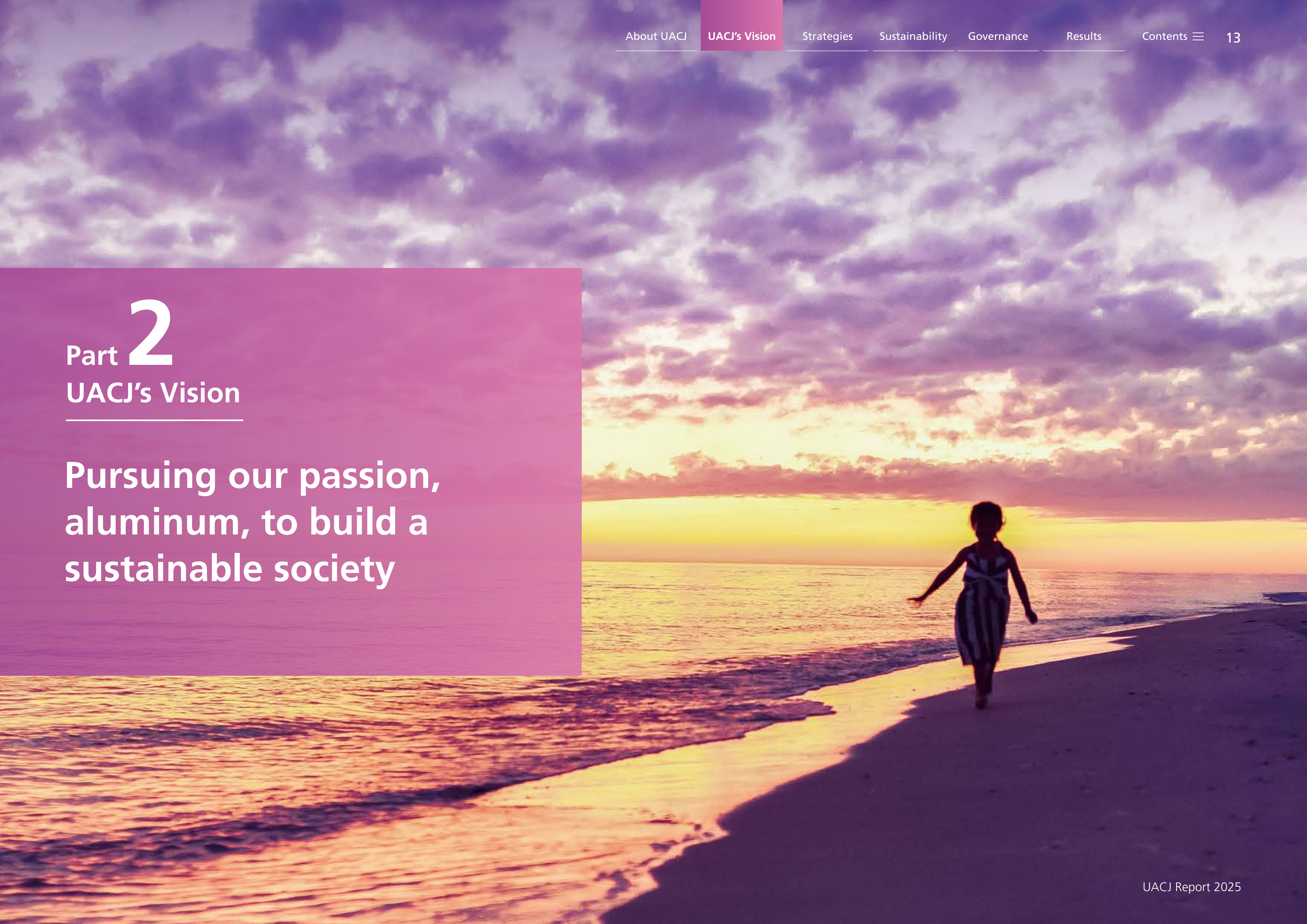


Part 2
UACJ's Vision

Pursuing our passion, aluminum, to build a sustainable society

Long-term Management Vision

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

Create added-value products

Provide solutions for issues facing society

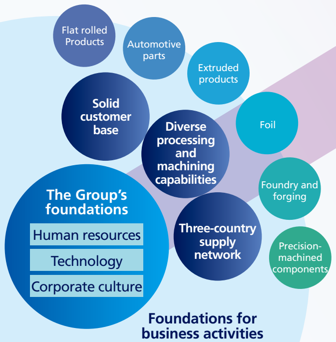
Third Mid-term Management Plan (FY2021–2023)

Major policies
1. Complete structural reforms
2. Strengthen foundations for growth
3. Promote global sustainability

Fourth Mid-term Management Plan (FY2024-2027)

Major policies
1. Strategies for growth and added value
2. Strengthening operational resilience
3. Strengthening business foundations

Fifth Mid-term Management Plan



Foundations for business activities
Safety, quality
Compliance
Corporate governance

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 CO_2 emissions across product lifecycles

