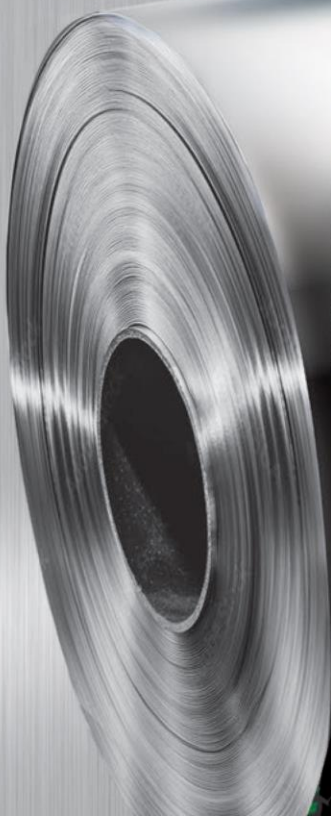


Toyal Sustainability Report

# Sustainability Report 2025











**Kaoru Kusumoto**  
**President and  
Representative Director**

## TOP COMMITMENT

### **Everybody is taking the initiative to work on “things we can do for the future.”**

We have established a new concept from this report, in order to communicate Toyoda's sustainability initiatives to stakeholders in a clearer and more easy-to-understand way. Our concept for fiscal 2025 is: “things we can do for the future.” This concept was created by the Sustainability Promotion Working Group, a cross-departmental group primarily comprised of young employees, and it indicates our desire that in order to create a better “future,” we will go beyond business and sustainability activities as a company, such that each and every Toyoda team member will tackle these activities on a daily basis with more flexible ideas. This approach is also aligned with “Establishing New Social Norms,” our Mission in Toyoda's Mission, Vision, Value (MVV).

Last fiscal year, as part of our promotion of sustainability management, one area where we made substantial progress was respect for human rights. Based on our “Human Rights Policy” formulated in fiscal 2023, we have begun implementing human rights due diligence, and have been strengthening initiatives aimed at reducing human rights risk. The Sustainability Committee held a lecture on human rights, which I attended, as well as the other officers and leaders of divisions. I learned a great deal from this lecture, and was reminded of the importance of enhancing awareness of human rights among each and every employee to ensure that diverse human capital, particularly women and non-Japanese nationals, can actively participate. In addition to human rights initiatives, we will also further promote diversity and inclusion, to ensure that diverse human capital can actively participate, as part of our aim to become a highly diverse company.

It will also be important that we enhance our working environment from an infrastructure perspective to ensure that diverse human capital can actively participate.

In terms of capital investment, in addition to production facilities for growth businesses and new products, we will also make steady improvements to benefit facilities, thus creating an environment where all employees can work with peace of mind. To ensure that they can work with peace of mind, it will be essential that we demonstrate our future vision for the company. At present, we are formulating long-term goals targeting 2031, which will be the 100th anniversary of Toyoda's founding. This plan was mainly proposed by young employees and mid-level employees in the Corporate Division, and is being established following several self-directed discussions with headquarters. As part of efforts to create a “fourth pillar” in anticipation of a sustainable future, in addition to our three existing businesses, we are actively promoting the “Three New Activities” (new technologies, new products, and new markets), and these efforts are gradually beginning to bear fruit. In each headquarters, we are setting quantitative targets, including for the Three New Activities. Furthermore, we are also holding discussions aimed at setting qualitative targets to contribute to the achievement of a sustainable society as a company. Since fiscal 2021, Toyoda has been focusing on OKR (Objectives and Key Results) activities, in order to encourage employees to take the initiative in their activities. We will make our slogan, “Join Together to Shape the Future,” a reality, by ensuring that each and every employee thinks about “things we can do for the future” and takes action accordingly, while prioritizing dialogue and utilizing the results of OKR activities to encourage self-directed activities.



### Enhancing non-financial value, which will be increasingly important for sustainable growth

The importance of non-financial value has been increasing amid growing focus on ESG (environment, social, governance) as an indicator of corporate management. In contrast to financial factors such as net sales and profits, non-financial factors consist of corporate value that cannot be represented in numerical terms, such as human capital, technical capabilities, corporate branding, and organizational culture. The importance of financial factors is widely understood among businesspeople working at companies, but in order to meet the expectations of society and achieve sustainable growth, it will be essential that we actively focus on enhancing non-financial value, in addition to financial value.

At Toyal, we are prioritizing communication and exploring new growth strategies, to enhance corporate value and build group governance systems as a member of the Nippon Light Metal Group, while also enabling us to create “A Globally Acclaimed Company Employees Feel Proud of” together. We are promoting sustainability management centered on five Material Issues that we have established: “Innovation to Shape the Future,” “Environmental Protection,” “Active Roles of Diverse Human Capital,” “Quality and Safety,” and “Collaboration with Stakeholders.” Initiatives targeting Material Issues are exactly the type of thing that contributes to the enhancement of non-financial value, and through these activities, we are steadily enhancing awareness of the importance of non-financial value.

### Initiatives focusing on safety to contribute to employee peace of mind and customer trust

As mentioned in our 2024 report, under the slogan “Safety and Quality are the Life of the Company,” we are promoting safety initiatives as a top priority across the entire company. Together with the Group Safety Management Team, whose mission is to prevent occupational accidents that threaten business continuity, I have been taking part in safety patrols, in which we tour business sites and observe safety activities. During these tours, I talk about the fact that safety has two meanings. First, there is safety in the sense of being able to come to work, and return home to one’s family with a smile on one’s face. This is safety based on the concept in the Industrial Safety and Health Act. Another type of safety refers to delivering things we have produced to customers in a timely, accurate, and safe manner, and ensuring that customers can safely use those products. I consider these to be the two meanings of safety. Combining these two types of safety will contribute to the peace of mind of employees, as well as trust from customers. This fiscal year, we are working to enhance safety awareness, based on the themes of “meddling in a good way” and the “3Hs (*hajimete* (first), *henko* (change), and *hisashiburi* (first time in a while)).”

One of these themes, “meddling in a good way,” means “getting each other’s attention and firmly adhering to rules for safe operation based on accumulated past experience.” Of course, when the content of our work and facilities change, the rules may also change. We will make firm decisions concerning rule changes after repeated dialogue, and thoroughly ensure that employees strictly adhere to rules. In this way, we will focus on further enhancing safety awareness. Ensuring that each and every employee is in good health will also be essential to enable them to work safely and with peace of mind. We are promoting health and productivity management as one of our main initiatives under our Material Issue “Active Roles of Diverse Human Capital,” and have held health events, etc., at each business site. Previously, we did not have a clear company-wide policy related to health and productivity management, so going forward, we will formulate clear policies that include this objective. We believe that this will contribute to enhancing employee well-being. The literal meaning of well-being is “in a state of being well,” but I interpret it as a state where employees feel a sense of purpose in their work, with high satisfaction in life, and the ability to work happily. To achieve this, I think the most important prerequisite is that employees are healthy.

### Manufacturing we can be proud of, rooted in the 5 Gen Shugi (three actuals + principles and rules)

We also focus on thorough quality enhancements, based on our recognition that quality is an important issue that affects our continued existence as a company. In fiscal 2025, I conducted “dialogue sessions at business sites,” in which I traveled to each business site and engaged directly in dialogue with employees, for the fourth year. I have repeatedly conveyed to employees the thoughts of senior management concerning the importance of quality assurance as the “life of the company.” To eliminate quality accidents, we must thoroughly adhere to rules that have been set, in the same manner as rules related to safety.

At dialogue sessions, I tell employees that I want them to say something, without fail, if there are any problems with rules. I ask that they use the Compliance Consultation Line (internal reporting system) if it is difficult for them to say something directly. At the same time, the Internal Audit Team visits each business site to conduct interviews to prevent fraud. These onsite interviews began as a means of preventing the recurrence of “inappropriate acts related to quality, etc.” They contribute to enhancing active quality assurance to prevent troubles related to quality, as well as the creation of an environment where it is easy for anyone to state their views.

We place importance on the 5 Gen Shugi (three actuals + principles and rules) in relation to safety and quality. This means we are earnestly addressing the five *gen* consisting of three actuals – the actual site (*genba*), actual product (*genbutsu*), and actual situation (*genjitsu*) – plus principles (*genn*) and rules (*gensoku*).

### Setting new targets to achieve carbon neutrality

We recognize that our response to climate change is one of the most important issues for achieving a sustainable society. At Toyal, we are continuously focusing on our response to carbon neutrality, in order to prevent global warming, as a management issue, based on discussions at meetings of the Subcommittee on the Environment under the Sustainability Committee. In our 2024 report, we wrote about the importance of setting milestones to achieve carbon neutrality by fiscal 2050. Recently, however, I have really felt that recognition of the necessity of tackling these issues across society as a whole is increasing, as we have seen more specific demands related to carbon neutrality from customers. First, we will ensure we achieve CO<sub>2</sub> emissions reduction targets that we can achieve through our own efforts, namely Scope 1 (direct emissions from our own activities) and Scope 2 (indirect emissions from our own activities). For Scope 3 (emissions across the entire value chain), the collaboration with diverse stakeholders will be essential, including suppliers and customers, from the procurement of raw materials to the usage and disposal of products.

### Deepening coordination with sites overseas and developing into a truly global company

Toyal has been actively pursuing overseas development for over 40 years, including the establishment of the current Toyal Europe S.A.S.U. in France in 1982. In the Powder & Paste Headquarters, where overseas markets make up a large proportion of net sales, we have built a system consisting of five global pillars, and have worked toward optimization across global operations as a whole. Additionally, in the Foil Headquarters, we are also working to expand in markets overseas, including using Svam Toyal Packaging Industries Pvt. Ltd. (India), which became a subsidiary in 2021, as a base to expand our target market for foil to the Middle East and North Africa. At these overseas sites, we must execute sustainability initiatives in areas such as cutting CO<sub>2</sub> emissions, respect for human rights, and enhancing employee well-being. To steadily promote these initiatives, it will be essential that we strengthen governance at each site. As part of these efforts, at Toyal, we are working to ensure mutual understanding and shared values by exchanging personnel between overseas sites and Japan and promoting the shared utilization of human capital. Starting with my visit to India and Thailand in February 2025, I myself went on to visit France and America in turn, directly engaging in dialogue with local employees on several occasions. Going forward, I will continue listening to the opinions of frontline workers based on the 5 Gen Shugi (three actuals + principles and rules), including those at overseas sites, and foster a sense of unity through dialogue.

Through dialogue, we will quickly discover problems at manufacturing sites, and work to prevent safety and quality accidents. At the same time, we achieve manufacturing we can be proud of, based on rules and principles.

As an example, at Toyo Aluminium Ekco Products Co., Ltd., which operates the Household & Packaging Business, we are working to reduce greenhouse gas emissions associated with raw materials procurement through “Sunfoil®” products, which use “green aluminium” and “recycled aluminium.” Additionally, aluminium and resin laminated foils were difficult to recycle, but we have been making progress on research to develop practical applications for cutting-edge “W Cycle” technology. In this way, we are also promoting initiatives that will contribute to reducing Scope 3 emissions from the perspective of product disposal and recycling. We will strengthen more comprehensive efforts to visualize and reduce emissions across the value chain as a whole. Companies are required to set and publicly announce targets for achieving carbon neutrality as Science Based Targets (SBTs) promoted by the UN Global Compact, etc. In order to set targets that conform to the SBTs, it will be essential that we understand circumstances at business sites outside Japan. We are currently preparing to achieve our aim of disclosing new targets in fiscal 2026.

Furthermore, we will also facilitate the evolution of Toyal into a “truly global company,” by ensuring that initiatives targeting safety, quality, and sustainability take root in the business activities of overseas sites, in collaboration with domestic sites in Japan.



