/ Initiatives for Society

Basic Concept

The UACJ Group believes that being a business that contributes widely to society requires understanding the expectations of stakeholders and responding to their trust. We see product safety and quality control initiatives, supply-chain management, human resource development and diversity, and the provision of safe, healthy work environments as having importance not only for us but for society, as well, and do our best to achieve progress in all of these areas, with their social benefits in mind.

Fiscal 2018 Key Objectives and Results

| | Fiscal 2018 Objectives | Fiscal 2018 Results | Assessment | Fiscal 2019 Objectives |
|---|---|---|------------|--|
| | Zero major quality problems | Multiple incidents | × | Zero major quality problems (anomalies) |
| Quality and Customer Satisfaction | 10% or greater reduction in complaints (both those involving claims for damages and those that do not) compared to fiscal 2017 | 10% reduction compared to fiscal2017 | 0 | 10% or greater reduction in complaints (both those involving claims for damages and those that do not) compared to fiscal 2017 |
| Human Resource Development | Make women 40% of the new career-track college graduates hired into administrative positions and 10% of technical positions | In implementing UACJ's first General Employer Action Plan, hired a total of 44 new career-track college graduates, including 10 women. The women accounted for 50% of administrative positions filled and 12.5% of technical positions. | 0 | Make women 40% of the new career-track college graduates hired into administrative positions and 10% of technical positions |
| | By fiscal 2020, increase the number of female managers to twice the end-of-fiscal- 2015 figure | As of the end of fiscal 2018, increased the number of female managers by 43% compared to the end-of-fiscal-2015 figure | Δ | By fiscal 2020, increase the number of female managers to twice the end-of-fiscal- 2015 figure |

| | Fiscal 2018 Objectives | Fiscal 2018 Results | Assessment | Fiscal 2019 Objectives |
|---------------------------------------|--|---|------------|---|
| Provision of | Energize improvement activities aimed at eliminating workplace accidents | Moved forward with efforts to thoroughly identify and assess risks, improve the essential safety of equipment, adopt safer work approaches, and disclose even minor accidents to discuss preventive measures | 0 | Creation of a system for maintaining awareness of past major accidents |
| Safe, Healthy Work Environments | Conduct employee education on safety and health | Conducted experiential safety education at the Nagoya and Fukaya works, and held new-hire group training for record high numbers of participants (126 technical employees, 65 administrative employees) | 0 | Enhance training for mid-career hires and employees taking on new positions |

Looking toward the Future

In fiscal 2018, certain objectives, such as those relating to major quality problems (quality anomalies) and increasing the number of female managers, were not achieved. Objectives were achieved, however, in terms of hiring of women for career-track positions and safety and hygiene training. For fiscal 2019, efforts will focus on maintaining performance for objectives achieved in fiscal 2018, while striving to attain the performance improvements needed to achieve the objectives not met in fiscal 2018.

Relationships with Customers

The UACJ Group contributes broadly to society by striving to provide customers with products and services that earn their satisfaction and trust.

Basic Policies and Systems for Quality Management

Basic Policies

- 1. We will constantly strive to improve our capabilities in technological development, quality management, and frontline execution.
- 2. We will fulfill demands put before us.
- 3. We will carefully consider the quality objectives we have established and results we have obtained, and allocate management resources as needed.
- 4. We will undertake quality improvement activities with participation by all Group members to ensure that all employees understand our policies on quality.
- 5. All Group employees will act based on a clear understanding of our stance on quality and will participate in quality improvement activities.

Quality Management System

The UACJ Group has established its Quality Committee, chaired by the Executive in Charge of Quality, as the highest organ for advancing quality management. The Quality Committee discusses and reports on the status of quality, significant problems, and other quality-related matters.

Quality control groups have been established for each of the Group's businesses - flat rolled products, extrusion, foil, casting and forging, and precision-machined components. These individual quality control groups work together with the Quality Management Department and the leaders of organizational units, as they pursue quality management activities.

Formulation of the UACJ Group's Annual Quality Management Direction

A uniform, annual quality management direction is established for the entire UACJ Group. For fiscal 2018, quality objectives and priorities were clearly stated under the slogan, "Further strengthen the quality platform to realize world-class competitiveness," and measures for improving quality were undertaken. In fiscal 2019, the Group is working to achieve quality objectives through new growth based on quality contributions by all employees.

Fiscal 2018 Results

The results of fiscal 2018 initiatives to achieve quality objectives are presented below.

To achieve "zero major quality problems (quality anomalies)," uniform standards were created for the entire Group and special attention was paid to sharing information on a Group-wide basis to prevent problems from recurring. As a result, we experienced fewer major quality problems than in fiscal 2017. Presently, no UACJ Group products have had sales suspended because of, or are the subject of disputes related to, major quality problems.

Regarding the objective of achieving "10% or greater year-on-year improvements in numbers of complaints," measures focusing on key objectives succeeded in reducing complaints, both those involving claims for damages and those that do not, by 10% compared to the previous fiscal year.

For fiscal 2019, the quality objectives for fiscal 2018 have been retained and key objectives reflecting the future vision have been set to achieve further quality improvements under the slogan, "Achieve new growth based on quality contributions by all employees."

Fiscal 2018 Quality Objectives

- 1. Zero major quality problems (quality anomalies)
- 2. 10% or greater year-on-year improvements in numbers of complaints, both those involving claims for damages those that do not.

Key Objectives

- · Identify fundamental causes of problems to prevent recurrences and human error.
- · Identify customer needs and expectations, and respond to them swiftly to increase customer satisfaction.
- · Secure necessary capabilities and understanding, based on appropriate education, training, and experience.
- · Implement DR (design reviews), change management, and initial flow control.
- · Strengthen the quality management system.

Fiscal 2019 Quality Objectives

- 1. Zero major quality problems (quality anomalies)
- 2. 10% or greater year-on-year improvements in numbers of complaints, both those involving claims for damages those that do not.

Key Objectives

- Increase customer satisfaction through responses to customer needs and expectations.
- · Prevent recurrences of quality problems and human errors by identifying causes.
- Prevent defects through proper implementation of design reviews, change management, and initial flow control.
- · Maintain necessary capabilities and practice compliance on a foundation of proper education, training, and experience.
- · Promote systemization and automation of testing and inspection.

Quality Management based on International Certifications

The UACJ Group practices quality management in accordance with the international quality management system certifications obtained by UACJ and its Group companies. For Group companies that have yet to obtain these certifications, the Quality Management Department provides support enabling quality management that conforms to international certification requirements.

In fiscal 2018, one overseas business location was newly certified.

Preparing Quality Assurance Guidelines (UACJ ver.)

Over the past several years, there have been multiple incidents in which manufacturers have falsified quality-related data and used unqualified personnel to perform quality inspections. In response, the Japan Aluminum Association introduced quality assurance guidelines for the aluminum industry in March 2018.

The UACJ Group then used these guidelines to create its own quality assurance guidelines. The UACJ Quality Assurance Guidelines, which were introduced in August 2018, reflect circumstances related to the quality management system and other aspects of the UACJ Group, while remaining consistent with the industry's guidelines.

The UACJ Quality Assurance Guidelines have further strengthened the quality assurance system by incorporating concrete schedule guidance for systemization and automation initiatives for shipping inspection/testing data. In fiscal 2018, concerted efforts were made to educate individual Group business locations on implementation of quality assurance practices in accordance with the new guidelines.

