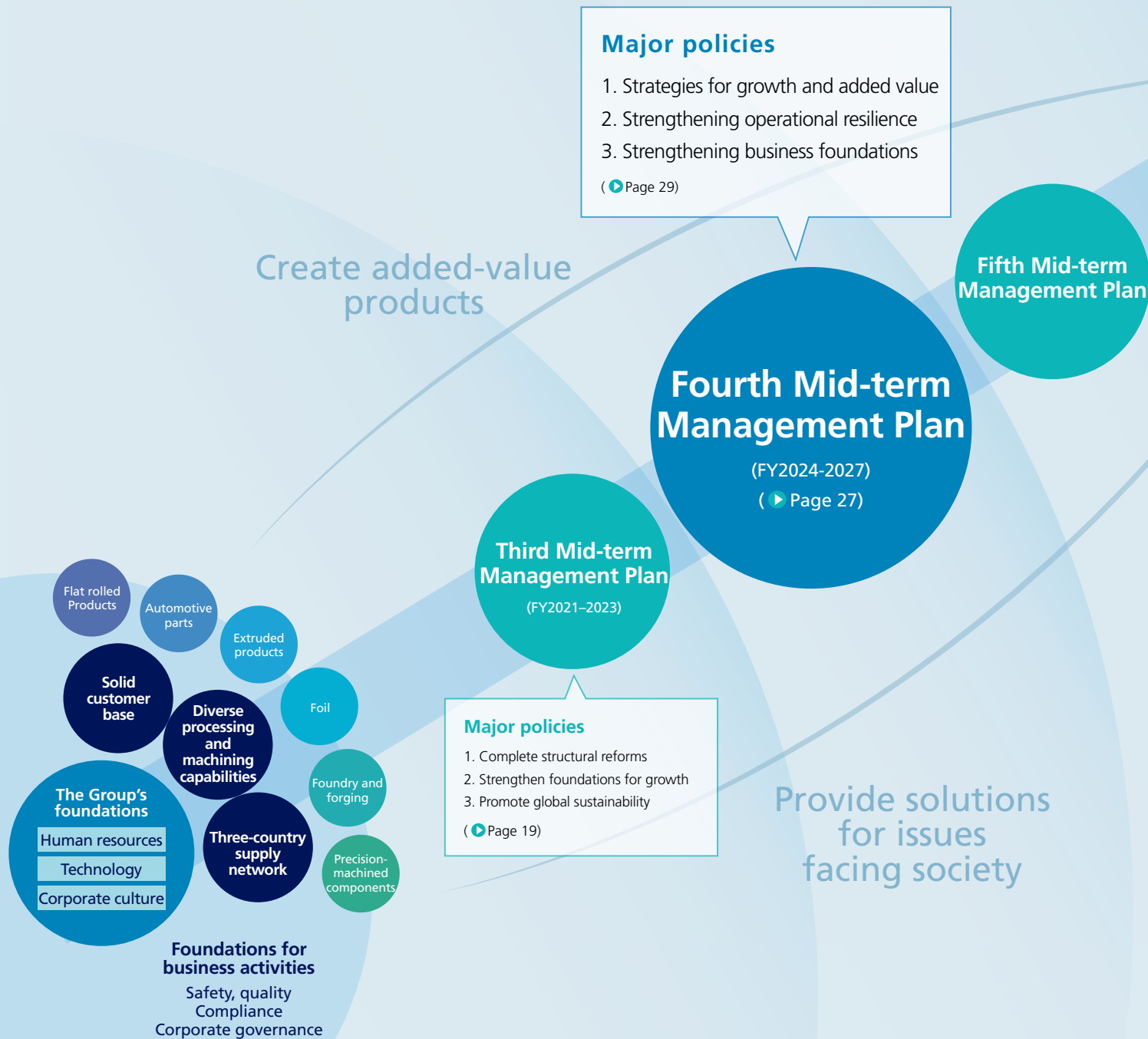


Building a better world and healthier environment

The UACJ Group is executing a new mid-term management plan as the third phase of management's long-term roadmap, UACJ Vision 2030

Our Vision

Aluminum is our passion. It inspires our work in building a better world and a healthier environment.



Group's long-term roadmap

UACJ VISION 2030

Mastering aluminum to help create a sustainable society

Our four policies

- Provide products that contribute to societal development by capturing demand in growing industries and markets
- Enhance aluminum materials in the supply and value chains to bring economic benefits to communities worldwide
- Develop all-new products and business models that offer solutions for challenges facing society
- Lower environmental impact by reducing CO₂ emissions across product lifecycles

Areas for contribution



Mobility	Lifestyles and healthcare	Environment and energy
Contribute to efficient and user-friendly transportation	Provide beneficial products for daily life and work	Reduce emissions and facilitate recycling

Materiality issues

- Leading a Circular Economy in Aluminum
- Taking measures to address Climate Change
- Supporting Environmental Health and Nature (Nature Positive)
- Respecting Human Rights
- Promoting Dei-ay

Various policy-based reforms led to higher earnings

The UACJ Group positioned its previous mid-term management plan as a platform for achieving its long-term roadmap, UACJ Vision 2030. Under this three-year plan, spanning from fiscal 2021 to 2023 (April 2021 to March 2024), the Group carried out initiatives based on three main policies: to complete structural reforms, strengthen foundations for growth, and promote global sustainability.

The structural reforms were executed between October 2019 and March 2023, with the main objectives of increasing earnings capacity, reforming the financial structure, and strengthening management systems. Specifically, UACJ consolidated its production facilities to optimize its manufacturing network. It also reduced the number of its

directors and executive officers in order to speed up decision-making and improve operational management. As a result of completing the structural reforms, the Company lowered its break-even point and reduced its debt-to-equity ratio¹ from 1.6 in March 2020 to 1.3 in March 2023. Moreover, the reforms contributed ¥21.0 billion in ordinary income, which was management's initial target.

To strengthen foundations for growth, the Group carried out measures aimed at adding more value to products, focusing on growth markets and industries, creating new businesses, and strengthening business foundations. In the United States, UACJ invested in production facility expansion for can stock and automotive parts in order to boost sales capacity. In Thailand,

production facilities that had been expanded through prior investments began operating at full capacity, enabling UACJ (Thailand) to generate substantial earnings. As steps to add more value to its products, UACJ partnered with customers to create aluminum recycling systems and decided to invest in recycling facilities at its production plants in Japan and those operated by UACJ (Thailand) and Tri-Arrows Aluminum. Although new businesses creation fell short of potential, UACJ's subsidiaries in Thailand and the United States greatly contributed to earnings, establishing a stronger foundation for future growth.

To promote global sustainability, the Group made progress with its recycling initiatives and established a solid platform for sustainability activities by redefining its materiality issues in response to changes in the environment. In addition, inter-divisional working groups were set up to more effectively tackle a number of specific environmental issues.

Compared with the time when the mid-term management plan was formulated, the Group's operating environment

changed dramatically as the COVID-19 pandemic brought economic activities to a halt and the conflict in Ukraine caused energy prices to soar. To stabilize its operations, the Group implemented additional structural reforms, through which it introduced systems for passing on rising prices of energy and aluminum alloy additives to customers, and increased roll margins in line with rising prices and environment-related investments.

Thanks to the Group's efforts to steadily execute the mid-term management plan and promptly initiate the additional reforms, financial results exceed targets in the final year of the plan. Only return on equity (ROE) fell short of the target, partially due to inventory valuations.

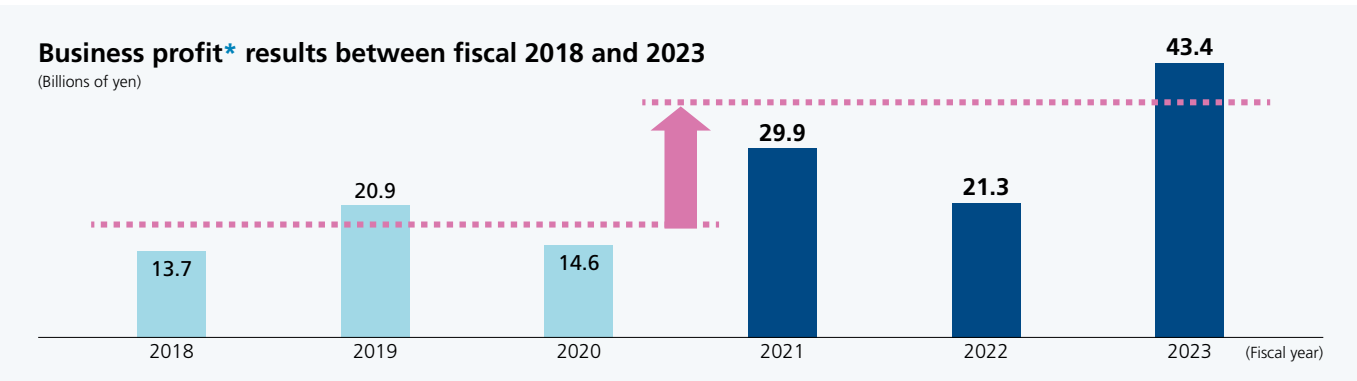
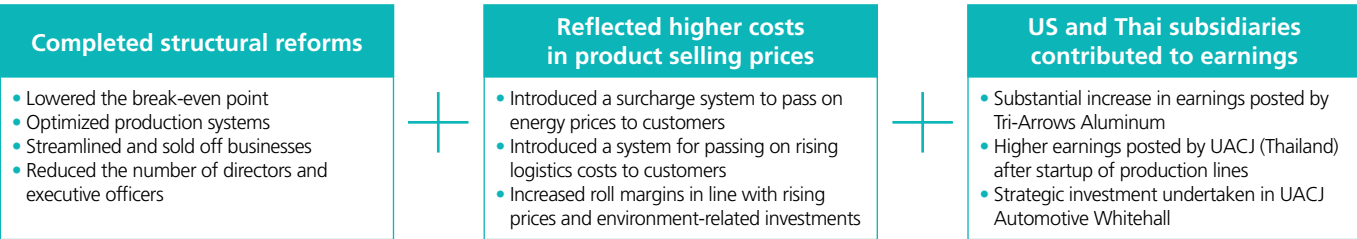
In addition, the Group carried out measures for achieving its targets for materiality issues during the period of the plan. It made steady progress for each materiality issue and beat targets set for the issues of respect for human rights, diversity and equal opportunity, and human resources development.

¹ The debt-to-equity ratio excludes subordinated loans

Main policies and achievements

Main policies	Major achievements	Assessment
1. Complete structural reforms <ul style="list-style-type: none">• Increase earnings capacity• Reform the financial structure• Strengthen management systems	<ul style="list-style-type: none">• Reforms contributed ¥21.0 billion in ordinary income between fiscal 2019 and 2022• The break-even point was lowered by 10% between fiscal 2019 and 2022• Production facilities were consolidated and the manufacturing network was optimized• The debt-to-equity ratio was reduced from 1.6 in March 2020 to 1.3 in March 2023• The number of directors and executive officers was reduced	Excellent
2. Strengthen foundations for growth <ul style="list-style-type: none">• Add more value to products• Focus on growth markets and industries• Create new businesses• Strengthen business foundations	<ul style="list-style-type: none">• Investments were implemented to expand production capacity of can stock and automotive parts in the US• Decisions were made to invest in recycling facilities in Japan, the US, and Thailand• Partnerships were formed with customers to create aluminum recycling systems• Key initiatives for raising profitability were expanded	Good
3. Promote global sustainability <ul style="list-style-type: none">• Contribute to solving issues related to climate change	<ul style="list-style-type: none">• A solid platform for sustainability activities was established• Inter-divisional working groups were set up to more effectively tackle specific environmental issues	Excellent

Main results of the previous mid-term management plan



* Business profit is operating profit excluding the effect of the metal price lag as well as temporary and extraordinary factors

Financial targets and results

	Fiscal 2023 mid-term plan targets	Fiscal 2023 results	Fiscal 2030 targets
Net sales	¥700 billion	¥892.8 billion	¥1,100 billion**
Business profit	¥32.7 billion	¥43.4 billion	(No target set)
Net sales to business profit ratio	4.7%	4.9%	6.0%
Debt-to-equity ratio	1.2	1.0	(No target set)
Return on equity	7.5%	5.3%	10.0%
Return on invested capital*	6.0%	7.5%	10.0%

* ROIC is calculated based on business profit before taxes ** The target was revised following a review of market prices of aluminum and international exchange rates

Non-financial indicators, targets, and results

Materiality issues	Performance indicators	Fiscal 2023 targets	Fiscal 2023 results	Fiscal 2030 targets
Response to climate change	Reduction of CO ₂ emissions across the entire supply chain	Reduce Scope 1 and 2 CO ₂ emissions by 17.3% compared with fiscal 2019	10.5% reduction (calculated using location-based data) 18.0% reduction (calculated using national emissions-related data)	• Reduce Scope 1 and 2 CO ₂ emissions by 30% compared with fiscal 2019 • Reduce Scope 3 CO ₂ emissions across the entire supply chain by recycling as much aluminum as possible in cooperation with various suppliers
Product quality assurance	Number of serious quality defects	Zero	Zero	Zero
	Number of customer complaints due to the fault of materials	10% fewer complaints than in fiscal 2022	4.2% fewer complaints than in fiscal 2022	50% fewer complaints than in fiscal 2020
Occupational health and safety	Number of serious workplace accidents	Zero	1	Zero
	Frequency of workplace accidents resulting in injury or death per million working hours*	0.25	0.17	0.08
Respect for human rights	Goals to be set based on the results of due diligence, and an action plan to be carried out	Execution of due diligence at a minimum of four manufacturing plants (including Fukui Works and factories operated by UACJ (Thailand) and UACJ Extrusion Nagoya Corporation Anjo Works)	Due diligence was executed at six manufacturing plants (including the three targeted plants as well as Nagoya Works and two plants operated by Kamakura Industry Co., Ltd., and UACJ Australia Pty.	Execution of due diligence at all of the Group's main workplaces in and outside Japan
	Percentage of employees and officers that participate in 1) training covering codes of conduct and human rights, and 2) training on harassment	1) 96% 2) 100%	1) 98% 2) 100%	1) 100% 2) 100%
Diversity and equal opportunity	Percentage of women in management positions (including directors and officers) at UACJ and its subsidiaries in Japan	4%	4%	15% (but whenever possible, aim for the 30% target set by the Japanese government)
	Percentage of successor candidates appointed to management positions	Extend target to group companies in Japan	100%	100%
Human resources development	Number of children and young people who participate in educational events held by UACJ as part of its education and sports programs for youth	800	932	1,000

* The frequency is calculated by multiplying the combined number of serious workplace injuries and deaths (regardless of whether operations were suspended) by one million and dividing the resultant amount by the total hours worked in the fiscal year.

Platforms for the next stage of growth put in place over the past decade following UACJ's establishment

Platform 1

Globally ranked production capacity of 1.4 million tons

After its establishment in 2013, UACJ positioned North America and Asia as growth markets, and carried out a series of large-scale investments in its production facilities in the United States and Thailand, which along with its factories in Japan, have formed a manufacturing network capable of supplying products globally. At present, the UACJ Group's annual production capacity of rolled aluminum products is about 1.4 million tons, the third highest in the world. Sales posted by subsidiaries outside Japan have been growing and currently account for over half of consolidated net sales, demonstrating how UACJ has evolved from a Japan-based business to a global enterprise over just a decade since its establishment.

Global ranking of annual rolled aluminum production capacity (as of March 31, 2023)

1	Largest producer	3.9 million tons
2	Second largest producer	1.6 million tons
3	The UACJ Group	1.4 million tons
3	Fourth largest producer	1.4 million tons
5	Fifth largest producer	1.3 million tons

Source: Research by UACJ

Business scale

Platform 2

A manufacturing network capable of meeting global demand

Demand for aluminum products has been growing internationally amid efforts to build a more sustainable planet, and the UACJ Group has been meeting this demand by making the most of its world-leading production capacity. In Japan, UACJ has established a solid base of customers and responds to their needs by applying a wide range of processing and machining capabilities. In Thailand, UACJ (Thailand) manufactures aluminum can stock primarily for markets in Asia and Oceania, while also supplying air conditioner compressor fins and automotive heat exchanger materials. In the United States, Tri-Arrows Aluminum has been leveraging its annual production capacity of 450 thousand tons to meet rising demand for aluminum cans as consumers shift away from plastics.

UACJ
Leveraging a solid customer base and diverse processing and machining capabilities thanks to six integrated businesses
Production volume: Approx. 640,000 tons/year

Tri-Arrows Aluminum
Capturing strong demand for can stock in North America
Production volume: Approx. 450,000 tons/year

UACJ (Thailand)
Operating a leading production plant in Southeast Asia
Production volume: Approx. 340,000 tons/year

Platform 3

A wide range of processing and machining capabilities that add value to products

Thanks to its establishment through the merger of two of Japan's leading aluminum product manufacturers, UACJ has a broad array of processing and machining capabilities that are unique in the industry. Following its acquisition of UACJ Automotive Whitehall Industries, UACJ acquired an array of technologies for fabricating automotive parts, further widening and refining its capabilities. The UACJ Group devises solutions that add value to products by integrating all of these technologies and capabilities, and has recently combined them with creative ideas to cultivate new businesses. It has also created products and services that solve various issues facing people today, such as aluminum cans for mineral water supplied during disasters, and entranceway flood barriers made from extruded aluminum materials.

