

Progress of Material Issues




List of material issues with the commitments, the performance in fiscal 2018 and the future plan.




















[Assessment standards]










△: Not achieved as planned

○: Achieved as planned

◎: Achieved more than planned

Materiality	Policies	Related SDGs	Ideal Goals [Commitment]	Plan for FY2018	Performance in FY2018 and self assessment	Implementation plan for FY2019
[Organizational Governance] 01 Strengthen of corporate governance	Corporate Governance Guidelines		Implementation of the Corporate Governance Code and enhancement of deliberations by the Board of Directors	<ul style="list-style-type: none"> Discuss and implement the revised Corporate Governance Code. Disclose the implementation status to public. 	<ul style="list-style-type: none"> Effectiveness assessment of the Board of Directors by a 3rd-party organization. Addressed changes from the revised Corporate Governance Code. Explained the lack of female directors in the Corporate Governance Report. 	○ <ul style="list-style-type: none"> Review the implementation of the revised Corporate Governance Code. Conduct follow-up on the results of the evaluation on the effectiveness of the Board of Directors. Implement the evaluation on the effectiveness of the Board of Directors.
02 Full enforcement of compliance	Code of Conduct		Spreading of compliance awareness group-wide	<ul style="list-style-type: none"> Take measures to inform all employees of the Compliance Guidebook through legal audits and by providing relevant training at major sites in Japan and abroad. Provide compliance training individually for executives (directors and auditors). 	<ul style="list-style-type: none"> (Overseas) Conducted training for local employees in India and Taiwan. (Japan) Conducted compliance seminars at the regular rank-based training programs, etc. Conducted according to plan. 	○ <ul style="list-style-type: none"> Conduct compliance seminars at overseas sites. Disseminate information about the Compliance Guidebook through legal audits and training, etc. Conduct compliance training for the management executives, individually to Directors and Auditors. Conduct compliance awareness survey.
03 Information management	Code of Conduct		Establishment of a management system for confidential information at sites beside priority sites	<ul style="list-style-type: none"> Make a review of confidential information at affiliated sites. Discuss what method and system would be most suitable for each site. Inform all employees of the information management regulations and their compliance ensured. Hold seminars on information management. 	<ul style="list-style-type: none"> Conducted according to plan. Conducted information management seminars at affiliated sites. 	○ <ul style="list-style-type: none"> Make a review of confidential information at affiliated sites. Discuss what method and system would be most suitable for each site. Inform all employees of the information management regulations and their compliance ensured. Organize and implement rules related to ICT governance
04 Spread CSR throughout the Group	Basic CSR Policy		Establishment of the CSR promotion system and each site's taking the initiative	<ul style="list-style-type: none"> The second caravan in Japan The CSR caravan at major sites in Asia Review materiality issues in line with the 2019 Medium-term Plan. 	<ul style="list-style-type: none"> Conducted the CSR Caravan at 3 sites in Japan and 2 sites in Taiwan. Provided CSR training and SDGs training to the Group's executives. Conducted the materiality assessment again. 	○ <ul style="list-style-type: none"> Conduct the CSR Caravan at major sites in Asia
[Human rights] 05 Human rights due diligence 06 Prohibition of child labor /forced labor	Human Rights Policy Human Rights Policy		Understanding of the actual situation of the Group's sites and addressing human rights risks, through human rights due diligence	<ul style="list-style-type: none"> Continue training on human rights (including prohibition of child labor/forced labor) and also conduct it at sites in Asia. Conduct human rights DD at major sites in Japan and overseas model sites. Review the results from the survey conducted in 2017 at mining sites in which the company has a majority interest, discuss corrective measures, and continue the survey. 	