiscal 2018, but, in fiscal 2020, we conducted demonstration tests and launched operation of a human detection system using intelligent cameras at Kurami Works. This system is designed to alert a forklift operator when a worker approaches the machine, and is part of our measures to implement IoT and AI.



Cameras installed on forklifts

Work environment measurements

The Group measures and evaluates work environments in order to prevent health problems among workers, regardless of whether the workplace is an outsourcing site or not, and improves the work environment based on the results of these.

The results of work environment measurements and the establishment of measures based on their evaluations, the results of the risk assessments listed on the left, and other information are investigated and discussed by health and safety committees in accordance with the Industrial Safety and Health Act, with an overview of the proceedings provided to related workers in writing.

Activities in 2020 to Ensure Safety (Overseas Operating Sites)

At overseas Group companies, priority issues are set for each of the responsible divisions, and activities are implemented accordingly.

Mineral Resources Division

In order to improve safety performance, we are continuing our efforts to ensure compliance with safety standards and to improve safety in terms of technology and awareness. We also provide services for workers at the Caserones Copper Mine, such as an accommodation camp, cafeteria, gym (currently closed due to the spread of COVID-19), and a shop. Furthermore, we are taking thorough measures to prevent the spread of COVID-19, including checking body temperature before entering the premises, antigen tests before starting work on-site, cleaning premise facilities, and ensuring social distancing in the

cafeteria and on shuttle buses.



Partitions installed to stop infection from droplets at the Caserones Copper Mine

Functional Materials Division

Based on our safety activities in Japan, we are actively promoting safety activities elsewhere in accordance with the laws and frameworks of each country. Specifically, we are promoting risk assessments focused on hazards, and we have established a Safety Education Center tailored to the actual situation in the relevant area. These centers are based on our Safety Education Center in Japan and are used for safety education.



Experiential risk training equipment (demonstrating puncturing safety shoes) (Nippon Mining & Metals (Suzhou) Co., Ltd.)

Thin Film Materials Division

In addition to focusing on activities to systematically implement specific countermeasures through risk assessments focused on hazards, we also focus on 5S activities, which are the basis of

safety. In addition, some operating sites have implemented virtual reality (VR) systems loaded with content matching actual site conditions and used them for safety education.



VR experiential education (Nikko Metals Taiwan Co., Ltd.)

Tantalum and Niobium Division

We are re-checking rules for working at height, analyzing past accidents and rolling out countermeasures across the organization, strengthening safety patrols at each operating site, and promoting activities for near-miss scenarios. We also focus on reviewing risk assessments and 5S activities, which are the basis of safety.

Safety Education at a Safety Education Center

In order to raise the risk sensitivity of each and every employee and improve their safety awareness, the Group has established the Safety Education Center, where we conduct safety education, in Hitachi City, Ibaraki Prefecture. Here, risk sensitivity refers to sensing danger correctly. Sharpening this sensitivity leads to workers being able to avoid danger.

Since many of the occupational accidents that have occurred are recurrences of past cases (similar accidents), the center has prepared a program to improve worker understandings of danger and risk sensitivity through simulated experiences of past occupational accidents. In addition, we have implemented a new educational curriculum that utilizes VR technology, enabling students to have hands-on experience as a victim of an accident or disaster, a situation not easily simulated in real life.

In recent years, while the number of occupational accidents among employees has been decreasing, the number of occupational accidents among employees from Subcontractors has become an issue. To address this, we have introduced mini-education facilities at our core plants to improve the risk sensitivity and safety awareness of not only our employees but also those of our Subcontractors.

The Safety Education Center and the mini-education facilities work in unison to eradicate occupational accidents among workers.



VR experiential education

Accident Dramatization Videos

In addition to setting up safety training facilities at each operating site, we produce videos based on actual past accidents that teach safety by reproducing these accidents in a visual medium. We take opportunities such as our safety lectures to use these materials and raise safety awareness and sensitivity to hazards.

These videos are based on accidents that have occurred both within the Group and outside the Group. They offer viewers an emotional understanding of how disastrous an accident can be and teach the viewer what causes accidents, as well as countermeasures against them, and they facilitate communication at Group companies.



