



Yamaichi Electronics Co., Ltd.  
2025.11.05

# Sustainability Report 2025



# Editorial Policy on Sustainability Report

## Basic philosophy

This report focuses on our sustainability efforts towards the realization of a sustainable society and the growth of Yamaichi Electronics Group, mainly reporting on the key activities in FY 2024. As an engagement tool with our stakeholders, we disclose information comprehensively, referring to the disclosure items of the GRI Standards. Additionally, for climate change, we are disclosing information based on the Task Force on Climate-related Financial Disclosures (TCFD) framework.

## Reporting scope

Reporting period	April 1, 2024 – March 31, 2025 (includes some content from periods before and after this range).	
Target organization	Yamaichi Electronics Co., Ltd. and its consolidated subsidiaries	
Scope of performance data	Finance	Yamaichi Electronics Co., Ltd., its consolidated subsidiaries, and equity-method affiliates
	Environment	Yamaichi Electronics Co., Ltd. and its consolidated subsidiaries
	Society	Scope of data specified individually
Reporting cycle	October 2025 (issued annually)	
Publication	Previous issue: October 2024; Next issue: Scheduled for October 2026 (to be integrated into the Integrated Report)	

Cautionary note/Disclaimer regarding future projections  
The forward-looking statements contained in this report are based on information available to our group up to the date of this report's publication and certain assumptions deemed reasonable, and they are not intended as a guarantee of achievement. These statements may significantly differ due to various factors.

# In issuing this Sustainability Report

Yamaichi Electronics Group is promoting various measures aimed at integrating financial and non-financial strategies for unified management.

This report is published to deepen understanding of the Yamaichi Electronics Group's commitment to sustainability.

We will continue to communicate with all our stakeholders and enhance our corporate value.

Notes on text	
Yamaichi Electronics:	Yamaichi Electronics Co., Ltd. (domestic, non-consolidated)
Yamaichi Electronics Group:	Yamaichi Electronics Co., Ltd. and its consolidated subsidiaries (including those overseas)
Human resources:	Under our management philosophy of "Respect for People—Developing and utilizing human resources to share in both corporate growth and individual happiness," we regard employees as our most important assets. Each employee is not merely a labor force, but an invaluable asset that supports the company's sustainable growth. To share this understanding across the organization, we value human resources as human assets.

Reference Guidelines	<ul style="list-style-type: none"><li>• GRI Standards</li><li>• ISSB Standards</li><li>• Environmental Reporting Guidelines (2018 edition)</li></ul>
----------------------	--

# Top Message

The Yamaichi Electronics Group has been contributing to the development of the electronics industry by providing IC socket products for semiconductor testing and connector products for electronic and electrical equipment globally. Our corporate slogan, “Better Connection,” reflects our commitment to leveraging technological expertise and creativity to build stronger connections among people, companies, society, and the planet, while creating a sustainable future together with our stakeholders.

## Balancing Environmental Impact Reduction and Stable Production

Our Group is striving to reduce CO<sub>2</sub> emissions by 40% by 2030, based on the FY 2021 intensity standard (CO<sub>2</sub> emissions per consolidated sales), and to achieve carbon neutrality by 2050. In FY 2024, we began a survey to assess emissions across our entire supply chain and have now completed the calculation of Scope 3 emissions. This achievement has enabled us to identify key emission sources and establish a foundation for CO<sub>2</sub> reduction throughout the supply chain. At the same time, we declared our commitment to the Science Based Targets initiative (SBTi), an international framework aligned with the goals of the Paris Agreement. Additionally, last fiscal year saw the commencement of operations at the Sakura Factory Building No. 2, which has increased the proportion of renewable energy by introducing solar power generation. The third plant of Pricon Microelectronics, Inc. (PMI) in the Philippines also commenced operations last fiscal year, and construction of a solar power system is now underway. Once the system comes into operation, it is expected to contribute significantly to energy generation and CO<sub>2</sub> reduction, further enhancing both production stability and environmental value.

## Strengthening Human Capital and Building a Resilient Organization through Diversity

The strength of the Yamaichi Electronics Group as a global corporate organization lies in its diversity. Overseas employees account for about 80% of the total workforce, and individuals with different cultural and professional backgrounds generate new ideas and innovations. In FY 2024, the Group conducted research and analysis on human capital across its companies, including overseas locations, and is promoting the enhancement of human capital globally based on the findings. In addition, the Group has launched company-wide business continuity plan (BCP) drills, including its factories, to establish a business continuity framework that can respond to unforeseen events such as natural disasters and geopolitical risks. With top priority placed on ensuring both employee safety and supply responsibility, we have strengthened our governance structure to enable swift decision-making and information sharing. Through these initiatives, we are building a strong and flexible organizational foundation capable of adapting to any environmental change.

## Realizing a Sustainable Society

Through our business activities in the fields of telecommunications, automotive, and industrial equipment, we contribute to solving social challenges and building the future together with our stakeholders. Centered around our Sustainability Committee, we establish governance, risk management, indicators, and targets to further integrate sustainability into management. Strengthening our connections with the environment, people, and society, the Yamaichi Electronics Group will continue to take on new challenges as a company that builds a better and more sustainable future.

Junichi Kameya  
President



## Key Topic: Installation of Solar Power System at Pricon Microelectronics, Inc. (Philippines) Third Factory—Scheduled for Completion in March 2026

The third factory of Pricon Microelectronics, Inc. (PMI), completed in Batangas, Philippines, in March 2024, was designed from the outset with a roof structure intended for solar power generation. With the installation of solar panels, the factory now enables on-site power generation, contributing to the reduction of CO<sub>2</sub> emissions.

The overall production capacity of the third factory has been expanded to approximately 1.5 times that of the previous PMI facilities, establishing a system capable of responding to increasing global demand. Together with solar energy, PMI continues to build a sustainable and reliable supply chain.



Solar panels being installed on the roof of the third factory of Pricon Microelectronics, Inc.

- 854 panels installed
- Estimated annual power generation: approx. 698,300 kWh
- Average daytime power generation: 2,295 kWh/day  
(based on August performance)

### Expected Results

Average in-house power generation  
rate of the third factory: **26.2%**

Estimated annual CO<sub>2</sub> reduction: **approx. 372 t-CO<sub>2</sub>/year**



# 01

## Company

---

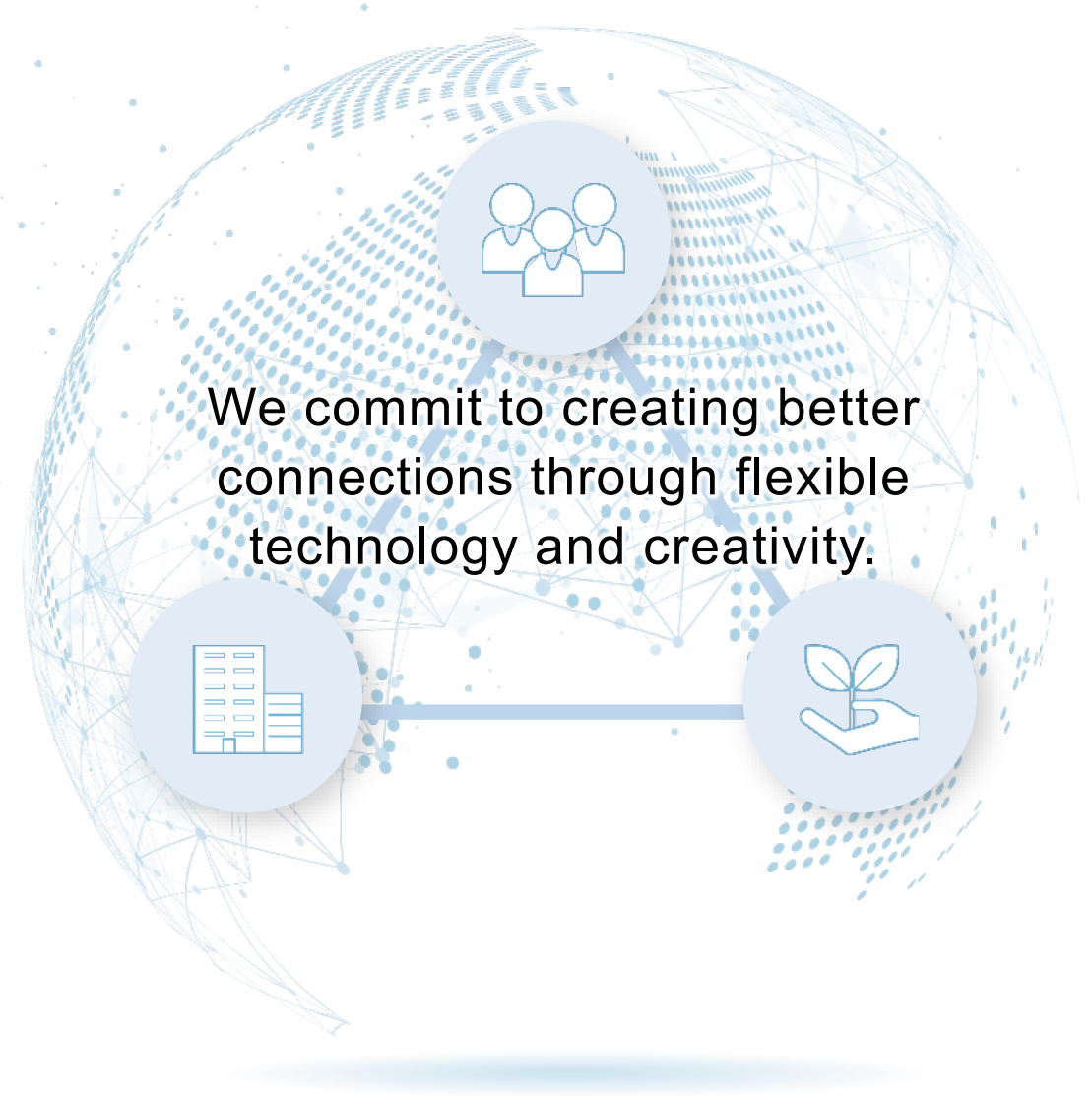
Company Name	YAMAICHI ELECTRONICS CO., LTD.
Founded	November 1, 1956
Head Office	Technoport Taiju Seimei Bldg. 2-16-2, Minamikamata, Ota-ku, Tokyo 144-8581, JAPAN
Representative	President Junichi Kameya
Capital	JPY 10,084 million
Number of employees	Yamaichi Electronics Co., Ltd.:390 (Yamaichi Electronics Group:2,061)
Major businesses	Test Solution Business Connector Solution Business Optical-related Business
Total number of shares outstanding	21,829,775
(As of the end of March 2025)	





## Connect to the future

We ambitiously create better connections of people, companies, society, and the earth with flexible technology and imagination under the corporate slogan, “Better Connection,” and contribute to creating value for our customers. We manufacture sockets and connectors that can only make dependable if the core contact structure is flexible. Flexibility has the power to sustain connections in any environment, even in human society. Our corporate slogan expresses our desire to create a better society for the future based on technology.



# Our History

- 1956**
  - Established Yamaichi Electronics Mfg. Co., Ltd.
  - Started the production and sales of vacuum tube sockets.
- 1958**
  - Started the production and sales of ZIF printed circuit board connectors for Parametron computers.
  - Started the production and sales of transistor sockets.
- 1959**
  - The NDS-XC-7001 vacuum tube socket was approved as the Defense Agency's standard product.
- 1960**
  - An electronic tube socket using JAN-S-28A was approved by the Defense Agency.
- 1961**
  - Started the production and sales of matrix pinboards.
- 1966**
  - Started the production and sales of sockets for integrated circuits (ICs).
- 1969**
  - The MIL-S-12883A electronic tube socket was approved by the Defense Agency.
- 1972**
  - MIL-standard products and compliant sockets used in the Third Defense Force Improvement Plan were approved by the Defense Agency.
- 1973**
  - Started the production and sales of insulation displacement connectors for flat cables.



Drawing of a vacuum tube socket



Transistor socket



IC socket

- 1975**
  - IDC connectors for flat cables and matrix pinboards were approved for the traffic signal system of the Metropolitan Police Department.
- 1978**
  - IDC connectors for flat cables were approved for the online terminal equipment of the Ministry of Posts and Telecommunications.
- 1985**
  - Established Yamaichi Electronics U.S.A. Inc.
- 1986**
  - Established the Sakura Factory as a large-scale production technology center in Osaku, Sakura-shi, Chiba.
- 1987**
  - Established Asia Yamaichi Electronics Inc. (Korea).
  - Our QFP sockets were adopted by a major semiconductor manufacturer and major telecommunications company.
- 1989**
  - Established Yamaichi Electronics Singapore Pte. Ltd.
- 1990**
  - Established Yamaichi Electronics Deutschland GmbH (Germany).
- 1991**
  - Changed the company name to Yamaichi Electronics Co. Ltd.
- 1992**
  - Acquired bump build-up printed wiring board technology (YFLEX®).
- 1993**
  - Established by Yamaichi Electronics Hong Kong Ltd.
- 1994**
  - Acquired a controlling interest in Pricon Microelectronics, Inc. (Philippines).
- 1995**
  - Acquired ISO 9001 certification (international quality assurance standard).
- 1996**
  - Established Yamaichi Electronics Taiwan Co., Ltd.
- 1998**
  - Acquired ISO 14001 (international environmental management system standard).
- 2000**
  - Listed on the Second Section of the Tokyo Stock Exchange.
- 2001**
  - Listed on the First Section of the Tokyo Stock Exchange.
- 2002**
  - Acquired all shares of Koshin Kogaku Co. Ltd.
- 2005**
  - Established Yamaichi Electronics Deutschland Manufacturing GmbH (Germany) as a subsidiary of Yamaichi Electronics Deutschland GmbH (Germany)
- 2007**
  - Acquired all shares of Test Solution Services, Inc. (Philippines).