Product Safety Initiatives

Aluminum is a strong, lightweight material that is easy to process, resistant to corrosion, and readily recyclable, so it has come to be used as a raw material for various industrial product components, packaging material, and various other products across all aspects of daily life. Because many of the products made with aluminum - for example, automobile components, aircraft components, food wrapping, etc. - have a direct impact on the safety of human lives, consumer safety is viewed with particular importance.

At UACJ, the Quality Management Department leads product safety initiatives to address product safety risks in particular from the unintentional inclusion of certain elements and other impurities, in violation of legal or regulatory standards, in alloy production and other processes.

More specifically, product safety is reviewed at checkpoints established in design reviews, and strength, presence of impurities, and other product safety items are thoroughly checked at the manufacturing stage based on specifications determined together with the customer.

In addition, mill sheets, which display testing results, are checked to determine whether product information is properly presented.

Provision of Product Defect Information

The UACJ Group has established rules for responding to major incidents concerning product quality and safety. Under the Major Incident Response Rules when an incident, such as a product defect or regulatory violation, comes to light, a special incident investigation committee is established, details of the situation are clarified, and relevant information is provided to customers and consumers. To date, there have not been any incidents requiring that these steps be taken.

Proportion of Products for which Safety Evaluations Are Performed

Safety evaluations are performed for 100% of products that have been confirmed to be in compliance with specifications agreed upon with customers and for 100% of products for which shipping inspections are performed as a matter of legal or regulatory compliance.

Compliance with Product Safety Laws and Regulations

In fiscal 2018, there were no violations of legal, regulatory, or the UACJ Group's own provisions on product quality and safety, or the display of product information.

Measures to Improve Customer Satisfaction

In both its management philosophy and basic policies on quality, the UACJ Group states that it will strive "to offer products and services deserving of our customers' satisfaction and trust."

Knowing what customers want, therefore, is essential. To gather customer feedback, we conduct customer satisfaction surveys at least once a year. In fiscal 2018, we asked key customers to participate in surveys at least one time. We also hold gatherings where customers can tell us directly what they think and what they would like to see in our products. Having collected feedback from activities such as these, we analyze it and then apply findings in improvement activities and development of new products.

Responding to Customer Questions

On its website, the UACJ Group has created a page where customers can submit questions on matters such as orders for aluminum materials and technical issues concerning applications, and ask for prepared information. Regardless of the nature of the inquiry, we make a point of providing customers with swift, accurate responses.

Going forward, we intend to further deepen our interaction with customers and reflect what we learn in the development of new products and other activities, as well.

Dissemination of Information on New Products and Technologies

Publication of a Technology and Research Journal

UACJ issues UACJ Technical Reports once a year to present technical papers on UACJ Group research results and new products and technologies. The fiscal 2018 edition, Vol.5, No.1, was published in March 2019.

To make UACJ Technical Reports content, which covers aluminum and aluminum alloy technology, available to as wide an audience as possible, we also post it on our website.

UACJ Technical Reports will continue to be an important channel for disseminating the latest information on UACJ Group products and technology.

Maintaining Strong Customer Relations

Promoting joint research and development with partners worldwide to contribute to society and the growth of the UACJ Group

Director, senior managing executive officer, and chief executive in charge of the Research & Development Division

Kazuhisa Shibue



UACJ's R&D Center is at the helm of the Group's research and development activities. Located next to Nagoya Works in central Japan, the center conducts highly advanced research on aluminum materials and related manufacturing processes, and oversees the development of the Group's mainstay products, including flat-rolled aluminum for can stock and automotive body sheet and components.

The R&D Center deals with customers directly, cooperates closely with UACJ's factories, and applies expertise accumulated for over a century of doing business. These unique advantages enable the center to become integrally involved in developing products according to customers' specifications and needs, and smoothly complete the products by installing prototypes onsite in advance. Consequently, UACJ has earned the trust of customers as the top aluminum product manufacturer in Japan.

In the industry today, however, manufacturing is being carried out at an increasingly fast pace. To achieve that speed, it is essential to share data and integrate a wide range of knowledge through open innovation. Accordingly, in fiscal 2018, the R&D Center initiated a policy of promoting collaborative research and development projects. Toward that end, it has been facilitating cooperation among its own researchers and with the Company's factories and sales divisions, while creating opportunities for collaboration with customers and leading research institutes in an effort to develop new technologies and products at an even faster pace.

In fiscal 2018, UACJ established two facilities for promoting collaborative R&D with other companies and organizations: the U-Al Laboratory, an interactive exhibition space designed to appeal to potential collaborators, and an R&D facility on the premises of the National Institute of Advanced Industrial Science and Technology, one of Japan's largest public research organizations. This facility was established at the institute for the purpose of enabling highly specialized collaborative projects. Also in fiscal 2018, UACJ established its first R&D facility outside Japan in order to enable joint-research internationally. In addition, the R&D Center remodeled one of its floors, replacing private offices with an open innovation space as a means to stimulate collaboration among researchers.

Backed by the trust of customers, the R&D Center will continue to evolve by building on its expertise and capabilities through collaborative projects. Besides developing new technologies and products that meet the needs of customers and provide solutions, the center will work towards the Group's future vision: "Maximize the possibilities of aluminum in ways that contribute to society and the environment." In that way, we hope to continue earning the trust and meeting the expectations of customers and the public at large, and contribute to the growth of the UACJ Group and the communities it serves through research and development that is driven by the emerging needs of customers and society.

Relationships with Suppliers

With the basic objective of pursuing procurement that is fair, transparent, and proper, the UACJ Group engages in procurement activities that are global in scale and environmentally conscious.

Fair Transactions

Basic Approach

The UACJ Group's basic policy on procurement rests on the principle of free competition and calls for us to engage in fair, transparent, and proper procurement activities. To adapt our procurement activities to changes in social conditions, we revise the composition of procurement items, procurement methods, and procurement conditions, as needed, and make other changes as well.

We look beyond past performance in choosing who we do business with and are open to dealing with domestic and overseas suppliers that meet price, quality, delivery time, stable supply capability, reliability, environmental, and other requirements. Products with new functions and functions that offer improved performance are of particular interest and we actively include them in our scope of purchases.

Compliance in Procurement Activities

The UACJ Group takes steps to promote strict compliance in procurement activities. Our efforts in this regard include seminars on Japan's Subcontract Act. Seminars are scheduled for each business site of UACJ Corporation and the domestic Group companies and steady progress is being made in holding them.

CSR Procurement Initiatives

The UACJ Group believes it is important to consider the needs of society and the environment not only within the Group but throughout the supply chain. We, therefore, have developed the UACJ Corporation CSR Deployment Guideline for Suppliers and ask that our suppliers work with us based on a thorough understanding of our position on CSR procurement.

Environmentally Conscious Procurement

When individual works procure raw materials and indirect materials, they request the suppliers to perform surveys to ascertain the presence of designated chemical substances and provide certifications that designated chemical substances have not been used. They do this as part of their ISO14001 activities. Whenever possible, we switch to raw and indirect material alternatives with lower amounts of designated chemical substances.

Relationships with Investors

UACJ actively pursues information disclosure and dialogue with investors in advancing its global IR activities.