Areas for contribution

Mobility
Contribute to efficient and user-friendly transportation

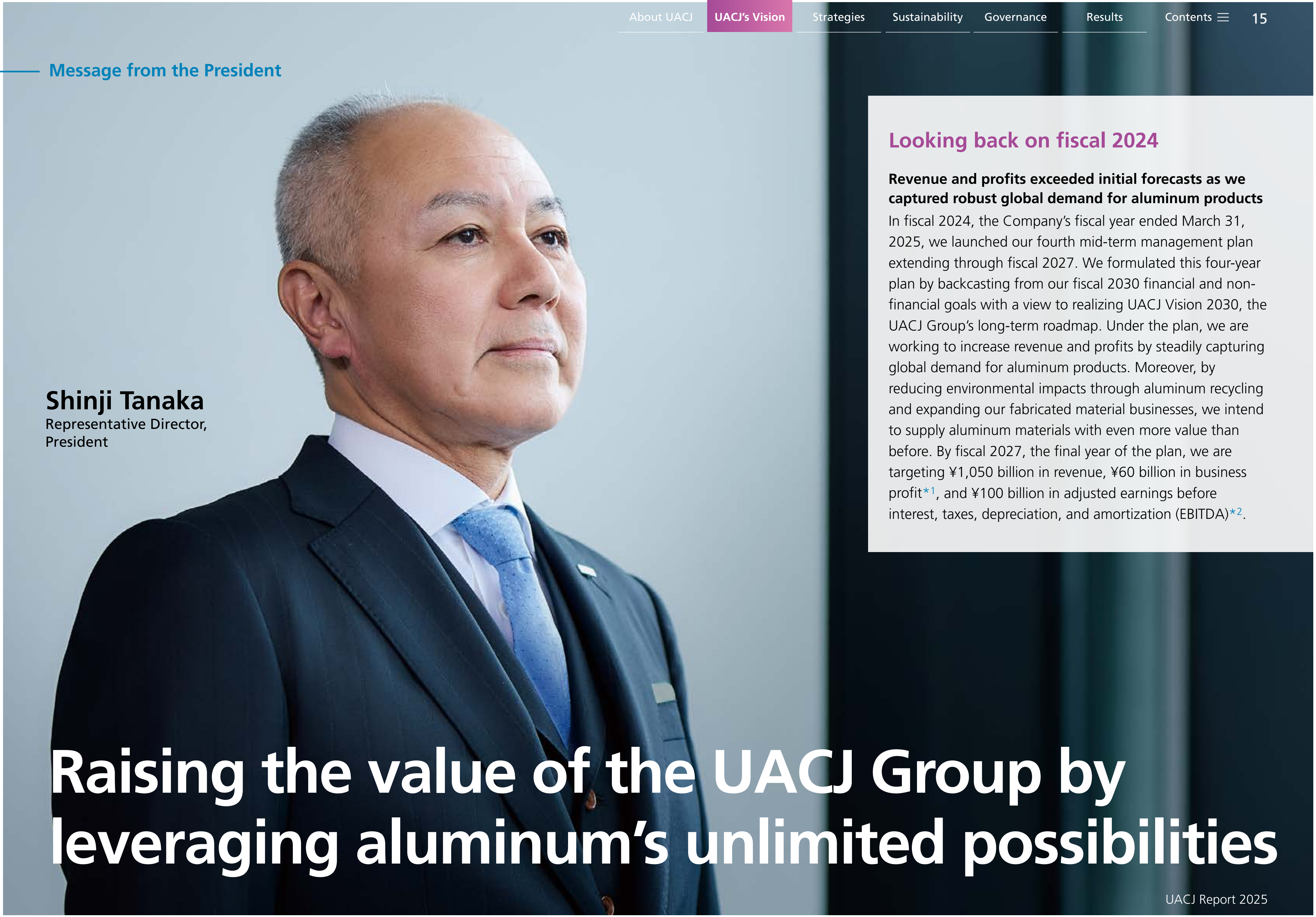
Lifestyles and healthcare
Provide beneficial products for daily life and work

Environment and energy
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

Message from the President



Shinji Tanaka
Representative Director,
President

Raising the value of the UACJ Group by leveraging aluminum's unlimited possibilities

Looking back on fiscal 2024

Revenue and profits exceeded initial forecasts as we captured robust global demand for aluminum products

In fiscal 2024, the Company's fiscal year ended March 31, 2025, we launched our fourth mid-term management plan extending through fiscal 2027. We formulated this four-year plan by backcasting from our fiscal 2030 financial and non-financial goals with a view to realizing UACJ Vision 2030, the UACJ Group's long-term roadmap. Under the plan, we are working to increase revenue and profits by steadily capturing global demand for aluminum products. Moreover, by reducing environmental impacts through aluminum recycling and expanding our fabricated material businesses, we intend to supply aluminum materials with even more value than before. By fiscal 2027, the final year of the plan, we are targeting ¥1,050 billion in revenue, ¥60 billion in business profit[*1], and ¥100 billion in adjusted earnings before interest, taxes, depreciation, and amortization (EBITDA)[*2].

Message from the President

In fiscal 2024, the Company posted higher revenue and profits than the previous fiscal year—exceeding initial forecasts—including ¥998.8 billion in revenue, ¥45.9 billion in business profit, ¥28.0 billion in profit attributable to owners of parent, and ¥84.0 billion in adjusted EBITDA. This was mainly thanks to the Group's success in capturing robust demand for can stock, especially in the North American market. It also reflected solid returns on investments in subsidiaries Tri-Arrows Aluminum Inc. and UACJ (Thailand) Co., Ltd., for expanding their production capacity, which was initiated in anticipation of growing global demand for aluminum products. Market factors also contributed to net profit as inventories were positively affected by rising market prices of virgin aluminum.

Executing our fourth mid-term management plan

Making the most of opportunities from changes in the operating environment

During the four years of our fourth mid-term management plan, we will lay foundations for growth from fiscal 2024 to 2025, and then prepare to generate substantial returns on prior investments from fiscal 2026. At the time of formulating the plan, however, we did not expect certain changes in the Group's operating environment. Therefore, we will try to make the most of opportunities that these changes bring while taking whatever measures are necessary to manage associated risks.

Among the changes, tariffs imposed by the United States following the changeover of its government are having a major impact on business conditions around the world. Our operating environment is also affected, but given that the tariffs are aimed at reducing imports and reviving domestic manufacturing, they also create opportunities for the UACJ Group to grow considerably since Tri-Arrows Aluminum manufactures rolled aluminum products and UACJ Automotive Whitehall Industries makes automotive parts in the U.S.

We expect Tri-Arrows Aluminum, in particular, to meet demand for aluminum can stock in the U.S. market, given its plan to expand production capacity of hot rolling lines by over 10% from fiscal 2026. In fact, it has already concluded contracts with customers for several years ahead. Supply is extremely tight in the American can stock market and imports are projected to decline due to the tariffs, so we believe demand conditions will remain favorable even if other manufacturers boost production capacity.

Can stock exported from Thailand to the U.S. will be directly targeted by the tariffs, but since previously contracted shipments are exempt, UACJ (Thailand) does not expect any major changes to its sales volume in fiscal 2025. From fiscal 2026, the company plans to shift its focus from the U.S. and supply products to other regions in order to maintain sales growth, as it receives many inquiries from Australia, India, and countries in Southeast Asia and the Middle East. In addition, the Group's operations in Japan will be impacted by the tariffs if Japanese automakers reduce their exports to the U.S., so we will closely watch these developments.

Turning to the global market for electric vehicles (EVs), growth has decelerated and major manufacturers are reconsidering their production plans. Nevertheless, we believe the general shift to EVs will continue over the medium and long terms, and the market is currently cooling off before the next wave of growth. Aluminum parts are expected to be more widely adopted to help decrease overall vehicle weight, which has been on the rise due to increasingly large battery capacity, so we will consider growth investments at an opportune time when the EV market is poised to expand again.

In Japan, to deal with rising costs of labor, processing, logistics, maintenance, and various products we procure,

Fiscal 2024 results and targets of the fourth mid-term management plan

(Billions of yen)

	Fiscal 2023 results	Fiscal 2024 results	Fiscal 2027 targets
Revenue	892.8	998.8	1,050.0
Business profit	43.4	45.9	60.0
Profit attributable to owners of parent	13.9	28.0	30.0
Adjusted EBITDA	79.8	84.0	100.0
Return on equity	5.3%	9.9%	9.0%
Return on invested capital*3	7.5%	7.6%	9.0%
Debt-to-equity ratio*4	1.0	1.0	Below 1.0

Notes:
*1 Business profit is operating profit excluding the effect of the metal price lag as well as 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.