Burn-in socket



Memory card connector



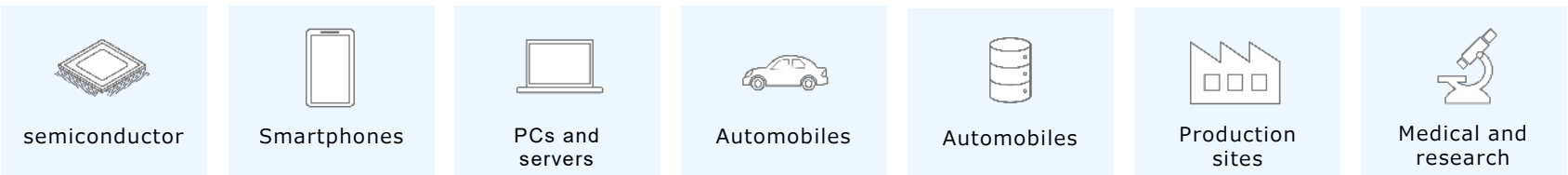
YFLEX®

- 2011**
  - Established Yamaichi Electronics Shanghai Co., Ltd. (China).
- 2013**
  - Moved the head office to Minami-Kamata, Ota-ku, Tokyo.
- 2014**
  - Acquired ISO/TS 16949 (international certification).
  - Yamaichi Electronics Singapore Pte. Ltd. established a Taiwan sales office.
  - Pricon Microelectronics Inc. (Philippines) acquired its second factory.
- 2017**
  - Test Solution Services, Inc. (Philippines) relocated its factory.
- 2018**
  - Yamaichi Electronics Deutschland GmbH (Germany) relocated its Tunisian Design Center.
- 2019**
  - Pricon Microelectronics Inc. (Philippines) established a new connector molding factory.
- 2020**
  - Yamaichi Electronics Deutschland Manufacturing GmbH (Germany), a subsidiary of Yamaichi Electronics Deutschland GmbH (Germany), completed the relocation of its factory.
- 2022**
  - Transfer from the First Section of the Tokyo Stock Exchange to the Prime Market
- 2024**
  - The Sakura Factory established the Building No.2.
  - Pricon Microelectronics Inc. (Philippines) established Factory 3.

# Major Businesses

The Yamaichi Electronics Group is creating industry-leading, innovative technologies with products in the ever-evolving electronics field of semiconductor manufacturing, electrical signal transmission, and optical wavelength control.

## Application Examples of Yamaichi Electronics



### Test Solution Business

#### Major Products

IC Sockets for Burn-in  
IC Sockets for Test  
Probe cards  
Burn-in & Board Maintenance and Repair Services

### Connector Solution Business

#### Major Products

Connectors  
Production IC Sockets  
Flexible Printed Boards (YFLEX®)


### Optical-related Business

#### Major Products

Optical Filters  
Tunable laser light sources  
Optical Modules


The development of semiconductors, the key devices that support the latest applications, is evolving at a dizzying pace. The demand for inspection technologies that support this technological evolution and guarantee state-of-the-art product quality increases every year. Through these contact mechanism technologies and micro-precision processing technologies, which are indispensable in the semiconductor inspection market, The Yamaichi Electronics Group provides excellent solutions to its customers' semiconductor inspection processes on a global basis.

## Used in the following areas:




Smartphones

Yamaichi Electronics' semiconductors guarantee high performance to meet the needs of 5G and higher functions.



PCs and servers

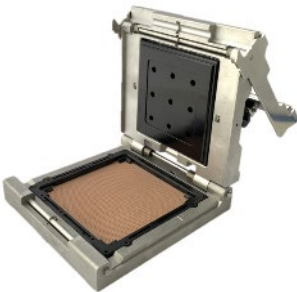
We contribute to the enhancement of device functionality and speed through reliability testing.



Automobiles

With the progress of connected cars, autonomous driving, sharing, and electrification (CASE), the demand for semiconductor testing has expanded in recent years.

## Major Products



IC542, IC561, IC564, NP584 Series



NP351, NP352 Series



Sockets for SOP/QFP



Custom-specified Test Sockets

# Introduction to Core Technologies: Connector Solution Business

Connectors are used to connect devices or boards and transmit electrical signals at high frequencies and high speeds in a stable manner. Yamaichi Electronics' connectors are highly evaluated for their excellent specifications, durability, and supply capabilities based on Yamaichi Electronics' mechanism design and evaluation technologies.

In particular, as the only manufacturer in the industry that handles both connectors and flexible printed wiring boards, Yamaichi Electronics can offer combination sets of these products. Yamaichi Electronics has the know-how and systems to respond to special applications (customization), which enables Yamaichi Electronics to meet the diverse needs of its customers and sometimes leads to the development of world-leading, innovative technologies.

## Used in the following areas:



### Communications infrastructure

In hyperscale data centers and base stations, our products ensure stable connections among a wide variety of devices.



### Automobiles

Yamaichi Electronics' connectors are used for in-vehicle devices exposed to elevated temperature and vibration.



### Production sites

Yamaichi Electronics' connectors contribute to production efficiency and stability with their cable connection workability and retention force.

## Major Products



Interface Connectors for Optical Transceivers



H001-series Coaxial Connectors for Automotive Cameras



M12 Circular Connector Y-CIRC-M



Flexible Printed Boards (YFLEX®)

Multilayer optical thin films must separate required wavelengths of light in a high ratio. Yamaichi Electronics Group have its original technologies and experienced engineers, produces ultra-multi-layered and high precision optical thin films and application devices. Also, we focus on introducing the latest technology and research and development and works with its customers to realize their highly customized requirements.

Used in the following areas:



Medical and research

Analysis of blood, viruses, pharmaceuticals, etc. Physics and biotechnology research.



Video equipment and mobiles

Used in surveillance cameras, professional video cameras and smartphones that require clear images.



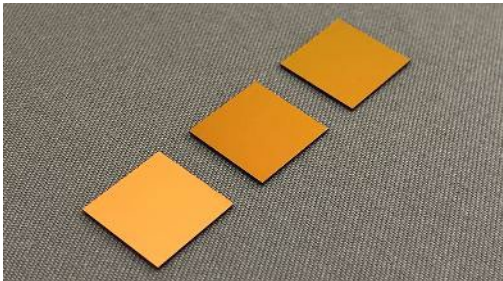
Production sites

Quick and accurate measurement of the appearance and three-dimensional shape of products on production lines.

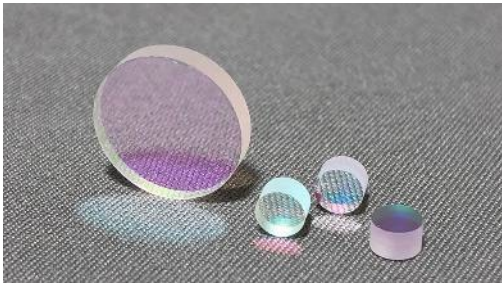
Major Products



Steep Edge Filters



Bandpass Filters



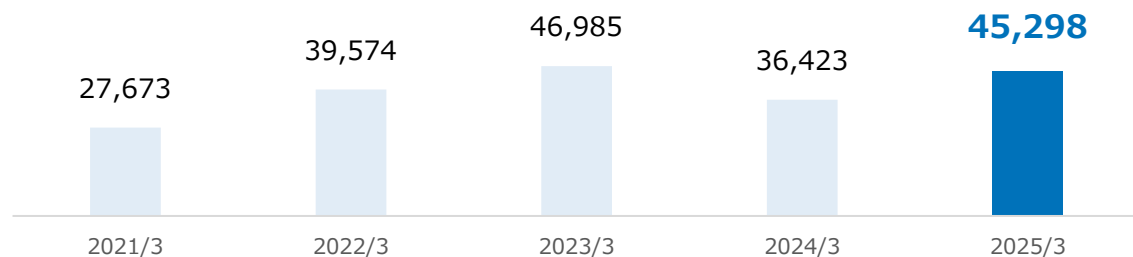
Multi-bandpass Filters



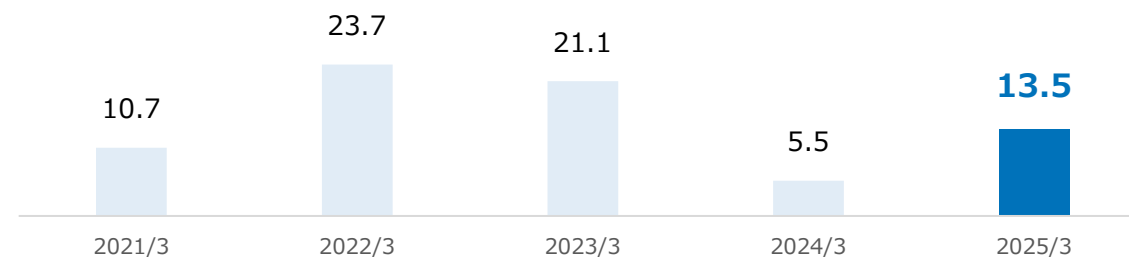
Neutral Density (ND) Filters

# Financial Data

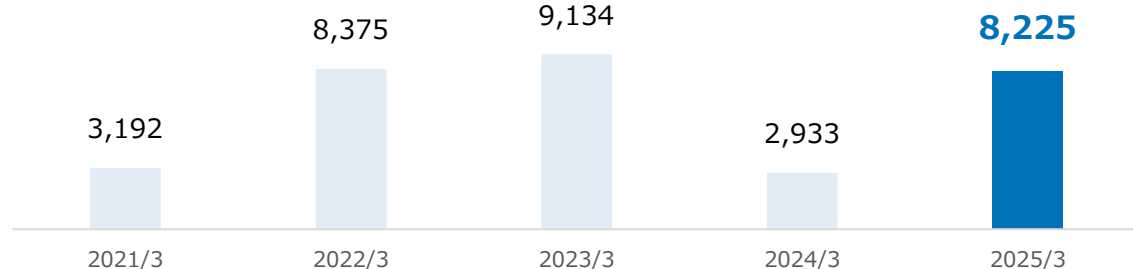
**Net Sales** (Million yen)



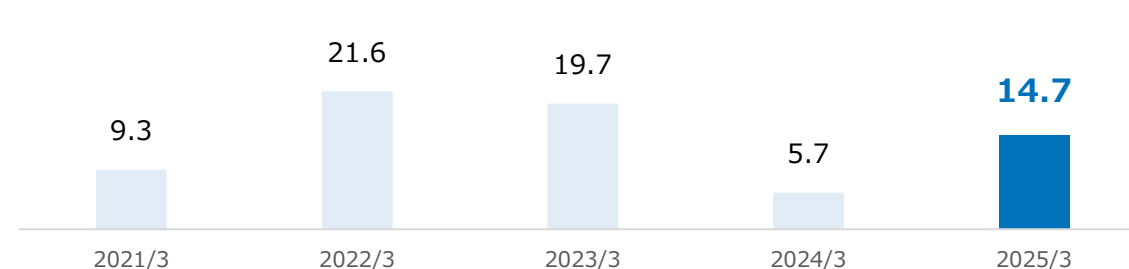
**Return On Equity (%)**



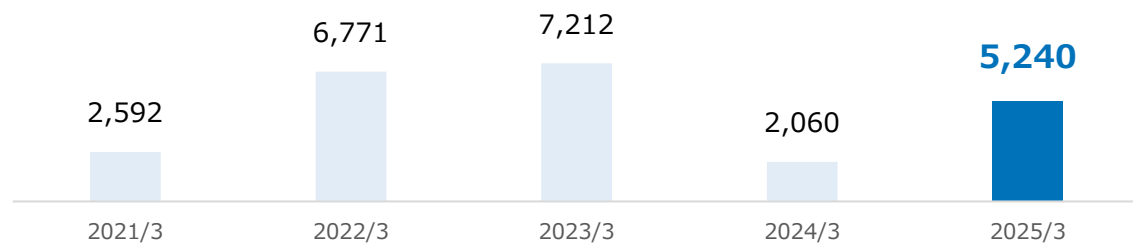
**Operating Income** (Million yen)



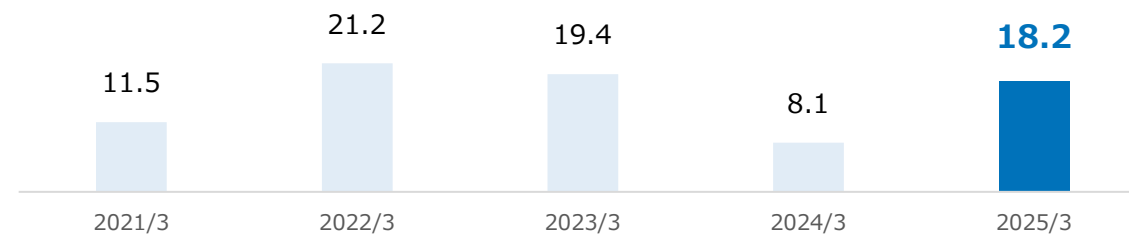
**Ordinary Income to Total Assets Ratio (%)**



**Profit Attributable to Owners of Parent** (Million yen)



**Operating Income to Sales Ratio (%)**



# Mid-Term Management Plan

The Yamaichi Electronics Group's new three-year mid-term management plan (FY 2023 to FY 2025), started in FY 2023, aims to continue growing into a company that provides products and services that satisfy our customers. To achieve this management goal, we will work from the perspective of collaborating globally with our customers to create products that lead to the future.