Flat Rolled Products Business

Automotive Parts Business

Foil Business

Foundry and Forging Business

Extrusion and Metal components Business

Synergies

Platform 4

A business model for co-creating new products with customers

UACJ develops products beyond the borders of its own operations by co-creating with customers and participating in national projects in Japan. Having built close relationships with customers, the Company's sales departments work in close collaboration with manufacturing and R&D departments to develop and supply products that meet customers' specific needs. To provide a place for employees and customers to explore new possibilities for aluminum,

the Company set up its U-AI Laboratory in 2019 as a hands-on exhibition space inside its R&D Center. Furthermore, as part of its efforts to develop aluminum products with added value, UACJ pursues research on methods for recycling various aluminum products, and develops innovative aluminum materials in collaboration with universities and Japan's New Energy and Industrial Technology Development Organization.

National projects
Research institutes
Universities

Joint development with advanced research organizations

Development

UACJ

Manufacturing

Sales

Joint development with customers

Customer

Platform 5

Rising expectations for aluminum to provide solutions for environmental issues

In recent years, awareness of the need to reduce environmental impacts has been growing among businesses and consumers. Against that backdrop, more and more people are recognizing how environmental impacts can be lowered by recycling aluminum and using it in products as an alternative to other materials such as steel and plastic. For example, the adoption of aluminum for automotive parts can reduce the weight of automobiles, which improves fuel efficiency and, as a result, lowers CO₂ emissions. Moreover, compared to the smelting of virgin aluminum, recycling aluminum consumes only about 3% of the energy and emits just 3% of the greenhouse gases. Given such benefits, aluminum is increasingly expected to provide solutions for environmental issues.



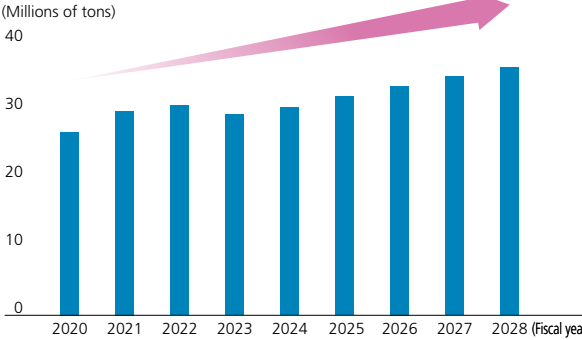
Market demand

Platform 6

Growing demand for aluminum products

Demand for aluminum products is expected to increase worldwide amid rising expectations for the metal to help reduce environmental impacts. During the period of the UACJ Group's mid-term management plan between 2024 and 2027, demand for aluminum sheets for automotive applications, which the Group regards as a growth market, is projected to grow by 7% annually, and demand for can stock is projected to increase by 5% annually. Both products are supplied by the Group's mainstay Flat Rolled Products business. The demand for automotive sheet reflects rising living standards, while demand for beverage cans is driven by population growth. In Japan, even though the population is declining, demand is projected to grow as aluminum applications increase and the metal becomes more widely adopted.

Global demand forecast for rolled aluminum products



Source: 2024 Aluminum Rolled Products Market Outlook Report, published in February 2024 by CRU International Ltd.

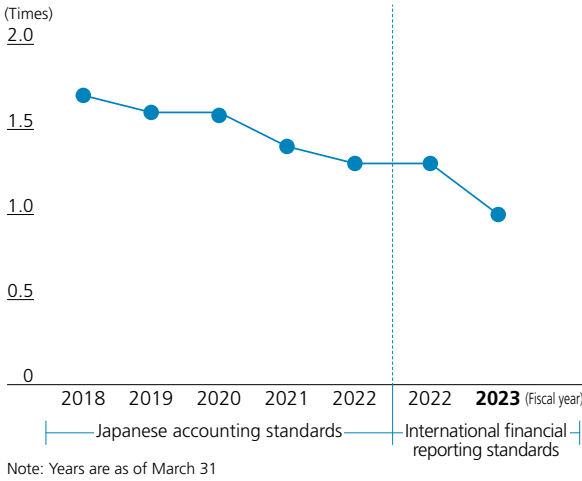
Platform 7

Growth investments underpinned by an improved financial structure

UACJ succeeded in strengthening its financial structure by completing a series of structural reforms initiated in October 2019 and its third mid-term management plan starting from fiscal 2021. In fiscal 2023, the plan's final year, the Company posted ¥43.4 billion in business profit and ¥79.8 billion in adjusted EBITDA*. As of March 31, 2024, the Company's debt-to-equity ratio** stood at 1.0, down from 1.6 as of March 31, 2021, reflecting growth in shareholders' equity. Having placed top priority on improving its financial structure during those years, UACJ is now firmly positioned for growth. Accordingly, it plans to allocate funds for growth investments while maintaining financial discipline.

* Adjusted EBITDA is EBITDA excluding the effect of the metal price lag
** The debt-to-equity ratio excludes subordinated loans

Debt-to-equity ratio



A solid foundation

Platform 8

Highly united organizations with a widespread understanding of UACJ's corporate philosophy

As part of its structural reforms, the UACJ Group took steps to reform its corporate culture. This involved renewing its corporate philosophy following discussions with employees about the Group's purpose and what it should strive for in the future. Many employees also participated in meetings with management aimed at raising awareness of the philosophy and enhancing employee engagement. Furthermore, the Group promoted a set of guidelines for all employees to follow called the UACJ Way, which includes three values: respect and understand your associates, embrace honesty and foresight, and be curious and challenging. As a result of these efforts, employees throughout the Group have embraced these values and are highly aware of the corporate philosophy and guidelines.



Business opportunities are increasing amid growing awareness of the need to reduce environmental impacts

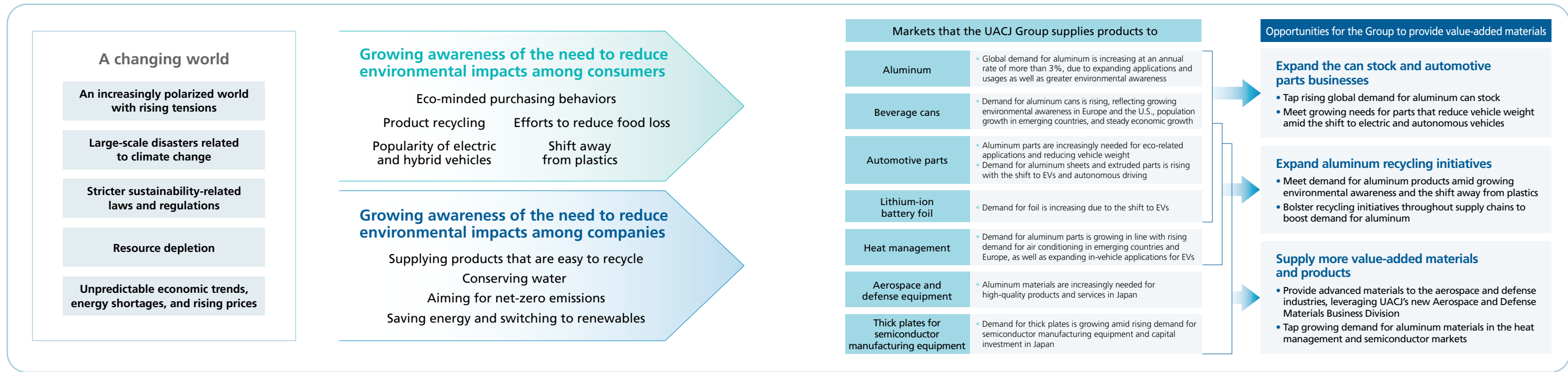
The world is changing every day. International relations have become polarized, conflicts have broken out in various regions, including the war in Ukraine, and economic trends are difficult to predict. Despite these changes, however, the movement to reduce environmental impacts is certain. Laws and regulations related to sustainability are becoming stricter around the world in response to climate change, energy shortages, and resource depletion, and consumers and business leaders are increasingly aware of the need to lower impacts on the environment. People are taking actions to do this, like recycling, purchasing eco-friendly products, and cutting

down on food loss. Companies are also stepping up efforts to solve environmental issues, such as by reducing their carbon emissions to net zero, and supplying products that are easy to recycle. This growing awareness of the need to reduce environmental impacts is creating more and more business opportunities for the UACJ Group. Indeed, these impacts can be reduced by using aluminum as a product material instead of materials like steel and plastic. Global demand for aluminum is projected to grow by 3% annually. Demand for aluminum can stock, the Group's mainstay product, is expected to increase substantially as consumers in

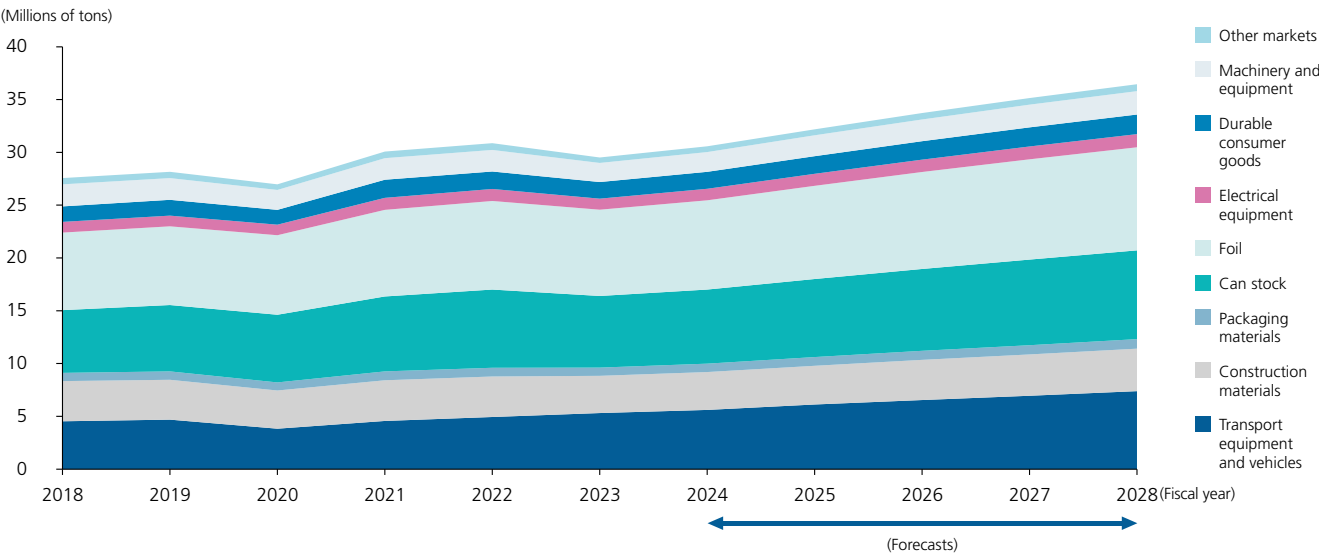
Europe and the United States shift away from plastic to aluminum beverage cans. Likewise, demand for aluminum automotive parts, also the Group's mainstay products, is expected to grow markedly as EVs become more popular and automakers work to reduce vehicle weight to meet stricter fuel efficiency regulations. Furthermore, the Group anticipates rising demand for its air conditioner compressor fins as global warming drives up demand for air conditioning. Demand for its thick plates for semiconductor manufacturing equipment is also expected to rise, especially as Japan steps up capital investment to reboot its domestic

semiconductor industry in response to geopolitical risks. To seize opportunities for growth amid such favorable market trends, the UACJ Group has formulated a set of strategies under its new mid-term management plan, specifically to expand its mainstay can stock and automotive parts businesses, help build a circular economy for aluminum, and supply materials and products with added value. Based on these strategies, the Group will leverage this added value to provide unique solutions for environmental issues while pursuing business growth.

See our website for more Risk Management
<https://www.uacj.co.jp/english/ir/policy/risk.htm>



Global production output and forecast of aluminum rolled products by market



Source: 2024 Aluminum Rolled Products Market Outlook Report, published in February 2024 by CRU International Ltd.

Spotlight

The benefits of recycling aluminum for today's decarbonization initiatives

Mass production and mass consumption since the industrial revolution are recognized as major causes of climate change. Today, significant steps are being taken to decarbonize in an effort to reverse this trend. For example, the European Union will put into effect the EU Carbon Border Adjustment Mechanism, a carbon tariff on carbon intensive products, from 2026, and other countries are also expected to adopt it.

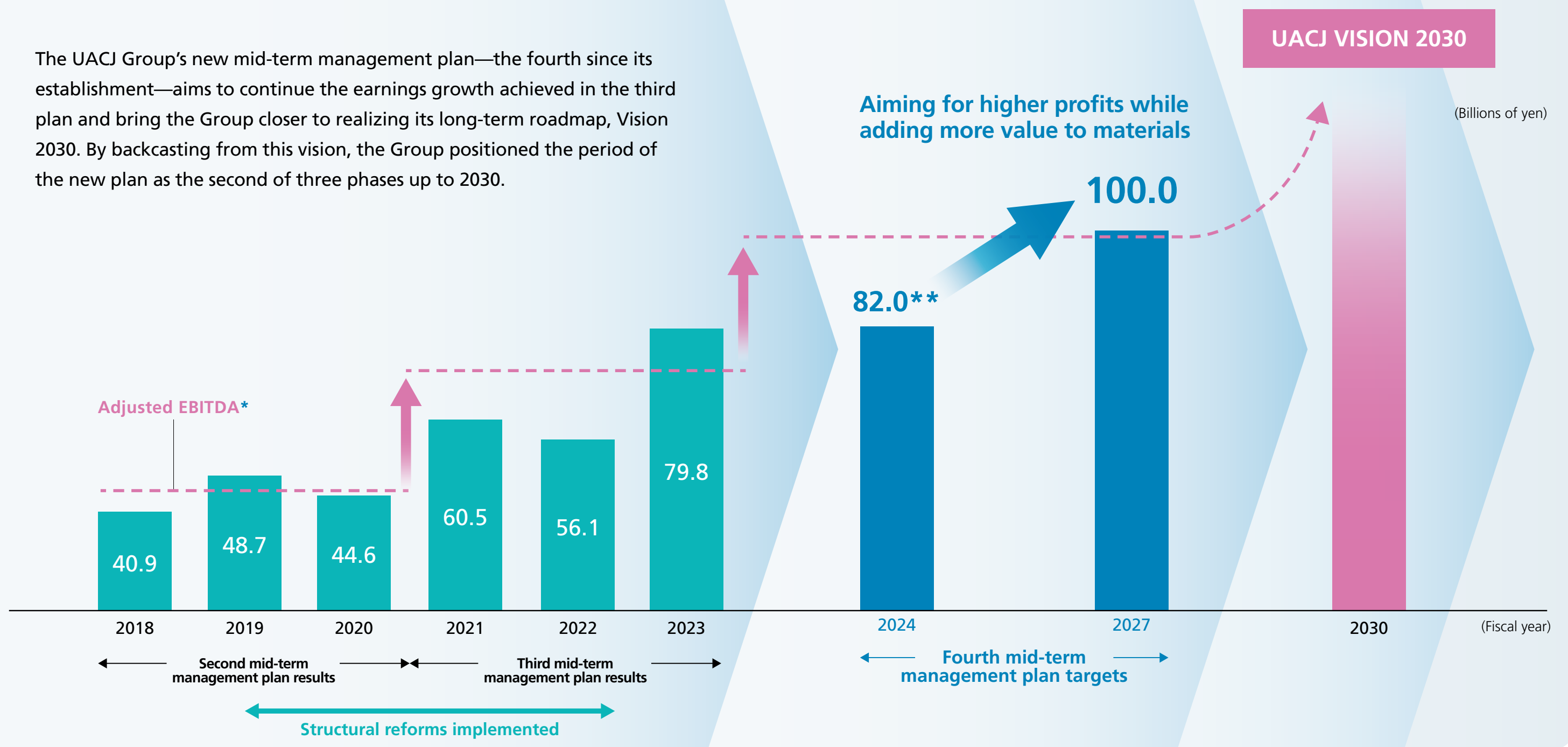
Despite these trends, many companies tend to regard decarbonization initiatives as a burden on their operations because they can result in higher costs. UACJ, however, recognizes that these higher costs are outweighed by the new business opportunities resulting from decarbonization initiatives. This is because the adoption of aluminum as a product material can contribute to decarbonization. Recycling aluminum is especially effective, because it emits only around 3% of the greenhouse gases emitted by the smelting of virgin aluminum. Building on its track record of recycling, the UACJ Group intends to spearhead efforts to build a circular economy for aluminum going forward. In this way, the Group will aim to create unique value while helping the world decarbonize.

New Mid-term Management Plan

Value, Connect, and Lightens the World

Aiming to supply aluminum materials with even more added value than before

The UACJ Group's new mid-term management plan—the fourth since its establishment—aims to continue the earnings growth achieved in the third plan and bring the Group closer to realizing its long-term roadmap, Vision 2030. By backcasting from this vision, the Group positioned the period of the new plan as the second of three phases up to 2030.



* EBITDA excluding the effect of the metal price lag

** The targets were revised in August 2024

Aiming to supply aluminum materials with even more added value than before

The UACJ Group is aiming to supply aluminum materials with even more added value than before under its new mid-term management plan. Toward that end, the Group has specified three key policies during the period of the plan. The first is to execute growth and added value strategies designed to maximize revenues and raise profitability, specifically by promoting recycling, expanding fabricated materials businesses, contributing to supply chain stability in advanced fields, and creating and growing new businesses. Second, the Group will improve its operational resilience by streamlining and strengthening its operations, which will involve flexibly addressing changes in the operating environment and increasing the asset turnover ratio. Third, the Group will strengthen foundations for creating value and maintaining stable operations by developing human capital and enhancing the value of its brands and other intangible assets.

