Aluminum lightens the world
アルミでかなえる、軽やかな世界

Sustainability Briefing

November 27, 2024

UACJ Corporation

Today's Program

Speakers	Content	Time
Shinji Tanaka (Representative Director, President)	**Enhancing Corporate Value through Sustainability Activities**	10:03 - 10:35
Midori Narita (Chief Executive, Corporate Sustainability Division Executive Officer)	**Initiatives to Create Value-added Materials**	
Teruo Kawashima (Director, Executive Vice President)	**Human Capital and Enhancing Corporate Value** **- Efforts to visualize the financial impact of human capital -**	
Break		10:35 - 10:40
Teruo Kawashima	**UACJ's Steps to Strengthen Corporate Governance**	10:40 - 11:25
Takahiro Ikeda (Independent Outside Director) **Ryoko Nagata** (Independent Outside Director) <Facilitator> **Yoshiko Takayama** (President, Japan Board Review Co., Ltd.)	**Discussion with Outside Directors** **- UACJ's Governance -**	
Break		11:25 - 11:30
Q&A		11:30 - 12:00

UACJ Sustainability

UACJ

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Enhancing Corporate Value through Sustainability Activities

Shinji Tanaka,
Representative Director, President

The UACJ Group Philosophy System

UACJ Group Philosophy

Our Purpose

Contribute to society by using raw materials to manufacture products that enhance prosperity and sustainability.

Our Vision

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

Our Values

The UACJ Way: Our Guiding Principle

The UACJ Way: Our Guiding Principle

Respect and understand your associates

- Value and contribute to your workplace's efforts to engage with the local community
- Accept diversity and respect people's values
- Communicate openly with your coworkers while placing importance on individual and team development
- Contribute to making your workplace more positive and dynamic

Embrace honesty and foresight

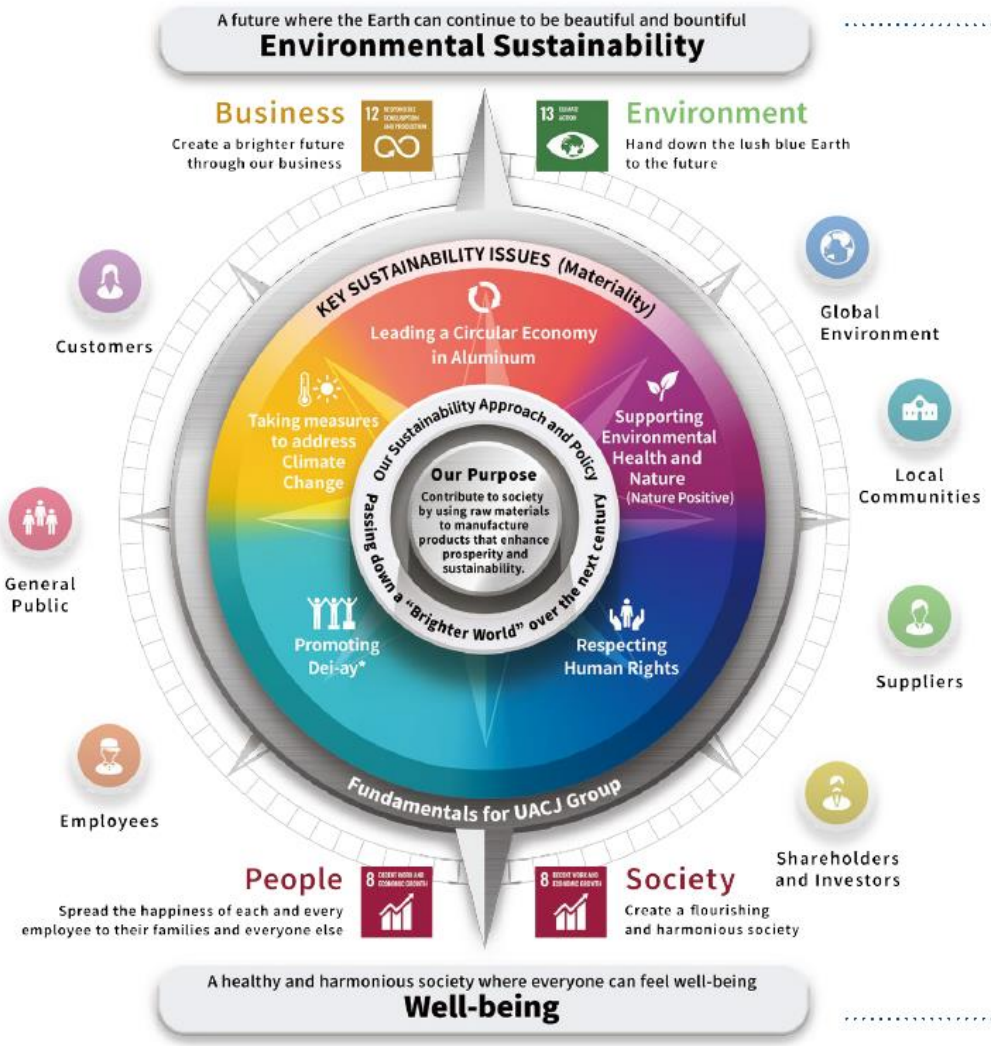
- Follow the Group's 5-gen principle*
- Sincerely respond to the expectations of stakeholders by helping the Group manufacture genuine products with integrity
- Stay ahead of emerging trends and play an active role in protecting the environment

Be curious and challenging

- Be inquisitive about changing trends and take on challenges while helping the Group provide products and services needed by society
- Aim to be creative and innovative in your work with a forward-looking perspective

* The 5-gen principle is a concept used by manufacturers in Japan that stresses the importance of the place where relevant activities happen (genba), relevant things (genbutsu), actual conditions (genjitsu), know-how (genri), and rules (gensoku)

The UACJ Group Sustainability Compass: Guiding the UACJ Group to Make a Better World



A future where the Earth can continue to be beautiful and bountiful

We will contribute to the creation of a sustainable society with loving care for our lush blue Earth through exploring further potential of aluminum.

Related SDGs

UACJ Group's Materiality

- **Leading a Circular Economy in Aluminum** (Circular Economy)
- **Taking measures to address Climate Change**
- **Supporting Environmental Health and Nature** (Nature Positive)

A healthy and harmonious society where everyone can feel well-being

We will contribute to the creation of a society in which each individual can feel healthy and happy, and in which this happiness will spread to all people.

Related SDGs

UACJ Group's Materiality

- **Respecting Human Rights**
- **Promoting Dei-ay** (DE&I)

Thoughts Behind the Mid-Term Management Plan (FY2024 - 2027)

Value

- Expanding earnings as a corporate group that creates added value

Connect

- Connecting a circulation loop for aluminum
- Connecting new business
- Connecting people to people

Lightens the World

- Contributing to reduction of environmental impact through the Group's skills and technologies

Trends Towards Realizing a Carbon-neutral Society

Japan

Declaration of “Carbon Neutral by 2050” (October 2020)

FY2030: 46% reduction
*compared to FY2019 levels

FY2050:
Achievement of net zero

- **Addressing global warming** is not a constraint or a cost, but a **“growth opportunity.”**
- Promote green growth strategies to support companies in taking proactive action
- Aim not only to achieve carbon neutrality by 2050 but also realize benefits to citizens' lives that go beyond reducing CO_2 emissions

Globally

Over 120 countries and regions have declared “Carbon Neutral by 2050”

Mid-term target
2030 50 – 52% reduction
*Compared to 2005

- Increased support for clean energy facilities and products
- Acceleration of energy research, etc.

Mid-term target
2030 68% reduction
*Compared to 1990

- Creation of 250,000 green jobs by 2030 (Ten Point Plan)
- Aiming to procure energy from a variety of sources, such as offshore wind power, etc.

Mid-term target
2030 Over 65% reduction
*Compared to 2005
*Based on CO_2 emissions per GDP unit

- Announcement of the action plan for carbon dioxide peaking
- Setting specific measures and targets across all processes and sectors of economic and social development, etc.

Created by UACJ based on information available at the Decarbonization Portal (https://ondankataisaku.env.go.jp/carbon_neutral/topics/feature-06.html)
Created by UACJ based on the METI's Green Growth Strategy Through Achieving Carbon Neutrality in 2050 (https://www.meti.go.jp/policy/energy_environment/global_warming/ggs/pdf/green_koho_r2.pdf)

UACJ's Initiatives

Declaration of commitment to carbon neutrality

[Scope1, 2] (announced in November 2022)

Target of 30% reduction*1 by FY2030

Aiming for carbon neutrality by 2050

[Scope3] (announced in December 2023)

Target of 30% reduction*2 by FY2030 through the expansion of recycling efforts

By 2050, work with various supply chain partners to maximize recycling, **reduce CO_2 and other GHG*3 emissions** across the supply chain, and **minimize overall GHG emissions**

*1 Compared to 2019 levels, per unit of production
* 2 Compared to 2019 levels, per unit of production, category 1
*3 Greenhouse gases

+

UACJ recycling rate target

(announced in December 2023)

FY2030 Target

80%

(65% of FY2019 results)

UACJ recycling rate definition:
* Excludes pure aluminum (1000 series, 8000 series)
* Target sites: UACJ (Nagoya works, Fukui works, Fukaya works, Oyama works), UATH (Rayong works)
* Used and scrap aluminum melted down in furnaces / Total aluminum melted down in furnaces * 100
* Used and scrap aluminum is comprised of industrial scrap aluminum, aluminum from used products, and scrap aluminum from in-house manufacturing
* All aluminum melted down in furnaces is comprised of Virgin aluminum, aluminum alloy additives, and used and scrap aluminum

Through the promotion of recycling, UACJ seeks to:

1) Reduce GHG emissions through the use of recycled aluminum

2) Contribute to the preservation of the global environment through resource circulation

UACJ's Vision for a Continuous Circular Economy of Aluminum

Leading a Circular Economy in Aluminum (Circular Economy)

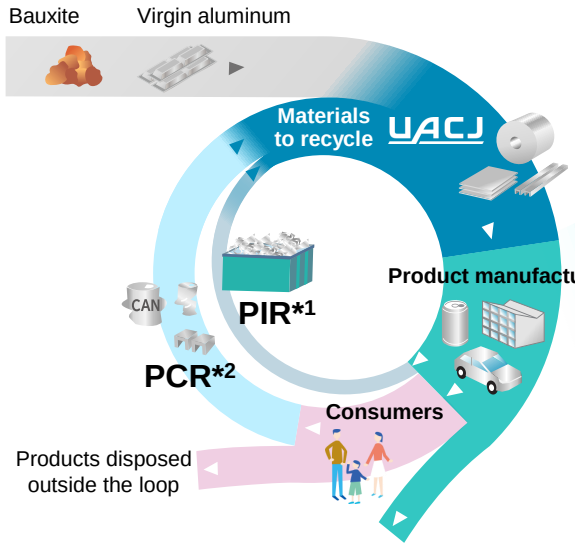
Establish a transformative business model spanning the entire supply chain

Vision

Significantly reduce the amount of virgin aluminum used

Increase the use of recycled aluminum

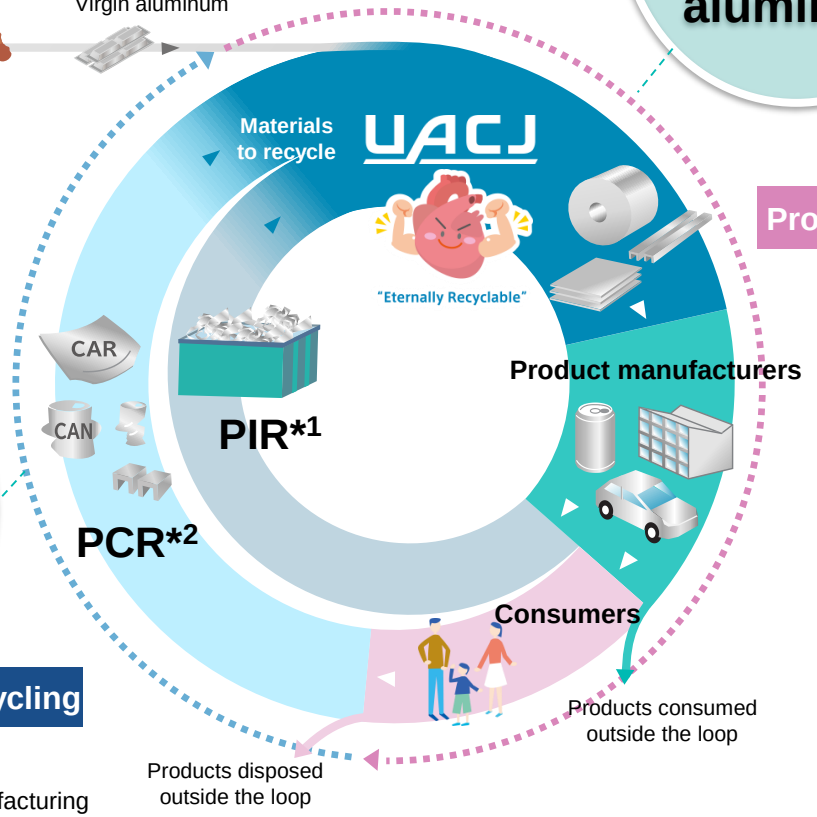
Current loop



- **Raise recycling rates**
- **Expand aluminum applications**

Expand the recycled aluminum market

Recycling



*1 PIR: Post-Industrial Recycled. Scrap generated during material processing stage in manufacturing
*2 PCR: Post-Consumer Recycled. Scrap from used products

Establishing a Robust Supply Chain Linking Resource Provision with Resource Circulation

