

# Sustainability (E)

## Environmental Management

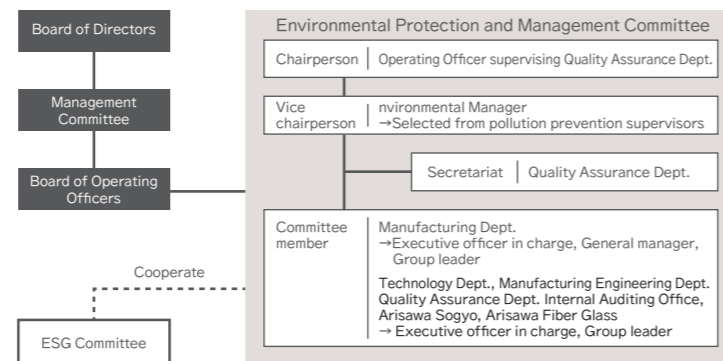
### Environmental Policy

Our corporate group will carry out the following measures in order to reduce environmental loads and promote environmental conservation for our overall business activities from development and design to manufacturing of electronic materials, industrial application structural materials, electrical insulation materials and display materials, and to contribute to solving the social and environmental issues and realize the sustainable growth.

- ❶ To strive towards the prevention of environmental pollution by accurately determining the environmental impact of our business activities, products and services.
- ❷ To comply with environmental laws, regulations, agreements and other requirements to which we have agreed.
- ❸ To establish and carry out "Environmental Goals" and review them periodically in promoting environmental activities.
- ❹ To develop the products and technologies contributing to reducing environmental loads.
- ❺ To strengthen the management of hazardous chemical substances which might have an impact on the environment.
- ❻ To strengthen the management of air, water, and soil pollution and strive to maintain biodiversity.
- ❼ To work toward resource saving, energy saving, industrial wastes reduction and recycling promotion.
- ❽ To contribute to reducing greenhouse gas and creating a recycle-based society by introducing renewable energy and recyclable resources.
- ❾ To raise awareness of all employees through environmental education and enlighten them so that they will take responsible actions for a sustainable society.
- ❿ To continually improve the environmental management system by performing periodic internal environmental audits and management reviews.

### Promotion Structure of Environmental Protection

Environmental protection activities are promoted as a whole by the factories and affiliates on the premises at three sites (Minami-honcho, Nakadahara, and Nakadahara-nishi) in Joetsu-shi. The Environmental Protection and Management Committee uses the PDCA cycle and is engaged in the protection activities in cooperation with the ESG Committee.



### Material Balance

Our group strives to reduce environmental loads by understanding the balance between energy and resource inputs in business activities and CO<sub>2</sub> and waste emissions generated as a result.

INPUT		FY2021	FY2022
<b>Energy Inputs</b>			
Fuel	Sum (crude oil equivalent)	8,663 kL	7,332 kL
	City gas	7,456 千m <sup>3</sup> N	6,307 千m <sup>3</sup> N
	LPG	5.0 ton	4.0 ton
Electricity	(crude oil equivalent)	9,544 kL	8,100 kL
	Electricity	38,117 千kWh	32,327 千kWh
<b>Purchased items</b>			
	Sum	10,262 ton	9,009 ton
	Raw materials	9,264 ton	8,078 ton
	Incl. organic solvent	580 ton	608 ton
	Secondary materials	998 ton	931 ton
<b>Water inputs</b>			
	Total inputs	380.5 千m <sup>3</sup>	307.9 千m <sup>3</sup>
	Surface water	153.6 千m <sup>3</sup>	136.9 千m <sup>3</sup>
	Underground water	226.9 千m <sup>3</sup>	171.0 千m <sup>3</sup>

OUTPUT		FY2021	FY2022
<b>CO<sub>2</sub> emissions</b>			
	Sum	32,564 ton	26,681 ton
	Fuel	16,747 ton	14,165 ton
	Electricity	15,817 ton	12,516 ton
<b>Organic solvent air emissions</b>			
	Substances subject to the PRTR system	110 ton	135 ton
<b>Industrial emissions</b>			
	Sum	1,658 ton	1,643 ton
	Recycled (reused)	1,605 ton	1,596 ton
	Landfill disposal	53 ton	47 ton
<b>Chlorofluorocarbon emissions</b>			
	Emissions by a chlorofluorocarbon	— ton	1.12 ton

Period covered: FY2022 (April 2022 to March 2023)  
 Business sites: Joetsu Head Office and Minami-honcho Factory (including Arisawa Fiber Glass Co., Ltd. and Arisawa Sogyo Co., Ltd. within the premises)  
 Nakadahara Factory (including Arisawa Sogyo Co., Ltd. within the premises)  
 Nakadahara Nishi Factory (including Arisawa Sogyo Co., Ltd. within the premises)

## Environmental Targets, Results and Assessment for FY2022

We have established the environmental management system in accordance with ISO 14001, and we identify and evaluate important environmental risks and opportunities through its operation and determine how to address environmental issues.

No.	Environmental	Target Values	Results	Evaluati
1	Develop the products and technologies contributing to reducing environmental loads	Develop 6 items or more during the period	Developed 6 items	Achieved
2	1) Survey environmental hazardous materials of existing purchased specifications	Obtain data and guarantees as required	230	Achieved
	2) Grasp the disclosure of CSR procurement policy and the measures of suppliers	Survey 30% of sellers	31%	Achieved
3	Neither cause a new environmental pollution or health damage, nor commit the material violation of laws and regulations to sustain biodiversity	Commit no material violation of laws and regulations	0	Achieved
4	1) Save energy (reduce electricity and city gas)	Save energy at Minami-honcho Factory Reduce energy amount kL by 1% compared to the past results, or reduce energy amount kJ/processing output by 1% compared to the previous year	Reduced by 18% compared to the past results Reduced by 1.1% compared to the previous year	Achieved
		Save energy at Nakadahara Factory and Nakadahara Nishi Factory Reduce energy amount kL by 1% compared to the past results, or reduce energy amount kJ/processing output by 1% compared to the previous year	Reduced by 18% compared to the past results Reduced by 3.6% compared to the previous year	Achieved
	2) Achieve zero emissions (recycling rate = amount of recycling / amount of industrial waste disposal)	Maintain a recycling rate of 90% or higher	97.1%	Achieved
5	3) Reduce industrial waste	Reduce industrial waste by 2% compared to FY2020	Reduced by 5.8% compared to FY2020	Achieved
5	Reduce CO <sub>2</sub> emissions (achieve carbon neutrality by FY2030)	Reduce CO <sub>2</sub> emissions by 21% compared to FY2020	Reduced by 37.3% compared to FY2020	Achieved
6	1) Conduct a general education and training	Conduct once a year at each department	Conducted	Achieved
	2) Conduct training for employees engaged in specified work	Conduct once a year at a relevant department	Conducted	Achieved
	3) Conduct training for hired and transferred employees	Conduct at hiring or transferring	Conduct as required	Achieved
7	1) Conduct volunteer activities	Conduct once a year or more	Conducted once	Achieved
	2) Issue an environmental report	Publish on our website in October	Issued in October	Achieved

### Environmental Compliance

We received two complaints about noise from neighborhood in FY2022.

Both were due to the operating sound of air conditioner compressor units. We obtained the neighborhood's approval by implementing measures, such as installing soundproof shielding plates on the units, changing operating hours, and limiting the number of units in operation.

We will continue to promptly respond to complaints about environmental issues through communication with parties concerned.

### Employee Education on Environment

We conduct general education every year aimed at increasing employees' environmental awareness, including compliance with environmental laws and regulations related to our business activities, sharing of information with stakeholders, and spread of our environmental targets.

In addition, we have established the procedures for preparing for and responding to emergency, including the prevention of environmental pollution due to disasters and accidents, and conduct education and training every year at the factories and research facilities at high environmental risks. No incidents occurred that could have a major impact on a surrounding environment in FY2022.

Furthermore, we are implementing measures to expand specialized knowledge, such as training ISO 14001 internal auditors and educating employees engaged in specific tasks.

# Sustainability (E)

## Responding to Climate Change

We support the recommendations by the Task Force on Climate-related Financial Disclosures (TCFD). We have also participated in the TCFD Consortium, a platform where supporting companies and financial institutions discuss. We consistently improve our environmental protection activities by promoting the reduction, etc. of electricity and gas consumption, hazardous chemical substance, and industrial waste in accordance with the Environmental Policy, as the Environmental Protection and Management Committee deliberates on the activities.

Under the philosophy that the solution of environmental issues leads to value creation for society as well as the reduction of business risks, we publicized “Carbon Neutral Initiatives” on our website in June 2021 because we especially recognize climate change as a pressing issue.

**ESG Policy** In all aspects of our business activities, Arisawa actively addresses a variety of issues related to environment, society and governance and aims to achieve sustainable growth.



### Governance (Promotion Structure)

We established the ESG Committee in December 2021 in order to take the lead in addressing climate change issues.

At the committee, a director and senior managing operating officer serves as a chairperson, and operating officers and general managers of each division serve as members, promoting the organized activities.

The ESG Committee deliberates four times a year on themes, such as responding to climate change, realizing a decarbonized society, respecting for human rights, considering for working environment, and having fair and appropriate transactions with business partners, in addition to enlightening and promoting sustainability-conscious management.

