Toyo Aluminium K.K.

Toyal Group Sustainability Report

Sustainability Report 2026





Join Together to Shape the Future

Mission

Establishing New Social Norms

"Materials × Technology × Service" to Add Value to Anything from Personal Space through Outer Space

Vision

A Globally Acclaimed Company Employees Feel Proud of

One of a Kind
Leveraging Open Innovation to Create Products/Services that Surpass Customer Expectations

Collective Genius
Each and Every Employee Displays Their Merits with Verve to Create Value as a Team

Value

Making Work Fun
Let Us All Derive Joy from What We're Doing! Everyone is Encouraged to Try New Things

Integrity and Sincerity
Applying Ourselves Diligently in All We Do—Creating the Toyal Brand Anew

Together with Customers
Mapping out Solutions with Everyone Considering What is Best for Customers

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*WG: Working Group

Corporate Outline

Corporate Name	: Toyo Aluminium K.K.
Representative	: Katsumoto Tanaka, President and Representative Director
Head Office	: 541-0056 JRE Midosuji Daiwa Building, 6-8, Kyutaromachi 3-chome, Chuo-ku, Osaka-shi, Osaka
Establishment	: May 12, 1999 (Former Toyo Aluminium was founded on April 7, 1931.)
Paid-in Capital	: 8.0 billion yen
Employees	: 2,475 (Consolidated) 1,418 (Non-consolidated) (As of March 31, 2026)
Shareholder	: Nippon Light Metal Holdings Co., Ltd. 100%

Global Network

<Business Sites of Toyo Aluminium K.K.>

Yao Works / Kambara Works / Chiba Works / Gumma Works / Chigasaki Works / Shinjo Works / Hino Works / Osaka office / Tokyo office

<Subsidiaries and Affiliates>

• Japan

Toyo Aluminium Ekco Products Co., Ltd. / Toyo Tokai Aluminium Hanbai K.K. / ALPHAMIC Co., Ltd. / ALP Co, Ltd. / Toyo Aluminium Kosan K.K.

• Overseas

America
Toyal America, Inc.

France
Toyal Europe S.A.S.U.

South Korea
Sama Aluminium CO, Ltd.

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

India
Svam Toyal Packaging Industries Pvt. Ltd.
TOYAL MMP INDIA PVT. LTD.

Thailand
TOYAL (THAILAND) Co., Ltd.

Editorial Policy and Concept

Under our slogan, "Join Together to Shape the Future," the Toyal Group promotes various initiatives out of consideration for society and the environment by implementing the concept "Things we can do for the future" one step at a time. Since a new President was inaugurated in April 2026, this report conveys his approach and future direction. It also lists the Material Issues newly defined under the concept of double materiality, which considers both the impact of our business activities on society and the environment and the impact of social and environmental changes on the Company. As we look toward 2031 and the 100th anniversary, we aim to achieve sustainable growth from both financial and non-financial aspects based on these key issues. We hope that this report will clearly show our current position and future direction and deepen dialogue with stakeholders.

"Things we can do for the future"

■ Reference guidelines
・SDG Compass ・GRI Standards ・ISO26000 ・Ministry of the Environment "Environmental Reporting Guidelines 2018"

■ Period covered
This report focuses on our activities from April 2025 to March 2026, and also covers some of our policies and activities for fiscal 2026.

■ Scope
Toyo Aluminium K.K. and its subsidiaries

■ Time of issue
July 2026 (Next scheduled for July 2027. Last issued in September 2025.)

■ About the cover design
We have depicted the Toyal Group's diverse human capital and corporate culture by showing the photographs of employees with a roll of aluminium foil as a motif.

◀ Toyal Group Sustainability Report
Toyal Group Sustainability Report [DATA]
https://www.toyal.co.jp/eco/report_dl.html

* We use the phrase "human capital," based on our belief that people are an asset.
* In the Toyal Group, we use the term "life-work balance" to emphasize the rich and fulfilling lives of our employees.
* Employees' positions and the content of the interview are as of the time of the interview.

The registered trademark symbol (® mark) means a registered trademark in Japan.

Business introduction



Business Introduction

Aluminium is the most abundant metallic element in the earth's crust.
It is a relatively new metal, having been produced in metallic form only about 150 years ago. Our new, composite, and applied technologies evolve the ecological properties of aluminium, which is light, reusable, and compatible with the natural environment. It has the potential to realize technologies that have not been possible before by achieving both environmental sustainability and technological advancement in various fields around the world.

Foil Business

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

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 properties 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's original hairline aluminium foil

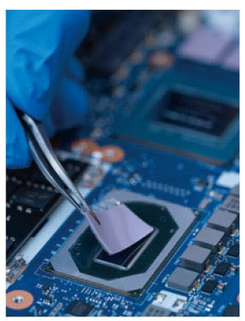


TOYAL LOTUS®, a revolutionary water-repellent packaging material

Powder & Paste Business

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

Future technologies must both enrich society and protect the global environment. Toyal's aluminium powder and paste offer high added value, contributing to richer lives and the advancement of society 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's lives, industry, and the global environment.



Insulating Aluminium Nitride Thermal Conductive Filler TFZ Series



Environmentally friendly pigments for powder coating

Household & Packaging Business

Always Right There in Your Everyday Life

We provide household products that make everyday life more comfortable, including Sunfoil®, Range Panel™ (oil splash guards), and stain prevention filters, as well as commercial-use products made by processing aluminium foil and paper into containers using a variety of manufacturing methods to support professionals in their work. We begin by imagining the people who will use our products. We continue to manufacture items that satisfy various needs. Through proposals that enrich and support everyday life, we will continue to be a brand that customers value and trust.



Paper container that resembles Magewappa, a container made of bent thin wooden boards



Sunfoil®

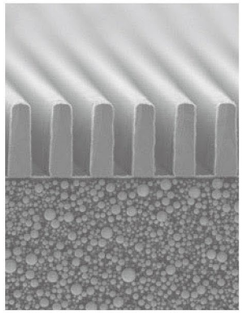
New Business

Efforts to create new businesses

Every day, we work to develop unprecedented products and create businesses that will support the Toyal Group in the future, drawing on—and going beyond—the technologies we have cultivated over many years as an aluminium manufacturer. These products include paints with excellent corrosion resistance, solar panels, aluminium foil for "ALU-SAP™"—a PCB (printed circuit board) manufacturing process ideally suited to forming ultrafine, high-frequency circuits—and SiGe wafers, an innovative material that will help shape the future of semiconductors.



Hane® Module, lightweight glass solar modules weighing half as much as conventional modules



2 µm-wide ultrafine wiring produced using the ALU-SAP™ process

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 the Toyal Group. Through this company's new business activities, focusing mainly on the Toyal Group's 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.



Top Commitment



Katsumoto Tanaka
President and
Representative Director

We will move forward to achieve a sustainable future with our stakeholders by placing importance on “responsibility,” “trust,” “transparency,” “family” and “health.”

Points of COMMITMENT

1 The Toyal Group aims for sustainable growth from both the financial and non-financial aspects
2 We promote sustainability management based on five values: “responsibility,” “trust,” “transparency,” “family” and “health”
3 We are advancing initiatives based on new Material Issues
4 We will work to accomplish the “2031 Plan,” looking toward 2031 and the 100th anniversary
5 We will foster a virtuous cycle in which the benefits of growth extend to our stakeholders

At the Toyal Group, under the slogan “Join Together to Shape the Future,” all employees come together to achieve sustainable growth. Growth encompasses not only financial growth but also enhancement of non-financial corporate value as a company that contributes to solving social issues and gaining public trust. Promoting sustainability management is an essential initiative to improve our corporate value and create a sustainable future for all stakeholders.

I place importance on five values: “responsibility,” “trust,” “transparency,” “family” and “health.” To become a responsible company trusted by the public, we need to make transparency the foundation of our governance, disclosing information honestly and providing sincere information disclosure and thorough explanations.

By nurturing a corporate culture that allows employees to speak openly with one another, as in a family, and support each other, we will pursue all employees’ happiness. Since health is the fundamental premise of happiness, we will further promote health and productivity management.

To contribute to the resolution of social issues, we are steadily promoting initiatives on Material Issues. As for issues related to topics including climate change, respect for human rights and the supply chain, the Sustainability Committee continues to hold in-depth discussions to move forward. As the foundation to support these activities, I place transparency at the heart of management.

Amid a rapidly changing international situation, the business environment and social issues we face are also evolving. To respond to changes in the external environment, we find it important for the organization to change autonomously using its own capabilities rather than forcing changes in established ways of thinking, I place importance on enabling the organization to evolve autonomously. While responding to various issues flexibly as they emerge and accepting changes, on the financial side, we aim to achieve the goals looking toward 2031, the year of the 100th anniversary, and on the non-financial side, we will set KPIs and goals based on new Material Issues.

We will keep developing a cycle in which each employee’s growth leads to the Company’s growth, and the results are shared as the contribution to stakeholders.

Top Commitment

The “2031 Plan” that leads to the happiness of all stakeholders

Toyal established the “2031 Plan,” looking toward 2031 and the 100th anniversary. The financial goals are to achieve 160 billion yen in sales and 13 billion yen in operating profit, representing nearly a doubling of current performance over five years.
We have a broad product lineup spanning applications from food and pharmaceuticals to household goods, automobiles, and rockets, and hold high market shares in many domains. In addition to these existing businesses, all three of our businesses have products and business opportunities with significant growth potential. These include developing new products and expanding sales in the foil business by leveraging aluminium foil surface-treatment technologies; aluminium nitride in the powder & paste business, for which demand is growing in heat-dissipation applications such as AI data centers; and the overseas expansion of “Filtan™” (see p. 27) in the household & packaging business, for which demand is increasing in markets such as the United States. We have carefully planned measures to achieve our goals, such as investing aggressively in growth areas to deliver results and promoting M&A using knowledge accumulated through our business activities.
Our goals are not limited to financial performance. In addition to business expansion, we will promote the enhancement of non-financial corporate value, with sustainability as the foundation.
The company's growth will bring happiness to employees as well as all stakeholders, including shareholders, business partners and local communities. With the “2031 Plan,” we aim not only to achieve financial goals but also to create a virtuous cycle that makes all stakeholders happy.

Promoting sustainability management by viewing social challenges as management issues

The foundation of non-financial corporate value lies in our sustainability initiatives. Toyal has been promoting measures considering social responsibilities, such as establishing the Basic CSR Policy and the CSR Charter. Building on these efforts, we started sustainability activities in 2016 to contribute to the realization of the SDGs. Then, after defining Material Issues and the “Toyal Group Sustainability Vision,” and becoming a signatory to the UN Global Compact, in 2022 we established a Sustainability Committee to promote sustainability management by viewing social problems as management issues.
At the Sustainability Committee, where I, as the President, serve as chair, we are continuously discussing our initiative on respect for human rights and a plan to reduce greenhouse gas emissions, which are our crucial sustainability challenges. Moreover, we formed the “Sustainability Promotion Working Group” centered on young employees from across divisions to promote sustainability activities in a cohesive, group-wide manner, including affiliates.