PIR*1

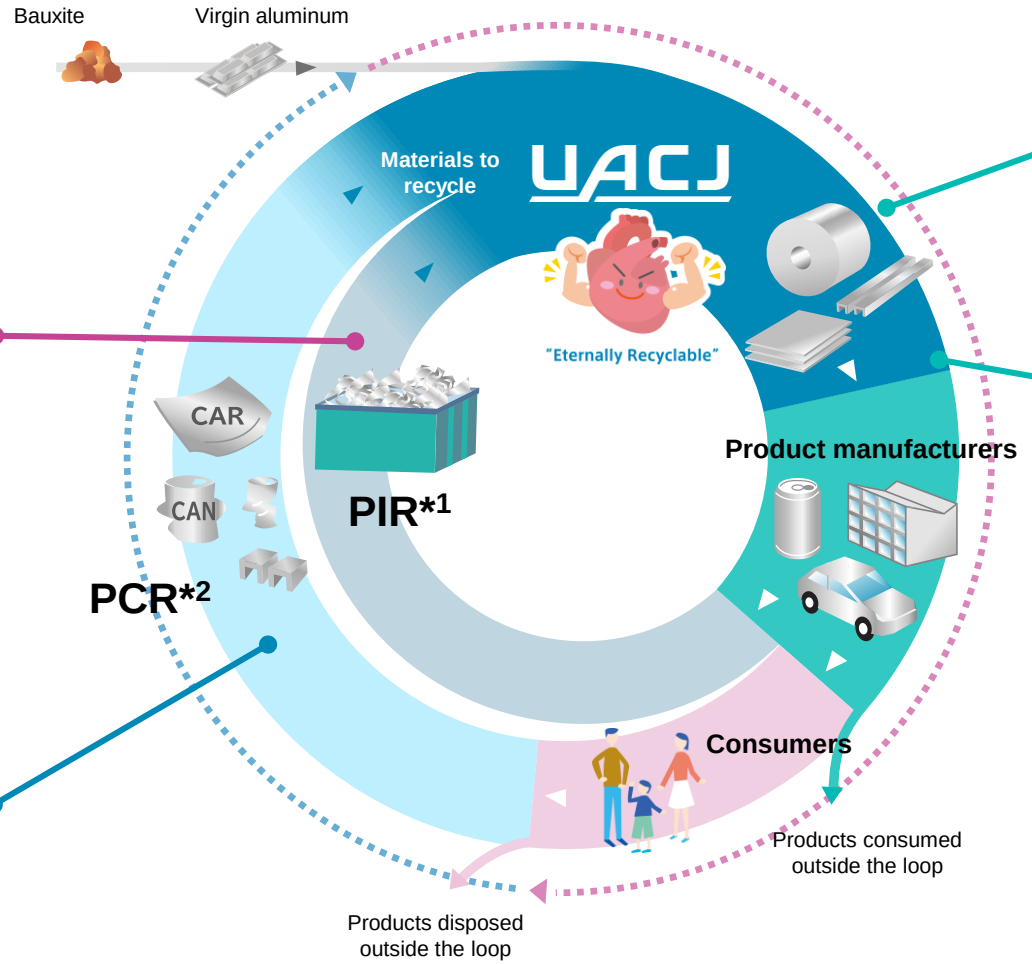
Closed loop

Steady and reliable collection through strengthened direct collaboration with customers

PCR*2

Technological development

Development of recycling technologies, such as NEDO*3-funded projects



Capital investment

Expansion of recycling facilities for used beverage cans (UBCs)

Establishment of an assurance system

Provision of environmentally certified products under ALmitas+ SMART brand

Rule-making

Advocate to government agencies, ministries, and industry groups
- Initiatives to improve collection rates

Public relations and outreach activities

Increase consumer awareness of the importance of recycling

*1 PIR: Post-Industrial Recycled. Scrap generated during material processing stage in manufacturing
*2 PCR: Post-Consumer Recycled. Scrap from used products
*3 NEDO: New Energy and Industrial Technology Development Organization

Global Efforts to Improve the Recycling of Aluminum Beverage Cans

Japan

UACJ Fukui Works
Establishment of a new UBC[*1] processing line through a joint venture with Yamaichi Metals Corporation (scheduled for Q4 FY2025)
: Equipment for processing UBCs into recycled materials

Thailand

UATH[*3] Rayong Works
Expansion of scrap melting furnaces
Has been in operation since Q1 FY2024
: the fourth sidewell scrap melting furnace

North America

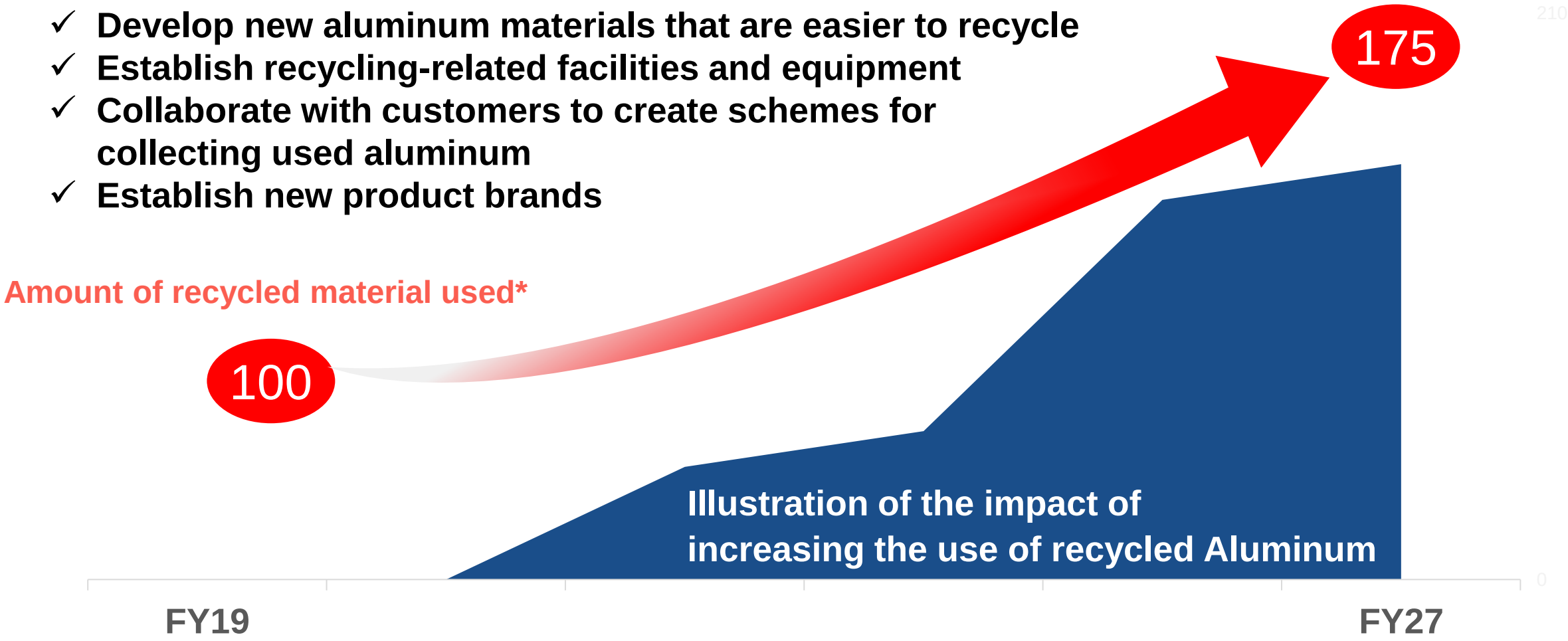
TAA[*2] Logan Aluminum
Expansion of the UBC processing line (scheduled for Q1 FY2026)
: Expansion of the UBC shredder processing line

*1 UBC: Used beverage cans *2 TAA: Tri-Arrows Aluminum Inc. *3 UATH: UACJ (Thailand) Co., Ltd.

Promoting Recycling of Aluminum Beverage Cans

Bolster recycling initiatives and establish a new business model that drives demand

- ✓ **Develop new aluminum materials that are easier to recycle**
- ✓ **Establish recycling-related facilities and equipment**
- ✓ **Collaborate with customers to create schemes for collecting used aluminum**
- ✓ **Establish new product brands**

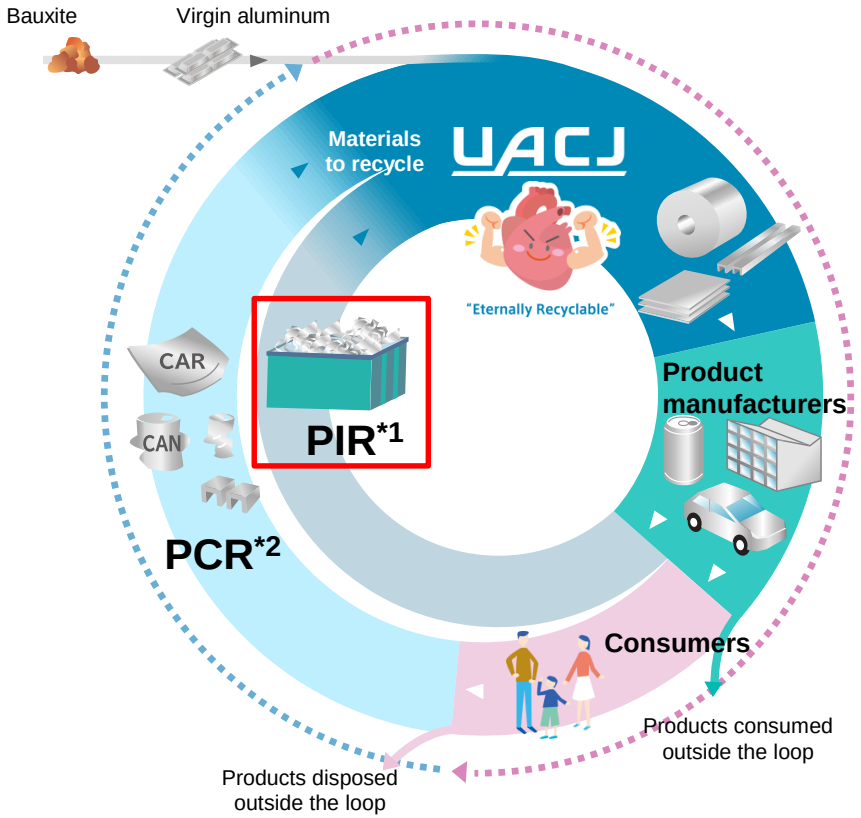


*Based on a benchmark of 100 for the volume of UBCs (used beverage cans) utilized in 2019 across three global sites

Establishing a Robust Supply Chain (Automotive, etc.)

➢ We will begin to develop a framework together with customers, centered mainly on automotive materials

■ Utilization of PIR*1



- Scrap generated during the manufacturing processes of customers (product manufacturers) is a easy-recyclable resource due to its clearly defined composition.
- In collaboration with several automobile manufacturers, we have established a framework for collecting scrap from automotive body materials, and are currently expanding its scope.
  Moving forward, we aim to build similar frameworks in other fields.

Promoting framework development, centered mainly on automotive materials

*1 PIR: Post-Industrial Recycled. Scrap generated during material processing stage in manufacturing
*2 PCR: Post-Consumer Recycled. Scrap from used products

Creating Frameworks for a Circular Economy for Aluminum

➢ As an industry leader, we participate in creating frameworks to realize a circular economy of aluminum

Three-country activities

- **Japan:**
  Miyuki Ishihara (Chairman of UACJ) has been appointed President of the Japan Aluminium Association and Chairman of the Japan Aluminum Can Recycling Association, and promotes technological development and the creation of a framework to encourage recycling

- **US:**
  Henry Gordinier (Managing Executive Officer of UACJ and President/CEO of TAA) is Chair of The Aluminum Association and works with federal and state governments to improve recycling rates

- **Thailand:**
  Teerapun Pimtong (General Manager of the Sales & Marketing Department (Domestic Can stock) at UATH) has been appointed Chairman of Aluminium Industry Club, the Federation of Thai Industries. Together with government and industry officials, he is promoting UBC*1 collection and carrying out activities to raise awareness of recycling through Can to Can closed loop recycling*2

Global activities

- **We are the only Japanese company to participate in the International Aluminium Institute's (IAI) Global Beverage Can Circularity Alliance, working with member companies to improve the global recycling rate of aluminum cans (especially in the US).**
- **In October 2024, a UACJ employee presented "Aluminum Can Circularity in Japan" on behalf of the Japan Aluminium Association at the Global Aluminium Can Sustainability Summit*3, sharing our efforts with stakeholders from various countries.**

● **Global Beverage Can Circularity Alliance member companies**

- Can manufacturers:
  Ball, Crown, Ardagh Metal Packaging, etc.
- Manufactures of aluminum rolled products:
  UACJ, Novelis, Constellium, etc.

Kenji Nose from UACJ's Climate Change Task Force Department → speaking at the Global Aluminum Can Sustainability Summit

*1 UBC: Used beverage cans *2 A framework for recycling aluminum in the aluminum can manufacturing process
*3 Global Aluminium Can Sustainability Summit (hosted by the Can Manufacturers Institute and the Metal Packaging Europe, etc.)

Development of Recycling Technologies for the Future

High purity

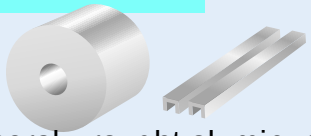
Low purity

UACJ product areas

High-purity aluminum (99.7% or higher) for wrought aluminum products

Battery foils, etc.

