

Sustainability Management

—Transitioning from a Defensive to an Aggressive Approach—



November 18, 2025
Nippon Light Metal Holdings Company, Ltd.

NLM Group's Sustainability Management

- Aiming to fulfill our corporate philosophy, we have established material issues and formulated basic policies and measures under the Medium-term Management Plan.



NLM Group's Sustainability Management

Material Issues and Value Creation Process

経営理念

▶ P.01 参照

重要課題

地球環境保護

持続可能な
価値提供

従業員の
幸せ

責任ある
調達、
生産・供給

企業倫理、
企業統治

INPUT

2024年度／2025年3月末現在

財務資本

- 株主資本 2,131億円
- 有利子負債 1,688億円

設備資本

- 生産拠点 (国内49工場・海外5カ国)
- 設備投資額 214億円

人的資本

- 従業員 12,318人
- 年間教育・研修費用 35.4千円／人

知的資本

- 保有特許件数 1,255件
- 研究開発費 5,856百万円

社会・関係資本

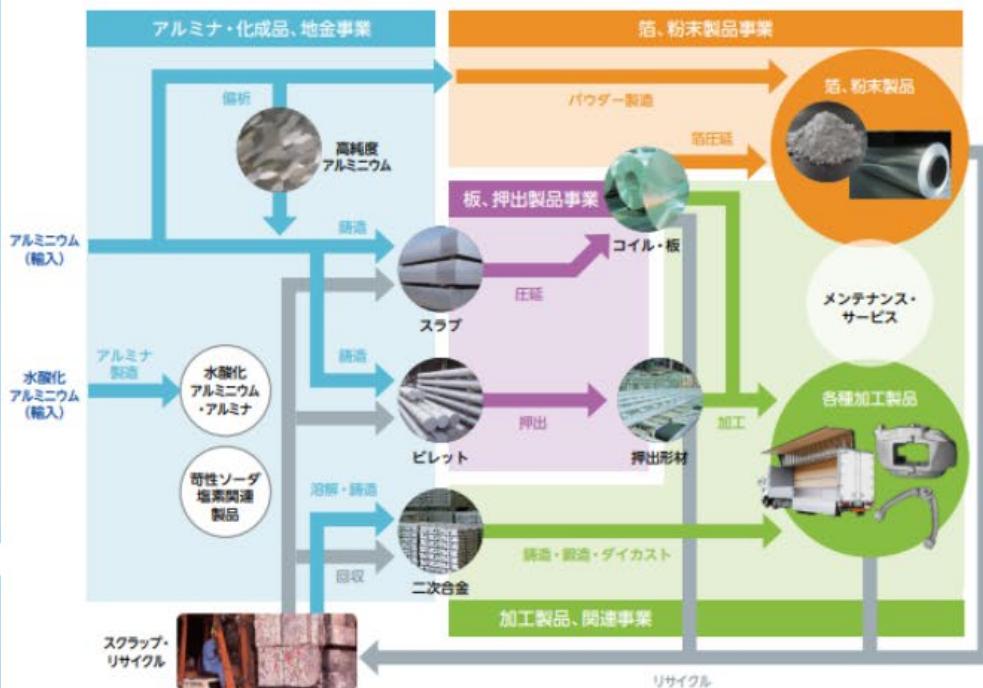
- 顧客ニーズに応えることのできる強固な関係性
- すそ野の広い事業領域による幅広い顧客群

