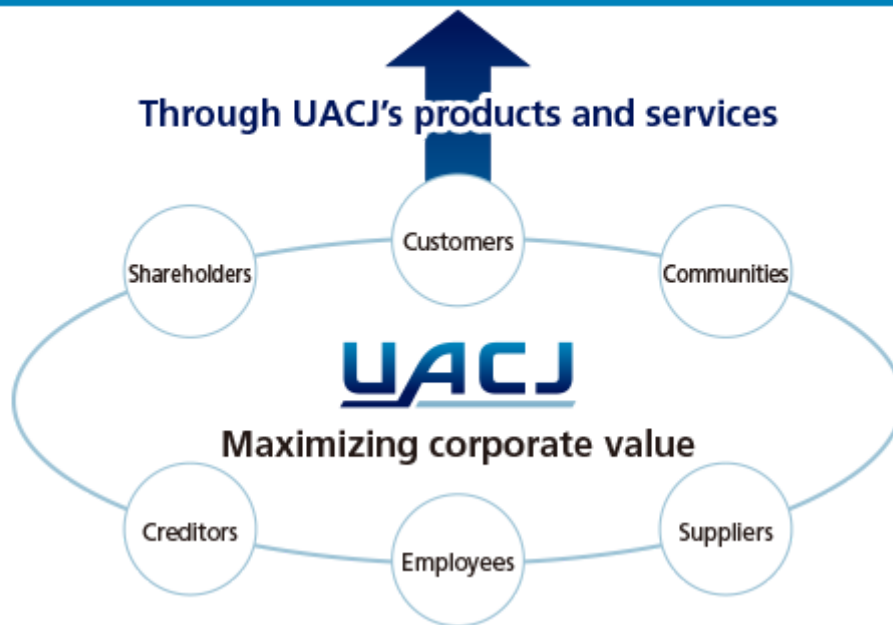


UACJ's Future Direction

We engage in CSR activities to meet the expectations of all of our stakeholders.

Maximize the possibilities of aluminum in ways that contribute to society and the environment



Basic Policy on CSR

Based on the UACJ Group's management philosophy, we:

- As a member of international society, abide by the laws, and respect the cultures and customs, of countries where we engage in business,
- Contribute to the development of society through solid, sound business activities, and
- Communicate with stakeholders to earn their confidence and trust.

UACJ has established its CSR Committee to address a broad array of social demands. Chaired by the president, the committee's membership also includes UACJ's full-time directors, works managers, the head of its Research & Development Division, the heads of relevant departments, and the presidents of principal Group companies.

System for Advancing CSR

At UACJ, the CSR Committee, chaired by UACJ's president and with membership consisting of UACJ's full-time directors, works managers, the head of its Research & Development Division, the heads of relevant departments, and the presidents of principal Group companies advances CSR activities throughout the company.

The CSR Committee meets in May of every year to deliberate policies and measures on matters concerning all aspects of CSR and risk management, and exercises supervision of every fiscal year's activities. Using case studies of compliance violations, and other tools, it also functions as a training venue for executives and managers.

Following the meeting, members of the CSR Committee share the committee's decisions with the units they oversee in an effort that disseminates this information throughout the company. Information on CSR policies and measures is disseminated to affiliates in Japan via the General Affairs Liaison Committee and other channels.

In addition, the Safety and Hygiene Committee, Environmental Committee, Quality Committee, HR Development Committee, and R&D Committee address CSR issues in their respective areas.