By fiscal 2027, the final year of the plan, the Group is

targeting ¥1,050 billion in net sales, ¥60 billion in business profit¹, and ¥100 billion in adjusted EBITDA². It also aims to increase return on equity (ROE) and return on invested capital (ROIC)³ to 9%, respectively, and keep the debt-to-equity⁴ ratio below 1.0.

The main themes of the new plan are to create earnings, build partnerships, and promote the environmental benefits of aluminum. Recognizing that all employees must work together to carry out the plan and achieve its objectives, UACJ President Shinji Tanaka has led town hall style meetings in various workplaces to explain the plan's underlying ideas, specific policies, and goals. In the meetings, participants also discussed how workplaces can execute the plan's growth strategies and achieve its targets.

¹ Business profit is operating profit excluding the effect of the metal price lag as well as other temporary and extraordinary factors
² Adjusted EBITDA is EBITDA excluding the effect of the metal price lag
³ ROIC is calculated based on business profit before taxes
⁴ The debt-to-equity ratio excludes subordinated loans

Key Policies of the new mid-term management plan

1

Strategies for growth and added value

Maximize revenues and raise profitability through the following measures:
1) Promote recycling
2) Expand fabricated material businesses
3) Contribute to supply chain stability in advanced fields
4) Create and grow new businesses

2

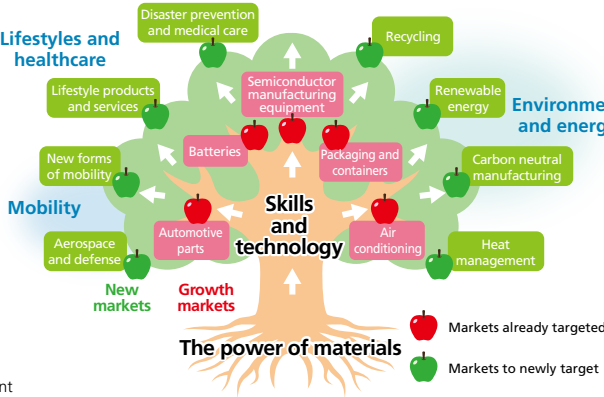
Strengthening operational resilience

Streamline and strengthen operations through the following measures:
1) Enhance capabilities for addressing changes in the operating environment
2) Increase the asset turnover ratio
3) Increase automation to improve safety and productivity

3

Strengthening business foundations

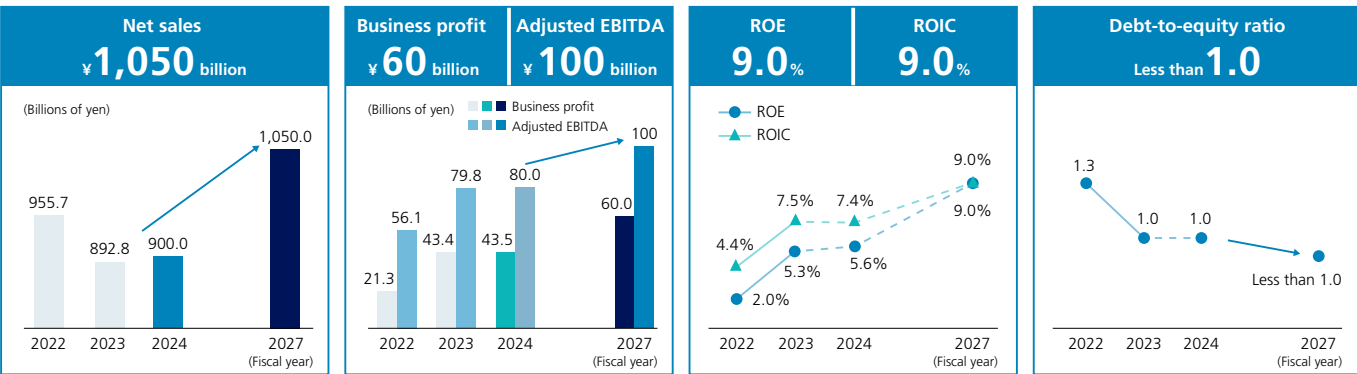
Improve capabilities for creating value and maintaining stable operations through the following measures:
1) Attract and develop diverse talent and increase employee engagement
2) Acquire, strengthen, and leverage intangible assets such as technologies and brands
3) Use digital technologies to strengthen competitiveness and organizational capabilities
4) Develop better solutions by facilitating internal collaboration and promoting more cooperation with partners in the supply and value chains



Uphold UACJ's principles of conduct

Conduct business in accordance with the UACJ Way
Promote health, safety, quality, compliance, and governance

Financial targets by the final year of the mid-term management plan



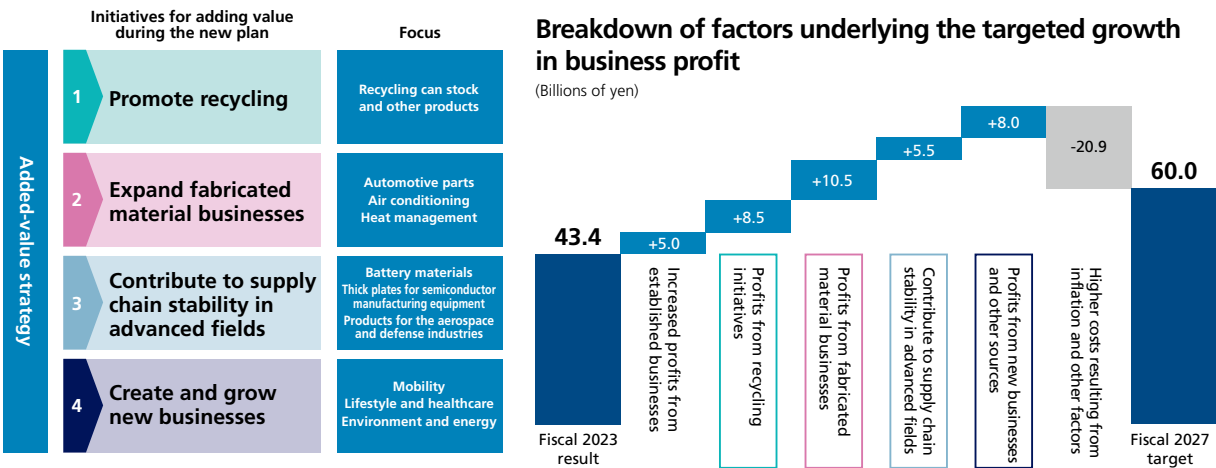
Objectives of the new mid-term management plan

Objective 1

Execute growth and added value strategies

UACJ is aiming to increase business profit from ¥43.4 billion posted in fiscal 2023 to ¥60.0 billion by fiscal 2027, the final year of its new mid-term management plan. In addition to profit growth in established businesses, profits

from four sources of added value specified in growth and added value strategies are expected to help boost profits during the period of the plan.



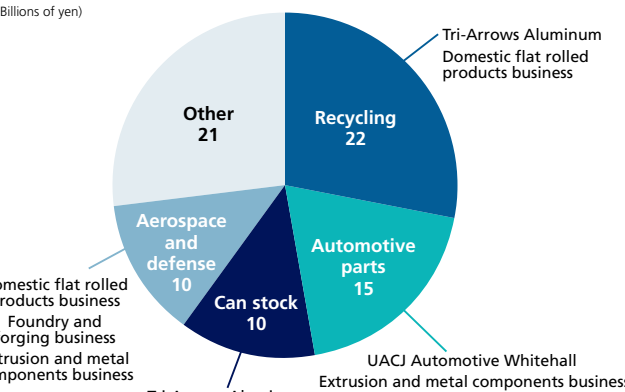
Objective 2

Prioritize investments in high-growth businesses

By limiting investments during the period of its previous mid-term management plan, UACJ improved its financial position, bringing the debt-to-equity ratio down to around 1.0. Under the current mid-term management plan, however, the Company will carry out investments

with a priority on high-growth businesses. During this plan, UACJ will aim for ¥100 billion in adjusted EBITDA by fiscal 2027, and has earmarked ¥78.0 billion for growth investments, which it expects to contribute to earnings during the period of its next mid-term management plan.

Breakdown of growth investment targets



Business	Market	Investment allocation policies under the new plan
Flat rolled products business (Japan)	Recycling Aerospace and defense	Invest in recycling and other value-added areas Invest in businesses supplying products to the aerospace and defense industries
Flat rolled products business (United States)	Recycling Can stock	Prioritize growth investment
Flat rolled products business (Thailand)	Recycling	Improve productivity to increase profitability (without boosting production capacity)
Automotive parts business (United States)	Automotive parts	Prioritize growth investment
Foundry and forging business	Aerospace and defense	Prioritize growth investment in businesses supplying products to the aerospace and defense industries
Extrusion and metal components business	Automotive parts Aerospace and defense Other	Prioritize growth investment in businesses supplying products to the aerospace and defense industries Focus on key areas without making major investments in other areas



Added-value strategy 1

Promote recycling

Toward a transformative business model covering the entire supply chain

The UACJ Group has been promoting recycling with a vision to be at the heart of a circular economy for aluminum, and has spearheaded efforts to recycle aluminum beverage can stock, its mainstay product. To build a circular economy, the Group recognizes the need to further expand can stock recycling and facilitate the recycling of the many other aluminum products on the market today. Adopting aluminum recycling systems throughout the supply chain and expanding recycling initiatives across Japan and southeast Asia will also be important keys for success.

Indeed, recycling more aluminum regionally can minimize dependence on imports of virgin aluminum, which are influenced by geopolitical risks, thereby ensuring stable supplies of the metal. This will contribute to greater business stability, not only for the Group but also for its customers and other businesses in the upstream supply chain. Moreover, the use of recycled aluminum helps lower greenhouse gas emissions throughout the product lifecycle,

and reduces the need to develop new bauxite mines for the production of virgin aluminum.

Because aluminum recycling contributes in these ways, recycling initiatives can create immense value for regions and for the UACJ Group. Accordingly, the Group regards its own aluminum recycling efforts as critically important. For this reason, it is making the most of its intellectual capital to develop recycling technologies while strategically investing in recycling equipment. At the same time, the Group is strengthening ties and collaborating with suppliers and partners to create recycling systems with a view to establishing a transformative business model spanning the entire supply chain.

The Group envisions a recycling-based business model with two key objectives. First, it will increase the amount of industrial scrap entering the recycling loop. Traditionally, large amounts of virgin aluminum have entered the aluminum recycling loop, while comparatively smaller

amounts of industrial scrap aluminum and recyclable materials from used products were fed back into the loop. Indeed, much of the scrap aluminum remaining after product manufacturing was not recycled into wrought aluminum, but was used for other purposes outside the recycling loop. In contrast, the UACJ Group intends to minimize the amount of scrap leaving the loop and the amount of virgin aluminum entering the loop in order to maximize the recycling process. Second, the Group will work to expand the scale of the recycling loop by increasing the overall amount of aluminum for recycling and the types of products from which the aluminum is obtained. In this way, the recycling process will contribute even more to reducing environmental impacts.

To measure its own progress, the UACJ Group calculates its recycling rate. This rate indicates the ratio of aluminum it melts down from sources other than virgin aluminum, specifically used and scrap aluminum. The recycling rate was

65% as of March 31, 2020, and the Group is aiming to raise the rate to 80% by the end of fiscal 2030.

Method of calculating UACJ's recycling rate

Used and scrap aluminum melted down in furnaces

All aluminum melted down in furnaces

×100

Used and scrap aluminum is comprised of the following:

- Aluminum from used products
- Industrial scrap aluminum
- Scrap aluminum from in-house manufacturing

All aluminum melted down in furnaces is comprised of the following:

- Virgin aluminum and aluminum alloy additives
- Aluminum from used products
- Industrial scrap aluminum
- Scrap aluminum from in-house manufacturing

Benefits of using recycled aluminum:

- Strengthens supply chains through regional recycling
- Reduces the amount of virgin aluminum used, lowering the need for new bauxite mines

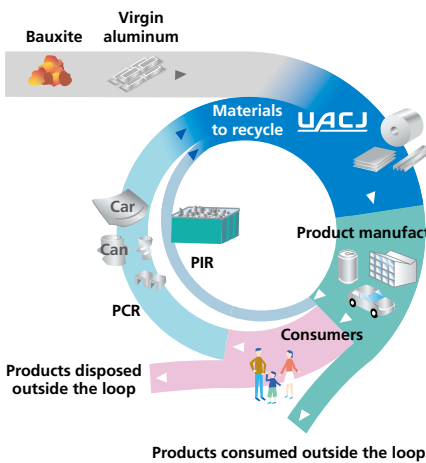
The UACJ Group is expanding the scope of its recycling activities through collaboration across the entire supply chain

The UACJ Group is building partnerships and developing aluminum products to reduce environmental impacts

Establishing a transformative business model spanning the entire supply chain

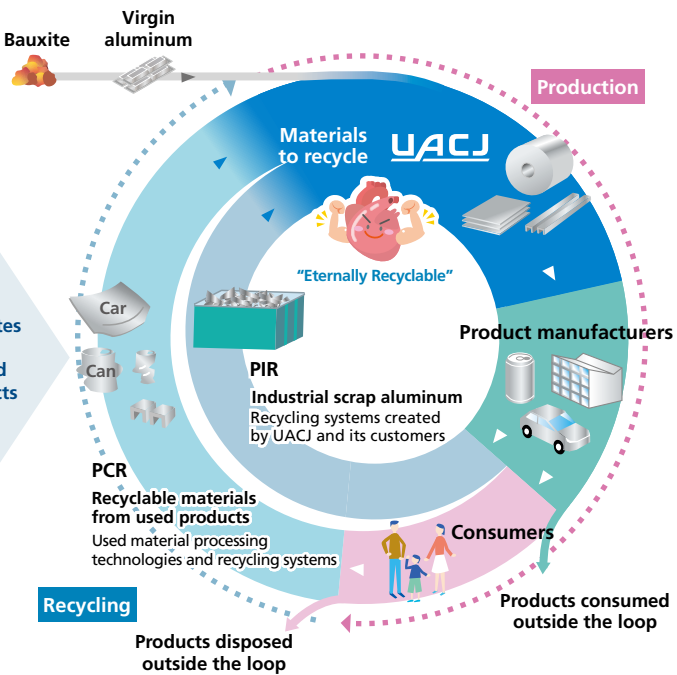
Strengthening partnerships		Making the most of intellectual capital
Investing in joint ventures and production facilities to benefit the environment	Marketing the ALmitas® brand to attract demand for aluminum materials	Raising market awareness of aluminum's environmental benefits
Strengthening ties with companies, universities, and governments to collect and recycle used products	Switching to easily recyclable alloys	Expanding the ALmitas® SMART brand of environmentally friendly products
Collaborating more closely with manufacturers to collect scrap aluminum	Developing recycling technologies for all kinds of aluminum products	Helping reduce CO2 emissions at the product usage stage

Current loop



Raise recycling rates
+
Increase recycled aluminum products

Vision



Added-value strategy 1 Promote recycling

Close-up

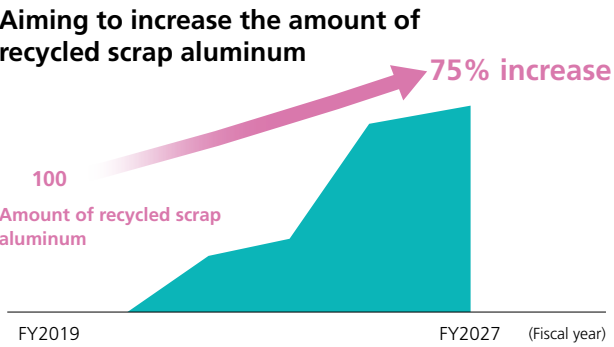
Establishing closed-loop recycling systems for aluminum cans

While recycling systems for aluminum beverage cans are more advanced than for other types of products, the UACJ Group has launched initiatives to make even more progress by enabling closed-loop recycling, which means recycling the same types of products. If this is achieved and all cans are recycled, virgin aluminum will no longer be needed to produce can stock, thereby eliminating the large quantities of greenhouse gas emissions from the smelting process.

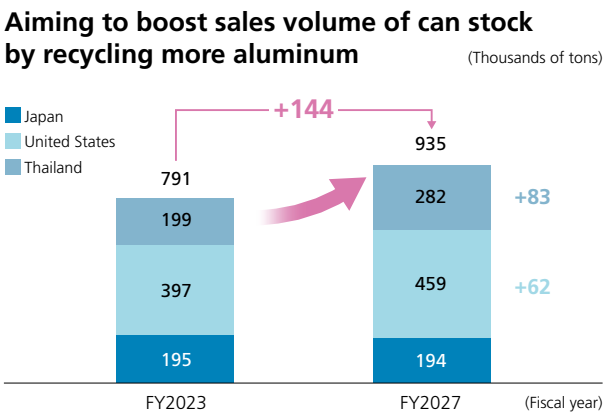
Toward this end, the Group is carrying out projects and initiatives at both the production and recycling stages. At the production stage, UACJ has teamed up with one of Japan's leading beverage producers to manufacture beer cans made entirely of recycled aluminum. In Thailand, UACJ (Thailand) has strengthened ties with a major can manufacturing group and is raising consumer awareness of the importance of recycling in a project called Can to Can Journey. Looking ahead, the Group will sell products under its own new brand, ALmitas⁺ Smart Mass Balance, which have been certified by a third-party for their contribution to reducing Scope 3 greenhouse gas emissions. UACJ's EcoEndTM brand of beverage can lids are also set for mass production, which will

emit around 40% less greenhouse gases than the production of conventional can lids (see Spotlight on page 34). At the recycling stage, Tri-Arrows Aluminum has raised its recycling capacity of used beverage cans, and UACJ (Thailand) has increased its scrap aluminum recycling capacity. UACJ also plans to install new equipment for recycling used beverage cans and scrap at Fukui Works, and operate a closed-loop recycling system for aluminum beverage cans through a business partnership (see Spotlight on page 34).