# We have begun human rights due diligence initiatives.

Toyal is committed to respecting human rights, in accordance with the “Guiding Principles on Business and Human Rights.” In November 2023, we formulated our Human Rights Policy, and in fiscal 2024, we established an external whistleblowing and consultation contact point that accepts inquiries in foreign languages, and expanded and improved our grievance mechanism to cover overseas businesses. At present, we have begun focusing on human rights due diligence in earnest.

### Toyal Group Human Rights Policy

#### Basic principles

The Toyal Group engages in business activities under the slogan “Join Together to Shape the Future” and as a good corporate citizen, the Group’s management philosophy is to take advantage of the excellent properties of aluminium for the benefit of the global community. We recognize that a respect for human rights is fundamental to our business activities, and we will contribute to a sustainable society based on this spirit.

#### Code of conduct

1. Respect for international norms and legal compliance

2. Scope of application

3. Human rights due diligence

4. Complaint handling mechanism

5. Dialogue and consultation with stakeholders

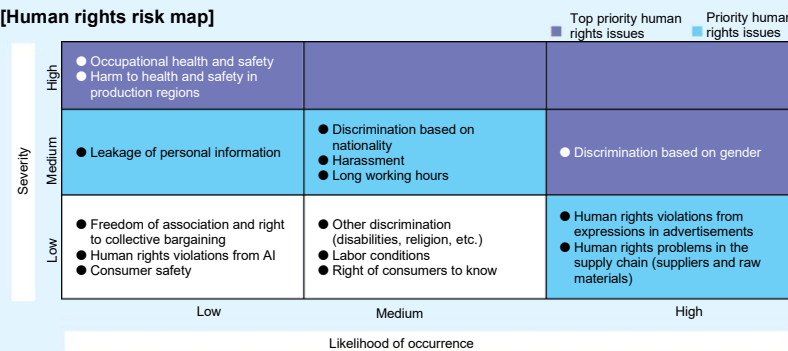
6. Instruction and awareness building

7. Making information public

Toyal Group Human Rights Policy  
Toyal Group CSR Procurement Policy  
<https://www.toyal.co.jp/eng/eco/management/policy.html>

## Human rights due diligence

As the first step toward human rights due diligence, we have identified human rights risks and formulated a “human rights risk map.” In particular, as shown in the table below, we will establish countermeasures and KPIs/targets for ■ top priority human rights issues and ■ priority human rights issues, and work to mitigate and prevent these risks.



| Human rights issues, etc.        |   | Countermeasures   | KPIs/targets  |
|----------------------------------|---|---|---|
| System creation                  |   | Creation of system to promote human rights due diligence led by the Sustainability Committee and the Sustainability Planning Team   | Confirm in risk management activities   |
| Top priority human rights issues | Discrimination based on gender  | Eliminate gender-based differences in hiring for each type of job   | Percentage of female employees/20% (2031, Toyal (non-consolidated))   |
|                                  | Occupational health and safety  | Identification of risks and continuous countermeasures  | Number of unacceptable high-risk incidents/zero   |
|                                  | Harm to health and safety in production regions                         | Continuous implementation of initiatives to prevent harm to the health and safety of surrounding regions  | Environmental accidents and disasters affecting surrounding regions/zero  |
| Priority human rights issues     | Discrimination based on nationality                                     | Establishment of consultation contact point (Shiga Plant)   | Establishment of consultation contact point (Shiga Plant) and spreading awareness among employees, and regular education for staff at the contact point |
|                                  | Harassment  | Continuous holding of Compliance Meetings   | Compliance Meeting implementation rate/100%   |
|                                  | Long working hours  | Encourage more efficient work and increased hiring for operations with lots of overtime<br>Encourage physical and mental health management for workers working long hours                     | Rate of adherence to 36 Agreement/100%  |
|                                  | Leakage of personal information   | Continuous initiatives to protect personal information, led by Toyo Aluminium Ekco Products Co., Ltd.   | Leakage of personal information/zero  |
|                                  | Human rights violations from expressions in advertisements              | Education for staff working in marketing<br>Advertising human rights risk check system and process creation   | Advertising expression risk training implementation rate/100%<br>Advertising expression check rate/100%   |
|                                  | Human rights problems in the supply chain (suppliers and raw materials) | Development of tools such as guidelines related to sustainable procurement and SAQ<br>Creation of system to promote sustainable procurement<br>Staggered promotion of sustainable procurement | Signing of procurement guidelines/100%<br>SAQ distribution/100%   |

## Dialogue with Stakeholders

### Customers

Continuing our efforts from last fiscal year, we have been holding regular meetings with some customers. On June 2, 2025, we undertook a human rights due diligence inspection, which showed some progress in our efforts from the previous fiscal year. We also received lots of valuable advice from this inspection, enabling us to set a specific direction for future improvements.



### Suppliers

Initiatives related to respect for human rights are an issue that affects the entire value chain, and cooperation with suppliers will also be important. At Toyal, we request that suppliers who agree to the “Toyal Group CSR Procurement Policy” sign it and complete procurement surveys. In this way, we have begun initiatives aimed at identifying human rights risks and making improvements. Through this dialogue, we will raise awareness of respect for human rights across the entire value chain.

### Internal

Within divisions responsible for “top priority human rights issues” and “priority human rights issues” in the human rights risk map, we held internal dialogue with representatives of the Human Resources Team, CSR Promotion Team, and Toyo Aluminium Ekco Products Co., Ltd. We provide detailed information on the content of that dialogue on the following pages.

## Instruction and awareness building

### Seminar by Professor Emi Sugawara of Osaka University of Economics and Law

On March 13, 2025, we invited Professor Emi Sugawara of Osaka University of Economics and Law to hold a seminar on human rights. This seminar, which was based on Professor Sugawara’s specialist knowledge, was a valuable opportunity to deepen understanding of respect for human rights at Toyal. On the day, officers, Unit Leaders, and Team Leaders participated, both in person and online.

We also streamed a recording of the event, giving more employees the opportunity to learn about human rights. We distributed the “Passport for Human Rights” published by Amnesty International Japan to attendees. This booklet provides information on the Universal Declaration of Human Rights, alongside illustrations in an easy-to-understand format. We expect this event will spark awareness of human rights in people’s day-to-day work.

### Workshops

We held workshops for new employees and members of the Sustainability Promotion Working Group on the theme of “business and human rights.” At these workshops, we held group discussions based on the following three questions, followed by presentations from each group to close the workshops.

- What do human rights mean in a corporate setting?
- If human rights violations were to become apparent at our own company, what sort of specific phenomena could be expected?
- What should the company and we ourselves do to respond to these circumstances?

Participants provided feedback, such as: “It was a good opportunity to consider ‘business and human rights.’ I had never previously thought so deeply about this theme,” and “I realized there is a diverse range of perspectives, thanks to hearing the views of other people, and I learned a lot.”

Through this type of dialogue-based learning, we aim to deepen each and every employee’s understanding of human rights and enhance awareness of human rights in their day-to-day work.



Workshop for new employees



Workshop for the Sustainability Promotion Working Group

## Grievance mechanism

In fiscal 2024, we established an external contact point for whistleblowing and consultation, and provided related information on our website. This contact point also accepts consultations in foreign languages, meaning it is available to stakeholders both in Japan and overseas. We will continue working to spread awareness of this whistleblowing and consultation contact point.



# Mitigating human rights risks through cooperation and dialogue

At Toyal, we have begun human rights due diligence in earnest, following the formulation of our Human Rights Policy and development of a grievance mechanism. Representatives of divisions that play an important role in the human rights risk map we have formulated gathered for a frank exchange of opinions concerning the status of our response to human rights issues and future challenges.

## Human rights risks in each division and ways of responding

**Kurahashi:** In the Human Resources Division, as part of our day-to-day work, we work to expand the hiring of non-Japanese nationals and women, encourage the employment of people with disabilities, etc., on a daily basis. At each business site, we are actively focusing on hiring people with disabilities from special support schools, and in the Corporate Division, we hired a disabled person for a professional position for the first time last year. With regard to hiring non-Japanese nationals, we are also strategically promoting the hiring of global human capital. In recent years, non-Japanese nationals have been joining Toyal every year as part of new graduate hiring from universities and graduate schools. In the Human Resources Division, one challenge we face is appropriate treatment for non-Japanese employees. For example, tax systems differ in each country, so we sometimes receive questions like, "What is inhabitants tax and why do I have to pay it?". It is not enough for us just to answer, "Because it's the law." Instead, we must explain things in a way that they can feel satisfied with the tax system in Japan. This is also important to ensure that "discrimination based on nationality," which is listed on the human rights risk map, does not occur. Accordingly, we are always working to address matters from the other person's perspective. In this way, I feel an awareness has spread that we want to create a comfortable workplace for diverse human capital in actual work, even if we are not loudly proclaiming that it is about human rights.

**Ito** Toyo Aluminium Ekco Products Co., Ltd. operates two businesses: Household & Packaging (BtoC) and food containers (BtoB). In the Household & Packaging Business, consumers often come into direct contact with our products, so I think it is important that we consider human rights in our packaging and advertisement expressions. For example, could it be a violation of human rights through expressions in advertisements if product packaging and advertisements show women using the product? Also, are we sufficiently addressing human rights problems in the supply chain? We are tackling issues related to human rights risks such as these while engaging in dialogue with related departments. With regard to human rights risks related to non-Japanese employees, there was an incident in the past when instructions to non-Japanese employees working on the frontlines at the Shiga Plant were considered overbearing.

Instructions tended to be shouted in the frontline environment where it was difficult for instructions to be heard owing to the noise of machinery, etc., and employees felt scared as a result. Accordingly, we took steps to create a workplace where non-Japanese employees could work with peace of mind, including creating instructional manuals translated into employees' native languages and developing easy-to-understand work instructional manuals with photographs and diagrams. These measures significantly reduced problems.

**Hirauchi** The CSR Promotion Team is a department that promotes risk management. Under the risk management system, we allocate divisions to oversee priority risk categories. Since fiscal 2025, we have selected "human rights risks in the supply chain" as a new priority risk category, with the Business Supporting Unit (Purchasing Team, Sustainability Planning Team, and CSR Promotion Team) as the main division responsible. I sometimes feel there is a gap between the requirements of international guidelines concerning human rights risks in the supply chain and the sensibility of Japanese companies. For example, in CSR audits by customers, we are sometimes required to present documents related to employment insurance, as part of a process of checking that there is no child labor or forced labor. Many people at companies in Japan do not understand the intent behind this request, and may struggle to respond. Understanding of international requirements is necessary to ensure a smooth response.

## Setting ambitious KPIs is important for expanding the hiring of women

**Kurahashi** In fiscal 2025, women made up 35% of our new graduate hires from universities and graduate schools. As a result, the female hiring ratio increased, and we achieved our target for this Material Issue. "Discrimination based on gender," however, has now been identified as a top priority human rights issue. This is mainly because the rate of women in line worker positions is low, while the rate is high in assistant staff positions. To mitigate this risk, I believe we must eliminate gender-based differences in hiring for each type of job, and increase the proportion of female employees.

Fubito Hirauchi  
CSR Promotion Team Leader  
Business Supporting Unit, Corporate Division

Fumi Ito  
Director in charge of Corporate Management Unit  
Toyo Aluminium Ekco Products Co., Ltd.

Akira Kurahashi  
Human Resources Team Leader  
Human Resources Unit, Corporate Division

As the first step, we have set a target for female employees across the entire company of 20% by 2031, the 100th anniversary of Toyal's founding.