Important matters to be deliberated and the status of the activities, etc. are regularly reported by each committee to the Board of Operating Officers, the Management Committee and the Board of Directors, and the Board of Directors makes the final decision.

Please refer to the ESG Promotion Structure on page 19 for a promotion system on ESG.

### Metrics and Goals

We have implemented various measures to improve energy use efficiency. From now on, we will not only expand the deployment of the measures, but also aim to achieve carbon neutrality in FY2030 (compared to CO<sub>2</sub> emissions in FY2020)\* in terms of direct emissions (Scope1) and indirect emissions (Scope2) by using renewable energy and purchasing carbon neutral gas as well as promoting the development of low-carbon products.

### Risk Management

We recognize that climate change-related risks are important management issues. Therefore, the ESG Committee identifies and assesses the climate change-related risks, and reports to the Board of Operating Officers, the Management Committee and the Board of Directors, thereby defining key issues. We improve our risk management system by managing these risks.

As for assessing the climate change-related risks, upon identifying climate change factors in businesses, we assume the changes of future regulations, and societal, technological and climate conditions for each 1.5°C and 4°C scenarios.

Please refer to the materiality and KGI on page 20 for the issues that we address and our vision for the future.

### Strategy

We analyzed the effects as of 2030 by using two scenarios, the 4°C scenario\* and the 1.5°C scenario\*, targeting at our whole supply chain from purchase, development, production to sales of products and services. Upon scenario analysis, the ESG Committee identified significant risks and opportunities related to climate change and assessed financial impacts that those would have.

\*Source: The Ministry of the Environment “Practical Guide for Scenario Analysis in line with TCFD Recommendations 3rd edition”

Risks				
Transition / Physical	Factors	Financial Impacts	Assessment	Responses
Transition Impact of transition to a decarbonized society	Carbon price (carbon taxes)	·Increase in operating costs due to the implementation of carbon taxes	[1.5°C]Large	·Set targets for energy saving and CO <sub>2</sub> emissions reduction in the company-wide environmental targets ·Set targets for achieving carbon neutrality by 2030 ·Save energy and purchase renewable energy ·Set targets for a recycling rate ·Reduce energy consumption by productivity improvement ·Consider renewing with energy-saving equipment in compliance with regulations ·Promote capital expenditure by introducing ICP
	Emissions trading	·Additional costs incurred for credit purchases, etc.	[1.5°C]Large	
	Response to GHG emissions regulations	·Increase in costs for renewing equipment fixtures with high efficiency ·Regulations on the use of chlorofluorocarbon	[1.5°C]Large	
	Plastic regulations	·Increase in costs due to regulations on plastic packaging materials	[1.5°C]Medium	
	Renewable energy policy	·Increase in energy costs due to higher renewable energy prices	[1.5°C]Large	
	Change in raw material costs	·Increase in procurement costs due to carbon taxes and other regulations ·Increase in raw material costs due to soaring crude oil and copper prices	[1.5°C]Large	
	Change in customer reputation	·Decrease in sales due to suspension in trading and market share loss when environmental friendliness cannot be addressed	[1.5°C]Large	
	Change in investor reputation	·Avoidance of investment and loan from financial institutions and investors when disclosing climate change-related information is delayed	[1.5°C]Large	
Physical Impact of natural disasters	Increased severity of extreme weather events	·Increase in costs to deal with the suspension of operations and logistics functions ·Delivery delay of procured materials ·Increase in procurement (transportation) costs	[1.5°C]Medium [4°C]Large	·Store inventory of four months' worth of raw materials whose replacements are not available in raw material procurement ·Require suppliers of BCP measures ·Dual vendor system ·Increase productive capacity with capital expenditure ·Renew aged buildings
	Rise in average temperature	·Increase in energy costs with increase in the frequency of the use of air-conditioners	[1.5°C]Small [4°C]Medium	

Opportunities				
Transition / Physical	Factors	Financial Impacts	Assessment	Responses
Transition Impact of transition to a decarbonized society	Emissions trading	·Additional revenue when emission allowances are excess	[1.5°C]Large	·Set targets for energy saving and CO <sub>2</sub> emissions reduction in the company-wide environmental targets ·Set targets for achieving carbon neutrality by 2030 ·Save energy and purchase renewable energy ·Set targets for a recycling rate ·Reduce energy consumption by productivity improvement ·Consider renewing with energy-saving equipment in compliance with regulations ·Promote capital expenditure by introducing ICP
	Progress of low-carbon technologies	·Increase in sales of materials for electronic parts due to the increased demand for EV ·Increase in sales of materials for fuel cell due to the increased demand for fuel-cell vehicles ·Increase in sales of materials for hydrogen generation devices due to the increased demand for hydrogen energy ·Increase in sales of carbon cloth prepregs and honeycomb materials due to the increased demand for the weight reduction of vehicles and aircrafts	[1.5°C]Large	
	Change in customer reputation	·Increase in market share by receiving a high reputation in markets when environmental friendliness can be addressed	[1.5°C]Large	
	Change in investor reputation	·Easiness to obtain investment and loan from financial institutions and investors when climate change-related information is disclosed more than other companies	[1.5°C]Large	
Physical Impact of natural disasters	Increased severity of extreme weather events	·Increase in sales of seawater desalination treatment devices due to the impact of water stress ·Increase in demand for and sales of electronic devices due to lower human mobility	[1.5°C]Medium [4°C]Large	·Promote sales in the electronic materials field and of filament winding products

Assessment (small, medium, large): analyzing quantitatively and qualitatively, and assessing relative impacts.

## Sustainability (E)

### Promotion of Circular Economy

#### Emission Policy

In order to realize a sustainable society, it is required to make an early transition to an economic system with less environmental impact; it is required to break away from an economic system (linear economy) that uses a large amount of natural resources and fossil fuels, produces and consumes a large quantity of industrial products, and disposes of these products in mass quantities and to make a shift to a circular economic system by treating as "resources" industrial products which are considered "waste" in the conventional economic system and circulate those by recycling (Recycle), reusing (Reuse) and reducing (Reduce).

We have been working to reduce and reuse emissions and waste generated by our business activities through the activities. To accelerate activities for reducing and reusing, we established the Emission Subcommittee within the Environmental Protection and Management Committee in FY2022.

**Long Term Targets for the Emission Subcommittee**

- [1] Reduce industrial waste emissions by 30% compared to FY2020 by 2050.
- [2] Achieve the zero emissions of industrial waste related to development and manufacturing by 2050.

Toward these targets, we will continue to reduce waste and recycle industrial waste that is not currently recycled.

#### Outsourcing Disposal of Hazardous Industrial Waste

We outsource the disposal of industrial waste to disposal operators. In compliance with laws and regulations, such as the "Act on Waste Management and Public Cleansing," we properly issue an industrial waste control documentation (manifest) and check the process up to the final disposal destinations. We also conduct on-site inspections (including document examinations) of disposal operators as needed to confirm that our emissions are disposed of properly.

#### Green Purchasing

The green purchasing ratio was 87.4% in value terms.

### Activity Results

Regarding the reduction of industrial waste emissions, we conduct monthly waste patrols in our factories to identify items that may be subject to reduction. Regarding zero emissions, we investigate whether any new materials are available for recycling, and work toward a goal of achieving a recycling rate of 90% or higher for a single year.

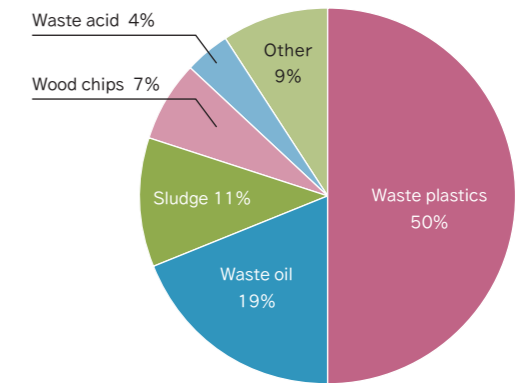
As a result, we are now able to recycle glass waste, PVC pipes and PVC cutting waste in FY2022. In addition, we are considering recycling by the distilled separation of cleaning waste liquid, separation of paper tubes with mouthpieces into steel and paper tubes, and compaction of plastic platelets.

### Industrial Waste and Recycling Rate

Industrial waste emissions were 1,643 tons. The breakdown of the emissions is 50% for waste plastic, 19% for waste oil, 11% for sludge, 7% for wood chips, 4% for waste acid, and 9% for other.