Communication with Investors

At UACJ, forthright information disclosure and interactive communication are key to our efforts to meet investor expectations. Timely disclosure and communication activities promote investor understanding of the UACJ Group, and help us to build and maintain enduring relationships based on trust.

In fiscal 2018, we expanded our IR activities by adding briefings for individual investors in the Kansai region and by taking other steps as well to increase opportunities for communication with investors. As in previous years, we invited individual investors to participate in tours of our works – the Fukui Works in October 2018 and the Nagoya Works in November 2018. Through these tours, investors were able to view hot rolling, cold rolling, and refining processes, and develop a deeper understanding of the UACJ Group and of aluminum, as a raw material. Responses to surveys following each of these tours indicated that over 90% of participants were satisfied with their experience.

In fiscal 2019, efforts will be made to continue dialogue with RobecoSam and other leading socially responsible investment (SRI) rating firms, which provide information for investors focused on environmental, social, and governance (ESG) issues.

Main IR Activities

- General Meeting of Shareholders (held annually)
- Results briefings (held twice a year)
- Teleconferences for analysts and institutional investors (held twice a year)
- · Works tours for individual investors (held twice a year)

Providing Information through Various IR Tools

The UACJ Group issues shareholder communications to shareholders and other investors. Our ongoing efforts to enhance information disclosure also include the preparation of an integrated report providing clear explanations of both financial and nonfinancial information, and communications intended specifically for individual investors.

The UACJ website is also key for investor communications and for the fourth year in a row Nikko Investor Relations Co. Ltd. ranked our site among the ten best websites by listed companies. Indeed, Nikko IR, which has been rating the websites of listed companies since fiscal 2003, named our site the sixth best site in its overall ranking of 3,785 listed companies. It also named UACJ's website the top site for its industry for the sixth year running.

Dividend Policy

UACJ views dividends as an important avenue for providing returns to shareholders. Our decisions on dividend payments are guided by our basic policy of making stable, ongoing payouts, and are shaped by factors such as our performance trends, and the needs to enhance our corporate value through investments, secure R&D capital to boost competitiveness, and ensure financial soundness.

For the fiscal year ended March 2019, we paid total dividends of 60 yen per share.

Relationships with Local Communities

The UACJ Group engages in various types of activities to not only contribute to society through business activities as a good corporate citizen but also coexist with and contribute to local communities as a corporate group trusted by society.

Basic Approach

The UACJ Group places great value on coexisting with the communities where we pursue business activities. We, therefore, support activities promoting environmental conservation, the development of children, the well-being of people with disabilities, local festivals, and other locally oriented activities.

Promoting Employee Participation

At UACJ, we encourage employees to participate in volunteer activities by not only inviting them to join in company activities supporting social welfare, disaster recovery, environmental conservation, and other such causes but have also implemented a volunteer leave system* that supports social participation by individual employees.

* Under the volunteer leave system, employees are allowed to take paid time off, separate from their regular paid leave, to participate in volunteer activities.

Environmental Protection and Neighborhood Cleanups

The UACJ Group, in its pursuit of CSR activities rooted in local communities, actively participates in the beautification activities of local governments and cleans areas adjacent to its plants.

Support for Education and Research

The UACJ Group provides support for university and other research institutions, and for community-based cultural and arts activities. We also participate in the Japanese Ministry of Economy, Trade and Industry's commissioned research, are moving forward with the development of a joint industrial-government-academia development program for young engineers and university students, act as a corporate practical training venue for the Super Science High School, support training activities sponsored by the Japan International Cooperation Agency, and support other types of education and training initiatives, as well, inside and outside Japan.

Internship System

The UACJ offers internships to 10-15 university (including graduate school) and technical college students every year. Participants are given a chance to experience actual operations in R&D and production technology departments, and in so doing gain a better understanding of the value of study and research in an academic environment and what it means to work at a company and in society.

Disaster Response Support for Communities

Nagoya Works

Supporting the City of Nagoya's aims under its program for making the city more resilient against natural disasters, the Nagoya Works has signed a memorandum of understanding with a local committee working to prepare the Nakagawa school district for natural disasters. The agreement is for the provision of materials and equipment for responses to large-scale disasters. By entering into this relationship, the works is cooperating with the City of Nagoya's efforts to have communities and companies work together to improve their area's ability to deal with major disasters.

Other Forms of Communication

Nagoya Works

The Nagoya Works holds the Inari Festival, which begins with a dedication ceremony at Inari Shrine, located on the grounds of the works, in April of every year. The festival is attended by local residents and serves as an opportunity for deepening communication with local communities.

The Nagoya Works also actively co-sponsors and participates in festivals, and sporting and other events, held by local communities.



Inari Festival (UACJ Corporation, Nagoya Works)

/ Relationships with Employees

One of the UACJ Group's company principles is to "nurture staff by creating safe and positive work environments." Accordingly, we work to address issues concerning human rights, diversity, human resources development, work-life balance, and occupational safety and health.

Basic Workforce Data

UACJ Workforce Data

| | Fiscal 2 | 2017 | Fiscal | 2018 |
|--|----------|-------|--------|-------|
| Employees | 2,851 | (236) | 2,922 | (224) |
| Men | 2,619 | (224) | 2,671 | (213) |
| % of total | 91.9% | | 91.4% | |
| Women | 232 | (12) | 251 | (11) |
| % of total | 8.1% | | 8.6% | |
| Avg. age | 40.2 | | 39.9 | |
| <age 30<="" td=""><td>19.9%</td><td></td><td>22.5%</td><td></td></age> | 19.9% | | 22.5% | |
| Age 30-50 | 58.7% | | 53.6% | |
| >Age 50 | 21.4% | | 23.9% | |
| Avg. years employed | 16.7 | | 15.9 | |
| New hires (excluding transfers) | 248 | | 272 | |
| Men | 227 | | 247 | |
| % of total | 91.5% | | 90.8% | |
| Women | 21 | | 25 | |
| % of total | 8.5% | | 9.2% | |
| Separations | - | | 217 | |
| Men | - | | 204 | |
| % of total | - | | 94.0% | |

| | Fiscal 2017 | Fiscal 2018 |
|--------------------------|-------------|-------------|
| Women | - | 13 |
| % of total | - | 6.0% |
| Turnover rate | 4.2% | 4.7% |
| (Voluntary resignations) | 2.8% | 2.8% |

^{*} Figures in parentheses are the average numbers of temporary hires (not included in totals).

UACJ Group Workforce Data (Consolidated)

| | 2017 | , | 2018 | 8 |
|--------------------------------|--------|-------|--------|-------|
| Group employees (consolidated) | 10,067 | (922) | 10,366 | (986) |
| Men | 8,506 | (773) | 8,754 | (852) |
| % of all employees | 84.5% | | 84.4% | |
| Women | 1,561 | (149) | 1,612 | (133) |
| % of all employees | 15.5% | | 15.6% | |
| By Region | | | | |
| Japan | 6,293 | (810) | 5,732 | (753) |
| Asia | 2,290 | (13) | 2,475 | (16) |
| Americas | 1,329 | (96) | 1,261 | (217) |
| Europe, other | 155 | (0) | 141 | (0) |

^{*} Figures in parentheses are the average numbers of temporary hires (not included in totals).