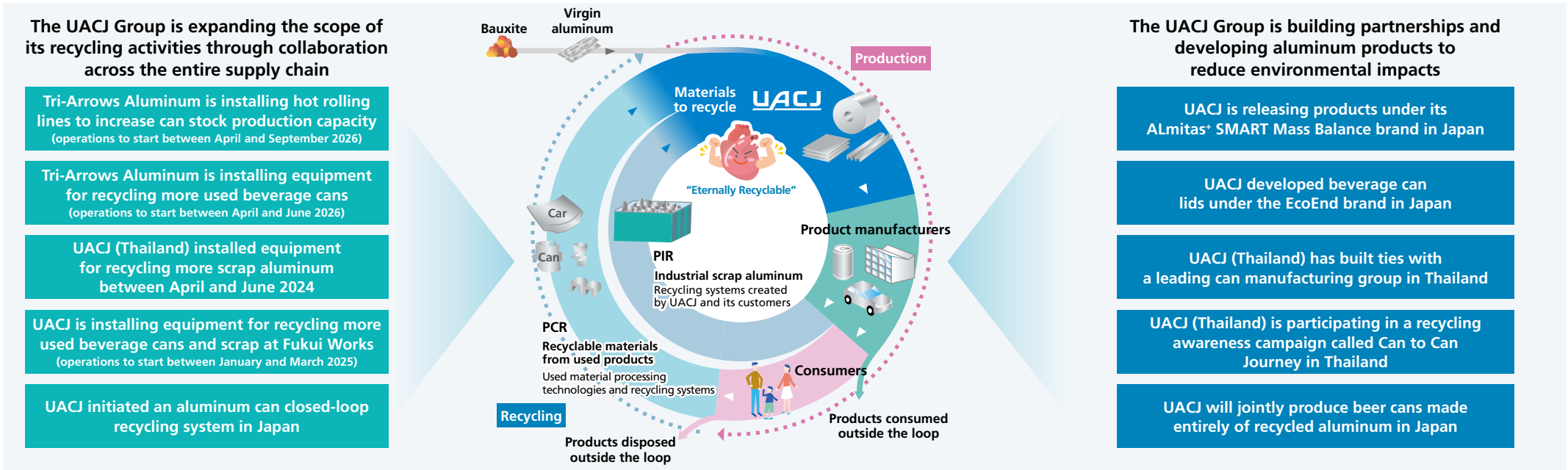
By carrying out all of these initiatives, the Group



intends to increase the total amount of aluminum it recycles, and has set a fiscal 2027 target of raising this amount by 75% compared with in fiscal 2019. By bringing more scrap and used aluminum into its recycling process, the Group will increase the overall amount of aluminum it uses to manufacture products. Accordingly, it will aim to boost sales volume of can stock from 791 thousand tons in fiscal 2023 to 935 thousand tons by fiscal 2027.



Building closed-loop recycling systems for aluminum cans



Spotlight

Establishing a next-generation beverage can lid production system that emits 40% less greenhouse gas

UACJ and Toyo Seikan Group Holdings, Ltd., completed their joint development of the EcoEndTM brand of next-generation beverage can lids in December 2023, and set up a manufacturing system for the product in July 2024. The production system will emit around 40% less greenhouse gases than the production of conventional can lids. This would amount to an annual reduction of about 140 thousand tons* of greenhouse gas emissions if Toyo Seikan replaces all lids of the beverage cans it sells in Japan with the EcoEndTM lids.

* The reduction is calculated based on the amounts of greenhouse gas emissions resulting from the production of EcoEndTM lids (per lid) compared with the production of Toyo Seikan's stay-on tabs in fiscal 2019.



Launching a closed-loop recycling system starting from office buildings in Tokyo

UACJ will begin building a supply chain for an aluminum can closed-loop recycling system in Tokyo in partnership with Sumitomo Realty & Development Co., Ltd., and Toyo Seikan Group Holdings, Ltd. Used beverage cans will be collected at office buildings owned by Sumitomo Realty & Development and then recycled into aluminum beverage cups and cans. Through this initiative, the companies also aim to raise wider awareness of recycling among the building occupants.





Added-value strategy 2

Expand fabricated material businesses

Building a model for adding value to products by combining diverse capabilities to launch fabricated material businesses

The UACJ Group's diverse processing capabilities are an unmatched competitive advantage in the flat-rolled aluminum industry, and by leveraging these capabilities, the Group is pursuing a unique strategy of expanding its fabricated material businesses. For aluminum to be more widely adopted in society, it must be processed and fabricated for specific applications. The Group intends to proactively broaden such applications because the metal can provide a means to help reduce greenhouse gas emissions across a product's entire lifecycle. By applying its diverse processing techniques to form aluminum products into shapes that are optimal for customers, the Group can contribute to increasing the overall amount of aluminum used. Moreover, these techniques can be applied to provide more value to customers. The Group is already doing so in its automotive parts business, and is working to extend this approach to other aluminum parts businesses targeting the air conditioning and heat management markets.

UACJ's US-based subsidiary in the automotive parts

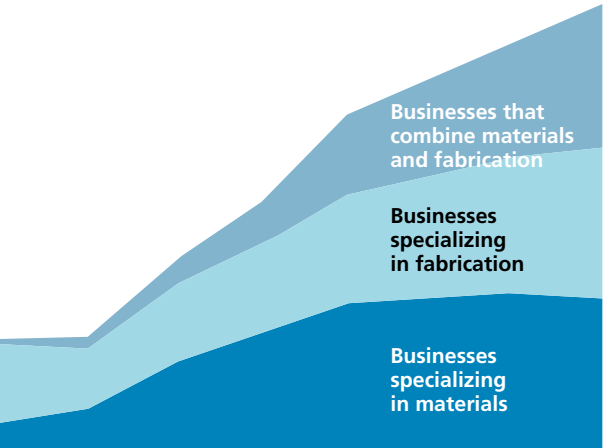
business, UACJ Automotive Whitehall, is making the most of the Group's expertise, from material design through to processing, and is aiming to increase its sales by an average annual rate of 6.5% between fiscal 2023 and fiscal 2027. During the same period, the Group expects to boost sales of products for the heat management market by an average annual rate of 4.2%, by tapping growing demand in air conditioning markets in emerging countries and heat pump markets in Europe, and by mass producing pin fans for power semiconductor cooling systems used in EVs.

This strategy of expanding fabricated material businesses draws on the Group's existing strengths, so it intends to quickly establish a business model for adding value to these materials during the period of its new mid-term management plan. As a major step in this direction, UACJ integrated its former extrusion business and precision-machined components business, and centralized their operations in the Extrusion and Metal Components Division in January 2024, with a view to enhancing its ability

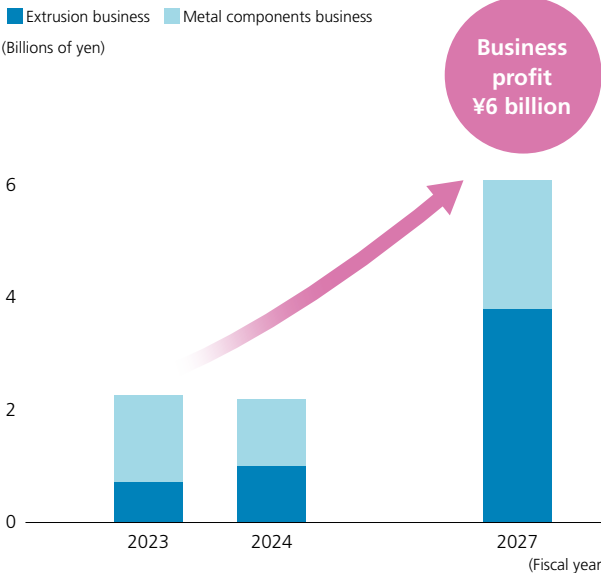
to devise new solutions for customers by leveraging the Group's collective capabilities, particularly each business's related expertise and the synergies between them. By combining fabrication businesses that understand materials with material businesses that understand fabrication, the Group can add value in its own unique ways. While working to expand both its material businesses and fabrication businesses that already have a market presence, the Group

will also aim to expand businesses that integrate materials and fabrication. Specifically, it will work to increase the scale of these businesses by around 1.5 times between fiscal 2023 and fiscal 2027, the final year of the new mid-term management plan. Accordingly, the Extrusion and Metal components Division will work to beat its business profit target of ¥6.0 billion by fiscal 2027.

Envisioned expansion of the extrusion and metal components business



Business profit target by the final year of the mid-term management plan



An exemplary product

The extrusion business and metal components business collaborated to supply train station platform door frames that benefit customers and increase earnings

The UACJ Group's fabricated material businesses have developed several products with high added value, raising expectations for the growth of these businesses going forward. Among these products, aluminum frames for train station platform doors have been installed at train stations in recent years. These frames are made of extruded aluminum, but processes such as folding and bending are also needed to make the finished product.

In the past, orders for such door frame materials and the bending had to be handled separately because the Group's extrusion and metal components businesses had operated independently. To avoid missing out on business opportunities, the two businesses worked together to set up a production system that integrates the extrusion and bending work, and to propose new products to customers. As a result, customers benefited by receiving fully finished products, and brisk orders for the products boosted UACJ's

earnings. Looking ahead, the Group will work to raise profitability and quickly establish new fabricated material businesses by leveraging its diverse processing capabilities.



Added-value strategy 3

Contribute to supply chain stability in advanced fields

Helping build a supply chain for the aerospace and defense industries by supplying added-value products and services

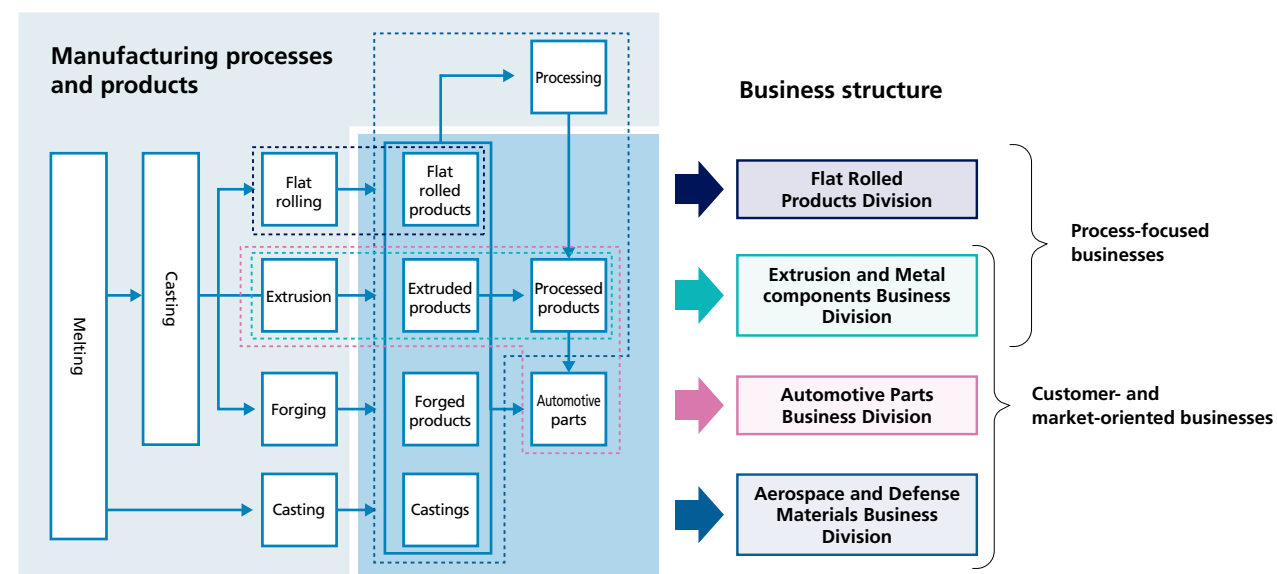
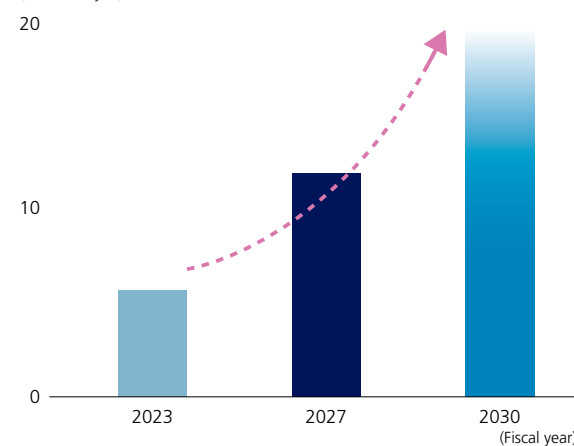
UACJ reorganized its businesses in January 2024 with a view to adding more value to materials. While continuing to classify certain businesses as process-focused, the Company newly classified some as customer- and market-oriented businesses. This change included the establishment of the Aerospace and Defense Materials Business Division to target Japan's growing aerospace and defense markets, which will require a stable supply of products in the future. Different divisions had handled different products even for the same customer in the past, but this division can offer products as a one-stop service. Moreover, it is able to ensure the comparatively high standards for product quality and information security required by the aerospace and defense industries.

The UACJ Group will work to beat its target of ¥10 billion in sales to the aerospace and defense markets by fiscal 2027, and then set a higher target for fiscal 2030 with the goal of increasing sales by an average annual rate of 19.2% between fiscal 2023 and fiscal 2030.

In addition, the Group is stepping up its development and production of products for the EV battery market, which is projected to grow over the medium and long terms despite a recent slowdown in the shift to EVs.

Envisioned sales to the aerospace and defense industries

(Billions of yen)



Added-value strategy 4

Creating and growing new businesses

Creating and expanding new businesses that provide solutions for today's issues

When formulating UACJ Vision 2030, the Group's long-term roadmap launched in 2021, management asked young and mid-career employees about new areas of business that they hoped to be actively involved in over the next decade. Their responses were summarized as mobility, lifestyle and healthcare, and environment and energy. The Group is looking to create and grow new businesses in these sectors by making the most of aluminum's properties and leveraging its diverse technologies and product development capabilities.

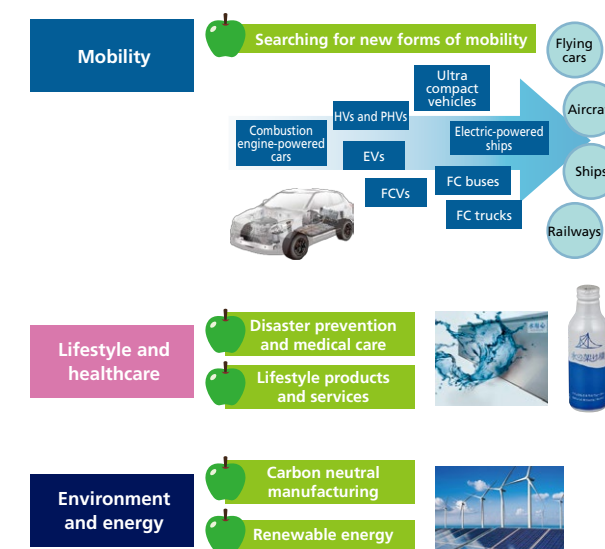
In the mobility sector, people in countries around the world have been searching for means of transportation that can reduce environmental impacts. Internal combustion engine-powered automobiles are being replaced by hybrid vehicles (HVs) and electric vehicles (EVs), and fuel cell vehicles (FCVs) have also been released to the market. Progress is also being made to develop aircraft, ships, and railcars in consideration of the environment. In preparation for such a future, UACJ

is applying its extensive expertise and technologies to create and expand mobility-related businesses.

In the lifestyle and healthcare sector, UACJ has been working to develop solutions for people's everyday lives. As an example, it released easy-to-install entranceway flood barriers under the brand name Mizuyojin in 2022. The Company developed this product because flood damage caused by torrential rainfalls has been growing more frequent in Japan due to climate change.

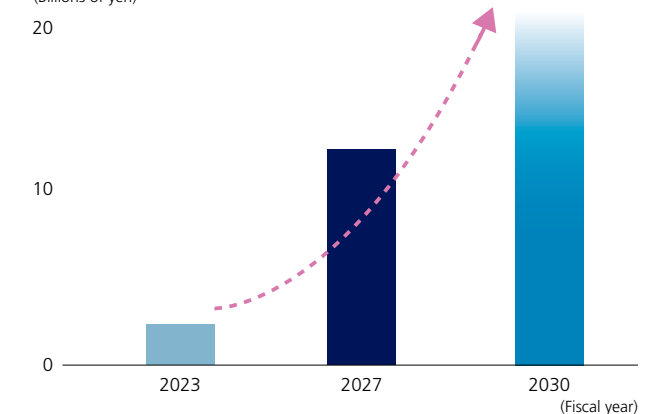
In the environment and energy sector, the Group has been working to provide solutions for the challenges of making factories carbon neutral, which has attracted attention in recent years, and for increasing the feasibility of renewable energy, including solar, hydroelectric, and wind power generation.

The Group is aiming to beat its target of ¥10 billion in sales to these new markets by fiscal 2027, and will set a much higher sales target for fiscal 2030.