Reviewing Material Issues to create new value

We reviewed the Material Issues, which serve as guiding priorities for sustainability management, because it has been almost 10 years since we defined them in 2017; the global situation and the environment surrounding us have changed. The main items of the new Material Issues are “Shaping the Future through Innovation,” “Achieving Harmony with Nature and Local Communities,” and “Strengthening Our Business Foundation.”
“Shaping the Future through Innovation” is to put our slogan, “Join Together to Shape the Future” into practice. We have the capability to create innovative technologies and groundbreaking products that reduce environmental impact and contribute to healthy, comfortable lives. By improving our ability, developing new technologies and products and opening up new markets, we will contribute to the realization of a sustainable society.
“Achieving Harmony with Nature and Local Communities” is a value that we have been cherishing through our business activities. Reducing greenhouse gas emissions and waste, and promoting reuse and recycling improve corporate value and business performance. When I was appointed General Manager, I announced a policy: “We should aim to eliminate all emissions and waste from our manufacturing sites, including gaseous emissions.” The activity to minimize waste as much as possible had various effects, not only reducing energy consumption but also improving the yield rate.
As for reducing greenhouse gas emissions, we believe that we need to progressively implement emissions-reduction measures across the entire supply chain in line with the Japanese government’s growth strategy for carbon neutrality. Since our main raw material is aluminium ingot, reducing Scope 3 emissions is a tough challenge. However, we will steadily work on it by taking realistic steps we can currently handle, such as dialogue with suppliers and expanding the use of recycled materials.
As for our contribution to local communities, employees are voluntarily engaged in activities such as cleaning the neighborhood around our offices and manufacturing sites. As a company, we are conducting initiatives such as supporting regional professional basketball teams. Going forward, we will continue to support social contribution activities as a company by soliciting employees’ opinions and ideas.



Developing people and organizations that drive value creation

“Developing people and organizations that drive value creation,” under one of the new Material Issues, “Strengthening Our Business Foundation,” is the basis for our growth strategies. As AI rapidly advances, in addition to basic IT understanding, future human capital will increasingly need to have the ability to flexibly adapt to change more than before. We believe we need to nurture human capital that is suited to the needs of the times and review how education and training should be. Although it is impossible to alter the way we work and approach our jobs overnight, we find it important for the organization to change autonomously by developing an environment and culture that allow changes to take root naturally.
As for the diversity of human capital, we recognize that the low ratio of female employees is one of the challenges. Therefore, we will actively promote hiring women for line worker positions, mainly at manufacturing sites. Female employees in line worker positions have been playing very active roles at each site and are indispensable. We will continue to create an environment in which diverse human capital, including women, can play an important role in each workplace. In addition, we shall aim to build organizations that allow diverse human capital to excel by respecting differences in nationality, gender and values.
To enable such diverse human capital to fully demonstrate their capabilities, we promote health and productivity management. In March 2026, we were recognized as one of the “2026 Certified Health & Productivity Management Outstanding Organizations (the Large Enterprise Category)” through the “Certified Health & Productivity Management Outstanding Organizations Recognition Program,” selected by the Ministry of Economy, Trade and Industry.
We think that to maintain good health, it is crucial for each employee to work on self-control and discipline. In addition, as a company, it is essential that we create an environment that supports their physical and mental health. Recognizing how important your own health is to your family and colleagues is the first step toward taking personal ownership of your health.
Additionally, self-control honed through health management can be applied to work.
We will continue promoting health and productivity management to create a workplace environment that allows our employees to be both physically and mentally healthy and to work comfortably and safely, and to be a company where all employees can be healthy and play active roles with a smile.
Regarding the new Material Issues, we have added human rights aspects, such as respecting human rights in the supply chain. Human rights issues are broad, and they cannot be handled easily. However, I believe that respecting human rights is a fundamental principle that companies should uphold.
Based on this belief, we will continue acting sincerely.

Embedding transparency in our corporate culture to earn stakeholders’ trust

To advance sustainability management, it is extremely important to strengthen governance by conducting risk management and promoting compliance.
How we respond when unforeseen events such as geopolitical risks or natural disasters occur is a critical issue for the survival of the Company. Through various experiences, we have been building up the capability to cope with both expected and unexpected risks. We will not let our guard down and will ensure we address risks.
We are working on safety and quality risks as a whole group, under our slogan, “Safety and Quality Are the Lifeblood of the Company.”
As for safety, to prevent the occurrence of serious accidents, we will focus on eliminating four types of accidents: fatal accidents, lost-time injuries, fire accidents and explosion accidents.
No quality incidents affecting business performance have occurred. However, we think that there are issues. The key is that business divisions enter into strict agreements with customers on quality. We believe that the most crucial thing is to fully communicate with customers and define quality standards that both parties agree on.
The phrase ‘the lifeblood of the Company’ carries great weight. During safety patrol and quality dialogue sessions at business sites, we would like to encourage employees to reflect again on the weight and meaning of this phrase.
I believe the reinforcement of governance is all about transparency. I will manage the Company with zero tolerance for work that lacks transparency. We will disclose our management philosophy and non-financial information as transparently as possible, including the supply chain.
During this fiscal year, in terms of finances, we would like to meet the budget. For the non-financial aspect, we would like to take a first step toward embedding transparency in our culture. Aiming to become a company trusted by stakeholders in both financial and non-financial aspects, we will establish a corporate foundation that achieves sustainable growth.

Feature Environmental Management

Taking on a challenge of realizing both resource circulation and a decarbonized society using our proprietary separation technology, “W Cycle”

One of the policies the Toyal Group has set is to contribute to the realization of a sustainable society by developing technologies and products that reduce environmental impact. Environmental management shall target a variety of items. Among these, expectations are rising for companies to realize a circular society by advancing recycling technologies. It is difficult to recycle aluminium foil packaging materials for food and pharmaceuticals because they are composite materials. Currently, we rely on incineration to dispose of such materials after use.
Regarding this issue, Toyal is promoting the recycling of aluminium contained in aluminium foil packaging materials through the development of our proprietary separation technology, “W Cycle”, and tackling the challenge of realizing both resource circulation and a decarbonized society.

Starting point of development in anticipation of a “circular society”

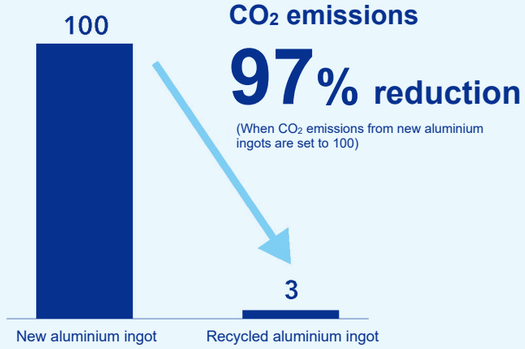
Recycling used to be regarded as a “costly business,” being a segment that was not easy to make profitable. We started the development in 2021. While the shift toward biomass-based plastic shopping bags was receiving public attention, we thought that what Japan, a resource-poor country, needs is a “circular society that fully utilizes resources.” We started developing aluminium recycling technology, considering that it will achieve both lower environmental impact and financial viability.

Estimated volume of processed foil waste from aluminium foil packaging materials in Japan

100,000 to 160,000 tons/year
(estimated)

Significant reduction of environmental impact by overcoming the challenge that composite materials pose

Many aluminium foil packaging materials for food and pharmaceuticals are sorted and collected as plastic containers and packaging. However, because the aluminium and resin are bonded together and difficult to separate, they have mostly been incinerated. Against this backdrop, “W Cycle,” our proprietary technology that cleanly separates and recycles the constituent materials, was born. CO_2 emissions from recycled aluminium ingots are said to be only about 3% of those from primary aluminium ingots. This delivers significant benefits in terms of both resource circulation and decarbonization.



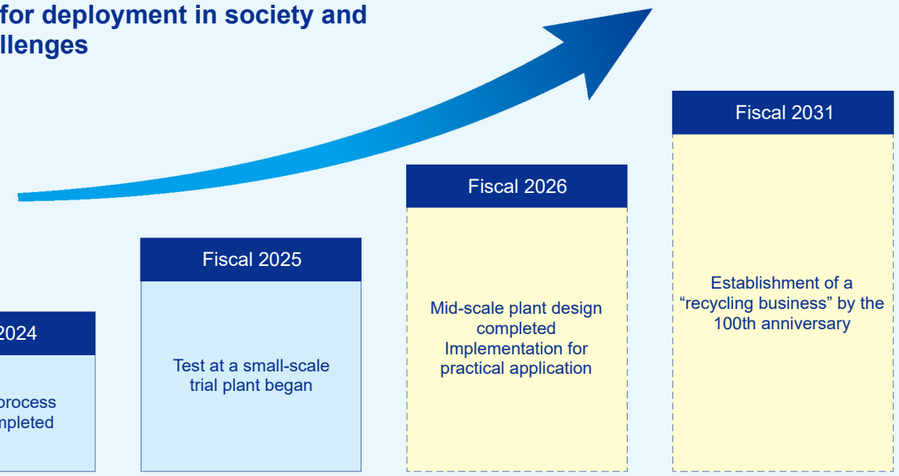
CO_2 emissions
97% reduction
(When CO_2 emissions from new aluminium ingots are set to 100)

Source: Japan Aluminium Association
https://www.aluminum.or.jp/wp-content/themes/dp-colors/img/AboutAluminum.pdf

Challenge to create a new recycling system

To achieve both resource circulation and a decarbonized society, we are working to create a recycling system to collect aluminium scrap for reprocessing into products. We are building a “horizontal and cascade recycling” system to collect aluminium scrap from our customers utilizing existing logistics routes and reprocess it into products and supply them again, with repeated verification at the frontline.
To date, we have completed the recycling process design in the second half of FY2024 and begun test operations at a small-scale trial plant in the second half of FY2025. During fiscal 2026, we will complete a mid-scale plant design to advance our effort aiming at its practical application. We are confirming safety through test operations and working to quantify/visualize environmental value. Looking ahead to our 100th anniversary, we will aim to establish the business model that achieves both resource circulation and a decarbonized society.

Roadmap for deployment in society and future challenges



Separation with W Cycle



Pages 11–12 feature an internal dialogue on the theme of “recycling.”

Feature Internal Dialogue

Building a recycling system for aluminium foil and processed foil through cross-divisional collaboration with customers

To promote the recycling of aluminium foil, Toyo Aluminium K.K. collects customers' surplus materials and is working on the development of W Cycle, a technology to extract aluminium from the processed foil scrap (composite material made of aluminium, plastic, etc.) We engaged in dialogue on the current status and future development of the recycling project we are working on with our customers, beyond divisional boundaries.