Example video: falling from a high place

Raising Safety Awareness Through E-Learning

The Group strives to ensure the safety and health of all persons connected to our business, and to elevate safety-first awareness and sensitivity to hazards. We periodically conduct safety training programs held via e-learning for all employees at domestic and overseas Group companies. Training consists of safety basics and knowledge that people can absorb in a short time. In fiscal 2020, 2,921 persons, or 73% of our workforce, completed the training.



A screenshot of our e-learning program (falling down the stairs)

Promote Diversity

Approach to Diversity

The Group values diversity in both human resources and work style. In compliance with relevant laws and regulations in Japan and overseas, the Group is pursuing initiatives including the continued employment of workers aged 60 and older, hiring of persons with disabilities, and women's empowerment. We are also developing a personnel system with consideration for sexual minority employees (LGBTQ+) . Moreover, we formulated and followed through on a plan for the five-year period to fiscal 2020 in accordance with Japan's Act on Promotion of Women's Participation and Advancement in the Workplace.

Measures to Support Diverse Work Styles

As part of our efforts to energize individuals and organizations, we are actively working to create an environment where a diverse range of people can work with a sense of motivation. Our efforts include the creation of an environment where people can work fully demonstrating their capabilities even if they are pregnant, raising a child, or caring for a family member. We provide legally mandated systems to support having and raising children, and offer our own unique systems as well. Our handbook on the support available for employees offers tips on balancing work with childcare or family care, provides an overview of the public services and company systems available for their use, and describes the roles managers should play in this context. In fiscal 2019, we also acquired the “Kurumin” certification mark related to our action plan for raising next-generation children.



Remote work system
As part of our efforts to create an environment where a diverse range of people can work with a sense of motivation, we introduced a remote work system in January 2018. Amid the COVID-19 pandemic, we have set target work attendance rates as necessary given the state of the virus's spread and requests from government agencies. Our manufacturing sites (e.g., plants) require a majority of employees to attend work on-site in order to do business; therefore, while we have not set quotas or other targets here for attendance rates, we do utilize remote work depending on the particular characteristics of each department. At overseas operating sites, we take measures to prevent the spread of infection in accordance with the actual situation in the respective country/region. At these sites, we make decisions and take action on issues like restricting work attendance accordingly.
As a member of the community, we will take all possible measures to prevent the spread of COVID-19, ensure the safety of our business partners, local communities, employees, and their families, and maintain awareness of our social responsibility to deliver essential products to society as we strive to maintain our business.

