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Mazda Motor Corporation
Nippon Steel Corporation

Mazda and Nippon Steel Strengthen Collaboration

- Co-Creating Supply Chain that Combines Value Creation and Cost Reduction -

Hiroshima and Tokyo, Japan – Mazda Motor Corporation and Nippon Steel Corporation today announced that they have applied the results of their co-creation activities, redefining the traditional relationship between finished vehicle manufacturers and materials suppliers, to the development of the All-New MAZDA CX-5 crossover SUV which Mazda unveiled to the world in July. The two companies have succeeded in developing an optimal body structure in a short time.

In the automotive industry, the relative value, significance, and risks are evolving due to various factors such as electrification, smart technologies, environmental initiatives, requirements to have Business Continuity Plans for the supply chain due to geopolitics and national policies, as well as price hikes of materials and parts. In addition, with the digitization of vehicles and shift to software-centric design, the value chain must also transition to a "new manufacturing" structure based on horizontal collaboration and co-creation.

Mazda's 2030 Management Policy calls for cost reduction and supply chain reinforcement. The Company aims to build a robust supply chain that will enhance its ability to reduce costs and resist production cutbacks not only by focusing on product and manufacturing costs, but also by structurally eliminating muri, mura, and muda – forms of inefficiency and waste – throughout the entire supply and value chain. To this end, Mazda is promoting unique co-creation activities with like-minded suppliers, based on the premise of long-term relationships, to achieve rational and efficient manufacturing throughout the supply chain from the early development stage, while growing together to increase value and reduce costs.

The first tangible results of Mazda and Nippon Steel's co-creation activities have been realized in the All-New MAZDA CX-5. Based on the long-standing business relationship, Nippon Steel’s involvement from the early stages of the development process enabled Mazda to reassess the entire supply and value chain, including design, production, and procurement, resulting in an optimal car body structure within a short period of time. By incorporating “NSafe^{TM}-AutoConcept ECO^3(NSAC ECO^3)”, Nippon Steel's next-generation automobile concept, and synergies between Mazda's model-based development and Nippon Steel's proprietary analysis technologies and construction methods, Mazda achieved notable improvements in body performance. The new model features a 10 percent reduction in steel weight compared to the previous model, while maintaining the vehicle's body performance, including rigidity and collision safety, enhancing driving pleasure.

In addition, the two companies worked together on the selection of steel sheet materials from the early development stage and were able to select a steel sheet manufacturing plant of Nippon Steel that is close to Mazda's vehicle assembly plant. This simplified the procurement structure and contributed to reductions in transportation costs and CO_2 emissions, inventory reduction in the supply chain, reduction

of geopolitical risks and stable supply, as well as indirect production cost reductions for both companies.

Looking ahead, Mazda and Nippon Steel will continue to expand the scope of their collaboration to cover additional vehicle models. Their shared goal is to build a resilient supply and value chain capable of generating value and reducing costs across multiple model lines.

Takeshi Mukai, Director and Senior Managing Executive Officer, Mazda Motor Corporation (left),
Takashi Hirose, Representative Director and Executive Vice President, Nippon Steel Corporation (right)

Takeshi Mukai, Director, Senior Managing Executive Officer and CSCO, Mazda Motor Corporation, commented: “Mazda has made great progress in advancing "new manufacturing" through our co-creation activities with Nippon Steel Corporation. Mazda will continue to aim to realize a strong management base and high management efficiency through structural reform and co-creation of the customer-driven supply chain. Our aim is to continue contributing to the future of manufacturing in Japan. As part of the second phase of our 2030 Management Policy, we are targeting cost reductions of 100 billion yen and improvements in fixed cost efficiency of an additional 100 billion yen.”

Takashi Hirose, Executive Vice President and Representative Director of Nippon Steel Corporation, commented: "Through its co-creation activities with Mazda, Nippon Steel is promoting collaboration not only in the development of steel products, but also in a wide range of areas including design, processing, and mass production processes. By sharing a common philosophy and embracing industry-first challenges, the two companies are creating multifaceted results and synergies. We will continue to deepen our technological integration and aim to further enhance the value of our co-creation.”

<Reference>

- Mazda: 2030 VISION / 2030 Management Policy
  https://www.mazda.com/en/about/vision/

- Mazda: Mid-term Management Plan Update and Management Policy for 2030
  https://newsroom.mazda.com/en/publicity/release/2022/202211/221122a.html

- Nippon Steel: NSAC ECO^3
  https://www.nipponsteel.com/news/20250513_300.html

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*1 From “NSafe^{TM}-AutoConcept ECO^3”, Nippon Steel's next-generation automotive concept, "high-bending 2.0 GPa class hot stamping steel sheet" that combines car body weight reduction and improved crash performance. The related news release is available at https://www.nipponsteel.com/newsroom/news/2025/20251023_100.html (“NSafe^{TM}-AutoConcept ECO^3” is a registered trademark of Nippon Steel Corporation)