Advancing the recycling of processed foil

Sato Toyal has been recycling aluminium foil scrap and coarse granules generated during the production processes of aluminium foil and aluminium powder. We are currently working on an initiative to optimize the recycling process. For example, we confirmed that scrap from thick aluminium foil used as exterior material for lithium-ion batteries can be reused without reprocessing it into recycled aluminium ingots. So, we are exploring a new recycling method by working with manufacturing sites. In addition, we are carrying out various measures to increase recycling volume, in collaboration with other departments within our company and other companies. Among such measures, we are focusing on recycling processed foil scrap for the commercialization of W Cycle.

Yamada and Yamaguchi The main customers of the Plain Foil Sales Unit are companies that laminate aluminium foil and film, etc. Although Toyal also engages in the processed foil business, the shipment volume of aluminium foil sold to customers as plain foil is significantly larger. To promote recycling, we are advancing our initiatives to recycle the aluminium foil we have sold. As one such initiative, we buy customers' unused, leftover aluminium foil for us to recycle. We purchase aluminium foil sold not only by us but also by other companies, both domestic and foreign. This point differs from our previous measures. Another initiative is to propose to customers that we recycle processed foil scrap generated at their sites, in collaboration with our Purchasing Team. We are currently making preparations to collect the scrap.



Koichiro Yamaguchi
East Japan Team
Plain Foil Sales Unit
Foil Headquarters

Higashi We have already established a recycling scheme to reuse aluminium scrap generated during our production processes as raw material for products. However, this recycled aluminium had not yet been reused in a closed-loop product cycle. So, we looked at processed foil scrap generated with our aluminium foil packaging materials for food and pharmaceuticals. Processed foil scrap generated per year amounts to a few hundred tons. Aiming to recycle it and use the recovered material in products, we developed W Cycle. We are currently developing technologies to scale up W Cycle for broader deployment in society and establishing a recycling process working with internal and external stakeholders.



Naoki Higashi
Paste Production Technology Team Leader
Technology Development Unit
Powder & Paste Headquarters

Mission as a top manufacturer of aluminium foil, powder and paste

Higashi When we talk about aluminium recycling, you would probably think of the recycling of items such as aluminium cans. Unfortunately, recycled material from aluminium cans contains added magnesium and other elements and is not suitable as a raw material for aluminium foil or aluminium powder. There is currently no high-purity aluminium scrap on the market suitable for use as our raw material. To contribute to realizing a circular society as a leading aluminium foil, powder and paste company, we believe we have a responsibility to develop recycling technologies.

Yamada Every member working on recycling believes that, as the top manufacturer of aluminium foil, Toyal has to take the lead in recycling. As a sales department, we would like to promote recycling activities among customers to advance the recycling initiative across the industry.

Yamaguchi For the past few years, as sustainability has gained attention, aluminium foil packaging has tended to be viewed less favorably in the packaging market. This is because it has long been considered difficult or impossible to recycle. However, the development of W Cycle has now made it possible to recycle both aluminium foil and resin. By utilizing it, Toyal can contribute to society together with our customers.

Higashi We thought that once we were able to establish technology to recycle processed foil, we could improve the attractiveness of aluminium foil. Aluminium foil has excellent barrier properties and can preserve food and pharmaceuticals hygienically over long periods. In addition, it is said that CO_2 emissions from recycled aluminium ingots are only approximately 3% compared with those from new aluminium ingots produced by the electric smelting method (according to the Japan Aluminium Association). Therefore, we can contribute to the realization of a decarbonized society by establishing an appropriate system for supplying recycled aluminium foil. Moreover, we have developed recycled aluminium paste, EcoShine™, produced from aluminium foil and powder scrap. We have received inquiries from customers interested in using EcoShine™ as a pigment for automotive paints. We believe it can contribute to the environmental branding efforts of the automotive industry, where decarbonization is increasingly important.



Takuya Sato
Purchasing Team Leader
Corporate Headquarters

Sato As an aluminium manufacturer, Toyal can establish the best recycling processes to produce aluminium foil, powder or paste from recycled aluminium and supply them to customers. We believe that it is the mission of a top manufacturer to establish recycling processes for aluminium foil.

Overcoming challenges for commercialization

Higashi The next challenge for W Cycle is scaling up the plant. During fiscal 2026, we will complete a mid-scale plant design and resolve technical issues to explain our vision clearly and make plant-level scale-up feasible.

Sato As for recycling of materials other than processed foil collected internally and from customers' sites by our sales departments, we have established the best recycling scheme. As for the recycling of processed foil, rather than simply waiting for the development of W Cycle to be completed, we will use the scheme we have established to recycle as much as possible. We want to produce aluminium foil made from 100% recycled aluminium collected by us. To achieve this, it is important to strengthen cooperation across technology, manufacturing and sales departments. We all work together to create a fully circular recycling system.

Yamada One of the issues sales staff should work on is increasing the amount collected. Customers' sustainability awareness is growing, and customers often respond positively to our proposal, saying, "It's a good initiative." On the other hand, there are many challenges since it is a new measure, and many customers have yet to reach the stage of concrete consideration. Considering how best to present our proposals so that customers can consider implementation more concretely, we will make proposals to customers, solve issues and increase the amount collected. Moreover, simultaneously, to utilize the materials collected for recycling, we will consider producing aluminium foil made from 100% recycled aluminium.



Toshihiro Yamada
West Japan Team
Plain Foil Sales Unit
Foil Headquarters

Yamaguchi To make our customers more positive about recycling, we need to create a slogan for aluminium foil recycling and strengthen our brand as a leading manufacturer. Once 100% recycled aluminium foil is available, the challenge for our sales team will be to identify and develop customers willing to use it. While working with stakeholders, we will promote aluminium foil recycling.

Higashi To continue recycling aluminium foil, it must be viable as a business. Since the plan drafting phase, we have been working on the development of W Cycle with the enthusiastic intention of launching a new business division for recycling. By conducting OKR activities, we have been developing technologies and working on commercialization through collaboration that goes beyond divisional boundaries, not only within the Powder & Paste Headquarters but also with the Purchasing Team, the Foil Headquarters, and the Advanced Technology Division.

Sato We also share the willingness and determination to turn this recycling activity into a business. We will promote recycling, while motivated by the fact that we are contributing to the environment and working on a business that could become a new pillar of our future.

Sustainability Management

Putting "Join Together to Shape the Future" into practice and contributing to a sustainable society—that is what sustainability management means for the Toyal Group. 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.

Toyal Group Sustainability Vision "TOYAL 2031 ~Toward our 100th Anniversary~"

We will continue to broadly pursue new possibilities in aluminium and create innovations that support people's lives.	We will contribute to the spread of clean energy by utilizing the properties and advantages of our materials.	We will reduce CO_2 emissions from business activities by 40% (compared to fiscal 2013).	We will collaborate with various stakeholders to build recycling systems through product life cycles.	We will promote smart factories and smart offices that enable diverse human capital to be active and vital.

new Materiality

New Material Issues

We reviewed the current Material Issues, which were defined in April 2017, as the business environment and social situation have changed significantly over time since then. In recent years, the roles that companies are expected to play have expanded, ranging from responding to climate change, promoting resource recycling, considering human rights and labor conditions, to coexisting with local communities. Expectations regarding sustainability are also increasing year by year. Under these circumstances, we redefined Material Issues, judging that, instead of maintaining the existing framework as it is, we needed to reorganize the framework to reflect current management issues and societal expectations.

We applied the concept of double materiality to redefine them, considering both the impact of our business activities on the environment and society and the influence of changes in the environment and society on the company. We also identified issues recognized at each worksite and topics that would be important in the future through interviews with leaders of each division, and held many company-wide discussions with the relevant division. Through these processes, we clarified the themes on which we should place priority and redefined them as Material Issues for our business management.

The new Material Issues comprise three items: "Shaping the Future through Innovation," "Achieving Harmony with Nature and Local Communities," and "Strengthening Our Business Foundation." We position these as our focus areas for our sustainable growth and the creation of social value. By setting important themes and sub-issues under each Material Issue, we link management direction to concrete measures and enhance the effectiveness of sustainability management. With this redefinition, we aim to improve the effectiveness of our sustainability management by identifying Material Issues for our business management with a view to embedding them in our organization, businesses, and strategies.

We believe it is crucial not to treat each theme as an individual initiative, such as the reduction of environmental impact, the promotion of resource recycling, the improvement of safety and quality of products, the development of human capital, respect for diversity, and the enhancement of compliance and risk management, but to promote them by aligning with the overall direction of our management. By doing so, we position sustainability as an essential management foundation that supports our business growth and enhances corporate value.

The Sustainability Committee discussed redefined Material Issues and confirmed the future direction of sustainability management. From now on, using the redefined Material Issues as a starting point, we will establish specific KPIs and goals, link them to business plans and each division's initiatives, and continue to execute and review them. Furthermore, by periodically checking progress, we will balance the improvement of corporate value with our response to social issues, flexibly adapting to changes in society and the business environment.



Division leaders discussing the establishment of goals and KPIs

Material Issues	Important themes	Sub-issues
Shaping the Future through Innovation	**Exploring possibilities of aluminium**	• Development of products leveraging the properties of aluminium
	Contributing to a sustainable society	• Development of environmentally friendly products • Rapid response to new social needs
	Contributing to healthy and comfortable lifestyles	• Creation of products that contribute to improving lives • Creation of products that contribute to healthy lives
Achieving Harmony with Nature and Local Communities	**Protecting the integrity of the Earth and its resources**	• Reduction of greenhouse gas emissions • Promotion of waste reduction • Promotion of reuse and recycling
	Prospering together with local communities	• Collaboration with local communities
Strengthening Our Business Foundation	**Developing people and organizations that drive value creation**	• Development of autonomous human capital • Promotion of work style reform • Promotion of safety and health • Respect for diversity
	Providing trustworthy products and services	• Improvement of safety and quality of products • Ensuring a stable supply of products • Strengthening relationships with suppliers
	Strengthening governance	• Strengthening risk management • Ensuring compliance • Building a responsible value chain

Message

Sustainability Management

Messages from Executive Officers on the New Material Issues



Refine the power of material to deliver new value

Due to growing global environmental awareness and changes in industrial structure, the roles that material manufacturers should play are expanding. We are working on reducing environmental impact and creating new value based on technologies in aluminium foil and functional materials that we have cultivated over many years. We are contributing to resolving social issues by continuously improving the functionalities of materials, such as light weight, heat dissipation, conductivity and recyclability. At the same time, as a material manufacturer that supports a sustainable future, we will provide new value to future generations.