自然資本

- 電力エネルギー使用量 7.2PJ
- 水消費量 1.3百万m³

社会的な価値の増大を通じた各種資本への転換

事業活動



マーケット分野

自動車

電機・電子、
情報通信

環境・安全・
エネルギー

公共・景観・
建築

輸送

食品・健康、
工業製品

OUTCOME

ステークホルダーに
直接提供する価値

株主・投資家
企業価値の向上、
安定配当

顧客
問題解決策の提供

地球環境
環境負荷、
温室効果ガス
排出量低減

従業員
安心・安全な
職場と働き甲斐

取引先・協力企業
共存・共栄

地域社会
地域社会との共生

社会的な価値の創出

人々の暮らしの
向上

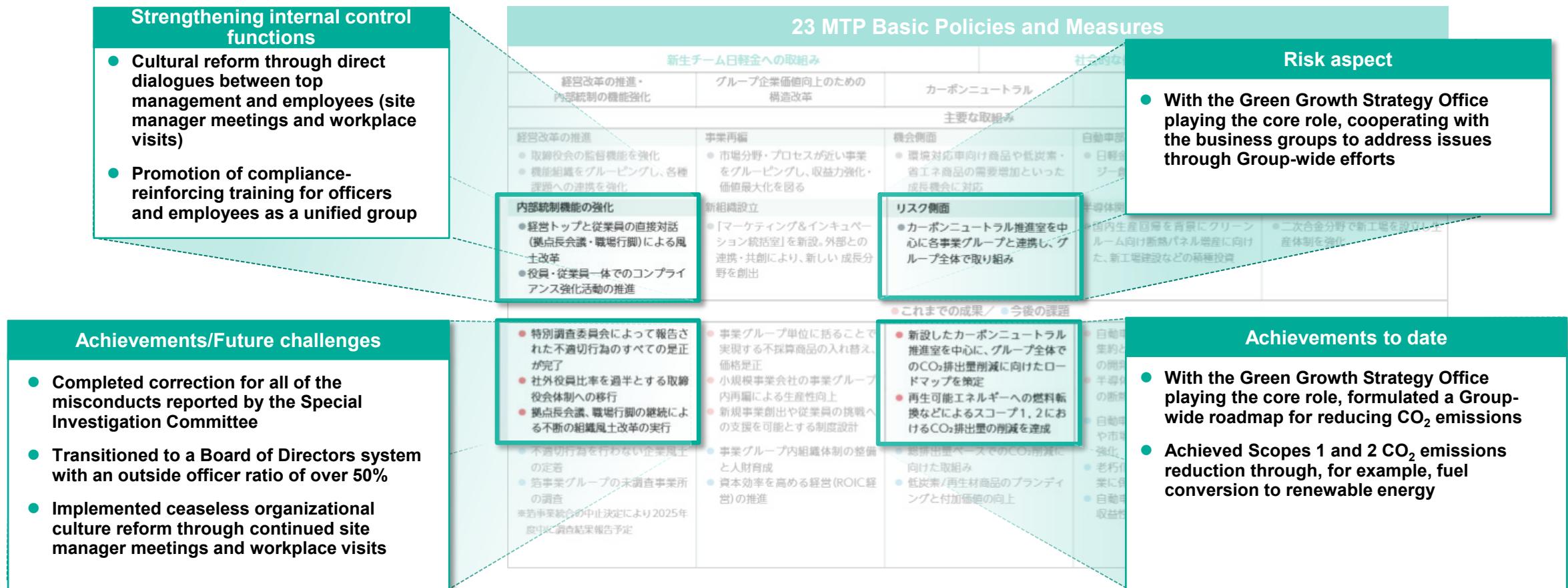
地球環境の保護

事業活動による各種資本の蓄積

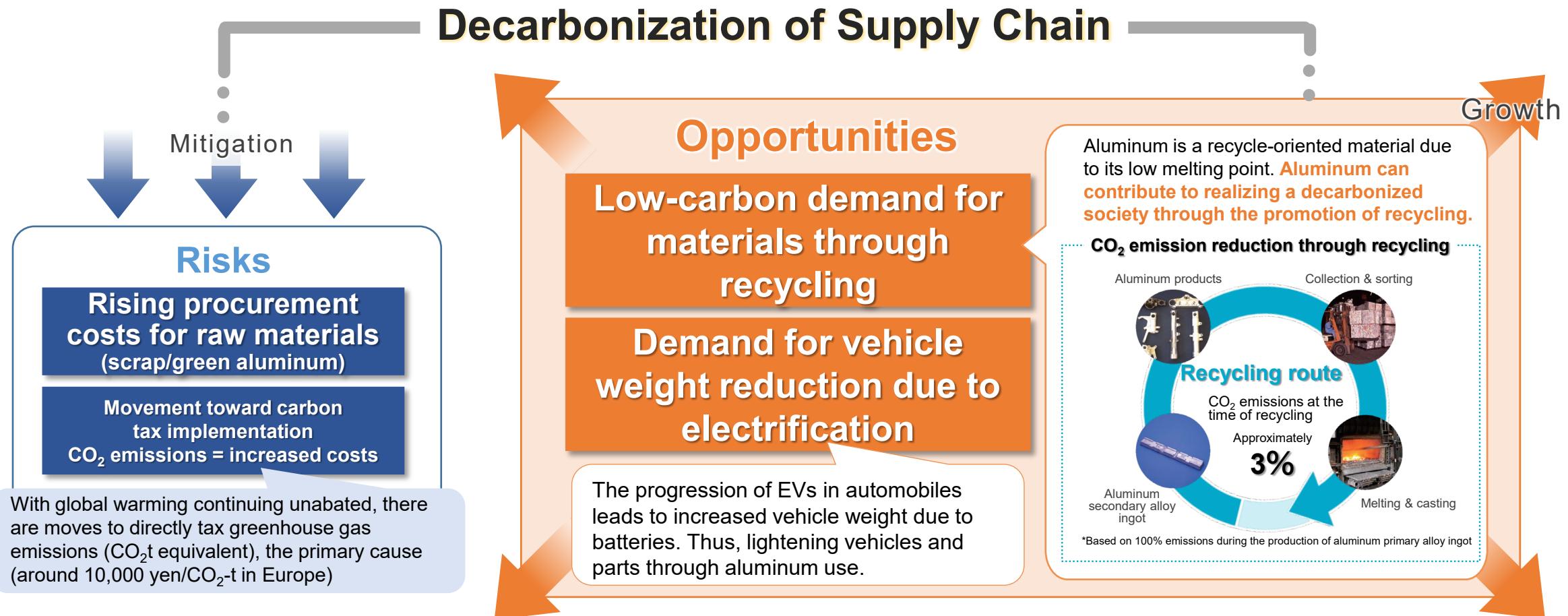
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Progress in the 23 MTP ➤ Assessment of the 23 MTP Basic Policies and Measures

