

UACJ AUSTRALIA PTY LTD

Incorporated in Victoria.
A.B.N 82 005 579 840

C/- Marubeni Aluminium Australia Limited
Suite 1703, Level 17, 120 Collins Street
Melbourne Vic 3000
Telephone (03) 9618 8188
Facsimile (03) 9618 8150

FY 2021 Modern Slavery Statement

1. Introduction

This is the Modern Slavery Statement made by UACJ Australia Pty. Ltd. (“UAAU”) for the financial year ending 31 December 2021 (the “**2021 Statement**”), which marks UAAU’s second Modern Slavery Statement following its 2020 statement. This 2021 Statement has been prepared and published in accordance with the *Modern Slavery Act 2018* (Cth) (the “**Act**”). This Statement sets out the actions UAAU has taken to identify and address the risks of modern slavery in its business operations and supply chains during the financial year stated above.

UAAU confirms again its support to combat modern slavery, and has taken the following actions over the past financial year:

2. Company overview, structure, business operations and supply chains

Reporting Entity’s Background

The reporting entity, as defined under section 5 of the Act, for this 2021 Statement is UAAU, an Australian proprietary limited company (ACN: 005 579 840) registered at Level 17, 120 Collins Street Melbourne VIC 3000 Australia. UAAU is a wholly owned subsidiary of UACJ Corporation (“UACJ”), a company registered in Tokyo, Japan. UAAU was established on 31 July 1979.

Business Operations

Similarly to last financial year, UAAU’s business operations include: (i) the purchase of alumina; (ii) outsourcing the smelting of alumina into aluminium metal; and (iii) sale of aluminium metal to UACJ. Aspects of UAAU’s business operations are contracted to third party contractors, to be described in detail below. UAAU does not have any employees in Australia. Three of the four UAAU officers reside in Japan. The fourth officer is an outside officer from Marubeni Aluminium Australia, and resides in Australia.

UAAU continues to hold 9.1% of shares in Boyne Smelters Limited (“BSL”), but does not own or control any entities inside or outside of Australia, and therefore does not have a consultation process with such subsidiaries.

Supply Chains

There are no changes to UAAU's supply chain since the reporting period of financial year 2020, and UAAU's supply chain and contractors consists mainly of:

- (i) a company that supplies alumina to UAAU;
- (ii) a company that provides toll processing arrangements whereby UAAU supplies alumina to the company, which they smelter into aluminium metal;
- (iii) a Japanese company that provides export services from UAAU to the purchaser of the alumina metal;
- (iv) an Australian company that provides local operational services to UAAU, including accounting, taxation and general office administration, including the provision of the office facility; and
- (v) a freight company that provides shipping services to UAAU.

Other than the above, UAAU's supply chain also includes support services for our organisation, such as financial, legal, accounting and consulting services. The three officers of UAAU that reside in Japan work from the office of UAAU's parent company, UACJ. UACJ has made certain efforts to address the modern slavery risks in its supply chain, as described in section 4 below, which also apply to the supply chain for the office work that the three officers located in Japan engage in.

UAAU mostly outsources its general office administrative work to Marubeni Aluminium Australia, one of its suppliers. UAAU has reviewed Marubeni Aluminium Australia's modern slavery statement for the previous year¹ and will further consider reaching out to Marubeni Aluminium Australia to discuss how it identifies, assesses and addresses risks of modern slavery in its supply chain.

3. Risk assessment

UAAU recognizes that some parts of its supply chain and contractors which it deals with may carry the risk of modern slavery. These include risks associated with the employment or engagement of personnel in roles that are high-risk for modern slavery, for example personnel who:

- refine alumina;
- provide logistics, shipping or export services;
- are engaged in smelter operations; and

¹ <https://modernslaveryregister.gov.au/statements/2527/>.

- provide office facilities that include maintenance services, particularly cleaning services.

In an effort to deepen its understanding of the supply chain across this key risk areas, UAAU has confirmed the status of modern slavery due diligence conducted by its direct suppliers by researching their compliance with certain applicable human rights, modern slavery due diligence and reporting laws. It has identified that all except three companies in its supply chain (a logistics company, export company and purchaser of aluminum), have reported their modern slavery statement under the Act. Two of the three companies publicize their efforts to prevent modern slavery on their website, and provides access to their modern slavery statement prepared in accordance with the United Kingdom's modern slavery laws. These materials have supported UAAU's understanding of the supply chain beyond its direct suppliers.

4. Actions to assess and address risks of modern slavery

(a) Policies

The policies of UACJ are group-wide policies and apply to UAAU's operations.

UACJ has a strong code of conduct concept called the "UACJ Way", which sets "Safety and Compliance" as the fundamental principle.

The UACJ Group also published the "UACJ Group Code of Conduct" ("**Code of Conduct**") on the UACJ intranet in June 2014. The Code of Conduct states that all officers and employees of the UACJ Group shall comply with the international standard of human rights set out in the United Nations International Bill of Human Rights, as well as the laws and regulations of the relevant country and region. Further, the Code of Conduct states that the UACJ Group shall make its best efforts to respect human rights throughout its business operations generally, and states that the UACJ strictly disallows any form of forced labor, human trafficking or child labor.

