

INITIATIVES FOR PLASTIC ENVIRONMENTAL CONSIDERATION

Plastics have been used in many fields and applications as useful materials that support modern society. In recent years, however, there have been cases when the excessive use and inappropriate disposal of plastics have led to environmental problems such as marine plastic pollution. Another issue is that plastics result in large emissions of CO₂ during their life cycle, from production to disposal.

The Bandai Namco Group has positioned “sustainable use of resources and raw materials” as one of the key items within its material issue of “Harmony with Nature.” To date, each Group company has been working to reduce use and promote efficient use of raw materials, including natural resources, and to curtail and reduce waste generation.

To further promote and actualize these efforts, the Bandai Namco Group formulated the Bandai Namco Group Plastic Environmental Consideration Policy in April 2025. Under this policy, we will focus even more on reducing and recycling plastic than before.

Bandai Namco Group Plastic Environmental Consideration Policy

The Bandai Namco Group is dedicated to responsible plastic use, aligning our passion for entertainment with our environmental responsibilities.

We acknowledge the environmental toll of single-use plastics and are actively addressing this challenge. By integrating recycled plastics and alternative materials into our products and packaging, we are striving for a sustainable future where waste is reduced and resources are used more efficiently.

Established: April 1, 2025

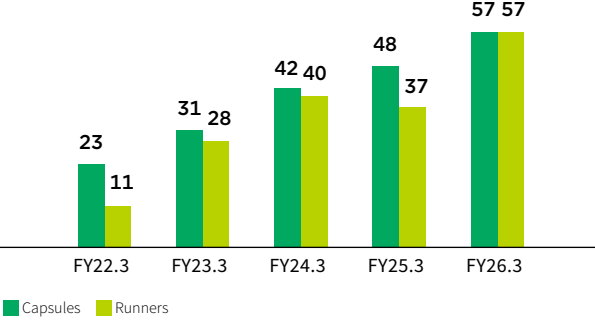
Main Activities: Results and Future Plans (as of September 2026)

	Bandai Namco Holdings	Group companies in Japan and overseas
FY2025.3	• Conducted survey on plastic usage at main Group companies	
FY2026.3	• Formulated and released the Bandai Namco Group Plastic Environmental Consideration Policy • Conducted survey on plastic usage at business management companies and in the Toys and Hobby Unit	• Advance initiatives for reducing the use of petroleum-derived plastics —Utilize alternative materials —Actively use recycled plastics —Reduce the usage of prize bags
FY2027.3	• Work with external partners to explore measures for expanding plastics recycling	• Promote product recycling

Promotion of Recycling of Used Plastics

The Bandai Namco Group is promoting the sustainable use of plastics in order to make effective use of the useful properties of plastics and continue to create more entertainment. We are promoting the collection and recycling of used plastics, including Gunpla runners, Gashapon® capsules, card pillow packaging, and other plastic materials at the Group's amusement facilities and other locations across Japan, as well as stretch film at logistics facilities. We are also working to make effective use of limited resources, including by using waste plastic discarded at factories as RPF.

Amount of Gashapon Capsule Recycling and Gunpla Recycling Project (ton)



MESSAGE

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Expanding the Recycled Cotton Project

Achieving Both Business and Sustainability Through Stuffing Material That Consumers Rarely See

In the Prize Business Division of Bandai Spirits Co., Ltd., we are moving forward with the Recycled Cotton Project, an initiative to replace the stuffing material used in plush prize products with recycled cotton alternatives derived from PET bottles. The initiative began when members of the division started to explore ways we could contribute to the environment through our business operations, given that sewn products account for a significant portion of our product lineup. As a result, we concluded that by focusing on the stuffing material, which customers rarely see, rather than the outer fabric, we could switch a material used in large quantities to a more environmentally responsible one while minimizing any impact on product appeal and quality.

The introduction of recycled cotton was not straightforward, as it is slightly darker than conventional cotton and differs in elasticity. Depending on the color and shape of the plush toy, these differences can affect its appearance and ability to retain its shape during transport. We therefore sourced multiple types of cotton stuffing alternatives and carefully evaluated each one for compatibility with individual products. In addition, it was necessary for partner

factories to establish management systems, such as separating storage locations, mixing equipment, and workflows, to prevent conventional cotton from mixing with the recycled alternative.

Since its trial introduction in 2020, the Recycled Cotton Project has steadily expanded. In FY2026.3, recycled cotton alternatives equivalent to 45.5 million PET bottles were used in 378 products, totaling more than 10 million units. We are increasing the number and volume of products incorporating recycled cotton alternatives and aim to expand the initiative even further in the future. Furthermore, through information sharing at sustainability promotion meetings held within the Toys and Hobby Unit, the initiative is also being expanded to other Group departments that handle sewn products.

At the moment, we have still not introduced recycled cotton alternatives at all our partner factories. However, we are expanding its adoption to additional factories based on the results achieved at those where it has already been introduced. We aim to increase the proportion of sewn products using recycled cotton to as close to 100% as possible. Because the stuffing is not visible to consumers, we can naturally incorporate environmental considerations while maintaining product quality. As an initiative that balances business and sustainability, we will continue to expand the use of recycled cotton.