Our strategy focuses on deepening both our growth strategy and structural reforms, aiming to become a company that can meet customer needs while also enhancing our financial strength and strengthening our management foundation for future growth.

## [Basic Strategy]

— Management Goals —

Growing into a company that provides products and services that satisfy our customers

Strengthening Our Management Foundation

Collaborating globally with our customers to create products that lead to the future

Growth Strategy

Structural Reforms

## Growth Strategy

### Test Solutions Business

- Burn-In Memory : Adapting to the generational shift in memory semiconductors and the growing market
- Burn-In Logic : Expanding products for next-generation semiconductors to cater to the anticipated market growth in autonomous driving and ITS (Intelligent Transportation Systems)
- Test Socket : Entering the testing market for next-generation logic semiconductors

### Connector Solutions Business

- Communications market : Developing next-generation platform-compatible products ahead of competitors
- Industrial equipment market: Expanding our product lineup of industrial I/O connectors to penetrate the European market further and enhance our offerings for semiconductor manufacturing equipment
- Automotive market : Expanding our lineup of next-generation high-speed transmission standard products for ADAS (Advanced Driver-Assistance Systems) and autonomous driving and entering the EV solutions sector

### Optical-related business

- Expanding in the industrial and medical equipment markets
- Promoting new technology development and demand-creation activities

## Structural Reforms

To improve quality and delivery capabilities, we will restructure our supply chain management, advance the sophistication and efficiency of global manufacturing, and strengthen domestic production. We will build a stable framework for sales, development, and production while enhancing precision processing technologies to provide products and services that satisfy our customers consistently.

## Performance Targets

We aim to achieve a consolidated operating profit of over 25 billion yen cumulatively over the three years from FY 2023 to FY 2025.

	FY 2023	FY 2024	FY 2025	Cumulative
Consolidated sales	42 billion yen	47 billion yen	50 billion yen	139 billion yen
Consolidated operating profit	6.6 billion yen	8.4 billion yen	10 billion yen	25 billion yen

\*Assumed exchange rates: 1 USD = 130.00 JPY, 1 EUR = 138.00 JPY

## Investment plan

The total investment amount for the three years will be 14 billion yen, and funds will be allocated to achieve the goals set in the new mid-term management plan.

## Others

- Target values**
- ROE: 10% or more
  - Consolidated dividend payout ratio: 30%
  - Total return ratio: 40% or more

# Global Network

## Japan

Sa 4 locations  
Sales

Ma 5 locations  
Manufacturing

De 4 locations  
Development



## Overseas

Sa 12 locations  
Sales

Ma 8 locations  
Manufacturing

De 3 locations  
Development





# 02

## Sustainability Management

---

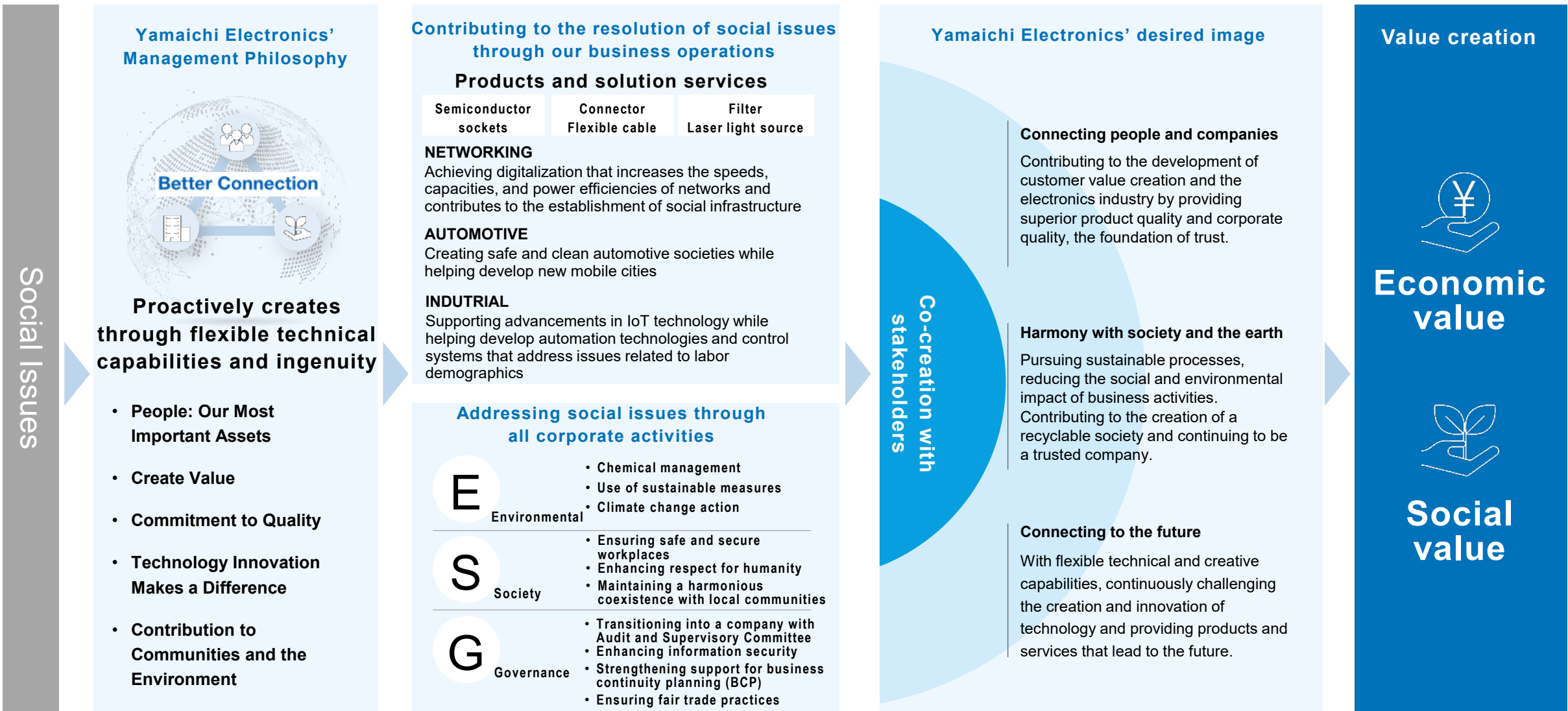
Leveraging the dynamic technological capabilities and imaginative powers developed since its founding, the Yamaichi Electronics Group has always responded to the current requirements of its customers. Moving forward, we will further broaden our commitment to sustainability as we collaborate with stakeholders to establish sustainable societies and build a better future.

In pursuit of these goals, we will apply the principles of our management philosophy (“People: Our Most Important Assets”, “Create Value”, “Commitment to Quality”, “Technology Innovation Makes a Difference” and “Contribution to Communities and the Environment”) to create a beneficial, self-perpetuating, and social value creating cycle through which we enhance the economic values of our products by providing technologies that facilitate the resolution of social issues.

Yamaichi Electronics Group will continue contributing to a sustainable future by ambitiously establishing strong connections between people, companies, society, and the Earth.

This policy was approved by the board of directors of Yamaichi Electronics Co., Ltd.

Formulated on May 12, 2023



## Creating further value through the utilization and enhancement of six capitals

The Yamaichi Electronics Group has grown by recognizing changes and needs in society and contributing to the solution of social issues. With flexible ideas and technical capabilities since our founding, we are committed to strategically utilizing and enhancing our capital for further value creation.



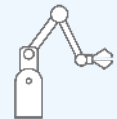
### Financial capital

Our group is implementing a growth strategy and structural reform. While maintaining a healthy financial structure, we strengthen our management foundation, enabling appropriate resource allocation to growth areas and profit distribution.



### Human capital

Our group embraces “People: Our Most Important Assets” as one of its core management philosophies. We aim to share the growth of the company and the happiness of individuals by strengthening the alignment of our business strategy with our human resource strategy.



### Manufacturing capital

We have worked on the internalization of precision processing technology and improvement of technical capabilities, as well as increasing production. We will continue to pursue advanced and efficient production, remaining a trusted company by our customers.



### Social relationship capital

We cooperate with domestic and overseas group companies and partners to keep pace with technological innovations. We will continue to deliver our products to customers around the world, contributing to the advancement of the electronics industry and the solution of social issues.



### Intellectual capital

Our group’s history began with the manufacture and sale of vacuum tube sockets. We will continue to challenge the creation and innovation of technology, providing products and services that lead to the future.



### Natural capital


We aim to integrate financial and non-financial strategies, committing ourselves to sustainability management. We contribute to the realization of a recyclable society by reducing the environmental impact of our business activities.

Through our Test Solution Business, Connector Solution Business, and Optical-related Business, we aim to integrate financial and non-financial strategies by contributing to solving social issues and conducting corporate activities based on ESG. The Sustainability Committee will play a central role in setting targets and indicators for materiality (priority issues).

### Contributing to the resolution of social issues through our business operations


- Semiconductor sockets
- Connector
- Flexible cable
- Filters
- Laser source

Product and solution services




NETWORKING

Achieving digitalization that increases the speeds, capacities, and power efficiencies of networks and contributes to the establishment of social infrastructure



AUTOMOTIVE

Creating safe and clean automotive societies while helping develop new mobile cities



INDUSTRIAL

Supporting advancements in IoT technology while helping develop automation technologies and control systems that address issues related to labor demographics

### Addressing social issues through all corporate activities

#### Environmental

Chemical management

Use of sustainable resources

Climate change action

#### Social

Ensuring safe and secure workplaces

Enforcing respect for humanity

Maintaining a harmonious coexistence with local communities

#### Governance

Transitioning into a company with an Audit and Supervisory Committee

Enhancing information security

Strengthening support for business continuity planning (BCP)

Ensuring fair trade practices

### Our materiality

- Contributing to social issues through our business
- Initiatives to reduce environmental impact
- Human resources management
- Strengthening governance

### Significant efforts to address social issues through our business

#### ■ Telecommunications


We will contribute to the development of high-speed, high-capacity and energy-efficient networks and social infrastructures by promoting digitalization.

#### ■ Automotive

We will contribute to the realization of a safe and clean automotive society and the development of new mobility cities.

#### ■ Industrial equipment











We will contribute to the development of automation technology and control systems that respond to the changing demographics of the workforce, and to the advancement of the Internet of Things.















Sustainability Report 2025  YAMAICHI ELECTRONICS Co.,Ltd.

19

# Four Materialities and SDGs Yamaichi Electronics is Committed to

The Yamaichi Electronics Group supports the Sustainable Development Goals (SDGs) and declares its commitment to contributing to the realization of a sustainable society. Through our business activities and efforts to address social issues based on the environment, society, and governance (ESG), we will promote the initiatives below to achieve our four materialities.

Materialities	Specific initiatives		Related SDGs
Contributing to social solutions through our business	Telecommunications	We support the advancement of digitalization, which is driving faster, higher-capacity, and more energy-efficient networks, while contributing to the construction of communications infrastructure. Through semiconductor test solutions for smartphones, PCs, and servers, we contribute to improved functionality, stability, and reliability of these devices.	 
	Automotive	Contributing to the realization of a safe and clean automotive society and the development of new mobility in urban areas	 
	Medical and industrial equipment	Contributing to automation technologies, control systems, and the advancement of IoT that respond to labor population dynamics. We will also contribute to the improvement of medical technology and the efficiency of medical services.	
Efforts to reduce environmental impact	Chemical substance management	We aim to continually improve our environmental management systems, product chemical substance management, and environmental management activities to maintain green procurement and prevent environmental pollution.	 
	Utilization of sustainable resources	Recognizing the risks of resource depletion and environmental pollution, we implement awareness and education programs for environmental conservation, contributing to the realization of a circular society.	 
	Climate change countermeasures	By promoting energy efficiency and waste reduction, we engage in environmental conservation activities that contribute to the mitigation and adaptation to climate change.	 

Materialities	Specific initiatives		Related SDGs
Human resource management	A comfortable, safe, and secure workplace	We strive to maintain and improve a safe and comfortable work environment while also encouraging employees to take care of their health.	 
	Respect for people	We protect individual dignity and diversity and do not tolerate any form of harassment or discrimination. Furthermore, we prohibit child labor and forced labor, providing an equal and healthy work environment.	  
	Coexistence with local communities	As members of our communities, we engage in CSR activities at each of our locations to contribute to society.	 
Strengthening governance	Transition to a company with an Audit and Supervisory Committee	We have adopted the system of a company with an Audit and Supervisory Committee as our corporate governance structure. By ensuring that at least one-third of our Board of Directors are independent outside directors, we enhance the neutrality and objectivity of our management.	
	Enhancing information security	To guard against external threats, we are working to strengthen our cybersecurity measures, including appropriate vulnerability management of our IT assets.	 
	Strengthening BCP measures	We regularly review our risk assessments, including disaster response, and update our plans to reflect potential threats and risks.	 
	Fair transactions	We comply with international tax rules and laws in the countries where we conduct business, ensuring transparency through appropriate information disclosure in accordance with local laws and disclosure standards.	 