Aluminum for wrought aluminum products*



General wrought aluminum products such as can stock and automobile body panels

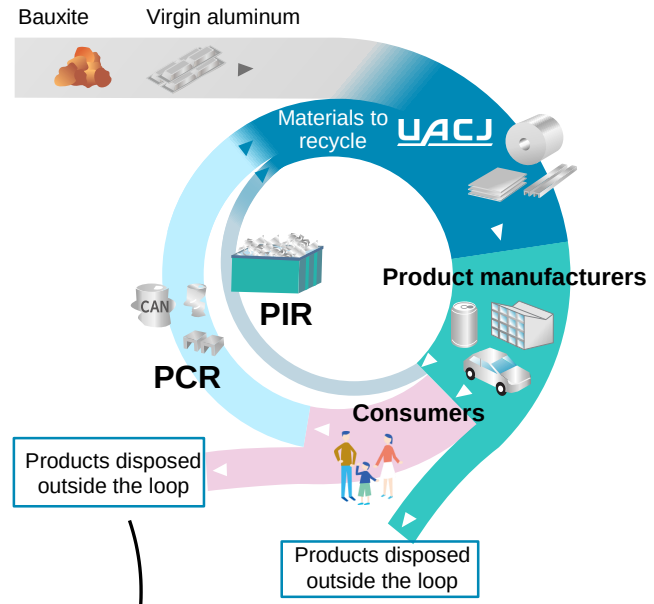
Upgrade recycling
⇒ Vertical high-speed twin roll casting[*1]
Removal of impurities, etc.

High upgrade recycling
⇒ Thorough purification of aluminum through low-temperature electrolysis[*2]

Aluminum for casting and die-casting*
(automobile engine blocks, etc.)

Scrap

*Concept Image



*About wrought, cast, and die-cast aluminum

- Wrought aluminum can be in the form of panels, extrusion components, forged parts, or foil, and is used for cans, automobiles, air conditioning units, IT equipment, and in the aerospace field.
- Cast and die-cast aluminum are made by pouring molted aluminum into a mold and hardening it into a solid. Aluminum manufactured in this way is used for automobile engine blocks and other applications.
- The UACJ Group mainly manufactures wrought aluminum products.

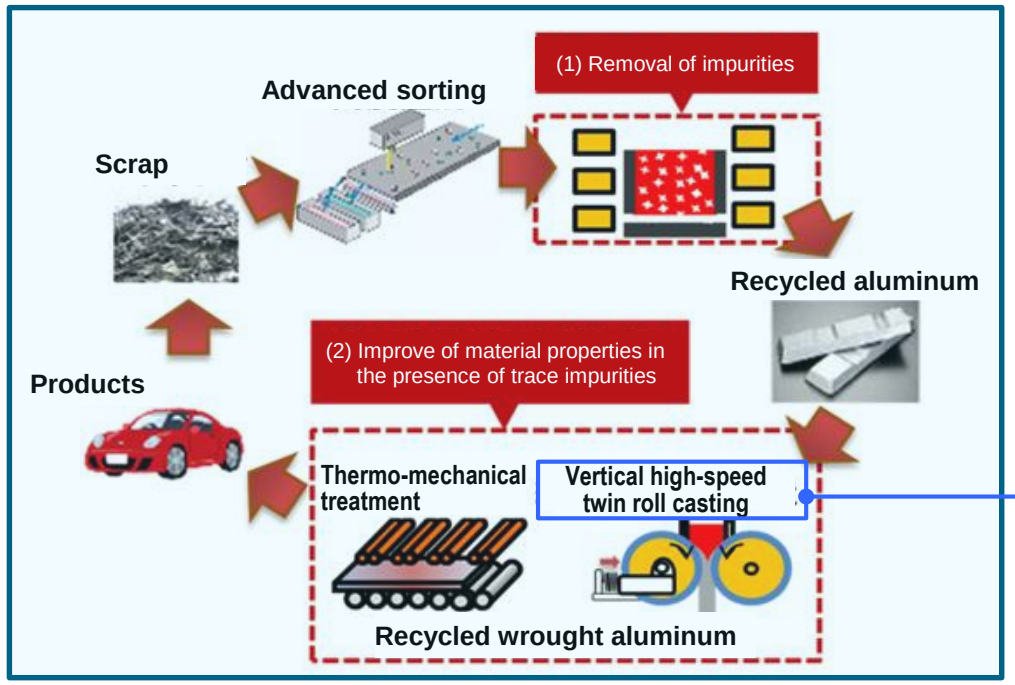
*1 News release on September 11, 2024 (Japanese only) https://www.uacj.co.jp/release/20240911.htm
*2 News release on August 23, 2024 (Japanese only) https://www.uacj.co.jp/release/20240823.htm

Development of Recycling Technologies (Example of Upgrade Recycling)

Experimental vertical high-speed twin roll casting machine*1 (NEDO*2-funded project)

*1 News release on September 11, 2024 (Japanese only)
*2 NEDO: New Energy and Industrial Technology Development Organization

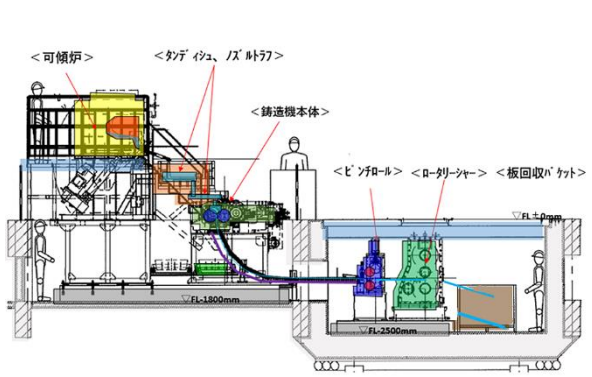
- In September 2024, an experimental machine was installed at the R&D Center (located at the Nagoya Works) and trial production began, with the aim of achieving global commercialization ahead of others
- This experimental machine can cast aluminum sheets at a high speed of 0.5-1.3 meters per second
- By the 2030s, we aim to introduce a commercial machine capable of casting sheets approximately 2,000mm wide (equivalent to a production capacity of 200,000 tons per year), thereby achieving aluminum resource circulation in wrought products and significantly reducing CO_2 emissions



Conceptual diagram of advanced circulation technology for aluminum materials

***Vertical high-speed twin roll casting**

Casting of thin sheets at high speed directly from molten aluminum.
Rapid cooling and solidification allows for the fine dispersion and neutralization of impurity-derived compounds.



Schematic diagram and appearance of the experimental machine installed at UACJ's R&D Center

Molten aluminum pouring area

Beneath the rollers, a sheet emerging during casting

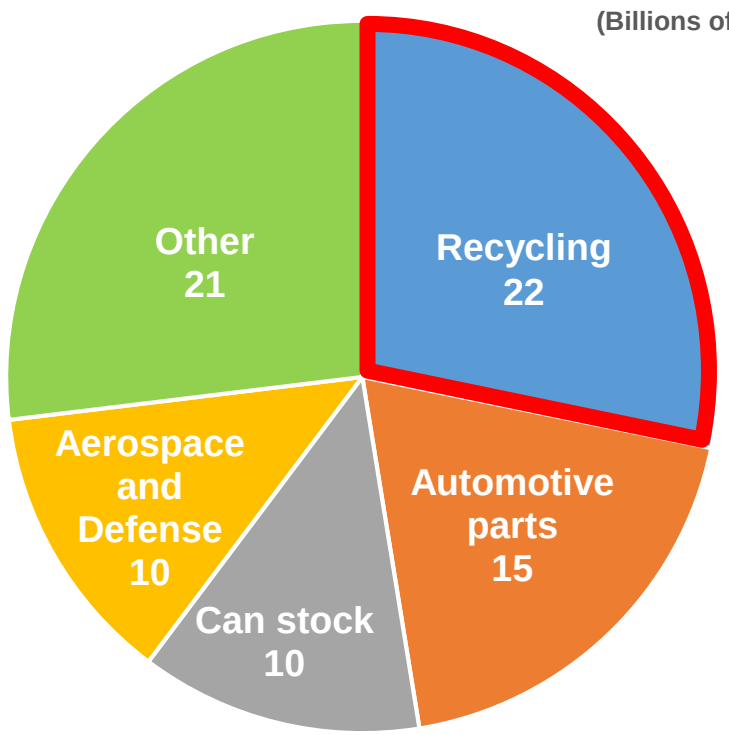
Shear exit, edge of cast sheet

Trial production

Investment in Recycling Promotion Laid Out in the Mid-Term Management Plan

- The promotion of recycling is positioned as the cornerstone of our growth strategy, to which approx. 30% of growth investments will be allocated under the current mid-term management plan

Fourth mid-term management plan (FY2024-27)
Breakdown of ¥78 billion for growth investments by field



*UBC: Used beverage cans

Main recycling facilities to be started in operation during the fourth mid-term management plan period

Region	Facility	Start of operation
Japan	Establishment of new UBC/scrap processing equipment	Q4 FY2025
Equipment for processing UBCs into recycled materials to be newly established at Fukui Works (operated as a joint venture)		
US	Expansion of UBC processing capacity	Q1 FY2026
Expansion of the UBC shredder processing line		
Thailand	Expansion of scrap processing capacity	Q1 FY2024
Started operation of the fourth sidewell scrap melting furnace		

■ Highest rating obtained in the Green finance framework

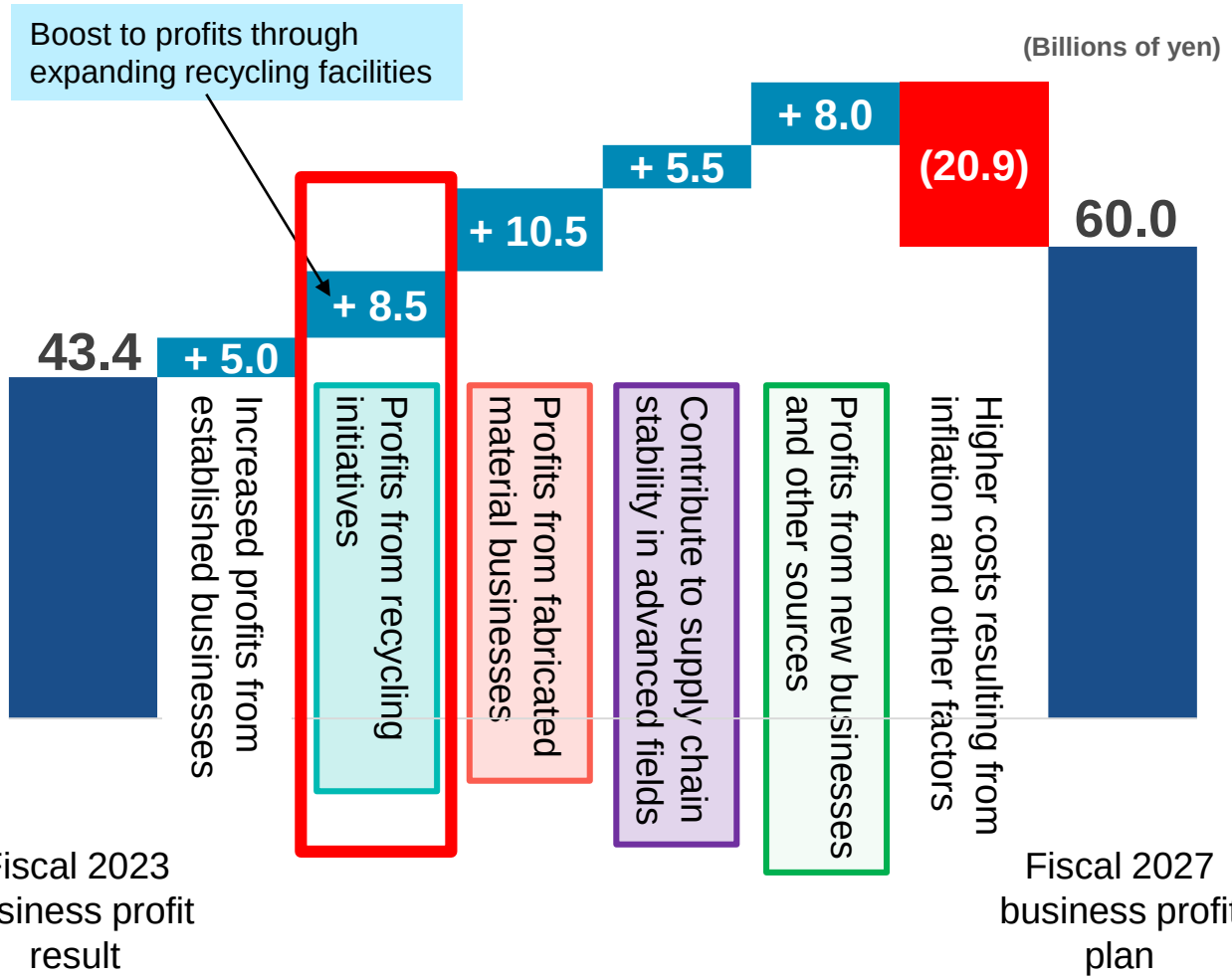
On November 26, 2024, UACJ received the highest rating of Green 1 from JCR*, who oversee the green finance framework, for borrowing funds designated for investments in recycling facilities. By utilizing green finance and diversifying funding sources, we aim to further promote sustainability investments.

Assessment details
Purpose of funds: Investment in UBC/scrap processing equipment at the Fukui Works
Assessment result: Green 1 (the highest rating awarded by JCR)

*JCR: Japan Credit Rating Agency, Ltd.