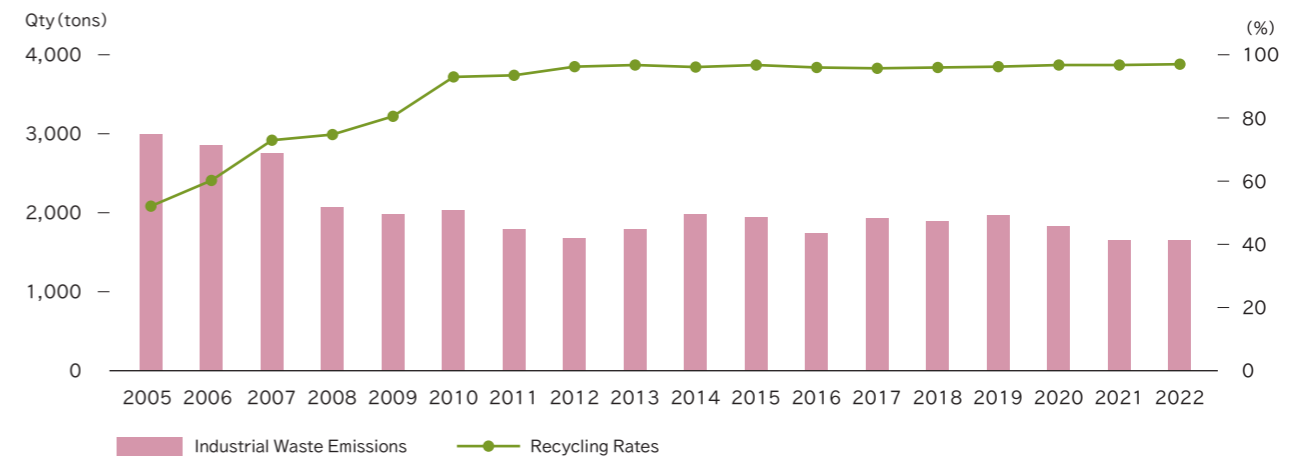
Waste plastic emissions were reduced by 0.4% from the previous year.

In order to achieve the zero emissions of industrial waste related to development and manufacturing by 2050, we are continuing to promote active recycling (thermal recycling or material recycling), and the recycling rate in FY2022 was 97.1%.



Types and Ratio of Industrial Waste

### Trends in Industrial Waste Emissions and Recycling Rates



## Sustainability (S)

### Human Resource Management

#### Human Capital Management Policy

Human resources are the source of value creation and the driving force to achieve sustainable growth and development for our group. With growing attention to diversity, collaboration, and health management, we will continue to improve a working environment and update human resource development plans to create workplaces that we can be proud of and feel comfortable and are eager to work in. To further enhance our corporate value, we are focusing on attracting and developing diverse human resources, including creative and flexible leaders and digital

human resources.

In FY2023, we established the Human Capital Subcommittee within the ESG Committee.

The Human Capital Subcommittee will work on a wide range of activities aimed at building an organization suitable for executing business strategies, such as improving the attractiveness of leaders, creating a better environment for employees in positions, examining a dynamic human resource portfolio, and relearning skills that are lacking in the organization.

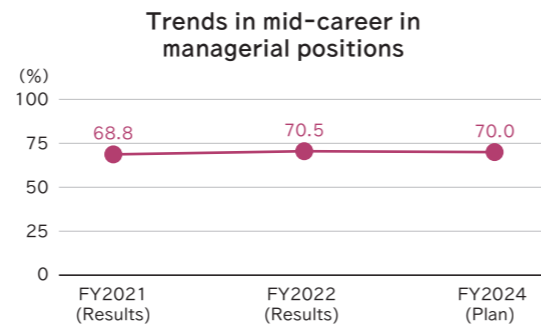
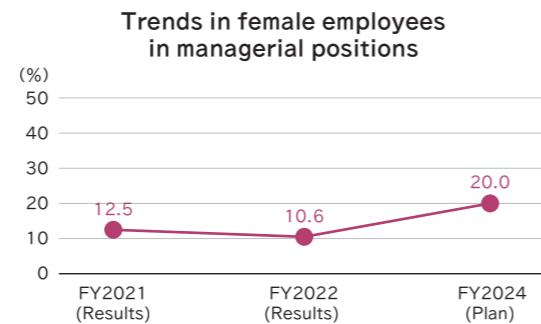
#### Initiatives on Recruitment and Ensuring Diversity

Our basic policy in recruitment is to ensure diversity and achieve equal opportunity, and we attract a diverse range of new graduates for research and development positions, regardless of region and school.

The first female director was appointed in June 2021, and two of the directors are female as of June 2023 through the implementation of various development plans and efforts to promote the active participation of women. In addition, the first female operating officer was appointed in June 2022 through internal promotion.

We will furthermore aim to increase the ratio of women in management positions to 20% by the end of FY2024. Additionally, in order to respond to environmental changes and take on new business challenges speedily, we also place emphasis on the mid-career hiring of professionals with advanced knowledge and experience in specialized fields.

We believe that new ideas and solutions are created by people with different backgrounds and experiences getting together and thinking about things from each perspective, which will lead to an increased corporate value. We regard diversity as an important management issue and will continue to promote it.



#### Human Resource Development

With regard to the human resource development, we aim to enhance job satisfaction for each and every employee and improve organizational power by striving to provide a wide range of opportunities for skill development, including improvement of basic skills with position-based trainings, external trainings, and self-development with e-learning.

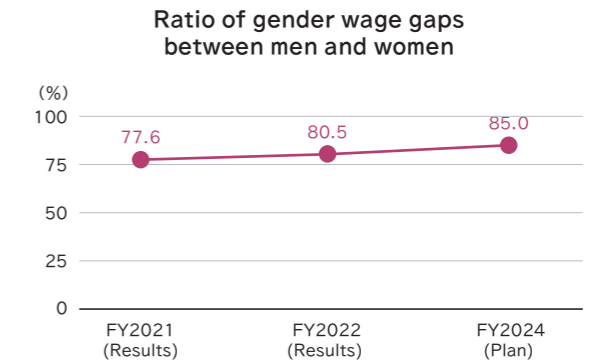
New employees receive one-on-one guidance from an individually assigned trainer and learn their tasks in accordance

with a new employee development plan. Career consultation by a career consultant or industrial counselor is also available. In addition, we are working to develop and promote human resources and future leadership candidates who can think independently and practice CIC, which is at the core of our management policy, through communication, such as direct dialogue between management and young employees in executive officer courses.

### Fair Evaluation and Treatment

We adhere to meritocracy regardless of age, gender, or career in recruiting, promoting and appointing, and have introduced a system to encourage the growth of employees through multidimensional evaluation and feedback based on the management by objectives (MBO).

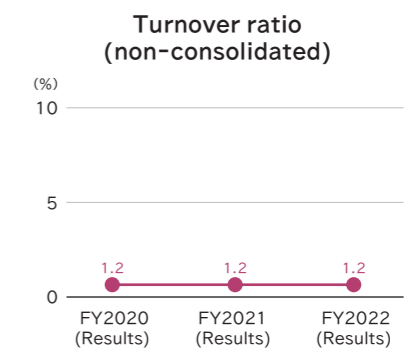
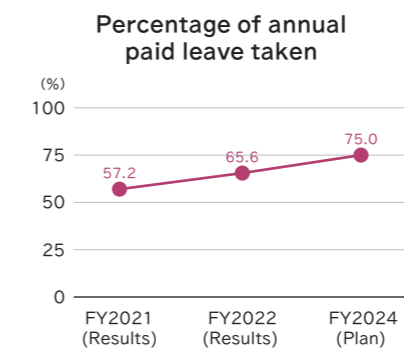
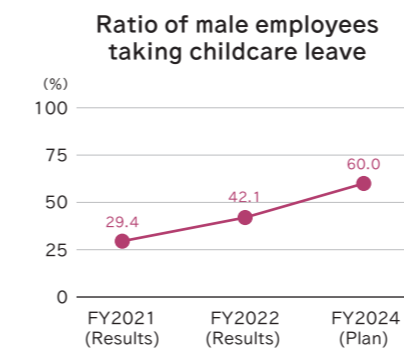
We also aim to build a strong organization through salary increases based on evaluations and an incentive system based on job responsibilities. Examples of the incentive system for employees include an employee stock ownership plan for employees in management positions, the allocation of bonuses based on performance evaluations, awards on Culture Day (awards to employees for long service, excellent work efficiency, and contributions to improving the company's performance), and a reward system for proposals that contribute to improved productivity.



### Promotion of Work-life Balance

As we value each employee's independence and creativity, and coexistence and co-prosperity with the company and protect workplace safety and physical and mental health, we are working on ensuring a healthy work environment that respects human rights and is free from discrimination. While giving first priority to ensuring human safety and health in all processes of our business activities, we will respect the personality and individuality of each and every employee, foster a free and open-minded corporate culture that respects diversity, and maintain a cheerful and rewarding work environment.

As an example, depending on a type of work, we have adopted systems, such as flextime, teleworking, and staggered working hours. As a result, the rate of male employees taking childcare leave and the percentage of annual paid leave taken are on the rise. We also support employee asset building through employee shareholding associations and selective defined contribution plans. It is a company's obligation to provide a comfortable work environment for its employees, and this contributes to high employee retention rates by making it easier to maintain work-life balance and improving operational efficiency.



### Corporate Culture

We do not use titles that imply hierarchical relationships, such as jyoushi (boss) or buka (subordinate), and encourage employees to address each other by attaching the Japanese honorific san to names. We believe that this will protect the health of our employees, create a comfortable workplace, and eventually improve productivity and encourage innovation, which result in increasing corporate value.

