

### Human Rights Education and Internal Awareness Raising

The Group provides and makes known guidelines on human rights issues including discrimination, harassment, forced labor, and child labor, for the prevention of these issues. We also create opportunities for periodic training to ensure retention of human rights awareness.

**JX Metals Group Compliance Regulation (Excerpt)**

**Prohibition of unjust discrimination**

JX Metals Group companies and their officers and employees shall not discriminate in their business operations relating but not limited to hiring, salary, working hours, work conditions, and business terms due to reasons that include but are not limited to race, nationality, sex, age, religious belief, social status, or physical characteristics.

**Prevention of harassment**

JX Metals Group companies and their officers and employees shall work proactively to prevent sexual harassment (including gender harassment) and power harassment.

**Protection of personal information**

JX Metals Group companies and their officers and employees shall comply with personal information protection laws, regulations, and internal rules, adequately of parties including but not limited to customers, business partners, and employees, and in situations where personal information needs to be managed for business purposes, manage it with the utmost care.

**Prevention of child labor and forced labor**

JX Metals Group companies and their officers and employees shall not be involved with child labor or forced labor and shall work to help solve these issues.

### Human Rights Education

In fiscal 2022, we conducted training for all Group employees on human rights on the subject of Business and Human Rights. This subject was chosen to deepen the multilayered understanding of human rights issues in line with the increasing importance of companies addressing such issues, which now extend along the entire supply chain. To make it easier for employees to learn about this important subject, we created videos on why it is necessary for companies to address human rights issues and the various human rights initiatives our Group companies are taking. The videos are designed to provide employees with a basic understanding of two subjects: Business and Human Rights and the human rights of our stakeholders. This in turn raises the awareness of both subjects among all our employees.

We will continue our work to ensure an understanding of human rights concepts in our global business operations and to do business in consideration of human rights.

**Work Categories**



**Total Hours Spent in Human Rights E-Learning Training**  
(Number of trainees x course hours) **1,077 hours** (FY2022)

### Human Rights Consultation and Remedies

The Group has established the JX Metals Group Hotline as an internal consultation service for human rights violations and other issues. Employees are able to anonymously use this hotline to discuss any issues related to human rights from those that may crop up on a day-to-day basis to significant infringements. All reports to this hotline are presented to the president, including a report on our response to each. Information about the establishment of the hotline is posted on our intranet portal and disseminated through various training programs, including human rights training. No one using the hotline for consulting or reporting shall be subjected to disadvantageous treatment for its use. Seven reports were made to the hotline in fiscal 2022.

In regard to remedies, no restrictions have been made on resolving issues for consultation through external remedies, and therefore consulting parties may seek other remedies according to the legal system of the country in question.

We have also established the JX Metals Group Supplier Hotline and a Group website-based Help Desk as a consultation service available to external stakeholders, such as suppliers, suppliers' employees, and local residents. The hotline and Help Desk have been set up to offer a process for remediation and redress that can be accessed by stakeholders affected by acts of the Group that violate or may violate laws and regulations. All consultations are conducted on an anonymous basis. In addition, the Group will never treat an individual or their employer unfavorably for using these consultation services or reporting a concern.

## Materiality 5 Coexistence and Co-Prosperity With Local Communities

Since the inception of our business at the Hitachi Mine, the JX Metals Group has emphasized the spirit of maintaining good relations with local communities in conducting business. Keeping alive that spirit today, we have written coexistence and co-prosperity with society into our Code of Conduct. We additionally set an action plan for each fiscal year and work day to day to fulfill it.

Social Contribution Activities



▶ P90

Stakeholder Engagement



▶ P93

**KPIs and Progress**

Assessment: 😊 Achieved/Steady Progress ☹️ Not Achieved

KPI	FY2022 Results/Progress	Assessment
Continuing dialogue with local communities	Despite the impact of COVID-19, we endeavored to understand the needs of local communities, building trust with stakeholders related to corporate activities through ongoing dialogue.	😊

### Social Contribution Activities

With the goal of further strengthening relationships with local communities through social contribution activities, the JX Metals Group conducted community-based initiatives at each of our operating sites in Japan and overseas. While the impact of COVID-19 resulted in restrictions or limitations on our activities, we endeavored to create opportunities for communication with local communities, valuing the spirit of coexistence and co-prosperity that we have pursued since our founding.

**Results of Main Social Contribution Activities in FY2022**

	Activity	Location	Date	Description
Environmental Conservation Activities	Cleanup around plant areas	Isohara Works	May 2022	Ninety-five employees and their families participated in an environmental beautification campaign organized by Kitaibaraki City to pick up trash around the Otsu Port.
	Sagami River Cleanup Campaign	Kurami Works	May 2022	About 90 employees participated in a beautification activity conducted mainly by local governments to preserve the environment in the Sagami River basin.