# 03

## Environment

---

## Fundamental Doctrine

We operate our group companies with full consideration of conservation of the global environment in every aspect of our corporate activities to contribute to the sustainable development of society.

Under the slogan of Green Earth for Tomorrow, the Yamaichi Electronics Group is committed to conducting the following types of activities.

**1. Practice of environmental management activities**

We practice environmental management activities to minimize waste and improve work efficiency, with objectives and targets set up through our understanding of the impact of our corporate activities on the environment.

**2. Continuous improvement and pollution prevention**

We make continuous improvements in our environmental management system, hazardous chemical substance control and environmental management activities and we also continue green procurement as well as preventing environmental pollution.

**3. Compliance with environment-related laws and regulations**

We comply with all environment-related laws and regulations and meet stakeholders' requirements regarding environmental issues through mutual agreements.

**4. Utilization of sustainable resources**

We promote educational programs to encourage employees to proactively commit themselves to preserving a sustainable environment and contribute to a recycling-oriented society by helping them recognize that their personal choices can bring about resource depletion and environmental pollution.

**5. Mitigation of climate change and adaptation to climate change**

We promote energy conservation, waste reduction and environmental preservation activities to help mitigate and adapt to climate change.

**6. Protection of the environment, biodiversity and ecosystems**

We strive for the protection of the environment as well as the recovery and preservation of biodiversity by considering the impacts of our corporate activities upon biodiversity.

**7. We make public our environmental policy as described herein.**

**Coverage**

**Activities, products and services**

IC socket, probe pin, connector, electronic board (YFLEX = Flexible Printed Boards), optical filter, optical module, development, design, manufacture and sale of optical devices.

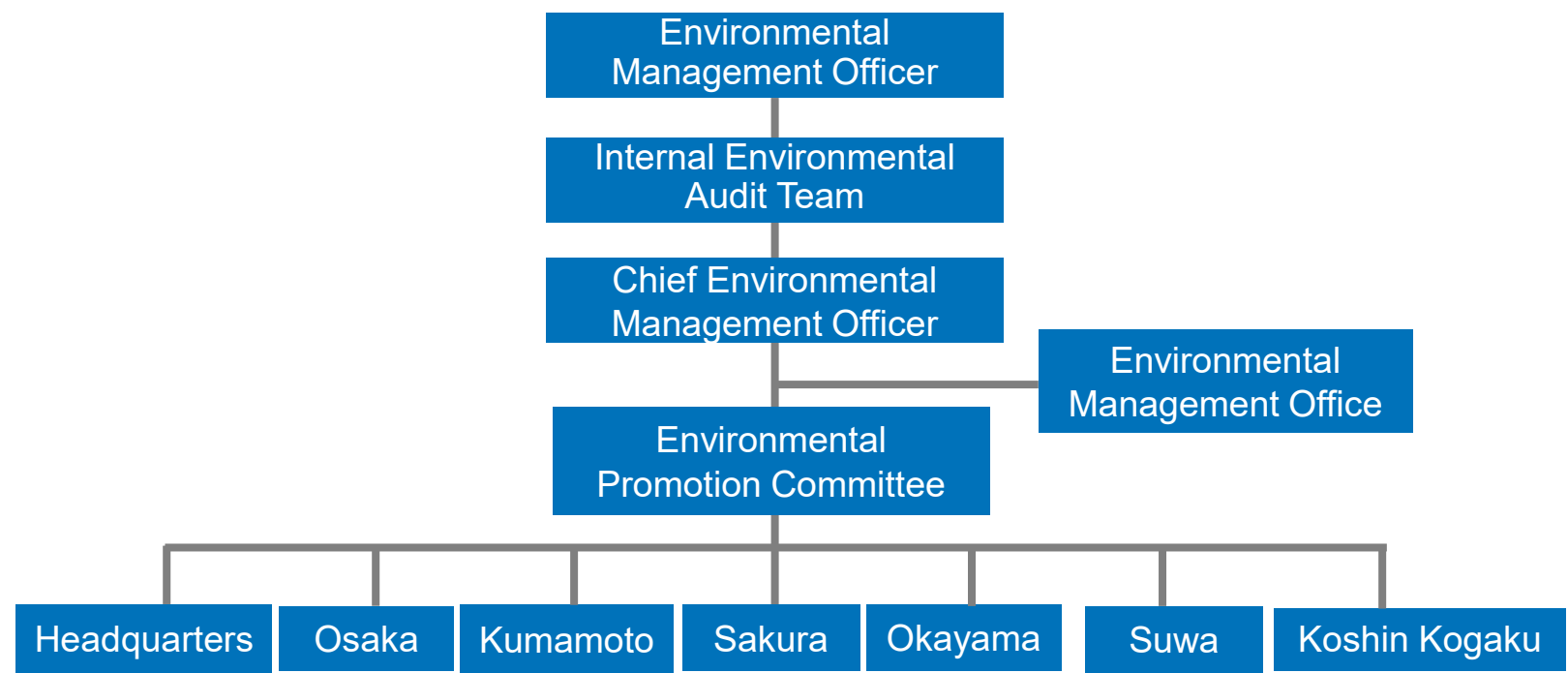
**Target**

People working under the management of the organization of Yamaichi Electronics Group.

Yamaichi Electronics has established a system to promote initiatives aimed at reducing environmental impact.

The Environmental Promotion Committee, chaired by the President, who is also the Environmental Management Officer, is held quarterly. The committee deliberates on issues and improvements in environmental management activities, sets and reviews environmental goals, corrects non-conformities and prevents recurrence, shares information on environmental regulatory revisions, and addresses results from internal and external audits.

Additionally, environmental committees are implemented at each site. These committees share the contents of the Environmental Promotion Committee and consider and implement specific environmental protection measures. Each site monitors specific usage of electricity, gasoline, water, etc., and works towards reducing the consumption.



International initiatives provide guidelines on addressing climate change and corporate information disclosure.

Our company complies with these international initiatives and expands its environmental efforts under this global framework.



## Task Force on Climate-related Financial Disclosures (TCFD)

In December 2023, we announced our support for The Task Force on Climate-related Financial Disclosures (TCFD). We will disclose information based on the common global framework for disclosure of climate-related information specified by the TCFD.

## CDP

The CDP is an international NGO established in the UK in 2000. By responding to the CDP's climate change questionnaire, we identify our challenges and make improvements every year.

## SBTi

SBTi refers to a joint initiative by WWF, CDP, the World Resources Institute (WRI), and the UN Global Compact. In September 2025, the Yamaichi Electronics Group committed to setting science-based CO<sub>2</sub> reduction targets through the Science Based Targets initiative (SBTi).

## Governance



In March 2023, we established the Sustainability Committee, which is chaired by the President.

The Sustainability Committee deliberates on issues such as tackling climate change, and the committee has a system for reporting its decisions to the Board of Directors.

In order to manage whether we are steadily fulfilling our targets, the Sustainability Committee will play a central role in working toward achieving these targets when there is a discrepancy between targets and actual values, or when there is room for improvement.

# Information Disclosure Based on TCFD Recommendations

## Strategy

We conduct scenario analysis to clarify the long-term risks and opportunities posed by climate change. In analyzing the 1.5° C scenario, we assumed that decarbonization policies would be strengthened in each country and region, and the impact on the industries in which our company is involved. In addition, in the analysis of the 4° C scenario, it was found that decarbonization policies are not strengthened in each country and region in response to climate change, and as average temperatures continue to rise and natural disasters become more severe, physical risks will increase.

### ■ 1.5°C scenario

Various regulations regarding carbon neutrality have been strengthened, and companies and local governments are actively working on renewable energy and energy conservation in order to create a sustainable society.

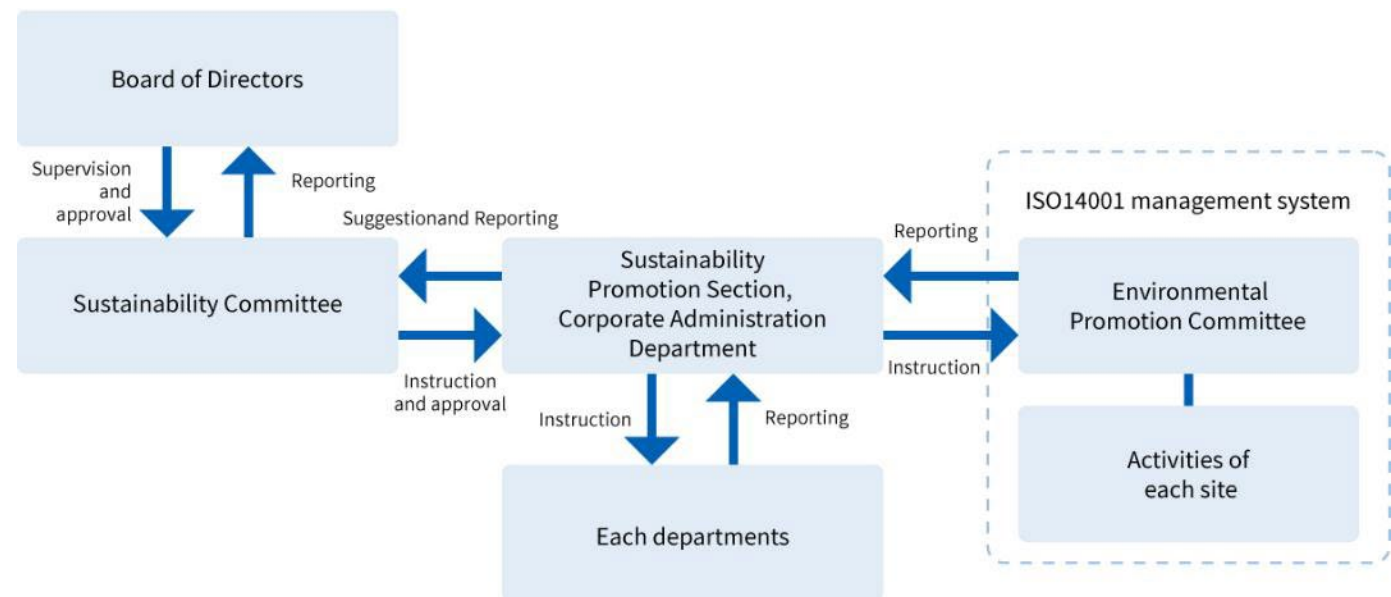
Opportunities And Risks	Classification	Business impact	Impact
Opportunities	Popularization of next-generation vehicles	Expansion of connector and semiconductor markets due to increasing demand for next-generation mobility such as electric vehicles	High
	Power saving of communication infrastructure	Increase in demand for connectors due to server construction using power-saving electronic devices	High
	Replacement with energy-saving equipment	Increased demand for semiconductors due to power control and control through power saving	High
	Promoting the use of renewable energy	Increase in demand for semiconductors due to promotion of renewable energy use	Middle
Transition Risks	National policies	Factory operation stoppage due to power control	High
		Increase in costs due to introduction of decarbonization tax	High
		Increase in cost due to emission allowance purchase	Middle
		Risk of incurring costs for switching to renewable energy equipment	Middle
		Increase in industrial waste treatment costs	Low
	Customer requests	Opportunity loss due to delay in responding to needs for decarbonization	Middle

### ■ 4°C scenario

The current situation is that no measures are taken to prevent temperature rise, increasing the risk of natural disasters.

Risks	Classification	Business impact	Impact
Physical risks	Increase in occurrence of abnormal weather	Increased costs due to difficulty in obtaining raw materials	High
		Operation stoppage due to factory damage	High
	Increase in average temperature	Rise in utility costs	Middle
		Reducing factory operation	Middle

## Risk Management



Our group has organized an environmental management system based on ISO 14001, with the Environmental Promotion Committee taking the lead in identifying environmental risks and allowing each departments to proceed with initiatives in line with their goals.

Additionally, we visualize internal indicators for progress management, promote environmental initiatives, and strengthen our management system.

## Metrics and Targets

We would like to inform that Yamaichi Electronics group aims to reduce CO<sub>2</sub> emission by 40% in 2030, compared to the basic unit per consolidated sales revenue of the fiscal year 2021. We will also try to meet carbon neutrality in 2050.

\*Our CO<sub>2</sub> emissions intensity is the CO<sub>2</sub> emissions per consolidated sales revenue.

Actual result of CO<sub>2</sub> emissions per unit in 2021 : 0.36t/million yen

### ■ Primary initiatives to be considered

- Building a production system utilizing renewable energy
- Establishing a workplace environment that minimizes greenhouse gas emissions

# Environmental Data

## Scope 1, Scope 2, and Scope 3

### Scope 1

[Past Performance Data (Consolidated)]

Category	FY 2021	FY 2022	FY 2023	FY 2024	Unit
Gasoline	62,549	72,718	76,750	78,388	L
City gas	852,603	533,093	108,319	84,610	m <sup>3</sup>
LP gas	329	418	365	240	m <sup>3</sup>
Kerosene	13,937	13,197	11,591	9,574	L
Light oil	58,383	58,048	54,830	54,296	L

[CO<sub>2</sub> Emissions from Energy Sources (Consolidated)]

Category	FY 2021	FY 2022	FY 2023	FY 2024	Unit
Scope 1	2034	1419	1258	1072	t-CO <sub>2</sub>

### Scope 2

[Past Performance Data (Consolidated)]

Category	FY 2021	FY 2022	FY 2023	FY 2024	Unit
Electricity	23,510,267	22,802,568	22,076,459	25,168,800	kWh

[CO<sub>2</sub> Emissions from Electricity Use (Consolidated)]

Category	FY 2021	FY 2022	FY 2023	FY 2024	Unit
Scope 2	12,762	12,352	11,984	13,547	t-CO <sub>2</sub>

### Scope 3

Starting in FY 2024, we began calculating Scope 3 emissions.

