DIALOGUE

Sustainability Initiatives

Expanding the Reach of Our Sustainability Both Inside and Outside the Group by Integrating Sustainability Initiatives into Our Value Creation Process

To realize sustainable value creation, the Bandai Namco Group must promote its business activities and sustainability activities as the two pillars. In this section, the Group's Chief Sustainability Officer (CSO) Noriko Fujita, who oversees Groupwide sustainability initiatives, joins the General Manager Matsuhashi of the Toys and Hobby Business and the Manager Matsumoto, who is responsible for promoting sustainability across the Group, to discuss current initiatives, the progress made to date, and key challenges for the future.

Driving Sustainability Activities and Business Activities as the Two Pillars of Our Value Creation Process

Fujita Awareness of sustainability has steadily grown within the Group thanks to the broad range of initiatives we have been promoting. These include not only employee training and awareness-raising events but also the Group's internal recognition program and the incorporation of sustainability perspectives into the officer remuneration system of the holding company. In particular, there has been an increase in initiatives that draw on the strengths and characteristics of our businesses. Sustainability initiatives are an integral part of the Group's value creation process. By advancing them in tandem with our businesses as they continue to grow, the initiatives themselves can remain sustainable. As CSO, I intend to draw on my business experience to not only formulate sustainability strategies and disclose performance data but also increase and expand sustainability activities that are uniquely Bandai Namco and lead to enhanced value.

Matsuhashi At Bandai Spirits Co., Ltd., I am in charge of operating the model kit business. The Gunpla Recycling Project, which started in 2021, has garnered a great deal of social attention as a pioneering initiative and has contributed to the enhancement of the *Gundam* brand. Going forward, as further differentiation becomes a key challenge for us, we will use the acquisition of SGS green mark certification as an opportunity to further develop the project, integrate it more closely with our business operations, and advance it to the next stage.

Matsumoto In Spring 2026, I transferred from a business company to the Sustainability Management Department of the Company. In my new position, I provide support to each Group company regarding legal compliance and information disclosure. While I grapple with new knowledge every day, I hope to engage with as many people as possible and gather information and opinions from the front lines. My personal impression is that, while awareness of sustainability issues has improved across the Group, there are still differences in terms of how employees personally relate to these issues based on the businesses in which they work.

Fujita It is true that the social issues each business deals with differ depending on the nature of that business, and it can thus be difficult for employees to relate to those issues personally. As sustainability becomes more widely recognized as an important issue for our businesses, I will draw on my experience to further strengthen its connection to business and corporate value. I will also expand sustainability efforts across the Group by promoting the sharing of best practices across business Units and supporting a deeper understanding of relevant issues. As I work to do so, I am personally paying close attention to the efforts of Mr. Matsuhashi and other members of the hobby products business, who are continuing to pursue new challenges.

Transitioning from Reducing Costs to Enhancing Added Value

Matsuhashi As we enter the next stage, we need to go beyond viewing sustainability as a cost and instead see it as a catalyst for generating business value and added value. At our production sites, we have been promoting a transition to in-house material recycling, starting with the elimination of processes such as resin sorting and re-pelletizing. One of the key challenges in this endeavor was achieving consistent quality. However, through trial and error, we were able to put in-house material recycling into practice by leveraging the technological expertise cultivated through *Gundam* model kit production and rethinking conventional assumptions about the risk of damage to molds and molding machines. Furthermore, the materials produced through our in-house recycling process are our lowest-cost materials, helping us reduce overall manufacturing costs. These efforts not only enhance our frontline technological capabilities but also demonstrate how sustainability can help evolve *Monozukuri* (craftsmanship).

Fujita When I visited the Bandai Hobby Center, I could feel how extremely positive the frontline personnel were toward their work and how they enjoyed taking on new challenges. Thanks to their efforts, I was able to gain various insights and ideas that can be applied to other business domains.

Matsuhashi In the future, going beyond simply reducing costs, we aim to explore the potential for enhancing added value in such ways as turning used plastics into higher-value products. If we can leverage plastic and resins not simply as materials but as products with their own background and story, we have the opportunity to create entirely new types of businesses. Sustainability should not be viewed as a sacrifice or burden. Instead, it should serve as the source of new ideas for delivering new entertainment to fans.

Matsumoto Rather than doing so as an obligation, we promote sustainability in a manner that aligns with our business strengths in order to create new value. I feel that this kind of approach draws on the unique nature of Bandai Namco.

Promoting Sustainable Activities Together with Fans

Fujita The diverse IPs and forms of entertainment the Group develops have the potential to serve as a major catalyst for changing the awareness and behavior of fans. Creating experiences that make fans think, "Before I knew it, I was involved," or "I gave it a try and really enjoyed it," is something uniquely Bandai Namco. Looking ahead, we will expand our unique sustainability activities around the world to connect the world with smiles.

Matsuhashi You are right. In addition to delivering a message to the world, IPs have tremendous potential. In addition, we have the *Monozukuri* expertise to bring virtually any idea to life. By drawing on these two strengths and engaging with stakeholders inside and outside the Group, we will turn our awareness of sustainability into highly innovative products. We will also work to strengthen connections between our manufacturing personnel and fans in unconventional ways, thereby expanding the scope of our sustainability activities.

Matsumoto I will continue to engage in close dialogues with Group employees in an effort to foster a shared understanding of the principles and values that underpin each initiative. When employees feel inspired by and relate closely to our corporate philosophy, this creates new momentum and helps us engage in more meaningful communication with our fans. In turn, this contributes to value creation that is uniquely Bandai Namco.

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