# Sustainability (S)

## Occupational Health and Safety

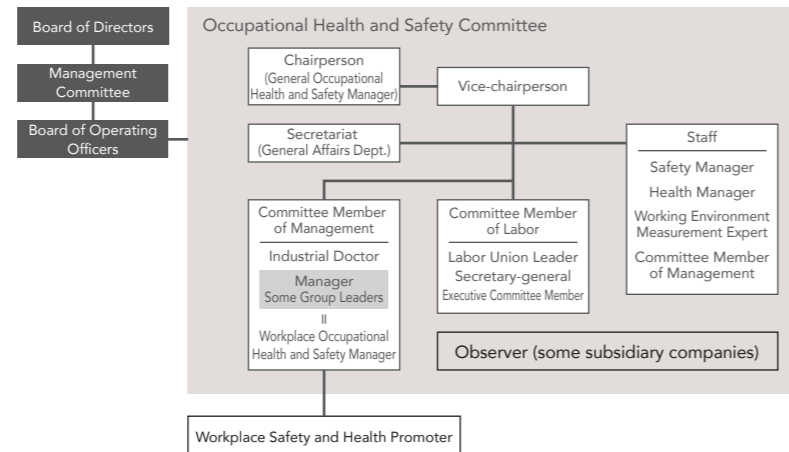
Under the “Safety Declaration” and “Our Action Guideline,” all of our employees and the employees of our subcontractors who work with us participate in promoting safety activities with the aim of achieving zero accidents.

<p><b>Safety Declaration</b></p> <ol style="list-style-type: none"> <li>1. We will aim to be a good company that places safety first, live up to the trust of our customers, and fulfill social responsibilities.</li> <li>2. We will build a safe and comfortable workplace through a zero accident campaign in which all employees participate, always keeping safety awareness in mind.</li> <li>3. We will not do or let anyone do risky behavior. We will build a disciplined workplace that follows standard work and rules.</li> </ol>	<p><b>Our Action Guideline</b></p> <p>We give the highest priority to safety, and fulfill our own roles and responsibilities for zero accidents.</p>	<p><b>Priority Goals of Occupational Health and Safety for FY2022</b></p> <ol style="list-style-type: none"> <li>1. Accidents are caused by habituation and carelessness. Always go back to basics and do standard work.</li> <li>2. Give a warning immediately if you see something unsafe. The words that are given and the feelings that are wished for are zero accidents.</li> <li>3. Safety greetings and pointing and calling are carried out by all.</li> </ol>
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### Promotion System of Occupational Health and Safety

At each workplace, group leaders carry out decisions as a workplace safety and health promoter. A director and general manager acts as a general occupational health and safety manager, who reports on important matters to and is monitored and supervised by the Board of Directors.

In addition, under the management policy of labor-management cooperation, we hold regular meetings with the union on occupational health and safety and outsourcing safety meetings to raise the safety awareness of all employees.



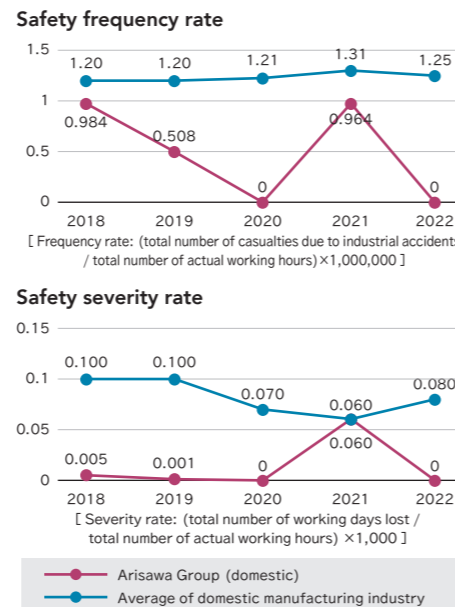
### Occupational Health and Safety Initiatives

To achieve the goal of “no accidents,” we continue to engage in daily safety activities, such as safety patrols, safety education and training, and occupational health and safety risk assessments as well as report on near-miss (hiyari-hatto) incidents at each workplace, hazard prediction training, 4S activities (4S stands for Seiri, Seiton, Seisou, and Seiketsu, or Sorting, Setting-in-Order, Shining, and Standardizing), and rotational safety announcements.

In order to prevent accidents and disasters, it is important to ensure the safety of manufacturing processes and the soundness of facilities and to continue stable operations. At each factory, we make plans to inspect and renew facilities, prioritize them according to risk and importance, and carry out inspections, repairs, and renewals in sequence. In addition, we are proceeding with risk assessments when installing facilities as a measure to prevent similar accidents from happening again, besides confirming the effectiveness of countermeasures using past accident cases.

As a response to emergencies, we have in place a disaster prevention system for self-protection at each business facility and conduct various disaster prevention drills in accordance with the annual plan in case an accident occurs. Specifically, we conduct company-wide fire drills, joint fire drills with a fire department, and company-wide earthquake drills (BCP activation drills).

We also maintain close contact with our domestic consolidated subsidiaries to share information and apply safety and other measures to them.



## Supply Chain Management

In 2022, we established the Procurement Subcommittee and announced the CSR Procurement Policy with the aim of procuring environmentally friendly products and services and building a supply chain free of social issues related to human rights, health, ethics and so forth.

We will actively promote CSR activities in order to fulfill social responsibilities through business activities. Through those activities, we will work to address a variety of issues and aim at sustainable growth in continuing our business activities.

### CSR Procurement Policy

#### 1. Establishing a Company Structure to Facilitate CSR (Corporate Social Responsibility)

- Develop management policies and action guidelines on CSR.
- Establish an organizational structure which promotes CSR.

#### 2. Fair Trade

- Prohibit the offering and receiving of inappropriate profits and advantages.
- Conduct trading through fair and free competition.

#### 3. Human Rights, Ethics, and Legal Compliance

- Prohibit human rights abuses (harassment, discrimination, abuse, and corporal punishment) and respect human rights.
- Prohibit forced labor and overwork, and appropriately manage working hours and days off.
- Have no relationships with anti-social forces (individuals and groups) and do not engage in transactions with such forces.
- Identify and comply with laws, regulations and rules applicable to business activities.

#### 4. Ensuring Quality and Safety

- Establish and implement a quality management system, and promote quality assurance activities.
- Comply with laws and ensure sufficient product safety regarding internally designed products.
- Identify risks, such as potential accidents, earthquakes, fires and flood damage, and establish a safe working environment.

#### 5. Environmental Consciousness

- Acquire a certification, such as the one of Environmental Management Systems (EMS), and promote environmental activities systematically.
- Comply with laws and regulations related to environmental protection pertaining to air, water quality, soil, and chemical substance.
- Work on environmental load reduction in our business activities (biodiversity conservation, and resource saving and energy saving).
- Appropriately manage and dispose of waste generated in operations in accordance with laws and regulations. Promote recycling and set a continuous reduction goal.

#### 6. Information Management and Contribution to Society

- Establish and appropriately manage an information security system.
- Take measures against internal and external threats, such as computer virus.
- Actively participate in social contribution activities.

#### 7. Business Continuity Plans (BCP)

- Establish BCP, and build and raise awareness about a risk management system to prepare for unforeseen situations.
- Promote efforts to suppliers.

#### 8. Responsible Mineral Procurement

- Prohibit and monitor the use of minerals which might serve as a source of funds for groups involved in internal conflicts and disputes.

### Procurement Initiatives

Based on the CSR procurement policy, we started a supplier survey using a CSR check sheet in FY2022. We will ask our major existing suppliers to complete a survey once every five years, and new suppliers, in principle, to complete a survey before starting business.

Of the approximately 300 suppliers of our raw materials, we conducted a questionnaire survey of approximately 150 suppliers in FY2022, and received responses from approximately 90 companies. As a result of totalizing the self-diagnosis, there were 10 suppliers with scores below 70, and we are getting alignment on items that require improvement.

In the future, we will establish a mechanism to regularly conduct a cycle of investigation, diagnosis, risk assessment, and follow-up.

### Respect for Human Rights

The CSR questionnaire includes questions on the reporting system for violations of basic human rights and legal and ethical violations, the consultation service, and the disciplinary policy and procedure. In the FY2022 survey, there were no negative responses regarding human rights due diligence, so we did not request any measures to prevent, mitigate, or suspend such issues. Furthermore, we believe that conducting surveys and interviews with individual employees of the suppliers will be one of our future tasks.

Regarding the working environment of the suppliers, we conduct fact-finding surveys on the production environment at the time of quality audits.

## Sustainability (S)

### Quality Improvement Initiatives

#### Quality Policy

Under our quality policy “Arisawa pledges to supply the high quality product that meets the reliability and needs of the customer by standing in the customer’s viewpoint,” we will implement the following activity guidelines. We believe that for a company to survive and develop sustainably, it is absolutely necessary to comply with laws and regulations and provide products of the quality that customers expect. In order to ensure thorough quality compliance, we will promote measures, such as enhancing education and strengthening quality fraud checking functions.

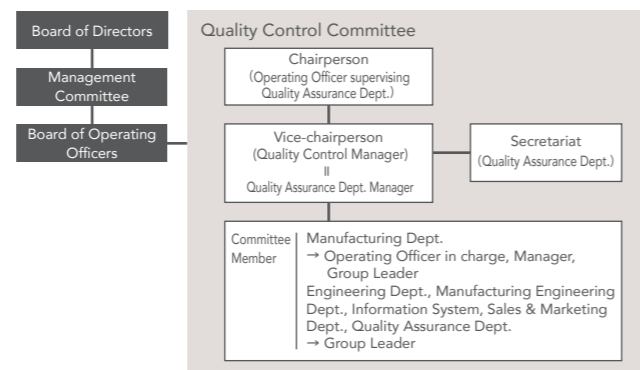
Activity Guidelines	1. We will regularly review our quality management system and continually improve its effectiveness in order to meet the requirements of ISO 9001/JIS Q 9100.
	2. We will monitor our manufacturing processes and strengthen control through our quality management system to ensure that the products we provide meet the needs of our customers and society and increase customer satisfaction.
	3. We will set the following quality targets and do our best in order to achieve the quality policy.
	(1) Reduction of complaints that are caused by the company
	(2) Reduction of internal percent defective
	(3) Proper operation and management of measuring instruments
4. We will set quality targets on a yearly basis and review them as necessary.	
5. We will conduct internal audits to confirm the effectiveness of our quality management system, and strive to maintain and improve it.	
6. We will provide education and training to all employees to ensure that they are fully aware of our quality policy in order to effectively utilize our quality management system.	