**Hirauchi** In order to increase the proportion of women in line worker positions, it will surely be necessary to further enhance the environment, to make it easier to accept women, such as restrooms, changing rooms, and break rooms. In order to further increase the proportion of female employees across all positions, I think it will be important for us to set KPIs for each type of job. At Japanese companies, not just Toyal, managers tend to want to set achievable KPIs, because they are scared of not being able to achieve them. Even if we do not achieve our KPIs, however, I think it is important that we "analyze why we couldn't achieve them and formulate the next plan." Accordingly, we must set KPIs with ambitious targets that represent our vision, not achievable targets.

**Kurahashi** Going forward, I would like to continue discussions, while also revising KPIs as necessary.

## Keeping our eyes open and mitigating human rights risks

**Ito** I feel that internal awareness of human rights is growing across the company as a whole, thanks to our sustainability efforts. On the other hand, I have felt firsthand that there is some variation in awareness of human rights on occasions such as harassment training. Dialogue is important for tackling these types of issues, and I myself have learned many things through dialogue. I also feel that awareness of human rights is growing across society as a whole. For example, when hiring dispatch employees, one candidate was born male, but identified as a woman. They requested to use the women's changing rooms and restrooms, but we had to refuse because we had not made sufficient preparations to accommodate them within the company. Through this event, I realized that our response to LGBTQ-related matters must start with dialogue within the workplace. In dialogue related to human rights, the concept of viewing things as one's own issue comes up, like a kind of catchphrase.

I hope we can keep our eyes open in all directions and cooperate with parties both internally and externally to enable each and every one of us to tackle human rights issues as our own issue.

**Kurahashi** Compared with before, cooperation between departments has improved, not just in relation to human rights issues. At present, in the Human Resources Division, we are also promoting health and productivity management, and I think that cooperation between departments has been very useful in these activities. Sometimes, in my day-to-day work, I think that "human rights issues" sounds like a difficult topic. Without these types of opportunities, however, we can't realize how important cooperation is, so I think we must engage in some initiatives as a kind of duty.

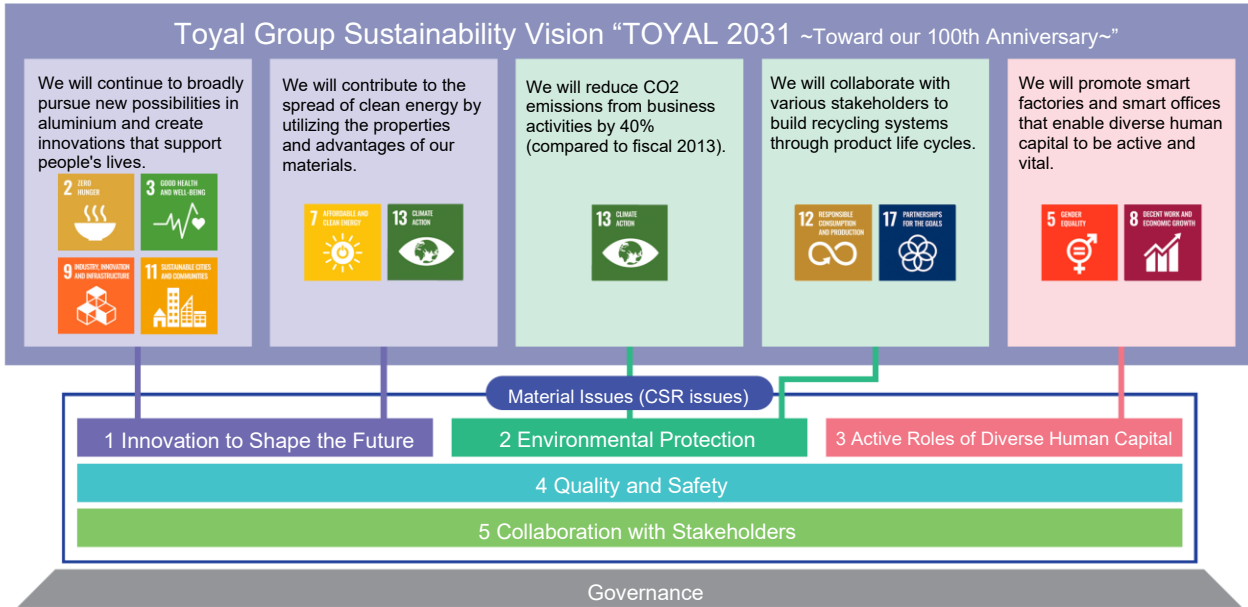
**Hirauchi** In the CSR Promotion Team, as part of our risk management activities, we conduct regular interviews with the divisions responsible for priority risk categories, while also engaging in communication with domestic subsidiaries on the theme of risk management. At Toyal, we have a system in place, whereby we summarize the results of risk mitigation activities based on these types of activities, and submit them to the officer in charge of risk management, who then reports them to senior management. We must first promote understanding of international guidelines to address human rights risks. Toyal has become a signatory to the "UN Global Compact." This represents a commitment to take concrete action in accordance with the UN guidelines. Earlier, the topic of "keeping our eyes open in all directions" came up. If we do not understand what is required under international guidelines, we will not notice violations when problems occur, and our response will be delayed. In particular, I would like to ensure that as many people as possible know about international guidelines related to human rights. We will also promote activities to spread awareness.

Through such internal dialogue, we will foster an attitude where each division considers human rights issues as "their own issue" and works together to tackle them. Going forward, we will continuously engage in dialogue and share information, as we aim to mitigate human rights risks and create a comfortable workplace.

Sustainability Management

Actualizing “Join Together to Shape the Future” to contribute to the realization of a sustainable society is the sustainability management of Toyol.

We will celebrate our 100th anniversary since being founded in 2031. To continue to celebrate our 150th and 200th anniversaries, we hope to be a Group that can move forward together with all our stakeholders, thinking earnestly about what we can do.



In order to realize a sustainable society, we continuously promote sustainability efforts. We have been continuing discussions concerning revisions to Material Issues (CSR Issues) begun in fiscal 2022, with the aim of redefining Material Issues (CSR Issues) during fiscal 2025, while taking changes in circumstances into consideration. Going forward, we will continue focusing on setting appropriate issues, taking into consideration changes in social needs and the business environment.

In fiscal 2024, the Sustainability Committee met three times. At the first meeting, the committee held discussions aimed at redefining Material Issues. At the second meeting, the committee received reports on sustainability activities in fiscal 2023 and the production of the Sustainability Report 2024. At the third meeting, on March 13, 2025, we invited Professor Emi Sugawara of Osaka University of Economics and Law to hold a seminar on human rights.

Furthermore, we also provide detailed information on initiatives related to human rights for this fiscal year on a special page. Please take a look.

Sustainability Committee Meeting Details

|             |   |
|-------------|---|
| June 2024   | Redefining Material Issues  |
| August 2024 | Reports on sustainability activities and production of the Sustainability Report 2024 |
| March 2025  | Seminar on human rights   |

Becoming a Signatory to the UN Global Compact

The Toyol Group signed the United Nations Global Compact, which advocates a worldwide framework with the aim of sustainable growth, in April 2018. Pursuant to the Ten Principles of the UN Global Compact on human rights, labour, environment, and anti-corruption, we will contribute to the creation of a sustainable society by actively promoting responsible management as a global company and cross-Group sustainability activities.



CSR Activity Action Plan

Toyol set five material issues (CSR issues), and has been working on them with the Toyol Group Sustainability Vision in mind, which was established toward 2031, the year of our 100th anniversary. The results of activities in fiscal 2024 are shown in the table below. The following pages provide specific details regarding our efforts for each material issue. We will continue our activities this year to achieve our long-term goal for fiscal 2031.

| Material Issues (CSR Issues)               | Main Activities  | Activity Results of Fiscal 2024   | Long-Term Targets (Fiscal 2031)  |
|--|--|---|--|
| 1<br>Innovation to Shape the Future        | Existing business: Increase the proceeds of products that contribute to SDG 3, 7, 9, 11, and 12                        | <b>Proceeds of products that contribute to the SDGs decreased 1.6% from fiscal 2019</b>   | Triple the proceeds of products that contribute to SDGs 3, 7, 9, 11, and 12 (compared to fiscal 2019)  |
|  | New business: Create the 4th pillar (business)   | <b>Building up a track record with one commercialization project underway. Began handling new products related to semiconductors</b>  | Commercialization of two items   |
| 2<br>Environmental Protection              | Reduce CO2 emissions from business activities (compared to fiscal 2013)  | <b>35.8% reduction compared to fiscal 2013</b>  | 40% reduction (compared to fiscal 2013)  |
|  | Establishment of a system to recycle solar cells   | <b>Cooperating with solar cell recycling companies and closely watching trends in technological development</b>   | Establish a system to recycle solar cells and start the recycling  |
|  | Establish a system to recycle aluminium  | <b>Expanding reclamation of surplus materials for a portion of customers. Continuing development of technology to extract aluminium from processing waste (W Cycle)</b>                                   | Generalize aluminium recycling (with the established system)   |
|  | Establish a system to recycle paper containers   | <b>Verification to recycle 100% of waste from paper container processes. Began verifying performance, targeting application for product presentation boxes in fiscal 2025</b>                             | Generalize paper container recycling (with the established system)   |
|  | Reduce industrial waste from business activities   | <b>8.3% reduction compared to the previous fiscal year</b>  | Zero industrial waste sent to a landfill (All recycling is zero emission)  |
| 3<br>Active Roles of Diverse Human Capital | Increase the rate of women in hiring   | <b>Rate of women in new hires: 28.5%*</b>   | Rate of women in new hires: 30%  |
|  | Active roles for senior human capital  | <b>Considering a gradual increase in the retirement age. Considering review of treatment after rehiring (from July 2025)</b>  | Complete organizing a system centered on the mandatory retirement age of 70  |
|  | Active roles for autonomous human capital  | <b>Completed expansion to line job evaluation under the new personnel system</b>  | Constructively continue autonomous human capital development   |
|  | Promotion of health and productivity management  | <b>Implementation of health events by each site</b>   | Constructively continue health management  |
| 4<br>Quality and Safety                    | Reduce the number of serious quality complaints  | <b>Number of serious quality complaints: 1</b>  | Zero serious quality complaints  |
|  | Reduce lost-time injuries, non-lost-time injuries, and fire accidents  | <b>Lost-time injuries: 3, non-lost-time injuries: 11, fire accidents: 7. Minor injuries: 15 (unchanged from the previous fiscal year)</b>   | Zero lost-time injuries, zero non-lost-time injuries, zero fire accidents, and 50% reduction of minor injuries (compared to the previous fiscal year). Priority initiatives: Strengthen measures against accidents related to rotating objects, delivery equipment, and on-site tip-over accidents |
| 5<br>Collaboration with Stakeholders       | Improve reliability and satisfaction through dialogues with various stakeholders (regions, customers, employees, etc.) | <b>One dialogue with an expert held. Focus on dissemination of information through media and online, and internal communications based around employee participation. Supporting students of all ages</b> | Build good relationships with various stakeholders and play a part in resolving issues   |

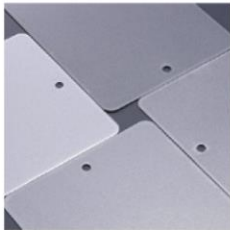
\*We have changed the method of aggregation from results for fiscal 2024



Material Issue

# Innovation to Shape the Future

In order to respond to social challenges, potential problems, and changes in the market environment that have become apparent, the Advanced Technology Division and the New Business Creation Division have classified the target markets into the following three categories: “existing market,” “new market,” and “next-generation market,” and are devoting resources to research & development and commercialization for each category. When it is difficult to find solutions on our own, we actively promote open innovation through alliances with venture companies, universities, research institutes, and other organizations, both in Japan and overseas. We incorporate the concept of “Creating Shared Value (CSV),” deepen communication with our stakeholders, and work on development that can realize the creation of shared value with society. We also aim to lead the world with new ideas, being based on aluminium, but not limited to it.



