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For immediate release

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Notice regarding receipt of SBT certification for SME greenhouse gas reduction targets

Ultrafabrics Holdings Co., Ltd. hereby announces that it has obtained certification from the SBT Initiative (SBTi) for science-based targets (SBTs) to reduce greenhouse gas emissions for SMEs.

1. On SBT certification for SMEs

SBTs are targets to reduce greenhouse gasses to levels necessary to meet the goals of the Paris Agreement (limiting global warming to well-below 2°C above pre-industrial levels, and pursuing efforts to limit warming to 1.5°C). SBTs for SMEs are targets that can be applied by a non-subsidiary, independent company with fewer than 500 employees. The burden of compliance is somewhat lighter than for the standard SBT route, which is expected to make them easier for SMEs to implement.

SBTi is an international organization that works together with CDP (the Carbon Disclosure Project), the United Nations Global Compact, WRI (World Resources Institute) and WWF (the World Wide Fund for Nature) to define and promote best practices for science-based targets, and acts as independent assessor of company targets. Ultrafabric Holdings' targets for reducing greenhouse gas emissions by 2030 have been certified by the SBTi as compatible with the 1.5°C goal set by the Paris Agreement.

2. Ultrafabrics Holdings' targets and initiatives

One aspect of Ultrafabrics Holdings' group mission statement is to "prioritize sustainability while contributing to society". Within that context, Ultrafabrics views the reduction of greenhouse gasses and creation of a carbon neutral society as a top priority, to which end it has set the following goals.

Reduce Scope 1 (emissions resulting directly from the use of fuel for company equipment) and Scope 2 (emissions caused indirectly by the use of electricity or heat purchased from external sources) emissions by 38% from fiscal 2021 through fiscal 2030 by the installation of solar panels and hydrogen boilers. For Scope 3 emissions (indirect emissions not included in Scope 1 and 2), Ultrafabrics will calculate and reduce CO2 emissions based on GHG Protocol.