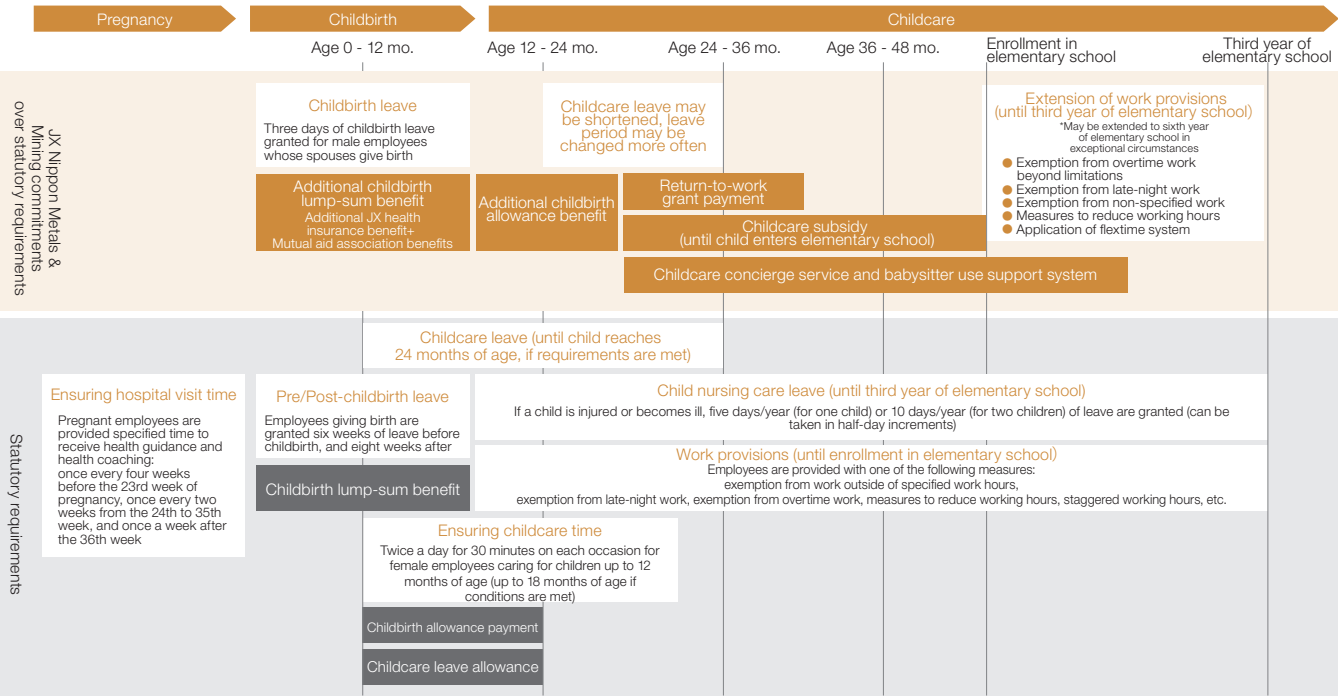
Introduction of a flextime system without mandatory core hours
In addition to the current flextime system with core hours, we have introduced a flextime system without mandatory core hours at the head office and for a portion of Isohara Works, and expanded covered hours (from 7:00 am - 10:00 p.m. to 5:00 a.m. - 10:00 p.m.) with the aim of promoting more autonomous work styles among employees.
Securing and utilizing highly specialized and senior citizen talent
With the establishment of JX Nippon Research Institute for Technology and Strategy Co., Ltd., we introduced a flexible employment system that is not bound by the Group's existing personnel system, and launched efforts to secure and utilize highly specialized and senior citizen personnel.

Creating a Work Environment Where Women can Play an Active Role

At JX Nippon Mining & Metals, while working to create a working environment where diverse human resources can play an active role, we formulated and followed through on a plan for the five-year period to fiscal 2020 in accordance with Japan's Act on Promotion of Women's Participation and Advancement in the Workplace with particular respect to the success of our female employees.

In fiscal 2020, the final year for this plan's targets, we made improvements to the working environment by expanding remote work, introducing a flextime system without mandatory core hours, and expanding the use of childcare centers. We have formulated a new action plan for fiscal 2021 and beyond, and will focus on creating more opportunities for women to play an active role.

Systems for Childbirth and Childcare



Systems for Family Care

	Statutory Requirements	+ JX Nippon Mining & Metals Provisions
Time Off	<ul style="list-style-type: none">For one family member requiring care: five days/year (can be taken in half-day increments)For two or more family members requiring care: 10 days/year (can be taken in half-day increments)	
Leave	<ul style="list-style-type: none">Maximum of 93 days may be taken in up to three periods	<ul style="list-style-type: none">A total of up to 730 days may be taken over the course of four leave periodsFamily care subsidy and leave allowance (financial support)
Work Provisions	<ul style="list-style-type: none">Exemption from overtime work beyond limitations (exemption from overtime work in excess of 24 hours/month and 150 hours/year)Exemption from late-night work (exemption from work during late night hours except when a family member 16 years of age or older and capable of providing care lives in the same household)At least two times in three years (measures to reduce working hours)Application of flextimeExemption from non-specified work	<ul style="list-style-type: none">Reduction of working hours to a minimum of two hours per day, multiple times in three years

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Comments From a System Beneficiary

A number of women serve in technical positions at the Technology Development Center, and several are currently on childcare leave. I belong to the Analysis Group, an organization that analyzes exhaust gas and wastewater and measures working environments at business sites. Currently, I work shorter hours and have just returned from maternity and childcare leave. Before I gave birth, I participated in a Women's Success Forum held at my workplace, where I had the opportunity to interact with female employees from other operating sites. Also, in our five-year career independence training program, I was able to consider long-term career design.
Now, I work harder than ever before to communicate with the people in my workplace, share progress in my work, and have come to devise ways to complete tasks within a limited time. Going forward, I am exploring the potential of analysis systems and information management that offer ease of use to all, while also taking advantage of the company's childcare subsidy system.