Board of Directors

Discuss/report

Compliance, Risk Management, BCP and Social Contributions	CSR Committee	Chair: President Administration: General Affairs Department
Environment	Environmental Committee	Chair: Chief Environmental Officer Administration: Environmental Safety Division
Health and Safety	Health and Safety Committee	Chair: Executive in charge Administration: Environmental Safety Division
Quality	Quality Committee	Chair: Executive in charge Administration: Engineering and Maintenance Department
Human Resources Development	HR Development Committee	Chair: President Administration: Human Resources Development Department
R&D	R&D Committee	Chair: President Administration: R&D Planning and Administration Department

Factory general managers (Nagoya, Fukui, Fukaya, Nikko) and presidents of principal Group companies

Domestic factories,
offices, and branches

Domestic Group companies

Overseas Group companies

Responsibilities to and Methods for Communicating with Principal Stakeholders

	Key Responsibilities	Communication Methods
Customers	<p>Maintain and improve the quality of products and services</p> <p>Provide products and services that are good for society</p> <p>Use a wide variety of technologies and expertise to solve customers' problems</p>	<p>Dialogue in daily business dealings</p> <p>Website</p> <p>Dialogue through technology exhibits and trade shows</p> <p>Customer satisfaction surveys</p>
Suppliers	<p>Build sound relationships through fair transactions respecting laws and ordinances</p> <p>Fulfill CSRs throughout the supply chain</p>	<p>Dialogue in daily business dealings</p>
Environment	<p>Reduce greenhouse gas emissions</p> <p>Promote energy efficiency and recycling</p> <p>Protect biodiversity</p> <p>Reduce industrial waste</p> <p>Manage and reduce harmful chemical substances</p>	<p>Operate within laws and regulations</p> <p>Support the Kyoto Protocol on fighting global warming, the Nagoya Protocol on biodiversity, and other international agreements</p> <p>Support environmental activities advanced by Japan's Ministry of the Environment and others</p>
Investors	<p>Provide appropriate returns</p> <p>Make timely and appropriate disclosures</p> <p>Increase corporate value</p>	<p>General meeting of shareholders</p> <p>Shareholder communications</p> <p>Results briefings</p> <p>Telephone conference</p> <p>One-on-one meetings</p> <p>Shareholder plant tours</p> <p>Website</p>
Employees	<p>Respect human rights</p> <p>Develop personnel, and provide fair evaluations and compensation</p> <p>Protect worker safety and health (including mental health)</p> <p>Support diverse working styles, and employee efforts to meet work and personal responsibilities</p>	<p>Company Newsletter</p> <p>Intranet</p>

	Key Responsibilities	Communication Methods
Local Communities	<p>Support sports and cultural activities, and efforts to nurture future generations</p> <p>Participate in and support traditional events</p> <p>Support and work with local and other NPOs</p>	<p>Plant tours</p> <p>Local events</p> <p>Neighborhood clean-up and other social contribution activities by employees</p>

Objectives and Results

	Fiscal 2017 Objectives	Fiscal 2017 Results	Assessment	Fiscal 2018 Objectives
Highlight Compliance	Enhance education on the Group Code of Conduct.	Revised Group Code of Conduct education materials and conducted programs based on the revised materials.	○	Continue to conduct education programs on the Group Code of Conduct.
	Pledge to abide by the Group Code of Conduct.	<p>Conducted education programs on the Group Code of Conduct for employees at UACJ and 30 Group companies.</p> <p>Had officers and department managers pledge compliance with the Group Code of Conduct to the presidents of UACJ and domestic Group companies.</p> <p>Conducted education programs on the Group Code of Conduct for employees at 22 of the 31 overseas Group companies.</p>	○	<p>Continue conducting education programs and having individuals pledge compliance with the Group Code of Conduct.</p> <p>Increase the percent of overseas Group companies where these activities are conducted.</p>

	Fiscal 2017 Objectives	Fiscal 2017 Results	Assessment	Fiscal 2018 Objectives
Highlight Compliance	Properly implement rules for reporting compliance problems.	Worked through liaison meetings of general affairs employees to promote broad-based understanding of reporting rules	○	Continue efforts to promote understanding of reporting rules.
	Raise awareness of and enhance the internal reporting system	Used Code of Conduct education programs and other opportunities to promote understanding of how to report compliance problems. Considered implementing a global internal reporting system.	○	Continue to promote understanding of how to report compliance problems internally.
	Hold workshops on the Antimonopoly Law and Subcontract Act.	<p>Conducted education on the Antimonopoly Law and anti-bribery laws.</p> <p>Included coverage of the Antimonopoly Law in job-level training.</p> <p>Conducted education on the Revised Act on the Protection of Personal Information.</p>	○	<p>Continue education on the Antimonopoly Law, anti-bribery laws, the Subcontract Act, and other individual laws.</p> <p>Conduct education on the Revised Act on the Protection of Personal Information and the EU's General Data Protection Regulation.</p>