Expected Boost to Profits through Recycling Promotion in the Mid-Term Management Plan

Factors contributing to profit changes in the fourth mid-term management plan (FY2024-27)



Boost to profits through recycling promotion

Actively investing in recycling-related facilities across Japan, the US, and Thailand, leading to benefits including:

- Expansion of business domains and process streamlining
- Increased use of recycled aluminum

Conveying the Value-added Materials

Solving social issues and meeting customer needs

Solving social issues

Improving sustainability and transparency

Environment: Reducing GHG emissions and improving resource circulation

Society: Human rights and occupational safety and health

Customer needs

Reducing the environmental impact through the use of aluminum

Supplying sustainable products

UACJ

To realize the value-added materials

- Establishment of a healthy supply chain
- Technological development
- Capital investment

Creating the value-added materials

- Responding to industry standards
  ⇒ Initiatives etc.
- Assurance and Branding
  ⇒ ALmitas^{+} SMART

UACJ Sustainability

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Initiatives to Create Value-added Materials

Chief Executive, Corporate Sustainability Division Executive Officer

Midori Narita

Topics of Today's Discussion

Value

- **Expanding earnings as a corporate group that creates added value**

Connect

- **Connecting a circulation loop for aluminum**
- **Connecting new business**
- **Connecting people to people**

Lightens the World

- **Contributing to reduction of environmental impact through the Group's skills and technologies**

Actions for creating added value

Actions for Creating Value

➢ Focus on initiatives to maximize the value provided, with a view toward a sustainable future

■ Vision

Connecting different industries and supply chains to serve as a key enabler of value in a circular society

Providing products chosen by customers and consumers as an industry leader

■ Actions for creating value

Responding to industry standards

Development of products promoting added value in line with customer needs

In each country:

- Strengthen collaboration and sharing of information with relevant government agencies and academia
- Engage in activities within industry associations

Responding to Industry Standards and UACJ's Environmental Certification for the Value-added Materials

➢ Create value for the value-added materials through methods tailored to customers and the market

■ Two actions to delivering added value to the market

Responding to industry standards (initiatives, etc)

Aluminium Stewardship Initiative

CDP DISCLOSURE INSIGHT ACTION

ecovadis

Proactively adapting to global industry standards and obtaining exacting certifications to enhance sustainability efforts

Development of products promoting added value in line with customer needs (branding)

ALmitas+ SMART

Mass Balance method (UACJ standard) + **Meeting the environmental requirements of individual customers**

Providing environmentally certified products in line with customer needs under UACJ's environmental brand, ALmitas+ SMART

ASI

its Importance in the Global Market and the Expansion of Sales

The Value of ASI Certification

➢ The aluminum industry's largest initiative for expanding business with global customers

ASI (Aluminium Stewardship Initiative)

The largest international initiative in the aluminum industry, with membership from companies and organizations involved in the aluminum supply chain, from mining, processing to users. Currently there are more than 360 member companies and organizations. As a standard for the promotion of sustainability and supply chain management, it requires members to address environmental issues, such as GHG reduction and improved resource circulation, as well as social issues, such as human rights and occupational health and safety.

Performance Standard (PS) certification

Certification of business sites (business units). Requirements include formulating a scientifically based pathway to reduction in line with the IAI* 1.5°C scenario.

Chain of Custody (CoC) certification

Certification of products. Compliance with standards across the supply chain (processing and distribution stages) is required.

- ✓ There is accelerating demand for ASI certification from major aluminum users (beverage cans, automobiles, IT products, etc.)
- ✓ UACJ was the first Japanese manufacturer to join in 2020 and to obtain certification in 2022. Leveraging the knowledge and expertise acquired, UACJ aims to expand business by meeting stringent customer demands

Current Sales Status and Future Outlook for ASI-certified Aluminum

- Establish a global, multi-product supply system through horizontal deployment of the knowledge and expertise required for obtaining certification

Market

Increased demand for certification from customers, in all areas, from can stock and automobile panels to automobile parts

UACJ

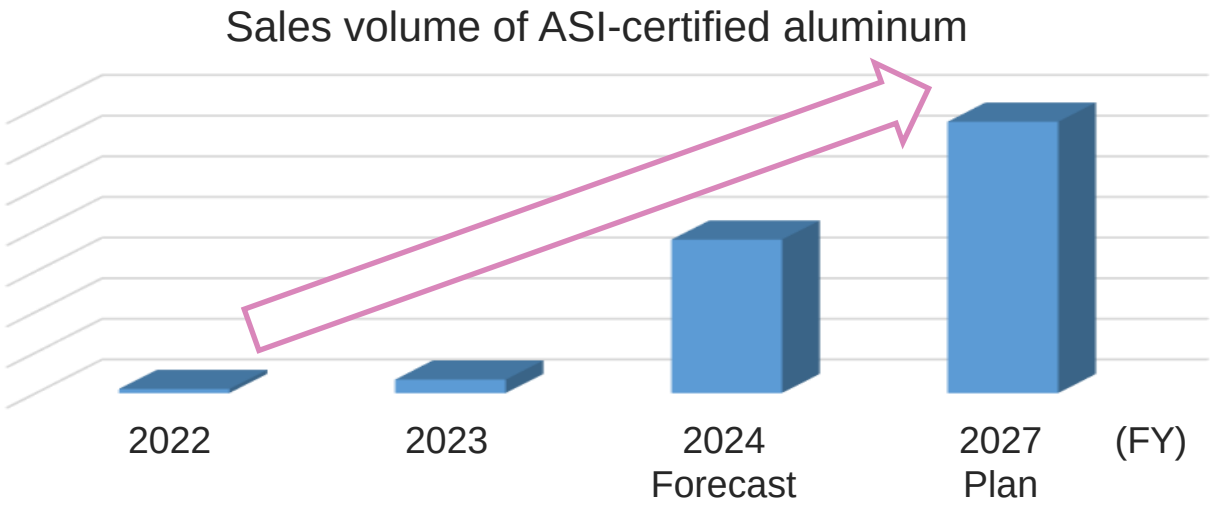
Certification acquired at 2 locations:
Fukui and Thailand

Current sales of ASI-certified aluminum

Fukui Works: Global can manufacturers for Europe
Thailand (UATH): Can manufacturers in South and Southeast Asia

■ Future initiatives

- Promote the acquisition of certification by horizontally deploying the knowledge and expertise required for acquiring certification to other product areas, businesses, and work locations, e.g. the automotive sector
- Establish a global, multi-product supply system



Key factors behind increasing sales

- Acquisition of new projects from global can manufacturers targeting Europe
- Acquisition of certification for automobile panels and automobile parts

ALmitas+ SMART

Aluminum Products that Promote Added Value

ALmitas+ Branding

- Creating brand images from the characteristics of the aluminum materials and their effectiveness in addressing specific issues

ALmitas+

8 brand categories

- **ART & DESINGNABILITY**
- **LIGHTWEIGHT**
- **SUPERIOR**
- **PROCESSABILITY**
- **EFFICIENT**
- **SUSTAINABILITY**
- **DURABILITY**
- **COLLABORATIVE**

- In September 2024, the UACJ Group unified its aluminum materials and product brands under one family brand: ALmitas+
- ALmitas+ is a brand that embodies the value-added materials and conveys the potential and appeal of aluminum

Products emphasizing the environment and circularity (sustainability) are marketed under the brand name ALmitas+ SMART

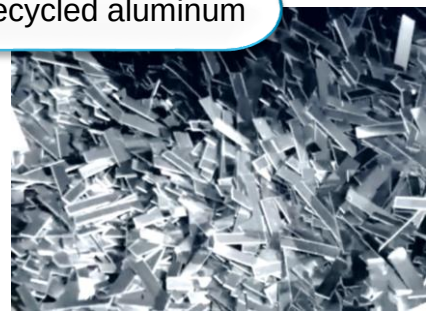
ALmitas+ SMART

What is ALmitas+ SMART?

ALmitas+ SMART

Green virgin aluminum*

Recycled aluminum



An environmentally certified material that ensures recycling rates and output level of GHG emissions through the use of green virgin aluminum* and recycled materials

*Virgin aluminum produced primarily using renewable energy in the smelting process

■ Two approaches to ALmitas+ SMART

Mass Balance method (UACJ standard)

Ensure the environmental impact of products by mass balancing them through supply chain management

+

Meeting the environmental requirements of individual customers

Ensure that we meet individual requests that are in line with customers' business goals

- Utilize UACJ's knowledge and expertise in providing aluminum materials to multiple industries, including beverage cans and automobiles
- Provide environmentally friendly materials using optimal methods tailored to customer needs and industry conditions

Examples of ALmitas+ SMART Products

- Improving development and supply capabilities for environmentally friendly materials through responding to the needs of industry-leading customers

2017 Received a request from a global IT manufacturer for a 100% recycled aluminum material for laptops

2018 Initial shipment (Nagoya Works)

⇩ Ongoing provision

Details of provision

- Guaranteed proportion of recycled material
- Use of renewable energy as power for production

An example of aluminum sheets for which the highest surface quality is required

Examples of Third-party Certifications for ALmitas+ SMART Products

Beverage cans

Clearly indicate the proportion of virgin aluminum

Automotive

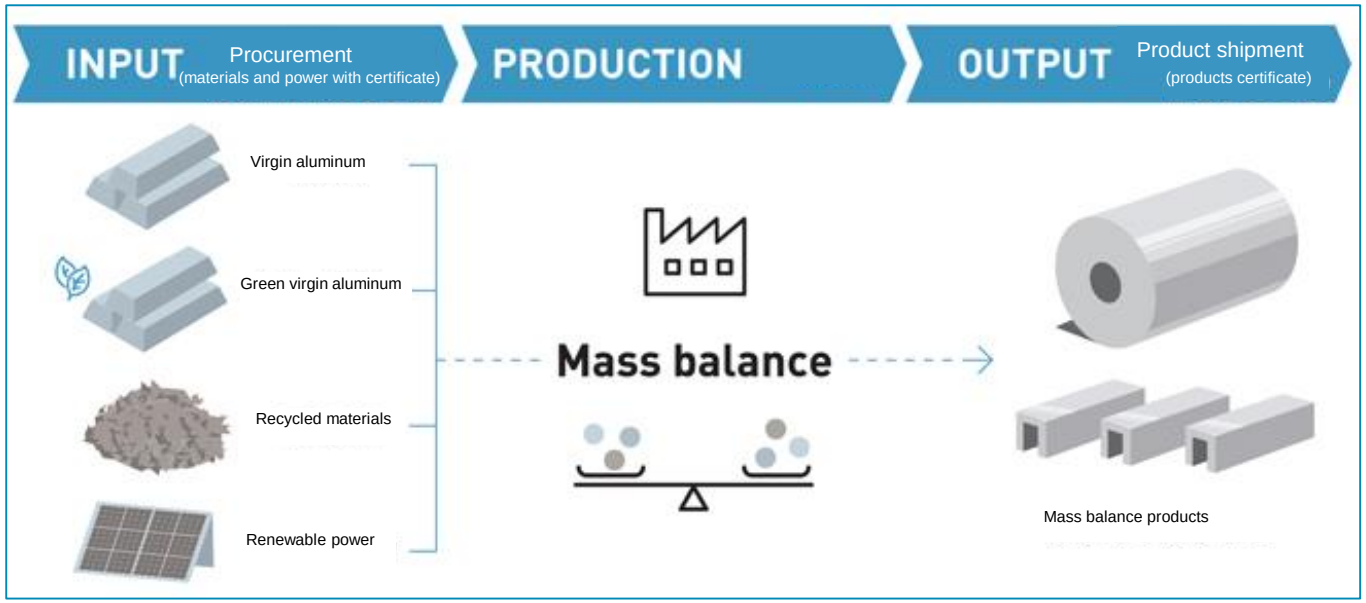
Mass balance method using closed-loop recycling and green virgin aluminum

Construction materials

Recycled materials in market and green virgin aluminum

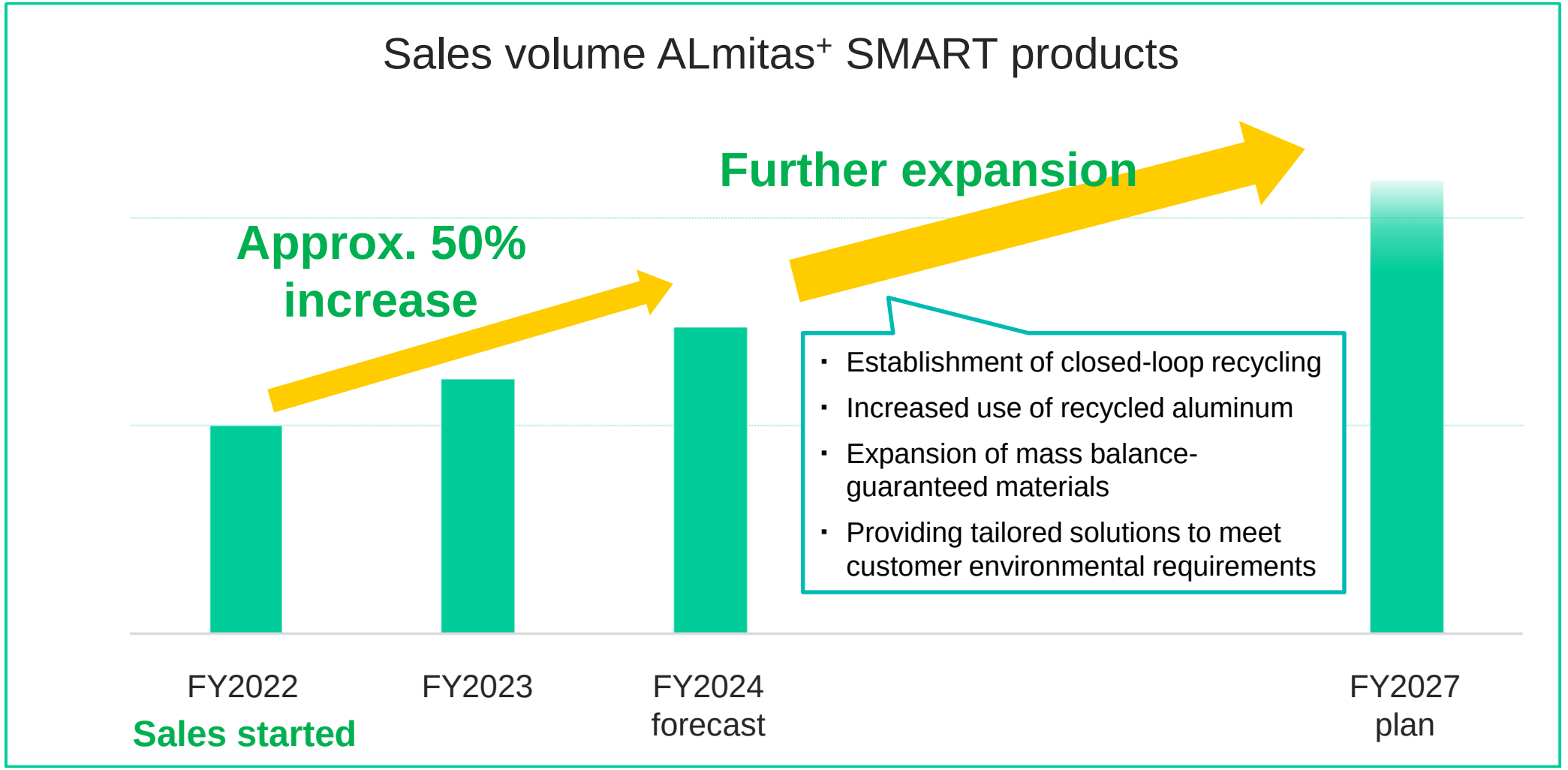
Mass Balance method

By managing UACJ's INPUT and OUTPUT and allocating environmentally certified raw materials to products, we are able to able to guarantee the level of GHG emissions