#### Quality Control System

We have acquired ISO 9001 (target sites: Arisawa Mfg. Co. and Arisawa Fiberglass) and JIS Q 9100 (target products: aircraft materials). Based on the quality assurance system we have established, we will work to improve the quality of our products and services.

In addition to the Company-wide Quality Control Committee (once a year), Factory Quality Control Committee (once a year), and Line Quality Control Committee (twice a year), which are held regularly, the Individual Quality Control Committee deliberates individual cases.

The structure of the Company-wide Quality Control Committee is shown in the figure on the right.



#### Quality Control Initiatives

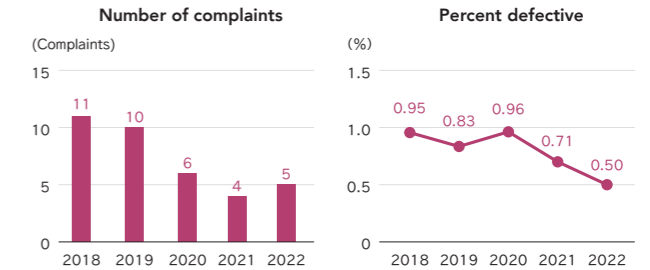
In the mass production of new products, the Quality Assurance Department and other related departments are involved from the design and development stages, conducting risk assessments and accompanying process risk patrols prior to the transfer of production. For existing products, the Quality Assurance Department and the Manufacturing Department jointly conduct the quality patrols of each process to identify potential risks and thereby prevent complaints.

In order to incorporate customer needs and improve customer satisfaction, we make improvements by reflecting evaluations and complaints from stakeholders in each process. This cycle enables us to improve our quality management system. Additionally, in order to maintain and improve the quality management system, we conduct internal audits twice a year to check the operational status.

### Targets and Results of Initiatives for FY2022

#### (1) Zero complaints that are caused by the company

By identifying potential risks and taking countermeasures with the use of FMEA and risk assessment, we not only reduce the risk of complaints, but also strive to raise the quality awareness of each and every employee and reduce human errors, such as careless mistakes, through quality education. In addition to complaints, we also took seriously and examined carefully the points raised by our customers and worked to correct them and prevent their recurrence in the same way as complaints.



#### (2) Reduction of Internal Percent Defective

Each manufacturing group set targets for major products and worked to reduce percent defective. Specifically, through interviews during the process patrols, we identified quality risks that operators and inspectors perceived on a daily basis from the bottom up, and prevented defects from occurring.

#### (3) Collaboration with Suppliers

We regularly evaluate suppliers for quality-related nonconformities and their responses on a regular basis and conduct supplier audits as necessary. We also hold regular quality meetings with the suppliers of major raw materials and raw materials used in important products to share customer and company requirements, and are promoting quality improvement initiatives.

#### (4) Customer Satisfaction Survey

We conduct customer satisfaction surveys twice a year to check requirements for us regarding technical support, delivery schedules and so forth, and are working to improve customer satisfaction from various aspects.

#### (5) Proper Operation and Management of Measuring Instruments

We keep our measuring instruments in proper condition at all times by sounding an alarm at each calibration cycle through the operation of the instrument management system.

#### (6) Management and Promotion of Quality Plans

- We achieved 100% of the quality targets of each department for FY2022.
- We passed the initial audit that integrated ISO 9001 and 14001. This has led to reductions in the number of man-hours and costs required for auditing.
- Standards are kept up-to-date and can be viewed by each department through the document management system.

#### (7) Quality Education

We conduct general education every year to disseminate company-wide and group-wide quality targets. Additionally, we conduct “education to provide products with higher quality” aimed at fostering quality awareness among all employees in the Manufacturing Department, as well as product safety and counterfeit product prevention training in departments subject to JIS Q 9100.

We strive to improve and strengthen our quality management system through close exchange of opinions with stakeholders, and by promoting employee education, we aim to instill in all employees an awareness of emphasizing quality from the perspective of stakeholders.

## Sustainability (G)

### Corporate Governance

#### Basic Concept of Corporate Governance

We have a corporate governance system in place to increase corporate value through sustainable growth and to maintain social credibility and is also making efforts to secure efficient and equitable management and to enhance management transparency through proactive disclosure.

In terms of management efficiency, to ensure expeditious decision making, we aim at management by a selected few and restrict the number of directors to the requisite minimum. We also employ the operating officer system to ensure speedy execution of operations and collect highly accurate information under the

decisions of the Board of Directors, where outside directors and outside corporate auditors attend.

In terms of equitable management, in line with the basic policy concerning the improvement of the internal control system, we improve organizations and systems for the purpose of ensuring legal compliance. In order to enhance transparency, we promote communication with our shareholders and general investors through IR activities, etc. and conduct disclosure practices as actively and promptly as possible.

#### Changes in Enhancement of Corporate Governance System

Although we are a company with a board of company auditors, we have in place the Assignment and Remuneration Advisory Committee, which is voluntary, that deliberates matters related to the appointment and dismissal of directors, appointment and removal of representative directors and directors responsible for business execution, succession plan and director remuneration, and reports to the Board of Directors.

The company's Board of Directors currently consists of four internal directors and five outside directors (including two female directors) for a total of nine directors. The evaluation of the effectiveness of the Board of Directors are conducted by a third-party organization to ensure fairness.

FY	Items	Board of Directors			Board of Corporate Auditors		Operating Officers			Served as directors
		Inside	Outside		Inside	Outside	Inside	Outside		
		Male	Male	Female	Male	Male	Male	Female	Female	
2015	· Issuance of corporate governance report	5	2		1	2	11		5	
2016	· Self-assessment of the effectiveness of the board of directors	5	2		1	2	11		5	
2017		5	2		1	2	11		5	
2018		5	2		1	2	11		5	
2019	· Non-renewal of the anti-takeover measures · Establishment of the Assignment and Remuneration Advisory Committee (voluntary advisory body)	4	2		1	2	11		4	
2020	· Assessment of the effectiveness of the Board of Directors by a third party organization · Introduction of exercising voting rights by an electromagnetic method	4	3		1	2	11		4	
2021	· Change of stock-based compensation for directors from stock options to restricted stocks	4	4	1	1	2	11		4	
2022		4	4	1	1	2	11	1	4	
2023		4	3	2	1	2	10	1	4	

#### Outline of Corporate Governance System

As for execution of operations, to ensure speedy execution and control of the management policy and management plans determined at the regular or extraordinary meetings of the Board of Directors, the Board of Operating Officers (comprising 1 chief executive officer and 10 operating officers for a total of 11 members) is in place in pursuit of management proactively and accurately.

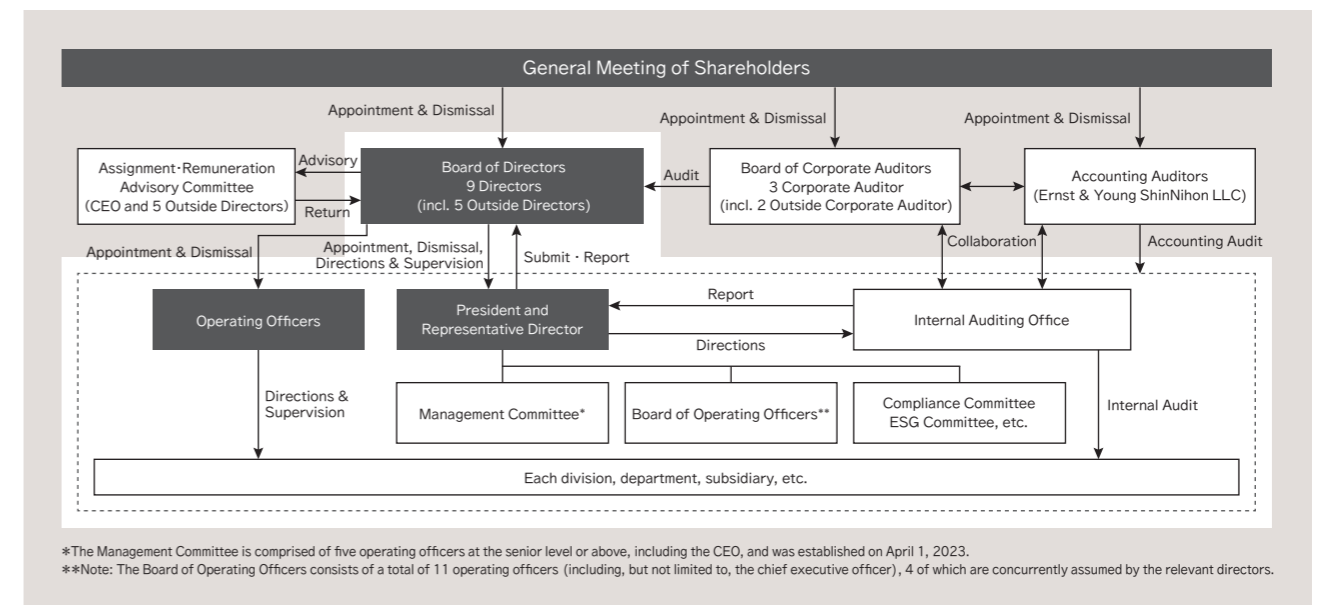
Each operating officer plans and promotes operations under his or her supervision upon approval at the Board of Directors or extraordinary meetings of the Board of Directors as well as the regular meeting of Management Committee (established in FY2023 to deliberate and coordinate basic management policies based on decisions of the Board of Directors, other important matters related to management, and to conduct preliminary deliberations on matters to be discussed at the Board of Directors meetings) or the Board of Operating Officers and strives for efficient and speedy execution of their duties pursuant to the Regulations for the Segregation of Duties and Official Authority, etc.

