

# 2030 Sustainability Goals by Materiality

UACJ Group's material issues	How the UACJ Group can contribute and offer value to society	2030 Sustainability Goals	Performance indicators	Short- and mid-term targets			Objectives towards 2030	Scope of reporting
				Fiscal 2022 Goal	Fiscal 2022 Results	Fiscal 2023 Goal		
<b>Response to climate change</b>	The UACJ Group understands that life on Earth is completely dependent on the global environment. Accordingly, the Group recognizes the importance of taking proactive initiatives as a manufacturer to curb climate change and global warming. Among such initiatives, taking steps to reduce emissions of CO <sub>2</sub> and other greenhouse gases as a means of achieving carbon neutrality, and facilitating recycling, a highly effective way of reducing those emissions, have been designated as priority initiatives for the Group. Over the lifecycle of aluminum products, most CO <sub>2</sub> is emitted at the smelting stage when alumina is extracted from bauxite. Nevertheless, aluminum can be recycled indefinitely, and it is relatively easy for society to set up a recycling infrastructure as a comparably small amount of energy is needed to melt aluminum. Numerous other beneficial properties are also offered by aluminum, including its excellent heat conductivity and relatively light weight as a metal. The UACJ Group will apply technologies that take advantage of aluminum's properties to provide products and services that contribute to reducing CO <sub>2</sub> emissions not only from its business activities but across society as a whole. The Group will also make maximum usage of recycled aluminum as raw materials with the goal of reducing CO <sub>2</sub> over entire product lifecycles, from raw material procurement and manufacturing through to product usage and disposal. In these ways, the UACJ Group intends to contribute to the sustainability of the planet.	UACJ will aim to establish an action platform for enabling carbon neutrality by 2050.	Reduction of CO <sub>2</sub> emissions across the Group's entire supply chain	Set targets, formulate and implement specific measures aimed at 2050	Declared ambition to achieve Scope 1 and 2 carbon neutrality by 2050 (Reference) FY2022 Scope 1 and 2 reduction per unit: 10.7%	17.3% reduction (Scope 1 and 2 compared with FY2019 level and unit output)	<ul style="list-style-type: none"> <li>Reduce Scope 1 and Scope 2 per-unit emissions by 30% versus fiscal 2019</li> <li>Reduce Scope 3 emissions across the entire supply chain by recycling as much aluminum as possible in cooperation with various suppliers</li> </ul>	UACJ Group worldwide*
<b>Product quality assurance</b>	The UACJ Group will strive to supply products and services that satisfy and earn the trust of customers and contribute to society overall. Accordingly, the Group will give full consideration to the broader positive and negative impacts of its products and services at the usage stage. It will also make continuous efforts to improve quality, develop related technologies and refine relevant capabilities at its production plants while helping customers find solutions to potential challenges.	UACJ will aim to eliminate serious product defects by ensuring stable quality, enhance its ability to meet customers' stringent requirements with highly reliable products, and foster human resources and a workplace culture that give importance to quality. At the same time, it will maintain quality assurance and control systems that eliminate human error and establish such a quality control system on a group-wide basis.	Number of serious quality defects	20% reduction Compared with previous year	25% increase Compared with previous year	Zero (Note 1)	Zero	UACJ Group worldwide*
			Number of customer complaints due to the fault of materials	10% reduction Compared with previous year	31.4% reduction Compared with previous year	10% reduction Compared with previous year	50% fewer complaints than in fiscal 2020	UACJ Group worldwide*
<b>Occupational health and safety</b>	Recognizing that a safe and healthy workforce is a foundation for its operations, the UACJ Group will place the highest priority on the health and safety of its employees across all business activities, and fulfill its corporate responsibility to ensure the safety of employees on the job and support their health management. Toward that end, the Group will allocate enough operational resources needed by workplaces to remove any hazardous conditions with the goal of completely eliminating workplace accidents. Occupational health and safety activities will also be carried out on a routine basis with the participation of all employees. To ensure that such occupational health and safety activities help enrich the lives of employees and their families, the Group will give importance to fostering productive and dynamic workplaces while striving to make working environments more comfortable for employees through measures for alleviating fatigue and stress on the job.	UACJ will work to foster a workplace culture capable of continuously eliminating serious accidents, and aim to reduce the number of accidents requiring first aid and minor accidents not requiring worker absence by half the fiscal 2019 level.	Number of serious workplace accidents	Zero	Zero	Zero	Zero	UACJ Group worldwide*
			Frequency of workplace accidents resulting in injury or death per million working hours (Note 2)	0.28	0.25	0.25	0.08	UACJ Group worldwide*