Joe Hase

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

Creating a company we can be proud of and inspiring value through double materiality

We define key issues (Material Issues) for the Company regarding sustainability from the viewpoint of double materiality. Therefore, considering both our impact on the environment and society and the impact on our business, we aim to become "a company we can be proud of both personally and globally," which is our vision. As for the foil converting business, under the "2031 Plan," we strive to create an environment in which all stakeholders of the business can continue working comfortably and safely. In addition, we will create innovation that delivers a moving experience for society, markets and customers and achieve sustainable growth.



Shougo Arima

Executive Officer
In charge of 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



Shaping a sustainable future through zero-to-one challenges and co-creation

To achieve "Shaping the Future through Innovation", we are working on reducing the weight of solar panels, promoting the battery storage business, and contributing to the dissemination and utilization of renewable energy and the reduction of greenhouse gas emissions. Moreover, we will contribute to extending the life of social infrastructure and improving the resilience of local communities by widely applying anti-rust paint. Furthermore, leveraging the completion of a new plant at Svam Toyal Packaging Industries Pvt. Ltd. in India, we will provide trustworthy products and services to the world and build a solid business foundation.
With the Advanced Technology Division, we will promote TIP31* initiatives toward our 100th anniversary. We will also accelerate our zero-to-one challenges and co-creation originating from the frontline, working together to build a sustainable future.

Katsura Morioka

Executive Officer
In charge of New Business Creation Division
Svam Toyal Packaging Industries Pvt. Ltd. Managing Director

* TIP31 : Toyal Innovation Plan 2031
Our initiatives to create new businesses looking toward 2031, the year of the 100th anniversary of Toyo Aluminium K.K.



Reducing environmental impact by utilizing byproducts

While efforts to effectively use limited resources to reduce environmental impact are progressing, it has become an important issue for our Powder & Paste Business to consider how to utilize the byproducts inevitably generated during production processes. Thus, we focus on the following measures:

- Improving product yield
- Developing new products that utilize byproducts
- Expanding sales channels for byproducts

We will reduce the environmental impact while increasing profitability by leveraging the strengths of our global business operations and exploring the best production sites and customers both in Japan and overseas.

Akihiro Ueda

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

Advancing globally with our environmental response and our presence in the growth markets for functional materials

New Material Issues are the guidelines to achieve both the creation of environmental value and business growth based on our strength, having aluminium powder and paste as the core. As for the paste business, we will contribute to enhancing customer value by expanding our share in the decorative material market and proposing environmentally friendly products to customers. Meanwhile, as for the functional material business, we will capture growth opportunities in these markets by enhancing customers' adoption of our products for heat dissipation and conductivity applications based on our technologies for aluminium powder, aluminium nitride and plating technologies. With these measures, positioning the value creation derived from our core competence as the core, we will actively leverage collaboration with other companies to accelerate global business expansion.



Takao Mizoshita

Executive Officer
In charge of Powder & Paste Headquarters PP Sales Unit



Supporting consumers in creating healthy, comfortable lives

The Household & Packaging Products Headquarters is closest to consumers and users, and many of our customers are proactive about sustainability activities. Under these circumstances, conventional sustainability activities have now become standard practice. Therefore, from now on, we will focus more on "Shaping the Future through Innovation," one of the reviewed Material Issues. Through products based on concepts such as 'Aluminium × Environment' and 'Keeping the Air in Living Spaces Clean' to help create consumers' healthy, comfortable lives, we will strive to contribute to the creation of social value not only as our household & packaging business but also as the entire group.

Daisuke Sakai

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

Sustainability Management

Promotion Structure

We regard sustainability as one of our key management issues, and have been working to create value through our business activities. In recent years, as societal expectations regarding sustainability are increasing, companies are being asked to implement more specific and effective measures across the environmental, social and governance dimensions. Based on this understanding, to implement sustainability management, we are promoting internal understanding and strengthening the organizational framework. The Sustainability Committee is leading the initiatives. We regard the committee as the place where officers can discuss and confirm important sustainability-related issues. Therefore, from the management viewpoint, the committee considers action policy and how we should proceed. In fiscal 2025, we discussed various themes in light of recent trends surrounding sustainability.
Moreover, to deepen our understanding of sustainability, we held a seminar inviting an external lecturer. The seminar explained global sustainability trends, changes in the actions companies should take to meet public expectations, the future course of information disclosure and practical implementation.

In particular, we confirmed that sustainability is a theme that should be positioned at the center of management, and that the very nature of what companies are expected to be is changing. We also acknowledged that we will need more detailed information disclosure and continuous measures in anticipation of the enforcement of new regulations. It served as an opportunity for committee members and relevant divisions to deepen their understanding of sustainability management.

Sustainability Committee Meeting Details

June 2025	Human rights due diligence
August 2025	Sustainability activities and production of the Sustainability Report 2025
February 2026	2025 EcoVadis Rating Total GHG emissions calculation results and the direction for developing the emissions reduction plan Seminar "Latest sustainability trends and responses"
March 2026	Redefining Material Issues Social Contribution Activities

Becoming a Signatory to the UN Global Compact

The Toyal 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.

WE SUPPORT
UN GLOBAL COMPACT

Topics

EcoVadis Rating

As sustainability initiatives become increasingly important throughout the supply chain, the Toyal Group is actively participating in the EcoVadis assessment.
In the 2025 assessment, we received a score of 56 and earned a Committed Badge, which is awarded to organizations recognized for demonstrating a certain level of commitment. Although we have not yet earned a medal, which is awarded to organizations that rank highly in the relative assessment, we aim to earn a Gold Medal by fiscal 2031, when we will celebrate our 100th anniversary.
We will analyze the assessment results to identify areas for improvement and further enhance our initiatives in collaboration with relevant internal divisions.



2025 Assessment Scorecard

Materiality **Five** **Material Issues**

CSR Activity Action Plan

With the Toyal Group Sustainability Vision, formulated with an eye toward 2031, the year of our 100th anniversary, in mind, the Toyal Group has set targets for its five Material Issues and pursued initiatives to achieve them. The results of our activities in fiscal 2025 are shown in the table below. The following pages provide specific details regarding our efforts for each Material Issue. From fiscal 2026 onward, based on the newly identified Material Issues (see pp. 13–14), we will further promote our initiatives toward achieving our fiscal 2031 targets.

Material Issues	Main Activities	Activity Results of Fiscal 2025	Long-Term Targets (Fiscal 2031)
1 Innovation to Shape the Future	Existing business: Increase the proceeds of products that contribute to SDG 3, 7, 9, 11, and 12	**Sales of products that contribute to the SDGs increased by 0.5% compared with fiscal 2019.**	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)	**・ Expanding into the energy business domain, with Hane® Module as a starting point ・ Continuing efforts toward the commercialization of semiconductor-related products (ALU-SAP™, SiGe substrates) ・ Launch of "TIP31," a zero-to-one initiative for new business creation**	Commercialization of two items
2 Environmental Protection	Reduce CO_2 emissions from business activities (compared to fiscal 2013)	**35.2% reduction compared with fiscal 2013**	40% reduction (compared to fiscal 2013)
	Establishment of a system to recycle solar cells	**Closely monitoring trends in technological development related to solar cell recycling systems**	Establish a system to recycle solar cells and start the recycling
	Establish a system to recycle aluminium	**・ Increasing the recycling rate by collecting scrap from customers ・ Improving recycling rate by collecting scrap in the markets ・ Starting trial operation of a small bench plant for separating aluminium and resin from processed foil scrap**	Generalize aluminium recycling (with the established system)
	Establish a system to recycle paper containers	**Recycling 100% of paper process waste generated at the Shiga Plant, using some of it for product packaging boxes and recycling the remainder into toilet paper and other products**	Generalize paper container recycling (with the established system)
	Reduce industrial waste from business activities	**4.3% reduction compared with the previous fiscal year**	Zero industrial waste sent to a landfill (All recycling is zero emission)
3 Active Roles of Diverse Human Capital	Increase the rate of women in hiring	**Rate of women in new hires: 27.3%**	Rate of women in new hires: 30%
	Active roles for senior human capital	**Continuing to review employment terms for rehired employees**	Complete organizing a system centered on the mandatory retirement age of 70
	Active roles for autonomous human capital	**Sending two employees who volunteered for the program on short-term overseas study assignments**	Constructively continue autonomous human capital development
	Promotion of health and productivity management	**Certified as the "2026 Certified Health & Productivity Management Outstanding Organization (the Large Enterprise Category)"**	Constructively continue health and productivity management
4 Quality and Safety	Reduce the number of serious quality complaints	**Zero serious quality complaints**	Zero serious quality complaints
	Reduce lost-time injuries, non-lost-time injuries, and fire accidents	**Lost-time injuries: 1, non-lost-time injuries: 11, fire accidents: 7, minor injuries 15**	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 Collaboration with Stakeholders	Improve reliability and satisfaction through dialogues with various stakeholders (regions, customers, employees, etc.)	**・ Held one internal dialogue session on human rights ・ Focusing on dissemination of information through media, and internal communications ・ Providing support to university students, secondary school students, and elementary school children**	Build good relationships with various stakeholders and play a part in resolving issues

Materiality 1

Innovation to Shape the Future

To respond to changes in society and markets, we strategically allocate resources to three market categories—"existing," "new," and "next-generation" markets—and promote research and development. We aim to become a company that creates shared value through industry-academia open innovation and leads the world with novel ideas beyond the boundaries of aluminium.

Shingu Advances in generative AI, 5G, and autonomous driving are creating strong demand for higher-speed performance and finer features in printed circuit boards. So, we developed a new manufacturing process called "ALU-SAP™" that utilizes our aluminium foil surface treatment technology. It is a technology for achieving high performance using a different approach from conventional PCB production. For the development, it was vital to change our perspective and consider that "what we are selling is the surface, instead of aluminium foil itself." Because this represents an entirely new PCB manufacturing method for customers, we have developed and provide the "manufacturing process" itself.



Taking on global markets with innovation that is attracting attention from IT companies worldwide

Ryo Yano
Development Sales Team
New Business Creation Unit
New Business Creation Division



Our target is to establish another independent business! We are establishing a new business with aluminium foil surface treatment technology

Akira Shingu
Second Development Team
Advanced Materials Research Unit
Advanced Technology Division

Yano Improving the performance of PCBs is a global challenge, and "ALU-SAP™" is gaining attention as an unconventional, innovative production method. PCB manufacturers that have adopted the technology have given it high praise, reporting that it delivers levels of performance that could not previously be achieved. For the technology to become a global-standard manufacturing process adopted by IT companies worldwide, we need to build a stronger track record and continue demonstrating its advantages with data.
Shingu Sales of "ALU-SAP™" as a product have already begun; however, it is still in a stage where it has just entered the global PCB market. Going forward, we will address the challenges of mass production one by one and develop the technology into a business capable of operating as an independent business division.
Yano If "ALU-SAP™" becomes a global standard manufacturing method, we can contribute to the sustainable growth of Japan's semiconductor-related industry. We have various aluminium foil surface treatment technologies. So, by further refining them, we would like to continue providing innovations to the PCB industry.