As an internal audit division, three full-time employees are assigned to the Internal Auditing Office, which is independent of

other organizations of the company and conducts scheduled audits and special audits as appropriate. As for the scheduled audits, an audit plan is made for each term pursuant to the relevant internal regulations, and audits are conducted after the final decision by the chief executive officer. Audit results are notified to the relevant departments along with specific advice and recommendations, while reporting to, and opinion exchanges with, the corporate auditors are also made.

The certified public accountants who conduct the accounting audit of the company are two members of Ernst & Young ShinNihon LLC, and the composition of assistants involved in the accounting audit work of the company is determined in accordance with the selection standards of the audit corporation and specifically includes 11 certified public accountants and 8 others.

The results of auditing by the internal audit division and the details of accounting audits by the accounting auditors are reported to the Board of Corporate Auditors, and the corporate auditors share in the recognition of such results in the course of their auditing to enhance their collective audit function.



#### Number of meetings held and main agenda items in FY2022

	Board of Directors	Board of Operating Officers	Assignment-Remuneration Advisory Committee	Board of Corporate Auditors
Chairperson	CEO	CEO	Outside Director	Full-time Corporate Auditor
Attendee	Director (including outside directors), Corporate Auditor (including outside directors)	Operating Officers, Corporate Auditor (full-time only)	CEO and Outside Director	Outside Corporate Auditor
The Number of Meetings	9times	15times	3times	9times
Deliberation Items	Quarterly financial results and performance forecasts, annual management strategy, medium-term business plan, governance, general meetings of shareholders, etc.	Quarterly financial results and performance forecasts, capital investments, annual management strategy, monthly business reports, etc.	Appointment and dismissal of directors, Remuneration of directors, etc.	Advice to internal audits, validation of accounting audit results, etc.

## Sustainability (G)

### Board of Directors

#### Approach to the Board of Directors' Diversity

The company's basic approach is to have the Board of Directors composed of individuals with a wealth of experience, deep insight, and a high level of expertise, within the limits of 15 directors and 4 corporate auditors set forth in the Articles of Incorporation, while taking into consideration their balance of knowledge, experience, and abilities related to each business and

operation. Regarding diversity, we have appointed multiple directors who have extensive experience in international business and who have experience as managers at other companies. The composition also takes gender and age into consideration.

#### Skill Matrix

In the medium-term business plan, we set the goal of aiming to maximize corporate value by executing a cycle of business strategies and financial strategies. We will pursue the business strategies to strengthen profitability by delving into existing businesses and creating new businesses and the financial strate-

gies to improve capital efficiency by converting non-business assets into business assets and returning profits to shareholders. The Board of Directors is comprised of individuals with the skills and insight necessary to achieve these goals.

Name	Corporate Management	Business strategy / marketing	R&D/ technological strategies	Finance / accounting / financial market	HR / labor / HR development	Legal / risk management	International experience
Representative Director Yuta Arisawa	○	○	○	○			○
Director Takeshi Masuda				○	○	○	
Director Osamu Nakajima		○	○				○
Director Makoto Tai		○	○				
Outside Director Koji Nakamura	○	○					○
Outside Director Kazuo Abiko	○				○		○
Outside Director Hirotoshi Takada	○	○					○
Outside Director Miho Numata	○				○	○	
Outside Director Makiko Horie				○			○
Corporate Auditor Hisashi Masumura				○	○	○	
Outside Corporate Auditor Koichiro Tanaka	○			○			○
Outside Corporate Auditor Koichi Yokota	○			○			

#### Policy on Appointment and Dismissal of Directors

In nominating candidates for executive managers and directors and corporate auditors, we select those who have extensive experience, deep insight, and a high level of expertise, suitable for executive managers or directors or corporate auditors in the company. The Board of Directors determines the nomination of candidates for directors based on the report of the Assignment and Remuneration Advisory Committee, and candidates for corporate auditors by getting consent of the Board of Corporate Auditors.

Dismissal will occur in the event that any of the following cases is applicable: (1) a relationship with antisocial forces is found, (2) laws, regulations, or articles of incorporation are violated, causing a significant loss to our group, (3) the execution of duties is significantly impeded, or (4) it becomes clear that the requirements of the appointment criteria are not met. In that case, after deliberation by the Board of Directors, a decision is made to dismiss a position or to submit a proposal for dismissal to the general meeting of shareholders.

### Outside Directors

A majority of five members out of the nine directors is independent outside directors as defined by the Tokyo Stock Exchange and the Board of Directors is engaged in constructive discussions, including their objective opinions from an independent standpoint. The outside directors, who have a wealth of experience and a wide range of insight, also provide advice and recommendations to ensure the appropriateness and legitimacy of the Board of Directors' decision-making.

On the other hand, we support outside directors in the performance of their duties by collecting and providing them with

information on economic conditions, industry trends, relevant laws and regulations, corporate governance, financial accounting, and other matters necessary for them to fulfill their roles and responsibilities.

Specifically, we arrange seminars for outside directors provided by external organizations, where our operating officers in charge regularly provide explanations on business plans and strategies, the status of various businesses, business environment, and management issues, while arranging inspection tours of product manufacturing processes.

Name	Reasons for Appointment and Expected Role	Attendance Rate
Koji Nakamura	Koji Nakamura, an Outside Director, has been involved in corporate management in Japan and overseas for many years, having served as Senior Executive Managing Officer of Mitsui & Co., Ltd. and as Director at Sanko Gosei Ltd. The Company has appointed him because we deem that he has extensive insight and knowledge regarding global management from his experience as a managing officer at a global company and that he will deliver opinions from an outside perspective with regard to the overall management of the Company, particularly in the area of business strategy, and increase the rationality and transparency of the Company's management.	100%
Kazuo Abiko	After graduating from Graduate School of the California State University, Kazuo Abiko, an Outside Director, was appointed the General Manager of Tokyo Studio and General Manager for Northeast Asia at Associated Press while also working as the President of Foreign Correspondents' Club of Japan. The Company has appointed him because we deem that he will deliver opinions from an outside perspective and increase the rationality and transparency of the Company's management by leveraging his knowledge in international communication and standards and ethics of journalism, including his work as a part-time lecturer at Tokyo University of Foreign Studies and Sophia University thereafter	100%
Hirotoshi Takada	Hirotoshi Takada, an Outside Director, has served the Representative Director of NIPPON SEIKI CO., LTD. and as Chairman, etc. of overseas subsidiaries, has been engaged over many years in sales and product planning, etc. in the automobile industry; has a deep knowledge of that industry. The Company has appointed him because we deem that he will deliver opinions from an outside perspective and increase the rationality and transparency of the Company by leveraging his abundant experience and broad knowledge as a manager of a company in the manufacturing industry with a global business.	100%
Miho Numata	Miho Numata, an Outside Director, is Representative of NUMATA LAW OFFICE, and by serving as Civil Conciliation Commissioner of Tokyo Summary Court and as Outside Corporate Auditor of Tokyo Boeki Holdings Corporation, while managing the law office, she has a well-balanced career. The Company has appointed her because we deem that she will deliver opinions from an outside perspective and increase the rationality and transparency of the Company by using her in-depth knowledge and experience as a legal expert who has worked as an attorney at law for many years, and her sophisticated knowledge relating to governance and compliance, etc.	100%
Makiko Horie	Makiko Horie, an Outside Director, was engaged in sales to institutional investors, company surveys, and operation related to the Japanese stock market at a global financial institution, and also involved in management consultation and launching of start-ups. The Company has appointed her because we deem that she can reflect on management strategies the status of the Company that investors expect by leveraging her experience and increase the rationality and transparency of the Company.	Newly Appointed

#### Evaluation of the Effectiveness of the Board of Directors

We analyze and evaluate the effectiveness of the Board of Directors based on a questionnaire survey to all directors and corporate auditors with the aim of improving the functioning of the Board of Directors. The survey is conducted on the condition of anonymity in order to elicit unreserved opinions from the subjects. The implementation of the survey and the tabulation and analysis of the results are outsourced to an external organization, and the Board of Directors deliberates based on the report to address issues.

The results of the survey conducted this spring determined that the company's Board of Directors has a composition with the balance and diversity necessary to fulfill its roles and responsibilities,

and that free and open and constructive discussions are held at meetings, ensuring the effectiveness of both decision-making and supervision related to business execution.