**Environmental Conservation Activities**



Employees participating in the Sagami River Cleanup Campaign

	Activity	Location	Date	Description
Educational Activities	Youth X (Future) Essay and Children X Drawing Contest	Saganoseki Smelter & Refinery, JX Metals Smelting Co., Ltd.	July 2022 - March 2023	The Youth X (Future) Essay and Children X Drawing Contest was held at elementary and junior high schools in the Saganoseki and Kouzaki areas.
	Nippon Mining Museum and plant tours	Hitachi Works	February 2023	We held a plant tour for local residents to further deepen understanding of our business among the local residents who support us. Over the two days, a total of 70 people visited the Shirogane district and the Nippon Mining Museum. We also held a regular meeting with the Shirogane-cho Environmental Liaison Council in conjunction with the tours. Here, we exchanged views on the construction status of the new rolling mill, the Miyata River cleanup, and other environmental activities.
	Cooperation with the Minato Science Festa	Head Office	March 2023	We participated in the Minato Science Festa 2023 - <i>Let's go to the science fair together!</i> held at the Minato Science Museum, where we held a laboratory class.
Community Development	Participation in local festivals	Saganoseki Smelter & Refinery, JX Metals Smelting Co., Ltd.	April and July 2022	We dispatched 10 young employees of the smelter to two local festivals in April and July 2022. Here, they participated in the spring festival at the Shiinetsuhiko Shrine, a well-known shrine dedicated to the god of maritime safety in the fishing town of Saganoseki, and the summer festival at the Hayasuhime Shrine.
	Exhibit at Eco Fest Hitachi	Hitachi Works	July 2022	We set up an exhibition at Eco Fest Hitachi 2022, an event organized by Hitachi City to raise environmental awareness among citizens. The theme of our exhibition was Introducing Businesses that Contribute to a Resource Recycling-Oriented Society. Here, we introduced the history of the Hitachi Works and our business.
Sports Promotion	Regional promotion of corporate sports	Hitachi Works	Year-round	Kendo club members from Hitachi Works coach local students from kindergarten to high school (10-15 students) four times a week.

● Educational Activities



Award ceremony for the Youth X (Future) Essay and Children X Drawing Contest



Participants of the Nippon Mining Museum tour



Laboratory class at the Minato Science Festa

● Community Development



Young employees participating in a festival and carrying the portable shrine



Our booth at Eco Fest Hitachi

● Sports Promotion



Kendo class activities

Column

## Regional Cooperation in Ibaraki Prefecture

JX Metals Corporation traces its roots back to the start of operations at the Hitachi Mine in Hitachi City, Ibaraki Prefecture, in 1905. Even today, we have several production facilities in this prefecture. We have a very close relationship with Ibaraki Prefecture, and the area is very important to our business. Looking ahead to the construction of our new factories and the growing importance of reliable supply chains, we are promoting activities to further develop the regional economy and increase our visibility there.

● Signing a Comprehensive Cooperation Agreement With Hitachinaka City

In January 2023, JX Metals concluded a comprehensive cooperation agreement with Hitachinaka City for the construction of a new factory in the city. This agreement was made in the hope that we could help city development as a member of the local community.

We will contribute job creation and industrial development through the operation of our new plant. In addition, we also donated 100 million yen through the local tax system for corporations. Through this donation, we will support various activities for the future of the community, such as nurturing the next generation and operating the community center in Aijgaura district, where our new plant is located.



● Signing a Comprehensive Cooperation Agreement With Ibaraki University

Reference → Establishing a Structure to Promote Innovation ⇒ P32

● Signing a Top Partner Agreement With Mito HollyHock for the 2023 Season

In April 2022, JX Metals concluded our first Platinum Partner Agreement with the professional soccer club Mito HollyHock. In signing this agreement, we have supported efforts to revitalize local communities, foster the next generation, and solve local issues through sports promotion. This partnership was signed for a period of just over six months. During this time, we strongly desired to work with this team that continues community-based activities under the slogan of *Creating a new original landscape for the city*. Therefore, we signed a Top Partner Agreement with the team in October 2022, the highest category of official partner. JX Metals will continue to support the team and their activities in the 2023 season by placing advertisements on the top team uniforms, holding Thanks Matches, and collaborating with soccer schools and other next-generation development activities.



● Donating 100 Million Yen to Nikko Memorial Hospital

Nikko Memorial Hospital was established as an affiliated clinic of the Hitachi Mine, the root mine of the Company. This hospital has long been involved in the health care and medical treatment of employees, their families, and local residents. In 2018, we began planning the construction of a new hospital building due to the deterioration of old building that had been in use since 1981. Construction began in 2019, and in March 2022, the hospital made a comeback with a new integrated health check center and a long-term care medical center. Nikko Memorial Hospital continues to operate as an essential part of community healthcare that protects the health of citizens to this day.

Due to high community expectations for the hospital, JX Metals donated 100 million yen to the hospital in August 2022 to support its operations as much as possible. We hope that Nikko Memorial Hospital will continue to be an integral part of local healthcare.



## Stakeholder Engagement

The Group believes that understanding the demands of various stakeholders accurately, responding in good faith, and building relationships of trust will lead to an increase in corporate value. To this end, we take advantage of opportunities for dialogue with each stakeholder and engage in active two-way communications.