Expanding Sales of ALmitas+ SMART Products

- Aim to expand sales by providing environmentally friendly materials tailored to market and customer needs



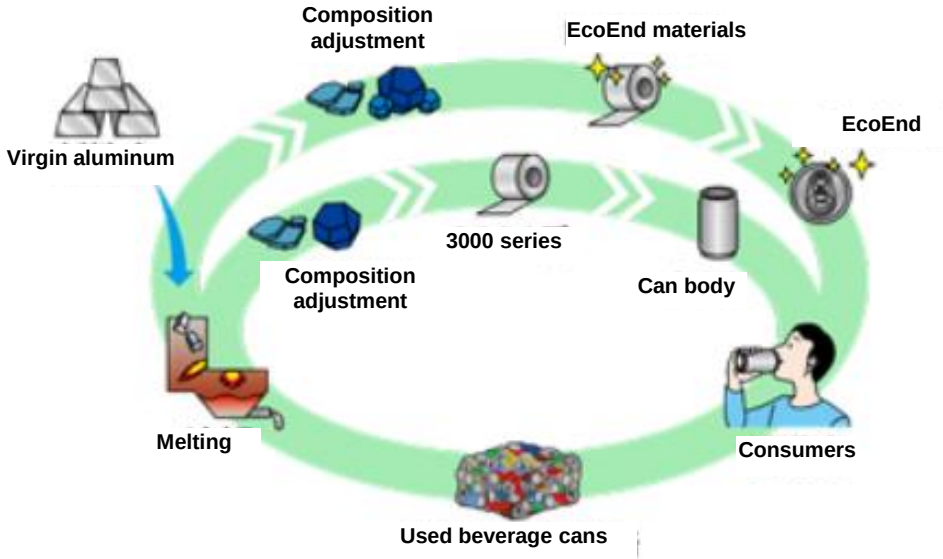
EcoEnd™ Wins 3 Awards at The Canmaker Cans of the Year Awards 2024*

➢ UACJ has achieved high international acclaim and continues to work towards becoming an industry standard

- EcoEnd™ is an aluminum beverage can lid jointly developed with Toyo Seikan
- Existing can lids have used a higher proportion of virgin aluminum than can bodies, but EcoEnd™ significantly increases the use of recycled materials, reducing GHG emissions by around 40% compared to existing products.

EcoEnd
made with a new endless loop

Members of Toyo Seikan and UACJ at the awards ceremony

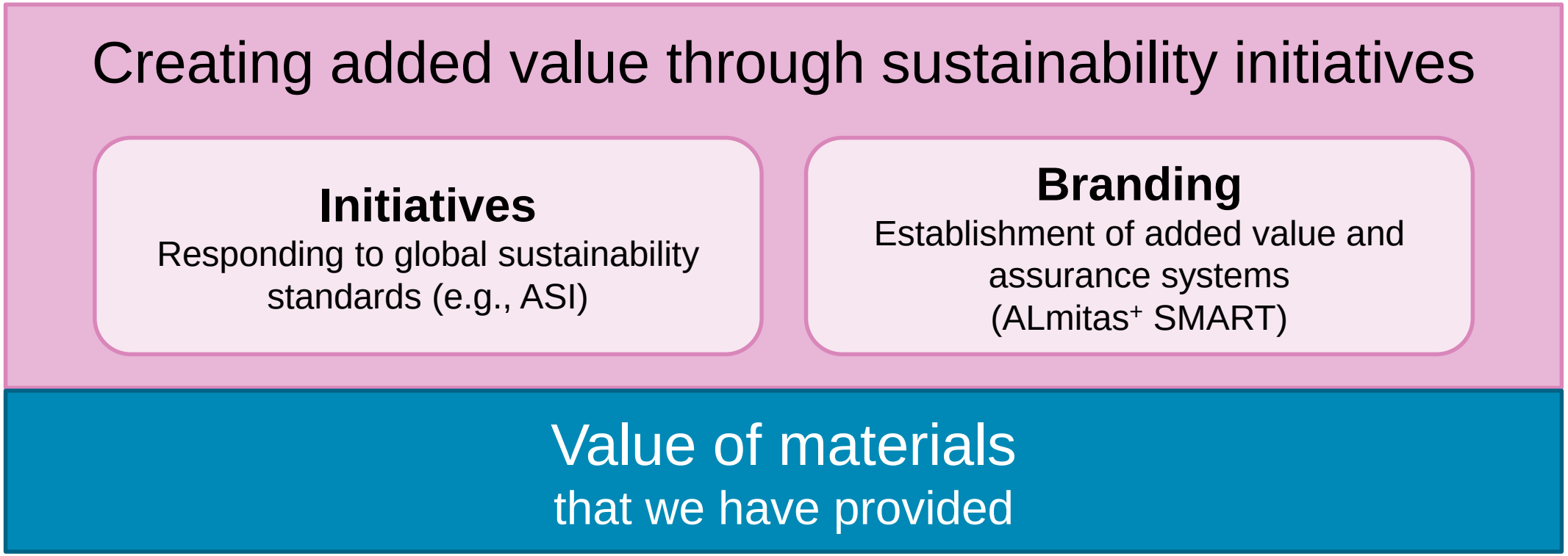


The new recycling flow presented by EcoEnd™

* EcoEnd™ won three awards at The Canmaker Cans of the Year Awards 2024, organized by The Canmaker Magazine: the Delegates' Choice Award, Sustainability Award, and Gold in the "Ends, Caps & Closures" category

Towards Creating Further Value

As a leading manufacturer of aluminum materials, UACJ aims to create added value through the sustainability initiatives in addition to the value of materials that we have provided



UACJ Sustainability

UACJ
Aluminum lightens the world
アルミでかなえる、軽やかな世界

Human Capital and Enhancing Corporate Value

- Efforts to visualize the financial impact of human capital -

Teruo Kawashima
Director, Executive Vice President

UACJ Value Creation Process and Vision

Social issues

Expansion of human activity scope
- World population growth
- Growth of emerging markets

Diversification of people's affluence
- Pursuit of well-being
- Maturation of developed countries
- Social change through technology (DX, Transportation Revolution, etc.)

Rapid deterioration of global Environment
- Increased need for environmental responsiveness
- Resource/energy shortages

Global fragmentation
- Increased conflict
- Supply chain instability

Inputs (Capital)

Financial capital
- Financing capacity/equity capita

Manufacturing capital
- Three-country supply structure
- Various process technologies

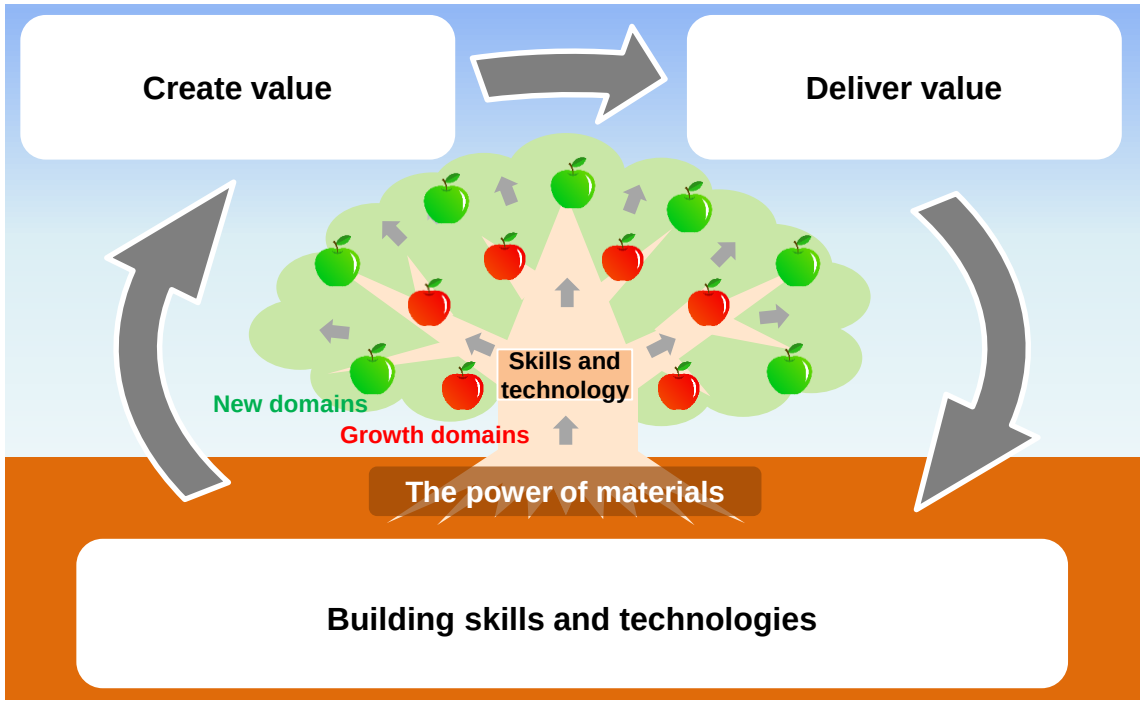
Intellectual capital
- Technology and expertise cultivated from a variety of products

Human capital
- Diverse global workforce of approx. 10,000 employees

Social capital
- Customer relationships
- Supply chain collaborative relationships
- Environmental product brands

Natural capital
- Aluminum, a resource with outstanding advantages

UACJ business activities



Foundation of business activities

Practicing the UACJ Way, safety, quality, compliance, governance

Outputs (Corporate results)

Growth domains
- Packaging and containers
- Automotive, batteries
- Heat management
- Semiconductor manufacturing equipment

New domains
- Mobility
- Lifestyle/healthcare
- Environment/energy

Financial indicators
- Sales: ¥1,100 billion
- Business profit margin: 6%
- ROIC*: 10%
- ROE: 10%

Non-financial indicators
- UACJ recycling rate: 80%
- CO_2 emission down: 30%
- Reduction rate of water withdrawal: 25 % or more
- Percentage of women in management positions: 15%
- Number of serious workplace accidents: Zero
- Number of serious quality defects: Zero

Outcomes (Social value)

Broader contribution to social development
- Enhancing food, clothing, and shelter
- Basic industries such as automotive

Contribution to well-being
- New added value ancillary to materials
- New products and services that bring affluence

Contribution to a sustainable global environment
- Lighter weight in transportation methods
- Improved energy efficiency
- Building a recycling-oriented society

Helping to improve society's resilience
- Enhanced energy infrastructure
- Bolstering supply chain resilience in key industries