On the other hand, as the role of subsidiaries in consolidated financial results increases in importance, it has been pointed out that further efforts are needed in discussions regarding subsidiary management and that training for directors and auditors needs to be further enhanced, and the Board of Directors shared the recognition of those points. We will continue to work on issues identified by these analyses and evaluations and aim for increasing our corporate value.



## Sustainability (G)

### Board of Directors

#### Policy of Determination on Amount of Remuneration, etc. of Directors and Corporate Auditors

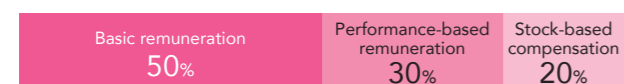
We have in place the Assignment and Remuneration Advisory Committee consisting of five outside directors and the president for a total of six members and chaired by an independent outside director as an advisory body to the Board of Directors in order to improve the independence, objectivity and transparency of the procedures for determining the remuneration of directors and to enhance corporate governance. A calculation method of the details of individual remuneration for directors is determined at the Board of Directors based on deliberations and reports by the Assignment and Remuneration Advisory Committee.

##### Basic Guidelines for Remuneration System for Directors

- The system should encourage the management to improve their performance through associating the performance with remuneration and to exercise their solid entrepreneurship for sustainable development of the company.
- The system should reflect not only financial performance but also appreciation for proactive initiative with the basic spirit of "Creation, Innovation and Challenge."
- The system should attract excellent human resources for management who can contribute to sustainable development and enhancement of corporate value of the company.

##### Remuneration Structure

In the case of 100% achievement of KPI, the ratio of remuneration to executive directors is as follows.



Stock-based remuneration is provided in the form of restricted stock-based remuneration (programmed to lift restrictions of transfer upon retirement) for the purpose of sharing interests with shareholders.

Outside directors are paid only basic remuneration in consideration of their role of supervisory function that they play.

##### Details and Reasons for Selection of the Key Performance Indicators (KPI) for Performance-Based Remuneration

Consolidated operating profit for the single fiscal year has been adopted as the Key Performance Indicators for performance-based remuneration. The reasons for selecting such Indicators is that i) they are a financial indicator which represents the result of primary business activities of companies, ii) they use net operating profit less adjusted taxes (NOPLAT) to calculate ROIC which is a target figure to be achieved of the medium-term business plan, and iii) they are a financial index used in the bonus system for employees.

Out of amount of carbon dioxide emission reduction held up in our Carbon Neutral Project, the company added goal attainment levels with respect to reduced usage resulted from improving energy use efficiency to the Performance Indicators from FY2022, and reflected them in remuneration from July 2023.

##### Matters Concerning Determination of Remuneration for Directors

The Assignment and Remuneration Advisory Committee is consulted on individual remuneration based on a resolution by the Board of Directors. The details of the consultation include basic remuneration amounts for each director and the evaluation allocation based on the performance of a division of which each director is in charge in the performance-based remuneration. The Board of Directors determines each remuneration pursuant to the report of the Assignment and Remuneration Advisory Committee.

##### Verification of Validity of Remuneration

The Assignment and Remuneration Advisory Committee confirms that the individual remuneration of directors is calculated in accordance with the policy for determination on the remuneration of directors, verifies its validity, and submits reports to the Board of Directors.

The Assignment and Remuneration Advisory Committee uses an objective and multifaceted benchmark analysis of remuneration based on "Management Remuneration Database" run by an outside remuneration consultant, Willis Towers Watson (WTW), to verify the validity of the individual remuneration of directors.

##### Remuneration of Corporate Auditors, etc.

The company's basic policy is to pay an appropriate level of remuneration to each corporate auditor for the performance of his or her duties.

The remuneration for corporate auditors is determined through discussions among the corporate auditors, taking into consideration whether they work full-time or part-time and the division of audit work. The remuneration for corporate auditors is fixed remuneration only, which is paid on a monthly basis, with an emphasis on strengthening their independence from management.

The aggregate amount of remuneration, etc. of each category of directors and corporate auditors, the breakdown of such aggregate amount by the type of remuneration, etc. and the number of directors and corporate auditors covered

Category of directors and corporate auditors	Aggregate amount of remuneration, etc.	Breakdown by the type of remuneration, etc.			Number of directors or corporate auditors covered
		Fixed remuneration	Performance-based remuneration	Monetary remuneration, etc.	
Directors (excluding outside directors)	203.51 million yen	106.50 million yen	60.26 million yen	36.74 million yen	4
Corporate Auditors (excluding outside corporate auditors)	13.08 million yen	—	—	—	2
Outside directors and outside corporate auditors	31.00 million yen	—	—	—	7

### Cross-shareholdings

#### Method of Verifying the Reasonableness of Shareholding

Regarding all cross-shareholdings held, the Board of Directors yearly gives comprehensive consideration to quantitative analysis of transaction performances and returns, etc., qualitative analysis of status of business, business strategies, background of acquisition, etc., as well as risk of shareholding, and then verifies and evaluates the propriety of such shareholding.

Following items are verified through the quantitative analysis:

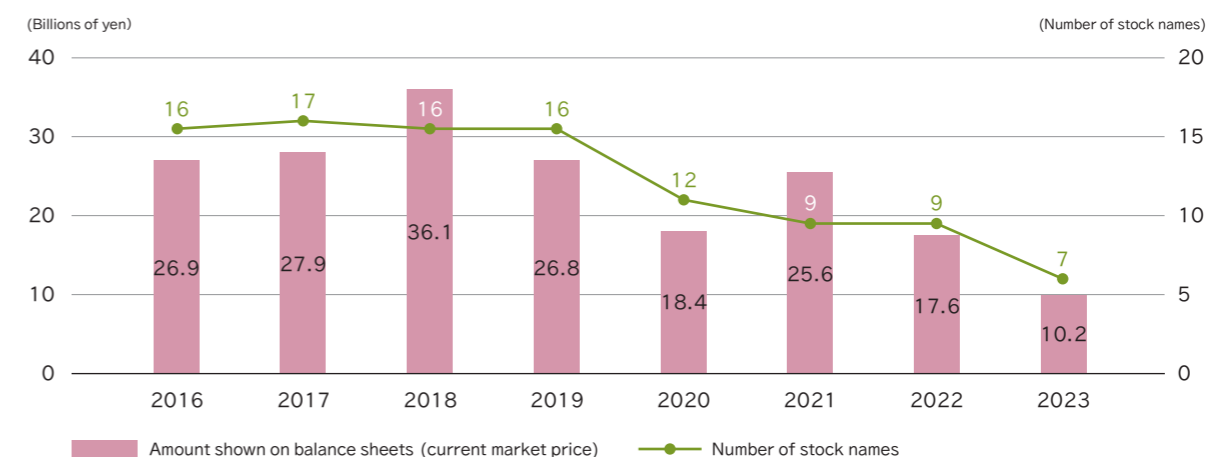
- 1 Balance of dividend earning rate and capital cost
- 2 Annual amount of transaction and amount of profits
- 3 Profit or loss from valuation of stock

#### Reduction of Cross-shareholdings

Regarding cross-shareholdings, the company passed a resolution at the Board of Directors held on May 12, 2022 to progressively sell off and reduce the stock names with a reduced need to be held to maintain business relations.

Specifically, at the fiscal year ended on March 31, 2022, the company sold off some shares of eight names out of nine held at the end of March 2022. We will continue to scrutinize the need to hold the stock names and sell off and reduce the names with a reduced need to be held.

#### Trends in Cross-shareholding



## Sustainability (G)

## Directors and Officers

## Directors



## CAREER HISTORY

Apr. 1992 Joined Mitsubishi Electric Corporation  
Feb. 2002 Joined JPMorgan Securities Japan Co., Ltd.  
Aug. 2003 Joined the Company  
Apr. 2007 Assistant General Manager, Manufacturing Dept.  
Apr. 2009 Operating Officer of the Company  
Jun. 2010 Director and Senior Operating Officer of the Company  
Jun. 2011 Director and Senior Managing Operating Officer of the Company  
Jun. 2014 President, Representative Director of the Company (current)  
Jun. 2015 Chief Operating Officer (COO) of the Company  
Jun. 2017 Chief Executive Officer (CEO) of the Company (current)



## CAREER HISTORY

Oct. 1990 Joined the Company  
Nov. 2003 Group Leader, Administration Planning Group  
Jul. 2008 Assistant General Manager, Manufacturing Dept.  
Oct. 2010 General Manager, Corporate Planning Dept.  
Jun. 2011 Operating Officer of the Company supervising Corporate Planning Dept.  
Jun. 2015 Operating Officer  
Jun. 2021 Director and Senior Operating Officer of the Company  
Jun. 2023 Director and Senior Managing Operating Officer of the Company (current)



## CAREER HISTORY

Apr. 1989 Joined Mitsui & Co., Ltd.  
May 2011 Department Manager, Solar Business Div., Functional Chemicals Business Unit of Mitsui & Co., Ltd.  
Apr. 2013 Department Manager, Advanced Materials Div., Functional Chemicals Business Unit of Mitsui & Co., Ltd.  
Jul. 2014 Department Manager, Business Development Div., Basic Chemicals Business Unit of Mitsui & Co., Ltd.  
Oct. 2015 Joined the Company as Operating Officer of the Company supervising Electronic Materials Sales & Marketing Dept.  
Jun. 2016 Director and Senior Operating Officer of the Company (current)