ALU-SAP™



With Toyal's unique SiGe technology, we will contribute to reducing environmental impact

Dhamrin, Marwan
Senior Specialist
Dispatched to National University Corporation
The University of Osaka
Specially Appointed Professor, Toyo Aluminium
Semiconductor Joint Research Laboratory

Hideaki Minamiyama
Second Development Team Leader
Advanced Materials Research Unit
Advanced Technology Division

We are advancing development toward mass production of SiGe substrates, which offer a wide range of potential applications and strong market potential

Marwan Silicon-germanium (hereinafter "SiGe") is attracting attention as a material that can enable higher-performance semiconductors and solar cells than silicon alone. However, existing SiGe substrate production has issues, including the need for large-scale facilities, complex manufacturing processes, and high costs. Toyal has "ALSOLAR®" technology, developed through our expertise in electrode materials for solar cells. By applying this technology, we developed a method for forming a SiGe substrate on a silicon wafer using a very simple process. In other words, this research and development represents a unique technology that only Toyal possesses. Since 2020, through industry-academia collaboration with the University of Osaka, we have been conducting research and development for commercialization.



Minamiyama SiGe substrates have a wide range of potential applications. In addition to solar cells, it can be used for diodes and devices such as transistors, since the SiGe substrate itself functions as a semiconductor device. We are currently giving top priority to developing diode applications. Our prototype diode has already demonstrated excellent properties in evaluations, and we are now providing samples and conducting user evaluations with the aim of commercialization in 2028.
Marwan Because diodes are semiconductor devices, conventional manufacturing uses the same complex processes as semiconductor production, with dozens of steps in the front-end process alone. By contrast, our process requires only four steps: preparing a special paste containing aluminium and germanium, printing it onto a silicon wafer, firing it, and polishing it. In addition, compared with conventional diodes, SiGe diodes have the advantage of lower power loss because they can conduct current at low voltage. If these SiGe diodes are widely adopted, they will reduce the environmental impact of the manufacturing process, save energy in products that use SiGe diodes, and contribute to cutting CO_2 emissions.
Minamiyama Due to one of the properties, low power loss, a SiGe substrate is expected to play an important role in power control applications, such as power semiconductors that convert alternating current (AC) to direct current (DC) and vice versa. Furthermore, highly efficient solar cells are currently used in limited applications, including artificial satellites. Through a three-year NEDO project completed in March 2026 and conducted jointly with the University of Osaka, Toyo Aluminium K.K., the National Institute of Advanced Industrial Science and Technology, and Nagoya University, we successfully demonstrated the feasibility of using a SiGe/Si sample platform for high-efficiency solar cells, with a view to mobility applications around 2030. Our technology has the potential to significantly reduce costs, bringing into view a future in which these solar cells could be installed on the roofs of electric vehicles to charge them while they are being driven. We will continue promoting development, anticipating growing demand across various areas for applications of both power semiconductors and solar cells.
Marwan As a semiconductor material, SiGe is also attracting attention in next-generation technology fields such as quantum computing and spintronics*, and numerous research papers have been published. As the next step beyond diode development, we aim to further advance research and development of SiGe substrates, a technology unique to Toyal, while also keeping cutting-edge scientific developments in view.

SiGe Substrate

* Spintronics: A next-generation technology that controls and utilizes both the electrical charge and magnetic properties (spin) of electrons, and is expected to enable ultra-low-power devices with zero standby power.

2 Materiality

Environmental Protection

In addition to contributing through our products, we place importance on reducing environmental impact across all of our business activities and promote energy conservation, resource conservation, and recycling. Conducting environmental management in accordance with ISO 14001, we endeavor to comply with laws and regulations, prevent issues and promote sustainability management in harmony with the Earth's environment.

Environmental initiatives are one of our key management priorities. The Toyal Group has established and published an environmental policy and has also set environmental targets under one of its Material Issues, while pursuing a range of environmental protection initiatives. Stakeholder expectations, particularly regarding issues such as climate change, are increasing each year, while frontline manufacturing sites are also handling a growing volume of work related to environmental data collection and information disclosure. To transform environmental measures from activities seen merely as costs into initiatives that create corporate value, it is essential to establish a company-wide environmental management framework and ensure that it operates effectively. To begin with, the CSR Promotion Team visited each manufacturing site to gain a first-hand understanding of environmental activities in frontline operations. The team organizes findings from internal environmental audits and provides feedback, while rolling out effective improvement practices across the company as standard practices. Rather than simply increasing the number of initiatives, we focus on providing support that enhances their quality while minimizing the burden on frontline operations.
Needless to say, overseas affiliated companies are also included within the scope of our company-wide environmental management. We currently conduct interviews and collect relevant materials through staff stationed overseas, and will consider conducting on-site inspections as necessary.
We are also building a system for information disclosure. We already disclose information such as "greenhouse gas emissions across the entire supply chain," and will establish a centralized system for providing stakeholders with the environmental information they need. The roles of the CSR Promotion Team are not limited to worksite support. It is also important to incorporate initiatives and awareness of issues from the frontline into company policies and management thinking. Our short-term goal is to implement a management review of company-wide environmental protection activities, including securing and developing human capital and considering future environmental measures. To ensure the sustainable growth of the Toyal Group, we will continue to evolve our environmental management framework, connecting our worksites with management and developing it into an increasingly effective system.

Effective System



We will transform environmental protection into activities that enhance corporate value.

Omi Fujii
CSR Promotion Team
Business Supporting Unit
Corporate Headquarters

Discussions with group companies on climate change measures

We are considering measures to reduce total GHG emissions as our response to climate change, which is included in our environmental policy. As a first step, we are working within the Group to improve the accuracy of emissions calculations.



Discussion with TOYAL MMP INDIA PVT. LTD.



Discussion with Toyo Aluminium Ekco Products Co., Ltd.

Pick up

Introduction of organic magnetic pyrolysis device

The Shinjo Works introduced an organic magnetic pyrolysis device to "reduce environmental impact" and "promote resource circulation."
By switching from incineration to pyrolysis for waste plastics, we can reduce their volume to approximately 1/300 of the original level, significantly reducing the amount of waste and helping to curb CO_2 emissions.
It can also process most organic matter, including paper, cloth and various plastics, excluding polyvinyl chloride.
If the thermal energy generated during pyrolysis can be effectively utilized, this initiative will also contribute to the creation of a circular society and enhance the long-term value of the business.



Organic magnetic pyrolysis device

Pick up

Sunfoil®—designed with recycled materials throughout

We became the first manufacturer in Japan to commercialize an aluminium foil product containing at least 70% recycled aluminium, "SasutenaArumi®". The packaging box also uses paper made from 100% recycled in-process waste paper generated at the Shiga paper plant of Toyo Aluminium Ekco Products Co., Ltd. By using recycled materials not only for the aluminium foil itself but also for the paper used in its packaging box, we are helping to reduce CO_2 emissions. In April 2026, we began advance sales through ASKUL Corporation of "Sunfoil®, a product designed with recycled materials throughout."



Sunfoil®

Pick up

Aluminium recycling business

The Singapore Branch of Toyo Tokai Aluminium Hanbai K.K. is developing a recycled aluminium business aimed at reducing CO_2 emissions and making effective use of finite resources. As part of this initiative, the branch is considering supplying our Group company in India with aluminium scrap recovered from used automotive parts, window sashes, and other products from around the world. The company will manufacture recycled aluminium ingots from collected aluminium scrap. Since aluminium scrap contains many impurities, including screws and rubber, we must manage the quality properly. Despite these challenges, we will launch full-fledged operations as an important initiative toward achieving a circular society.



Collected aluminium scrap

Health and Productivity Management

Kurahashi Employee health is essential both to the management of our business and to the well-being of each and every employee. Based on the idea, "Employees' sound health is the foundation of all of our business activities," we have been promoting health and productivity management. As one of the goals we have pursued through these initiatives, we have aimed to obtain certification under the "Certified Health & Productivity Management Outstanding Organizations Recognition Program," administered by the Ministry of Economy, Trade and Industry. We regard our certification in March 2026 as a "2026 Certified Health & Productivity Management Outstanding Organization (Large Enterprise Category)" as a tangible result of our company-wide efforts.

Izumi Since the COVID-19 pandemic subsided, the Tokyo office has been actively organizing events to promote employee health. We discussed with Public Health Nurse Ms. Tomizuka, with whom we have worked for nearly 10 years, how we could attract more participants, and decided to reinvigorate our activities by pursuing goals as an organization. As part of this initiative, we decided to seek certification as a "Sports Yell Company" by the Japan Sports Agency and as a "Tokyo Sports Promotion Company" by the Tokyo Metropolitan Government. As a result, we received the certificate from the Japan Sports Agency in fiscal 2024 and 2025 and one from the Tokyo Metropolitan Government in fiscal 2025*.



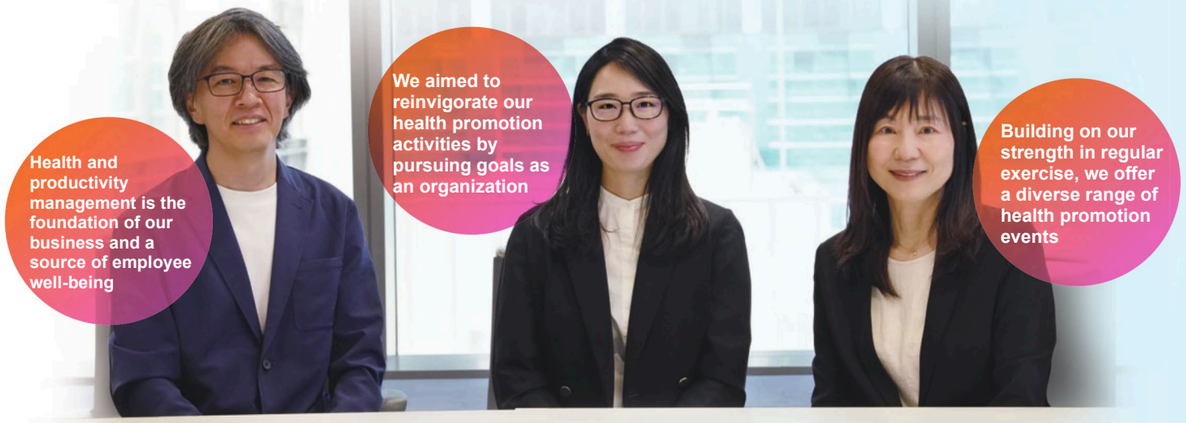
Workplace yoga lesson to relieve stiff shoulders and lower back pain and promote better sleep

Tomizuka There are many approaches to developing healthy habits, but at our company, "regular exercise" has taken root as one of our strengths. We are advancing initiatives to increase health awareness, with a focus on exercise. We hold "lunchtime yoga" classes to make it easier to participate, particularly for women in their 30s and 40s, who are said to have the lowest rates of regular exercise. In addition, we provide various other programs, including a walk event that anyone can easily join via an app.