Message from the President

including secondary materials, we revised prices of all of UACJ's products effective from April 1, 2025. Looking ahead, we will continue working to offer more value in our products and reflect this in product prices.

Steady global growth in demand for mainstay aluminum can stock

Having completed the first fiscal year of our current mid-term management plan, we renewed our conviction in the future growth and potential of the aluminum products industry. We expect even more opportunities for the Group's mainstay business of rolled aluminum for beverage cans, in particular, as global demand for aluminum can stock has been growing at a compound annual rate of 3% to 4%.

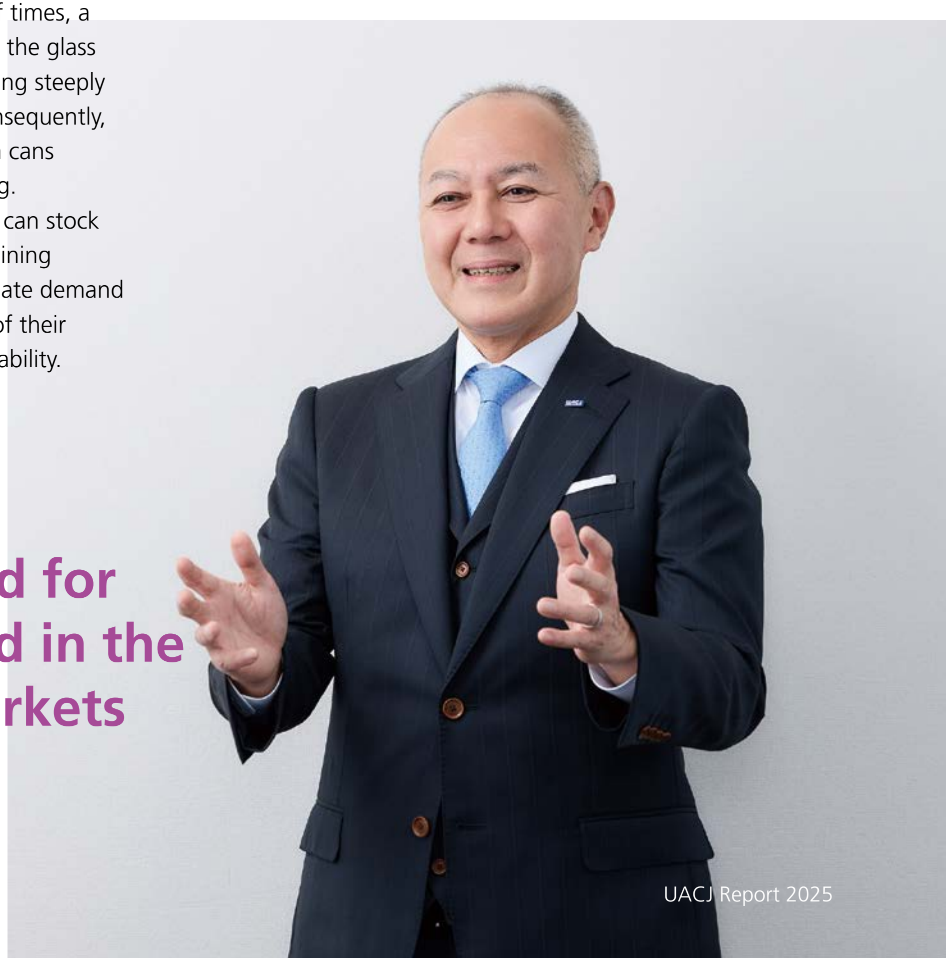
In North America, people have been steadily turning to aluminum cans and away from plastic containers amid concerns about the health hazards of microplastics. Aluminum cans are increasingly being used for new types of beverages, such as energy drinks and hard seltzers, as their stylish appearance appeals to consumers. If consumers become more aware of how recycling aluminum cans reduces environmental impacts, market growth could accelerate in the future.

In Asia, demand for aluminum cans has been steadily increasing amid rising living standards and population growth. Market growth is also projected in other regions, including Oceania, the Middle East, and Africa. The UACJ Group operates the sole integrated aluminum products factory in Southeast Asia, so it is very well positioned to supply can stock to these markets.

In Europe, glass bottles have traditionally been the main type of beverage container, but the shift to aluminum cans has been picking up gradually. To recycle used glass bottles after they have been reused a certain number of times, a large amount of energy is needed to melt down the glass for new bottles, but energy prices have been rising steeply in recent years, driving up production costs. Consequently, manufacturers have been considering aluminum cans because much less energy is needed for recycling.

In Japan, substantial growth in demand for can stock is unlikely in the future due to the country's declining population. Nevertheless, we will work to stimulate demand for aluminum cans by raising public awareness of their excellent environmental performance and recyclability.

Internationally, a growing number of major beverage can manufacturers have made certification by the Aluminum Stewardship Initiative (ASI)*5 a basic requirement for suppliers. In July 2020, UACJ became Japan's first rolled aluminum manufacturer to join the ASI, and in 2022, Fukui Works in Japan and Rayong Works in Thailand both acquired ASI certification, laying a foundation for expanding business through exports to Europe and other regions.



We will capture rising global demand for can stock as well as growing demand in the aerospace and defense materials markets

Message from the President

Major growth opportunities for aluminum products in the aerospace and defense materials markets

As growth opportunities for aluminum products broaden across a variety of industries, we are working to expand our business in the aerospace and defense materials markets, which we have positioned as new growth markets. In the aerospace market, demand for new aircraft is projected to grow as new fuel-efficient models become available and passenger volume increases. Moreover, recently low demand for rockets is expected to reverse as more will be needed for launching new satellites, which are increasingly in demand as AI-equipped models attract attention for their disaster monitoring capabilities and other new solutions. Meanwhile, the defense materials market is being impacted by Japan's plan to dramatically increase its defense budget in response to a variety of factors. In fact, defense expenditures of ¥43 trillion in the government's current five-year budget (fiscal 2023 to 2027) are 2.7 times higher than in its previous five-year budget*6, so demand for defense materials is projected to increase accordingly.

To successfully capture demand in these growth markets, we established the Aerospace and Defense Materials Business Division in October 2024 as an organization capable of offering one-stop services to a wide range of customers. To boost production capacity of quenched aluminum thick plate, which is used in the aerospace, defense, and semiconductor manufacturing industries, we decided to install one of the country's largest manufacturing lines at Fukaya Works. About ¥11 billion will be invested in this line, which is scheduled to begin operating in the second half of fiscal 2027. ▶ See page 31

A distinctive feature of Japan's aerospace and defense materials market is that the government has a strong preference for procuring products domestically for the purpose of national security. At present, only a limited number of manufacturers can supply these products in Japan. UACJ has the country's top production capacity, so its aerospace and defense materials business has great potential to grow substantially in the future.