Employee Compensation

The UACJ Group properly compensates employees and makes no gender-based distinctions in base pay. Benefits for full-time employees include life insurance, assistance with medical expenses, disability and health insurance, childcare leave, retirement bonuses, and stock ownership plans. Among these, life insurance is made available to non-full-time employees as well.

^{*} As of March 31 of each year.

Respect for Human Rights

Basic Approach

Among its provisions, the UACJ Group's Code of Conduct calls for respect for human rights, prohibition of harassment, prohibition of the use of child labor and forced labor, and respect for basic labor rights. Understanding of the importance of respecting human rights is emphasized in job-level education, intra-departmental education focusing on the Code of Conduct, and in other settings, as well.

Human Rights Education for Employees

At UACJ, the Group Code of Conduct makes respect for human rights a part of our culture, and training focusing on these principles is conducted for all employees every year.

In fiscal 2018, approximately 3,300 employees (excluding those who could not participate due to health-related or other reasons) participated in this training. In fiscal 2019, Code of Conduct education will again be conducted for all UACJ employees. At the same time, we will begin to implement human rights education at Group companies in Japan and abroad.

Promoting Diversity

Basic Approach

The UACJ Group believes that its competitiveness relies on having diverse human resources. One of the major policies under the human resource development section of the Mid-term Management Plan is to "Promote diversity (by employing more older individuals, women, and immigrants)." We, therefore, are committed to building and maintaining a system that enables the continuous nurturing of human resources.

Diversity in Employment

The UACJ Group actively maintains a diverse work force to support its business endeavors in new fields and in the global arena. In fiscal 2019, our hiring of new graduates (entering employment in April 2019) included 44 people (34 men and 10 women) for staff positions, and 74 (68 men and 6 women) for skilled labor positions. We are also actively hiring people from other countries, and have brought 21 on board since fiscal 2011.

Hiring and Development of Human Resources for UATH

UATH* is actively hiring at the local level to grow its workforce with local people. Engineers fresh out of college are sent to Japan for three years of training in R&D units and then brought back to Thailand as a way to both improve the skills of local staff and promote interaction with people in other parts of the UACJ Group.

*UACJ (Thailand) Co., Ltd.

Creating Work Environments Supporting Career Success for Women

At the UACJ Group, we are actively working to increase career opportunities for women. Our objectives under our action plan based on the Act to Advance Women's Success in Their Working Life include: 1) Making women 40% of the new career-track college graduates we hire into administrative positions and at least 10% of technical positions; and 2) Increasing the number of women in management positions 40% (based on the figure at the end of fiscal 2015) by the end of fiscal 2020. As our most recent results along these lines, we hired 44 new college graduates, including 10 women, in fiscal 2019. Women accounted for 50% of the administrative positions filled and 12.5% of technical positions. Regarding the number of women in management positions, there were 107 female managers across the entire UACJ Group as of the end of fiscal 2018 (March 31, 2019). This reflects an increase of 14* from the end of the previous fiscal year. In response to provisions, such as those of Japan's Law for Measures to Support the Development of the Next Generation, we are striving to create workplaces that allow employees to fulfill both work and child-care responsibilities.

Initiatives for Hiring People with Disabilities

UACJ works to achieve the legally mandated workforce percentage for employment of people with disabilities. We do this via UACJ Green-net Corporation, a company recognized as a special subsidiary under Japan's Act for Promotion of Employment of Persons with Disabilities. The UACJ Green-net Nagoya Office was established in April 2015 to expand work opportunities for people with disabilities and its Anjo Satellite Office was set up in April 2017. The Toyokawa Office was opened in April 2018. As of June 1, 2019, people with disabilities comprised 2.37%* of the Company's workforce, more than the legally mandated 2.2%.

* For fiscal 2017, calculation of this rate was based on combined employment data for UACJ; UACJ Foil Corporation; UACJ Extrusion Nagoya Co. Ltd.; UACJ Logistics Co., Ltd.; and UACJ Green-net Corporation. For fiscal 2018, data for UACJ Trading Co., Ltd.; UACJ Copper Tube Co., Ltd.; UACJ Copper Tube Packaging Co., Ltd.; and UACJ Metal Components Co., Ltd. were added to the calculation.

Employment Rate for People with Disabilities



Rehiring Employees Who Have Reached Mandatory Retirement Age

The UACJ Group actively rehires employees who have retired after reaching the mandatory retirement age. As of the end of April 2019, 230 senior employees were back at work at UACJ.

For employees who do not seek to be rehired, we conduct career seminars and create opportunities to receive advice from experts on planning and preparation for life after retirement.

^{*} Includes Group companies that are not consolidated subsidiaries.

LGBT Stance

The Group Code of Conduct requires respect for the human rights of all people and forbids discrimination and harassment based on race, beliefs, gender, language, religion, ideology, social status, and other characteristics. LGBT people are protected by these principles, and education to promote correct knowledge and understanding of LGBT people is conducted on a regular basis.

Personnel Development Initiatives

Approach to Personnel Development

The UACJ Group sees people who understand our management philosophy and company principles, and act accordingly, as the source of its competitiveness. To practice our management philosophy, we believe it is important to develop people who:

- Do not simply accept the status quo but instead continuously pursue improvement and change,
- · Have the ability to understand other cultures and can act on a global stage,
- · Have the ability to act in UACJ's best interest, and
- Focus on quality and technology, and have the ability to act with a frontline-first orientation.

In terms of concrete action, we conduct job-level training and seminars, support self-development, and organize improvement activities, based on three basic ideas – employee development based on individual learning, developing subordinates' abilities on the job, and developing through the organization.

The Human Resources Development Department oversees the development and nurturing of people by filling in gaps to enable personnel development activities to function effectively.

Human Resource Development Program

The UACJ Group's Human Resources Development Department uses the Human Resources Development Center at the Nagoya Works and external training facilities to conduct job-level training and seminars.

In fiscal 2018, employee training was conducted 96 times on 289 days for a total of 1,414 participants. All of these figures are record highs. During the fiscal year, we also began Next-Generation Leadership Training to offer middle managers an opportunity to acquire basic management knowledge that will give them a foundation for developing into future leaders of the UACJ Group.

Per-Employee Training Data (Fiscal 2018)

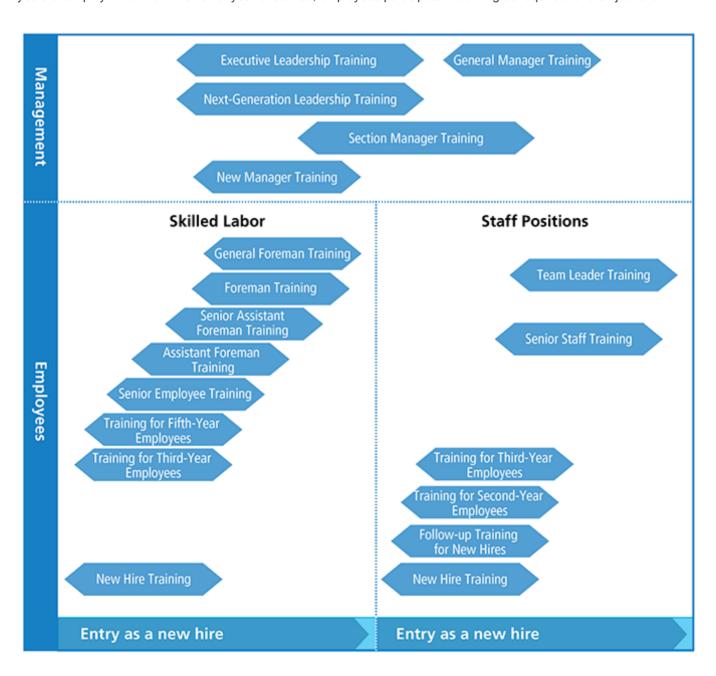
- Avg. time spent in training: About 1.5 hours
- Avg. cost of training: About 56,000 yen
- * Figures for total training participants and total training time are actual.