Izumi At the beginning of a fiscal year, annual events were announced with posters. Since employees invited others to events, the number of participants has been steadily increasing. In particular, the walk event was a great success because it introduced a team-based system in which participants competed based on the number of steps. The events have not only helped promote better health but also encouraged greater communication, with participants even organizing informal gatherings on their own afterward.

Kurahashi At our company, each site is coming up with creative ideas and promoting health improvement activities. Some of our Group companies have been certified as "Certified Health & Productivity Management Outstanding Organizations," while others are working toward certification. The Tokyo office's use of external certification to reinvigorate its health promotion activities provides a valuable case example for other sites. Going forward, we would like to roll out these successful practices across the organization and further expand health and productivity management initiatives at our sites and Group companies.

* Among the 656 companies certified as "Tokyo Sports Promotion Companies for fiscal 2025," we were selected as a "Tokyo Sports Promotion Model Company" for our particularly advanced initiatives and initiatives with a broader positive impact.



Akira Kurahashi
Human Resources Team Leader
Human Resources Unit
Corporate Headquarters

Ena Izumi
Tokyo Human Resources Team
Human Resources Unit
Corporate Headquarters

Sumie Tomizuka
Public Health Nurse
Tokyo Human Resources Team
Human Resources Unit
Corporate Headquarters

Materiality 3

Active Roles of Diverse Human Capital

We respect the diversity and individuality of our employees and focus on developing global human capital and supporting women's career growth.
We aim to promote work-life balance by creating workplaces where everyone can thrive regardless of gender, life stage, or disability, through measures such as childcare support, barrier-free workplace facilities, and remote work.

Pick up

Promoting the advancement of women in line worker positions

Each manufacturing site is working to create a workplace environment in which women can confidently demonstrate their abilities. Individual sites are taking steps to improve facilities, including the installation of a women's break room and restroom at the Gumma Works, a women's changing room at the Yao Works, and a women's changing room planned for fiscal 2026 at the Shinjo Works. Against this backdrop, the Kambara Works introduced shift work, including night shifts, for women in the cutting process site for the first time. In response, the site is also improving the work environment by installing lighting to enhance safety when moving around the premises at night, adding a sofa bed to the women's changing room, and creating space inside the women's restroom for shoes to address privacy and security concerns associated with leaving them outside. Through the company-wide initiative to improve and organize the work environment, we are promoting the creation of a workplace where employees can work comfortably regardless of gender.

Akari Takinami
Production Team, Kambara Works

I find cutting rewarding and satisfying because the amount of work I complete is clearly reflected in the numbers. With the improvements to the facilities and work environment, I find it easier to work even on night shifts, and I hope to see more women thrive in manufacturing roles in the future.



Ms. Takinami measuring the width of a product coil with a cutting machine

Pick up

Growing by embracing differences in culture and ways of thinking

We asked employees on assignment at overseas Group companies about the insights and lessons they have gained while working in environments with different cultures and values.



Mitsunori Saito
AGM Technical
Svam Toyal Packaging Industries Pvt. Ltd.

Namaste! I am on assignment at Svam Toyal Packaging Industries Pvt. Ltd., where I am primarily responsible for providing guidance on technical and safety improvements. Most recently, I have been devoting my efforts to the launch of a new plant in Jhajjar.
In working with local colleagues, I frequently encounter differences in culture and values. Particularly in India, one of the widespread ideas is "Jugaad," which is about solving issues by responding flexibly under limited conditions. This is very different from the general approach in Japan, which is to make a plan and then execute it. Although our views sometimes differ, we approach our daily work by incorporating the best aspects of both ways of thinking. By accepting these differences in ways of thinking and incorporating them into my own perspective, I hope to use what I learn to support my continued growth.



Exterior of a new plant in Jhajjar



Checking products with local employees

Materiality 4

Quality and Safety

We are continuously working to improve quality based on ISO 9001. As for safety, the Safety and Health Committee of each site and the Group Safety Management Team are working together to promote occupational safety and health activities. We will continue to comply with social norms and strive to further improve quality and safety, aiming to be a company that is even more trusted by customers.

Aiming to create a "safety culture" in which we raise each other's awareness and discuss safety as part of our daily work

We continue to improve "quality," which supports a company's trust and credibility



Masayoshi Tsujino
Managing Executive Officer
In charge of Internal Audit Team; Group Safety Management Team; and Human Resources Unit, Corporate Headquarters

Toshihiko Nitta
Executive Officer
In charge of General Affairs Unit, Business Supporting Unit, Quality Assurance Unit and Purchasing Team, Corporate Headquarters

Tsujino Our slogan, "Safety and Quality Are the Lifeblood of the Company," demonstrates our belief that the fundamental premise of safety is that we remain "a company where people come to work with a smile and go home with a smile." Moreover, serious occupational accidents, fires, and explosions not only threaten employee safety but can also develop into critical incidents that jeopardize the company's continued existence. The Toyal Group is working as one to improve both business performance and safety activities.

Nitta Quality is one of the core elements to support a company's trust and credibility. Through our experience of working to prevent the recurrence of past quality-related inappropriate acts, we have come to appreciate deeply the importance of quality. Under the slogan "Safety and Quality Are the Lifeblood of the Company," we are pursuing continuous improvement based on three pillars: "Creating an environment that does not induce inappropriate acts," "Creating systems that make inappropriate acts impossible even if attempted," and "Establishing a framework that enables inappropriate acts to be detected immediately if they occur."

Tsujino We had more than a few minor incidents that "could have become serious accidents through a single misstep." This fiscal year as well, we will work to reduce risk under the slogan, "Set clear rules and follow them rigorously." We will regard the President's safety patrol as an occasion to reconfirm potential serious accident risks at each site and aim to achieve zero serious accidents.

Nitta As part of our efforts to "create systems that make inappropriate acts impossible even if attempted," we are promoting digitalization to reduce manual data entry, such as by importing data directly from measuring instruments. As for quality assurance, based on "Set clear rules and follow them rigorously," we will promote activities that respect transparency and develop a workplace culture that enables the exchange of frank opinions.

Tsujino We are trying to advance safety activities from the phase where "employees handle tasks as instructed" to the phase where "employees take voluntary action." However, the safety culture we ultimately aim to achieve lies beyond even that stage. We want to create a workplace where anyone can naturally speak up when they see unsafe behavior, and a culture in which safety is discussed as part of everyday work.

Nitta This year will mark the fifth round of the President's quality dialogue sessions at our business sites. Since the first session, the number of comments and proposals for quality-related accident prevention has steadily increased. By building further on this momentum, we will foster an even stronger quality culture.

Pick up

Sustainable production supported by quality and trust

Under the slogan, "Safety and Quality Are the Lifeblood of the Company," the Toyal Group regards quality as the foundation for sustainable business activities. Drawing lessons from the quality issue that occurred in 2021, we regard preventing the recurrence of inappropriate acts not merely as a matter of rule compliance, but as an important management issue that supports sustainable business activities. Specifically, we are working under three pillars: "Creating an environment that does not induce inappropriate acts," "Creating systems that make inappropriate acts impossible even if attempted," and "Establishing a framework that enables inappropriate acts to be detected immediately if they occur." Through dialogue sessions led by management and quality education, we listen carefully to voices from the workplace and promote the creation of an open and communicative work environment.

In addition, we are promoting digital transformation through measures such as automatically importing data from testing equipment, digitizing documents, and using AI for verification, thereby reducing the risk of data tampering and transcription errors. Furthermore, by using internal audits and a whistleblowing system, we aim to detect and address issues at an early stage. The maintenance and improvement of quality not only protect customer trust but also reduce rework and waste and improve resource utilization.

Through honest and fair manufacturing practices, we will continue striving to be a company that grows sustainably together with society.

Safety and Quality for a sustainable future

Katsumoto Tanaka

Safety and Quality Are the Lifeblood of the Company

Pick up

Initial firefighting training in small groups

At every domestic site, we continuously conduct early-stage fire-extinction training with a small group, in addition to a site-wide fire drill. In site-wide fire drills, the number of people who actually take action tends to be limited. By contrast, small-group drills involving three to five participants allow each person to gain hands-on experience in initial emergency response. The first three minutes after a fire breaks out are particularly critical in preventing it from spreading, and whether people can report the fire, assemble, and begin extinguishing it within that time can make a decisive difference. During drills, personnel from other workplaces attend as independent observers, and time is set aside afterward to review the exercise and identify issues. This allows us to verify whether the timing of firefighting actions and the allocation of roles were appropriate, and to identify specific practical issues.

These drills give participants more opportunities to take action themselves and experience their assigned roles, helping them not only acquire knowledge but also strengthen the practical response skills needed in an actual emergency. During the post-drill review, participants confirm matters such as how to select the appropriate fire extinguisher and how to report, assemble, and respond when a fire breaks out with only a few people present, and incorporate identified improvements into the next drill. Going forward, we will further enhance the training to develop more practical decision-making skills, such as knowing when to switch from initial firefighting to evacuation, while also expanding the program to overseas sites.



Observing the early-stage fire-extinction drill at the Gumma Works

Filtan™

Hosori "Filtan™" is our brand of filters designed to prevent dirt buildup. We first launched our dirt-prevention filter products more than 35 years ago, and have expanded the product lineup in response to changes in lifestyles and ventilation equipment. In 2015, we unified the product series under the "Filtan™" brand and began featuring the character on the packaging so consumers could immediately recognize the products as part of our product series.

Omachi In 2025, when we celebrated the brand's 10th anniversary, we launched four campaigns. One of these campaigns, the "Summer Holiday! Filtan™ Illustration Contest," was inspired by the many postcards we received through the "OTANOSHIMI Mark Campaign"* and other initiatives that featured hand-drawn illustrations of Filtan™. We planned the contest in the hope of helping consumers feel even closer to Filtan™. We received many entries from children, reaffirming just how widely Filtan™ is loved across generations.

Hosori We were surprised by the internal reaction to the illustration contest. When we displayed the entries internally to select the winning works, many employees took a keen interest in them and submitted numerous comments about the illustrations. It was particularly meaningful that the contest helped employees in departments with few opportunities for direct consumer interaction become more aware of Filtan™'s popularity and recognize the importance of communicating with consumers.