Realizing an affluent, sustainable society

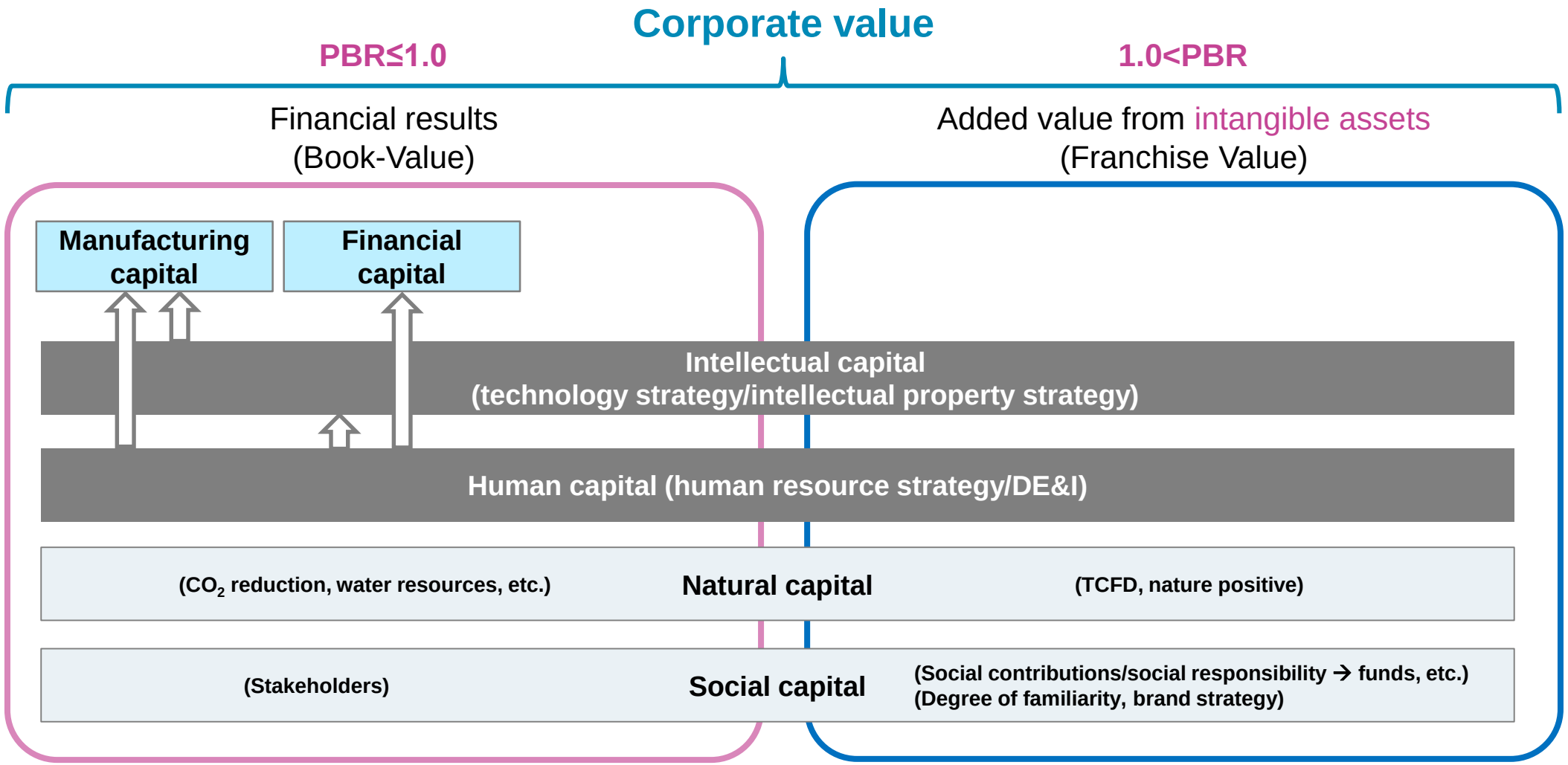
Materiality issues

A future where the Earth can continue to be beautiful and bountiful
- Leading a Circular Economy in Aluminum
- Taking measures to address Climate Change
- Supporting Environmental Health and Nature

A healthy and harmonious society where everyone can feel well-being
- Respecting Human Right
- Promoting Dei-ay

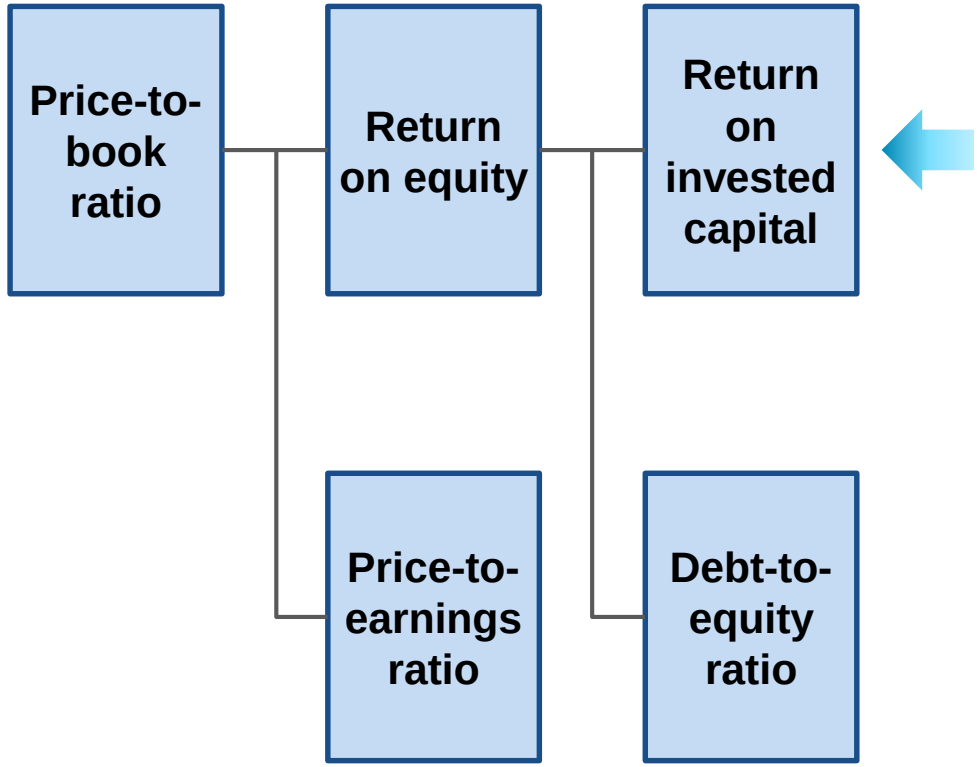
Corporate Value Creation Through Six Types of Capital (Internal UACJ Framework)

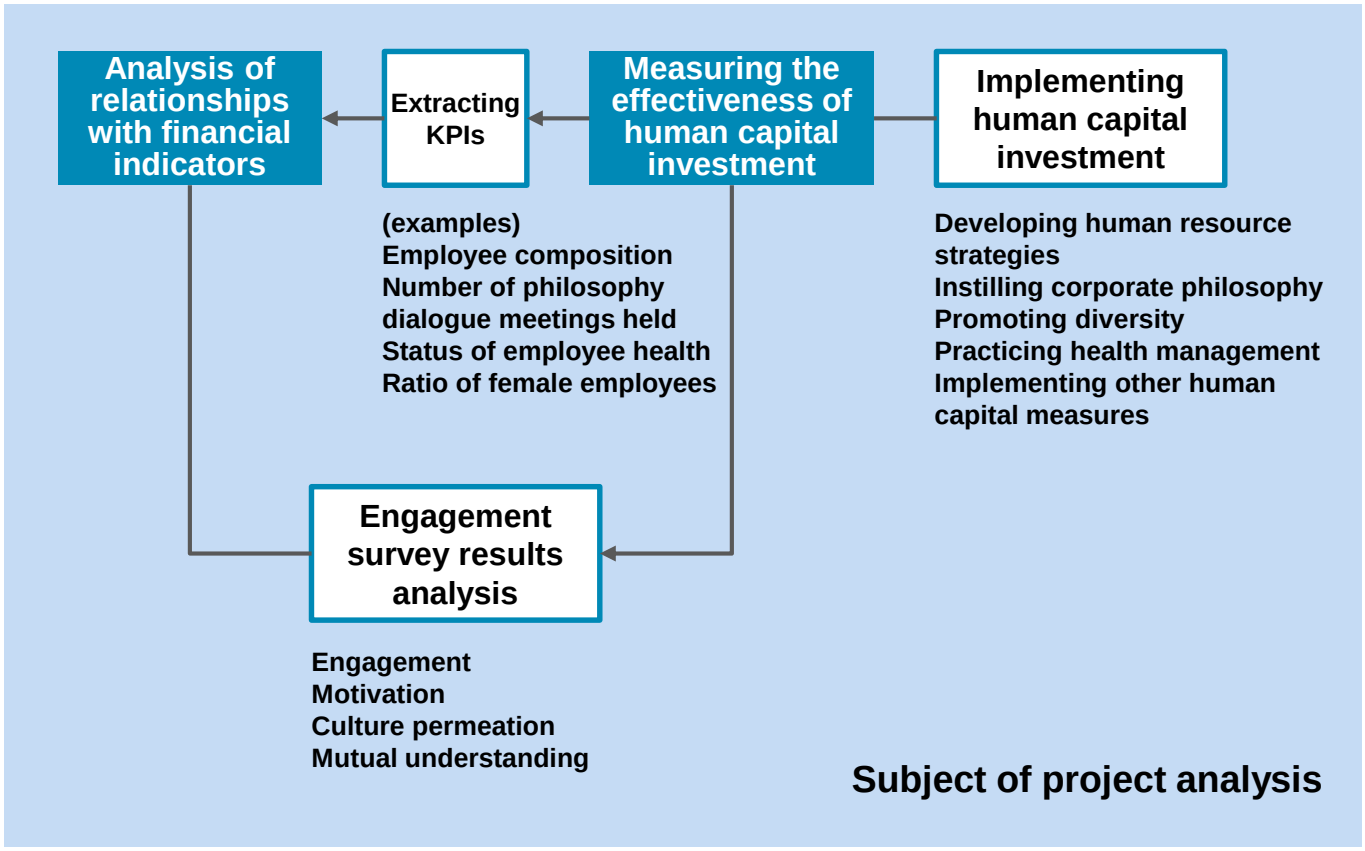
Relationship between the six types of capital



Overview for “Visualizing the Financial Impact of Human Capital”

- Analyze the relationship between human capital policies such as human resource policies, promotion of diversity, and health management practices with financial performance
- Analyze the effects of utilizing human capital through the drafting and implementation of human resource strategies, and contribute to human capital policies that contribute to the enhancement of corporate value





Specific Initiatives

Purpose of analyzing the relationship between human capital investment and financial indicators:

By utilizing the results of engagement surveys, we analyze the correlation between human resource policies and financial impact, and contribute to the formulation of corporate strategies aimed at creating corporate value through improvements in human capital, including well-being and health and productivity management

Analysis of the financial impact of human capital

Utilizing internal resources such as AI analysis technology from the R&D Center

Joint project with Kyoto University

We are carrying out a project to analyze the impact of human capital on financial results in collaboration with Kyoto University's Nobuyuki Isagawa Laboratory and Kazuo Yamada Laboratory

- In FY2023, we used the results of past engagement surveys to analyze the correlation with diversity indicators such as the proportion of female employees, and to matters such as the workplace environment
- In the future, we plan to update the engagement survey and use it to analyze the link between engagement scores and financial impact

UACJ aims to devise and implement effective human resource strategies that maximize the potential of our employees, leading to **improvements in both individual and collective performance**

UACJ Sustainability

UACJ

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Discussion with Outside Directors

- UACJ’s Governance -

UACJ's Steps to Strengthen Corporate Governance

1st Mid-Term Management Plan → 2nd Mid-Term Management Plan → 3rd Mid-Term Management Plan → 4th Mid-Term Management Plan

2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2027

- 2017: Established Nomination & Remuneration Advisory Committee
- 2020: Structure reform period — Reduced number of directors and executive officers

[Board of Directors]

- Regular monitoring of the effectiveness of the board of directors
- Free discussion by board members

2016～ BoD effectiveness evaluation

- Third-party evaluation
- Third-party evaluation

2024～ Off-site meetings

[Executive remuneration]

- Improving the management team's mindset towards enhancing corporate value and stock value
- Refining the executive remuneration system to have a stronger focus on shareholder returns and materiality efforts

2018～ A system of performance-linked remuneration (including share-based)

- Introduction of TSR indicators
- Introduction of non-financial indicators

[Officer appointments]

- Pool future successors for the roles of president and executives, and broaden their experience and knowledge (enhancing human capital)
- Identify the candidates and skills necessary to achieve more effective management of the board
- Conduct peer evaluations of outside directors to assess whether they are fulfilling their expected roles and responsibilities

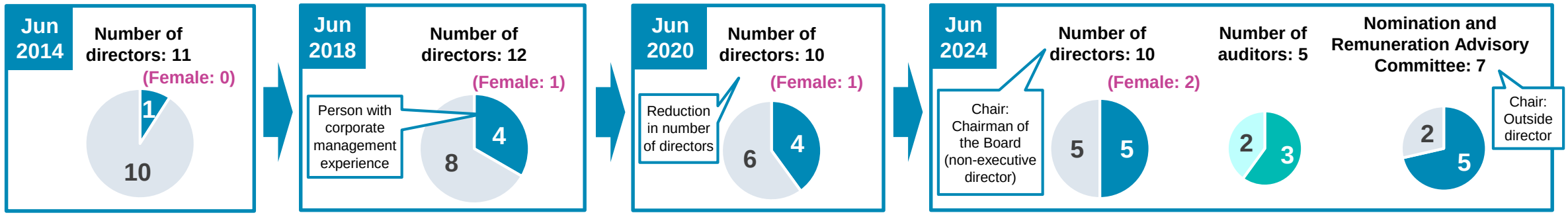
2020～ Succession plan

- President
- Outside directors

2022～ Skill matrix

2023～ Peer evaluation of outside directors

[Composition of the Board of Directors, etc.]



Speaker Profile

Facilitator

Yoshiko Takayama

President,
Japan Board Review Co., Ltd.

In 1987, Takayama joined the investment banking division of Merrill Lynch & Co. in New York.
There, she divided her time between New York, London, and Tokyo, where she advised Japanese companies on fundraising and M&A both in Japan and overseas. She went on to work at Thomson Financial Investor Relations before going on to J-Eurus IR Co., Ltd., where she provided consulting services on corporate governance and investor relations activities.

In 2015, Takayama established Japan Board Review, Co., Ltd., Japan's first company specializing boardroom evaluations, and assumed office as its president. Japan Board Review has assisted many Japanese companies with their boardroom evaluations. She is also a member of the Financial Services Agency's Expert Panel, and has worked on revisions of Japan's Corporate Governance Code and Stewardship Code.