**Environmentally friendly coating solutions**  
Powdered paint does not use solvents, so it does not generate VOCs (volatile organic compounds), and can significantly reduce environmental impact. Toyol's aluminium pigments for powdered paint use resin to encapsulate high-brightness aluminium flakes. This provides high chemical resistance, as well as a high metallic gloss, facilitating a sense of premium quality.

**Developing aluminium pigments that contribute to reducing environmental impact, and actively submitting proposals to customers**

**Tomie** Toyol's aluminium paste is widely used around the world as metallic pigments for automotive and other paint, as well as printing ink. In recent years, there has been growing demand to reduce environmental impact, including contributions to the reduction of CO<sub>2</sub>, VOCs (volatile organic compounds), and waste. To respond to this demand, at Toyol, we are leveraging advanced surface treatment technologies to develop and supply pigments for water paints and thermal insulation aluminium pigments, as well as aluminium pigments for powdered paints that do not use solvents, etc.

These products address customer needs, featuring a high metallic gloss as well as excellent chemical resistance, while also contributing to solving social issues such as climate change.  
**Nagano** We contribute to preventing air pollution and improving the workplace environment for frontline painting operations by limiting the use of VOCs in pigments for water paints. Recently, demand has been growing from industries besides the automotive industry.

Pigments for thermal insulation paint reflect sunlight and heat more effectively than existing products, and limit temperature increases in buildings and structures. I feel there is growing interest in products for thermal insulation applications, as we have received active questions from the likes of construction companies using paints when we exhibited these products at exhibitions, etc. In direct sales, we focus on paint manufacturers, but when making proposals, we consider “what would be best for customers,” based on constant awareness of the needs of users of end products and society in general.

Ayumi Nagano  
Coatings Team, PP Sales Unit  
Powder & Paste Headquarters

Kazuhiro Tomie  
Coatings Team Leader, PP Sales Unit  
Powder & Paste Headquarters



**Reclamation of aluminium container production waste for containers**

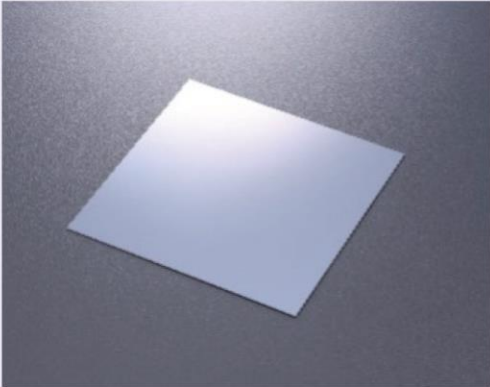
We use comparatively high-purity aluminium for rolled materials for aluminium containers. Minor changes in composition have a major impact on the characteristics of rolled aluminium. Accordingly, waste generated from production processes was previously mostly reused for cast metal and other materials without the strict composition management requirements of rolled materials. We are focusing on recycling 100% of production waste generated in-house and transforming it into new aluminium containers with sufficient performance. Horizontal recycling is an established process for aluminium beverage cans, but recycling from aluminium foil to aluminium foil has not really been popularized. We will continue our research to develop practical applications, while resolving issues one by one.



Aluminium container made with 100% recycled materials

**R&D on new “SiGe/Si wafer” substrate for high-efficiency solar cells**

In R&D focused on on-silicon multi-junction solar cells selected by the New Energy and Industrial Technology Development Organization (NEDO), we are developing technology for more efficiently converting large amounts of solar energy into electricity by combining different materials on SiGe/Si wafers researched and developed by Toyo Aluminium K.K. There are substantial costs associated with high-efficiency solar cells, so we will contribute to lowering these costs by using our wafers. If this technology becomes established, it will enable us to save weight and space for installation. We will contribute to the spread of renewable energy and CO<sub>2</sub> emissions reduction.



SiGe/Si wafers

**Recycling Technology / W Cycle**

A “Plastic Identification Mark” is displayed on aluminium foil packaging materials for food and pharmaceuticals, and they are collected as plastic container resources. These packaging materials, however, consist of aluminium foil and resin that is merged. This makes separation difficult, so they are incinerated after collection and are not recycled as resources. So we have invented a technology for separating aluminium foil and resin.  
W Cycle is a cutting-edge technology that enables us to recycle each of the materials in aluminium foil packaging materials. At present, we have completed designs for recycling processes, and we plan to put these processes into operation at a small-scale trial plant in the second half of 2025.



**White aluminium foil**

We have successfully colored aluminium foil white, creating white aluminium foil, through an inventive uneven surface on the foil and the use of diffused light reflection. Often, white ink is used as a base color on aluminium foil to ensure that printed patterns, characters, and other designs are visible on various types of aluminium foil packaging. Using this white aluminium foil, however, means that coloring with white ink is unnecessary, enabling us to contribute to reducing the environmental impact. Additionally, it enables us to make the structure of packaging materials simpler, thus contributing to increasing the potential for recycling.  
We are currently developing mass production technology, taking into consideration the reduction of environmental impact at the time of manufacturing.

|                             | White aluminium foil | General aluminium foil |
|-----------------------------|----------------------|------------------------|
| Total reflection rate (%)   | 80                   | 81                     |
| Regular reflection rate (%) | 2                    | 61                     |

Image of reflection

The regular reflection rate is low, meaning it appears white



Material Issue

2

Environmental Protection

We are working on environmental protection from the perspective of reducing the environmental loads of our business activities as well as contributing to the environment through our products. In our business activities, we are making efforts to reduce energy use and use renewable energy in each process in manufacturing, and promote the 3Rs\* related to waste. In addition, 15 of our offices (mainly production bases) have the ISO 14001 certification. Through the effective operation of the environmental management system, we will prevent environmental troubles, comply with laws and regulations of each kind, reduce environmental loads, and promote management activities that are sustainable and in harmony with the global environment.

\*3Rs: Reduce, Reuse, and Recycle



Hane® Module installed at the Gumma Works

Reducing total CO<sub>2</sub> emissions from manufacturing sites with environmental protection activities rooted in frontline operations

**Ota** At our Gumma Works, we reduced annual CO<sub>2</sub> emissions by approximately 200 tons by combining the operation of three deodorizing furnaces in the previous fiscal year into two units, and approximately 50 tons by installing new solar panels. In fiscal 2025, we plan to introduce ventilation facilities for processing film waste, which is expected to offer substantial energy savings. We are also focusing on reducing and recycling industrial waste, including collecting and reusing used ink from printing processes and solvents from cleaning rags with used solvents on them. Each of these improvements contributes to reducing environmental impact across all business sites, while sharing information and exchanging successes from activities with other manufacturing sites also contributes to increasing motivation.

Going forward, we intend to continue contributing to reducing CO<sub>2</sub> emissions, etc., and engage in inspiring initiatives.

**Tanaka** At the Chigasaki Works, in addition to turning off air conditioning and ventilation facilities when they are not needed, we are also promoting energy conservation by increasing energy efficiency at large facilities through the introduction of heat exchangers and pressure controls for ventilation. Furthermore, we are also considering new energy conservation activities, based on close cooperation with the Gumma Works and Yao Works, including revisions to the operation of deodorizing furnaces.

Daiki Tanaka  
Manufacturing  
Facilities Team  
Chigasaki Works  
Foil Headquarters

When we have to redo production processes or extend operating hours owing to facility malfunctions, it results in the unnecessary consumption of resources and energy. Support for the safe and stable operation of facilities also contributes to environmental protection activities. While steadily executing our day-to-day operations, the Manufacturing Facilities Team will work to further reduce CO<sub>2</sub> emissions and promote recycling.

Yuki Ota  
Manufacturing  
Facilities Team  
Gumma Works  
Foil Headquarters



CO<sub>2</sub> emissions reduction activities in cooperation with energy supply companies

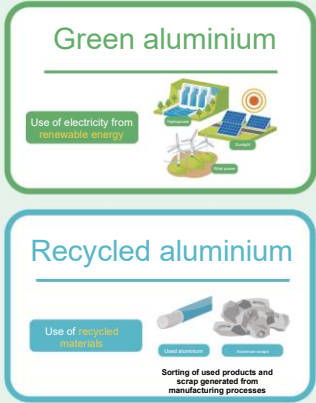
At Toyol America, Inc., since 2022, we have been cooperating with electric power companies and natural gas supply companies to continuously reduce CO<sub>2</sub> emissions by surveying the status of frontline manufacturing sites, identifying wasted energy in operation and maintenance, and making improvements. In addition to increasing energy efficiency by improving the structure and materials of gas heaters used for heating in production processes, we have also made improvements at 109 sites, such as switching to LED lighting.



Side profile of improved gas heater

Use of green aluminium and recycled aluminium

As a result, we have successfully reduced annual CO<sub>2</sub> emissions by 2,610 tons. In its “Sunfoil®” aluminium foil for home use, Toyo Aluminium Ekco Products Co., Ltd. has been using “green aluminium,” which is produced using renewable energy, and has also begun using “recycled aluminium” from April 2025. We have reduced CO<sub>2</sub> emissions by switching 20% or more of aluminium raw materials to green aluminium and recycled aluminium. At Toyo Tokai Aluminium Hanbai K.K.'s Singapore Branch, we are focusing on reducing CO<sub>2</sub> emissions by using “green aluminium” for approximately 30% of aluminium foil for packaging materials.



Sunfoil®

Introduction of environmentally friendly small-lot transportation services

At the Gumma Works, we are actively switching to transportation methods with a low impact on the environment, as part of efforts to achieve carbon neutrality. Many of our products are supplied in small lots, with substantial variety, and it was previously difficult to adopt transport methods with low CO<sub>2</sub> emissions, such as rail and marine transportation, because we needed to arrange for transportation in container units. We have recently achieved environmentally-friendly transportation by newly adopting small-lot transportation services that are available from single products. In the future, we aim to further reduce emissions by visualizing CO<sub>2</sub> emissions during transportation.



Products for small-lot transportation

CO<sub>2</sub> emissions comparison [example from transportation of 96 kg product from Gumma Works to Fukuoka Prefecture]

| Transportation method                         | Environmentally friendly small-lot transportation (rail) | Truck transportation    | Air freight transportation |
|---|--|-------------------------|----------------------------|
| CO <sub>2</sub> emissions from transportation | 1.3 kg-CO <sub>2</sub>                                   | 47.3 kg-CO <sub>2</sub> | 38.9 kg-CO <sub>2</sub>    |

3R activities in everyday life

As part of efforts to promote the 3Rs for waste, at manufacturing sites we have been promoting initiatives, including reusing packaging materials and used solvents, and recycling employee work clothes as cleaning rags at frontline production sites. In our offices, we have reduced paper usage by switching to electronic applications for some forms that were previously accepted on paper. We are also implementing reuse initiatives, including reusing plastic document sleeves and envelopes that come with forms submitted from each division. Through these 3R activities for limited resources, we aim to reduce the volume of waste generated from business activities.



Recycling work clothes



Reusing stationery



## Material Issue

# Active Roles of Diverse Human Capital

As a Group that values people, we respect the diversity, personality, and individuality of our employees and aim for “active roles of diverse human capital.” Amid a business environment undergoing rapid globalization, we are promoting the recruitment of overseas human capital, and developing global human capital through various educational programs including long-term and short-term study abroad programs. In response to the decline in labor force due to the declining birthrate and aging population in Japan, we are working to create an environment where employees can exercise their abilities regardless of gender or disability, making efforts such as enhancing the systems for childcare leave, shorter working hours for childcare, and considerations toward making workplaces barrier-free. We are also providing career support for women to promote their shift to professional positions. In addition, to reform work styles, we are focusing on the introduction of a remote working system, a selective working hour system, and a reduction of the total number of working hours per year by reducing and streamlining meetings, as well as revitalizing communication through the use of new IT systems. We will continue to create an environment in which each and every employee can achieve a life-work balance and diverse human capital can exert their abilities to the fullest with enthusiasm.