UAAU acts in accordance with UACJ's three corporate values, which are "respect and understand your associates", "embrace honesty and foresight" and "be curious and challenging"² – all of which go against any form of modern slavery.

UACJ makes its "CSR Deployment Guideline for Suppliers"³ available to the public, including

² <https://www.uacj.co.jp/english/company/management/uacjway.htm>

³ https://www.uacj.co.jp/english/csr/social/pdf/UACJ_CSR_Guidelines.pdf

to its suppliers, on its website. The “CSR Deployment Guideline for Suppliers” outlines UACJ expectations of suppliers and includes, among other matters, provisions regarding human rights, forced labor, inhumane treatments, child labor, appropriate wages, regulation on working hours, rights of freedom of association for employees, and workplace hygiene, health and safety.

5. Due diligence

Last financial year, UAAU considered ways to contact its suppliers who have not made public commitments to identify, assess and address risks of modern slavery, and how they can encourage their supply chain to do so. This financial year, as a part of its due diligence effort, UAAU engaged with its major supplier and parent company, UACJ, to ensure that further engagement was undertaken with UACJ’s suppliers to assess and address modern slavery risks in its supply chain. UACJ committed to actively distributing its CSR Deployment Guideline for Suppliers to its direct suppliers to obtain their signatures in agreement. UACJ commenced contacting its suppliers during 2021; further detail is provided in section 7 below. This has been implemented as a new strategy in 2021 to actively raise awareness of modern slavery issues, and to emphasise the passion and commitment of the UACJ Group (including UAAU) to eliminate modern slavery in its supply chain, as opposed to simply providing the Guideline on its website.

As noted above, UACJ’s distribution to suppliers of its CSR Deployment Guideline for Suppliers commenced during 2021, and the effectiveness of that action is still being evaluated. UACJ has not yet commenced engagements with UAAU’s suppliers, including those who have not made public commitments to identify, assess and address risks of modern slavery. During the next reporting period, UAAU will consider working with UACJ to widen the scope of UACJ’s distribution of its CSR Deployment Guideline for Suppliers and communicate to UAAU’s suppliers in the same way to obtain their signature in agreement to the CSR Deployment Guideline for Suppliers.

UACJ has a whistleblower reporting system, which can be used when any potential risks or occurrences of modern slavery are identified. UAAU has confirmed with UACJ that UACJ has not received any whistleblower reports relating to modern slavery.

UACJ, as UAAU’s parent company, plans to establish and implement a human rights due diligence mechanism which will apply throughout its group companies including UAAU. This human rights due diligence will be aimed at identifying the negative human rights impacts of the group’s business activities and risks of human rights violations in the group’s business activities.

UACJ's efforts in relation to this implementation are scheduled to take place in 2022.

6. Awareness-raising and training

Within the UACJ Group, the officers and employees undergo education on the Code of Conduct from October to December every year, and the same training was conducted in this reporting period, confirming their understanding and reiterating the group's approach to human rights protection.

7. Assessment of response

Due to its operation and corporate structure, UAAU relies mostly on UACJ's policies and guidelines. The guidelines are thorough and generally cover the concept of modern slavery as defined under the Act. Because these guidelines are directed to the UACJ Group across the globe, they do not expressly refer to the Act or Australia's modern slavery concerns specifically. UAAU will consider appropriate mechanisms that it could implement in the next reporting period to directly review and assess the effectiveness of its actions, including the guidelines, to assess and address risks of modern slavery in its supply chain and operations.

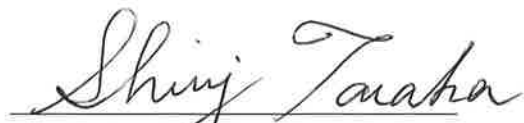
That is why during this reporting period, UACJ, as UAAU's parent company, implemented a new measure to directly contact its suppliers and seek agreement of the guidelines, so that UACJ Group's corporate philosophy and fundamental principle of safety and compliance can be protected and upheld against the risk of modern slavery.

In seeking agreement on the CSR Deployment Guideline for Suppliers UAAU has been able to confirm that UACJ was able to engage in effective communications to seek agreement to the guideline that raise issues of modern slavery. UACJ has contacted 49 of its suppliers, of which 39 (79%) responded by providing their signatures on the CSR Deployment Guidelines. During 2022, UACJ plans to widen the scope of suppliers to be contacted. UACJ will also provide the Sustainable Deployment Guidelines to suppliers it engages with.

UAAU acknowledges the importance of assessing the effectiveness of the steps it is taking to identify risks of modern slavery in its supply chain, including steps to raise widespread understanding and awareness of modern slavery risks. UACJ has confirmed that it will further consider how to measure the effectiveness of its actions in the coming year.

8. Approval by Board of Directors

This Statement has been approved by UAAU's board of directors on 30 June, 2022.

A handwritten signature in cursive script that reads "Shinji Tanaka". The signature is written in black ink and is positioned above a horizontal line.

Shinji Tanaka, President.