Tobo Misaki
Hitachi Works Technology Development Center Analysis Group
JX Nippon Mining & Metals Corporation

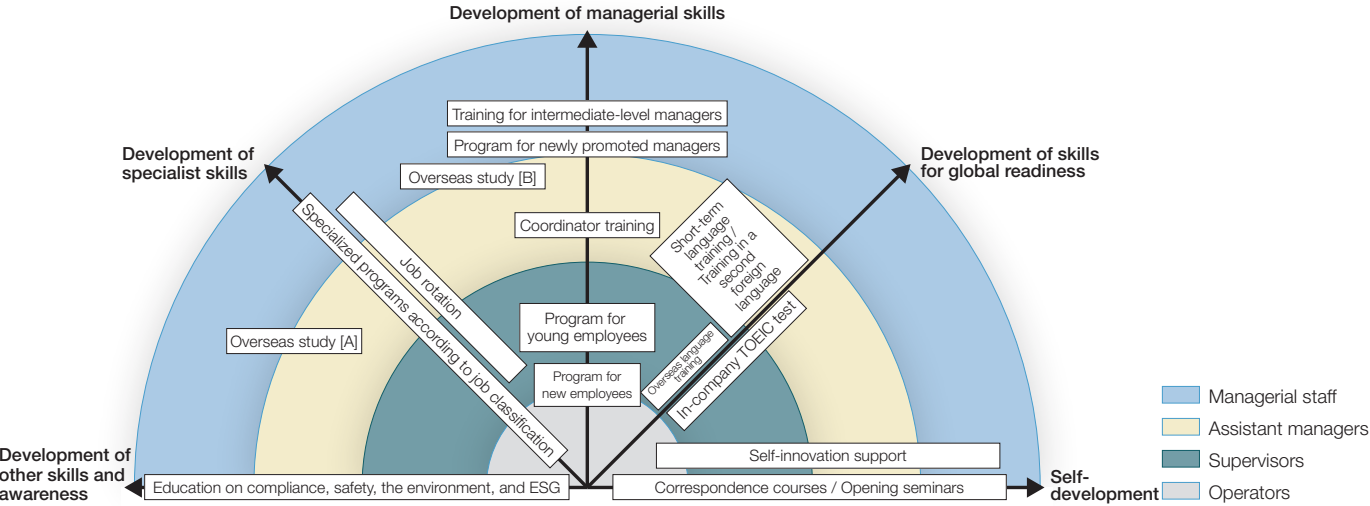
Develop Human Resources and Promote Health

Approach to Human Resources Development

In order to achieve technology-based business management set forth in the 2040 Long-Term Vision, we are working to secure and develop human resources capable of creating added value.

Strengthening our Training System to Energize Individuals and Organizations

Since fiscal 2016, our basic policy for human resources development has included the primary goal of energizing individuals and organizations, and we have been striving for broad-based human resource development by providing various educational programs to develop five key areas: managerial skills, specialist skills, skills for global readiness, self-development, and other skills and awareness. In addition, in order to raise awareness and improve capabilities for each employee, we have launched a new career design training educational program, as well as training to learn about our company's DNA, and various other support programs.



• **Training for young employees (university and graduate school graduates)**

We provide a wide range of training programs for university and graduate school graduates up to five years after they are hired, including New Employee Training for teaching basic business-person skills, and Fifth Year Training to help them build a vision for their career.

• **Globalization education**

We promote education to globalize our talent so that they can play an active role on a global scale. In our Second Year Overseas Training program, employees are sent to overseas language schools for eight weeks, not only to learn the local language but also to experience different cultures and values, and to develop flexible thinking that can be applied globally.