Ishikawa and Mashimo at work

## Expanding opportunities for the active participation of women Taking on new challenges one after the other

**Ishikawa** I was given a position as dispatch staff in 2014, and joined Toyal three years later in an assistant staff position. My work in product packaging remains unchanged, but in 2020, I changed to a line worker position, and this year I became a Line Manager. I have heard that I am the first female Line Manager in Toyal. I recently took maternity and childcare leave on two occasions. As opportunities for the active participation of women grow, I would like to proactively take on new challenges, while also turning my attention to perspectives that went unnoticed before. As Line Manager, I aim to actively communicate with people inside and outside my team, and create a comfortable frontline working environment for everyone.

**Mashimo** At present, I work on maintenance operations in the Manufacturing Facilities Team, utilizing experience from my pastime of motorcycle repairs and modifications. Respect for the skills and interests of each employee and the creation of an environment that enables us to utilize those skills and interests in our work contributes to job satisfaction. I also utilize my past experience in web design for system management work.

### Satomi Ishikawa

Logistics Line Manager  
Production Control &  
Logistics Team  
Kambara Works  
Foil Headquarters

### Natsuki Mashimo

Manufacturing Facilities Team  
Gumma Works  
Foil Headquarters

## Acquisition of two-star “Eruboshi” certification

At Toyo Aluminium Ekco Products Co., Ltd., we acquired “Eruboshi certification (two stars)” pursuant to the Act on the Promotion of Women’s Active Engagement in Professional Life, on February 18, 2025.

One of our important themes is the “creation of a comfortable workplace for everyone.” As part of these efforts, we interviewed employees when formulating an action plan based on the Act on the Promotion of Women’s Active Engagement in Professional Life, with the aim of acquiring Eruboshi certification.

In these interviews, we listened directly to actual feedback from frontline employees, not just numerical data. As a result, we learned about issues and points for improvement that are difficult to discover with systems alone.

Going forward, we will continue our efforts, with the aim of creating a workplace environment where all employees, not just women, can work with verve.



Eruboshi (two star) mark



Notification of Approval as General Employer that Conforms to Standards

## Active participation by non-Japanese employees

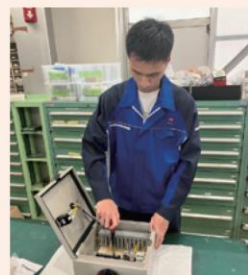
In fiscal 2020, two Vietnamese employees joined the Company at our Yao Works, followed by another Vietnamese employee in the Manufacturing Facilities Team at our Gumma Works in fiscal 2024.

### Comment from supervisor (Manufacturing Facilities Team Leader Iwata)

For the first six months, he engaged in hands-on learning with Vietnamese employees at the Yao Works, and learned the foundations of safety. He was worried about day-to-day life in Japan, but he had adapted better than we expected. I hope he will utilize his high motivation to grow into someone capable of leading the Manufacturing Facilities Team as a whole.

### Comment from employee (Mai Tuan Anh)

Facilities work involves many specialist terms, and I have struggled greatly to remember them all, but it is very interesting work. I will do my best, while placing the utmost priority on safety, to become the first Vietnamese Team Leader in the future.



Mai at work

## Promotion of health and productivity management

At Toyo Aluminium K.K., we believe that the promotion of employee health will have broad-ranging effects, including boosting productivity and cutting medical expenses, and contribute to enhancing corporate value. As a health and productivity management initiative, at our Tokyo Office, we offer sports events that employees can **easily** participate in and have fun doing so, including stretching sessions and walking events. We also provide ongoing support for amateur sports clubs, and were certified by the Japan Sports Agency in January 2025 following our application to be a “Sports Yell Company 2025,” under a system that recognizes companies promoting measures to improve employees’ health through sport activities.



Sports Yell Company Certificate

We also aimed to improve lifestyle habits through our health events, in which a total of 218 employees participated. At these events, we set challenges covering seven themes, including a joint non-smoking challenge across six business sites and at least 30 minutes of exercise per day. At our Osaka Office, we also held a health seminar for employees, with guest speaker Masumi Yagi (YOSHIMOTO KOGYO CO., LTD.) of comedy duo Savanna, on September 12, 2024. We enhanced employee awareness of health through this health seminar, with non-stop laughter that enabled employees to focus on health maintenance in a fun way.



Health Seminar at Osaka Office



Material Issue

4

# Quality and Safety - Quality -

We have been continually working on quality improvement, and 17 domestic and overseas companies of our Group have the ISO 9001 certification. In addition, in order to fulfill our responsibilities for the quality of the contractors that support us, we actively support their quality patrols, while still respecting their autonomy, working to prevent quality accidents outside the Toyol production sites. We will continue to comply with social norms and strive to further improve quality, aiming to be a Group that is even more trusted by customers.

**Hideo Ishiguro**  
Executive Officer  
In charge of the General Affairs Unit and Quality Assurance Unit,  
Corporate Division

"Quality assurance departments and manufacturing departments are the wheels of the car (company)"

A car cannot drive in a straight line if one of its wheels is stronger, resulting in poor balance and wheels that move at different speeds. I believe manufacturing is similar, in that it is important to respect and complement each other's positions, which results in an organization with functioning mutual checks that can fully exercise its strengths. To give shape to this approach, Toyol's quality assurance system consists of three lines of defense.

First, frontline operations, then quality assurance departments, and then audit departments are each working to maintain and enhance quality from differing perspectives. The basic principle of quality assurance is "do the predetermined things in the predetermined way," and although it is to be expected, all people involved in each process, from taking orders to shipping, must focus on their work with responsibility and sincerity. We will remain fully committed to protecting the "life of the Company."



## Evolution of quality assurance and taking on the challenge of the next generation

"Safety and Quality are the Life of the Company"

At manufacturing companies like Toyol, "safety" and "quality" are the life of the company, and business continuity is impossible without both these elements. Preventing inappropriate acts is also essential to protect our credibility as a company. Quality assurance is an important pillar for protecting trust from customers and supporting sustainable corporate growth, and sincerity and transparency provide the foundations for assuring quality. Conventional quality assurance is mainly reactive, focusing on "responding to problems" after they have occurred, particularly quality defects and complaints. This approach had limited potential for pursuing underlying causes and preventing recurrence. Today, quality assurance must involve "preventing problems in advance" and "sharing a company-wide awareness of quality." We must build in quality from the design stage, monitor quality throughout processes, analyze accumulated data, and make improvements accordingly. It is also important to strengthen internal controls and provide ethics education to prevent fraud, tampering, concealment, and other such acts. In particular, in order to prevent inappropriate acts, the president himself visits all business sites and holds dialogue sessions. Through these efforts, we are working to enhance all employees' awareness of quality and foster our corporate culture.

To create a structure for preventing problems before they occur, we must transform the safety awareness of all employees. Quality is an issue not just for quality assurance departments, but for all departments, including engineering, manufacturing, and purchasing, to work on together.

We must transform past examples into explicit knowledge and thoroughly enforce measures to prevent recurrence, while also creating a system to quickly discover and stop any signs of inappropriate acts.

Next-generation quality assurance requires us to go beyond zero defects and evolve into "value creation-type" operations, including sustainability and social responsibility. In addition to reducing our environmental impact, complying with laws and regulations, and adapting to global standards, it is also essential that we thoroughly enforce ethical corporate conduct. Another important challenge is the creation of a system for passing on the expertise of veteran employees to young employees, to prepare for the declining population and aging society.

Going forward, our strategy for quality assurance will not be "defensive," but instead will be "offensive," in order to enhance corporate value. As we look toward 2031 and the 100th anniversary of our founding, the Toyol Group will come together to build a healthy and sincere quality culture.



Business site dialogue session at Gumma Works

## Deepening quality assurance initiatives by moving from rectification to prevention, and acquiring even greater trust

**Nitta** We will continue efforts to prevent inappropriate acts related to quality, based on the keywords of "together with customers" and "gaining trust." In fiscal 2025, we set forth our new aims to "achieve next-generation quality management" and "ensure fulfillment." Under these aims, we have been focusing on increasing the efficiency of quality management processes through the introduction of AI, the IoT, and other cutting-edge technology; encouraging the growth of team members through quality education; and stronger cooperation, mainly through horizontal activities between business sites. We will create a system that enables us to promptly disclose information and clearly indicate the causes and measures to prevent recurrence in the event of quality issues.

**Jun Matsumoto**  
Quality Assurance Team Leader  
Corporate Management Unit  
Toyo Aluminium Ekco Products Co., Ltd.

Furthermore, we aim to achieve trusted quality by evolving into an "offensive" Quality Assurance Unit, including the prevention of quality accidents, not just measures to rectify issues.

**Matsumoto** Under the policy of "satisfying customers and acquiring the trust of society by ensuring product safety and peace of mind," we have developed an audit system, not only for our own plants but also those of partner companies, and we are focusing on quality assurance. We are also strengthening change management, etc., and we have seen some success from these efforts, including a year-on-year decrease in the number of complaints in fiscal 2024. There was, however, an incident where some "Sunfoil®" products were shipped in a damaged state.

We immediately made a public announcement and recalled the affected products. At the same time, we worked with the Quality Assurance Team at the Chiba Works of Toyo Aluminium K.K. to identify the underlying causes, and rectify and improve the situation. Going forward, we will not only implement rectification measures, but will also work to prevent quality accidents by shifting our work toward preventive measures. We will further promote quality activities that enhance customer satisfaction, and use statistical methods for quality management, as we aim to enhance Toyol's brand strength.



**Toshihiko Nitta**  
Quality Assurance Unit Leader  
Corporate Division

## Acquisition of JIS Q 9100 certification and future outlook

On May 31, 2025, the Hino Works obtained "JIS Q 9100" certification, a quality management standard for the aerospace and defense sector. This shows that we have created a system for high-quality and highly reliable manufacturing, contributing to ensuring the quality of products with a higher level of safety. Going forward, we will further refine our technical and quality capabilities, and promote manufacturing that contributes to society, as we target a full-fledged entry into the aerospace industry, using this certification as a foothold. In particular, we will contribute to next-generation manufacturing through the development and supply of aluminium alloy powder for 3D printers.

We aim to support the industries of the future as a trusted partner.



JIS Q 9100 Management System registration certificate



Hino Works





Material Issue

4

Quality and Safety

- Safety -

- Toyol safety targets for fiscal 2025**
- (1) Enhance awareness of safety and establish a culture of “firm decisions and strict adherence”
  - (2) Enhance sensitivity and prevent accidents by “noticing things”
  - (3) Globally deploy activities to prevent serious accidents
  - (4) Systematize education and training and foster a safety culture
  - (5) Creating a safe and secure workplace environment with active capital investment

Under our slogan that “safety and quality are the life of the Company,” we will endeavor to ensure safety as one of our top priority values. The Group Safety Management Team and 19 sites in Japan and overseas work together to focus on preventing serious accidents and preventing recurrence. We have shared lessons from past disasters with all employees, and instilled a safety culture based on the vow that we “will not allow such events to be repeated.” We are also enhancing the safety awareness of every employee by actively providing education where employees can experience danger firsthand, through practical drills, etc. Going forward, all sites will continue working together to prevent serious accidents, with safety as our top priority.