Key Stakeholders and Responsibilities	Main Means of Communication	Main Topics
<p><b>Customers</b> We will contribute to achieving a more affluent society by improving satisfaction and fulfilling our social responsibilities through the stable and efficient supply of high-quality products.</p>	<ul style="list-style-type: none"> <li>• Communication in sales activities</li> <li>• Dissemination of information via website and SNS</li> <li>• Exhibit at the 9th Highly-functional Metal Expo</li> <li>• Invitation to SQUARE LAB</li> </ul>	<ul style="list-style-type: none"> <li>• Stable supply of highly-functional products</li> <li>• Improvement of economic efficiency and added value of products</li> <li>• Improvement of environmental performance of products</li> <li>• Appropriate disclosure of product information</li> </ul>
<p><b>Shareholders and investors</b> As a major operating company of the ENEOS Group, we will strive to disclose information in a timely and appropriate manner through ENEOS Holdings, a listed company.</p>	<ul style="list-style-type: none"> <li>• Publication of Sustainability Report</li> <li>• Disclosure of information on website</li> <li>• IR news email distribution</li> <li>• General meeting of shareholders, financial results briefing, business office information</li> </ul>	<ul style="list-style-type: none"> <li>• Stable profit return</li> <li>• Easy-to-understand information disclosure on management strategies</li> <li>• Full disclosure of ESG information</li> </ul>
<p><b>Employees</b> We will promote the creation of a rewarding workplace, focusing on the improvement of the work environment and the enhancement of training systems. And we will strive to improve the motivation of each individual.</p>	<ul style="list-style-type: none"> <li>• Publication of the group newsletter Cuprum</li> <li>• Preparation and distribution of the <i>ESG Handbook</i> and the <i>Handbook for Supporting Balancing Childcare or Nursing Care</i></li> <li>• Implementation of self-assessment system</li> <li>• Holding online workshops</li> <li>• Dialogue between labor unions and management</li> <li>• Various employee training and education programs</li> </ul>	<ul style="list-style-type: none"> <li>• Prevention of occupational accidents</li> <li>• Penetration of Group ESG activities</li> <li>• Achieving diverse work styles</li> <li>• Enhancement of training system</li> <li>• Fair and equitable personnel evaluation</li> <li>• Maintaining and promoting mental and physical health</li> </ul>
<p><b>Business partners</b> We will conduct business with our partners built on relationships of trust. We are working to achieve fair and equitable transactions throughout the supply chain.</p>	<ul style="list-style-type: none"> <li>• Communication through purchasing activities (CSR Procurement Questionnaire)</li> <li>• Operation of an inquiry desk</li> <li>• Conducting surveys with business partners</li> <li>• Invitation to SQUARE LAB</li> </ul>	<ul style="list-style-type: none"> <li>• Equal and fair trade</li> <li>• Management of occupational safety</li> </ul>
<p><b>Local communities</b> We will pursue coexistence and co-prosperity at each of our bases by creating understanding of our business and building cooperative relationships through various exchange opportunities.</p>	<ul style="list-style-type: none"> <li>• Creation of cooperation agreements with universities and establishment of joint research courses</li> <li>• Conducting factory tours, office tours, and visiting classes</li> <li>• Participation in and sponsorship of community events</li> <li>• Conducting briefings for local residents</li> <li>• Participation in local volunteer activities</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthening cooperation with local communities for their revitalization</li> <li>• Cultivation of a new generation and educational support</li> <li>• Reduction of the environmental impact of the region</li> </ul>
<p><b>International community</b> We pay close attention to trends in global warming and other international issues. We engage with issues proactively and comply with laws and regulations.</p>	<ul style="list-style-type: none"> <li>• Implementation of business practices that support the SDGs</li> <li>• Response to TCFD / Endorsement of Challenge Zero / Participation in GX League</li> </ul>	<ul style="list-style-type: none"> <li>• Establishment of a resource-recycling society</li> <li>• Climate change adaptation and mitigation</li> <li>• Progress in the Digital Society</li> </ul>



## Materiality 6 Strengthen Governance

It is essential for companies to gain and maintain stakeholder trust to conduct business and increase long-term corporate value in a drastically changing society. The Group promotes strict compliance with laws and risk management to increase the soundness and transparency of management and reinforce governance.



### KPIs and Progress

Assessment: 😊 Achieved/Steady Progress ☹️ Not Achieved

KPI	FY2022 Results/Progress	Assessment
Steady operation of group-wide risk management	The JX Metals Group bases activities on Enterprise Risk Management (ERM), established with reference to ISO 31000, a set of guidelines for risk management. In fiscal 2022, we formulated the <i>JX Metals Group ERM Vision</i> toward ERM that is more conducive to enhancing corporate value. To achieve this vision, we planned and implemented measures to improve our ERM system. We analyzed the gap with our current state and analyzed actions to take based on a maturity model provided by an external organization.	😊
Compliance training tailored to business characteristics and social movements, etc.	The Group conducts compliance training every year to increase awareness and knowledge of compliance among executives and other employees. In fiscal 2022, in addition to annual the rank-specific compliance training, we once again held training programs in Japan and overseas regarding harassment and the Subcontract Act, tailored to business characteristics, social trends, and other factors.	😊