- Member of the Financial Services Agency and Tokyo Stock Exchange's Council of Experts Concerning the Follow-up of Japan's Stewardship Code and Japan's Corporate Governance Code (current)
- Member of the Financial Services Agency's Expert Panel on the Stewardship Code (current)
- Member of the Ministry of Economy, Trade and Industry and Tokyo Stock Exchange's Nadeshiko Brands Selection Standards Review Committee (current)

Speaker Profile

Takahiro Ikeda
Independent Outside Director

Chair of the Nomination and Remuneration Advisory Committee

Apr. 1975	Joined Mitsubishi Kasei Kogyo (currently Mitsubishi Chemical Corporation)
Apr. 2006	Executive Officer, Mitsubishi Chemical Corporation, Deputy General Manager, Polymers Division
Apr. 2007	Executive Officer, General Manager, Chemicals Division
Jul. 2008	Dia Chemical Co. Ltd., President
Jun. 2010	Managing Executive Officer, Mitsubishi Rayon Co., Ltd. (currently Mitsubishi Chemical Corporation)
Apr. 2013	Director and Managing Executive Officer
Apr. 2015	Advisor
Apr. 2016	Itochu Chemical Frontier Corporation, Executive Advisor
May 2016	T.I. Associates, Representative Director (current)
Jun. 2018	Independent Outside Director, UACJ Corporation (current)

Speaker Profile

Ryoko Nagata
Independent Outside Director

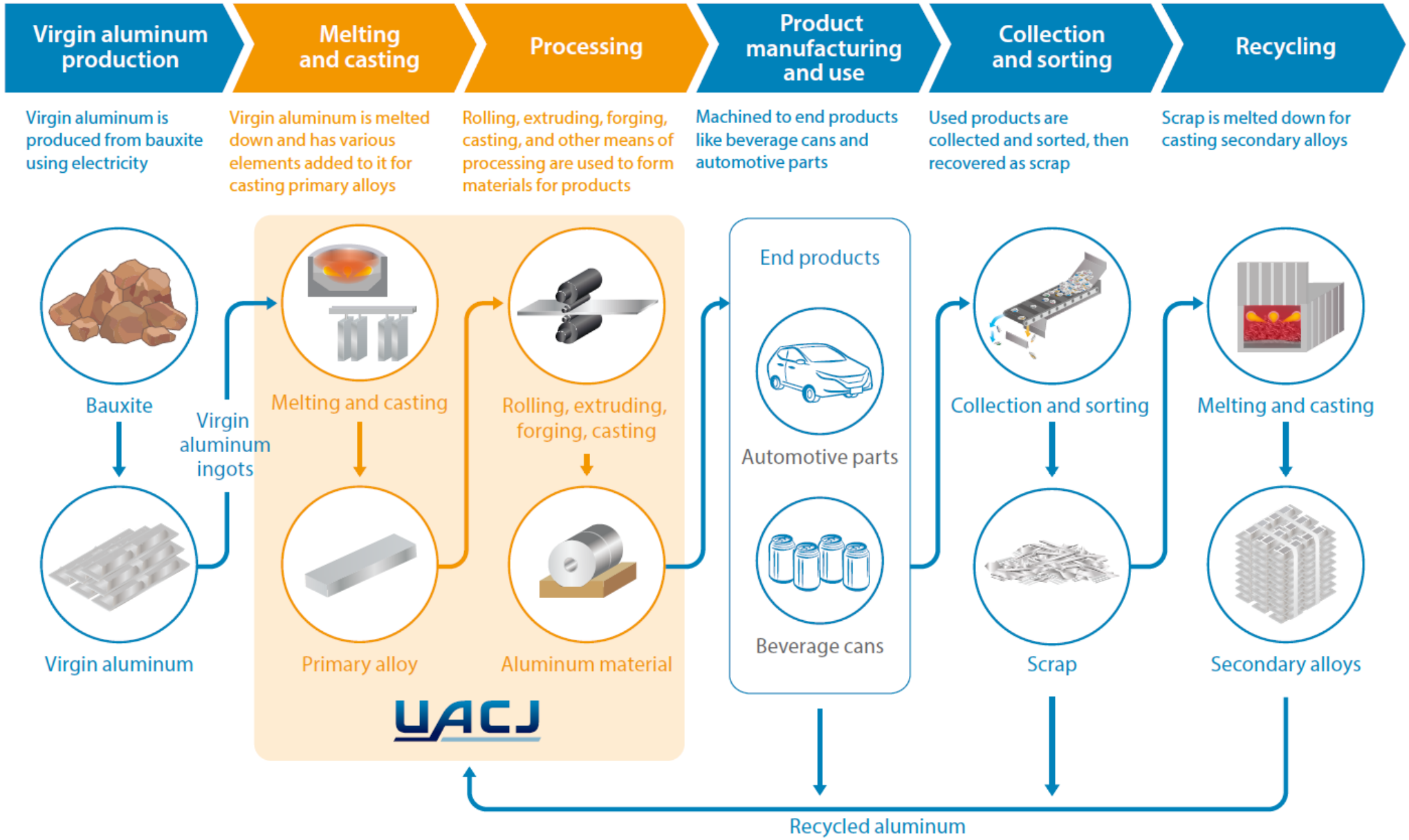
Member of the Nomination and Remuneration Advisory Committee

Apr. 1987	Joined Japan Tobacco Inc.
Jun. 2008	Senior Vice President, Head of Beverage Business Division, Food Business Headquarters and Products Division
Jun. 2013	Senior Vice President, in charge of CSR
Jan. 2018	Senior Vice President, Assistant to President
Mar. 2018	Standing Audit & Supervisory Board Member
Jun. 2021	Outside Director, Honda Motor Co., Ltd. (current)
Mar. 2023	Outside Audit & Supervisory Board Member, MEDLEY, INC. (current)
Jun. 2023	Independent Outside Director, UACJ Corporation (current)

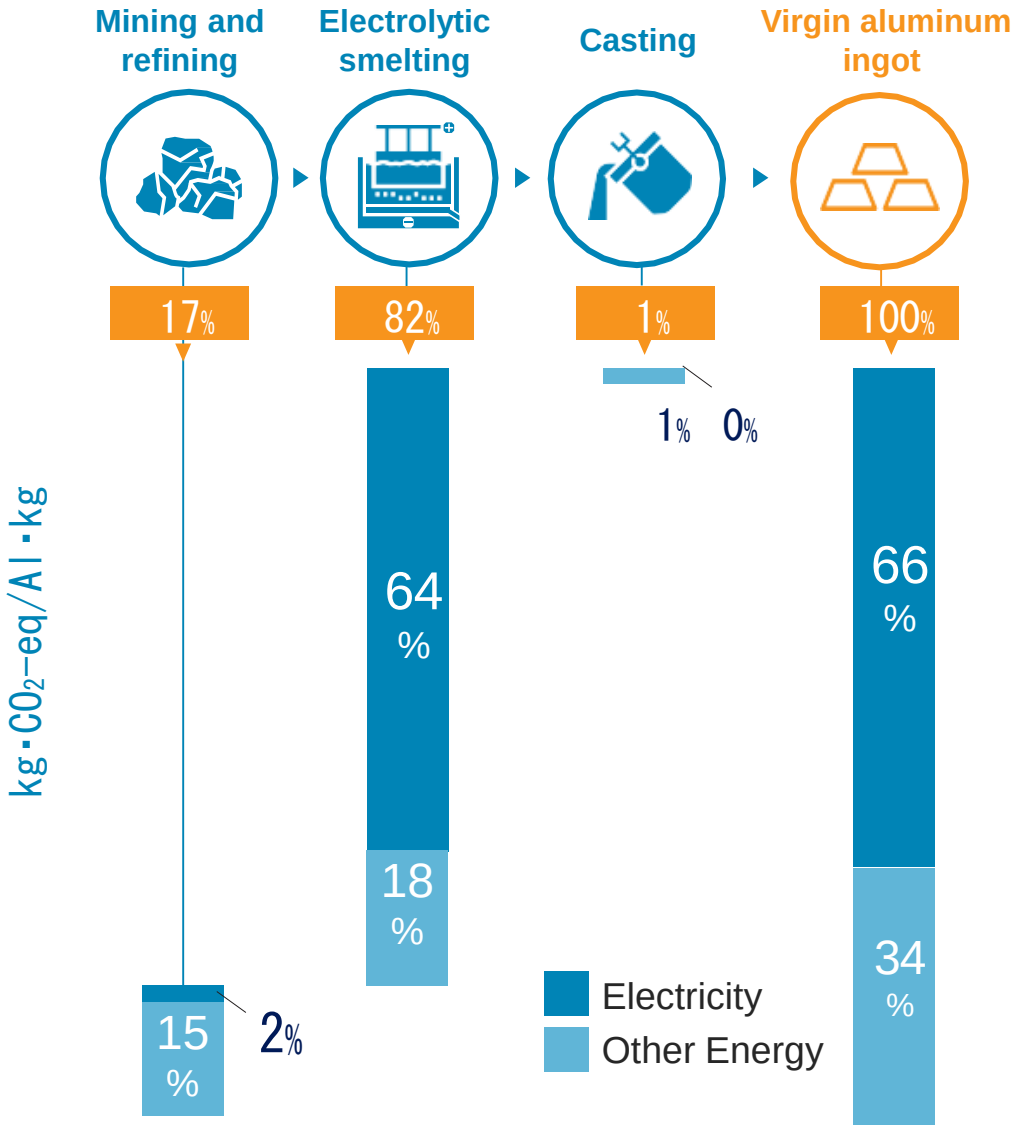
Supplementary Material

Aluminum lightens the world
アルミでかなえる、軽やかな世界

Aluminum Life Cycle and UACJ's Business Domain

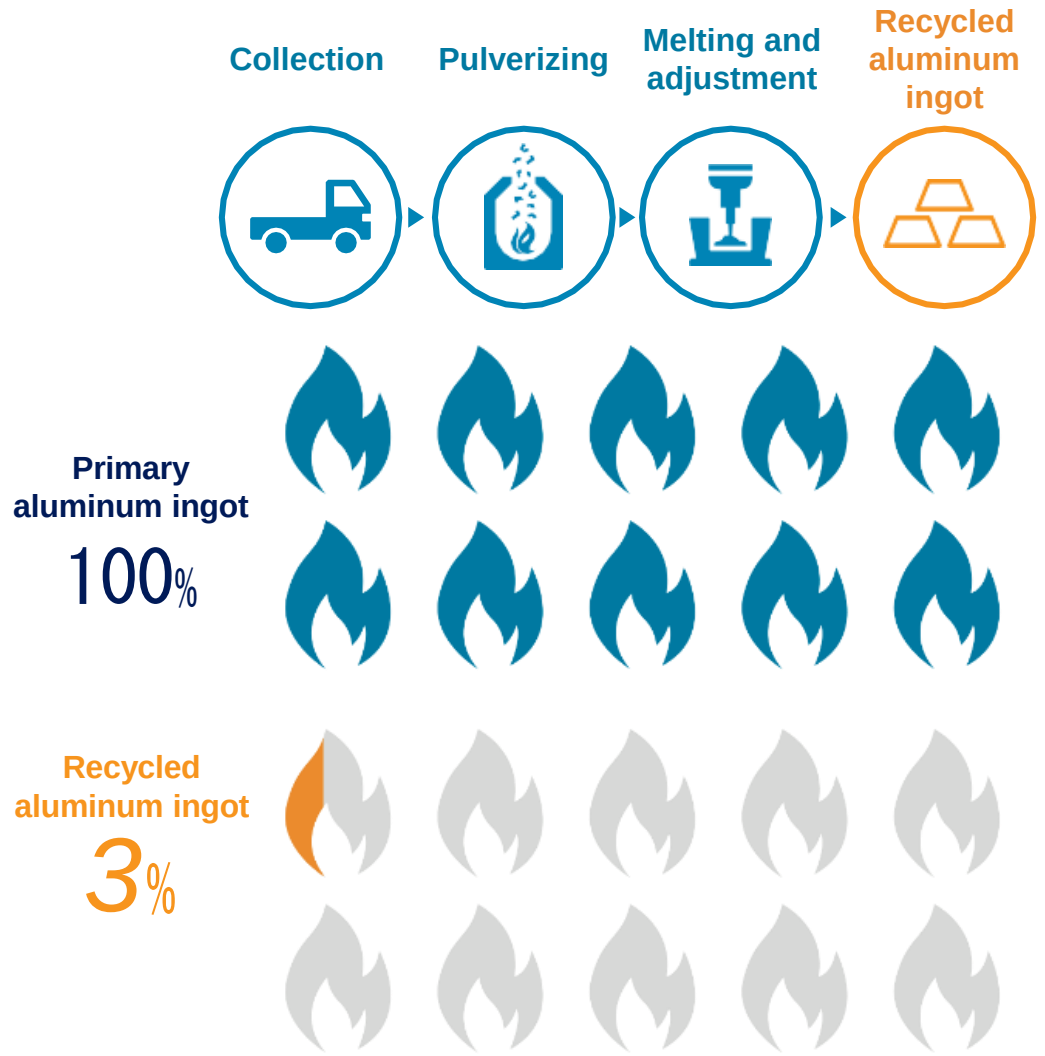


Aluminum Manufacturing Process and Effect of Recycling Aluminum



Source: International Aluminium Institute

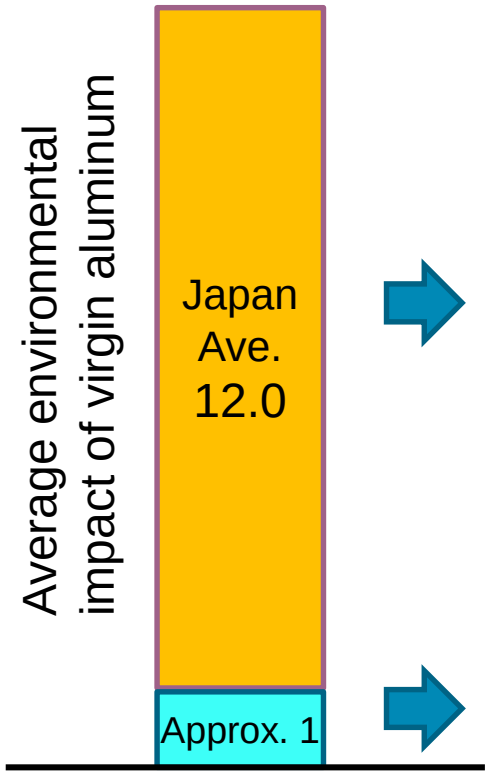
The energy required for remelting is only 3%