<b>Respect for human rights</b>	"Respect and understand your associates" is stated as a value in the UACJ Group's philosophy. Staying true to this important value, the Group will conduct its global business activities based on the principles of universal human rights and in compliance with the United Nations Guiding Principles on Business and Human Rights.	On a group-wide basis, UACJ will aim to promote and foster the principles espoused in the United Nations' Guiding Principles on Business and Human Rights and the national action plans on business and human rights in each country of the Group's operations. Specifically, it will 1) make a commitment to respecting and protecting human rights, 2) identify, analyze, and assess human rights-related risks in its businesses and supply chain, 3) establish and manage processes for dealing with such risks, and 4) periodically disclose relevant information.	Goals to be set based on the results of executing due diligence, and an action plan to be carried out	Formulate structure for human rights due diligence	Established human rights due diligence structure, executed human rights due diligence at UEXN Anjo (Note 3)	Execute due diligence at at least four manufacturing plants (Fukui Works, UATH (Note 4), UEXN Anjo, and other sites)	Execution of due diligence at the Group's main workplaces in and outside Japan	UACJ Group worldwide*
			Percentage of employees and officers that participate in 1) a training program covering codes of conduct and human rights and 2) a training program on harassment	1) 90% 2) 100%	1) 92% 2) 100%	1) 96% 2) 100%	100%	UACJ Group worldwide*
<b>Diversity and equal opportunity</b>	The UACJ Group regards the diversity of its employees (in terms of ethnicity, gender, nationality, religion, age, disability, etc.) as a source of its competitiveness and power to create innovations and evolve. Accordingly, it will foster an organizational culture that accepts different values and ways of thinking among individual employees. Furthermore, the Group will take steps to facilitate the success of women in the workplace, recruit diverse employees, adopt diverse work practices, and implement other related measures to make the most of employee diversity and equal opportunity in its pursuit of sustainable growth.	Recognizing the diversity of its human resources in terms of attributes, work practices, and careers, UACJ will encourage all of the Group's executives and employees to put its core values into practice and work independently and proactively in order to drive business forward and enable the Group to effectively respond and adapt to change. Furthermore, with a view to exceed the expectations of customers, UACJ will foster optimal workplace conditions so employees will feel rewarded and take pride in their work, and facilitate positive and productive relations between management and employees.	Percentage of women in management positions (including directors and officers) (Note 5)	2%	3.03%	4%	At least 15% (but whenever possible, aim for the target of 30% set by the Japanese government)	UACJ Corporation and group companies in Japan
<b>Human resources development</b>	The UACJ Group will encourage its employees to conduct business in line with the three values stated in its philosophy: "respect and understand your associates," "embrace honesty and foresight," and "be curious and challenging." Amid a shifting operating environment, the Group believes that equipping human resources with the abilities to independently make decisions and solve problems on their own initiative is essential for its future. At the same time, it will aim to give every employee opportunities to monitor their growth and feel motivated by their work. In addition, the UACJ Group will not limit training and educational opportunities to its own members, but will also provide such opportunities to young people in society.	In the training of human resources involved in manufacturing, UACJ will integrate digital technologies and ensure that necessary skills are specified and handed down in order to enhance the capabilities of its workplaces with the goals of continuously improving manufacturing potential and raising corporate value across the entire Group. UACJ will also aim to identify the strengths and skills of its human resources, groom future leaders among its own members, execute plans for promoting successor candidates to management positions, and set up necessary training programs. By training and empowering its young employees and managers in local regions, UACJ will strive to build trustful relations with the public and share its corporate philosophy and vision.	Percent of successor candidates appointed to management positions following evaluations of candidates for positions above the rank of section manager	100% of candidates appointed to the rank of section manager or above at UACJ Corporation	100% of candidates appointed to the rank of section manager or above at UACJ Corporation	Extend target to group companies in Japan	100%	UACJ Group worldwide*
			Number of children and young people who participate in educational events held by UACJ as part of its education and sports programs for youth	650 per year	882 per year	800 per year	1,000 per year	UACJ Group worldwide*

(Notes)

1. Considering the FY2022 result, we determined that steps are needed to improve the effectiveness of our safety initiatives and in FY2023 revised the performance indicator to "Number of serious quality accidents."
2. An index for evaluating the frequency of occupational accidents calculated by converting the total number of serious occupational injuries and deaths (including those that did not result in a suspension of operations) during a statistical period to one million hours
3. UACJ Extrusion Nagoya Corporation Anjo Plant
4. UACJ (Thailand) Co., Ltd.
5. Percentage for UACJ and Group companies in Japan

\* UACJ Group worldwide: consolidated subsidiaries excluding equity affiliates and holding companies