**Masayoshi Tsujino**  
Executive Officer  
In charge of Internal Audit Team; Group Safety Management Team;  
and Business Supporting Unit, Corporate Division

Last year, there were no serious accidents at Toyol business sites, but there were a few incidents that “could have become serious accidents through a single misstep.” This indicates that the potential risk of danger in frontline operations still exists somewhere today. For this reason, it is important that we all take the initiative to engage in danger risk mitigation activities on a daily basis, and quickly discover and address such risks. Accordingly in the Group Safety Management Team, we are strengthening the 5 Gen Shugi (three actuals + principles and rules) and promoting risk mitigation activities that utilize a three-step method, with a focus on “preventing serious accidents.” To continue being “a company where people come to work with a smile and go home with a smile,” we must enhance safety awareness and foster a safety culture of “firmly deciding and strictly adhering to rules.” I believe that is one of our important roles.



Creating a workplace where we can freely talk about safety

**Kurisu** Toyol Aluminium Ekco Products Co., Ltd. is working closely with the Group Safety Management Team of Toyol Aluminium K.K. on safety activities, resulting in new records for the number of days without a lost-time injury at three plants in Japan. In fiscal 2025, we are engaging in activities focused on “adherence to rules.”

This does not simply mean telling people to “follow the rules.” Instead, it means we will give employees opportunities to speak out about things they notice and make improvements, and “create a culture where we can adhere to rules.” It is a given that employees will go home safely after work, but as “a company where people come to work with a smile and go home with a smile,” we aim to create a workplace where people can talk freely. **Kadoya** Previously, I worked on creating products that make consumers happy in the Marketing Team.

It does not serve anyone’s happiness if accidents happen at the plants where we make those products. Since I started working on safety, I have been reminded of the importance of safety in manufacturing. Injuries and accidents are not only limited to plants; they also happen in office departments. Small lapses in care and complacency can cause accidents, so I intend to create plants and offices where all employees are aware of safety as something that affects them directly, and are able to mutually exchange views on things that call for attention and realizations.



Vow to prevent the recurrence of serious accidents

In 2024, we renewed our strong resolution never to repeat the serious accidents of the past. Five fatal accidents have occurred at Toyol in the past. At the Yao Works, the site of an accident caused by insufficient oxygen in July 7, 2007, President Kusumoto expressed condolence for the victims and vowed “never to let a tragic accident happen again.” Employees took this sentiment to heart, and are endeavoring to prevent serious accidents. At the Chigasaki Works (Hagizono), President Kusumoto expressed a vow to prevent the recurrence of accidents, never forgetting the lessons from a fire that occurred on November 8, 1968, at this works’ predecessor, the former TOKAIKINZOKU Co., Ltd. Kikuna Plant. Employees renewed their resolve to create a safe workplace and protect the joy that should be a given, where “everyone goes to work healthy, and returns home to their families safely.” At ALP Co. Ltd., learning from a serious accident that occurred during work on aluminium scrap press machinery on October 19, 1993, President Yamaguchi (at the time) of Toyol Aluminium Ekco Products Co., Ltd. and employees mutually confirmed their resolve to prevent the recurrence of such accidents in frontline operations. We worked to further enhance safety awareness by sharing our strong desire “never to let a tragic accident happen again” among all employees. We will continue ensuring that we do not forget the lessons of these accidents, while creating workplaces where people can work with peace of mind and preventing serious accidents at all sites, based on our recognition that “safety and quality are the life of the Company.”



Vow to prevent serious accidents at Chigasaki Works



Declaration of vow to prevent recurrence at ALP Co., Ltd.

Increasing safety awareness with practical drills

One issue we face in frontline manufacturing operations is how to convey danger and related teachings without experiencing an actual accident. As one measure to solve this issue, we have been conducting “practical drills,” in which employees can experience danger firsthand in a simulated experience. By experiencing danger firsthand, employees can deepen their understanding of the importance of being aware of hazards and protective equipment. Based on this approach, we have established a practical drill center at our Kambara Works and Yao Works.

We also hold drills simulating laceration from a box cutter, enabling many employees to participate without relying on special facilities. In May 2024, we held practical laceration drills at the Gumma Works and Shinjo Works. Employees could realistically experience the danger of a laceration accident by using a box cutter to cut sausages made to look like fingers by being inserted into gloves. Employees also experienced the difference depending on whether or not anti-cut gloves are worn, reminding them of the importance of wearing protective equipment. We feel that these practical drills have had an effect, as we have received lots of feedback from participants, such as “It was realistic, and I really felt the fear of an accident” and “I was reminded of the necessity of protective equipment.” Going forward, we will continue contributing to the safety awareness and actions of all employees through the introduction of practical drills concerning various types of accident risk. We are working to ensure that all employees can experience firsthand the importance of safety through “practical drills.” In the future, we will continue endeavoring to create safer workplace environments.



Model of hand for box cutter laceration drills



Box cutter laceration drill





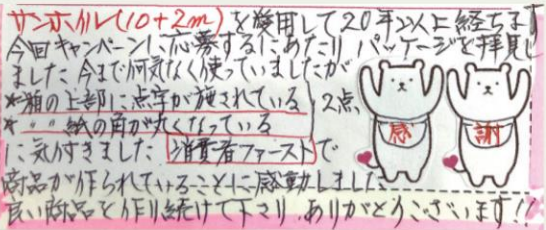
Material Issue

# Collaboration with Stakeholders

We have been contributing to local socioeconomic activities through production activities and employment. We are also making active efforts in collaboration with local communities, supporting and sponsoring cultural programs, engaging in environmental protection activities, and giving cooperation and support for food bank activities through NPOs.

We are also making a strong effort to contribute to the development of the next generation by inviting junior and senior high school students to visit our companies. We work on various other activities as well, including volunteer cleanups by employees and support activities for areas affected by natural disasters. We will continue to promote active efforts through a variety of activities and contribute to a sustainable society, and thereby aim to further improve our corporate value.

Customer feedback



## Efforts to achieve manufacturing in which improvements aimed at creating products that are easy for anyone to use are broadly supported

**Adachi** We have printed braille on presentation boxes for Toyo Aluminium Ekco Products Co., Ltd.'s aluminium foil for home use, "Sunfoil®," for more than two decades, to ensure it is loved as a daily necessities that anyone can easily use. Recently, when updating the design of this packaging, we listened to the opinions of people with visual impairments in order to make this braille easier to understand. Based on these opinions, we revised aspects such as the positioning of the braille and how it was written, refining it into a product that is easy for people with visual impairments to choose. In addition to barrier-free design, we also consider the environment, including the reduction of CO<sub>2</sub> emissions through the use of green aluminium. Major distributor customers have also praised these efforts, resulting in an expansion in the adoption of the Sunfoil brand.

**Wada** This year marks 62 years since we launched "Sunfoil®," and we have taken various inventive measures over the course of its long history. Following these improvements to the braille, we received feedback from staff at a product exhibition for people with visual impairments that "as a company, you can be proud of barrier-free efforts."

We also received feedback from consumers who noticed the braille, saying they were moved by the fact that our products put the consumer first. In this way, I felt firsthand that our efforts are reaching the hearts of many people. We will continue widespread information sharing, to ensure many people know about our history of trying to create better products.

Mika Wada  
Communication Design Promotion Team  
Marketing Unit  
Toyo Aluminium Ekco Products Co., Ltd.

Hayato Adachi  
Consumer Products Team Leader  
Marketing Unit  
Toyo Aluminium Ekco Products Co., Ltd.



## Sharing information about aluminium's appeal and our social contribution on our official X account

We created an official X (formerly Twitter) account in November 2024. We will broadly share information on the potential of aluminium and Toyal's technical strengths, as well as our environmental and social initiatives. Aluminium is light and easy to recycle, meaning it is an important material that will contribute to the circulation of resources and the achievement of a decarbonized society. As a leading company in aluminium foil, powder, and paste, we will communicate its value and create new common knowledge in society. Please follow our account and support these efforts.

▼Outline of official X account  
Account name: Toyal Group  
Username: @toyalgroup



## Support for professional basketball teams

Toyo Aluminium K.K. has signed partner agreements with the Shiga Lakes and Bambitious Nara professional basketball teams, through which we are supporting regional sports activities. Toyal employees and their families also watch home games and give the teams a substantial boost with their passionate support.

We will continue supporting both of these teams, alongside local communities, to invigorate local communities through the power of sports.



Shiga Lakes resident invitation day



Visit to the Shinjo Works by Bambitious Nara team members

## Guided visits for families

We held guided visits for families at various offices and business sites of Toyo Aluminium K.K. and Toyo Aluminium Ekco Products Co., Ltd., to encourage understanding and support for employees with families, and create a comfortable workplace environment.

These events were well received, as families learned about the workplace and atmosphere at work, through workplace visits, hands-on experience with Toyal products, and other initiatives, and we also provided useful content for free study to children.

We will continue holding these visits at various business sites, and we hope that more families will participate.



Showing families around the Chiba Works



Group photograph of participants at the Osaka Office

## Hosting company visits

Toyal hosts students of all ages for company visits. At our Yao Works, we introduced aluminium foil manufacturing processes and held a tour of our research laboratory, as well as discussions with female employees in research positions and various types of work, for members of "IRIS," a team of female postgraduate students in the sciences at Osaka Metropolitan University, to contribute to career building, on December 4, 2024. At the Chiba Works, on December 13, 2024, we held a social studies bus tour in cooperation with the Chiba Municipal Government Employment Promotion Section, in which we gave local high school students a tour of our plant, provided an opportunity to exchange views with young employees, and gave them advice for job hunting.

We will continue to actively accept students of all ages to visit our Company and spread the appeal of manufacturing to the next generation.



Learning about "IRIS" aluminium foil manufacturing processes at the Yao Works



Hosting high school students at the Chiba Works



# Our Social Contribution Activities

The following is a partial list of social contribution activities conducted by various business sites. These efforts initially began as small initiatives, and gradually their scope broadened.

We are continuing all these activities with the desire to contribute to society.

## Participating in an exhibition about combining nature and technology

Toyal is working to achieve a sustainable society through co-creation with students who will lead the next generation and local communities. As part of these efforts, in February 2025, Toyo Aluminium K.K. participated in the “Nature LAB” exhibition held by átoa, an aquarium in Kobe, and the Osaka College of Eco & Animals.



“Nature LAB” exhibition

The theme of this exhibition was “biomimicry,” which refers to imitating the structure and functions of living things and utilizing them for technological development. Toyal contributed to making this an opportunity for learning and new realizations, by providing samples of TOYAL LOTUS®, a product that applies water-repellent processing technology that imitates a lotus leaf, as well as technical support.



TOYAL LOTUS® product samples

## Poruto Cup sponsorship

Yokohama FC in the J.League holds the “Yokohama FC Yokohama Poruto Cup” as part of its community contribution activities, with the objective of creating connections between people with various disabilities and society, encouraging participation in society and enhancing leisure through soccer and futsal, and expanding opportunities for the popularization and exchange of sports for people with disabilities, as well as expanding the scope of people’s lifestyles and eliminating difficulties in daily life. Toyo Aluminium K.K. is continuing to support these activities. Through these activities, we will place importance on connections with local communities, and continue these social contribution activities in order to support the realization of a harmonious society where anyone can enjoy sports.



Athletes working up a sweat ©YOKOHAMA FC

## Donation of crossing flags for elementary school students

The Toyo Aluminium Labor Union sponsors a project to donate crossing flags for elementary school students in accordance with the number of car mutual insurance estimates, operated by Kokumin Kyosai co-op. We actively spread awareness of this initiative among employees, and 142 crossing flags were donated. These flags were donated to the local Yao City Board of Education, to contribute to activities to support the safety of elementary school students. The crossing flags will be given to elementary schools in the city. We will continue these activities in the future, to maintain our status as a company capable of contributing to the local community.