Source: Japan Aluminium Association

Environmental Impact of Aluminum Materials

Greenhouse gas (GHG) emissions per kilogram of product (kg)



(1) Raw materials

- Scope 3, category 1 (indirect emissions)

(2) Processing into sheets

- Scope 1 + 2 (direct emissions, power)

Significant reductions are possible through the promotion of recycling

Source: Japan Aluminium Association

Step toward Achieving the UACJ Group's Five Materiality Targets

Key Sustainability Issues 'Materiality'	Issues to be addressed	Targets to be achieved by FY2030	FY2024 target	FY2030 target
For a beautiful and bountiful earth that will last for years to come				
Leading a Circular Economy in Aluminum	Maximize recycling rate of aluminum alloys	UACJ Recycling Rate Circulated aluminum amount/Amount charged into the melting furnace *Excludes pure aluminum material	73%	● 80% (FY2030 target) ● 100% (FY2050 target)
Taking measures to address Climate Change	Challenge towards carbon neutrality (Scope1&2)	Reduction of Scope 1 and 2 emissions The calculation is based on the Strategic Energy Plan	19.1%	● 30% (FY2030 target) ● Achieve carbon neutrality (FY2050 target)
	Minimize GHG emissions along the entire supply chain (Scope3)	Reduction of Scope 3 emissions Category1	13.6%	● 30% (FY2030 target) ● Minimize GHG emissions along the entire supply chain (FY2050 target)
Supporting Environmental Health and Nature (Nature Positive)	Minimize water intake through the effective use of water	Reduction in water intake amount Water intake includes industrial water, tap water, well water, and surface water	10%	25% or more
A healthy and harmonious society where everyone can feel well-being				
Respecting Human Rights	Eradicate human rights abuses	Human rights due diligence implementation rate Total number of employees of Group companies and locations where human rights due diligence has been conducted / Total number of employees of Group companies	25%	100%
	Educate on compliance and human rights issues through the Group Code of Conduct	Pervasiveness of respect for human rights Average score of employee engagement survey items relating to compliance and human rights	Over 3.6 / 5.0	3.9 / 5.0
Promoting Dei-ay	Promote Dei-ay	Pervasiveness of Dei-ay Average score of employee engagement survey items relating to Pervasiveness of Dei-ay	Over 3.1 / 5.0	3.4 / 5.0
	Promote diverse human resources	Percentage of women in managerial positions Excluding board members	9.5%	15%

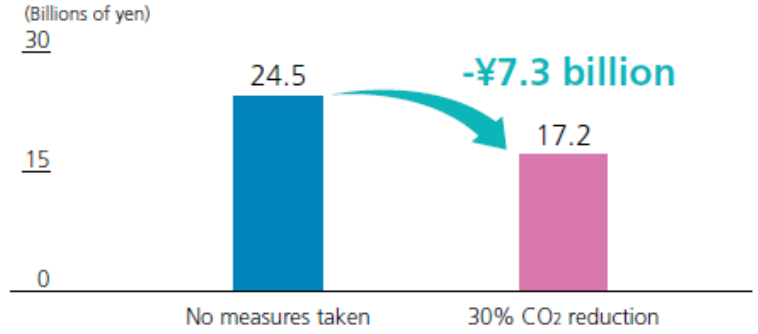
Disclosures Based on TNFD Recommendations

Risk significance assessment: risks and opportunities

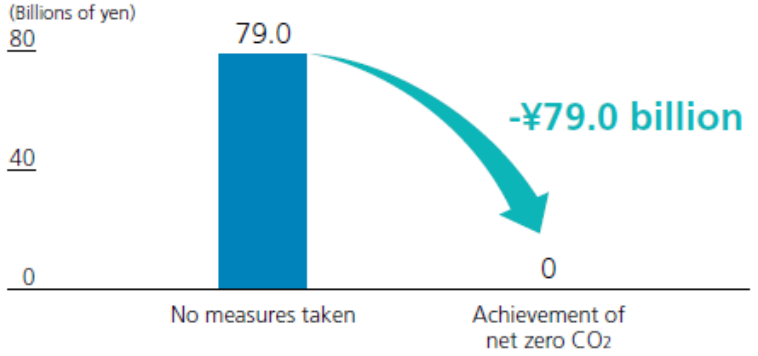
		Carbon price (carbon tax / carbon border adjustment mechanism)	Carbon emissions targets / policies in each country (Emissions trading / Mandatory Carbon Footprint Reporting etc.)
Index		Revenue Expenditures	Revenue Expenditures
Business impact	**Risk**	● Procurement costs for imported raw materials / materials increase ● Electricity costs increase	● Raw material procurement costs / manufacturing costs increase due to expenses for purchasing carbon credits ● Expenses increase for updates / introduction of equipment such as aluminum scrap melting furnaces and energy-saving equipment, and enabling changeover to other fuels ● Production management costs increase due to mandatory carbon footprint recording and reporting
	Opportunities	● Sales and revenue increase due to reduced competitiveness of imported competitor products from countries/regions with insufficient GHG emissions controls	● Carbon tax and other costs can be reduced by reducing procurement of energy-intensive raw materials (virgin aluminum) ● Demand associated with switching from other materials increases due to tighter regulations ● There are opportunities to increase revenue by taking advantage of aluminum's light weight, high thermal efficiency, and high recyclability
Evaluation		High	Medium
Future countermeasures to individual risks	**Category**	Adapted	
	Risk countermeasures example	● Setting of long-term CO_2 emissions reduction targets ● Setting of long-term energy use reduction targets ● Introduction of internal carbon pricing	
	Initiatives for seizing opportunities example	● Implementation of long-term CO_2 emissions reduction targets ● Leveraging of CO_2 absorption through forests, etc., and credit programs ● Establishment of an evaluation method to measure contribution to making reductions ● Shifting to energy-saving technologies with an aim toward decarbonization through public-private partnerships and international cooperation	

Estimated monetary impact of carbon tax

Fiscal 2030



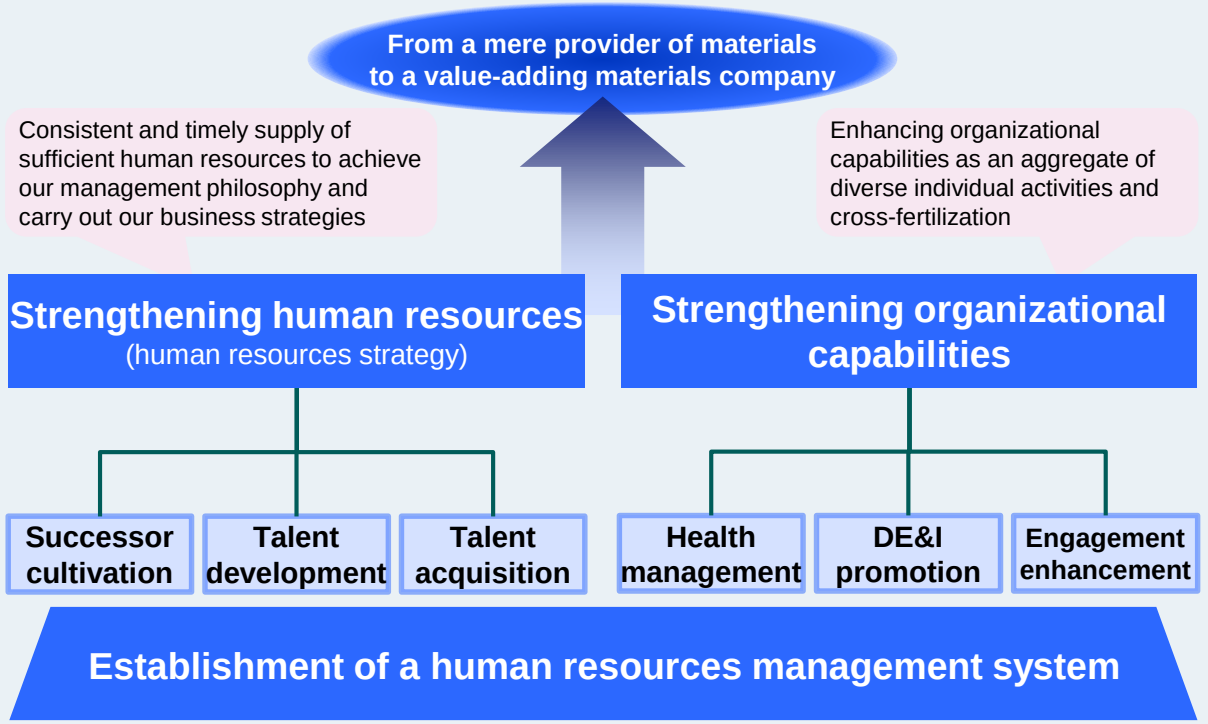
Fiscal 2050



Human Capital Management

Promoting human capital management by strengthening human resources and organizational capabilities

Overview of human capital management

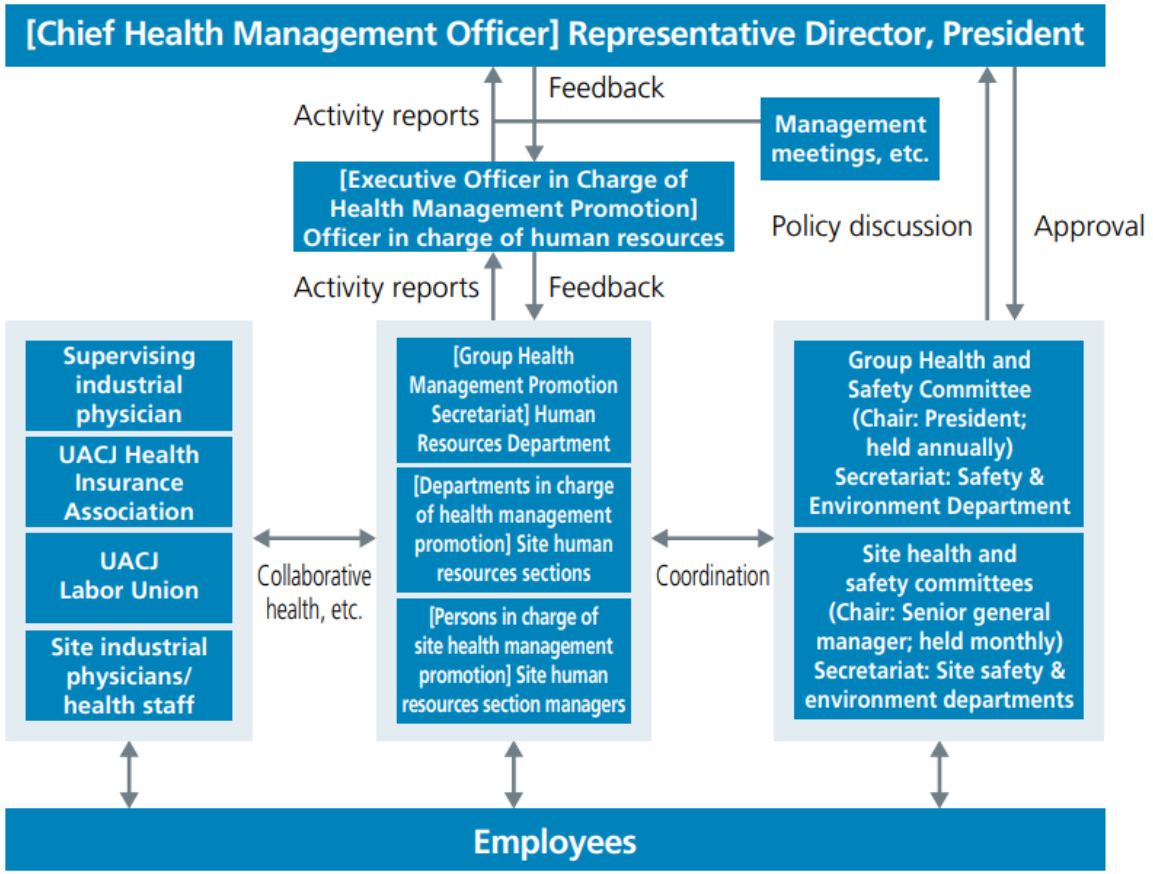


Human resources	**Building a human resource portfolio that contributes to sustainable growth by attracting and developing a diverse workforce**
Organizational capability	**Strengthening organizational capabilities through cross-fertilization between diverse human resources**
Mechanisms	**Developing a human resource management system that encourages individual and organizational growth**

Promote Health and Productivity Management

Taking strategic actions for employee health management to maintain and improve their physical and mental health

Health and productivity management promotion structure



健康経営銘柄 2024
Health and Productivity

2024
健康経営優良法人
Health and productivity
ホワイト500

2024年認定 くるみん
子育てサポートしています

女性が活躍しています！

働き続けながら介護する社員を応援します！

The UACJ Group recognizes that healthy employees, both physically and mentally, are the foundation for continuous business development. Accordingly, we strive to help employees and their families maintain and improve said health.

Through health management, we aim to contribute to a better world where people can perform their jobs actively and productively.

For more information on the health and productivity management, please refer to the following page on our website.
https://www.uacj.co.jp/english/sustainability/social/health.htm

Cautionary note concerning forward-looking statements

This presentation contains various forward-looking statements that are based on current expectations and assumptions of future events. All figures and statements with respect to the future performance, projections and business plans of UACJ and its Group companies constitute forward-looking statements.

Although UACJ's management believes that its expectations and assumptions are reasonable, actual results and trends in UACJ's performance could differ from those expressed or implied by figures or statements herein due to exchange rate movements fluctuations, uncertainties in future business circumstances, and other factors.

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