Envisioned sales to new markets

(Billions of yen)



We are shifting to aggressive financial strategies while maintaining financial discipline with the goal of increasing the equity spread

Teruo Kawashima

Director, Executive Vice President
Responsible for group-wide finance,
corporate communications, and corporate strategies



FINANCIAL STRATEGIES

Raising capital efficiency while building a solid financial position

For the UACJ Group to help build a better world and healthier environment, it will be essential for us to ensure stable operations and generate enterprise value. Therefore, increasing the Company's stock price and improving its equity spread over the medium and long terms are important tasks for management. As the executive vice president overseeing the Group's finances, I have a responsibility to improve capital efficiency, increase financial strength, and build a solid financial position while paying close attention to a range of important factors, including our efforts to improve profitability and the

rate of invested capital, execute capital policies, disclose relevant information, and engage with capital markets.

Looking back on our previous mid-term management plan

Since its establishment in 2013, UACJ has aimed to capitalize on growing global demand for aluminum products by enhancing its ability to provide solutions and boosting production capacity through large-scale capital investments in Japan, the United States, and Thailand. Through these efforts, the UACJ Group's mainstay Rolled Aluminum Products business has established a global supply network based in these three countries.

Results achieved under the previous mid-term management plan

UACJ's stock price rose over the three-year period of the plan, reflecting improvements in profitability and the Company's financial position

Profitability improved

- Structural reforms were completed and systems were established to pass on rising costs to customers
- ROIC was widely deployed as an operational management indicator
→ An emphasis on the cost of capital in management led to a higher return on capital

Financial position strengthened

- Higher earning capacity generated free cash flows
- Cash conversion cycles were improved to lower working capital
- Shareholders' equity grew, reflected by a lower debt-to-equity ratio

Engaged with capital markets

- Disclosed a broader range of in-depth information
- Management emphasized the importance of cooperation with investors for raising enterprise value

Improved financial results

	FY2020	FY2023
Adjusted EBITDA	¥44.6B	¥79.8B
ROIC	2.9%	7.5%
ROE	-1.8%	5.3%
Debt-to-equity ratio	1.6	1.0

Market indicators

The stock price rose 65% between March 2021 and March 2024
The price-to-book ratio improved to 0.77 as of March 2024

Consequently, net sales increased substantially and the Group grew as one of the world's top aluminum product manufacturers.

At the same time, however, the large-scale investments drove up fixed costs, putting pressure on the Company's profitability and financial condition. In response, we carried out a series of structural reforms between October 2019 and March 2023, which included streamlining and selling off businesses, and reducing the number of directors and executive officers as a means to speed up decision-making. Furthermore, during the period of our previous mid-term management plan, which spanned from April 2021 to March 2023, to deal with soaring prices of energy and aluminum alloy additives caused by the COVID-19 pandemic, conflict in Ukraine, and changes in the market, we introduced systems for passing on these prices to customers.

By executing all of these measures in response to changes in our operating environment, we were able to substantially improve and strengthen the Company's profitability and financial position. Indicating this success, between fiscal 2020, the year we initiated the structural reforms, and fiscal 2023, business profit¹ rose from ¥14.6 billion to ¥43.4 billion, and adjusted earnings before interest, taxes, depreciation, and amortization (EBITDA)² increased from ¥44.6 billion to ¥79.8 billion. During the same period, the debt-to-equity ratio³

improved from 1.6 to 1.0, indicating a stronger financial position. Among our performance indicators for capital efficiency, return on invested capital (ROIC)⁴ came to 7.5% and return on equity (ROE) was 5.3% in fiscal 2023. These two results were disappointing, so we will need to make improvements to bring them in line with targets in the future.

Financial policies of the new mid-term management plan

Amid rising environmental awareness worldwide, demand for aluminum products is growing significantly. This is a major tailwind in the operating environment, as it allows the Company to take advantage of the expanded production capacity it had previously invested in. Demand for recycled aluminum materials is also projected to increase much more in the future, so the Company will continue investing in recycling equipment while working to raise profit margins with a view to improving capital efficiency and increasing its enterprise value.

Aiming to step up these efforts and add more value to the Group's aluminum products, we launched our new mid-term management plan in May 2024, which is positioned at the midway point of our long-term roadmap, UACJ Vision 2030. Under this plan, while continuing our efforts to improve the

Highlights of the previous mid-term management plan

Completed structural reforms

- Lowered the break-even point
- Optimized production systems
- Streamlined and sold off businesses
- Reduced the number of directors and executive officers

Reflected higher costs in product selling prices

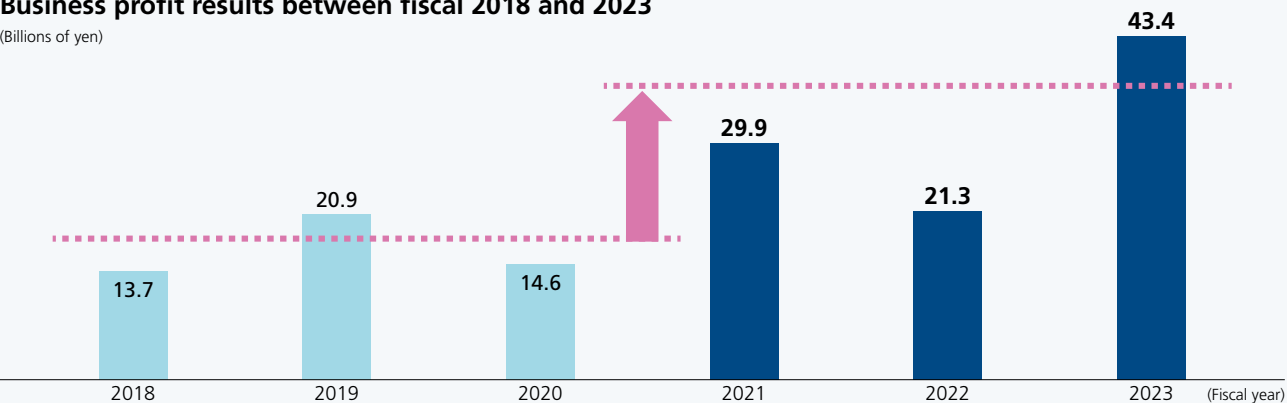
- Introduced a surcharge system to pass on energy prices to customers
- Introduced a system for passing on rising logistics costs to customers
- Increased roll margins in line with rising prices and environment-related investments

US and Thai subsidiaries contributed to earnings

- Substantial increase in earnings posted by Tri-Arrows Aluminum
- Increased earnings posted by UACJ (Thailand) after startup of production lines
- Strategic investment undertaken in UACJ Automotive Whitehall

Business profit results between fiscal 2018 and 2023

(Billions of yen)



Company's profitability and financial position, we have specified the cost of capital, resource allocation, the price-to-book ratio as important operational management indicators. During the three years of the previous mid-term management plan, we built a foundation for raising enterprise value by improving and strengthening the Company's profitability and financial position, so we are now ready to aim higher. From that standpoint, we intend to accelerate growth in the Company's business scale and enterprise value during the period of the new plan. Accordingly, we are targeting ¥1,050 billion in revenue, ¥60 billion in business profit, ¥30 billion in profit attributable to owners of parent, and ¥100 billion in adjusted EBITDA, as well as ROIC of 9%, ROE of 9%. We also aim to keep the debt-to-equity ratio below 1.0. Furthermore, to measure the progress of the financial strategies we will pursue under the plan, we have specified targets, tasks, and initiatives related to capital efficiency, cash allocation, cost of capital, shareholder returns, engagement with capital markets, and more in-depth information disclosure.

On the profitability front, we will work to increase business profit to ¥60 billion and profit attributable to owners of parent to ¥30 billion by fiscal 2027, the final year of the new plan, from ¥43.4 billion and ¥13.9 billion, respectively, posted in fiscal 2023. At the same time, we will aim to keep the debt-to-equity

ratio, our indicator for financial position, below 1.0, based on a policy of practicing financial discipline while allocating cash for growth investments that lead to higher enterprise value. Specifically, we will invest in businesses that can capitalize on rising demand for flat-rolled aluminum made of recycled materials. Demand for the Group's mainstay products—aluminum can stock and automotive parts—especially, has been on the rise globally amid growing calls for reducing CO₂ emissions and protecting the environment. By investing in these growth businesses, we expect to reach our business profit target of ¥60 billion and generate investment returns from 2028.

Allocating financial resources to boost enterprise value

During the four years of our new mid-term management plan, we forecast operating cash flow of ¥220 billion, of which ¥160 billion is earmarked for capital investment. Of that amount, ¥78 billion will be allocated for growth businesses. We had limited capital investment to around 80% of depreciation expenses during the period of the previous mid-term management plan, which was positioned as a time to utilize expanded production capacity and improve the Company's financial position. Under the new plan, however, we will raise the limit on capital

investment to around the same amount of depreciation expenses in order to invest in areas in which demand is projected to grow, particularly recycled aluminum materials, can stock, and automotive parts, with the goal of raising the Company's enterprise value and strengthening its financial position.

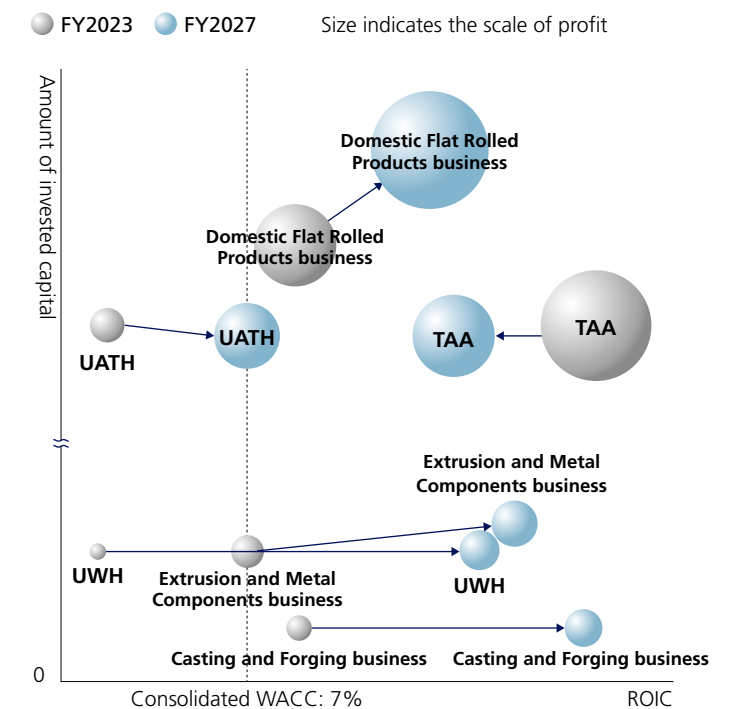
Strengthening the financial position to support growth

Since the period of our previous mid-term management plan, restricting amounts of working capital, which had increased in line with the expansion of the Group's operations, has been an important matter for operational management from the standpoint of improving capital efficiency and strengthening the Company's financial position. Therefore, we have been working to lower working capital by closely monitoring accounts receivable, accounts payable, inventory turnover times, and other factors. To measure this progress, we adopted a cash conversion cycle in each operational division, and have set a fiscal 2027 target of reducing this cycle to 85% of the amount in the base year of fiscal 2020.

Although we did not achieve our targets for the cost of capital and the Company's stock price during the previous mid-term management plan, we made progress toward raising capital efficiency by substantially improving profitability and the financial position overall. During the period of the new

mid-term management plan, we are aiming to raise capital efficiency, improve the equity spread, reduce capital costs, increase enterprise value, and raise the Company's stock price.

Portfolio envisioned in FY2027



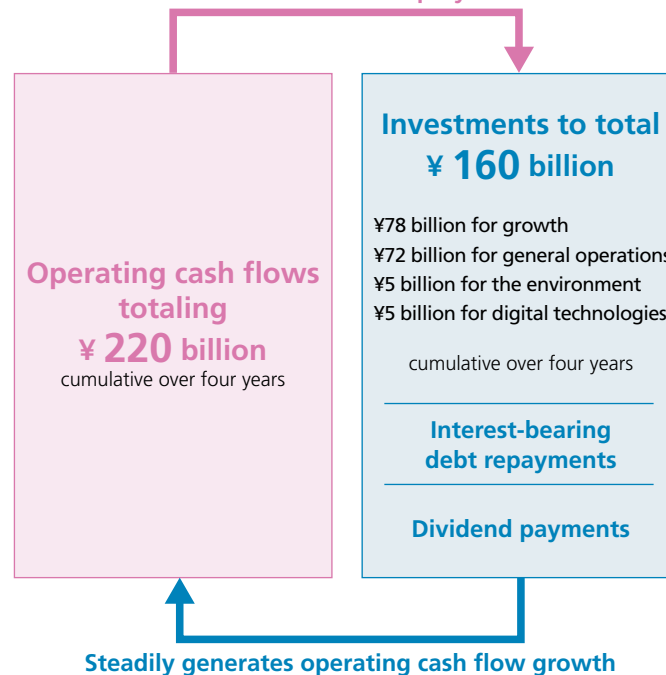
Financial indicators, targets, and cash allocation

Strategic financial indicators and targets

- Boost profitability**
 Increase business profit from ¥43.4 billion in FY2023 to ¥60 billion by FY2027
 Increase profit attributable to owners of parent from ¥13.9 billion in FY2023 to ¥30 billion by FY2027
- Raise capital efficiency**
 Increase ROIC (calculated on a business profit basis) from 7.5% in FY2023 to 9% by FY2027
- Financial position**
 Keep the debt-to-equity ratio below 1.0
- Cash allocation**
 Execute growth investments amounting to ¥78 billion
- Cost of capital**
 Reduce the weighted average cost of capital (pre-tax basis) from the current level 9% to 7%
- Shareholder returns**
 Target a dividend payout ratio of 30%
- More effectively engage with capital markets**
 Carry out proactive investor relations activities
- Disclose broader and more in-depth information**
 Disclose relevant financial and non-financial information

Increase enterprise value by raising the price-to-book ratio above 1.0

Cash allocation with a debt-to-equity ratio below 1.0



Increasing UACJ's stock price

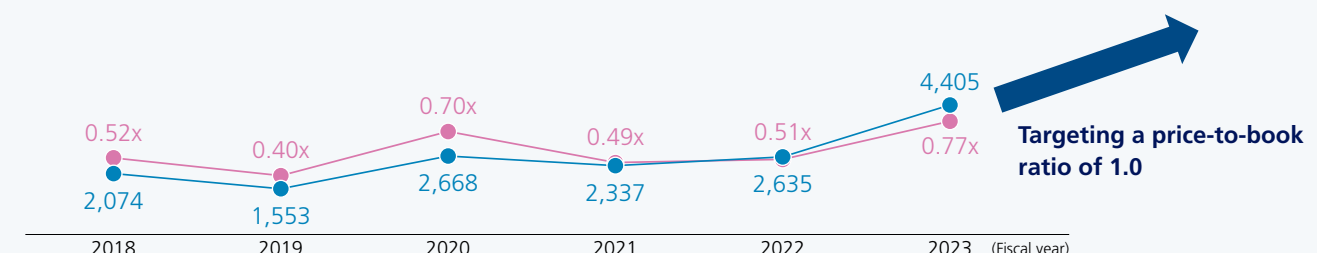
UACJ will work to maintain profits and cash flow while engaging with capital markets in an effort to increase its stock price

→ Increasing total shareholder return (TSR)

TSR growth over five years from FY2019 to FY2023: **222%**

UACJ's stock price and price-to-book ratio

● Price-to-book ratio ● Stock price as of March 31 (yen)



To measure progress in raising capital efficiency, we have used ROE, ROIC, and the debt-to-equity ratio as management indicators for several years. By directly using ROIC, in particular, we can clarify levels of invested capital in each operational division and set internal hurdle rates as targets for capital efficiency in operational management. The internal hurdle rates are set based on the weighted average cost of capital (WACC) on a pre-tax basis, and are deployed by each operational division to monitor both business profit and invested capital. Our targets for WACC and ROIC are 7% and 9%, respectively, by the final year of the new mid-term management plan. ROIC was 7.5% in fiscal 2023, falling short of our target. In our operational management, the use of WACC for internal capital efficiency hurdle rates enables operational divisions to directly grasp capital efficiency. We also implement group-wide financial cost management and tax management, and manage ROE based on profit attributable to owners of parent.

Under the new mid-term management plan, we will work to reduce the cost of capital rate from the current level of 9% to 7% by the plan's final year. At present, the Company's beta value is comparatively high in the aluminum products industry, so in order to reduce it, the Company must generate steady profits and cash flows, expand businesses, stabilize its financial

position, achieve profit targets, actively engage with capital markets, and disclose relevant information. We recognize that the Company has been judged harshly in the stock market for its low profit levels, weak financial position, failure to accurately forecast earnings, and other aspects of financial management. We have recently taken steps to address these shortcomings, but are aware that more must be done to improve accuracy and engage more effectively with capital market investors.

Engaging with capital markets

While promptly disclosing detailed information on the UACJ Group's performance and activities, we hold discussions with investors aimed at eliminating the discrepancy between the Company's market value and equity posted in its balance sheets, which can help reduce the cost of capital. In fiscal 2023, we held briefings on quarterly financial results, ESG initiatives, and business activities, as well as an Investor Relations Day featuring presentations by senior managers from Japan, the United States, and Thailand. We also arrange meetings with institutional and individual investors in Japan and other countries to explain the Company's business activities and performance. These efforts have been recognized by an

institutional investor magazine that ranked UACJ second in the metals sector for information disclosure.

Today, companies are expected to contribute to sustainability, and I believe that UACJ should continue focusing on this area. We have specified numerical targets for all non-financial performance indicators in our UACJ Vision 2030, and are setting up personnel management systems designed to enhance individual and organizational capabilities. I believe it will be important to actively expand our disclosure of such non-financial information going forward.