<ul style="list-style-type: none"> Continued human rights training at the regular rank-based training programs (approximately 250 participants) and conducted human rights training at the sites in Taiwan (approximately 60 participants). Conducted human rights due diligence at 10 major sites in Japan and 2 model overseas sites. (Details are listed on P.46) 	○ <ul style="list-style-type: none"> Continue training on human rights (including prohibition of child labor/forced labor) and also conduct it at sites in Asia. Conduct human rights DD at major sites in Japan and overseas model sites. Review the results from the survey conducted in 2018 at mining sites in which the company has a majority interest, discuss corrective measures and continue the survey.
[Labor Practices] 07 Diversity	Code of Conduct		Improvement of the work environment so that all employees can play an active role	<ul style="list-style-type: none"> Conduct PR activities to employ women. Continue to hold diversity training and promote diversity-related information. Make the general officer employees eligible for the career management training. Discuss introduction of affiliated systems or making more employees eligible for them(work-at-home system, retirement reinstatement system, leave system and job transfer suspension system associated with the job transfer of a spouse, etc.) Continue to develop internal career consultants Implement measures to reduce overtime work. 	<ul style="list-style-type: none"> Provided the facilities tours for female students. Provided training at the regular rank-based training programs at the head office and at 2 sites in Japan. Continued promoting information through the company newsletters, intranet, etc. Conducted according to plan(Held training in May 2019). For the work style reform project, submitted a report to the management on the introduction of affiliated systems. 2 employees were certified as career consultants. Implemented work hour CA in the committee, performed by the labor and management at each site. 	○ <ul style="list-style-type: none"> Continue providing training and promoting information related to diversity issues. Continue career management training. Give shape to details in the report on the work style reform project. Conduct attitude survey toward management-level employees and female employees, and consider countermeasures. Enhance measures to give support toward career development, with a focus on the development of career consultants. Continuously implement work hour CA in the committee, performed by the labor and management at each site.
08 Employee engagement	Basic Policy for Human Resources Development	(Same as 07)	Creation of workplaces where employees feel fulfilled in their work	<ul style="list-style-type: none"> Discuss relevant measures and systems, along with efforts in promoting diversity. 	<ul style="list-style-type: none"> For the work style reform project, deliberated on measures to improve employee engagement and submitted a report to the management. 	○ <ul style="list-style-type: none"> Conduct the 2nd employee satisfaction survey.
09 Occupational health and safety	Basic Policy on Health and Safety		Ensuring fundamental safety at all sites and training employee to improve compliance with rules and increase their risk sensitivity	<ul style="list-style-type: none"> Continuously implement a plan that takes into account the occurrences of occupational accidents in the previous fiscal year. (Start training programs on electric tools, specified chemical substances, and other sources of accidents.) 	<ul style="list-style-type: none"> Number of occupational accidents: 37 in Japan, 22 overseas. Conducted training (rank-based education, legal seminars, simulation-based safety training, RA training, human error training, training program on how to identify useful "work points"). Conducted measures to prevent the reoccurrence of disasters by training on the safe use of disk grinders, high-pressure washing equipment, etc. Horizontal deployment of lessons learned from disasters at other companies: Inspection and repair of block fences, in response to the accident involving the collapsed block fence from the earthquake in the northern area of Osaka. 	△ <ul style="list-style-type: none"> Deploy the implementation of the lockout system. Promote the horizontal deployment of lessons learned from disasters at other companies. Provide trainings and thoroughly implement measures to prevent the reoccurrence of high-risk disasters.