Crossing flags donated to the Yao City Board of Education

## Agreement with Shiga Prefecture concerning procurement support and cooperation for supplies, etc., in the event of disaster

On September 19, 2024, Toyo Aluminium Ekco Products Co., Ltd. concluded an agreement with Shiga Prefecture concerning relief material procurement and supplies in the event of disaster. Under this agreement, if an earthquake, flood damage, or other disaster occurs or is likely to occur in Shiga Prefecture, and if there is a request for the provision of supplies for disaster relief from outside Shiga Prefecture, Toyal will supply food containers made from paper, aluminium, etc. Toyal products will contribute to regional restoration by contributing as much as possible to residents’ comfort through food at evacuation centers, etc., in the event of disaster.



Disaster supply support items

## Regional cleanup activities outside of offices and manufacturing sites

As part of our contribution to local communities, we actively engage in regional cleanup activities at each of our sites. We work together with municipal and regional bodies to clean up various locations, including seashores, riverbeds, roadsides, residential areas, and office areas. We will continue engaging in these activities in the future, as we work to deepen communication with local communities.



Regional cleanup activities outside of offices and manufacturing sites

## Participation in forest protection activities

In August 2022, Toyo Aluminium K.K. and Toyo Aluminium Ekco Products Co., Ltd. entered into the Lake Biwa forest making partnership agreement with the Watamuki Production and Forest Association, which manages forests in Shiga Prefecture, as part of regional environmental protection activities. Based on this agreement, we engage in forest protection activities twice a year, including tree planting, the installation of birdhouses, and repairs to nets to prevent damage to trees from wild birds and animals, at a partnership forest called “Lake Biwa Future Forest, Created by All Members of the Toyal Group.”



Forest protection activities at our partnership forest



Tree planting activities at Miho no Matsubara

## Donations to households in need

At Hunan NingXiang JiWeiXin Metal Powder Co., Ltd., for the Chinese New Year for 2025, we visited 10 households in need in Tianxin, Qingshanqiao, in response to a call from the local government. We learned about their living circumstances, and donated daily necessities and money together with greetings for the festival. We will continue contributing to local communities in the future.

We collected voluntary donations for people affected by the Myanmar earthquake on March 28, 2025.



## Business Introduction

Aluminium is the most abundant metallic element in the earth's crust.

It is a relatively new metal, having only been available as a metal for about 150 years. Our new, composite, and applied technologies evolve the ecological properties of aluminium, which is light, reusable, and returns to the earth. It has the potential to realize technologies that have not been possible before by combining ecology and evolution in various fields around the world.

### Foil business

Abundant and advanced.  
The possibilities of aluminium foil are unlimited.



LUXAL®, a highly smooth, high-gloss aluminium foil

### Powder & paste business

For day-to-day life and the green transformation.  
Continuing to make new discoveries about the power of aluminium.



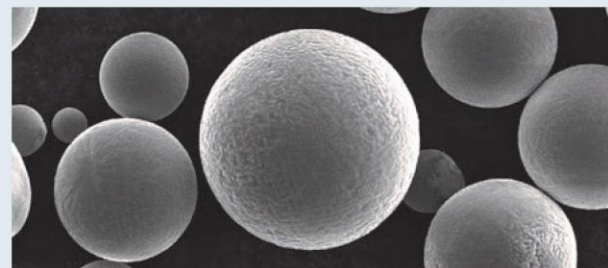
Example applications: Paints, printing inks, etc. ALPASTE®

Aluminium foil has contributed to society in day-to-day life, industry, and a diverse range of other fields over many years. Through this process, we have developed a deep understanding of the characteristics of aluminium, and have leveraged advanced rolling technology to consistently offer valuable aluminium foil proposals that address customer needs and solve social issues. Going forward, we will further bring out the possibilities of aluminium foil, advance our technology, and support social progress.



TOYAL LOTUS®, a revolutionary water-repellent packaging material

The technology of the future will face the issue of balancing the evolution of society toward abundance and protecting the global environment. Toyal's aluminium powder and paste offer high added value, contributing to abundant day-to-day life and social progress in a wide range of fields. Going forward, we will continue researching the power of aluminium, and developing materials and products that contribute to people, industry, and the global environment.



Close-up image of aluminium powder through an electron microscope

### Household & Packaging business

Always Right There in Your  
Everyday Life



Aluminium foil containers: an aluminium pot

### New business

Efforts to create new businesses



HaneModule, lightweight solar cell modules that weigh two thirds of conventional modules

### Toyo Tokai Aluminium Hanbai K.K.

Promoting activities to “connect, be connected, and connect to,” to always create new encounters

This is a trading company directly affiliated with Toyal. Through this company's new business activities, focusing mainly on Toyal products, we will further promote activities that contribute to society, such as promoting clean energy, recycling, and being conscious of and friendly toward the environment. We will also strengthen connections with customers, suppliers, manufacturers, and other business partners, as we endeavor to enhance corporate value together with all our partners.

In order to meet diverse market needs, we provide household products that are convenient for everyday life, including Sunfoil®, Range Panel (oil splash guard)™, and stain prevention filters, as well as business container products processed from aluminium foil and paper with various manufacturing methods. We will continue to be a well-loved brand, based on a comprehensive focus on customers and product proposals that create new markets.



Sunfoil®

We are working on the development of unprecedented products each day to create businesses that can support Toyal in the future, utilizing or going beyond the boundaries of our technologies obtained over many years as a manufacturer of aluminium products such as paints with excellent corrosion resistance, functional plastics with a variety of capabilities, and light and strong solar panels.




Stenshel® paint containing stainless steel flakes (high-performance anti-rust paint)





Passionate Discussion of Our Thoughts on Sustainability Management



Passing on a better future to the next generation — I believe that is true “sustainability,” and it refers to “investing in the future,” to enhance business sustainability, while also ensuring a balance between environmental, social, and economic factors.

In the plain foil business, in fiscal 2025, we will establish an aluminium foil recycling scheme, and focus on reducing CO<sub>2</sub> emissions through energy conservation and the use of renewable energy. To support the spread of electric vehicles and development of charging infrastructure, we will also focus on the development and sale of materials for lithium-ion batteries, thus contributing to the achievement of carbon neutrality.

We will also continuously enhance workplace safety and promote automation, develop an environment where diverse human capital can actively participate with verve, and engage in regional contribution activities such as regional cleanups and tree planting. Through these efforts, we aim to the company of choice for society.


**Jo Hase**  
Executive Officer  
In charge of the Foil Headquarters Yao Works, Kambara Works, Chiba Works, Plain Foil Sales Unit, and Business Strategy Team



In the New Business Creation Division, we position the non-financial domain as the source of business growth, and we are focusing on three themes: decarbonization, resilience, and health and comfort, under the approach of “creating a sustainable future through co-creation.”

In fiscal 2025, we are taking on the challenge of balancing solutions to social issues with economic factors, by reducing CO<sub>2</sub> emissions with lightweight solar cell modules, extending the life of infrastructure with applications for anti-rust paints, and enhancements to consumers' living environments with functional compounds. I will contribute to the future while valuing dialogue and cocreation both within and outside Toyol, as part of my role in identifying potential commercialization opportunities, to take on the challenge of “building something from nothing.” As a practitioner of sustainability management in frontline operations, I will go beyond the scope of particular organizations and standpoints to create value, and embody our philosophy of “Join Together to Shape the Future.”

**Katsura Morioka**  
Executive Officer  
In charge of New Business Creation Division  
Svam Toyol Packaging Industries Pvt. Ltd. Managing Director




In recent years, activities related to non-financial factors and sustainability have become increasingly important for increasing corporate value.

I believe that these initiatives, which look toward the future, are our corporate social responsibility as a global citizen and member of society, and are also essential activities that will contribute to our continued existence and growth as a company.

In the foil converting business, in fiscal 2025, we will continue to focus on active investment in safe workplaces, the creation of a comfortable workplace environment for women and senior citizens, efforts to reduce CO<sub>2</sub> emissions, and the development of recyclable products, based on the themes of “safety and quality are the life of the Company” and “friendly to people and the environment.”

Our slogan “Join Together to Shape the Future” expresses the essence of sustainability activities, and under this slogan I will work with employees to give concrete shape to activities that anticipate the future.


**Shougo Arima**  
Executive Officer  
In charge of the Foil Headquarters Gumma Works, Chigasaki Works, Foil Converting Sales Unit, Foil Converting Procurement Team, Foil Converting Profitability Improvement Team, and Foil Converting Technology Development Team



The standpoint of the Household & Packaging Products Headquarters is closest to consumers and users, and many of our business partners are proactive about sustainability activities. Under these circumstances, we view sustainability initiatives as an important issue, and believe that all team members must earnestly tackle these issues. The year before last, we began selling “Sunfoil®” aluminium foil for home use using “green aluminium,” manufactured with renewable energy. In fiscal 2025, we began using “recycled aluminium,” which is excellent in terms of reducing CO<sub>2</sub> and the effective utilization of resources, and we will focus on expanding sales of more advanced “Sunfoil®.” We will also work on rolling out paper containers that use forest-certified materials and biomass resin.

We will contribute to the creation of social value through our products, which are a familiar presence used by consumers on a daily basis.

**Daisuke Sakai**  
Executive Officer  
In charge of Household & Packaging Products Headquarters, and President and Representative Director of Toyo Aluminium Ekco Products Co., Ltd.



In the Powder & Paste Headquarters, there is growing demand related to environmentally friendly products among customers, such as the accurate calculation of carbon footprints (CFPs) for products and the supply of paste with lower CO<sub>2</sub> emissions. To address these needs, we calculate CFPs in accordance with ISO standards, and we have also begun using waste aluminium scrap foil and oversize aluminium powder to manufacture recycled metal, from which we manufacture powder and paste. We are currently conducting a verification trial at a trial plant.

There are expenses associated with sustainability initiatives, and they are sometimes perceived as unprofitable activities. When we engage in sustainability activities, however, we aim to ensure a “balanced future,” without choosing between “the environment or profit.”

**Akihiro Ueda**  
Executive Officer  
In charge of the Powder & Paste Headquarters Shinjo Works, Hino Works, and Business Strategy Unit



As a member of the Toyol Group, we respect the Human Rights Policy formulated by Toyol in 2023, and will adhere to this policy. We aim to respect the dignity of all people, and create workplaces where anyone can work with peace of mind. Under the key phrase of “connecting to the future through new activities,” we will develop and popularize environmentally friendly products as part of our efforts to achieve sustainable growth and engage in social contribution activities such as disaster relief. We are also working to create a new culture that prioritizes taking on new challenges and teamwork, while endeavoring to enhance the happiness of each and every employee. In the future, we will focus on strengthening our governance systems with the aim of ensuring sound organizational management, and thus contribute to achieving a better future and a sustainable society.

**Tatsuhito Isobe**  
President and Representative Director of  
Toyo Tokai Aluminium Hanbai K.K.

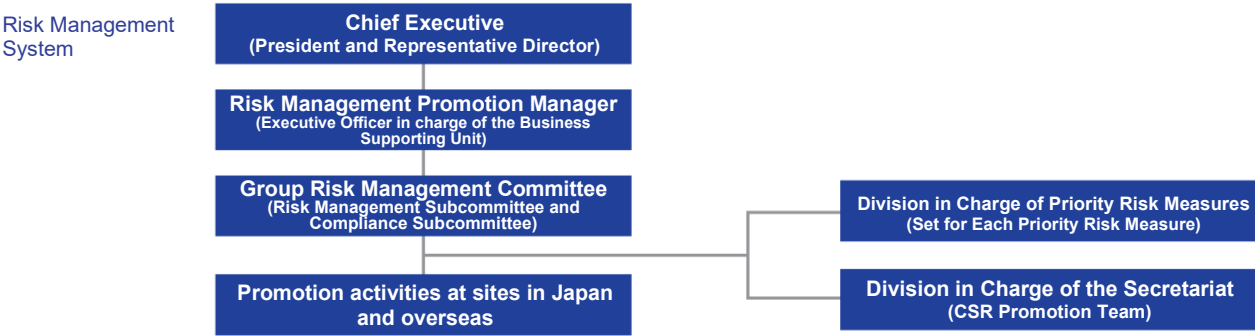


# Governance

## Risk Management

Toyal has established an organization-wide risk management system with the President and Representative Director as the Chief Executive, and operates a Group Risk Management Committee chaired by the Risk Management Promotion Manager. To effectively promote risk management, we have established a Risk Management Subcommittee and a Compliance Subcommittee, with members carrying out activities. The main division in charge is assigned to each priority risk category selected through risk assessments, and these divisions use their expertise to provide support and monitoring for operational divisions as the second line in the three-line model.