Shareholder returns

Under the new mid-term management plan, UACJ's policy on shareholder returns is to continuously pay stable dividends based on a dividend payout ratio of at least 30%, and in addition to dividend income, return profits to shareholders by raising the Company's stock price to provide opportunities for capital gains. The dividend payout ratio averaged 24.8% over the three years of the previous plan, but we are targeting 30% during the period of the new plan. We will aim to push up the Company's stock price by working to generate steady profits and cash flows, execute growth strategies, maintain a sound financial position, and increase total shareholder return through such persistent and continuous efforts. Having improved earnings power and finances during the previous mid-term

management plan, we can now focus on increasing ROE and lowering the cost of capital as a way to increase the stock price as much as possible. Furthermore, to achieve our price-to-book ratio target of 1.0, we have set an equity spread (the difference between ROE and the cost of capital) of 1% as an important target to achieve.

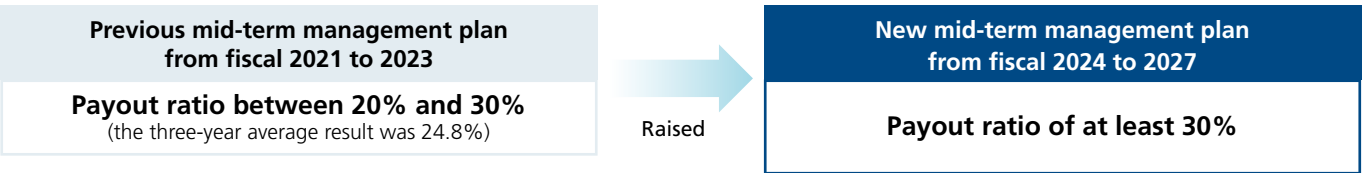
Our stance going forward

The Group's operating environment has changed significantly over the past several years. Following its establishment, UACJ carried out large-scale investments to boost production capacity and expand operations internationally, while also investing in recycling facilities. Now we are responding to steeply growing demand for aluminum products amid growing calls for companies to consider the environment. By making the most of expanded production capacity, we led group-wide efforts to boost profitability and improve the Company's financial position. As a result, profits exceeded targets in fiscal 2023. To build on efforts to raise enterprise value, we intend to shift from a defensive stance to more aggressive financial strategies while continuing to practice financial discipline.

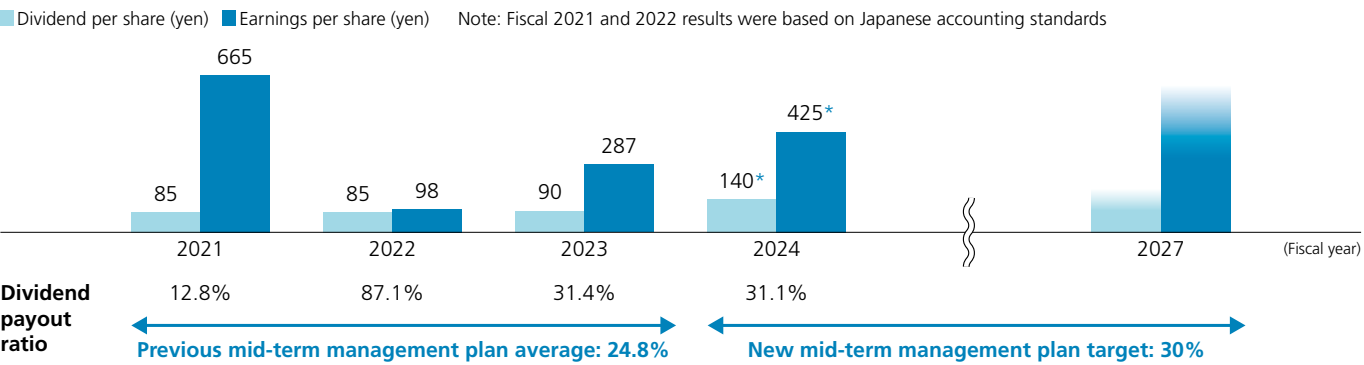
¹ Business profit is operating profit excluding the effect of the metal price lag
² Adjusted EBITDA is EBITDA excluding the effect of the metal price lag
³ The debt-to-equity ratio excludes subordinated loans
⁴ ROIC is calculated on business profit basis before taxes

Shareholder return policy

Continuously pay stable dividends based on a payout ratio of at least 30% of profit attributable to owners of parent



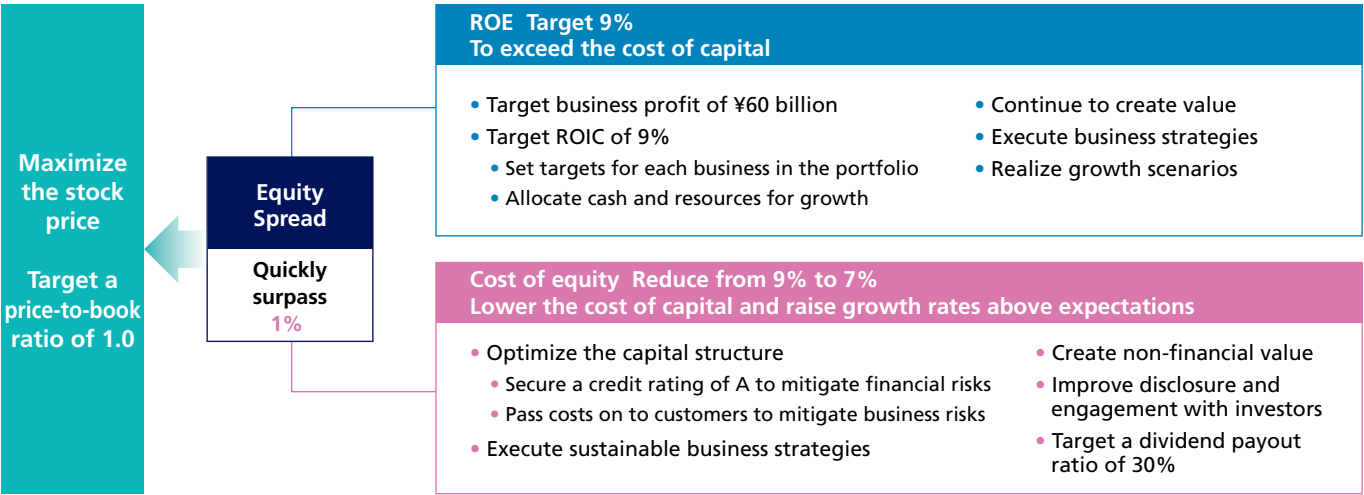
Dividend and earnings per share



* The targets were revised in August 2024

Measures for improving the price-to-book ratio

- Management will work to increase ROE by using returns from past investments to boost earnings above levels of invested capital while also effectively allocating operational resources.
- Management will aim to reduce the cost of capital by implementing measures for mitigating financial and business risks, improving information disclosure, and effectively engaging with market players.



Business Strategies

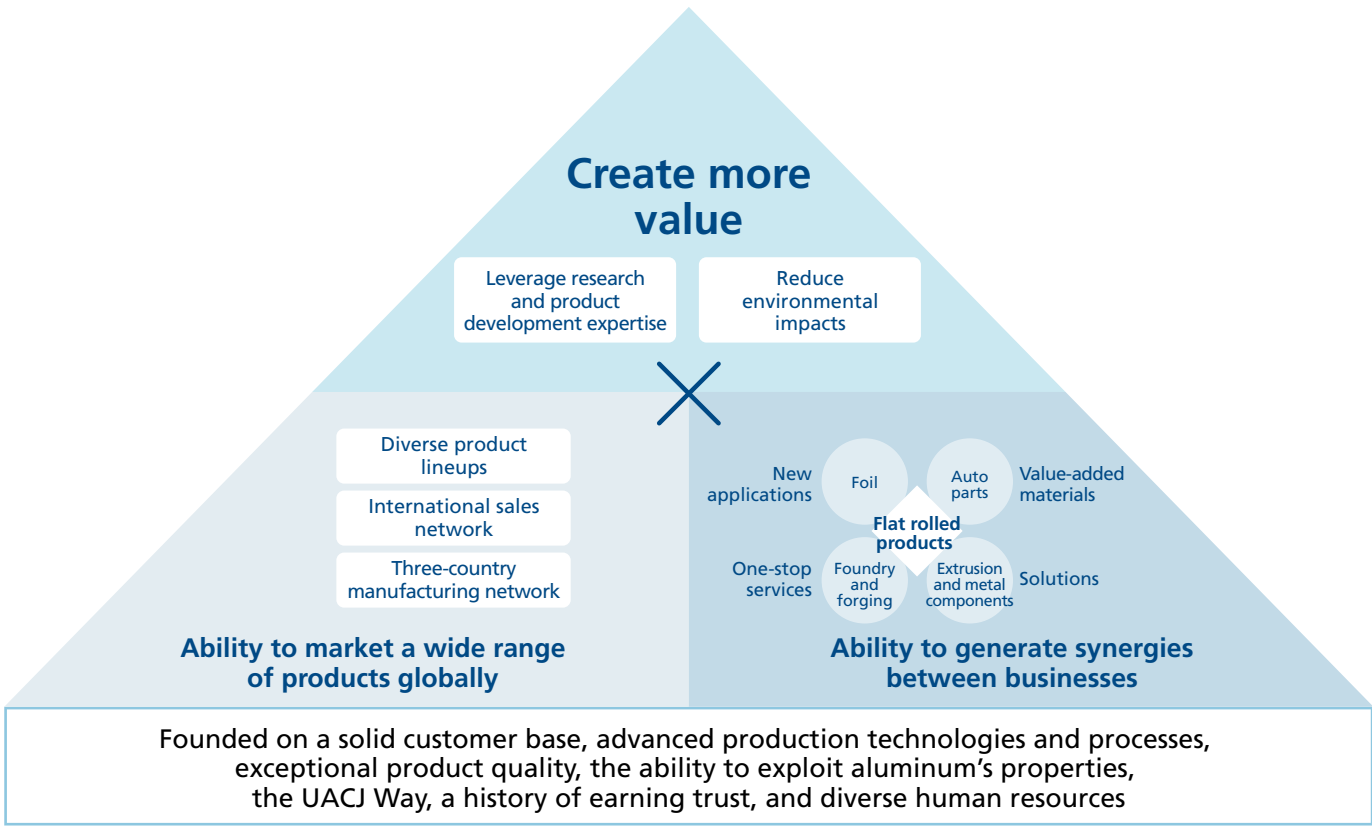
Striving to be the world’s top comprehensive supplier of flat rolled aluminum by adding more value to materials

Aiming to supply aluminum materials with even more added value than before under its new mid-term management plan, the UACJ Group has specified three key policies: execute growth and added value strategies, improve operational resilience, and strengthen its foundations. By carrying out these policies, the Group’s flat rolled products business is striving to become the world’s top comprehensive supplier of flat rolled aluminum.

For the UACJ Group, being the best in the world is not measured only by production capacity and product variety; it also means providing more value, especially by reducing environmental impacts and providing solutions for issues facing the world today. “Comprehensive” highlights to the Group’s comprehensive capabilities that are essential for creating value. Encompassing the entire value chain, they include the Group’s expertise in tailoring products for diverse applications needed by customers in a wide range of industries, and its ability to supply products globally through its three-country manufacturing network based in Japan, the United States, and Thailand. They also include the ability of the flat rolled products business and the Group’s other businesses to work collectively to generate synergies and devise new solutions.

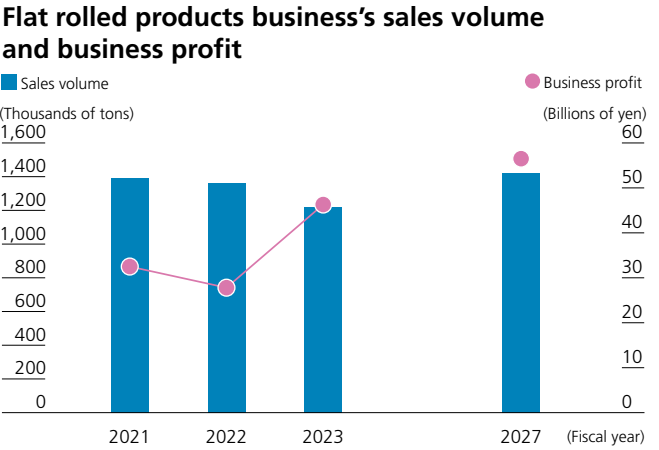
To become the world’s top comprehensive supplier of flat rolled aluminum, the flat rolled products business will combine these collective capabilities with its research and product development expertise while reinforcing the Group’s business foundations, namely its human resources, solid customer base, advanced production technologies and processes, exceptional product quality, and the guiding principles of the UACJ Way. To ensure success, the Group has set three basic policies to carry out: increase both sales volume and product quality, shift from basic products to solutions, and optimize its three-country manufacturing network.

To become the world’s top comprehensive supplier of flat rolled aluminum



First basic policy: Increase both sales volume and product quality

Amid growing global demand for flat rolled aluminum, the UACJ Group plans to boost its annual production capacity to 1.5 million tons with the goal of 1.4 million tons in annual sales volume by fiscal 2027, the final year of its mid-term management plan. Aiming to increase business profit over the same period, the Group will work to optimize its product portfolio, expand specific markets to target, step up new product development, use assets more efficiently, and raise profitability. Demand is expected to grow especially for can stock, automotive parts, battery materials, air conditioner compressor fins, and thick plates, so the Group will ensure that its manufacturing operations can flexibly meet changing demand for these products and maintain a stable supply while also raising product quality.



Second basic policy: Shift from basic products to solutions

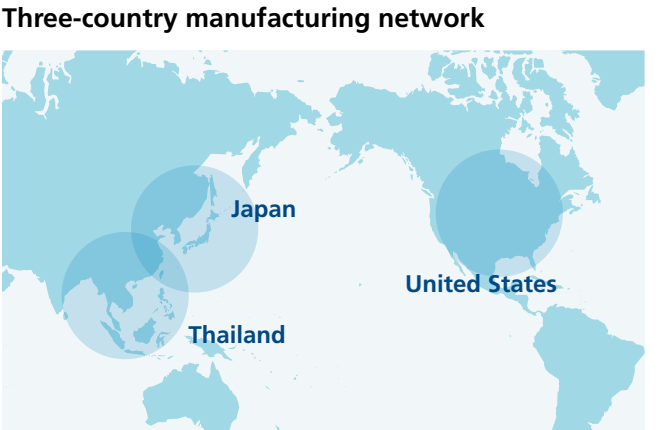
In addition to supplying products, the UACJ Group will place more emphasis on actively offering solutions for environmental issues. Specifically, it is aiming to help reduce greenhouse gas emissions across the entire supply chain and promote closed-loop recycling of aluminum products. Toward this end, Tri-Arrows Aluminum and UACJ (Thailand) are using scrap melting furnaces to recycle more aluminum, thereby raising the Group’s recycling rate. Likewise, UACJ has established a joint venture with Yamaichi Metal Corporation to recycle used beverage cans in Japan, with operations scheduled to commence during the period of the Group’s mid-term management plan. Moreover, UACJ is helping customers reduce

environmental impacts by adopting its ALmitas[®] SMART Mass Balance brand of flat-rolled aluminum, which allows greenhouse gas emissions to be verified through a mass balance approach. The Company is actively promoting this product to manufacturers in a wide range of industries. In addition, UACJ has joined the Aluminium Stewardship Initiative (ASI)¹, and has obtained ASI certification for Fukui Works in Japan and Rayong Works in Thailand, which better positions the Group to supply products to customers that value sustainability initiatives.

¹ The ASI is an international organization that aims to “recognize and collaboratively foster responsible production, sourcing and stewardship of aluminum.”

Third basic policy: Optimize the Group’s three-country manufacturing network

The UACJ Group has established a three-country manufacturing network based in Japan, the United States, and Thailand. To more effectively respond to customers’ needs and changes in market demand, the Group’s production facilities in Japan and Thailand are making more of their products compatible with each other, and are working closely together to coordinate the supply of air conditioner compressor fins in anticipation of rising global demand for air conditioners and heat pumps. The Group is also planning to boost its supply of aluminum can stock to regions where demand is projected to grow, and, therefore, will further optimize its three-country manufacturing network to ensure a stable supply going forward.





Recognizing rising demand for high-value-added products as growth opportunities while ensuring stable supplies to customers

Keizo Hashimoto
Senior Managing Executive Officer
Chief Executive of the Flat Rolled Products Division



Structural reforms lay a foundation for creating added value

In Japan, the Group's flat rolled products business began implementing structural reforms in October 2019 in response to changes in the operating environment. We successfully optimized our production network to boost earning capacity by consolidating production facilities and reorganizing their product manufacturing duties. This included making Fukaya Works a dedicated thick plate factory by eliminating other manufacturing operations, and starting up more profitable automotive body panel finishing lines at Fukui Works.

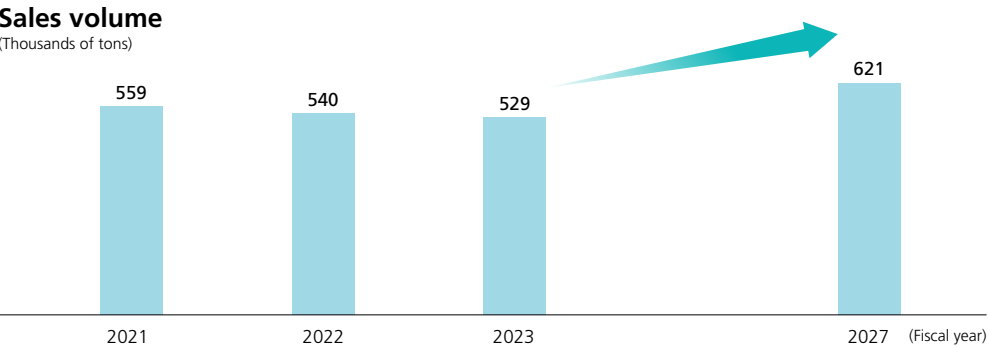
Thanks to these results, the flat rolled products business has

been generating steady profits by drawing on the strengths of each production facility—namely Nagoya Works' ability to offer diverse products for many applications, Fukui Works' competitive production capacity, and Fukaya Works' ability to supply specialized thick plates—while leveraging our solid customer base and expertise in designing products tailored to their needs.