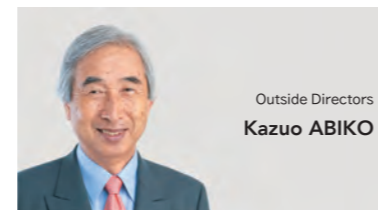
## CAREER HISTORY

Apr. 1988 Joined Daiichi Denko Co., Ltd. (currently Sumitomo Electric Wintec, Inc.)  
Mar. 2002 Joined the Company  
Jul. 2006 Group Leader, Electronic Materials Group, Research & Development Dept.  
Apr. 2010 Assistant General Manager, Electronic Materials Dept.  
Apr. 2012 General Manager, Research & Development Dept.  
Jun. 2015 Operating Officer of the Company supervising Electronic Materials Research & Development Dept.  
Jun. 2019 Operating Officer  
Jun. 2023 Director and Senior Operating Officer of the Company (current)



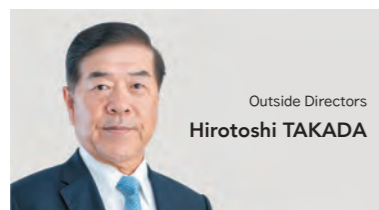
## CAREER HISTORY

Apr. 1973 Joined Mitsui & Co., Ltd.  
Apr. 2004 Managing Officer; Chief Operating Officer of Synthetic Resins and Inorganic Chemicals Business Unit  
Apr. 2006 Executive Managing Officer; Chief Operating Officer of Chemicals Business Unit II  
Apr. 2009 Senior Executive Managing Officer; Chief Operating Officer of EMEA (Europe, the Middle East and Africa) Business Unit  
Mar. 2011 Retired as Senior Executive Managing Officer  
Aug. 2011 Corporate Auditor, SANKO Co., Ltd. (current)  
Aug. 2016 Outside Director, Sanko Gosei Ltd. (current)  
Jun. 2020 Director of the Company (current)



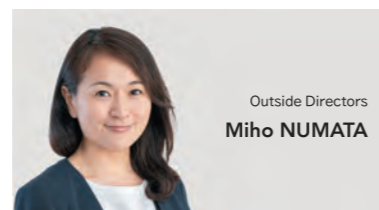
## CAREER HISTORY

Nov. 1978 Joined Associated Press  
May 1985 Deputy General Manager of Tokyo Studio  
Jul. 2001 President, Foreign Correspondents' Club of Japan  
Apr. 2004 General Manager of Tokyo Bureau, Associated Press  
Jul. 2004 General Manager for Northeast Asia  
Feb. 2010 Advisor  
Sep. 2010 Part-time lecturer at Tokyo University of Foreign Studies  
Sep. 2011 Part-time lecturer at Sophia University  
Apr. 2015 Visiting Professor at Kanda University of International Studies  
Jul. 2018 Auditor, Foreign Correspondents' Club of Japan  
Jun. 2020 Director of the Company (current)



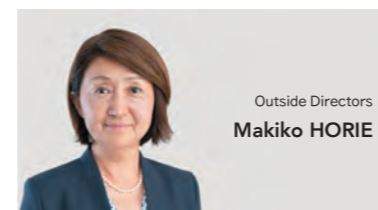
## CAREER HISTORY

Mar. 1977 Joined NIPPON SEIKI CO., LTD.  
Apr. 2003 Director and President, UK-NSI Co., Ltd.  
Jun. 2005 Director, NIPPON SEIKI CO., LTD.  
Jun. 2008 Managing Director  
Apr. 2011 Representative Senior Managing Director  
Apr. 2011 General Manager, Technical division  
Jun. 2011 Chairman, Wuhan Nissei Display System Co., Ltd.  
Mar. 2012 Chairman, Nissei Display Sales and Development Co., Ltd. (Shanghai)  
Mar. 2013 President and Representative Director, NIPPON SEIKI CO., LTD.  
Mar. 2014 Chairman, Dongguan Nissei Electronics Co., Ltd.  
Apr. 2014 Chairman, Hong Kong Nippon Seiki Co., Ltd.  
Jun. 2015 President and Representative Director, Executive Officer, NIPPON SEIKI CO., LTD.  
Jul. 2015 Chairman, Hong Kong Ek Chor Nissei Co., Ltd.  
Jul. 2015 Chairman, Shanghai Nissei Display System Co., Ltd.  
Mar. 2016 Chairman and Director, Thai Nippon Seiki Co., Ltd.  
Jun. 2017 Vice Chairman and Director, Executive Officer, NIPPON SEIKI CO., LTD.  
Jun. 2021 Director of the Company (current)



## CAREER HISTORY

Dec. 2009 Registered as an attorney at law and joined NUMATA LAW OFFICE  
Jun. 2016 Representative (current)  
Apr. 2018 Civil Conciliation Commissioner, Tokyo Summary Court (current)  
Jun. 2020 Outside Corporate Auditor, Tokyo Boeki Holdings Corporation (current)  
Jun. 2021 Director of the Company (current)



## CAREER HISTORY

Apr. 1990 Joined Nomura Securities Co., Ltd.  
May 1995 Joined Merrill Lynch Investment Managers Ltd. (currently BlackRock Japan Company, Ltd.)  
May 2016 Joined Value Create Inc.; Partner  
Oct. 2021 Joined SDG Impact Japan Inc.; Partner (current)  
Jun. 2023 Director of the Company (current)

## Corporate Auditor



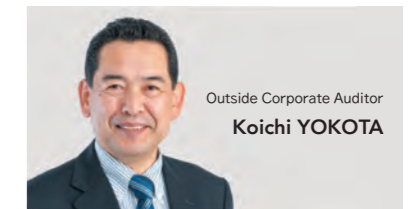
## CAREER HISTORY

Nov. 1987 Joined the Company  
Jul. 2005 Group Leader, Human Resources Group, Human Resources Dept.  
Jul. 2008 Group Leader, Administration Planning Group, Corporate Planning Dept.  
Oct. 2010 Assistant General Manager, Manufacturing Dept.  
Apr. 2012 General Manager of Human Resources Dept.  
Apr. 2018 General Manager of Human Resources Dept. and General Affairs Dept.  
Oct. 2020 General Manager, General Affairs Dept.  
Jun. 2022 Full-time Corporate Auditor of the Company (current)



## CAREER HISTORY

Oct. 1987 Joined Tohatsu Aoki & Sanwa (presently Deloitte Touche Tohmatsu LLC)  
Mar. 1991 Registered as Certified Public Accountant  
Aug. 1998 Resident Representative of Dalian Office, U.S. Deloitte Touche Tohmatsu (Office Head)  
Sep. 2002 Managing Director of the Japanese Operations Dept. in South China of Shenzhen Office in China, Deloitte Touche Tohmatsu Limited  
Dec. 2003 Director and Executive Officer; Partner supervising China Business and in charge of Public Communication, Corporate Finance Dept. of Deloitte Touche Tohmatsu (presently Deloitte Tohmatsu Financial Advisory LLC)  
Jun. 2014 Retired from Deloitte Touche Tohmatsu LLC  
Jul. 2014 Established Tanaka Sogo Accountant Office, Representative Director (current)  
Mar. 2017 Outside Corporate Auditor, ODWARA ENGINEERING CO., LTD. (current)  
Jun. 2018 Auditor, Japan Automobile Research Institute (current)  
Jun. 2020 Corporate Auditor of the Company (current)



## CAREER HISTORY

Nov. 1996 Registered as Certified Public Tax Accountant  
Apr. 2003 Director, Takada Branch of Kanto-Shinetsu Certified Public Tax Accountant's Association  
Jan. 2004 Head, Yokota Accountant Office (current)  
Apr. 2019 General Manager, Takada Branch of Kanto-Shinetsu Certified Public Tax Accountant's Association  
Jun. 2020 Corporate Auditor of the Company (current)  
Apr. 2021 Managing Director, Niigata Prefecture Branch Federation of Kanto-Shinetsu Certified Public Tax Accountant's Association (current)

## Operating Officer (excluding those serving concurrently as directors)

## Yoshifumi ARA

Senior Operating Officer supervising Performance Materials Sales & Marketing Dept.; Deputy Division Chief, Business Promotion Div.

## Takeshi AIZAWA

Operating Officer supervising Procurement Dept. and Quality Assurance Dept.; Deputy Division Chief, Administration Div.

## Shuichi FUJITA

Operating Officer supervising Functional Films Development Dept., Laminate Materials Development Dept., Molding Materials Development Dept. and Process Technology Dept.; Deputy Division Chief, Innovation Promotion Div.

## Takao MOCHIZUKI

Operating Officer supervising Manufacturing Dept. (principal) and Innovation Center Preparatory Office (sub); Deputy Division Chief, Manufacturing Div.

## Shuichi KUBOTA

Operating Officer supervising Corporate Strategy Dept.; Deputy Division Chief, Administration Div.

## Takahito TANABE

Operating Officer supervising Manufacturing Engineering Dept. and Manufacturing Dept. (sub); Deputy Division Chief, Manufacturing Div.

## Kazumi IKEDA

Operating Officer supervising General Affairs Dept. and Human Resources Dept.; Deputy Division Chief, Administration Div.