- By thoroughly preventing the recurrence of quality issues, we have solidified the foundation for value creation and positioned ourselves to take an aggressive approach.



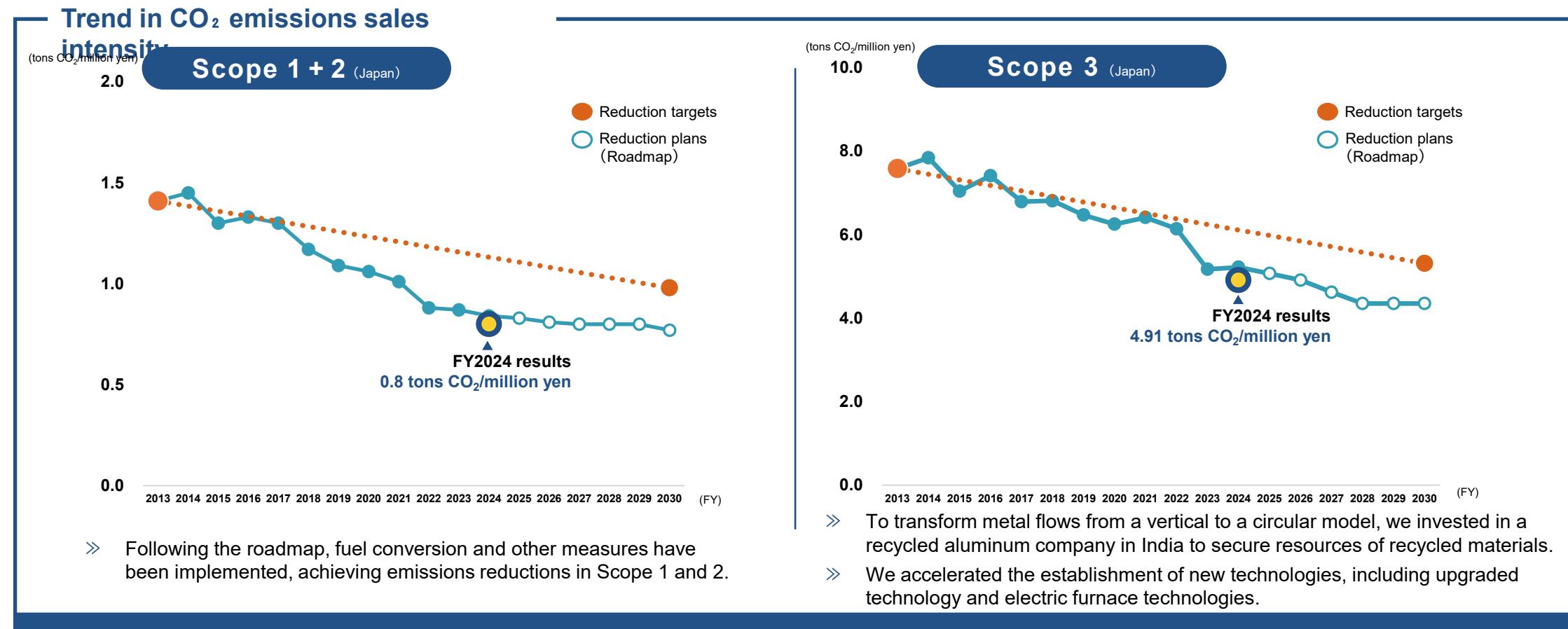
- While a decarbonized society poses a business continuity risk to our Group, it also represents an opportunity to grow the value of our business.