Job-Level Training

The purpose of job-level training is to have employees sharpen their awareness of their job-level roles, acquire the professional capabilities and knowledge required to fulfill their job responsibilities, and deepen their understanding of the company's aims and systems.

For staff employees, we conduct a series of training programs over the first three years of employment. For employees in their fourth year after joining the company, and employees up through department manager level, we conduct senior staff, team leader, new manager, and other types of training in a continuous fashion by job level. We also perform training to prepare people for top management positions in the future.

For employees in skilled labor departments, we conduct training programs at the time of hiring, and in the third and fifth years of employment. From their sixth year of service, employees participate in training as required for their job level.



Fiscal 2018 Job-Level Training Participation

| | UACJ | Affiliates | Total |
|---------------|------|------------|-------|
| Management | 65 | 70 | 135 |
| Staff | 136 | 93 | 229 |
| Skilled Labor | 366 | 297 | 663 |
| Total | 567 | 460 | 1,027 |

Skill Improvement and Expert Knowledge Seminars

The UACJ Group, separate from job-level training, also conducts seminars mainly for the purposes of helping individuals improve their skills or acquire expert knowledge, and imparting knowledge required for particular workplaces.

In fiscal 2018, principal business locations held instructor-development training for mid-level employees, on-the-job training for new employees, and quality control, naze naze analysis* and other seminars. Seminars to help employees improve their global business skills by helping them to understand other cultures and polish their presentation skills were also conducted. Other seminars, on topics such as improving explanatory abilities and boosting work efficiency, were conducted to help employees accomplish more every day with relatively less effort. In all, six types of seminars were held a total of 16 times across the UACJ Group for a total of 388 participants.

Support for Self-Development

In an effort to meet the needs of individual employees and workplaces, we help employees undertake self-development through avenues such as distance learning, preparation to acquire various types of professional certifications, and language study. We also issue a quarterly newsletter that carries information on training activities and other information intended to promote employee interest in self-development.

In addition to internal training and seminars, we also devote significant effort to external human resource development opportunities. In fiscal 2018, we sent two employees to a technology management course conducted by a management academy specializing in the development of human resources with advanced management skills. We sent employees to the same program in the previous fiscal year as well.

Education Support for Group

The Human Resources Development Department accepts Group company employees for participation in job-level training and seminars, and provides guidance and other forms of on-site support.

In fiscal 2018, 80 local capability enhancement and 5S seminars were conducted at nine Group company locations by local instructors.

^{*} Naze naze (why why) analysis is a problem-solving approach that focuses on ascertaining fundamental causes.

Developing Human Resources for Overseas Roles

In fiscal 2014, we introduced a two-year overseas training program in which participants spend the first year in language training and the second in practical training. Through fiscal 2018, a total of nine employees were sent to the U.S. and other countries. We plan to continue with this program as a human resources development tool with a medium- to long-term outlook.



Human Resources Development Center

For employees scheduled to be sent on overseas assignments, we identify specific training programs based on each individual's work history and the demands of the assignment he or she is about to undertake, and then conduct training, which also includes intensive language instruction, on an individual basis.

For employees in general, we provide language training support based on TOEIC scores and conduct business skill seminars to help employees cultivate experience and knowledge. Outside of Japan, Group companies are developing and operating their own education systems.

Improving Frontline Capabilities (Handing down technical skills)

Efforts to pass on the monozukuri (manufacturing) spirit, experience, and skills veteran employees have developed and acquired over their long careers are critical for maintaining product quality and continuously improving productivity.

In preparation for the coming increase in veteran technicians reaching the mandatory retirement age, the UACJ Group's Nagoya Works began a program in 2004 to transfer the skills, instinct, and "tricks of the trade" - the professional know-how – of veteran employees to their younger colleagues. In fiscal 2017, a similar initiative was launched at the Fukui Works, adding to others already underway in the maintenance department of the Nagoya Works, and the extrusion department of UACJ Extrusion Nagoya Corporation, where efforts are tailored to specific manufacturing circumstances. At present, efforts are underway to create a systematic approach for transferring skills to younger generations.

At the same time, we are actively rehiring retirees with technical backgrounds and making the most of their capabilities to enhance the skills of their younger colleagues.

Improving the Capabilities of Non-Manufacturing Staff (Ji-Kotei Kanketsu initiative)

To improve the quality and efficiency of the work performed by non-manufacturing staff, we are pursuing initiatives based on the concept of "Ji-Kotei Kanketsu" (JKK).

Our JKK initiative got underway on a trial basis in June 2009 in the Nagoya region. In April 2010, we launched a team within the Human Resources Development Department to advance this initiative and began promoting JKK throughout the Group.

Fiscal 2018 JKK initiatives were carried out as reflected in the following figures.

Business locations: 8

Departments: 39

JKK Teams: 91

No. of times assistance was provided: 63

· Participants: 685 (All participants, including presentation attendees)

In the second half of the fiscal year, we supplemented JKK activities with an initiative aimed at eliminating, scaling back, or changing operations.

Note: Ji-Kotei Kanketsu (JKK) is a manufacturing approach in which individual employees focus on not making or passing on defective goods (information) to customers and downstream processes, and take pride in and bear responsibility for their work, making improvements to perform their work perfectly, and without blaming others for problems. JKK is based on an approach learned from Toyota Motor Corporation and customized by UACJ for its own purposes.

One-on-One Employee-Manager Dialogues

Once a year, we have every one of our employees engage in a personal dialogue with their manager to discuss topics such as their performance review and career development. Each employee rates their own performance and skills, and describes what they would like to do in the future. They also describe where they think they are in terms of performance and personal development, and their manager provides feedback. Each employee and their manager engage in a straightforward discussion of issues to address and objectives to meet, so the employee can achieve the desired growth and performance goals.

Work-Life Balance

Basic Approach

The UACJ Group has several systems intended to promote a healthy work-life balance by enabling all employees to properly meet work responsibilities and have quality time off to be with their families, study topics of personal interest, enjoy hobbies, or do whatever else they would like.

As a new initiative in the same vein, the Workstyle Reform Project was launched as a Group-wide endeavor in November 2017.