Expanding aluminum recycling worldwide

Aiming to use recycled aluminum in all products by 2050

UACJ's corporate slogan, "Aluminum lightens the world," reflects our aspiration to contribute to the world's sustainability by maximizing the potential of aluminum to lower environmental impacts.

Aluminum has many beneficial properties, but the fact that it is relatively easy to recycle is the biggest benefit in terms of finding solutions for environmental issues and creating economic value. It is a metal that can be recycled almost endlessly, and the energy needed to produce recycled aluminum is only about 3% of the amount needed to produce the same volume of virgin aluminum in the smelting process. Therefore, recycling aluminum over and over again can greatly contribute to reducing environmental impacts. In addition, for countries like Japan that must import virgin aluminum, recycling used aluminum products domestically also has the added benefit of strengthening economic security.

We have been working hard to expand our recycling initiatives with the goal of increasing UACJ's recycling rate*7 to 80% by 2030. By 2050, our goal is to use recycled aluminum as raw materials for all of the Group's products—completely eliminating the use of virgin aluminum—in an effort to expand aluminum recycling in Japan and Thailand and help build a circular economy. Increasing the recycling rate is not easy, but the Company successfully boosted the rate to 74% in fiscal 2024, beating initial targets. In Japan, almost 100% of beverage cans are collected for recycling, but more systems are needed for collecting and recycling many other types of used aluminum products. Therefore, we are working to build and reinforce such systems, which will also include separating and sorting collected products, across the supply chain together with the manufacturers we supply products to as well as various other partners.

In 2025, the Japanese government declared its intention to facilitate the recycling of plastics, aluminum, and other metals as part of its national policy of promoting a green transformation*8. As a member of UACJ—a company that has been promoting aluminum recycling while stressing the importance of a circular economy—I am extremely impressed and gratified by this landmark decision to include aluminum in this national policy for the first time. Inspired by this development, we will continue working to broaden applications for aluminum, promote recycling, and expand the scale of an aluminum circular economy worldwide in partnership with all kinds of stakeholders.

Working to convert environmental value into economic value

The aluminum industry has been adding value to products for many years, but it has also faced difficulties in having this recognized in the market. With this in mind, we are spearheading initiatives to supply aluminum materials with even more value than before and have positioned recycling at the heart of our growth strategies in our mid-term management plan.

The Group adds value by reducing environmental impacts, specifically by developing aluminum alloys that can be recycled, procuring recyclable raw materials, and investing in recycling facilities. Then by embodying that value in the form of environmentally friendly products and selling them to customers, we turn environmental value into economic

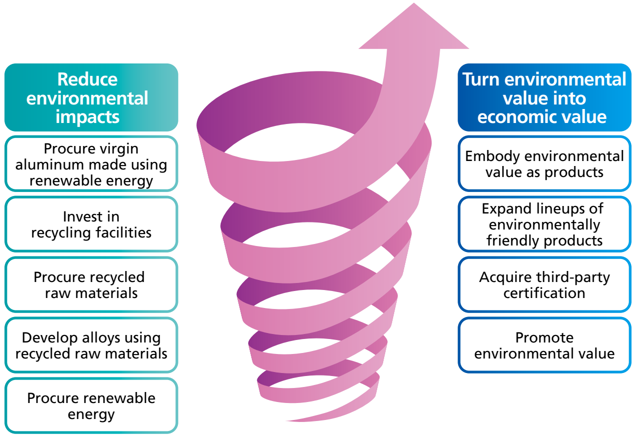
Message from the President

value. Conceptually, by reinvesting the capital created from economic value in activities for reducing environmental impacts, the UACJ Group can generate a cycle of creating environmental value and converting it to economic value, thereby contributing to sustainability more broadly. During the four years of our current mid-term management plan, we will install recycling equipment at the Group's main production facilities in Japan, the United States, and Thailand, in line with our policy to expand recycling capacity through proactive capital investment.

In recent years, a growing number of companies have expressed their desire to use recycled aluminum, including beverage can stock manufacturers at the forefront of efforts to recycle aluminum, automakers that use large volumes of aluminum, and also manufacturers of air conditioners and computers. In our negotiations with such companies, the topic increasingly turns to the extent that they will be able to reduce greenhouse gas emissions by using recycled aluminum. I believe this widespread recognition of the environmental value of recycled aluminum is one reason why its price is relatively high today.

We will continue responding to their requests and work to win them over in negotiations by demonstrating the environmental value of recycled aluminum.

Converting environmental value into economic value



Converting the environmental value of aluminum into economic value in the pursuit of sustainable growth

Empowering human capital

We created a UACJ People Statement after revising our approach to human capital and related policies

To grow sustainably together with communities around the world, we have specified five materiality issues to address on a priority basis. Three of the issues are related to the global environment and the Earth's future, and two are related to the well-being of people and the health of their communities. We also created our UACJ People Statement and a new framework for human capital management after revising our approach to human capital and various related policies. ▶ See page 48

Our approach is designed to enhance the well-being of all employees while improving the capabilities of our people and organizations, thereby generating a virtuous cycle that increases the value of the UACJ Group for all stakeholders.

Having been created from the merger of Furukawa-Sky

Message from the President

Aluminum Corp. and Sumitomo Light Metal Industries, UACJ is driven by people from diverse backgrounds. To ensure that its diverse members can realize their full potential, we have been revamping the Company's human resources systems. Furthermore, as part of our efforts to foster a good workplace environment, we are taking proactive measures to help employees manage and improve their health based on the UACJ Group Health Management Policy.

To bring out the best in our people and improve organizational performance, we need to have all members of the Group work toward the same goals with a shared understanding of the UACJ Group Philosophy. Therefore, we have been holding meetings for employees and management to discuss the philosophy since 2020. Following my appointment as president, I began holding town hall-style meetings in fiscal 2024 to strengthen bonds with employees. During that year, I met with employees in 28 meetings held in various locations in Japan and other countries where the Group operates.

The town hall-style meetings provide opportunities for sharing a wide range of information and news about aluminum in addition to discussing the Group's future goals and measures of the mid-term management plan. I hope the meetings also spark related discussion among the employees who attend them. We have continued to hold meetings in fiscal 2025 with even more employees with a view to fostering shared understanding within the Group and enhancing both individual and organizational performance.