Scope 3 covers our entire supply chain related to business activities, and calculations have been conducted for major categories.

[FY 2024]

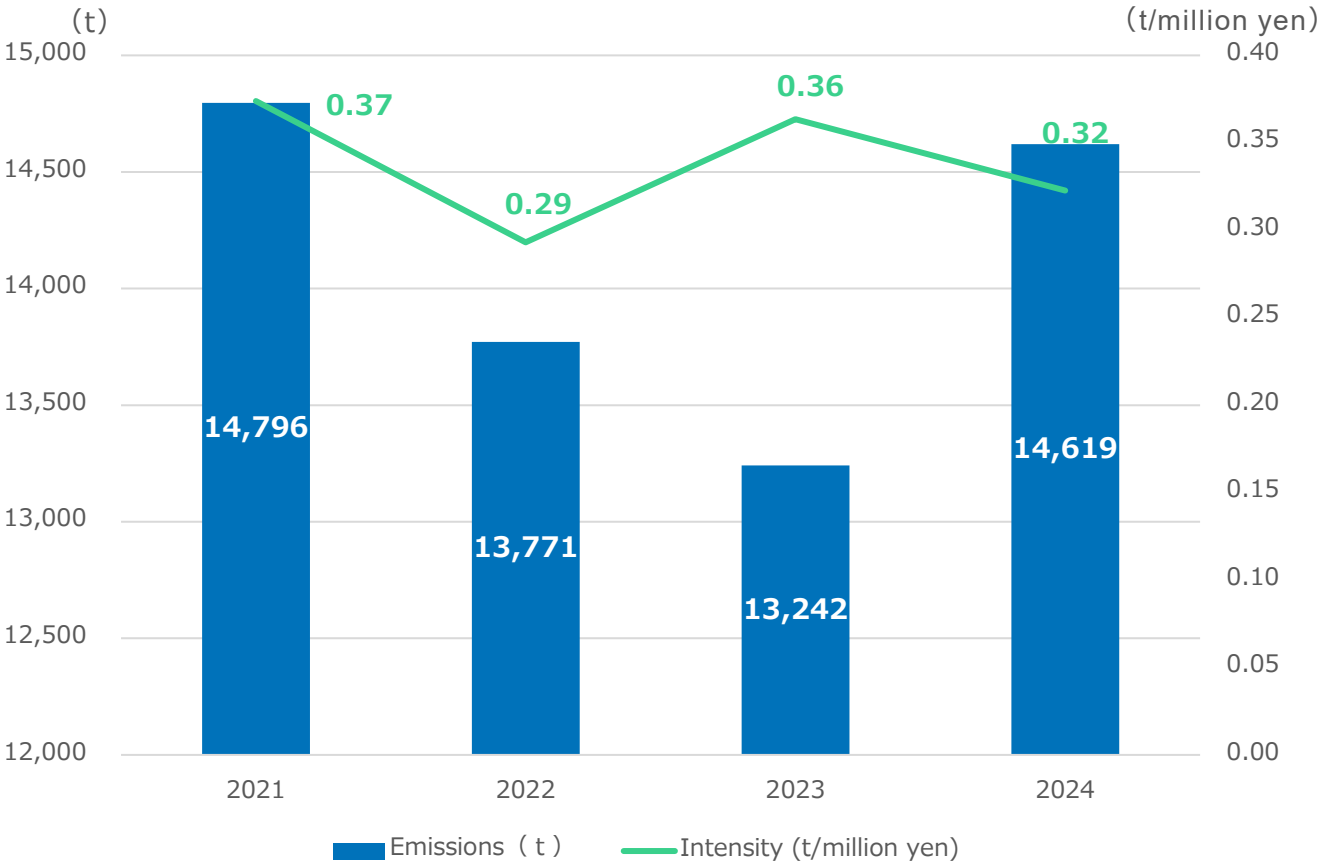
Category	t-CO <sub>2</sub>
Purchased products and services	76,643
Capital goods	7,865
Transportation and distribution (upstream)	52,219
Waste generated in operations	275
Business travel	348
Employee commuting	693
Transportation and distribution (downstream)	1,362
Scope 3 total	139,405

# CO<sub>2</sub> Emission Reduction Target

The Yamaichi Electronics Group aims to reduce CO<sub>2</sub> emissions by 40% by 2030 compared to the FY 2021 level, based on an intensity standard. The Group is also working toward achieving carbon neutrality by 2050.

\*Our CO<sub>2</sub> emissions intensity is the amount of CO<sub>2</sub> emitted per unit of consolidated sales.  
FY 2021 CO<sub>2</sub> emissions intensity: 0.36 t/million yen

	FY 2021	FY 2022	FY 2023	FY 2024
Scope 1+2 emissions (t)	14,796	13,772	12,543	14,316
Sales (million yen)	39,574	46,985	36,423	45,298
Intensity (t per one million yen)	0.37	0.29	0.34	0.32
Intensity reduction ratio (compared to FY 2021)	—	22%	8%	15%



**We started the 3R-Activities in 1997 and have since undertaken various initiatives.  
Currently, Yamaichi Electronics is promoting 3R + S by adding Safety (S) to the traditional 3R approach.**

<b>1997/5</b> Started 3R-Activities (Reduce, Reuse, Recycle)	<b>2004/4</b> Acquired ISO 14001 (Koshin Kogaku Co., Ltd.)	<b>2011/6</b> Headquarters: Installation of green curtains on building sides (including rooftop greening)
<b>1998/4</b> Acquired ISO 14001 (international environmental management system standard)	<b>2004/6</b> Started activities to eliminate all six substances covered by the RoHS Directive	<b>2011/7</b> Sakura Factory: Installation of solar power generation (30 kW)
<b>1998/9</b> Stopped the use of plastics containing particular bromine flame retarder	<b>2004/8</b> Reinforcement of the practice of Green Procurement Guideline (YS Regulations 6th Edition)	<b>2015/9</b> Acquired ISO 14001 (Yamaichi Electronics Deutschland Manufacturing GmbH)
<b>1998/11</b> Acquired ISO 14001 (Headquarters, Sakura and Oita)	<b>2004/12</b> Acquired ISO 14001 (Yamaichi Electronics Shenzehn Ltd.)	<b>2020/10</b> Sakura Factory: Expansion of solar power generation (500 kW) and installation of NAS storage batteries
<b>2000/11</b> Acquired ISO 14001 (Matty Co., Ltd. and offices in Japan)	<b>2005/2</b> Acquired ISO 14001 (Pricon Microelectronics, Inc.)	<b>2024/5</b> Sakura Factory: Installed an additional 368 kW of solar power generation on the newly constructed Building No. 2
<b>2001/5</b> Issued Green Procurement Guidelines (YS Regulations, First Edition)	<b>2006/12</b> Acquired ISO 14001 (Asia Yamaichi Electronics Inc.)	
<b>2003/11</b> Certified by Sony Corporation as Green Partner	<b>2008/12</b> Acquired ISO 14001 (Suwa and Okayama Factories)	

ISO 14001 is an international standard that requires companies to minimize their environmental impact.

In April 1998, we started environmental activities based on ISO 14001 rules. Since obtaining certification at our headquarters, Sakura, and Oita, in November, the entire Yamaichi Electronics Group has been promoting environmental activities.

At Yamaichi Electronics, we conduct e-learning on ISO 14001 for all employees, striving to enhance environmental awareness.

Organization	Country of residence	Certification Body
Yamaichi Electronics Co., Ltd. headquarters (Sakura Factory, Okayama Factory, Suwa Factory, Osaka Office, Kumamoto Office, Koshin Kogaku Co., Ltd. Head Factory, Koshin Kogaku Co., Ltd. Tokawa Plant)	Japan	JQA
Pricon Microelectronics, Inc.	Philippines	TÜV
Asia Yamaichi Electronics Inc.	South Korea	KOSRE
Yamaichi Electronics Deutschland Manufacturing GmbH	Germany	DMSZ

# Reduction and Promotion of Waste Recycling

The Yamaichi Electronics Group properly disposes of waste generated from business activities. Waste such as metal scrap, waste oil and liquids, grinding sludge, packaging materials, and waste plastics is appropriately classified. Additionally, some of the waste is sold as valuable materials, working towards effective resource utilization and reducing environmental impact.

## Methods of waste recycling

Waste		Material recycling
Grinding sludge	→	Metals, roadbed materials, and cement materials
Metal scrap		
Grinding wheels		Roadbed materials and grinding wheels
Cardboard		Recycled paper, cardboard, and board raw materials
		Glass raw materials
		Plastic raw materials
		Water resources
Waste		Thermal recycling
Plastics	→	Auxiliary combustion materials and recycled fuel
Waste oil		
Old paper, cloth, wood dust, etc.		



Waste storage location



Sale of metal scrap

# Reduction and Promotion of Factory Waste Recycling

## Improving material efficiency in metal parts processing

In our metal parts processing operations, efforts are focused on improving production yield to reduce the generation of waste and scrap. In our press processing operations, optimizing and standardizing material width has helped reduce material input and realize efficient layout design. Furthermore, improvements to die layouts have enhanced the material utilization rate.

The introduction of automatic welding machines for joining material edges has simultaneously improved our material yield and productivity. When updating equipment, we also review the types of lubricants used and switch them to recoverable and recyclable machine oils, thereby contributing to resource recovery.

In our cutting process, metal chips generated from machining are sorted and collected as valuable resources. These initiatives are not one-off efforts; rather, the know-how gained is systematically accumulated and shared across other sites and new plants with similar processes.

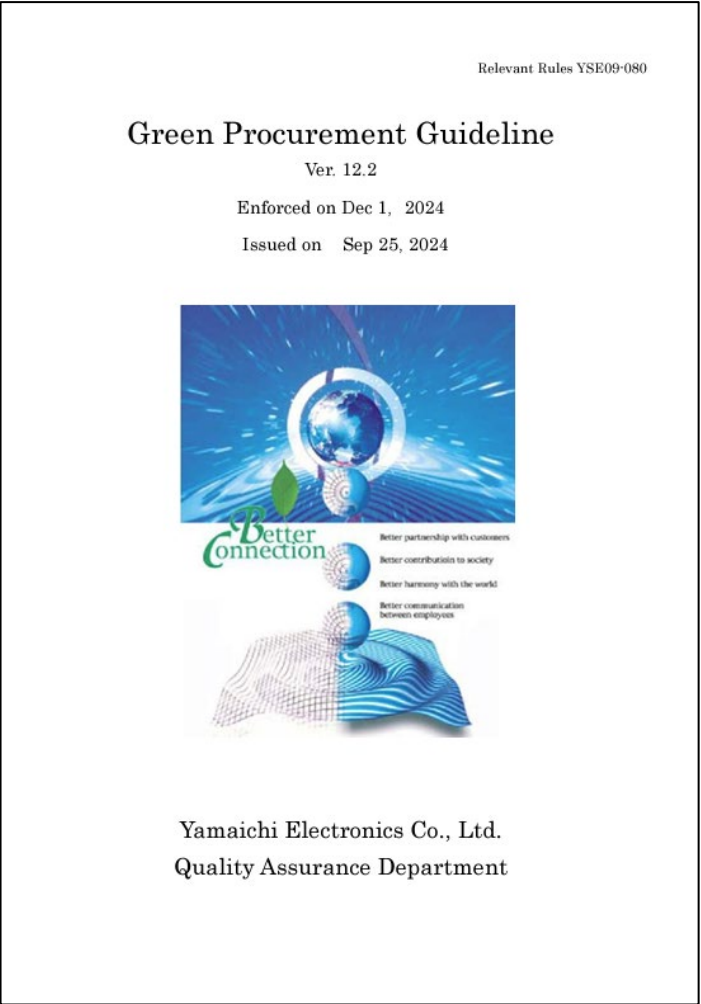
## Reducing loss in plastic molding

In our plastic molding operations, various measures have been implemented to minimize material loss. A key initiative is the introduction of molds with smaller spool runners, which has significantly reduced the amount of resin discarded after injection molding. We are also improving the production yield to achieve more efficient molding processes.

## Reducing loss in plating processes

In our plating operations, layout improvements are carried out in collaboration with the press division. These include suppressing plating on scrap portions and applying the new layout design to newly developed components.