UACJ Systems for Balancing Work and Family Responsibilities

| Category | System | Description | No. of Employees Using (Fiscal 2018) |
|--------------------------|---|---|--|
| | Child-care leave | The employee may take leave for the desired period up through the end of the first April after the child becomes 2 years old. | Men: 45 Women: 8 |
| | Reduced working hours | Working hours may be reduced until the child becomes a fourth grade elementary school student. (Legal requirement: Until the child reaches the age of 3 years) | Women: 19 |
| | Overtime exemption | Same as legal requirement. | 0 |
| | Sick-child leave | Same as legal requirement.Leave may be taken to care for a sick child who is not yet in junior high school. (Legal requirement: Leave for a child not yet in elementary school) | Men: 2 Women: 8 |
| | Limitation on late- night work | Same as legal requirement. | 0 |
| Child | Limitation on overtime work | Same as legal requirement. | 0 |
| Child Care Support | Limitation on overtime work Accumulated leave | Leave may be taken for child care or to care for a sick child. | Men: 20 Women: 15 |
| | Baby sitter assistance service | Babysitter services by providers arranged by the Company are available at reduced rates. | 0 |
| | Telework (work from home) | Ability to work from home up to four times a month. | Men: 13 |
| | Coreless flextime system (coretimeless) | Flextime without core working hours. | Women: 2 |
| | Online services for employees on child-care leave | Communication tools (information messaging, notices), online courses, 24-hour telephone consultation, etc. (introduced in April 2018) | Women: 24 |
| | Rehiring of former employees | Rehiring of employees who left to give birth or care for children. | 0 |
| | Nursing care | Up to 365 calendar days may be taken to provide nursing care (Legal requirement: 93 days) | Men: 2 |
| Nursing Care | Reduced working hours | Ability to reduce working hours for the amount of time needed on each occasion | 0 |
| Support | Elimination of overtime work | Same as legal requirement | 0 |
| | Nursing care leave | Same as legal requirement | Men: 2 |

| Category | System | Description | No. of Employees Using (Fiscal 2018) |
|-----------------|---|--|--|
| | Limitation on overtime work | Same as legal requirement | 0 |
| | Limitation on late- night work | Same as legal requirement | 0 |
| Nursing Care | Accumulated leave | Leave may be taken to provide nursing care for family members | Men: 18 Women: 10 |
| Support | Telework (work from home) | Ability to work from home up to four times a month. | 0 |
| | Coreless flextime system | Flextime without core working hours. | 0 |
| | Rehiring of former employees | Rehiring of employees who left to provide nursing care. | 0 |
| | Flex-time system | Implemented at UACJ headquarters; branch offices; offices; and the Nagoya, Fukui, Fukaya, and Nikko works; and Research & Development Division | 682 |
| | Time off for volunteer activities | Leave be may be taken for social welfare, disaster recovery, community and environmental, and other volunteer activities recognized by the Company. | 0 |
| Other | Transfer to accompany a domestically transferred spouse | A transfer requested to accompany a domestically transferred cohabiting spouse will be granted if certain requirements are met. (introduced in May 2018) | 0 |
| | Leave of absence to accompany a spouse transferred overseas | A leave of absence requested to accompany a cohabiting spouse transferred overseas (for a continuous period of at least one year) will be granted if certain requirements are met. (introduced in May 2018) | 0 |
| | Rehiring of former employees | Rehiring of employees who left because a spouse was transferred. | 0 |

Child-Care Leave System and Systems for Diverse Workstyles

At UACJ, employees who are eligible to take child-care leave are encouraged to do so, and in fiscal 2018, 100% of women who had taken maternity leave also took child-care leave. During the fiscal year, eight women and 140 men were eligible to take child-care leave, and all of the women and 45 of the men actually did so.

All employees who took child-care leave during fiscal 2018 returned to work, and 100% of employees who have returned to work following child-care leave have stayed with UACJ for at least three continuous years.

UACJ has taken various steps to encourage employees to return to work after a period of leave. In April 2015, the Company established a system for rehiring former employees who left because of reasons such as the birth of a child, the need to provide child or nursing care, or the transfer of their spouse. And in March 2017, we introduced systems for providing child-care subsidies and enabling employees with child- or nursing-care responsibilities to work at home, and adopted a coreless flextime system. In April 2018, we launched online services to help employees on child-care leave balance careers and child-care.

For employees who need to relocate their residence because their spouse has been transferred, a new system introduced in May 2018 enables domestic transfers for employees to accompany domestically transferred spouses and leaves to accompany spouses transferred overseas.

Encouraging Male Employees to Take Child-Care Leave

UACJ has established the medium-to-long-term goal of having 100% of eligible male employees take child-care leave. Toward that end, we have our Human Resources Development Department contact eligible male employees and their supervisors to both encourage the employees to submit leave-taking plans and confirm actual circumstances concerning leave status.

UACJ's child-care leave system encourages men to take child-care leave. It allows expired paid holidays to be used and, following a revision in rules covering leave for weddings and funerals, allows men to take a total of five days of leave in increments during the first month after a child is born. As a result of these and other initiatives, approximately 32% of eligible male employees took child-care leave during fiscal 2018.

Child-Care Leave Taken

| Fiscal Year | Men | Women | Total |
|-------------|-----|-------|-------|
| 2016 | 12 | 8 | 20 |
| 2017 | 50 | 7 | 57 |
| 2018 | 45 | 8 | 53 |

Employees Returning to Work Following Child-Care Leave and Remaining on the Job Three YearsLater

| Fiscal Year | Percents of UACJ Employees Returning to Work Following Child-Care Leave | Percents of UACJ Employees Still on the Job Three Years After Returning from Child-Care Leave |
|-------------|--|---|
| 2016 | 88 | 100 |
| 2017 | 100 | 84.6 |
| 2018 | 100 | 100 |

Appropriate Management of Work Hours

To properly manage work hours and prevent the working of excessive hours, the UACJ Group has implemented a worktime management system to accurately record and verify the times when employees begin and end each day at work. Employees who exceed overtime standards are asked to see an industrial physician.

UACJ has made every Wednesday a no overtime day to reduce overall work hours and promote work productivity and efficiency. And, through steps such as having each employee specify at the beginning of the fiscal year when they will take three consecutive paid days off (5 days every fifth year), we are systematically creating conditions that make it easier to take time off. Our aim in doing this is to achieve greater improvements in work efficiency by encouraging employees to refresh themselves mentally and physically.

Along the same lines, we also decided to participate in the Japanese government's Premium Friday campaign, which began in February 2017. On the last Friday of every month, therefore, we have employees finish their work by the official end of the workday. Separately, we are also encouraging employees to use paid leave (even in hour increments) and flextime to finish their work days by 3 PM.

In addition to the above, we distribute a message by our President to enhance employee awareness of work-life balance during the month we have designated for that purpose, appropriately hire and assign people to prevent overwork, have lights turned off automatically at our head office, and automatically issue email alerts to employees and their supervisors when the employees are working excessive hours.

Preventing Unpaid Overtime

The UACJ Group strives to maintain a corporate culture that does not allow for unpaid overtime. Overtime work that employees cannot refuse to perform and the performance of overtime work without payment are viewed as forced labor.

As a measure for properly managing hours worked, we began in fiscal 2018 to ask all employees in Japan, including those working for subsidiaries, about their performance of overtime work. In collecting this information, we interview employees and managers. We make clear the definition of work hours, and, when unpaid work hours are identified, we process payments and take steps specifically to prevent a recurrence.