Materiality	Policies	Related SDGs	Ideal Goals [Commitment]	Plan for FY2018	Performance in FY2018 and self assessment	Implementation plan for FY2019
10 Health management	Basic Policy on Health and Safety	 	Improvement of the work environment based on the stress check survey	<ul style="list-style-type: none"> Centrally control information on employees' health. Implement measures to improve the work environment based on results of group analysis of stress check survey results. 	<ul style="list-style-type: none"> Selected in the category of White 500 by the 2019 Certified Health and Productivity Management Organization Recognition Program (Mitsui Kinzoku non-consolidated). Deployed and implemented a unified information management structure at major sites in Japan. Shared the group-wide analysis with the Occupational Health and Safety Committee and the board. 	<ul style="list-style-type: none"> Centrally Control and utilize information on employees' health. Prevent poor mental health by the utilization of stress checks.
11 Develop human resources	Basic Policy for Human Resources Development	 	Making full use of the abilities of each employee	<ul style="list-style-type: none"> Include the mindfulness training in training for new employees. Improve training programs regarding advanced technology, work style reform-related issues, business skills, etc.. Provide training for selecting candidates for executive positions to section and department managers. Include national staff over general officers in the target of rank-based training. 	<ul style="list-style-type: none"> Conducted according to plan (April, 2018). Hosted seminars related to advanced technologies such as machine learning and deep learning. Newly implemented training on efficient ways of work. Increased the number of trainings related to improving business skills, etc. Conducted according to plan (14 days) Conducted according to plan 	<ul style="list-style-type: none"> Continue strengthening efforts in the training of new employees (volunteer training, overseas training) Further improve training programs regarding advanced technology, work style reform-related issues, business skills, etc. Continue and improve education toward management candidates. Strengthen development of global human resources (promote participation of locally hired staff in the rank-based training).
[Environment]						
12 Reduce GHG emissions	Basic Environmental Policy	 	Setting Group-level targets and focusing strategic efforts	<ul style="list-style-type: none"> Establish a management system for reducing GHG emissions of the entire Group. Identify the Scope 3 GHG emissions. 	<ul style="list-style-type: none"> Developed the Environmental Action Plan and disclosed the amount of GHG emissions. Responded to the CDP questionnaire (Score D). 	<ul style="list-style-type: none"> Establish a management system for reducing GHG emissions of the entire Group. Identify the Scope 3 GHG emissions.
13 Creation of renewable energy	Basic Environmental Policy	  	Stable generation of renewable energy at the existing facilities and completion of Kamioka hydroelectric power facilities	<ul style="list-style-type: none"> Determine the status of operations using renewable energy. Determine the progress of the refurbishment of Kamioka Hydroelectric Power Station's facilities. 	<ul style="list-style-type: none"> Operations using renewable energy projects progressed steadily. Completed renovation of the Kamioka hydropower generation equipment and began generating power. Conducted survey on CO2 credit issuance. 	<ul style="list-style-type: none"> Determine the status of operations using renewable energy. Determine the progress of the refurbishment of Kamioka Hydroelectric Power Station's facilities. Study the issuance of CO2 credits.
14 Sustainable water use	Basic Environmental Policy		Setting and achieving a target amount of water intake	<ul style="list-style-type: none"> Monitor the total amount of water intake, the amount of recycled water, and the amount of reused water by water source. Set intensity targets for water. 	<ul style="list-style-type: none"> Determined the amount of recycled and reused water at domestic and overseas sites. 	<ul style="list-style-type: none"> Monitor the total amount of water intake, the amount of recycled water, and the amount of reused water by water source. Set intensity targets for water.
15 Wastewater management	Basic Environmental Policy	 	Setting and achieving a target water quality	<ul style="list-style-type: none"> Monitor the amount of wastewater and water quality by destination of discharged wastewater and manage the targets. Encourage acquisition of Pollution Control Manager Certification and provide education for qualified Pollution Control Managers to maintain and improve their capabilities. Place emphasis on wastewater management in environmental audits. 	<ul style="list-style-type: none"> Assessed the amount of wastewater and water quality by destination of discharged wastewater. Encouraged acquisition of the Pollution Control Manager Certification and provided education for qualified Pollution Control Managers to maintain and improve their capabilities. Conducted checks on the situation of compliance with laws and regulations. 	<ul style="list-style-type: none"> Monitor the amount of wastewater and water quality by destination of discharged wastewater and manage targets. Encourage acquisition of Pollution Control Manager Certification and improvement of skills of qualified employees. Conduct key environmental audits for wastewater management
16 Sustainable use of raw materials/resources	Basic Environmental Policy		Striving for zero emissions and development of products with reduced use of resources	<ul style="list-style-type: none"> Set a target ratio of recycled raw materials used. 	<ul style="list-style-type: none"> Determined the ratio of recycled raw materials used. 	<ul style="list-style-type: none"> Set a target ratio of recycled raw materials used.
17 Recycling and management of waste	Basic Environmental Policy		Striving for resource circulation in the business activities including recycle-smelting	<ul style="list-style-type: none"> Set a target for reduction in generated waste. 	<ul style="list-style-type: none"> Determined the amount of generated waste, established targeted values in the Environmental Action Plan. 	<ul style="list-style-type: none"> Set an individual target for reduction in generated waste.
18 Biodiversity conservation	Basic Environmental Policy	 	Implementation of an action plan for biodiversity	<ul style="list-style-type: none"> Develop a specific action plan for efforts. 	<ul style="list-style-type: none"> Started training for employees in charge of biodiversity conservation. Conducted studies and protection of rare species in the development areas (Huanzala Mine, Peru). 	<ul style="list-style-type: none"> Develop a specific action plan for efforts. Continue studies and protection of rare species in the development areas.
19 Manage closed mines	Basic Environmental Policy	   	(Japan) Development and implementation of a management plan for suspended or closed mines (overseas) Works before mines closure	<ul style="list-style-type: none"> (Japan) Develop and implement a plan for maintenance and management of suspended mines. Update aging pit wastewater treatment facilities and resume operations. Assess the earthquake resistance of tailings dams (two-year plan). Conduct testing before introducing new pit wastewater treatment technology. (overseas) Conduct construction works before closing a mine along the mine closing plan. 	<ul style="list-style-type: none"> (Japan) Conducted according to plan. Conducted according to plan. Conducted anti-earthquake evaluation of the tailings dams managed within the Group. (overseas) Conducted according to plan. 	<ul style="list-style-type: none"> (Japan) Develop and implement a plan for maintenance and management of suspended mines. Develop and implement plans for construction work at each site to strengthen facilities against torrential rain. Conduct follow-up studies on closed mines (sites for where the studies were not performed in 2018). Conduct voluntary studies at 1 site on the stability analysis of the tailings dam. (overseas) Implement works before closing a mine along the mine closing plan.

