

Human Rights

Basic Approach

As a corporate group with global business operations, the JXTG Group believes that an important element in striving for sustainable development is respect for the human rights of our employees and all stakeholders, and the mitigation of human rights-related risks in our business activities.

Based on this understanding, we support international

norms such as the Universal Declaration of Human Rights, the International Labour Organization's (ILO) Core Labour Standards and the UN Guiding Principles on Business and Human Rights. We have also stipulated such norms in the JXTG Group Code of Conduct, and are promoting initiatives aimed at resolving various human rights issues.

JXTG Group Code of Conduct (excerpt)

5. Respect for human rights

- (1) We shall not infringe on human rights through our business activities. We respect internationally-accepted human rights standards and diversity, acknowledging differences pertaining to gender, age, nationality, race, ethnicity, skin color, culture, thought, religion, belief, political opinions, sexual orientation, and the presence or absence of disability.
- (2) We shall not engage in any type of discrimination or harassment.
- (3) We shall not engage in any forms of forced labor or child labor.
- (4) We shall not engage in business transactions which may lead to the prolongation of conflicts, human rights violations, or inhumane acts.

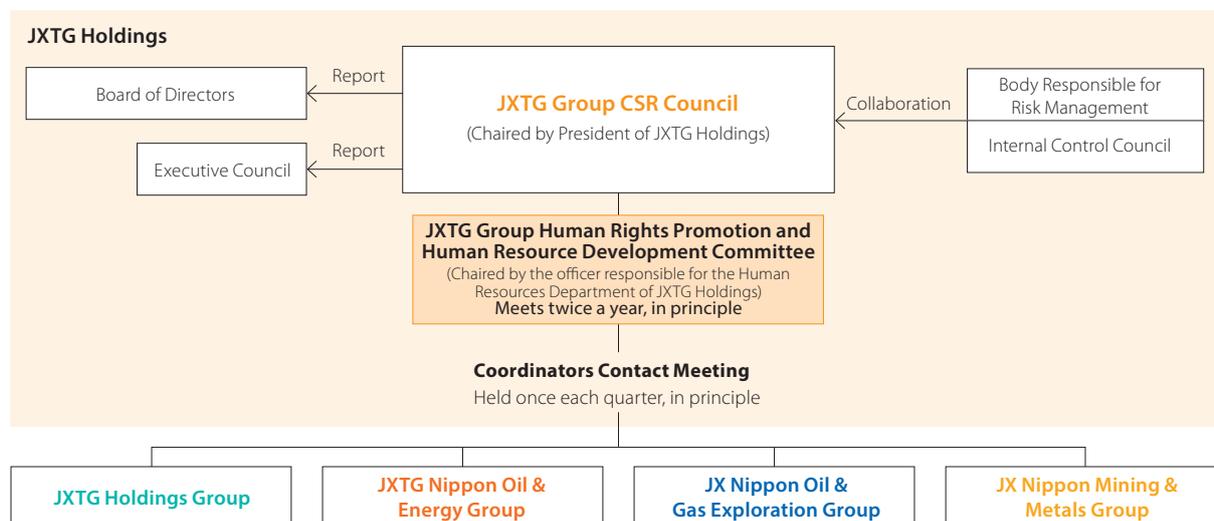
Structure

The Human Rights Promotion and Human Resource Development Committee is chaired by the officer responsible for the Human Resources Department of JXTG Holdings, and has been established under the JXTG Group CSR Council, which is chaired by the President of JXTG Holdings. The committee is responsible for deliberation on Group-wide policies and approaches to human rights. It confirms and evaluates the activities of each Group company and shares information.

Specifically, each Group company implements various measures to attain respect for human rights, which is stipulated in the Group Code of Conduct, such as conducting human rights awareness training in accordance with its business characteristics and implementing human rights due diligence.

Group company initiatives are also shared at the committee's Coordinators Contact Meeting and are used to improve the standard of activities.

■ Structure for Promoting Human Rights, Human Resource Development and Health, Which Are Priority Fields for CSR Activities



Major Initiatives

Participation in the UN Global Compact

JXTG Holdings, JXTG Nippon Oil & Energy, JX Nippon Oil & Gas Exploration and JX Nippon Mining & Metals participate in various UN Global Compact activities and are committed to realizing the Ten Principles, which are divided into four areas, including human rights.

Raising Awareness for Human Rights through Training and e-Learning

In addition to ongoing training targeted at all Group employees designed to raise human rights awareness and prevent human rights issues from occurring, each Group company also holds training for new employees, training for different ranks of employees as well as e-learning courses.

Various activities are also carried out to raise awareness and sharpen sensitivity for human rights, such as a training program where participants play blind soccer.

Preventing Harassment

As well as providing various forms of training designed to prevent harassment, we have established consultation centers at each Group company to receive reports and complaints about harassment.