As a response to business process risks, each business division maintains a three-point set of business processes and conducts self-inspections as part of its daily risk management. Activities related to risk management are reported to management by the chairperson of the Group Risk Management Committee in accordance with the Group risk management regulations. As a result of a management review in fiscal 2024, we added human rights risks in the supply chain as a priority risk category in response to rising social demand, and determined that the Business Supporting Unit will be the lead department in charge of risk identification and mitigation activities.



## Compliance Promotion

Toyal promotes compliance in a broad sense, including not only legal compliance but also social norms and corporate ethics. In terms of legal compliance, we consider legal risks as one of the priority risk categories to be addressed, and we are continually identifying company-wide risks and monitoring the progress of improvements. In addition, we hold regular compliance meetings at each workplace on topics such as harassment prevention, and record the opinions received from the workplace and the status of efforts, then the contents of these records are checked by the management of each business site.

In order to understand compliance issues, we have established an internal consultation line and use compliance meetings to disseminate information. In fiscal 2024, we invited an external lecturer for an in-house seminar on the promotion standards of the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises, promoted by the Ministry of Economy, Trade and Industry (METI) and the Small and Medium Enterprise Agency (SMEA), with 160 participants, including employees of domestic affiliates. In fiscal 2025, we will prioritize activities aimed at spreading awareness of amendments to laws and regulations internally, and proper compliance meetings.

### Commitment of the Executive Officer in Charge

Today, social trends and the environment are changing rapidly on a daily basis, and it is said that we are in an “age of uncertainty,” when various risks will materialize both within and outside companies. As the pace of change in society and the business environment have increased, it has also become difficult to forecast the future, meaning that the importance of risk management has increased substantially. In conducting corporate activities in the face of many risks, we consider risks to be anything that could affect our future strategies and the achievement of our business goals, and since last fiscal year, we have established an organization-wide risk management system. The Group Risk Management Committee plays a central role in strengthening risk management and enhancing internal compliance awareness, by actively disclosing information internally, not just to management but also to employees, concerning information and action plans that comprehensively summarize risk mitigation activities for priority risk categories. We will increase corporate value through the creation and management of a risk management system integrated with business management, and continue working to ensure stakeholders feel secure.

Masayoshi Tsujino  
Executive Officer  
In charge of Internal Audit Team; Group Safety Management Team;  
and Business Supporting Unit, Corporate Division

## Initiatives to strengthen corporate governance

Over the past few years, Toyal has established the Sustainability Committee, improved the compliance and risk management systems, and taken other measures to strengthen corporate governance. The internal audit division of Toyal will support corporate governance through the following three important initiatives in addition to important operations including addressing J-SOX.

### (1) Fraud prevention interviews

We conduct regular interviews with employees concerning fraud risk, to develop a corporate culture that does not permit fraud. Through these interviews, we aim to learn about discontent and dissatisfaction with the Company, quickly discover and take preventive action against the risk of fraud, and improve the workplace environment.

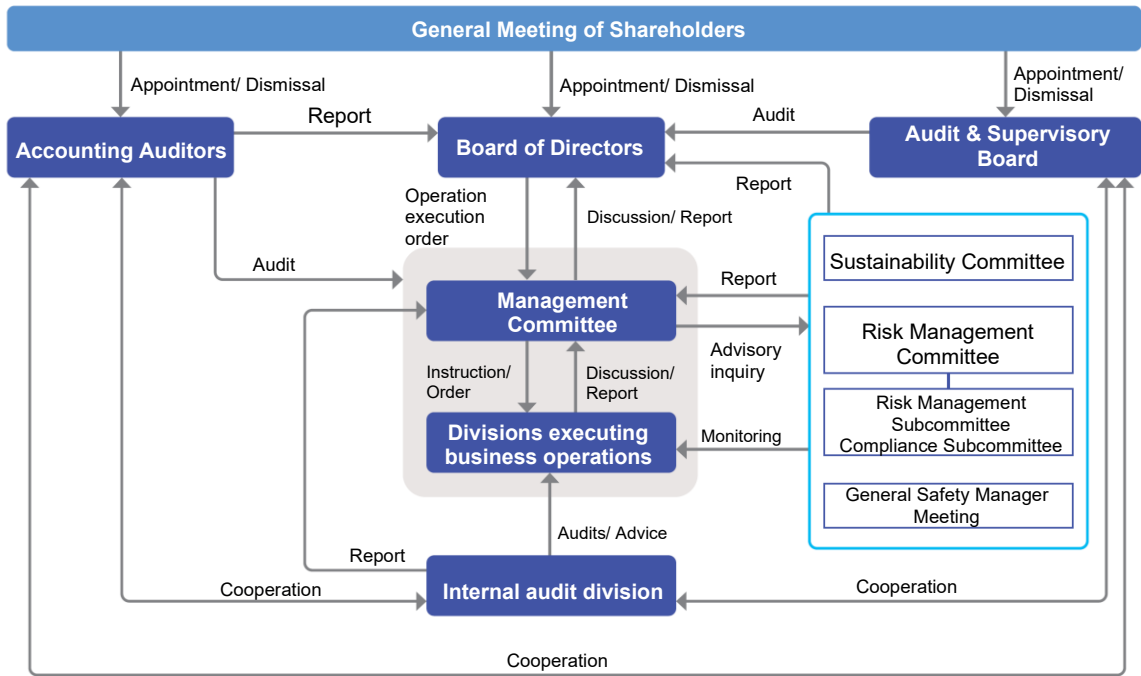
### (2) Theme audits

We assign levels of priority to risks that have been clarified by the Risk Management Committee and fraud prevention interviews, and conduct audits based on specific themes.

### (3) Addressing legal risk

We identify legal risk from among the risks that have been confirmed, and provide related education and training. Through these initiatives, we are working to enhance transparency and reliability across the Company as a whole.

### Corporate Governance Structure







**Toshiya Nagata**  
Director, Managing Executive Officer  
In charge of Management Strategy  
Unit and IT Management Unit,  
Corporate Division

In addition to being part of our corporate activities, our non-financial and sustainability activities are an important management issue that is closely related to our company-wide strategy. As a company, we must not only create value through our businesses; we must also achieve sustainable growth, while meeting the expectations of diverse stakeholders, including customers, employees, and local communities, and obtaining trust from society. To achieve this, it is essential that we incorporate these activities into our medium- and long-term business plans, and ensure a balance between these efforts. Internally, it is also important that we foster a mindset of autonomously engaging in non-financial initiatives as something related to one's own work and judgment.

From the standpoint of someone who plays a role in management, I myself position non-financial and sustainability efforts as a core part of our management, and I intend to fulfill the role of establishing this approach as our corporate culture by developing our systems and sharing information internally and externally. I will endeavor to build relationships of trust with stakeholders by prioritizing dialogue with employees and encouraging mindset reform among all employees, while also transparently disclosing information.

We will celebrate our 100th anniversary in 2031. In anticipation of this milestone, it will be more important that we build sustainable corporate foundations for the next generation. I hope we can promote efforts for the future together with all stakeholders.

Sustainability Promotion Working Group Activities Introduction



We formed the “Sustainability Promotion Working Group” centered on young employees from across divisions to promote sustainability activities and produce this report.

In fiscal 2025, this working group held workshops discussing “Business and Human Rights,” in relation to the special theme of this report, “Commitment to Respect Human Rights.”

We also held a debate, with sides arguing for and against the promotion of sustainability, based on the theme: “Is it actually difficult to see any results from the promotion of sustainability, and is it a burden on companies?”.

[Thoughts from the side arguing for promotion]

- I realized there are issues on a global scale and things I can do myself, and I saw it as something that involves me directly.
- Personally, I am on the side of promoting sustainability, but I felt that we must consider various opinions, not just our own, and ensure people are satisfied. I became more flexible.

[Thoughts from the side arguing against promotion]

- I felt the necessity of ensuring that everybody understands the content of sustainability.
- I myself had doubts about the promotion of sustainability, but I was able to take stock of them.

These activities were a good opportunity for participants to reconsider the relationship between their own work and human rights, and their own role in sustainability.

The members of the working group actively participated in the creation of this report in various forms, including decisions on design and structure, as well as the selection and writing of articles on each material issue. Members also shared information about these activities in their own departments, contributing to spreading understanding of and interest in sustainability internally, as well as the creation of a culture where employees engage in these efforts more autonomously.



Corporate Outline (As of March 31, 2025)

|                 |   |
|-----------------|---|
| Corporate Name  | : Toyo Aluminium K.K.   |
| Representative  | : Kaoru Kusumoto, President and Representative Director   |
| Head Office     | : 541-0056<br>JRE Midosuji Daiwa Building, 6-8, Kyutaromachi 3-chome, Chuo-ku, Osaka-shi, Osaka |
| Establishment   | : May 12, 1999<br>(Former Toyo Aluminium was founded on April 7, 1931.)                         |
| Paid-in Capital | : 8 billion yen   |
| Employees       | : 2,506 (Consolidated)<br>1,436 (Non-consolidated)  |
| Shareholder     | : Nippon Light Metal Holdings Co., Ltd. 100%  |

Global Network

|   |  |
|---|--|
| <b>&lt;Business Sites of Toyo Aluminium K.K.&gt;</b><br>Yao Works / Kambara Works / Chiba Works / Gumma Works<br>Chigasaki Works / Shinjo Works / Hino Works<br>New Business Creation Division (Kyushu) |  |
| <b>&lt;Subsidiaries and Affiliates&gt;</b>  |  |
| <b>● Japan</b>  |  |
| Toyo Aluminium Ekco Products Co., Ltd. / Toyo Tokai Aluminium Hanbai K.K.<br>ALP Co, Ltd. / ALPHAMIC Co., Ltd.<br>Toyo Aluminium Kosan K.K.   |  |
| <b>● Overseas</b>   |  |
| <b>France</b><br>Toyal Europe S.A.S.U.  | <b>India</b><br>TOYAL MMP INDIA PVT. LTD.<br>Svam Toyal Packaging Industries Pvt. Ltd. |
| <b>America</b><br>Toyal America, Inc.   | <b>Thailand</b><br>TOYAL (THAILAND) Co., Ltd.  |
| <b>South Korea</b><br>Sama Aluminium CO, Ltd.   |  |

**China**  
Toyal Zhaoqing Co., Ltd.  
Hunan NingXiang JiWeiXin Metal Powder Co., Ltd.  
Shanghai Dongdingshun Aluminium Products  
Toyo Aluminium (Shanghai) Management Co., Ltd.  
Toyo Aluminium Ekco Trading (Suzhou) Co., Ltd.  
Toyo Tokai Aluminium Hanbai (Shanghai) Co., Ltd.



A collection of everyone's "Sunfoil®"! Children who participated in the guided visits for families at the Chiba Works created original packages with their own free ideas.





**Toyo Aluminium K.K.**

<https://www.toyal.co.jp/>

Osaka Office

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TEL (03) 5501-0777 (Representative)

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