

CSR Management

Materiality

In order to produce this report, the Unipres Group analyzed the materiality of a range of topics according to their importance within its own global business operations, as well as their importance in light of past dialogues and interactions involving stakeholders. The analysis therefore employed two axes: "Importance for stakeholders," and "Importance for the Unipres Group" (see figure below).

In analyzing materiality, Unipres referred to the topics identified under the GRI Standards, categorizing them by level of importance. We will continue to analyze materiality with reference to social circumstances and our stakeholders' opinions, revising the assigned levels of materiality as necessary.

<Materiality for the Unipres Group>



Main Targets and Results of CSR Initiatives in FY2017

(✓: Achieved △: Almost/partially achieved ✗: Not achieved)

Topics	SDGs	FY2017 Targets (KPIs)	FY2017 Results	Level of Achievement
Risk management	3	Installation of safety confirmation systems at Group companies in Japan	Installation of system completed at 5 Group companies in Japan	✓
Diversity and equal opportunity	5、8	No. of men using childcare leave: 1 or more Women's use of childcare leave: Keep at 75% or more Target companies: Unipres & Unipres R & D	Men: 4 Women: 100%	✓
Diversity and equal opportunity	5	Ratio of women among workers hired: 12% or more	16.10%	✓
Diversity and equal opportunity	5	Ratio of women among managers: 2% or more	1.30%	✗
Occupational safety and health	8	Implement measures to reduce overtime	Send 5 levels of email alerts to managers of employees at risk of overtime exceeding the upper limit of labor-management agreement under Article 36 of Labor Standards Act	✓
Energy	13	Energy use per unit of production: 4% reduction by FY2017 (compared to FY2013)	5.3% reduction	✓
Atmospheric emissions	13	Achievement of CO2 reduction targets via improvements in distribution: 100%	103%	✓

SDGs (Sustainable Development Goals)

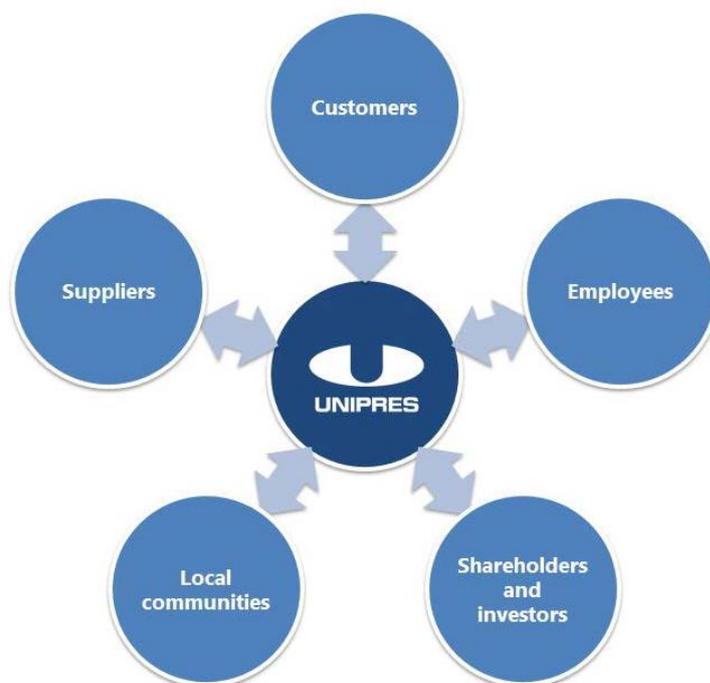
The sustainable development goals are part of a “plan of action for people, planet, and prosperity” adopted at the United Nations Sustainable Development Summit held in September 2015. They stipulate 17 goals and 169 targets to be achieved by 2030 in order to bring about sustainable societies.



Stakeholder Engagement

A wide variety of important stakeholders have an effect on the Unipres Group's business activities. We will continue our efforts to communicate with stakeholders, build mutual understanding, and forge relationships of trust in order to maintain the growth of the Unipres Group and facilitate the sustainable development of society at large.

<The Unipres Group's Stakeholders>



<Methods of Interacting with Stakeholders>

◆ Customers

Sales/proposal activities, quality assurance activities, and joint research activities

◆ Employees

Employee performance appraisals, educational program, awards program, informal gatherings between workers and management, internal whistle-blowing (via internal and external contact points), occupational safety and health measures, stress checks, various counselling services, and in-house newsletter/intranet

◆ Suppliers

Procurement activities, suppliers' meetings, and awards program

◆ Shareholders and investors

Disclosure of information (via statutory disclosure, the Tokyo Stock Exchange's timely disclosure, mass media, and external websites), annual shareholders' meetings and shareholder receptions, business reports, financial results briefings for analysts and institutional investors (two in FY2017), small meetings (10 in FY2017), individual interviews (with 157 individuals in FY2017), company briefings for individual investors (17 in FY2017), shareholder questionnaires, and investor questionnaires

◆ Local communities

Sponsorship: Tricolore Club, Yokohama Human & Technoland, u-life 21, Mount Fuji Women's Relay, Fuji Festival, etc.

Donations: Foundation for Orphans from Automobile Accidents and More Trees

Plant tours: for nearby elementary schools and employees' children

Disclosure of information and response to inquiries via external websites

Participation in business associations (the Japan Auto Parts Industries Association, etc.)

Corporate Governance

<Basic Approach>

To ensure that business is conducted properly, Unipres put the necessary structure in place by establishing an Internal Control Committee chaired by the president in FY2006. To facilitate the centralized implementation of the internal control system, three subcommittees—Risk Management, Financial Information Disclosure, and Compliance—have been set up under the Internal Control Committee. These subcommittees decide on policies and measures, and take action to ensure that business is conducted properly.