Unit	Current initiatives	Recycling
Metal parts processing	• Improving production yield	
	• Switching to recoverable machine oils upon equipment renewal	○
	• Improving die layout	
	• Optimizing and standardizing press material width	
	• Enhancing material efficiency through the introduction of automatic welding machines	
	• Collecting valuable metal chips after lathe processing	○
Plastic molding	• Improving production yield	
	• Using small spool runner molds	
	• Using multi-cavity molds	
Mold and equipment manufacturing	• Reusing parts from retired equipment	○
	• Disposing of used carbide end mills as valuable recyclable materials	○
	• Disposing of used EDM wire as valuable recyclable materials	○
	• Switching to recoverable machine oils upon equipment renewal	○
Plating	• Improving production yield	
	• Optimizing plating width (layout) to save material	
	• Recycling rinse water	○
Product assembly	• Improving production yield	
Packaging and logistics	• Promoting the use of returnable delivery boxes	
	• Reusing cardboard	○
	• Reusing wooden pallets	○
Administrative departments	• Promoting paperless operations	○



To procure materials and components for products that have minimal environmental impact, the Yamaichi Electronics Group has established the Green Procurement Guideline.

The Green Procurement Guideline is distributed to suppliers, requesting them to promote activities to reduce environmental impact, manage supply chains, build environmental management systems, strengthen quality control for product-contained chemicals, and submit information on chemical contents.

Additionally, we have established green procurement specifications for packaging materials used when shipping our products. The specifications ensure that boxes, trays, labels, etc., do not contain substances with a high environmental impact.

For more details, please visit our website: <https://www.yamaichi.co.jp/en/sustainability/loadreduction/>

# Initiatives for Hazardous Substance Management

At Yamaichi Electronics, we treat plating solutions (gold plating, silver plating, and cyanide compounds) and waste plating solutions as hazardous substances that may impact the environment.

In our plating manufacturing department, we conduct annual emergency response training for all employees, enhancing awareness and preparedness.

There have been no emergencies related to hazardous substances at our company in the past. We will continue to conduct preventive and preparatory training for emergencies and accidents.



Training for hypothetical plating solution leakage accidents

## Health management of employees handling hazardous substances

In FY 2023, we conducted biannual statutory special health examinations for employees handling plating.

We strive to ensure that our employees can work healthily.

## Initiatives related to handling of hazardous substances

About 60% of wastewater from our plating facilities is recycled and reused through our in-house recycling equipment, except for a part disposed of as industrial waste.

Recycled wastewater is reused in the plating manufacturing process.

## Environmental Audits

Yamaichi Electronics Group conducts annual internal audits to ensure compliance and proper implementation of our environmental management system according to ISO 14001. We also provide ISO14001 internal auditor training, with five employees participating in FY 2025.

The internal audit for FY 2025 was conducted from July 8 to July 30. The audit identified 10 points of notice. Corrective actions have been taken for each point.

Additionally, we undergo annual external audits by external auditing organizations to maintain our ISO14001 certification. The external audit for FY 2025 was conducted from October 1 to 3.

As a result, it was acknowledged that “In this regular audit, no items for improvement were found within the applicable standard [ISO 14001:2015], and it was determined that the registered management system is being maintained.”



ISO 14001 external audits

## Environmental violations

We promptly respond to environmental concerns, with respective departments acting as contact points.

In FY 2024, there have been no complaints or claims related to environmental issues.

Also, in FY 2024, there have been no significant environmental violations that resulted in penalties or fines for our company.

# Yamaichi Electronics Group's Renewable Energy

The Yamaichi Electronics Group aims for a 40% reduction of CO<sub>2</sub> emissions by the end of 2030 based on the FY 2021 intensity standard and has set a goal of carbon neutrality for 2050. In 2024, new solar panels were installed at two sites in Japan and overseas. The installation of solar panels is also underway at a new production site in the Philippines, scheduled for completion in 2025. The Group will continue to make company-wide efforts to reduce environmental impact.

	October 2020	May 2024	Scheduled to start operation in FY 2025	Scheduled for completion in March 2026
Business site	Sakura Factory	Sakura Factory Building No. 2	Yamaichi Electronics Deutschland Manufacturing GmbH (YDM)	Pricon Microelectronics, Inc. Factory 3
Location	Sakura City, Chiba Prefecture	Sakura City, Chiba Prefecture	Germany	Philippines
Panel capacity per unit	445 W	585 W	430 W	433 W
Number of panels	1,530	630	1,432	854
Storage battery	NAS battery system (capacity 2,400 kWh, output 400 kW)		-	-
Annual power generation	1,314,651 kWh (FY 2024 actual)		Approx. 494,900 kWh	Approx. 698,300 kWh
Estimated CO <sub>2</sub> reduction	350 t	190 t	339 t	372 t
In-house power generation ratio	25%		33%	26%



Sakura Factory



Sakura Factory NAS battery system



Sakura Factory Building No. 2



YDM (Germany)

# Environmental Activities at the Sakura Factory

At the Sakura Factory in Sakura City, Chiba Prefecture, solar power generation equipment and NAS batteries were introduced in October 2020 to reduce CO<sub>2</sub> emissions associated with electricity purchased from power companies. A system has been established to store surplus solar power in NAS batteries during the day and discharge it for use at night. In addition, when electricity demand in the city increases and a demand response is activated by the power company, the Sakura Factory reduces the amount of electricity purchased for several hours at a time. As a result, the factory saves an amount of electricity equivalent to that consumed by hundreds of ordinary households during the same period, thereby contributing to improving the balance between power supply and demand. At the Sakura Factory, 1,530 solar panels of 445 W each were already in place. On January 31, 2024, an additional 630 solar panels, each measuring 585 W, were installed on the rooftop of Building No. 2, which was newly completed on that date. With this hybrid solar power generation system that combines solar panels and NAS batteries, approximately 25% of the total electricity consumption of the Sakura Plant can now be covered by solar power.



### Introduction of EVs

Previously, gasoline vehicles were used to transport parts between Buildings No. 1 and No. 2 at the Sakura Factory. As part of initiatives to promote environmentally friendly business operations, an electric vehicle (EV) was newly introduced in November 2024.

## Environmentally friendly site

Building No. 2 is engaged in various initiatives to reduce environmental impact.

### Acquisition of BELS certification

Building No. 2 has received the highest rating in the five-grade evaluation of the Building Energy-efficiency Labeling System (BELS<sup>\*1</sup>) and obtained ZEB<sup>\*2</sup> Ready certification. The building is equipped with a highly insulated exterior and high-efficiency energy-saving facilities.

\*1. BELS: An abbreviation for Building-Housing Energy-efficiency Labeling System. This system, launched in 2014 by the Association for Evaluating and Labeling Housing Performance, is designed to indicate the energy efficiency of buildings. It calculates the Building Energy Index (BEI) and assigns a five-star rating based on the calculated value. Buildings with outstanding energy efficiency are further certified as ZEBs.

\*2. ZEB: An abbreviation for Net Zero Energy Building, which refers to buildings designed to achieve a net-zero energy balance by reducing primary energy consumption through energy-saving measures and introducing renewable energy sources. Within this classification, "ZEB Ready" refers to buildings that have reduced their standard primary energy consumption by 50% or more through energy-saving measures.



### Reduction of environmental impact in the production process

In the plating area, products are washed several times during each process. For the second and third rinsing stages, recycled water processed in the plant using activated carbon and ion-exchange resin is utilized to reduce water consumption. In Building No. 2, other environmentally conscious measures are also in place, such as treating gas generated during chemical use with an exhaust gas scrubber and releasing only clean air outside the plant.



## Layout aligned with the production flow

Building No. 2 has been designed with an efficient layout that matches the production flow, with the first floor serving as the pressing area and the second floor as the plating area. On the first floor (pressing area), processes include material input, pressing, cleaning of oil used in pressing, and heat treatment prior to plating. Next, the products are transferred to the second floor (plating area), where plating is performed using chemicals selected according to customer requirements.



First floor (pressing area)



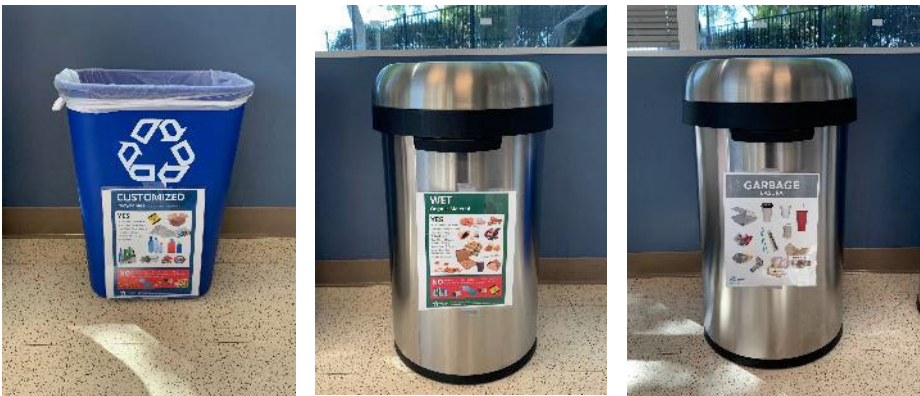
Second floor (plating area)

# Efforts Toward Environmental Protection

## Yamaichi Electronics USA, Inc. (YEU)

YEU is partnering with Republic Services, a company that provides recycling programs and waste management and recycling services in San Jose to reduce waste and lower carbon dioxide emissions in the city and state.

All employees at YEU participate in this program through daily waste sorting and recycling activities.



## Yamaichi Electronics Deutschland (YED)

YED is engaged in various activities that are aimed at nature conservation.

To protect bees that support the breeding of many plant species, we have partnered with the beekeeping company Honiglandschaften since October 1, 2022, to support two bee colonies.

Additionally, we transformed approximately 5,000 m<sup>2</sup> of extensive ornamental lawn at our production site in Frankfurt into a meadow consisting of various plants with different flowering periods. We expect this to create habitats for many insect species.

We have also entered into a partnership with PLANT-MY-TREE®, which conducts forest regeneration projects in Germany, to support an area with 500 trees in Ratzdorf, Brandenburg.





# 04

## Social

---

## HR Policy

Our group's management philosophy is “People: Our Most Important Assets”. We nurture the careers of the employees, while depending on their skills and potential. Our goal is to make sure the employees have opportunities to prosper and succeed.

In addition, in order to realize the same management philosophy of “Create Value”, “Commitment to Quality”, “Technology Innovation Makes a Difference” and “Contribution to Communities and the Environment”, we believe improving the capabilities of officers and employees and developing human resources are extremely important investments.

Therefore, each human resource development measure will respond quickly to changes in the external environment, such as the evolution of technology and revisions to relevant laws and regulations, and will be continuously and systematically promoted in an organic relationship with various personnel management systems within the company.

Additionally, our group will actively recruit external personnel with high skills and different experiences and perspectives, as it believes that ensuring diversity in human resources is essential for the development and survival of the company.

In item 6 of the Group’s Code of Conduct, we have established “Respect for Human Rights and Workplaces Easy to Work.”

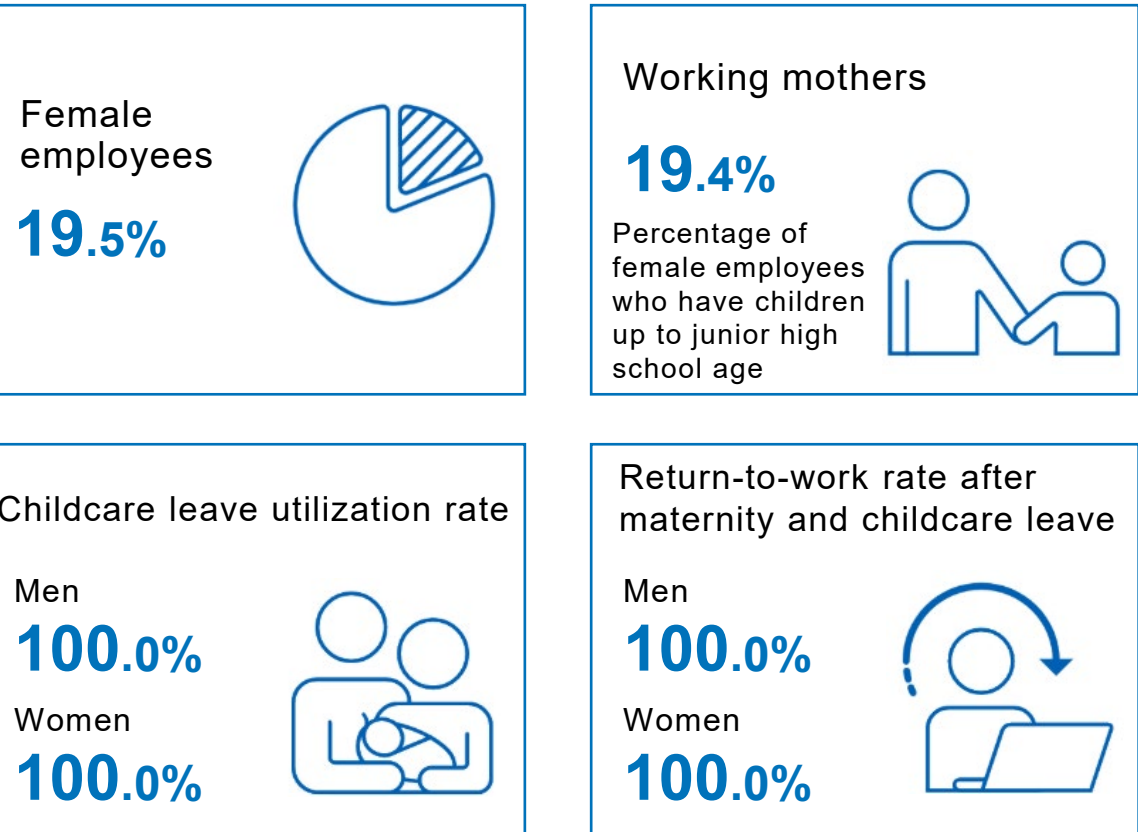
The YAMAICHI CARD distributed to all employees includes these items to ensure that each employee works with an awareness of respecting human rights.