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Comments From a Career Design Training Instructor

In order to develop human resources capable of creating new value, an element of our long-term vision, our aim has been to create a situation where employees can be intrinsically motivated. We have planned our training programs in order to help each employee think about their own career, a necessary step to achieve our aim. I myself have heard people say things like “I can’t picture my future career,” or “I’m not sure if I can continue working after getting married or having children.” So, I set my mind to considering how they could keep working with peace of mind. Some employees joining our training program have said things like “This program gave me a chance to think about my life and career,” or “It was helpful to hear from people with more life experience,” while others wanted to focus more on their work.

I currently work out of our representative office in Frankfurt, where each of us is tasked with a big mission. Therefore, I want everyone to be able to communicate and for me to be able to respond to their needs in a way that we all can continue to work with peace of mind.

Li Natsuki
Frankfurt Office
JX Nippon Mining & Metals Corporation

• **Self-innovation support**

Employees may apply to any eligible external training program. On completing the program, half of the expenses will be subsidized (up to 500,000 yen per program). This is a highly flexible system because we want to address employees’ wishes for self-development more than ever before.

Number of applications in fiscal 2020: **24**

Health Promotion Initiatives

Based on the recognition that health and safety are of utmost importance, we are promoting various measures to maintain and improve the physical and mental health of our employees, thereby helping energize them in their daily lives and helping energize organizations. In addition to legally mandated regular health checkups and mental health stress checks, establishment of a centralized management system for this data, subsidizing regular health checkup expenses, and operating a system for substitute physical examinations, we began granting special leave for physical examinations and cancer screenings as of fiscal 2021.

In the area of mental health, we have established a system where employees can easily consult with industrial physicians as a preventive measure against mental health problems. We also offer an online health consultation service for expatriates and their family members, where they can consult with a specialized doctor in Japanese about any health concerns. Stress checks, which are conducted for all employees, will also feature more questions beginning in fiscal 2021 in order to more precisely analyze stress levels.

As part of our actions to prevent the spread of COVID-19,

• **New Career Design Training program**

Fiscal 2020 marks the first year of our systematic career development education. As part of this effort, we have launched a new Career Design Training program for young employees to learn how to envision their future careers.

• **DNA Training**

The objective of this training is to develop core human resources who will be responsible for ESG management. This training will help instill an awareness of their role as a member of a company with roots in natural resources and with direct responsibility for the global environment and local communities, and overlay this awareness on their own values.

we are taking a variety of measures on a daily basis, including utilizing remote work, providing a special leave system to return to Japan for expatriates forced to lead high-stress lives amid infection prevention and lockdowns, and providing workplace vaccinations at our head office and at major operating sites in Japan.



Workplace vaccinations at our head office

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Comments from an HR Staffer

We are working to strengthen our various systems in order to provide a comfortable working environment for our diverse workforce. In the area of childbirth and childcare, more and more male employees are taking childcare leave each year. To support this, we inform male employees whose spouses have given birth about the childcare systems and services available to them. In addition, we have designed systems such as flextime, remote work, and childcare subsidies with the intention of allowing all employees to utilize them flexibly according to their lifestyles. In the area of family care, subsidies have seen greater use in recent years, and we hope to provide the necessary support to prepare for future growth in the number of people requiring family care. We believe that the key to helping diverse talent thrive is not only ease of working itself, but also motivation in their work.

In addition to actively promoting initiatives to promote the advancement of women by sending female managers to external training programs, since we have also been boosting the number of mid-career hires and non-Japanese hires, we have to deepen understandings of the various shared language that makes up our DNA, like “community involvement and development,” “the mine as one big family,” “work orientation” and “free and open communication.” In addition to ongoing tours of the Nippon Mining Museum and closed mines, we plan to build a program that will help our employees learn about our company DNA.

We will continue to work to ensure that each and every one of our employees can reach their full potential.

Ando Tomohiko
Human Resources Department
JX Nippon Mining & Metals Corporation