NLM Group's Sustainability Management

Protecting the Global Environment ➤ Carbon Neutrality Continues to Advance Steadily

- Approach to Carbon Neutrality is underway, with a roadmap in place under the 23 MTP to ensure steady advancement.
- By analyzing metal flows, we have initiated efforts to build a global circular supply chain.



Contributing to local production of renewable energy for local consumption in urban areas and to the realization of a decarbonized society

Sekisui Chemical Co., Ltd., Sekisui Solar Film Co., Ltd., NTT DATA Japan Corporation, and Nikkei Engineering Co., Ltd. jointly initiated in October 2025 the development of improved construction methods for installing film-type perovskite solar cells on the outer walls of buildings in urban areas.



Film-type perovskite solar cells applying the construction methods under consideration

Sekisui Chemical

Sekisui Solar Film

NTT DATA

Nikkei Engineering



NTT Shinagawa TWINS Data Tower Building

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Happiness of Employees ➤ Human Capital – Our Greatest Asset –

- Human resources are the foundation of all our business activities, and the greatest asset for creating new value

Basic policy

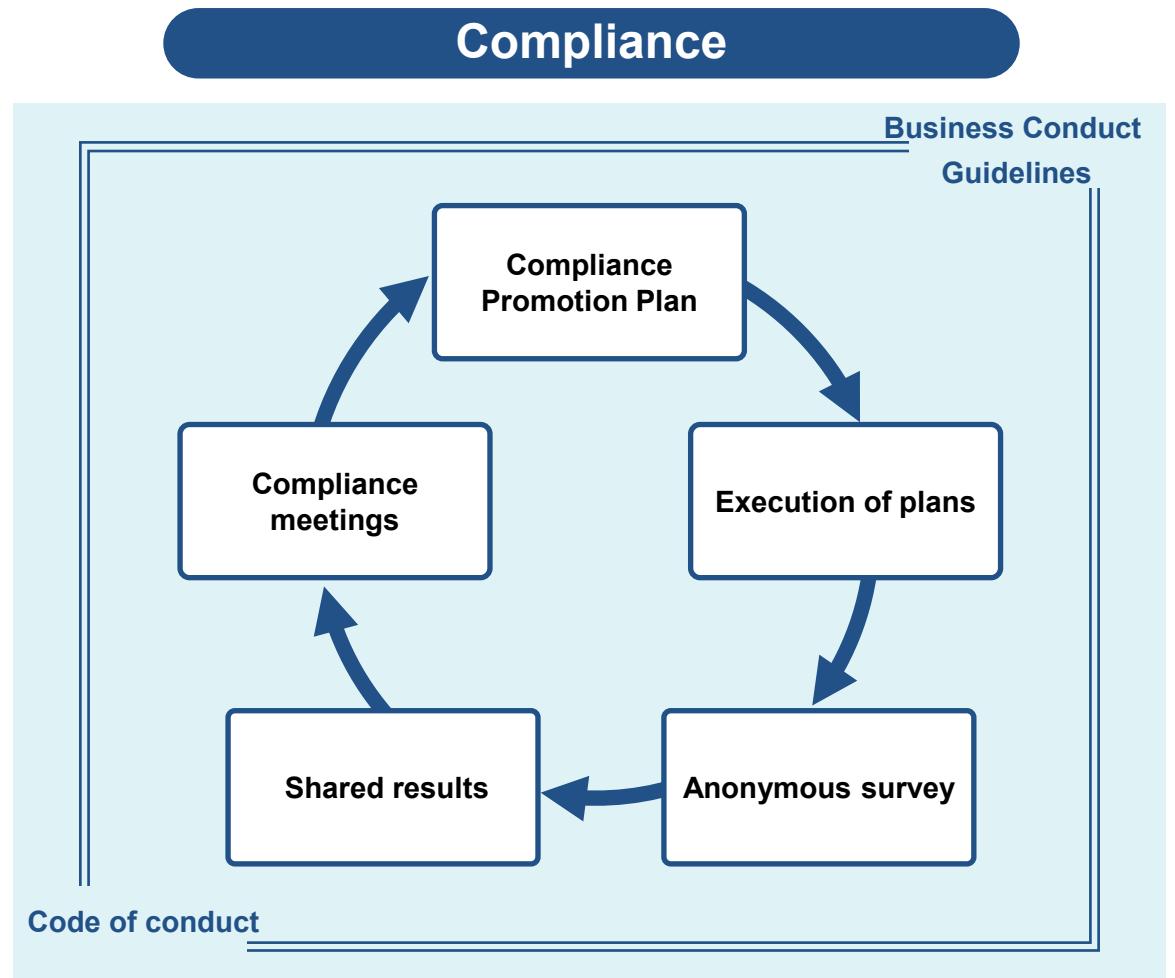
Diverse values

Long-term global human resources



Corporate Ethics and Governance ➤ Compliance, Governance

- Reinforced governance and compliance in response to quality issues, thereby establishing an unwavering foundation for sustainable value creation



Compliance

Governance

Improving of Board of Directors' effectiveness

- » Conducted effectiveness evaluations (via surveys), shared results, and implemented improvements
- » Reviewed and refined agenda items

Nomination and compensation for directors and officers

- » Reduced the number of directors: 14 ➔ 9
- » Increased the ratio of outside directors
- » Developed and published the CEO succession plan
- » Reviewed and revised the compensation framework for directors and officers

Reinforcement of the Group's governance

- » Reorganized into a business group structure
- » Reorganized into functional organizational groups

NLM Group's Sustainability Management

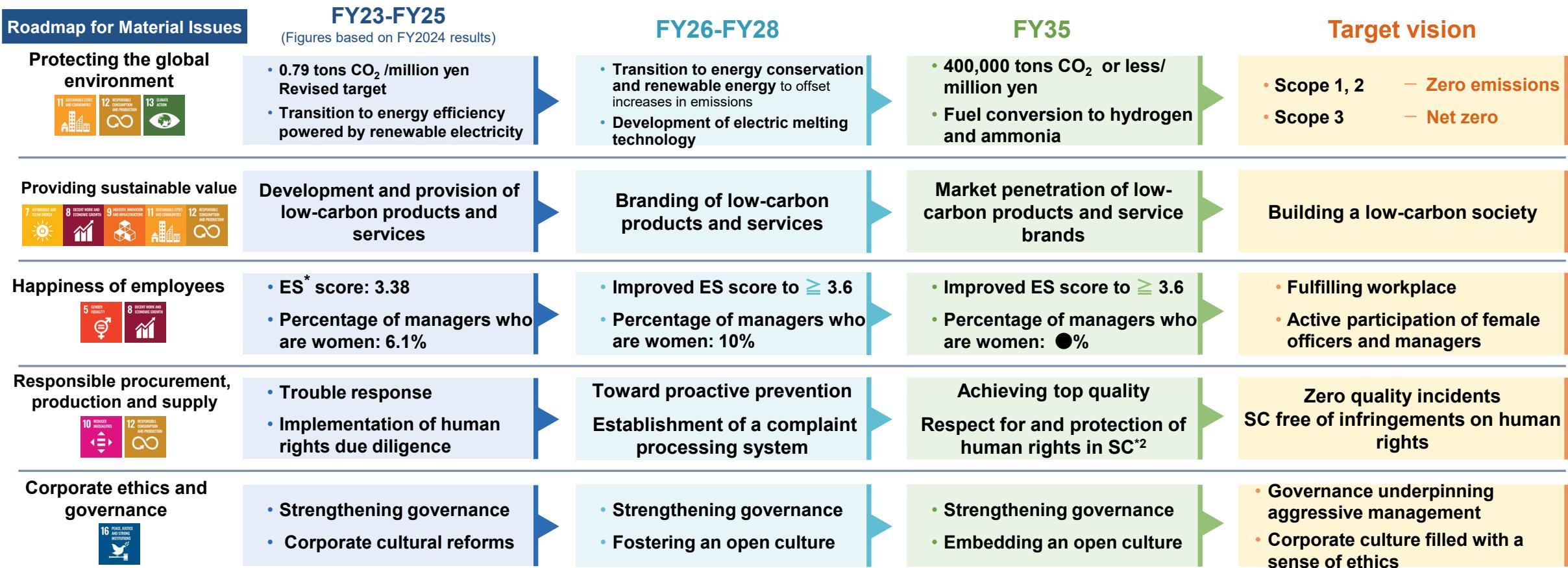
Material Issues (Materiality) ➤ Key KPIs and Assessment