UACJ Overtime Hours

(h)

| Fiscal Year | Average Overtime Hours |
|-------------|------------------------|
| 2016 | 32.5 |
| 2017 | 32.0 |
| 2018 | 29.9 |

Paid Days Off Taken

(Days)

| Fiscal Year | Yearly Average Paid Days Off Taken |
|-------------|------------------------------------|
| 2009 | 9.5 |
| 2010 | 10.4 |
| 2011 | 10.9 |
| 2012 | 12.1 |
| 2013 | 11.7 |
| 2014 | 10.9 |
| 2015 | 12.1 |
| 2016 | 12.3 |
| 2017 | 13.1 |
| 2018 | 12.4 |

^{*} Figures for fiscal 2012 and earlier are sums for Furukawa-Sky and Sumitomo Light Metal Industries, which later merged to form UACJ. Figures for fiscal 2013 are totals of the sums for the two UACJ predecessors for the first half (April 1 to September 30, 2013) and UACJ for the second half (October 1, 2013 to March 31, 2014).

Promoting Work Reforms

To help bring about innovation in work productivity and create environments where employees can pursue their work with even greater positivity, UACJ embarked on a work reform project in fiscal 2017.

In fiscal 2018, we developed an activity plan emphasizing time management to help employees have a greater sense of the worthwhileness of their work. We then held kickoff briefings and work-efficiency skill seminars at all of our business locations. And over 80% seminar participants reported that what they learned help them to better manage their time and deal with their email more efficiently.

Advancing work reforms requires leadership on the part of managers and executives, so we also hold seminars specifically for these people, including the president, executive officers, and department heads. In fiscal 2018, these seminars were held on two occasions, each with over 50 participants.

In fiscal 2019, further reforms will be pursued based on the results of our fiscal 2018 activities.

Volunteer Leave System

In 2013, the UACJ Group implemented a system under which employees can take up to 50 days a year of expired paid leave to participate in social welfare, disaster recovery, local community, environmental conservation, or other company-approved volunteer activities under the auspices of the national or local governments, or quasi-governmental non-profit organizations.

In fiscal 2018, no employees used this system.

Occupational Safety and Health

Basic Stance on Occupational Safety and Health

We advance safety and hygiene activities that are joined in by all employees and start from the view that employee safety, hygiene, and health are all top priorities.

More specifically, we comply with laws and ordinances, and our own internal rules, concerning employee safety and hygiene, and have constructed occupational safety and health management systems. Through proper management, we strive to create work environments that are safe, hygienic, and healthy.

Basic Policies on Safety and Health

Philosophy

The UACJ Group, recognizing that the existence of a business enterprise rests on a foundation of employee safety and health and that ensuring employee safety and health is a social responsibility of business enterprises, will respect the following principles as a matter of course.

Principles

- 1. We will place employee safety and health before all else in all business activities.
- 2. To eliminate all workplace hazards as a step toward achieving zero workplace accidents, we will take the required organizational measures, allocate the necessary management resources, and, with the participation of all employees, strive to implement safety and health activities on an ongoing basis.
- 3. We will comply with the Industrial Safety and Health Law and other related laws and ordinances, and ensure employee safety and health in accordance with the safety and health provisions established by the Group companies.
- 4. Gaining the cooperation of employees, we will conduct education and training that is necessary and adequate for ensuring safety and health for all employees, and continuously implement safety and health activities, to constantly elevate safety and hygiene standards.
- 5. Sharing information on safety and health activities within the Group, and pursuing mutual enlightenment, we will work to improve understanding of safety and health principles, and raise safety and health awareness, among all employees.
- 6. We will advance the development of comfortable work environments to reduce worker fatigue and stress.
- 7. We will work to develop and implement new safety and health methods and technologies.

Safety and Health Management System

Safety and Hygiene Committee

The UACJ Group has built a safety and health management system in which leadership is exercised by the general safety and health managers at individual business locations. The purpose of the system is to create work environments where workers can be confident that their safety and health are being adequately protected.

Overseeing safety and health is the Safety and Health Committee. Chaired by the Exective Officer in Charge of Safety and Health, the committee, which meets once a year, is composed of members including full-time directors, works managers, and presidents of principal Group companies.

In the January 2019 meeting of the Safety and Hygiene Committee, a report on fiscal 2018 activities was presented by the Safety & Environment Department and then the committee deliberated and approved the directions to be taken for fiscal 2019 safety and hygiene activities. Business locations that achieved accident-free operations in fiscal 2018 were presented with President's Safety Awards.



[Presentations of President's Safety Awards (15 business locations)]

UATH Rayong Works; UFFV; UACJ Extrusion Nagoya Corporation, Nagoya Works; UACJ Extrusion Oyama Corporation; UACJ Copper Tube Co., Ltd.; UMCTH, UEXTH Prachinburi Works; UEXCZ; UACJ Foil Corporation, Nogi Works; Toyo Fitting Co., Ltd.; UACJ metal Components Corporation, Narita Works; UACJ metal Components Corporation, Ena Works; UMCM; UMCCM; UACJ Color Aluminum Corporation

Safety and Hygiene Managers' Committee

The Safety and Hygiene Managers' Committee, with members including representatives of the Safety & Environment Department, and Safety Managers of the works and principal affiliates, meets once every month to discuss safety and work environment inspections and maintenance at each business location. The committee also refines the unified rules and promotes their inculcation across the breadth of the Group.

Going forward, we will continue to act vigorously to ensure that our safety and health management systems are equal to our needs.

Safety Management Initiatives (Occupational Safety and Health Management System)

The Nagoya, Fukui, Fukaya, and Nikko works have adopted and are operating worker safety and health management systems, and are pursuing activities with the goal of achieving zero accidents in the workplace.

Safety and health activity plans are prepared at each works in accordance with the UACJ Group's safety and health activity aims. Plans are finalized once they are approved by the head of each works, and then discussed and approved by the worker/management joint Safety and Health Committee at each works.

To help ensure that safety and health management is practiced at the highest standards, we have established internal audit and other schemes based on the management system. Through internal audits, we conduct self-assessments of system operations, assuring in the process, that PDCA (Plan-Do-Check-Action) cycles are being used. In addition, to enhance the safety management standards of the entire Group, we hold annual liaison meetings of people in charge of safety and hygiene at Group companies.

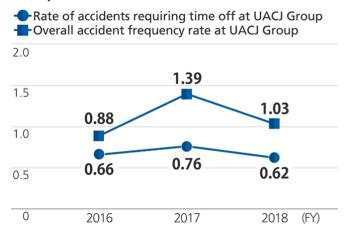
To achieve further enhancement going forward, we intend to improve the accuracy of internal audits.

Conditions with Regard to Workplace Accidents

The UACJ Group aims to eliminate workplace accidents, regardless of scale, and the Group is working together to strengthen safety management systems.

Prior to the merger, workplace accidents at the Group came to 49 for fiscal 2011. Since then, they have been trending downward. In fiscal 2018, there were 40 accidents. The rate of accidents requiring time off from work was 0.62, with an overall frequency rate of 1.03.

Workplace Accidents



^{*}The overall frequency rate is a measure of the rate at which workplace accidents occurred during the fiscal year. It is calculated by dividing the total number of worker fatalities and injuries (including cases not requiring time off) resulting from a workplace accident during the fiscal year, by one million hours.

^{*}The rate of accidents requiring time off from work is a measure of the frequency of workplace accidents that occurred during the fiscal year and required workers to take time off from work. It is calculated by dividing the total number of workplace accidents that occurred during the measurement period and required time off from work, by one million hours.

Group-Wide Safety Inspections

Safety inspections of the principal workplaces of each business location are performed once a month on a rotating basis.