Materiality	Policies	Related SDGs	Ideal Goals [Commitment]	Plan for FY2018	Performance in FY2018 and self assessment	Implementation plan for FY2019
20 Products contributing to the environment	Basic Environmental Policy	 (And other goals)	Development of standards for products contributing to the environment and setting of targets	<ul style="list-style-type: none"> Establish an organization to implement programs for products contributing to the environment. Design internal certification criteria. Identify candidate products contributing to environmental protection among existing products. 	<ul style="list-style-type: none"> Selected person responsible for execution. Not conducted. Conducted according to plan. 	<ul style="list-style-type: none"> Establish an organization to implement programs for products contributing to the environment. Design internal certification.
[Fair Operating Practices]						
21 Anti-corruption and anti-bribery	Code of Conduct		Anti-corruption and anti-bribery awareness	<ul style="list-style-type: none"> Prepare and use a written agreement on prohibition of corruption and bribery for sites in China and Asia. Assess a sample of a basic transaction agreement from CSR perspectives. 	<ul style="list-style-type: none"> Deployed and followed-up on the anti-bribery agreement at each site in China and Thailand. Conducted according to plan. 	<ul style="list-style-type: none"> Prepare and use a written agreement on prohibition of corruption and bribery for sites in Taiwan and other Asian countries. Assess a sample of a basic transaction from CSR perspectives. Develop a manual on anti-bribery
22 Prohibit of anti-competitive practices	Code of Conduct		Compliance with the Antimonopoly Act, the Subcontract Act, and laws related to anti-competitive practices	<ul style="list-style-type: none"> Conduct legal audit and feedback at all sites of the Group. Provide training related to fair operating practices. 	<ul style="list-style-type: none"> Conducted approving authority audit at 7 affiliates in Japan. Conducted legal affairs audit at 2 overseas sites. (Including legal auditing follow-ups at the implemented sites) Conducted anti-trust law seminars for the Group. Conducted training related to the Subcontract Act at 1 site in Japan. 	<ul style="list-style-type: none"> Continue legal audit and feedback at all sites of the Group. Continue training related to fair operating practices
23 CSR procurement	Procurement Policy Conflict Minerals Policy		Fulfill responsibility to reduce risks in supply chains	<ul style="list-style-type: none"> Share the Procurement Policy throughout the Group and with suppliers. Establish Medium- and long-term goals for supply chain management. 	(Details are listed on P.44-45)	(Details are listed on P.44-45)
24 Intellectual property	President's policy regarding intellectual property		Spreading awareness and maximum utilization of intellectual property group-wide	<ul style="list-style-type: none"> Support surveys on new projects. Secure intellectual property rights and use intellectual property. Provide education on intellectual property Establish an intellectual property infrastructure (improvement of the specifications). 	<ul style="list-style-type: none"> Supported surveys at laboratories. Educational activities related to intellectual property. Conducted training regarding intellectual property as part of BS training. Education on how to use the new system and correction of defects. 	<ul style="list-style-type: none"> Support surveys on new projects. Secure intellectual property rights and use intellectual property. Provide education on intellectual property and establish an intellectual property infrastructure (improvement of the specifications).
[Consumer Issues]						
25 Co-creation in markets for new engineered materials	Basic CSR Policy		Change to a company that, in cooperation with stakeholders, creates a succession of new products utilizing our "material intelligence"	Strengthen research and development system, increase activities to explore market opportunities, and collaborate with entities outside the company.	(Details are listed on P.20-23)	(Details are listed on P.20-23)
26 Materials stewardship (recycle-smelting)	Basic CSR Policy		Utilization of the Mitsui Kinzoku's smelters network and increase of the collection of recycle-materials, processing capacity, and the number of processing metals	Increase processing and extracting of valuable metals (base metals, precious metals and rare metals) by strengthening smelter network.	(Details are listed on P.24-25)	(Details are listed on P.24-25)
27 Supply products for sustainable mobility	Basic CSR Policy		Establishment of the ACT brand by ensuring "Safety," "Comfort" and "Amazing Performance" using our manufacturing intelligence	Quality improvement for our customers	(Details are listed on P.26-27)	(Details are listed on P.26-27)
[Community involvement]						
28 Contribution to local communities	Code of Conduct		Local communities understand and trust our business activities through social contribution activities	Implement the three-year action plan.	<ul style="list-style-type: none"> Identified efforts in social contribution made by each site and each affiliate and encouraged sites that are not engaged in social contribution to promote efforts. Shared information through the company newsletter on examples of social contribution activities conducted at overseas sites. 	<ul style="list-style-type: none"> Social contribution activities take root in the Group. Promoting activities according to plan at each site.