Omachi "Filtan™" has a "replacement indicator" that appears when it becomes dirty and needs replacement. In response to requests for more Filtan™ designs to appear in the replacement indicator, we improved the product. By continuing to value communication with consumers in this way, we will use their feedback to help create even better products. Consumers also provide feedback on the way we present our advertising and packaging from sustainability perspectives, including gender equality. We would like to incorporate such feedback internally as we further develop our communication with consumers.

Hosori To ensure that the products live up to the character's popularity, we are also constantly improving them to make them safer, more reliable, and easier to use. We aim to create a brand that makes consumers think, if a package has the Filtan™ mark, "I want to buy it because it's a safe and good filter."

* "OTANOSHIMI Mark Campaign": A campaign in which consumers collect "OTANOSHIMI Marks" found on Toyo Aluminium Ekco Products Co., Ltd. products and enter for a chance to win prizes.





Asami Hosori
Product Management Team
Marketing Unit
Toyo Aluminium Ekco Products Co., Ltd.

Miho Omachi
Communication Design Promotion Team
Marketing Unit
Toyo Aluminium Ekco Products Co., Ltd.

Pick up

Welcome to the Hino Works! Social studies field trip for local elementary school students


Social study tour

In response to requests from local elementary schools for social studies field trips, the Hino Works hosted factory tours for two schools: 40 third-grade students from one school and six fifth-grade students from the other. The tours gave the children an opportunity to see and experience a manufacturing site firsthand.
On the day of the tour, staff explained the plant's facilities and work processes as clearly as possible. When we introduced the aluminium powder manufacturing process, which the children would not normally have an opportunity to see, along with measures to maintain quality and ensure safe operations, they listened with great interest and enthusiastically observed the plant. Seeing the actual workplace while listening to the explanations appeared to give the children a more tangible sense of the process by which products are made.
After the tour, the children asked many questions and shared comments such as, "What is the most difficult part of your job?" and "I didn't realize aluminium powder was used in so many things around us." The tour also provided our staff with a valuable opportunity to hear the children's candid questions and learn about their interests. By carefully answering each question, they were able to enjoy meaningful interaction with the children.
Through the factory tour, we could convey the appealing aspects of working and manufacturing to the local students. We will continue to value collaboration with educational institutions and local communities as we pursue activities that contribute to the development of future generations and the local community.

Materiality 5

Collaboration with Stakeholders

In addition to contributing through production activities and employment, we actively collaborate with local communities on cultural programs, environmental protection activities, support for food banks, and other initiatives. We will promote social contribution activities such as supporting the development of future generations by welcoming university, high school, and elementary school students to our facilities, conducting community cleanups, and supporting disaster-affected areas, with the aim of realizing a sustainable society and further enhancing corporate value.

Pick up

Collaboration with an aquarium, átoa

In January 2025, Toyo Aluminium K.K. supported the "Nature LAB" exhibition organized by átoa and the Osaka College of Eco & Animals. Our product, TOYAL LOTUS®, was introduced as an example of "biomimicry," which refers to the use of the excellent properties of living things for technology development. The concept was subsequently well received, leading to opportunities for it to be presented in various formats, including traveling exhibitions. TOYAL LOTUS® is featured in a book on biomimicry, currently exhibited at átoa. Leveraging its ability to present a diverse range of exhibits to large numbers of visitors, átoa works with companies and educational institutions on initiatives that encourage greater awareness of issues affecting the natural environment. By cooperating with átoa at this time, we found the opportunity to introduce our products and technology and new potential for communication through exhibitions. We will create new value through collaboration, drawing on our strengths and those of our partners to achieve what we cannot manage alone.



Chihiro Handa
Animal Care, Exhibition and Facilities Section
Aquarium átoa

While continuing to convey the appeal of living things, we would like to pursue initiatives that first spark people's interest and then encourage them to turn their attention to the environments surrounding those living things. Going forward, we would like to continue communicating through collaboration, with biomimicry as one of our key themes.



Exhibition

Social Contribution Activities

~Developing and expanding social contribution activities through company-wide efforts~

The Toyal Group is promoting an initiative to share the social contribution activities conducted at each business site within the company, to expand them further.
Going forward, we will work with local communities to promote, on an ongoing basis, social contribution activities that reflect Toyal's distinctive strengths and character.

The Toyal Group's approach to social contribution

To achieve a sustainable society, the Toyal Group will work together with local communities and actively promote social contribution activities.
We will support employees in voluntarily and actively participating in social contribution activities.

The Toyal Group's priority areas of activity

These are priority activities that we are pursuing by leveraging Toyal's unique strengths.



Environmental Protection

Through cleanup and forest conservation activities, we will contribute to regional environmental beautification and biodiversity preservation.



Development of next generation

Through outreach classes, factory tours, and other activities, we will convey the appeal of manufacturing and the fascinating properties of aluminium to the generations that will shape the future.



Disaster recovery support response

By supporting recovery and providing relief supplies at the time of disaster, we will support the recovery and revitalization of affected areas.



Coexistence with local communities

While remaining attentive to the development and challenges of local communities, we will deepen our ties with them through participation in local events and other activities, and promote initiatives rooted in the community.

Establishing promotion structure to support activities

To allow company-wide collaboration and employees' voluntary participation, we will establish the structure to continue promoting activities and support systems.
The Toyal Group will come together to develop and expand social contribution activities that show its characteristics.





Community cleanup activities at each site

As part of our initiatives to contribute to local communities, each of our business sites is actively involved in regional cleanup efforts. In collaboration with local governments and organizations, we participate in cleanup activities held at various places, such as seashores, riversides, roadsides, residential areas and office districts.
On May 25, 2025, nine volunteers from the Gumma Works participated in the cleanup activity for the environmental beautification program of Gumma Prefecture. This year, 27 local companies participated, with the Gumma Works also taking part as a member of the local community.
The Yao Works and Osaka office are also actively involved in community cleanup activities, including participating for the first time in the "Yamato River and Ishi River Cleanup Campaign in Yao" on March 1, 2026.
We will continue to regard contributing to local communities and the environment as an important initiative and will work with local residents to sustain and further promote these activities.





Employees participating in a cleanup activity



Artwork by local children

Support elementary students' healthy growth in Thailand

As part of an initiative to create an enjoyable play area for children, TOYAL (THAILAND) Co., Ltd. used ink to paint pictures on the grounds of an elementary school in Kanchanaburi Province in central Thailand.

The play area, completed through the joint efforts of local coordinators, school staff, children, and our employees, was donated to the elementary school and is now used by the children for play. We will continue to support children's healthy growth and conduct activities to contribute to local communities.



Local elementary school students and our employees

Participation in the "Kokita Disaster Prevention Festival"

The Shiga Plant of Toyo Aluminium Ekco Products Co., Ltd. signed the Agreement on the Supply of Disaster Relief Supplies with Konan city, and participated in the "Kokita Disaster Prevention Festival" in September 2025.
We communicated with residents and people involved in disaster prevention through a mock training session on support activities and an exhibition booth introducing our company. As a result, we could identify issues related to confirming the delivery of supplies. Visitors appreciated the relief supplies and our company's presentation at the exhibition booth. On the other hand, we also received feedback that we had not done enough to raise awareness of our company and the support we provide. Going forward, we will work to build relationships with disaster volunteer groups through the Konan City Council of Social Welfare as our point of contact, thereby further deepening our contribution to the local community.



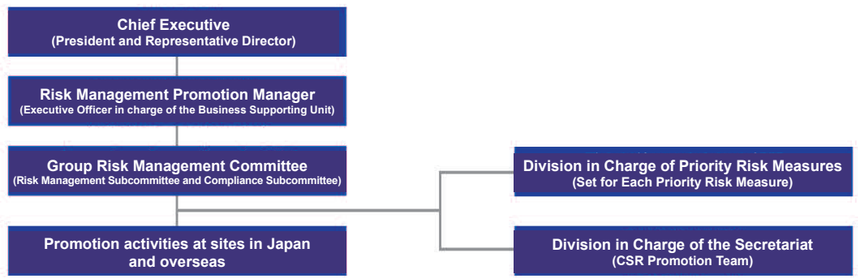
Exhibition booth of Kokita Disaster Prevention Festival

Governance

Risk Management

The Toyal Group 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. For legal risks identified internally, the Risk Management Subcommittee checks how divisions other than the one in which the risk was identified are responding, with a view to extending appropriate measures across the organization. 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. Beginning with fiscal 2025 activities, we added “human rights risks in the supply chain” as a new priority risk category. At regular meetings of the lead division, the Business Supporting Unit, we review progress on improvements related to customer requirements and responses to international guidelines. In March 2026, as part of efforts to strengthen our response to “business continuity risks arising from disasters and other events,” one of our priority risk categories, we held a seminar for management led by an external instructor together with workshop-based training.

Risk Management System



Compliance Promotion

The Toyal Group promotes compliance in a broad sense, including not only legal compliance but also social norms and corporate ethics. With regard to legal compliance, we designate “legal risk” as one of our priority risk categories and address it through our risk management activities. Our main initiative to improve compliance awareness is the compliance meeting, which is held twice a year. In fiscal 2025, each division held discussions on the themes of human rights risks in the supply chain and psychological safety in the workplace. It is necessary to prevent compliance violations before they occur and, if one does occur, to detect and correct it at an early stage. The Toyal Group has established and publicized consultation and reporting channels, including an external reporting hotline. In accordance with internal regulations, information on consultations and reports received is reported to the Audit & Supervisory Board Members and management. In fiscal 2025, we revised our internal regulations to clarify procedures for handling harassment consultations and reports of fraud. In fiscal 2026, for our staff in charge of the harassment consultation service at each operation site, we plan to hold a seminar on handling consultation requests by an external lecturer.

Commitment of the Executive Officer in Charge

This fiscal year, amid increasingly rapid changes in the business environment, we will further advance risk management by positioning it not merely as a defensive mechanism, but as a foundation that supports the reliability and transparency of management and enables us to achieve sustainable growth. We recognize that risks are not merely obstacles to business, but also important management information that helps make organizational issues visible and leads to improvement. Therefore, we will confirm how we are responding to high-priority risks and each division’s efforts in a more careful way than ever. Then, we will share the outcome with the entire organization, including both the management and on-site employees, to improve the quality and speed of our decision-making. At the same time, we will ensure that the Risk Management Committee functions effectively, further strengthening company-wide risk management by identifying issues across divisional boundaries, setting priorities, and clarifying response policies. Moreover, we will strengthen cooperation between the internal control and audit functions to enable early detection and correction of issues. By disclosing risk information and action plans in an easy-to-understand way, we will steadily build up trust internally and externally. Furthermore, by ensuring thorough compliance, preventing fraud, and fostering an open workplace culture, we will cultivate a highly transparent corporate culture and conduct management in a way that gives stakeholders confidence and peace of mind. I am committed to enhancing our corporate value through effective risk management achieved by the concerted efforts of management and employees.