Various changes in the Group's operating environment must be addressed in the future, such as climate change and advances in mobility. Recognizing these as growth opportunities, we intend to optimize our product portfolio, step up new product development, increase both sales volume and product quality, and shift from basic products to solutions as we strive to create added value.

Business conditions

Market opportunities	UACJ's competitive advantages	Challenges and tasks
<ul style="list-style-type: none">Adoption of aluminum by automakers amid growing need to reduce environmental impactsAdvances in digital technologies are driving up demand for aluminum materials used in IT-related devices and semiconductorsThe packaging and container industries are under increasing pressure to supply recyclable products	<ul style="list-style-type: none">Overwhelming market share in JapanManufacturing diverse types of productsMarket-specific strategiesLong history of excellent relations with customersAbility to flexibly meet customers' needs	<ul style="list-style-type: none">Promote aluminum can recycling in partnership with customersIncrease customers in the automobile industry and have Fukui Works boost cost competitivenessAttract new buyers of thick plates in the hydrogen industry



Executing growth strategies for each product type

Demand for aluminum products is projected to grow in Japan and around the world due to a number of factors, including the need to reduce environmental impacts and expectations for more diverse applications of aluminum based on the metal's properties.

In Japan, however, demand for can stock is expected to decline due to the country's shrinking population. Nevertheless, we plan to stimulate demand by promoting the added value of recycled aluminum cans for helping reduce greenhouse gas emissions, emphasizing how their exceptional recyclability leads to lower environmental impacts. To raise our recycling rate, we have stepped up efforts to establish closed-loop recycling systems. For example, UACJ has jointly developed beverage can lids branded as EcoEnd™ (see page 34) with Toyo Seikan Group Holdings, Ltd., and has established a joint venture with Yamaichi Metal Corporation to recycle used beverage cans. Through these initiatives, we intend to promote the wider adoption of aluminum cans as beverage containers and increase the overall amount of aluminum used. Furthermore, Fukui Works has acquired certification from the Aluminium Stewardship Initiative, and we plan to make use of this certification to boost our exports of aluminum can stock to markets overseas.

At the same time, we will work to generate steady earnings from automotive body panels by broadening sales channels and product lineups. We will aim to add more value to these products by developing environmentally friendly materials and expanding closed-loop recycling systems, while also cultivating the new demand expected from advances in vehicle electrification, led by electric and hybrid vehicles.

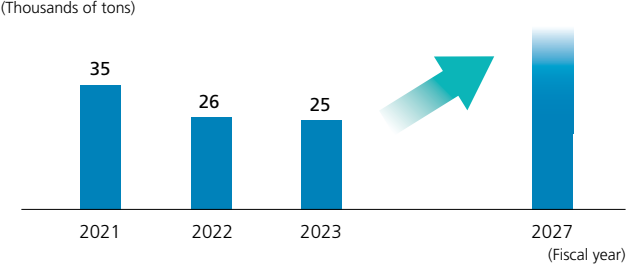
Finally, we will aim to boost sales volume of air conditioner

compressor fins amid projected growth in global demand for air conditioners and heat pumps, by having the Group's production facilities in Japan work closely with Rayong Works in Thailand to coordinate the supply of these products to customers.

Battery foil and housing cases

With the electrification of vehicles, the market for automotive lithium-ion batteries is growing markedly, pushing up demand for aluminum foil and housing cases used for these batteries. The UACJ Group is targeting battery foil markets in Japan, the United States, and Europe, which require high-value-added materials. While tapping this growing demand, the Group is focusing on raising profitability by adding more value to its products. The Group is also aiming to increase sales volume of battery housing cases as Japanese battery manufacturers capture rising demand in international markets.

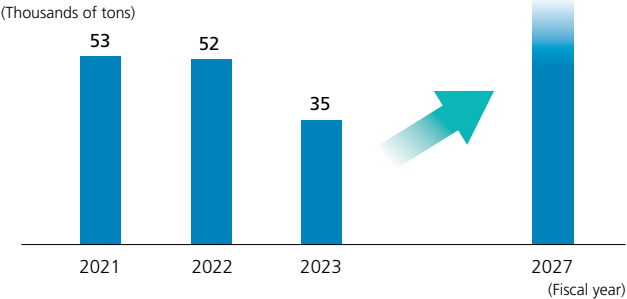
Sales volume of aluminum foil



Aluminum thick plates

Demand for aluminum thick plates used in semiconductor manufacturing equipment is forecast to pick up gradually after bottoming out in fiscal 2023. Led by Fukaya Works, UACJ's thick plate manufacturing operations have been set up to meet growing demand going forward. UACJ will also work to capture new demand for thick plates from the marine transport industry as it builds new tanker ships, and from Japan's aerospace and defense industries, which need stable supplies of this product.

Sales volume of aluminum thick plates



Sales volume outlook by product type

Product type	Objectives	Sales volume outlook
Can stock	Stimulate demand for can stock by promoting the added value of recycled cans	➡
Foil	Increase sales of battery foil by strengthening ties with battery manufacturers	➡
Automotive materials	Body panels	➡
	Heat exchangers	➡
Thick plates	Tap rebounding demand in the semiconductor market and target new tanker ships to increase sales	➡
Other materials	Air conditioner compressor fins	➡



Increasing profitability as we enter the phase of generating returns on large-scale capital investments

Tetsuya Yamada
Managing Executive Officer
President of UACJ (Thailand) Co., Ltd.



Aiming to boost annual production capacity beyond 320 thousand tons

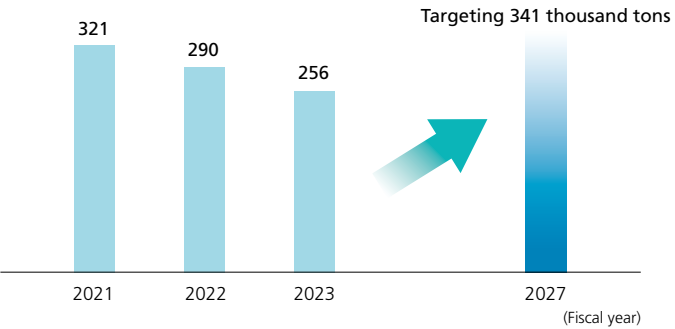
To capture growing market demand for aluminum products in Asia, UACJ carried out three phases of capital investment in UACJ (Thailand)'s Rayong Works from the start of the factory's construction in 2012 through to fiscal 2019. As a result, its sales volume reached 321 thousand tons in fiscal 2021, the first year of the previous mid-term management plan. Later, however,

demand slumped temporarily due to the COVID-19 pandemic and inventory adjustments across the aluminum can stock supply chain, but is expected to recover after bottoming out in fiscal 2023. We have entered the phase of generating returns on these major investments, so we intend to improve profitability while making the most of the expanded production capacity and sales volume during the period of our new mid-term management

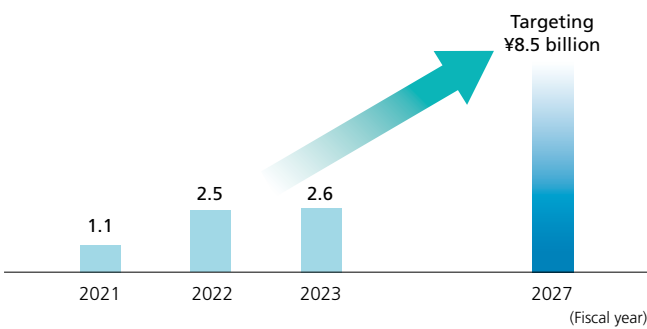
Business conditions

Market opportunities	UACJ (Thailand)'s competitive advantages	Challenges and tasks
<ul style="list-style-type: none">Steeply rising demand in the Asia-Pacific region backed by economic growthIncreasing exports to countries shifting away from plastic containers	<ul style="list-style-type: none">Operating Southeast Asia's only state-of-the-art aluminum rolling millExcellent access to other Asian countries where demand is projected to growSolid relations with beverage can manufacturers from Japan and other countries	<ul style="list-style-type: none">Increase production capacity beyond 340 thousand tonsContinue securing and training local workers to independently operate manufacturing facilitiesBoost earnings by cutting costs and diversifying products, sales regions, and customersStrengthen ties with international customersDeploy recycling technologies and establish recycling systems

Total sales volume



Business profit



plan. Furthermore, we plan to expand production capacity further with the goal of increasing annual sales volume to 341 thousand tons. At the same time, we are stepping up our initiatives for reducing environmental impacts, and continuing to train local employees to manage operations, thereby deepening the company's roots in Thailand.

Carrying out initiatives for three types of products

UACJ (Thailand) manufacturers three mainstay products: aluminum can stock, automotive heat exchanger materials, and air conditioner compressor fins. The company's main target markets for can stock are Thailand, India, and countries in the ASEAN region and Oceania. These markets are expected to continue growing in the future, so we will need to expand capacity in step with rising demand. In addition to these markets, we will continue efforts to expand in the Middle East and Africa during the period of our new mid-term management plan while working to enhance product quality and ensure a stable supply of can stock with the goal of reaching 300 thousand tons per year in sales volume. To increase business profit, we will work to improve roll margins and carry out various cost-cutting measures. At the same time, we will explain to our many customers how recycling aluminum adds more value to the products we supply by improving the environment. Demand for automotive heat exchanger materials from automakers has been solid, and with the shift to electric and

hybrid vehicles, we believe the need for heat management materials will keep growing, particularly for battery-related materials. We can make good use of our technologies for these applications, so we plan to focus on this market going forward. We will also focus on marketing air conditioner compressor fins, anticipating that these products will be increasingly used now that air conditioners are not only common in developed countries but are also becoming an indispensable part of people's lives in emerging countries.

Highlighting the value of recycled products

UACJ (Thailand) is working to recycle as much aluminum as possible. As part of these efforts, we began operating a sidewall furnace, which can efficiently melt scrap aluminum, in April 2024 after completing its installation in the previous month. Recycling aluminum in-house is essential for increasing our recycling rate, of course, but it is also necessary to raise public awareness of the importance and value of recycling, as well as the benefits of our products. Toward this end, UACJ (Thailand) has been educating the public about aluminum can recycling through a project called Can to Can Journey, which involves the Thai government, domestic can producers, and other stakeholders. Through this initiative, we intend to highlight the importance of recycling in Thailand, Vietnam, and other Asian countries, and promote the widespread adoption of high-value-added products that benefit the environment.

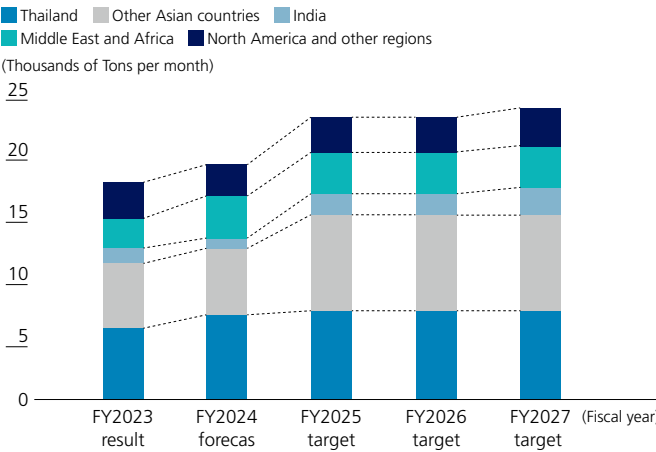
Objectives

- Increase annual sales volume to 341 thousand tons
- Continue selling to customers with sales contracts while promoting sales to new customers
- Ensure a stable product supply and make more products compatible with those produced by UACJ in preparation for changes in demand

Can stock strategy

- Focus on promoting sales to regions originally targeted at the time of the company's establishment, namely the ASEAN region, India, the Middle East, and Africa
- Stabilize earnings by raising selling prices when necessary
- Add more value to can stock by using recycled aluminum to benefit the environment
- Emphasize the ability to dependably supply high-quality products to gain an edge when negotiating sales contracts

Sales volume of can stock by targeted market





Increasing production capacity and optimizing production systems in response to growing needs for aluminum can recycling

Henry Gordinier
Managing Executive Officer
President and CEO, Tri-Arrows Aluminum Inc.



Annual production capacity of can stock increased to 450 thousand tons

Market demand for aluminum can stock has been on the rise in North America. Although demand fell temporarily in 2023 as beverage makers adjusted their inventories, this was eventually resolved and demand recovered. The market is currently healthy and is projected to grow over the long term.

Against this backdrop, Tri-Arrows Aluminum believes that one driver of this growth will be rising consumer awareness of the sustainability of aluminum beverage cans. Due to their excellent recyclability, these cans are preferred by consumers as environmentally friendly drink containers, and are being widely adopted for new products. Consequently, demand for aluminum can stock is projected to grow by about 3% annually.

To meet this market demand, Tri-Arrows Aluminum will increase its production capacity to 500 thousand tons through capital investment during the period of the UACJ Group's current mid-term management plan, spanning from April 2024 to March 2027. While leveraging this greater capacity to capture demand, the company will strive to create new markets in the future as a supplier of choice among customers.

Continually raising productivity and profitability while promoting recycling

By continually making improvements and removing bottlenecks in manufacturing processes, Tri-Arrows Aluminum has enabled its production system to flexibly respond to temporary increases in orders. It invests in facilities and equipment while considering both profitability and ongoing measures for raising productivity. Furthermore, the company has gained a competitive edge by ensuring high product quality while keeping costs low.

Through such improvements to its manufacturing and supply systems, Tri-Arrows Aluminum has built up a solid customer base and is recognized as a premiere supplier among many customers. This excellent reputation is reflected in sales

agreements, as the company has already concluded contracts to supply can stock in the years ahead, ensuring that its production facilities operate at full capacity over the three years of the current mid-term management plan.

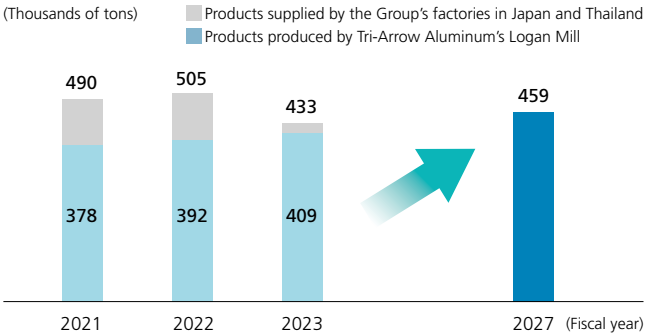
Anticipating growing market demand going forward, Tri-Arrows Aluminum plans to expand its hot rolling equipment and apply new technologies with the goal of a 13% increase in production capacity by 2026. At the same time, the company will expand its scrap aluminum melting facilities to enable its recycling system to handle more used beverage cans. It will work to raise recycling rates in addition to yields and utilization rates by optimizing these production systems.

In response to growing environmental awareness, the company is acting to help increase the recycling rate of used beverage cans in North America, which is currently about 45%. Toward this end, the company is working with policy makers, industry associations, and partners to develop solutions and an operational model that will increase post-consumer recycling rates.

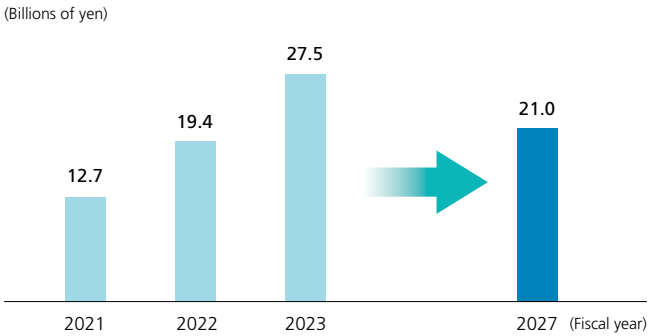
Business conditions

Market opportunities	Tri-Arrows Aluminum's competitive advantages	Challenges and tasks
<ul style="list-style-type: none">• Demand for can stock increasing at a rate of 3% annually• Shift away from plastic is driving up demand for can stock• Rapidly growing market offers potential for pricing power and wider product applications	<ul style="list-style-type: none">• Operating highly productive factories• Long-term relationships with can manufacturers and brands• Very cost competitive due to world-leading productivity• Rapidly progressing sustainability management driven by the application of scrap recycling technologies	<ul style="list-style-type: none">• Expand sources of raw materials• Step up cooperation with UACJ (Thailand) and the Group's companies in Japan• Increase production capacity through strategic investments

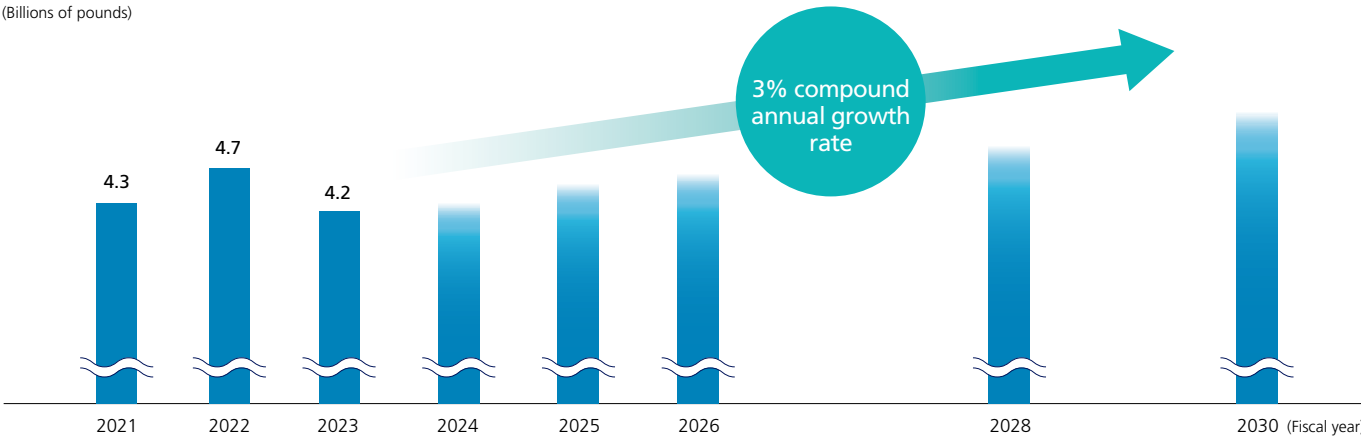
Tri-Arrow Aluminum's sales volume and target



Tri-Arrow Aluminum's business profit



Projected can stock demand in the United States



Source: Research by UACJ



Increasing profitability and reducing fixed costs while capitalizing on increased production capacity to meet demand for lighter automobiles

David Cooper
President and CEO,
UACJ Automotive Whitehall Industries, Inc.