For shareholders, investors, and all other stakeholders

We are aiming to raise the Company's enterprise value and bring its price-to-book ratio up to at least 1.0

By carrying out structural reforms between 2019 and 2022, the Company has successfully boosted earning capacity and improved its financial structure, thereby establishing a platform for its next series of growth investments. Looking ahead, we will execute these growth investments and various other initiatives with an eye on achieving the targets of our current mid-term management plan. As president, I will lead these efforts while pursuing our goals of increasing the Company's enterprise value and raising its price-to-book ratio to at least 1.0 as soon as possible.

We will draw on the benefits that come from higher enterprise value to return profits to shareholders through dividends and other means. Thanks to solid results in fiscal 2024, UACJ paid an annual dividend of ¥150 per share, an increase of ¥60 per share compared with the previous fiscal year. Moreover, in February 2025, the Company acquired 3,000,000 of its own shares, equivalent to about 6% of total shares issued and outstanding. In line with our shareholder returns policy of continuously paying stable dividends, we plan to raise the dividend for fiscal 2025 by ¥10 to ¥160 per share*9.

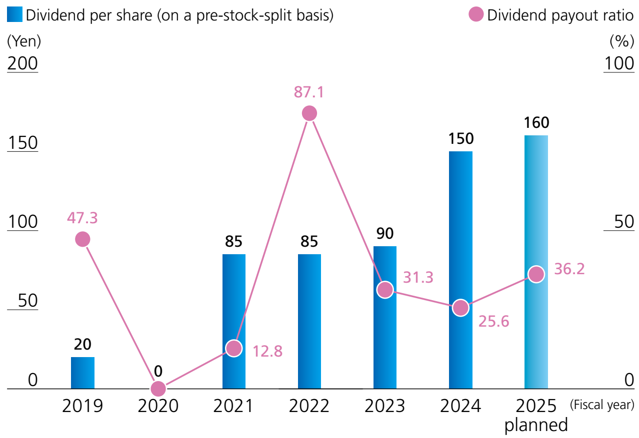
In addition, UACJ conducted a four-to-one stock split of its ordinary shares effective from October 1, 2025. By reducing the amount per share, we made it easier for retail investors to invest in the Company, and this should lead to a higher number of investors overall as well as greater liquidity of the Company's stock, which has been a challenge in the past.

Now that I have served as president for over a year, I have had opportunities to talk with many stakeholders. Through these discussions, however, I have come to realize that we still have not sufficiently conveyed UACJ's potential and the possibilities of aluminum to customers, shareholders, and investors. Aluminum is an essential metal for a wide range of industries, and by making the most of its light weight and recyclability, we can greatly contribute to reducing environmental burdens. Therefore, we will more actively explain how this can have a big impact on society and how our aluminum products and recycling activities are generating economic value while providing solutions for people today. In this way, we hope to make UACJ more widely known by the public and enhance its standing in the stock market.

Looking ahead, the Group as a whole will strive to achieve the objectives of its fourth mid-term management plan and realize its long-term roadmap, UACJ Vision 2030. We look forward to the ongoing support of all stakeholders as we pursue these endeavors.

Notes:
*5 The ASI is an international organization that aims to "recognize and collaboratively foster responsible production, sourcing and stewardship of aluminum."
*6 According to the annual white paper, Defense of Japan 2024, published by the Ministry of Defense.
*7 UACJ's recycling rate is an indicator of the proportion of aluminum it recycles, calculated by dividing the amount of used and scrap aluminum by the total amount of aluminum melted down in furnaces.
*8 Stated in the draft outline of Basic Policy on Economic and Fiscal Management and Reform 2025, issued by the Cabinet Office in June 2025.
*9 The dividend per share (with a record date of September 30, 2025) before taking into account the four-to-one stock split effective from October 1, 2025.

Dividend per share and dividend payout ratio



Dialogue with a Securities Analyst

Putting a framework in place for increasing enterprise value, achieving the targets of the fourth mid-term management plan, and addressing all issues confronting the Company

With a keen awareness of capital markets in its management practices, UACJ makes concerted efforts to directly engage with securities analysts and investors. For this meeting, Yuji Matsumoto, a securities analyst at Nomura Securities, was invited to assess UACJ's management and discuss future challenges for raising enterprise value with Kozo Okada, Chief Executive of the Company's Finance and Accounting Division.

Yuji Matsumoto

Head of Equity Research Department
Analyst covering Japan's steel, nonferrous metals, and wire and cable sectors
Nomura Securities Co., Ltd.

Yuji Matsumoto joined Nomura Research Institute, Ltd., in 1996, and moved to Nomura Securities Co., Ltd., the following year to work as a securities analyst. He has been responsible for covering the steel, nonferrous metals, and wire and cable sectors since 2008, and was appointed to head the Equity Research Department in 2025. He has also served on a committee tasked with boosting the competitiveness of Japan's metal products for the Ministry of Economy, Trade and Industry.

Kozo Okada

Director, Executive Officer, Chief Executive of the Finance and Accounting Division
UACJ Corporation

Dialogue with a Securities Analyst

UACJ as viewed from capital markets

Management has made great strides since implementing structural reforms

Matsumoto: UACJ has made major changes through structural reforms. It focused on certain business and sold off others, streamlined its management structure, and appears to be boosting earnings from businesses overseas. The Company's management seems to have moved up a level.
Okada: We initiated the structural reforms in October 2019 because our operating environment began to deteriorate in early 2018 mainly due to the trade war between the U.S. and China, and the Company's financial condition worsened as returns on large investments overseas came later than expected. At that time, I was handling domestic sales in the Flat Rolled Products Division. We were shifting production between factories, so I remember explaining that to customers when trying to get them to agree to receiving products from different factories. After I was put in charge of the Finance Department in 2020, profitability rose throughout the Company and the financial condition improved. By fiscal 2024, the debt-to-equity ratio*1 was brought down to 1.0, improving from 1.7 in fiscal 2018.

Matsumoto: Raising product prices from fiscal 2022 was impressive. In the materials industry, manufacturers were unable to boost prices when the economy was booming, but UACJ raised prices when demand was sluggish.

Another commendable aspect of the Company is how its management strategies reflect a balance between sustainability and growth in enterprise value. I think a good example of this is its recycling initiatives, which aim to address environmental problems and raise the Company's value.
Okada: UACJ has positioned recycling at the heart of its strategies. By recycling aluminum, we are aiming to create added value and turn environmental value into economic value.
Matsumoto: Yes, President Shinji Tanaka has always asserted that environmental value created through recycling can be turned into economic value. ▶ See page 18 Moreover, at the Company's sustainability briefing in November 2024, outside directors Takahiro Ikeda and Ryoko Nagata expressed their views on corporate value very persuasively in a round-table discussion. Explaining these things proactively in such events is very important for lowering the cost of capital.