- We respect basic human rights, characters and privacy of individuals, and commit no disregarding acts of individuality such as bullying, contempt or moral harassment.
- We deny child labor and compulsory labor.
- We will not discriminate based on race, religion, gender, nationality, age, physical or mental disorder and sexual orientation.
- We commit no sexual harassment acts such as sex-related words or deeds offending a person and people nearby.
- We endeavor to maintain and improve safe and comfortable workplace environment and also to build our own health.

For more details, please visit our website: <https://www.yamaichi.co.jp/en/sustainability/group/>

## Initiatives to promote women's participation and advancement

The Yamaichi Electronics Group recognizes that the active participation of women is essential for future corporate growth. We aim to realize diverse work styles through systems, such as remote work, maternity and childcare leave, and shortened working hours.



### [Main childcare support systems]

Shortened working hours during pregnancy	In principle, one hour of reduced working hours or staggered working hours within one hour
Maternity leave system	Six weeks before the expected delivery date and eight weeks after childbirth
Special childcare leave	Up to 28 days of special paid leave can be taken within 180 days from the child's date of birth
Childcare leave system	Available until the child reaches one year of age (up to two years under certain conditions) *Husbands can also take leave under the same conditions and period as their wives.
Paternity leave	Up to three consecutive days of special paid leave are available
Shortened working hours for childcare	Available until the child enters elementary school; working hours may be reduced by up to two hours per day
Childcare leave for caring for a sick child	Available until the child enters elementary school; five days per year for one child and ten days per year for two or more children (unpaid)
Childbirth allowance	A lump-sum payment of 80,000 yen is provided when an employee or their spouse gives birth

\*Data for Yamaichi Electronics (non-consolidated), FY 2024

# Statement Regarding the Act on Promotion of Women’s Participation and Advancement in the Workplace

## Promotion of women’s participation and advancement

The Yamaichi Electronics Group is actively promoting the employment of women and their appointment to management positions. The percentage of female employees stands at 43.7%, and the percentage of female managers is 15.8%.

Although the Group has achieved a certain level globally, we recognize that the ratio of female managers in Japan remains low and has not yet reached a satisfactory level compared with global trends.

In the future, while continuing global initiatives, we will further promote women’s participation in Japan and proactively appoint women to management positions.

The results, indicators, and targets related to the promotion of women’s participation in FY 2024 are shown in the table on the right.

[Results]

	Consolidated results	Non-consolidated results
Ratio of female employees *1	43.7%	19.5%
Ratio of female managers *2	15.8%	1.7%

[Indicators and targets]

Indicator	Target (Yamaichi Electronics non-consolidated)
Ratio of female employees *1	23.0% (as of the end of March 2027)
Ratio of female managers *2	3.0% (as of the end of March 2027)

\*1. Ratio of female employees (excluding temporary staff) at the end of the fiscal year.

\*2. Ratio of female managers at the end of the fiscal year.

The Yamaichi Electronics Group is working to create an environment where diverse human resources can play active roles. Regardless of nationality, age, or workplace location, we respect each individual's experience and values, recognizing that both business growth and organizational strength depend on them.



## Employment of foreign nationals

The Yamaichi Electronics Group supplies products globally.

For business expansion, we believe that employee participation from diverse cultural backgrounds is essential, and we hire foreign nationals.



## Re-employment of senior employees

Within the Yamaichi Electronics Group, employees who wish to continue working after retirement are re-employed. At Yamaichi Electronics Co., Ltd. (non-consolidated), 87.2% of retirees continue to be active after retirement (as of the end of March 2024).

Employees use their many years of experience and knowledge to pass them on to younger colleagues.



## Acceptance of employees from overseas production sites

To enhance the overall productivity of the Yamaichi Electronics Group, we regularly accept employees from Pricon Microelectronics, Inc. (Philippines), one of our overseas production sites, and provide training in production and technology.

As a fundamental philosophy, the Yamaichi Electronics Group upholds “Respect for People” as its management principle, aiming to nurture people, make the best use of their abilities, and share both corporate development and individual happiness.

By establishing flexible working arrangements to accommodate life events such as childcare and nursing care, we support each employee in ensuring they do not miss out on growth opportunities at work, while enabling them to contribute to the organization by leveraging their diversity.

## Diverse work styles



### Flextime system

Within the prescribed monthly working hours, employees can set their working hours to suit their daily lifestyles.

The core time is from 10:00 AM to 2:45 PM (from 10:10 AM to 2:50 PM at the Sakura Plant, Okayama Factory, and Suwa Factory).



### Remote work system

To enable employees to establish their own work styles and work flexibly and efficiently, the Company has introduced a remote work system.

\*The availability of the remote work system varies depending on the business site or department.

At Yamaichi Electronics, we believe that enhancing employees’ skills through various forms of education and training is essential to the Company’s growth. We provide a range of training programs, including hierarchical training, specialized training, company-wide common training, and training for new employees.



**Hierarchical training**

Training for general employees, training for newly appointed supervisors, basic training for managerial behavior, training for newly appointed managers, and basic training in management knowledge for managers, and others

**Company-wide common training**

Information systems, compliance, safety, environmental education, and others

**Specialized training**

Training for sales departments, technical departments, production departments, and administrative departments, as well as education for certified personnel and qualification programs, and others

**New employee orientation**

New employee training\*, follow-up training for new employees, and training for mid-career hires

**\*New employee training**  
A training program of about three weeks after joining the Company, designed to provide basic business knowledge and an overview of operations. In addition to classroom learning at the head office, participants also visit manufacturing sites to deepen their understanding of the Company’s business activities.

At Yamaichi Electronics, we have implemented an evaluation system that assesses both the results achieved through individual effort and the process leading to these results. Furthermore, we have incorporated various systems that enable each employee to create their career path and take on challenges in their work.

## Grading system

We have a Mission Rank System, where rank is determined by current job responsibilities and demonstrated ability and an Achievement Grade System based on the degree of past contributions. These are independent systems, and an employee will hold two different ranks.

## Evaluation system

We conduct personnel evaluations from two perspectives: “Performance Evaluation,” which assesses whether the company’s expected results have been achieved, and “Process Evaluation,” which checks whether the expected attitudes, postures, and actions are taken and whether the expected competencies are possessed.

## Goal management system

At the beginning of each half-year period (April and October), individual goals are set considering organizational policies and assigned tasks using a Goal Management Activity Sheet. Mid-term and end-term interviews with superiors are conducted to confirm goals and evaluate the degree of achievement.

## Position system

Considering individual aptitude, we have established a positioning system based on different types of human resources.



## Recognition system

We have established a Performance Contribution Award for teams or individuals contributing to sales and profit and a Business Improvement Award for those contributing to productivity improvement and operational efficiency. Applications are submitted annually by each department, and winners are determined through self-assessment and review by the board of directors.



At Yamaichi Electronics, we believe that the well-being of our employees is essential for our sustainable growth. We are committed to ensuring the physical and mental health of our employees so that each one can work vibrantly.

In Japan, we are implementing robust hygiene and health measures, enhancing mental health support to match changes in work styles, and thoroughly preventing lifestyle-related diseases.



## Health support measures in Japan

- Appointment of occupational physicians.
- Implementing measures to prevent severe health issues based on the results of regular health checkups.
- Consultations and interviews for long-hour workers.
- Regularly convening a safety and health committee consisting of HR and labor management staff, occupational physicians, and employee representatives.
- Annual stress checks. Encouraging interviews for employees identified as high stress to prevent mental health issues.
- Setting up internal consultation desks for mental health, harassment, and compliance violations.
- Conducting special health examinations (Target: plating manufacturing staff, blasting operation staff, and night shift staff).

At Yamaichi Electronics, there are various systems and welfare services to support employee asset formation.



## Employee stock ownership system

This is a system where employees set aside a certain amount from their salary, to which the company adds a 15% subsidy for the regular purchase of the company's shares.



## Pension system (Defined benefit corporate pension, defined contribution pension)

In addition to the defined benefit corporate pension system, where future pension amounts are determined based on company regulations, we have introduced a defined contribution pension system (Japanese version of 401k), where the company contributes, and the employee members manage their investments.



## Savings system

A system where employees can choose to deduct a certain amount from their monthly salary and bonuses, which is then deposited with financial institutions. We handle three types of savings: general savings, housing savings, and pension savings.



## Side business system

Since 2019, we have allowed our employees to use their discretionary time for side business.



## Long service award system

We provide celebration money according to the length of service at 5 years, 15 years, and 25 years.



## Welfare services

Employees can enjoy preferential rates at accommodation and leisure facilities.



## Recreational facilities

Employees can use recreational facilities (Ichinomiya City, Chiba Prefecture and Atami City, Shizuoka Prefecture) operated by the health insurance association.

# Social Contribution and Community Activities

The Yamaichi Electronics Group, as part of the community, conducts CSR activities at each location to contribute to society.

## Yamaichi Electronics Co., Ltd. (Sakura Factory)

### ■ Cleanup and beautification activities in the community

We have been conducting cleaning and beautification activities around our Sakura Factory three times a year since 2010. About 30 employees voluntarily participate each time, contributing to the beautification of the area.

### ■ Blood donation activities

We have been participating three times a year in the Japanese Red Cross Society's blood donation, with about 30 employees voluntarily participating each time. We have been doing this since the 1990s, and our long-term cooperative stance has been recognized with a letter of appreciation from the Minister of Health, Labour and Welfare. We have also received awards from the Governor of Chiba Prefecture and the Gold Merit Award from the Japanese Red Cross Society.

## Yamaichi Electronics Deutschland

### ■ Girls' Day

Girls' Day encourages female students to pursue careers in IT and technology, with events held worldwide. YED welcomes students who wish to gain practical experience in technical fields. During the internship, students receive technical instruction, take part in factory tours, and participate in workshops to deepen their understanding of the electronics components industry. As an example of these activities, students created a digital alarm clock as a hands-on project. They also learned about professions such as process engineering and maintenance, gaining valuable experience that will contribute to their future career development.



The Yamaichi Electronics Group strives to achieve its management philosophy of “fulfilling its social role” by engaging in fair trade with our clients.

To conduct fair and transparent transactions, we have established a basic policy on materials and work together with our clients to achieve fair and equitable business activities.

## Basic Policy for Material Procurement

1. We will build partnerships with our suppliers based on mutual understanding and trust.
2. We will comply with laws and regulations, and social norms. We will comply with relevant laws and regulations, and social norms, regardless of country or region, and will carry out sound material procurement activities by cutting off relations with antisocial forces.
3. We will provide fair trade opportunities to any suppliers in the global market regardless of their nationality based on the principle of free competition.

## Our Supplier Selection Policy

1. All suppliers shall comply with social norms, etc., and demonstrate due consideration for human rights and the environment.
2. All suppliers shall be in sound financial condition.
3. All suppliers shall be evaluated in terms of their price competitiveness, ensuring of required quality and specifications, capacity to satisfy delivery time and supply, and technology development capability, in accordance with appropriate procedures.
4. All suppliers shall be capable of supplying continuously, even when an unexpected disaster occurs.

# Quality Policy

Yamaichi Electronics is committed to quality improvement activities throughout the entire company to provide our customers with excellent products.

We have obtained ISO 9001 certification, a quality management system, at various domestic and overseas production bases.

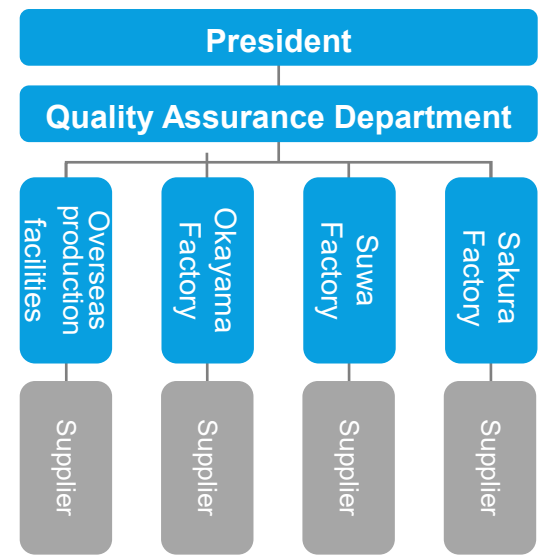
We have obtained certifications for various products, such as connectors, IC sockets, flexible printed circuit boards, optical filters, and burn-in test services, establishing a quality assurance system.

The Quality Assurance Department, responsible for quality management, collaborates with various departments involved in manufacturing, sales, and technology, as well as external suppliers, to maintain and enhance the quality assurance system. Furthermore, quality audits compliant with the quality management system are conducted.

In the development process management, which includes product planning, design, prototyping, testing, and mass production, we confirm the resolution of issues and strive to manage the stability and maintenance of quality after mass production.

The Quality Assurance Department strengthens collaboration with overseas factories and builds a system to share quality information globally. We collect feedback from customers around the world and respond promptly, working on the development of products and quality improvement to meet market needs.