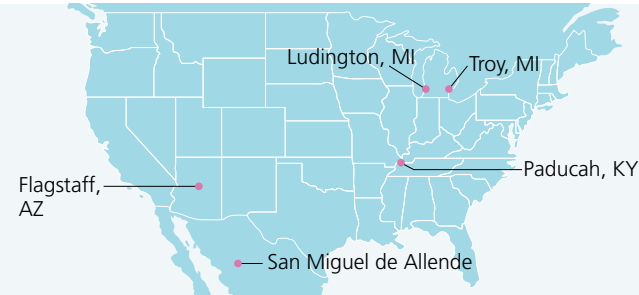
Leveraging a vertically integrated business model

UACJ Automotive Whitehall is a Teir 1 supplier of aluminum products to North America's largest electric vehicle (EV) manufacturer. It has manufacturing facilities in Michigan (two facilities), Kentucky, and Mexico, all of which are posting excellent results, as well as plant in Arizona newly built in 2021 to supply aluminum parts to the growing EV market. The company's sales office is based in Detroit, the historic home of America's auto industry.

When first entering the market, the company supplied extruded and formed auto parts such as sunroof guide rails. Since then, it has expanded its aluminum product range to include automobile bumpers, crash management systems,

body-in-white parts, and crash boxes. At present, it also supplies products for battery parts, side frames, and interior

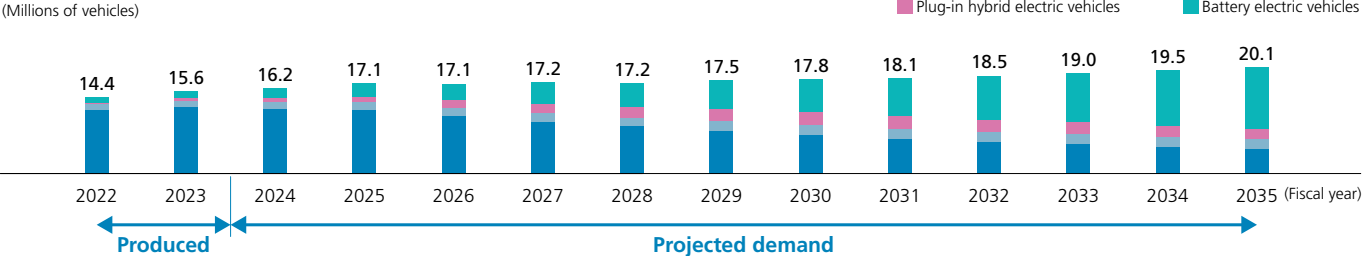
Locations of UACJ Automotive Whitehall's production facilities



Business conditions

Market opportunities	UACJ Automotive Whitehall's competitive advantages	Challenges and tasks
<ul style="list-style-type: none">Stricter exhaust gas regulations is increasing demand for aluminum automotive partsThe growing popularity of EVs is pushing up demand for aluminum automotive partsThe US government is moving to raise tariffs on imported aluminum products, giving an advantage to domestic manufacturers	<ul style="list-style-type: none">Ability to supply finished products with one-stop solutions ranging from extrusion to processingExtrusion and forming process control technologyPrecision-machining technologies refined over five decadesLow turnover rate of workers in manufacturing operations	<ul style="list-style-type: none">Raise productivity at the new plant in Flagstaff, ArizonaCollaborate more with the Mobility Technology Center and other organizations of the UACJ Group in JapanExecute strategic investments to boost production capacity

Automobile production and projected demand in North America



components. Lightweight parts are essential not only for EVs but also for hybrid and internal combustion engine vehicles, and UACJ Automotive Whitehall is committed to meeting these needs by supplying its aluminum products.

While the company mainly supplies products to major automobile manufacturers, it attracted attention from emerging EV manufacturers and increased business with them in recent years, thanks to the ability of its relatively flat and agile organizational structure to act quickly. Moreover, one of the company's strengths is a vertically integrated business model that allows it to promptly meet a wide range of needs extending up to finished products, from aluminum extrusion and forming to machining, laser processing, welding, fastening, and assembly work. Although the EV market's growth is slowing, countless new product launches are expected over the medium and long terms. Moreover, new opportunities will be created if Chinese products are subject to tariffs in the United States.

Advanced technologies backed by skilled workers

UACJ Automotive Whitehall's biggest competitive advantage is its control technology deployed in aluminum extrusion and forming processes. It also has exceptional precision-machining technologies that have been refined over five decades. The company applies these technologies to enhance its competitive advantages, lower costs, and surpass world-class quality standards. In fiscal 2023, the rate of defective parts averaged just 13 parts per million shipped to customers. The company's employees who manufacture products with these advanced technologies are a vital operational resource. The company's ability to consistently perform well is driven not only by their individual skills, but also by their unwavering commitment, effective teamwork, and readiness to take on new technical challenges at any time.

Making the most of the UACJ Group's resources

Since joining the UACJ Group in 2017, UACJ Automotive Whitehall has boosted its sales by about 14%. This is the result of UACJ's consistent approach of investing in the future, including capital expenditures and funds for recruiting and training engineers. During the past several years, although prior investments caused some financial strain when shipments stalled due to several factors during the COVID-19 pandemic, the company was able to meet demand from customers ahead of its rivals thanks to its newly built factory and three new extrusion presses, which were planned in anticipation of future demand. During the next three years of the Group's fourth mid-term management plan, UACJ Automotive Whitehall expects to keep boosting sales and profits as it implements additional measures for reducing fixed costs while considering capital investments to boost production capacity in preparation for market growth. In addition, thanks to its ties with UACJ's Mobility Technology Center¹, the company has been receiving orders from Japanese original equipment manufacturers.

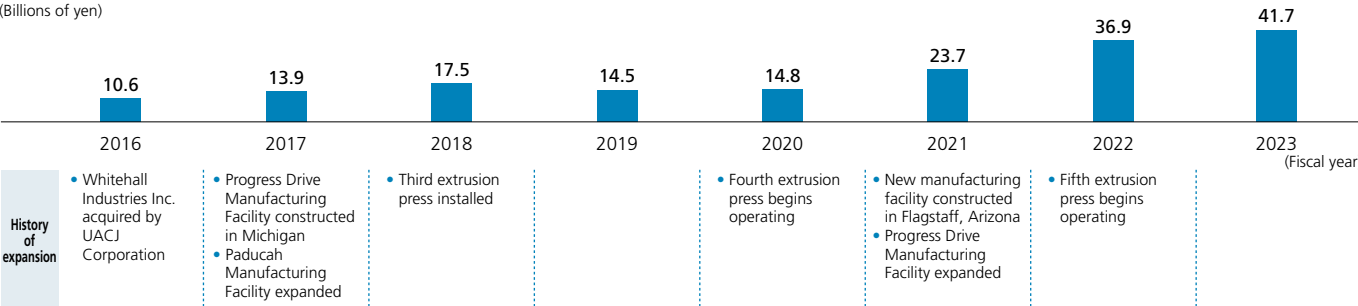
With this growth in sales volume, the company expects to boost productivity by making greater use of its production capacity. At the same time, it will focus on selling more profitable products as it continues to improve its product mix.

Among its environmental initiatives, UACJ Automotive Whitehall is continuing efforts to reduce Scope 1 and 2 CO₂ emissions, and aims to secure all of the energy consumed by its manufacturing facilities in Michigan from renewable sources by 2028. Furthermore, the company is currently conducting a self-assessment for acquiring Aluminium Stewardship Initiative (ASI) certification².

¹ The Mobility Technology Center is UACJ's global development facility overseen by the Automotive Parts Business Division.

² The ASI is an international organization that aims to "recognize and collaboratively foster responsible production, sourcing and stewardship of aluminum."

UACJ Automotive Whitehall's expansion and net sales*



Note: Fiscal years ended on December 31 from 2016 to 2020 and on March 31 from 2021

Marketing and Technology Strategies

R&D

The R&D Center and the Mobility Technology Center, which mainly focuses on automotive component development, are responsible for R&D at UACJ. R&D areas range from the refinement of basic technologies involved in materials design and production processes to the development of products and utilization technologies.

In fiscal 2023, we began efforts to select core technologies through technology inventories and link them to co-creation activities with customers for use in marketing. We also engage in ongoing collaboration with leading research institutions in Japan and abroad to keep improving our R&D capabilities through acquisition of the latest technologies and expertise.

In the fourth mid-term management plan, which commenced in fiscal 2024, we will pursue aluminum recycling and processing technologies to realize a decarbonized society and create new business domains. As part of these efforts, we are proactively participating in the NEDO¹ projects “Development of Advanced Circulation Technology for Aluminum Materials” and

“High Purification Process for Aluminum by Low-Temperature Electrolysis Method” and we have made it one of our main objectives to discover and cultivate seeds for aluminum technology that will help solve social issues. At the same time, we will refine our fundamental technologies, applying them to the investigation of root causes using the latest analytical techniques, and also to our products and production technologies. This will involve the pursuit of advanced production technologies through digitalization, as well as innovation activities and collaboration with external partners.

Going forward, UACJ will continue to search for new technologies and advance existing technologies, and as we work toward the growth of the Group through innovation, we will also contribute to the “realization of a prosperous and sustainable society” based on our “materials that offer additional value” concept.

¹ New Energy and Industrial Technology Development Organization

R&D Themes

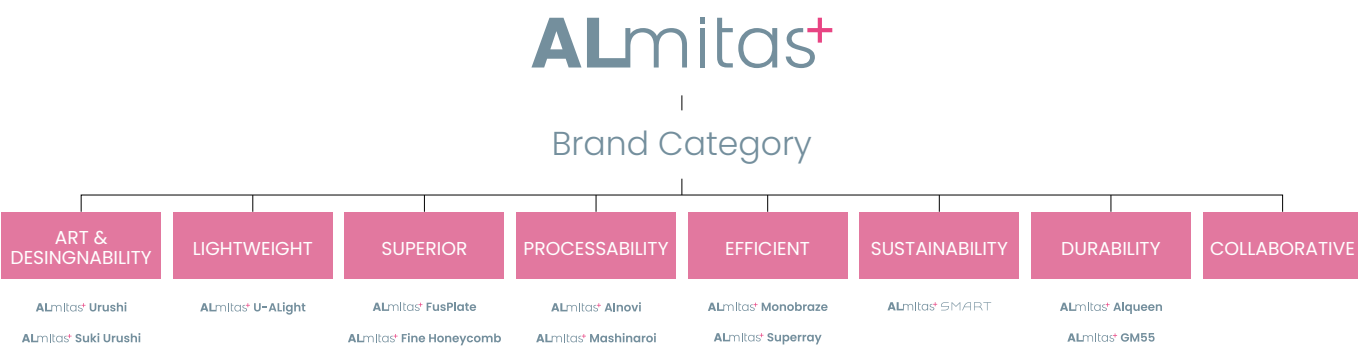
Theme	Issue	Target	KPI	Results for fiscal 2023	Actions planned for fiscal 2024
Participation in national projects • Climate change action/development of energy-saving technologies	Promotion of aluminum recycling	• Development of upgrade recycling technology (impurity removal and detoxification technologies)	• Lower impact of impurities in the manufacturing process	• Designed and installed equipment for impurity removal technology (crystal separation) and impurity detoxification technology (vertical CC casting machine)	• Achieve national project goals with installed equipment Impurity removal: Develop technology for 7% Si → 3% Si, 70% recovery rate. Impurity detoxification: Develop manufacturing technology for vertical CC materials with equivalent tensile strength and 90% elongation compared to 6000 series alloy sheets with DC materials
		• Development of high-grade recycling technology (added in fiscal 2024)	• Greater purity of recycled aluminum (3NAI)	—	• Examine elemental technologies for pilot plant construction
	Scope 1 emissions reductions to achieve carbon neutrality	• Reduction of CO ₂ emissions through application of new fuels	• Clarification of the effect of ammonia co-firing on molten aluminum	• Investigated test conditions and examination criteria regarding the quality of molten metal in ammonia and hydrogen combustion	• Various studies using testing facilities. Confirm the effect of ammonia and hydrogen combustion on the quality of aluminum alloys
New business cultivation • Integration with digital technology (fusing aluminum and digital) • External collaboration	Evolution of disaster preparedness flood barrier business through DX	• Determination of flood barrier specifications using video data • Flood barrier installation timing notifications based on detection of local weather events	• Time/people required for flood barrier site survey and determination of specifications • Effectiveness of flood barrier installation timing notifications	• Completed verification of the use and effectiveness of a tool to generate 3D data from video information • Started verification testing for flood barrier installation timing notifications	• Test deployment of DX tools in daily operations • Continue verification testing for flood barrier installation timing notifications
	New commercialization of services using aluminum rupture detection	• Remote management service for pharmaceutical-related products based on confirmation of package opening by customers	• Number of services developed using rupture detection foil	• Launched service for verification testing at medical facilities, etc.	• Start verification testing and new development in pharmaceutical-related fields. Achieve adoption for non-pharmaceutical applications
Expansion of areas of activity for aluminum • Development of a new aluminum alloy for 3D printers	Development of materials for fuel tanks used in next-generation rockets	• Maintaining performance equivalent to or better than 2219 alloy at a lower cost	• Strength after additive manufacturing equivalent to that of plate processing and welding	• Steps up to determination of target alloy composition completed	• Target strength has been achieved through prototyping and evaluation of wire for Wire and Arc Additive Manufacturing of candidate components. Begin studies to prepare for mass-production prototypes
Utilization of DX • Application of DX to manufacturing processes	Establishment of new inspection technology through the use of sensing technologies	• Using digital technologies to improve productivity of plate manufacturing processes	• Improved yield • Increased production efficiency	• Digitized casting material composition analysis data • Established data collection and analysis system for DC casting line at casting sites	• Computerization of test request forms for casting-related operations • Introduce automatic ingot shape measuring system • Establish an organizational evaluation system for casting • Build a database of casting-related technical services and technical issues
Industry-academia collaboration • Development of human resources and new technologies	Development of cutting-edge technology through industry-academia collaboration and cultivation of the next generation of professional talent	• Cultivation of human resources who will lead the next generation in the metal materials industry • Development of new sustainable aluminum alloys and manufacturing processes	• Number of students in joint university courses • Number of research projects in joint courses	• One bachelor's degree graduate in joint university courses	• Achieve annual targets for national projects (development of upgrade recycling technology and high-grade recycling technology) in which we are participating

Marketing

We view the concurrent existence of brands from different companies, businesses, and products prior to the merger as an important marketing issue, and are currently working to build a unified image for our product brands separate from our corporate brand.

At the core of this is the global brand “ALmitas+,” which was announced in September 2023 as a product brand that embodies the added value of “materials (aluminum) + α.” The ALmitas+ brand, developed to convey the message that aluminum is interesting, and expressing a sense of excitement and contentment, will be used as our family brand for a variety of product series in the future.

Taking the technology we have cultivated over many years as a foundation, we will co-create the ever-expanding possibilities and appeal of aluminum materials with various partners, and communicate its value to the world. To this end, marketing and sales departments will work together to conduct branding activities aimed at increasing the presence of the Company and aluminum as a material itself. We will develop ALmitas+ into a brand that stands for reliability and peace of mind.



Intellectual Property Activities

In fiscal 2024, we initiated a cross-organizational effort to strengthen our knowledge base. Specifically, this involves the creation of an Intangible Asset Sharing Platform to enable employees to search for knowledge that exists within the Company.

The knowledge database of the Intangible Assets Sharing Platform stores not only patent information, core technology compiled by the R&D Center, sales information, and expertise, but also a variety of business documents. The Intangible Asset Sharing Platform extracts knowledge with high asset value from the knowledge database as intangible assets by making full use of our internally developed information processing technology.

The Intangible Asset Sharing Platform will extract intangible assets produced across a wide range of department, including back-office and sales divisions, and protect and capitalize on these assets to contribute to the realization of management strategies, such as the development of new businesses.

Schematic diagram of the Intangible Asset Sharing Platform and company-internal knowledge