Dealing with steep price hikes of used beverage cans and improving UACJ (Thailand)'s profit margin

Okada: From your standpoint as a securities analyst, what does UACJ need to address?
Matsumoto: Well, the price of used beverage cans has been high recently. Is UACJ able to pass on such higher prices to its product prices in the future? I know you have introduced a surcharge system to reflect changing prices of energy and aluminum alloy additives, but I think a similar system for

the price of used beverage cans could also be a factor for lowering the cost of capital and reducing earnings volatility.
Okada: Our pricing structure differs depending on the region and product, but sales prices are based on the price of virgin aluminum, even if we use recycled aluminum. While costs can be volatile due to changing prices of used beverage cans, recycled aluminum represents environmental value, and by converting that into economic value, we can maintain a reasonable level of earnings across the supply chain as a whole.
Matsumoto: Another matter to address is improving profit margins in Thailand. UACJ (Thailand) has boosted output by making more use of its production capacity, but its profit margin has not risen enough.
Okada: UACJ (Thailand) is an important subsidiary for our global strategies, and although its profit margin is affected by exchange rate fluctuations between the US dollar and Thai baht, we can improve it by boosting productivity and yields. Fierce price competition with Chinese manufacturers has been another big reason why profitability decreased, but

Dialogue with a Securities Analyst

they have been raising their prices following the abolition of value-added tax refunds in China in December 2024. Market prices have started rising as a result, so we are resetting UACJ (Thailand)'s product prices accordingly.

Matsumoto: I assume it will improve its profit margin as soon as possible in order to increase return on equity.

Okada: Increasing the return on invested capital*2 in UACJ (Thailand) by boosting profits is a major objective of our fourth mid-term management plan, which spans four years from fiscal 2024 to 2027. In the future, it could supply more products to the European market, as we are expanding our sales network and optimizing our product portfolio there. UACJ (Thailand)'s hot rolling lines still have spare capacity, and its production volume can be further increased by expanding downstream processes. We want to consider investing in this when the timing is right while closely monitoring demand trends in the European market.

Financial strategies

Expansion of the aerospace and defense materials business assessed positively from the standpoint of capital efficiency

Okada: How would you assess our cash allocation policy?

Matsumoto: Since earnings have stabilized, I think your plan to allocate more cash for growth investments than facility maintenance and upgrades is a better balance.

Okada: Over the four years of our current mid-term management plan, our financial target is to keep the debt-to-equity ratio under 1.0, and our policy of generating cash for strategic investments remains unchanged. Under this policy, from ¥220 billion in operating cash flow, we have earmarked ¥160 billion for investments in growth and environmental initiatives, and will allocate the remaining amount for interest-bearing debt repayments and dividend payments. ▶ See page 33

Matsumoto: I think the Company's share price could benefit from its plan to target new growth by investing in the aerospace and defense materials business in addition to its can stock and automotive parts businesses.

Okada: The Company has positioned its aerospace and defense materials business as a new growth driver in the mid-term management plan. Aiming to meet diverse customer needs with one-stop services, it established the Aerospace and Defense Materials Business Division in October 2024. Then in May 2025, we announced our plan to double production capacity of quenched aluminum thick plate, with new manufacturing lines scheduled to start operating in the second half of fiscal 2027. We intend to strategically develop this business as a new earnings pillar while closely monitoring market trends. ▶ See page 31

Matsumoto: From the standpoint of investment efficiency, I think investment in the aerospace and defense materials

business is a good choice. The planned investment amount is around ¥11 billion, but ensuring profitability should be feasible since a new factory will not be built. This is an excellent strategy for raising investment efficiency.

Okada: One of the key indicators we use when deciding on investments is return on invested capital. Internally, we calculate net present value as a discount rate using hurdle rates based on the weighted average cost of capital, and compare it with the internal rate of return and other metrics. This enables us to make comprehensive decisions on promising investments.

Matsumoto: The return on invested capital increases when investment is restrained, so focusing too much on this indicator can end up hindering growth. I don't see that as a concern in UACJ's case, however, since it is investing in the aerospace and defense materials business.

Okada: In our current mid-term management plan, we have set targets of 9% for return on invested capital and ¥100 billion in adjusted EBITDA*3, and will aim to expand in scale and raise profitability.

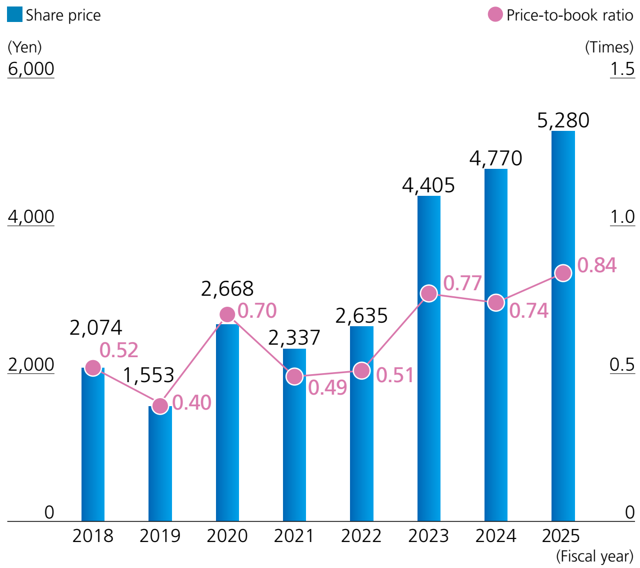
Dialogue with a Securities Analyst

Aiming to quickly increase the price-to-book ratio to 1.0 while considering the cost of capital and return on equity

Matsumoto: UACJ is aiming to raise its price-to-book ratio to 1.0 as quickly as possible, and has also disclosed its target for cost of capital, which is commendable. Among all the companies I cover, around one-third disclose their latest cost of capital results, only UACJ discloses its target. It also explained the progress leading up to the fiscal 2024 result, which shows how the Company is very serious about the cost of capital.
Okada: We manage finances with an emphasis on cost of capital and the Company's share price. Increasing return on equity to a level exceeding the cost of capital, and raising the price-to-book ratio to at least 1.0 as quickly as possible are important objectives for management. To increase return on equity, while balancing business growth and financial soundness, we intend to boost earnings power by allocating cash generated from improved profitability to growth investments. Reflecting improvements in financial soundness, which is the basis for an optimal capital structure, UACJ received a credit rating of A*4 in 2025, and I believe this will help reduce the cost of capital.
Matsumoto: For UACJ, I think the cost of capital can be brought down more. Dealing with the price of used beverage cans, as I mentioned earlier, will also be a factor for lowering the cost of capital. Increasing shareholder returns is also an effective means.
Okada: During the period of the current mid-term management plan, the Company will aim to continuously pay stable dividends based on a payout ratio of at least 30%.
Matsumoto: I think a minimum of 30% is a good level, but to ensure stabler dividend payments, you may want to consider adopting a dividend on equity ratio, minimum dividend, or progressive dividend policy.
Okada: For now, we will focus on increasing the dividend amount over the four years of the plan, but we will review our dividend policy in the future when we formulate the next mid-term management plan.
Matsumoto: Many people in capital markets commonly recognize that the aluminum industry has potential for growth. I believe that UACJ can improve its price-to-book ratio in the future by taking steps to improve profitability and reduce the cost of capital.
Okada: While tackling those issues, the Company will focus on generating steady cash flows and achieving the targets of its fourth mid-term management plan. For UACJ's future, we will do what we can to raise its enterprise value and strengthen its financial position.