Safety inspections are performed with the participation of the Safety & Environment Department, people in charge of safety and health at each business location, and the head of the business location being inspected. Their objective is to determine whether work is being performed in line with standards and whether any risks have been overlooked.

For work locations and procedures for which safety inspections have identified problems, improvements are undertaken immediately. Two months afterward, the Safety & Environment Department confirms the status of corrective measures by performing an on-site inspection as a part of follow-up procedures that ensure complete compliance with safety measures.

Toward Intrinsic Safety

The UACJ Group is striving to achieve intrinsic safety in its equipment and facilities. To do this, we are conducting risk assessments by examining work processes from various angles to thoroughly eliminate hazards and harmful factors. Safety measures are taken beginning with the facilities, equipment, and work approaches evaluated as having high risk levels. Residual risks, too, are all addressed with provisional measures.

Based on uniform equipment safety standards the Group introduced in March 2015, zones are being delineated within facilities and thorough safety measures are being implemented for each. Furthermore, when facilities are to be newly introduced or modified, intrinsic safety is achieved by conducting checklist-based safety examinations at the design, operational startup, and other stages.

Safety-First Corporate Culture and Personnel Development

At the UACJ Group, job-level training includes safety and health education, and content aimed at raising safety awareness. Furthermore, experiential training aimed at enhancing awareness of dangerous situations, and competitions to encourage workers to hone crane and forklift skills, are held regularly.

For managers, safety and health education and training sessions are held to promote acquisition of the position, knowledge, and attitudes necessary for implementing safety management. In addition, to elevate safety and health management standards at individual Group companies, safety and health education, safety inspections, and other support initiatives are actively undertaken to foster a safety-first corporate culture and advance personnel development along the same lines throughout the Group.



Crane operation and slinging skill contest

Principal Safety and Health Awards

| Award | Recipient |
|---|--|
| Fiscal 2017 Safety Excellence Award | UACJ Extrusion Nagoya Corporation, Nagoya Works |
| Fiscal 2017 Safety Excellence Award | UACJ Copper Tube Co., Ltd. |
| Fiscal 2017 Special Award for Excellence (3rd consecutive year of zero accidents) | UACJ Foundry & Forging |
| Industrial Safety Award | Fukaya Works |
| Outstanding Crane Operator | UACJ Foil Corporation, Isesaki Works |
| Fiscal 2017 Award for Excellence | UACJ Foil Corporation, Isesaki Works |
| Outstanding Operators of Cranes and Other Equipment, Outstanding Slinging Work | Nagoya Works |

Mental Health Care Initiatives

The UACJ Group strives to maintain and improve the mental and physical health of employees, whom it sees as important business assets. We do this based on employee mental health maintenance and improvement guidelines prepared by Japan's Ministry of Health, Labour and Welfare.

Understanding that early detection of symptoms is critical for treating mental health issues, we devote significant energy and attention to education and "line care" by managers and supervisors. More specifically, in job-level and other types of training, we conduct systematic, ongoing training and education to provide managers with tools for counseling subordinates experiencing mental health issues. For employees still in their 20s and 30s and not yet in management positions, we conduct self-care and other types of training to help employees maintain remain physically and mentally healthy.

Early detection of employees experiencing mental health issues is accomplished by having managers routinely talk to individuals to provide guidance and advice. If a manager comes to believe that an individual requires mental health care assistance, the manager will contact the department in charge of mental health care, which will immediately take appropriate action. In addition, as part of the stress-check system we have implemented, we have employees engage in stress checks and we conduct group analyses to raise their stress self-awareness. Our efforts to thoroughly look after workers' mental health also include consultations and health advice from industrial physicians and cooperation with outside institutions specializing in mental health care.

Workplace Environment Improvement Activities

To make better workplace environments, we are systematically taking steps to improve conditions with regard to summer heat, winter cold, dust, and noise; eliminate work that requires excessive physical exertion or taxing body positions; and add break areas and other features (e.g. adding or renovating break areas and on-site restrooms) that make environments more livable. Concerning summer heat in particular, we are moving forward with installation of air conditioning and ventilation equipment in places where it is needed.

Employee-Management Relationship

Relations with labor unions are harmonious and information on the condition of the Company is regularly shared in central and business-site labor-management conferences. In April 2016, labor-management committees were formed at UACJ and at individual business sites to engage in ongoing discussions of measures for improving work-life balance by shortening working hours.

For transfers and other cases in which human resources management actions will significantly impact employees, the Company initiates communication with the affected employees as early as possible.

/ Social Contribution Activities

Nurturing the Next Generation

Nurturing the Next Generation through Sports

UACJ works with the Tokyo Yakult Swallows professional baseball team to contribute to the development of children.

On May 3, 2018, for example, we hosted an event for the members of a Little League team in Fukaya City, Saitama Prefecture, the location of our Fukaya Works. Team members and their families were invited to view the Swallows' practice session and attended a game held at Meiji Jingu Stadium, the Swallows' home field. Later, on May 12, we also held the UACJ Baseball Clinic, led by former Swallows players in Fukaya City.



UACJ Baseball Clinic

Lending a Hand with the Global Classroom Environmental Education Project

Beginning with fiscal 2018, UACJ is supporting the Global Classroom environmental education project Asahi Shimbun is conducting for elementary school students.

In fiscal 2018, we provided overall project support by assisting with the editing of an environmental textbook, approximately 260,000 copies of which were distributed to around 1,700 elementary schools throughout the country. We also provided support for the Global Classroom 2018 One-Day Environment School, an event held on September 24 in Tokyo.



Class led by a UACJ visiting instructor at Kouda Elementary School

To teach children about aluminum's benefits for the environment, we have employees serve as visiting instructors to lead classes on the topic of "Earth-friendly Aluminum." Two of these classes were held in 2018. One took place on November 16 at Kouda Elementary School in the Kumamoto Prefecture city of Yatsushiro, which is still recovering from the Kumamoto earthquakes of 2016, and the other was held on December 11 at Yuguchi Elementary School in the Iwate Prefecture city of Hanamaki, which was greatly impacted by the Great East Japan Earthquake. At both of these classes, employees provided an introduction to aluminum, touting the fact that over 90% of aluminum cans are recycled and describing how its light weight makes aluminum a key contributor in efforts to reduce the weight of automobiles.

Supporting Culture, the Arts, and Sports

Support for Sports

UACJ engages in sports sponsorship activities to both promote its brand and contribute to society and local communities. As of September 2019, UACJ is a supporter of the Tokyo Yakult Swallows professional baseball team, the Utsunomiya Brex professional basketball team, FC Gifu professional soccer team, and the Japan Blind Football Association.



Basketball clinic held together with the Utsunomiya Brex basketball team

Support for Artistic Activities

UACJ Foil supports artists who use aluminum in their works. One such artist is Mayu Shiomi, who has used aluminum for numerous works, the first of which was a cat she created out of aluminum foil chocolate wrappers. UACJ Foil has been supporting Shiomi by providing her with aluminum foil since 2017. And Shiomi has returned the favor by participating in our Kids Day events in which the children of our employees come to see where their parents work. At these and other events, as well, Shiomi graciously communicates the wonders of art to children.



Kids Day

Support for Disaster Relief

Disaster Relief

In fiscal 2018, the UACJ Group contributed five million yen via the Japanese Red Cross Society to support victims of the torrential rains that struck western Japan in July 2018.