Consideration for Employees with Disabilities

Employees with a variety of disabilities work in the JXTG Group, and efforts have been put into improving workplace environments to enable these employees to carry out their duties comfortably and efficiently. We also regularly hold sign language classes to facilitate smoother communication among employees.

Human Rights Due Diligence

The JX Nippon Mining & Metals Group is committed to ensuring respect for human rights, and has established the JX Nippon Mining & Metals Group Compliance Regulations to explicitly document human rights policies, including those for the prevention of discrimination, harassment, and child labor and forced labor.

Once a year, the Group also conducts checks to ensure that no child labor or forced labor is being used in connection with its business operations. It also surveys its business partners to gain written confirmation that these forms of labor are not being used.

Compliance with Labor Laws and Regulations

The JXTG Group is committed to complying with labor laws and regulations in the countries and regions where it conducts its business operations.

Both in Japan and overseas, rules are established and wages are paid based on laws and regulations on minimum wages, legally mandated benefits and other conditions that are prescribed in the respective country or region.

In Japan, we also verify the general appropriateness of wages, regularly negotiating with labor unions about reasonable wage levels and working conditions.

Response to the UK Modern Slavery Act 2015

JX Nippon Oil & Energy Europe Limited (JXTG Nippon Oil & Energy Group) and JX Nippon Exploration and Production (U.K.) Limited (JX Nippon Oil & Gas Exploration Group) have released statements in response to the United Kingdom Modern Slavery Act 2015 which came into effect in October 2015.



See the following websites for further details.
<http://www.eneos.eu/wp-content/uploads/2017/02/MSA-2015-StatementNOEU.pdf>
http://www.nex.jx-group.co.jp/english/environment/compliance/active/pdf/human_01.pdf

Response to the South African Black Economic Empowerment Policy (BEE Policy)

JXTG Nippon Oil & Energy does have a base in Johannesburg in the Republic of South Africa, but has not obtained approval under the BEE Policy.

TOPICS

Come-and-Try Blind Soccer

JXTG Nippon Oil & Energy hosted a come-and-try blind soccer event at its Negishi Refinery, with participation by 21 employees, their families and friends.

Blind soccer uses a special ball that emits a sound. The aim of the event was to raise awareness for human rights by enabling participants to experience what it feels like to have impaired vision by wearing blindfolds to obstruct their vision.



Come-and-try blind soccer event

Mine Development and Respecting the Human Rights of Local Residents

Development and operation of mines can have a particularly significant impact on the surrounding environment. It is therefore essential to give due consideration to the human rights of local residents and implement measures to ensure coexistence and mutual prosperity with local communities.

JX Nippon Mining & Metals Group's Minera Lumina Copper Chile, the operator of the Caserones Copper Mine, applies a basic three-point policy for supporting local communities: respect for life, protection of the community and environment, and compliance with laws and regulations. In keeping with this policy, after the project launch in 2007, the operator began holding explanatory meetings and engaging in dialogue with the Collas, the indigenous people who live in the area around the mine site, in an effort to build up trust.



For further details, see the JX Nippon Mining & Metals Sustainability Report 2017.
 JX Nippon Mining & Metals Sustainability Report 2017

Confronting the Issue of Conflict Minerals

Regarding the JX Nippon Mining & Metals Group, relevant industry organizations (including the LBMA*1 and EICC) have established monitoring programs for eliminating conflict minerals. These programs require that companies carry out surveys and undergo external audits by an independent organization.

Accordingly, the JX Nippon Mining & Metals Group has included a clause on the exclusion of conflict minerals in its Basic Procurement Policy, and has established and operates management systems to appropriately address this issue.

Specifically, Pan Pacific Copper, a producer of gold bullion, has established and operates a management system for supply chain due diligence that calls for the following actions to be taken:

1. Performing supply chain due diligence before purchasing mineral raw materials.
2. Notifying suppliers of the policy on exclusion of conflict minerals.
3. Conducting in-house education on supply chain due diligence and its background.
4. Conducting internal audits and undergoing external audits.

Operation of the system is audited by an independent organization specified by the LBMA, and the results are reported to the LBMA. As a result of following these procedures, the gold bullion produced at Pan Pacific Copper's Saganoseki Smelter & Refinery is included on the LBMA's Good Delivery List. The Saganoseki Smelter & Refinery has also been included on the Conflict-Free Smelter list compiled by the EICC and GeSI,*2 recognition that it is taking proper measures to exclude conflict minerals.

*1 London Bullion Market Association. An industry association composed of financial institutions and others that deal in gold bullion. Inclusion on this association's Good Delivery List is viewed as a guarantee of high quality and reliability.

*2 Global e-Sustainability Initiative (a trade association of the information and communications technology industry in Europe). The LBMA and GeSI together created the Conflict-Free Smelter (CFS) certification program given the high risk of conflict minerals being used in electronic and communications equipment.



Certificate from the LBMA