Notes:
*1 The debt-to-equity ratio excludes subordinated loans.
*2 Return on invested capital is calculated on a business profit basis before taxes.
*3 Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization) excludes the effect of the metal price lag.
*4 UACJ had received ratings of A (Stable) from Rating and Investment Information, Inc., and A- from Japan Credit Rating Agency, Ltd., as of July 31, 2025.

UACJ's share price and price-to-book ratio as of March 31



Targeting a price-to-book ratio of 1.0

An equity spread*5 of at least 1% will be maintained to achieve the price-to-book ratio target of 1.0

	FY2023 results	FY2024 results	FY2027 targets
Return on equity	5.3%	9.9%	9%
Cost of capital*6 (Beta value)*7	9% (1.62)	About 8% (1.25)	About 7%

Notes:
*5 The equity spread is calculated as the difference between return on equity and the cost of capital
*6 UACJ's estimate
*7 The beta value is a metric for measuring a stock's volatility in relation to the market

▶ See page 33

Dialogue with an Impact Investor

Working to provide solutions for issues facing society today while creating economic and social value

Through its main business of manufacturing and processing aluminum products, UACJ strives to raise its corporate value while also reducing environmental burdens. To discuss this and related topics, UACJ President Shinji Tanaka met with Tetsuro Ii, president of Commons Asset Management, Inc., one of Japan's leading impact investing*1 firms and a shareholder of UACJ as well.

Recycling at the forefront of efforts to create social value with a long-term perspective

Ii: Commons Asset Management was founded in 2007 with the goals of establishing a long-term investing culture in Japan and developing long-term capital funds that bring about positive changes in society. After registering as an investment company in 2008, we launched the Commons 30 Fund to manage robust long-term investments with a 30-year outlook. We are currently involved in impact investing in listed companies.

Tanaka: UACJ invests in industrial machinery, and while it often takes almost a decade to earn returns on such capital investments, the machinery we install enables us to continue generating profits for 20 or 30 years, which is a distinct advantage. Therefore, I really appreciate your assessing our business from a long-term perspective.

Ii: It goes without saying that financial institutions play a role in developing strong companies and industries, but in addition to that, we believe our responsibility as an impact investing firm is to inject capital into companies and industries that help solve issues facing society. In the same way that companies and industries cannot be developed over a single quarter or fiscal year, these issues cannot be solved in such a short period of time. It is essential to have long-term investors that support companies and industries with an outlook of at least five or 10 years. With that in mind, we place importance on whether the companies we target for investment are making their own efforts to solve issues with a clear plan. In that respect, we believe that UACJ is

Tetsuro Ii

President, Chief Executive Officer,
Chief Investment Officer
Commons Asset Management, Inc.

Tetsuro Ii began his career at Yamaichi Securities Co., Ltd., where he executed sales strategies as a member of the sales planning division. He then went on to help establish Merrill Lynch Japan Securities, where he worked for about 10 years. He has served as president of Commons Asset Management since the company's establishment in 2007, and was also appointed as its chief investment officer in 2012.

In addition, Mr. Ii has written numerous books and often appears in the mass media, including as a regular commentator for TV Tokyo and BS TV Tokyo.

Shinji Tanaka

Representative Director, President
UACJ Corporation

Dialogue with an Impact Investor

independently making very determined efforts based on a vision to contribute to recycling and decarbonization by utilizing the beneficial properties of aluminum materials. I felt that your appointment as president in 2024 reflected the Company's strong determination to provide solutions, since you had been leading such efforts as the executive officer in charge of sustainability initiatives.

Tanaka: In 2020, we redefined the UACJ Group's purpose statement as "Contribute to a prosperous and sustainable society with technologies that bring out the innate power of Materials." Recycling is at the core of this. By recycling used aluminum products, we can reduce greenhouse gases emitted from smelting the same volume of virgin aluminum from bauxite by 97%. By recycling more aluminum, we can also reduce the amount of bauxite that needs to be mined, which lowers the impact of mining on the natural environment. Moreover, since Japan imports virgin aluminum, recycling used aluminum products domestically contributes to its economic security.

Gaining the cooperation of many people and organizations with a compelling vision and beliefs

Ii: The ability to gain the cooperation of others is essential for companies that aim to provide solutions for today's issues. Issues like environmental problems cannot be solved by a single company; they can only be solved by getting a lot of people and organizations involved, including many businesses, municipalities, the national government, and consumers.

Tanaka: For the recycling activities we are carrying out, the collective efforts of various people and organizations across the supply chain are essential. In Japan, 99.8% of aluminum beverage cans are recycled*2, but when it comes to other types of aluminum products, there are many issues that UACJ cannot solve by itself. Collections systems are only in the process of being set up, and it is also necessary to separate and sort aluminum from among other materials. Therefore, we are trying hard to create these systems while collaborating with suppliers and customers, especially automakers.