■ Continue to rigorously review KPI setting and progress, with any delays in initiatives to be addressed through catch-up actions

The Five Material Issue Themes	Major Key Performance Indicator (KPI)	Target value	FY2024 results	Our assessment	FY2022 results	vs 22 MTP
Protecting the global environment 	● Scope 1 and 2 emissions per unit of sales (Japan)	-30% compared to the FY2013 level FY2050: Net zero	0.80 tons CO ₂ /million yen	○	1.38 tons CO ₂ /million yen	↗ Improved
	● Scope 3 emissions per unit of sales (Japan)	-30% compared to the FY2013 level FY2050: Net zero	4.91 tons CO ₂ /million yen	○	4.67 tons CO ₂ /million yen	↘ Declined
	● Number of environmental incidents and complaints	Continue to achieve 0 incidents and complaints	25 environmental incidents 9 environmental complaints	×	6 environmental incidents 7 environmental complaints	↘ Declined
Providing sustainable value 	● Growth rate of sales of products for eco-friendly vehicles (Japan/compared to the FY2021 level)	Up 300%	Up 80%	△	30%	↗ Improved
	● Rate of purchase of external scrap (overall Group)	Above 30%	36%	○	30%	↗ Improved
Happiness of employees 	● Number of lost-time injuries	Continue to achieve 0 incidents and complaints	15	×	16	↗ Improved
	● Employee engagement score (Japan)	3.6 or higher	3.35	△	-	Set in FY23
	● Percentage of managers who are women (consolidated)	FY2024: 7% or above FY2030: 10% or above	6.1%	×	5.7%	↗ Improved
	● Percentage of childcare leave taken by male employees (Japan)	FY2024: 30% or above FY2030: 100% or above	80%	○	40%	↗ Improved
	● Percentage of regularly hired career track workers who are women	20% or higher	27%	○	-	Set in FY23
	● Annual number of employees who completed next-generation management training	10 or more trainees	15	○	16 trainees	→ Maintained
	● Percentage of managers who completed new manager training	100%	100%	○	100%	→ Maintained
Responsible procurement, production and supply 	● Number of serious quality problems that occurred	Continue to achieve 0 incidents and complaints	36	×	12	↘ Declined
	● Joining the relief organization	Membership continued	Membership continued	○	Continued enrollment	
	● Number of responses from major suppliers*3 to a questionnaire survey to check that they understand and have approved our CSR procurement policy	500	485	○	(78%)	Set in FY23
	● Number of BCP training sessions held	3	3	○	-	Set in FY23
Corporate ethics and governance 	● Number of quarterly interviews with investors held	84	120	○	-	Set in FY23
	● Number of self-assessments conducted by the Board of Directors	Once/year	1	○	1	→ Maintained
	● Number of times Outside Officers inspected business locations	Twice/year	2	○	3	↘ Declined
	● Percentage of officers and employees who received compliance training (consolidated)	Annual percentage of 80% or above	20%	×	15%	↗ Improved

NLM Group's Sustainability Management Roadmap

- Although we faced several major challenges in terms of risk, we are in the process of overcoming them. The management reforms and enhancements to internal controls undertaken during this process will now be leveraged on the opportunity front, driving further progress toward the next MTP.



* Engagement Survey

*2 Supply chain

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External Evaluation

ESG Evaluation



Release of the Integrated Report 2025



Notes on this document

1. This document is intended to provide information on future management strategies, and not to solicit the purchase or sale of the marketable securities issued by the Company.
2. The forward-looking statements, including future trends and earnings estimates, are not historical facts and involve risks and uncertainties, and therefore do not guarantee future performance. Actual financial results may differ materially from the estimates due to various factors, including unpredictable changes in economic conditions. Significant factors that may affect actual financial results include but are not limited to the economic climate surrounding the Group, social trends, and changes in the Group's relative competitiveness in line with the demand trends for the products and services provided by the Group.
3. The matters described in this document reflect the views of the Company at the time of its preparation and are subject to change without prior notice.
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