Toshihiko Nitta
Executive Officer
In charge of General Affairs Unit, Business Supporting Unit,
Quality Assurance Unit and Purchasing Team, Corporate Headquarters

Initiatives to strengthen corporate governance

To achieve sustainable growth and improve our corporate value, the Toyal Group regards the reinforcement of corporate governance as one of the important management issues and has been working on it continuously. For the past few years, we have been refining the group-wide governance structure by establishing the Sustainability Committee, revising the “Basic Policy for Internal Control System Arrangement,” and reviewing related regulations and rules, with the promotion of sustainability management as the backdrop.
With these measures, we have been reinforcing compliance and clarifying and strengthening the risk management structure. In addition, by making the responsibilities and authorities of each organization clear, we have been improving the effectiveness of the internal control system. In addition, to respond to the rapidly changing business environment and increasingly diverse risks, we are working to establish a flexible and agile governance structure that is not constrained by conventional frameworks.
The internal audit division has been working primarily on J-SOX assessments; however, in recent years, we have been enhancing the scope and content of the audits to improve the effectiveness of group-wide governance and internal control. We are aiming for an audit with higher added value, which goes beyond the confirmation of conformity and achieves the improvement of business processes and risk prevention. We are strengthening it as a function that contributes to the management.
Currently, giving priority to supporting improvement by verifying the appropriateness of internal control and operational status, we are implementing the following specific measures.

(1) Divisional audits (operational audits)

Regarding the business processes and daily operational status of each division, we audit from diverse viewpoints, including the effectiveness and efficiency of business operations, compliance with the relevant regulations and rules, and responses to potential risks. As for the audit process, instead of only pointing out issues, we analyze background factors and structural issues and develop effective improvement proposals to improve operational quality and strengthen internal control.

(2) Thematic audits

Based on risks identified through discussions by the Risk Management Committee, fraud prevention interviews, and other means, we set priorities according to their significance and likelihood of occurrence and conduct audits focusing on specific themes. In this way, we conduct cross-functional and efficient audits of risks that require priority attention across the Group.

(3) Addressing legal risks

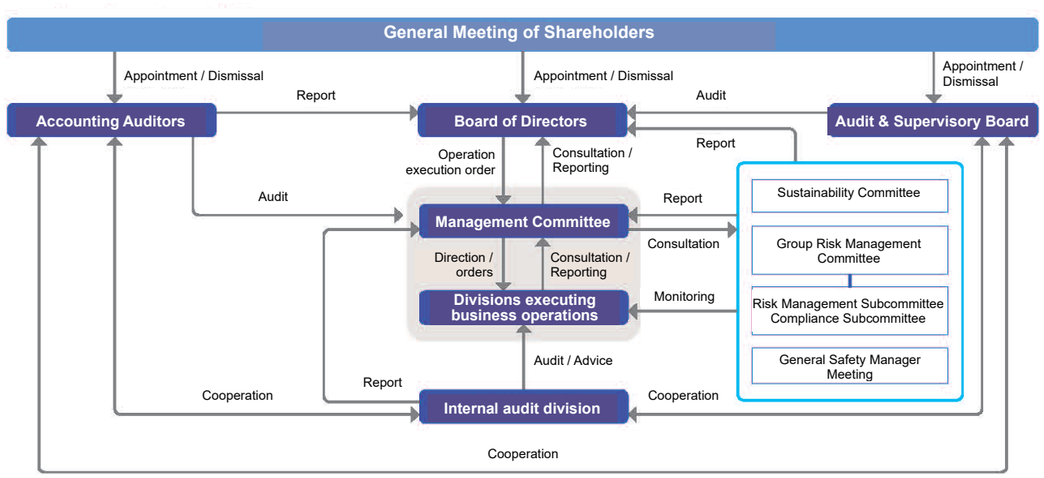
For identified legal risks related to compliance with laws and regulations, we provide education and training as necessary, working with relevant divisions based on audit findings and information obtained through various interviews. Accordingly, we are improving each employee’s compliance awareness and reinforcing the legal compliance structure as an organization.

(4) Fraud prevention interviews

We conduct regular interviews with employees to develop a corporate culture that does not tolerate fraud. In addition to gathering information on fraud risks, these interviews enable us to hear a broad range of employee views, including concerns, complaints, and dissatisfaction in the workplace. Based on this feedback from the workplace, we consider and implement measures to detect fraud risks at an early stage and prevent recurrence, while also using the findings to help create a more comfortable work environment.

Through these initiatives, the Toyal Group is working to enhance the effectiveness of internal controls and strengthen its risk management framework in pursuit of sound and transparent corporate management. We will continue to further strengthen corporate governance while responding appropriately to changes in the business environment and the emergence of new risks.

Corporate Governance Structure



Human rights due diligence

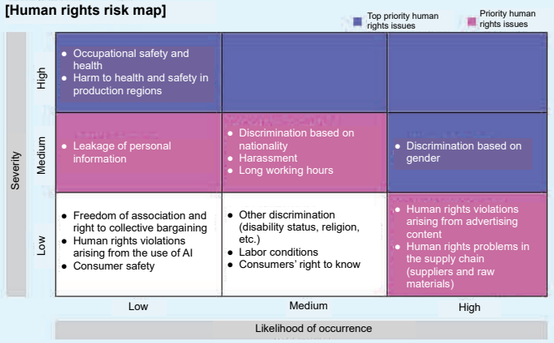
Commitment to Respect Human Rights

We have established a Human Rights Policy and, based on its principles, conduct human rights due diligence across our business activities, including the supply chain.
In fiscal 2025, we worked to identify human rights risks and improve the effectiveness of our responses while strengthening collaboration with relevant divisions and business partners.
In addition, by responding appropriately to customer requirements and providing internal training, we worked to embed respect for human rights throughout the organization and strengthen our management framework.

Response to human rights risks

In fiscal 2025, we reviewed the status of our responses to the ■ top-priority human rights issues and ■ priority human rights issues identified in fiscal 2024.
Relevant divisions reviewed each issue, while we worked to identify and mitigate risks through communication with business partners and by promoting understanding within the company.
By sharing necessary information among relevant divisions and clarifying the background and scope of impact of the issues, we took our response based on priority.
Through these efforts, we aim to go beyond simply confirming the current situation and translate our findings into effective improvements.
Details will be posted on our website.

[Human rights risk map]



Communication with business partners

With our main business partners, we shared our idea about respecting human rights and confirmed labor environment and management systems.
We communicate individually as required to understand business partners' current status and promote mutual understanding.
In the review process, we went beyond collecting formal responses and carefully examined actual operating practices and awareness of issues.
We will continue to use dialogue to identify human rights risks at an early stage and support improvements.
Through continuous communication, we aim to embed respect for human rights across the entire supply chain.

Response to customers' inspection

In response to customers' inspection, we confirmed our compliance with requirements related to human rights and labor.
As for matters requiring improvement, we are taking measures for improvement by working with relevant divisions.
Through these arrangements, we not only confirm our compliance with external requirements but also improve internal management.

Promoting internal understanding

We held a seminar on sustainability for our officers and employees, inviting an external lecturer.
In addition, we held workshops on human rights issues for new employees to promote internal understanding of sustainability issues, including respect for human rights.
Through training and opportunities for dialogue, we encourage each employee to view human rights as an issue that concerns them personally.


Workshop for new employees

We will continue to improve our efforts to respect human rights in collaboration with relevant divisions and business partners.

Our Commitment and Initiatives for Sustainability

Message from the Managing Executive Officer



Toshiya Nagata

Director, Managing Executive Officer
Overseeing the Corporate Headquarters; in charge of Management Strategy Unit and IT Management Unit

We position non-financial issues as key management priorities and are working to achieve sustainable growth in corporate value.
This year in particular, we have adopted "environmental management" as our theme, and we will steadily implement “Things we can do for the future” one by one to reduce environmental impact through our business activities and contribute to society. As a manufacturer, we are improving energy efficiency through more advanced manufacturing processes, reducing greenhouse gas emissions, and expanding recycling, while providing solutions that help enhance the value of our customers' products.
Moreover, we aim to conduct business management that solves social issues through our business activities, and promote responsible manufacturing across the supply chain. Toward our 100th Anniversary in 2031, we will enhance our environmental activities to serve as a driver of our competitiveness, and aim to realize both a sustainable future and enhanced corporate value.
Lastly, here is my message to our employees. “The proactive efforts and challenges undertaken by each and every one of you are the source of our company's strength. As we look ahead to the next 100 years, let us continue creating new value together with pride and a sense of responsibility.”

Introduction of the Sustainability Promotion Working Group

We formed the “Sustainability Promotion Working Group” centered on young employees from across divisions to promote sustainability activities and produce this report.
At the kickoff meeting for this term's members, we held a study session on social trends surrounding sustainability and then proceeded with the preparation of this report.
This report reflects the members' opinions on the definition of the concept, the content of the activities related to the Material Issues, and the design of the cover and other pages.
By bringing together members from across different divisions, we incorporate diverse perspectives as we consider how best to disclose information to stakeholders in a way that reflects who we are as a company.
Throughout the production process, each member considered sustainability as his/her own issue. We regard the production as an opportunity to deepen our understanding, so that we can apply it to our daily business.
In addition, we regularly hold a sustainability-themed workshop to improve members' awareness and understanding.
Members shared comments such as: “Bringing together people from a variety of backgrounds, regardless of age or position, leads to a wide range of ideas.” “I had not previously thought about sustainability very deeply, but the issues and initiatives brought forward by other members have inspired me, and I feel that the range of things I now see as personally relevant is expanding.” “Through the activities of the Sustainability Promotion Working Group, I have come to realize that initiatives aimed at achieving a sustainable society are important issues that also contribute to enhancing corporate value. Going forward, I would like to actively communicate the significance and outcomes of these activities through the Environmental Harmony Committee, expand participation in energy conservation, resource circulation, and volunteer activities, and encourage greater awareness and behavioral change among individual employees so that we can advance these initiatives together as one company.”
By sharing these activities in our own divisions, we spread our understanding of and interest in sustainability and create a culture that encourages us to take more initiative.




Toyal Toyo Aluminium K.K.

Toyo Aluminium K.K.

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

Osaka office
JRE Midosuji Daiwa Building, 6-8, Kyutaromachi 3-chome, Chuo-ku, Osaka-shi, Osaka 541-0056 Japan
TEL (06) 6271-3151 (Representative)

Tokyo office
Urbannet Uchisaiwaicho Building, 1-1-13 Shimbashi, Minato-ku, Tokyo 105-0004 Japan
TEL (03) 5501-0777 (Representative)

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