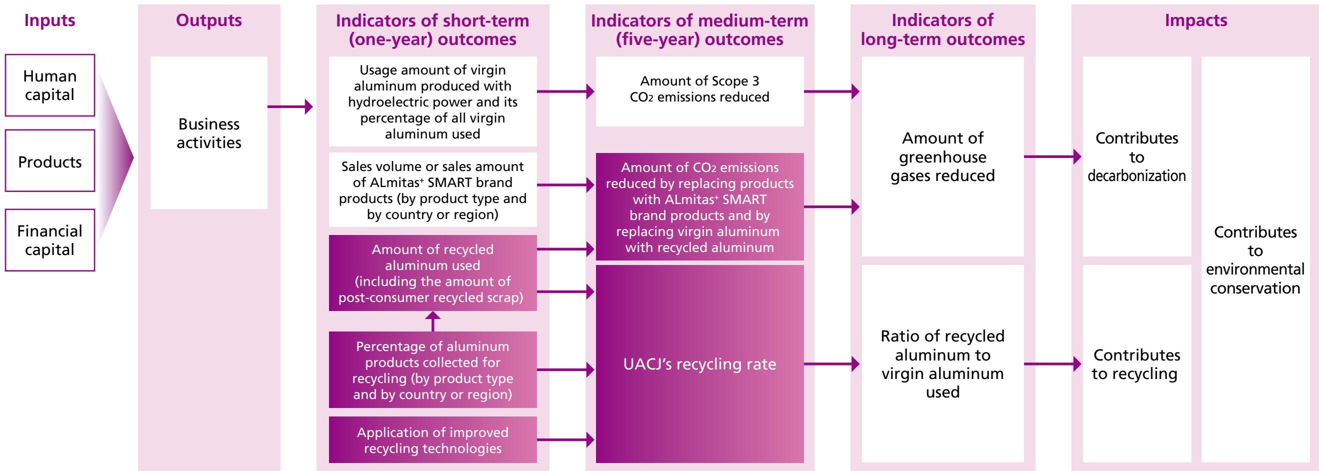
Ii: To gain the cooperation of a large number of people and organizations, it is essential to have a vision and commitment about the kind of society you want in the future. It is also important to effectively convey that within and outside your organization to win people over.

Tanaka: When promoting recycling, we express those aspirations and the role we want the Company to play as being at the heart of a circular economy for aluminum. We have also been advising the government at the national and municipal levels for many years. I think that interest in aluminum has been growing nationwide. For instance, the Japanese government included the recycling of aluminum and other metals in its national policy announced in June 2025, and members of the National Diet have formed an aluminum study group.

Ii: I also focus on corporate culture, as it is a key factor when a company aims to create social value. A company can have a strong commitment and a clear vision at the leadership level, but unless they are embraced by all employees as part of the corporate culture, such a vision cannot be realized. Companies that have fostered a vibrant corporate culture have highly effective organizations and are resistant to misconduct. UACJ has established a set of group-wide guidelines for conduct called the UACJ Way, so how it is accepted in the workplace is something I would like to observe.

Tanaka: When we renewed the UACJ Group Philosophy in February 2020, we began holding meetings for employees and management to discuss the philosophy as a starting point for our future businesses and actions. Likewise, after commencing our fourth mid-term management plan in 2024, we held town hall-style meetings to discuss the plan and our strategies, as well as to have the participants learn more about aluminum. All of these meetings gave members of different divisions a chance to meet and get to know each other, and to practice one of the values stated in the UACJ

UACJ's logic model



Source: Monthly report of the Commons Impact Fund

Dialogue with an Impact Investor

Way, "respect and understand your associates."

Specifying KPIs linked to social impacts to enhance both economic returns and social returns

Ii: As part of our impact measurement and management*3 approach to investment, we work together with the companies we target to create logic models that show the causal relationships between their business activities and their efforts to solve issues facing society. In our discussions with your management, I recognized its leadership in disclosing non-financial targets, such as by setting UACJ's recycling rate as its own unique key performance indicator (KPI). In UACJ's value creation process, non-financial KPIs are included only for outputs, specifically "corporate results." As the next step, however, by setting non-financial KPIs for outcomes, namely "social value," you could present a clearer story of value creation.
Tanaka: You mean that non-financial indicators like UACJ's recycling rate*4 should also be KPIs for outcomes that create impacts.
Ii: That's right. Several KPIs should be specified to quantitatively measure outcomes, which can serve as milestones along a timeline for creating desired impacts. Furthermore, even if those KPIs are non-financial, ideally they should be linked to financial results in the future, because economic returns and social returns are both important factors to evaluate in impact investing.
Tanaka: The basic objectives of our current mid-term management plan are to create earnings, build partnerships, and promote the environmental benefits of aluminum. We want to solve environmental issues by recycling, of course, but to be able to do that, earnings are the number-one priority, which is why we positioned it as the plan's first objective.

Ii: As you say, earnings are extremely important. No matter how much social value a business strives to create, private-sector companies cannot continue to operate unless they generate earnings. Moreover, companies with a lot of earning power are able to help solve today's issues more quickly and substantially.
Tanaka: The rolled aluminum industry was once structured in a way that caused fierce price competition, which made it hard to generate profits. We continued to deal with these conditions after UACJ was established, but because the industry later reorganized, and because we implemented structural reforms from 2019 and introduced systems for passing on high prices of energy and alloy additives to customers in 2021, we were able to stabilize earnings. Looking ahead, we will explain to customers how our recycling initiatives are reducing environmental impacts, allowing us to convert environmental value into economic value.
Ii: UACJ's approach of converting environmental value into economic value through recycling is highly commendable as a management strategy for achieving sustainable growth, and as a way to internalize an external diseconomy*5. Efforts to internalize external diseconomies have been attracting attention among management circles in recent years. An environmental burden, such as CO_2 emitted during the product lifecycle, is an external diseconomy that has a negative impact on society.
Tanaka: Our customers have been placing more importance on reducing CO_2 emissions over the product lifecycle, and in a growing number of cases, they have assessed higher environmental value and revised product prices accordingly,

particularly those made with a relatively high proportion of recycled materials.
Ii: In the future, as the world evolves and technological innovations accelerate, applications for aluminum materials are sure to expand in a wide range of industries, including the electric vehicle, flying car, and aerospace industries. With that in mind, UACJ's strategy of adding environmental value to create a sustainable future is very persuasive for impact investment firms like ours. I hope the Company continues to create economic and social value by executing its own strategies with determination.
Tanaka: We will do our best to meet your expectations. Thank you for meeting today.

Notes:
*1 Impact investing is an investment approach that aims to help generate measurable and beneficial social and environmental impacts while also securing a certain level of investment returns. A company's environmental, social, and governance (ESG) performance is comprehensively assessed to determine investment rates in conventional ESG investing, but in comparison, impact investing involves specifying and committing to particular investment targets and outcomes before making investments.
*2 The result for fiscal 2024 based on research by the Japan Aluminum Can Recycling Association.
*3 Impact measurement and management is a means for assessing how the activities of a company or organization change and affect society and the environment (impact measurement), and for improving operations and making decisions to increase the positive impacts (impact management).
*4 UACJ's recycling rate is an indicator of the proportion of aluminum it recycles, calculated by dividing the amount of used and scrap aluminum by the total amount of aluminum melted down in furnaces.
*5 An external diseconomy occurs when economic activities bring disadvantages or harm to third parties other than the sellers and buyers directly involved in those activities. Typical examples are pollution and greenhouse gas emissions. Internalizing an external diseconomy involves reducing and eliminating such disadvantages or harm through efforts by companies to improve and innovate, and market mechanisms that incorporate customer fees, taxation, or other systems.