At Unipres we are fulfilling our corporate social responsibility by ensuring that the entire company adheres to our management philosophy and the Unipres Group Code of Conduct in the course of its business activities, and by strengthening our management system at the global level.

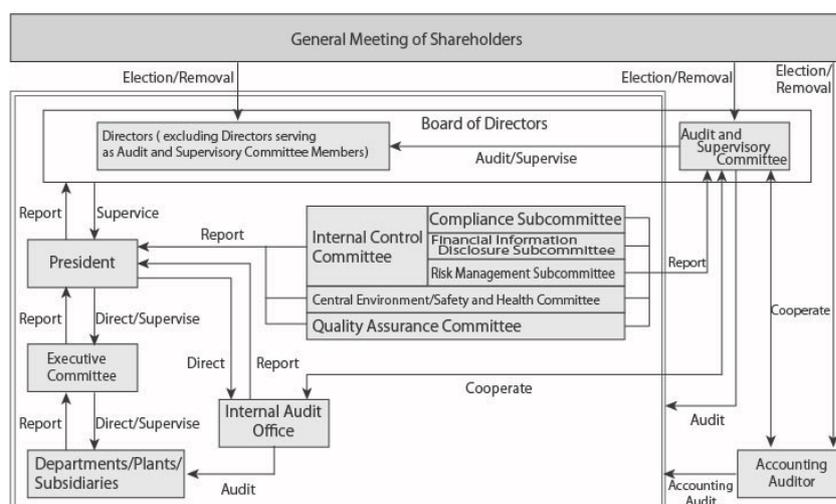
<Organizational Structure for Corporate Governance>

In April 2015, Unipres implemented changes to its business management structure. The changes were intended to facilitate prompt managerial decisions and business execution by clearly separating managerial decision-making and supervision from business execution, as well as to enhance corporate value by strengthening corporate governance. Moreover, the Company sought to strengthen its governance even further by converting from a company with an audit and supervisory board to a company with an audit and supervisory committee at the 77th Regular Shareholders' Meeting held in June 2016. The organization and chairs of each committee are detailed below.

- The Internal Control Committee is chaired by the president elected by the Board of Directors.
- The Executive Committee, which passes resolutions on matters delegated to it by the Board of Directors, as well as other important matters relating to business execution, is also chaired by the president.
- The chairs of the subcommittees for risk management, financial information disclosure, and compliance are nominated by the president. The subcommittees for risk management and compliance are chaired by the executive officer with specific responsibility for general administration, and the subcommittee for financial information disclosure is chaired by the executive officer with specific responsibility for finance and accounting.

- Unipres established the Central Environment/Safety and Health Committee to deliberate and decide on matters relating to the environment and management of safety and health. The committee's chair is nominated by the president from among the executive officers and it is currently chaired by the executive officer with specific responsibility for general administration.
- The Quality Assurance Committee is chaired by the executive officer with specific responsibility for quality assurance.

[Corporate Governance at Unipres Corporation]



★Online links : [Corporate Governance Report](#) (in Japanese); [Internal Control System Basic Policy](#)

<Risk Management>

Unipres has established a Risk Management Subcommittee to conduct risk management throughout the Company. The subcommittee controls overall risk management activities such as the improvement of risk management programs and the establishment of inter-departmental risk solutions. (The subcommittee met seven times in FY2017.)

[Identifying Risks Using a Risk Management Self-Checklist]

In order to manage risk of loss, we assessed and analyzed risk throughout the Company and selected six major areas requiring companywide responses (measures to address tax law, measures to address exchange rate fluctuations, information security, business continuity plan [BCP], human resource risk, and compliance). We take action to reduce each of the associated risks and report progress to the Board of the Directors.

[Information Security System]

At Unipres we recognize our social obligation to take comprehensive and effective measures to minimize the risk of information being leaked, and to manage and use our information assets securely. We have therefore formulated an Information Security Policy to maintain information security properly, and we are working to improve our management of confidential information by establishing an information security system based on this policy.

[Business Continuity]

Our measures to counter risks related to possible large-scale natural disasters include (1) conducting seismic retrofitting, (2) stocking disaster recovery goods, and (3) maintaining a BCP. Thus, we are taking action to ensure that post-disaster damage to our businesses is kept to a minimum.

☆Online links: [Corporate Governance](#); [Annual Securities Report](#) (in Japanese)

<Compliance>

Unipres has established a Compliance Subcommittee to promote compliance throughout the Company; the subcommittee draws up compliance programs and supervises compliance activities. (The subcommittee met eight times in FY2017.)

[The Unipres Group Code of Conduct]

Guided by our management philosophy, "Perfecting Machine Press Technologies: Going a Step Beyond," we in the Unipres Group will continue to operate in a way that merits society's trust. In order to realize this management philosophy, we believe it is essential to make a unified commitment to manufacturing, and at the same time to fulfill our corporate social responsibility by complying with all national and international laws and regulations, as well as internal rules, and by keeping our other promises. Based on this belief, we are making a concerted effort as a Group to enhance our compliance.

☆Online link: [The Unipres Group Code of Conduct](#)

[Compliance Self-Assessment (e-Learning)]

In an effort to improve compliance awareness throughout the Company, we have provided e-learning-based compliance training programs for both regular and temporary employees in Japan on an annual basis since FY2012.

[Internal Whistle-Blowing System]

To obtain compliance-related information, Unipres has instituted an internal whistle-blowing system and established the Unipres Hotline as a contact point within the Company. This enables directors and employees who have discovered any compliance issues to directly notify or consult with the compliance supervisory unit. Furthermore, fairness and transparency is ensured by establishing an additional contact point outside the Company staffed by external counselors. To ensure privacy, those who communicate via these contact points may do so anonymously. During FY2017 there were nine instances of internal whistle-blowing, all of which have been dealt with fully.