	Fiscal 2017 Objectives	Fiscal 2017 Results	Assessment	Fiscal 2018 Objectives
Promote Risk Management	Conduct Group-wide risk management activities.	Recorded the status of department-level activities in a risk management chart. Presented an overall review of activities to the CSR Committee.	○	Continue the activities conducted in fiscal 2017.
	Systematically revise the BCP.	Systematically revised the BCP.	○	Review the BCP and make revisions based on the results.
	Implement employee safety confirmation systems and install emergency communications equipment at Group companies.	Completed implementation of safety confirmation systems at UACJ and domestic Group companies (30).. Completed installation of emergency communications equipment at key domestic locations (20 companies, 48 business locations).	○	Continue to promote understanding and conduct training for the establishment of emergency safety confirmation and contact systems.
	Establish an emergency contact system and install an emergency communications system.	Continued implementation of the emergency contact system.	○	Manage and maintain the emergency contact system.
	Conduct training for setting up a disaster-response headquarters and responding to a disaster	Conducted training for setting up a disaster-response headquarters and responding to a disaster. Conducted disaster-response training at the UACJ headquarters and at individual works.	○	Implement a more advanced training curriculum.

Corporate Governance

Governance Dialogue between Newly Appointed Outside Directors

Since its establishment, UACJ has been aware of the importance of management diversity and has taken steps to strengthen the Company's governance. In June 2018, we welcomed two new outside directors, whose additions increased the number of independent outside directors to one-third of the Board of Directors and enhanced the influence of independent views in Board discussions. The two new directors are both corporate management veterans who add to the diversity of experience from which the Board can benefit.

In August 2018, the two new directors participated in a dialogue in which they drew on their corporate management experience to discuss mainly governance but also important issues UACJ is facing and two major policies for the mid-term management plan that begins with fiscal 2018 - steadily generating returns on past investments and increasing capital efficiency with an emphasis on ROIC. In addition, the two directors talked about how they, as outside officers, can help UACJ achieve further growth under its new management organization.



New outside directors who participated in the dialogue

Work Reforms that Enhance Job Satisfaction

The work reform movement has come to Japan and is in full swing. UACJ supports the intentions behind the movement and is moving forward with its own work reforms to increase productivity and employee job satisfaction. A project is moving forward throughout the Company to manage work hours with consideration for balancing job and home responsibilities, outside interests, self-development, and time to unwind.

Work done by highly motivated employees is work that pleases customers, so society needs companies where employees are highly motivated. Starting from that idea, we are striving to improve the quality of work, before looking at ways to reduce work hours, to raise productivity and create environments where employees can work with a positive outlook.



Core project members

Environmental Initiatives

Startup of a Casting Line that Cuts Energy Usage and Promotes Recycling

A new casting line has been started up at Tri-Arrows Aluminum Inc.'s Logan Mill, one of UACJ's principle North American manufacturing locations. As a result, recycled aluminum now makes up approximately 80% of the raw material for the can stock made by the Company.

Using recycled aluminum as a raw material cuts the energy needed to produce ingots by about 97%, greatly reducing the environmental impact of this process. Using recycled aluminum also lessens the amount of used beverage cans that are discarded as waste. By reliably supplying high-quality aluminum, UACJ helps to reduce environmental impacts through its business activities - for example, by reducing the weight of automobiles - but we are also working to reduce the environmental impacts of our business activities.



Casting furnace at the Logan Mill