Quality assurance system diagram



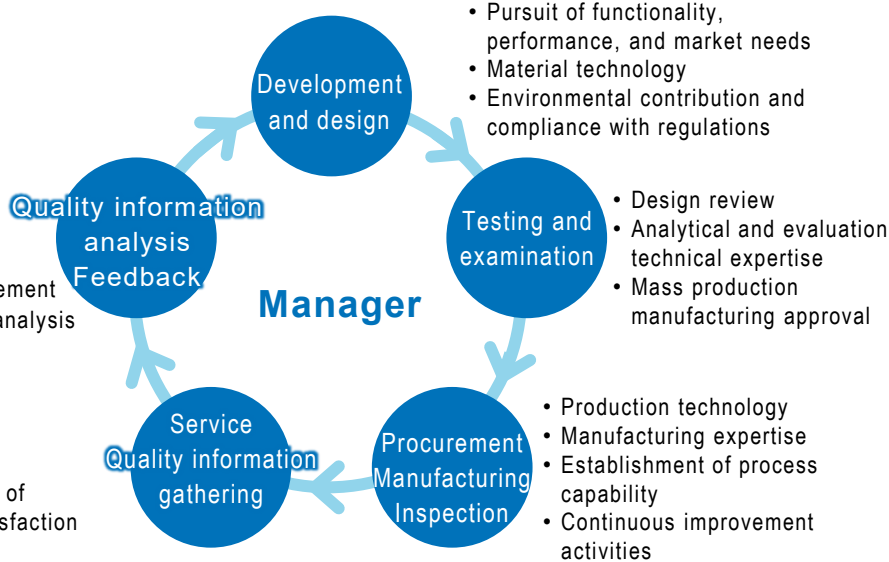
## Quality Policy

All employees involved in the Yamaichi Electronics Group share the common goal of “Providing Satisfaction to the Customer” with our products and services, and strive to provide the highest level of quality on which our reputation is based.

- Quality improvement
- Market needs analysis

- Enhancement of customer satisfaction

Quality management cycle



## Principles

1. Promptly fulfilling our customers' needs to their satisfaction is our top priority.
2. All employees should observe the law, and honor their own professional ethics.
3. All product quality related departments should set the quality targets, and utilize the PDCA method to implement the actions for improvement.
4. We should conform to the requirements, and continuously improve the validity of quality management system, and then secure the appropriate level of quality with efficient and effective operation.

The Yamaichi Electronics Group has obtained ISO 9001 certification, a quality management system, at its production facilities both domestically and internationally.

Quality audits and other measures are implemented to enhance and maintain product quality.

Organization	Country of residence	Certification Body
Yamaichi Electronics Co., Ltd. (Sakura Factory, Okayama Factory, Suwa Factory)	Japan	JQA
Koshin Kogaku Co., Ltd.	Japan	JQA
Pricon Microelectronics, Inc.	Philippines	TÜV
Test Solution Services, Inc.	Philippines	TÜV
Asia Yamaichi Electronics Inc.	South Korea	KOSRE
Yamaichi Electronics Deutschland GmbH, Yamaichi Electronics Deutschland Manufacturing GmbH	Germany	DMSZ

# IATF16949

IATF 16949 is an international standard for quality management systems specialized for the automotive industry.

Many automotive manufacturers adopt it as a global procurement standard for automotive components.

Flexible circuit boards and connectors manufactured by Yamaichi Electronics are used in automobiles and have received IATF 16949 certification.

Organization	Country of residence	Certification Body
Pricon Microelectronics, Inc.  (Remote Location) Yamaichi Electronics Co., Ltd. Headquarters, Sakura Factory, Okayama Factory, Osaka Office	Philippines	TÜV



# 05

## Governance

## Basic Policy

We recognize that enhancing corporate governance is an important management issue from the sustainable growth and medium- to long-term enhancement viewpoint of corporate value. In line with the following basic policy, we will enhance and strengthen our corporate governance to realize transparent, fair, prompt, and decisive decision-making in management.

- (1) We will respect the rights of shareholders and strive to ensure their equality.
- (2) We will strive for appropriate cooperation with all stakeholders, including shareholders, customers, business partners, employees, and local communities.
- (3) We will appropriately disclose corporate information and strive to ensure transparency.
- (4) We will strive to appropriately execute the roles and responsibilities of the Board of Directors in order to make decisions in a transparent, fair, prompt, and decisive manner.
- (5) We will strive to engage in constructive dialogue with shareholders in order to achieve sustainable growth and enhance corporate value over the medium to long term.

## Corporate governance structure diagram

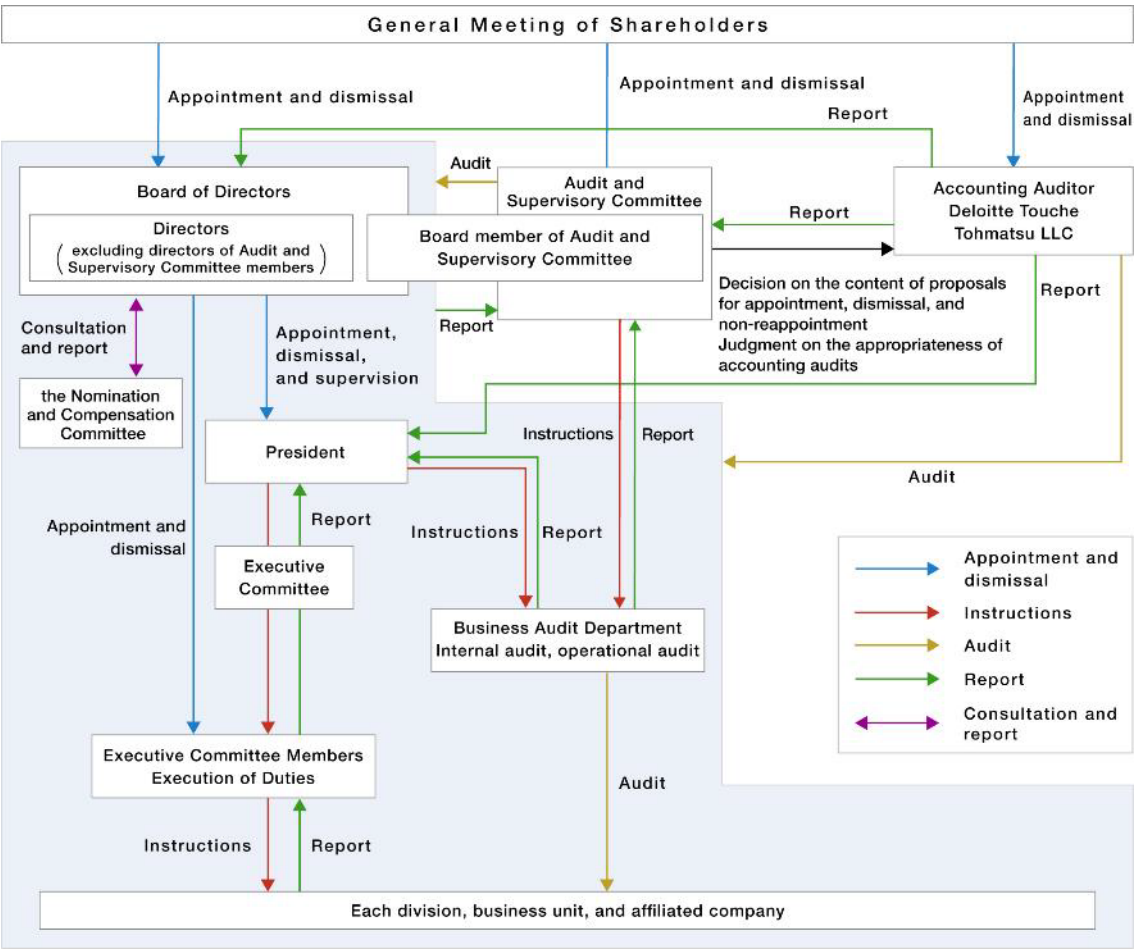
We adopt a system of a company with audit and supervisory committee as its organizational design for management, enhancing neutrality and objectivity in the composition of the Board of Directors by having more than one-third of all directors be independent outside directors.

As an advisory body of the Board of Directors, we have established a Nomination and Remuneration Committee, in which the majority of its members are independent outside directors, ensuring transparency and fairness in management personnel and compensation matters.

We have introduced an executive officer system to promote adaptability to environmental changes and efficiency in business execution.

In FY 2023, the Board of Directors convened a total of 12 times.

For more details, please visit our website: <https://www.yamaichi.co.jp/en/sustainability/governance/>



## Internal audit, audit by the Audit and Supervisory Committee, and accounting audit

As the organization responsible for internal audits in our company, we have established an independent Business Audit Department separate from the Headquarters and Business Units. The Business Audit Department conducts audits to ensure the proper and efficient execution of business activities and reports audit results to the President and the Audit and Supervisory Committee.

The Audit and Supervisory Committee is composed of three members, including one full-time Audit and Supervisory Committee member who is a director and two outside directors who are Audit and Supervisory Committee members.

The Audit and Supervisory Committee attends meetings such as the Board of Directors and oversees and supervises the decision-making and business execution status of the directors.

Additionally, regarding the audit, we have entered into an audit contract with an audit firm and are undergoing an audit.

## Collaboration between internal audits, the Audit and Supervisory Committee, and financial audits

The Business Audit Department reports the results of internal audits to the Audit and Supervisory Committee.

Additionally, the auditor reports the results of the financial audit to the Audit and Supervisory Committee.

Through discussions from a professional perspective, we promote mutual collaboration in audits.



Yamaichi Electronics Group established the Sustainability Committee in March 2023, chaired by the President, to create new value for society and build a sustainable society through our business activities.

The Sustainability Committee is responsible for planning, formulating, and making proposals on the fundamental policies of management related to sustainability and environmental, social, and governance (ESG).

The activities of the Sustainability Committee are subject to supervision and approval by the Board of Directors, and matters discussed in the Sustainability Committee are reported to the Board of Directors.

To ensure that goals are achieved steadily, efforts toward achieving the goals are made, particularly when there is a deviation between the goals and actual results or when there is room for improvement, with a focus on the Sustainability Committee.

In 2023, the committee was held 12 times with a monthly frequency.

The committee established the basic sustainability policy, reviewed the disclosure content in line with TCFD recommendations, analyzed CO<sub>2</sub> emissions and set reduction targets, and discussed measures to lower CO<sub>2</sub> emissions.

## Nomination and compensation of directors

For Yamaichi Electronics' executive officers (excluding directors who are members of the Audit and Supervisor Committee), we have a basic policy of providing incentives for achieving the company's medium- to long-term performance and sustainable improvement in corporate value, enhancing the transparency of management, fulfilling responsibilities to stakeholders, and providing compensation commensurate with performance and results.

To ensure the transparency and objectivity of the evaluation and decision-making process for the nomination and compensation of directors, and to enhance the supervisory function of the Board of Directors and strengthen the corporate governance system, we have established the Nomination and Compensation Committee.

The Nomination and Compensation Committee consists of three or more directors selected by the Board of Directors. The majority of the committee is independent outside directors. Reviews matters from the Board of Directors and reports back.

In FY 2024, the Nomination and Compensation Committee held six meetings (with an average attendance rate of 100% for each member). During these meetings, the committee discussed matters related to overall nominations and compensation (including policies and system design), as well as individual nominations and compensation. The Nomination and Compensation Committee provided recommendations to the Board of Directors.

The Board of Directors respects the recommendations of the Nomination and Compensation Committee, deliberates, and makes decisions accordingly, confirming that the content is consistent with the established decision-making policies.

# Selection of Directors/Evaluation of Effectiveness of the Board of Directors

## Basic policy on the selection of directors/external directors

In the nomination of executive officer candidates (excluding directors who are members of the Audit and Supervisor Committee), we have a basic policy of comprehensively assessing qualifications such as having a wealth of experience and extensive knowledge related to our business and operations, contributions to the company, and job performance, regardless of nationality, gender, or age.

In the nomination of external directors (excluding directors who are members of the Audit and Supervisor Committee), our basic policy is to ensure that they can fulfill a supervisory role over the management, possess a deep understanding of the company's philosophy and activities, and have a wealth of experience and broad perspectives related to management.

In addition, in the nomination of director candidates who are members of the Audit and Supervisor Committee, our basic policy is to comprehensively assess qualifications from various perspectives, including knowledge in finance, accounting, law, knowledge related to our business, and a diverse perspective on corporate management.

For director candidates who are members of the Audit and Supervisor Committee, prior approval is obtained from the Audit and Supervisor Committee.

## Evaluation of the effectiveness of the Board of Directors

To further improve the effectiveness of our Board of Directors, we conduct an annual survey targeting all directors. Based on the survey results, the Board engages in constructive discussions and conducts analysis and evaluation.

In the analysis and evaluation for the fiscal year ending March 2025, we believe that our Board of Directors is functioning effectively in line with its roles and responsibilities.

The overview of the evaluation results for the fiscal year ending March 2025 confirmed that the Board is composed of diverse expertise, and active discussions took place on important matters, ensuring transparency in decision-making.

In June 2023, we established the Nomination and Compensation Committee as a voluntary advisory body to the Board of Directors to enhance its supervisory functions and strengthen the corporate governance system.

As a result, the Board of Directors has been appropriately managed, and its effectiveness has been ensured. Additionally, we have made efforts to improve communication by enhancing materials submitted to outside directors.

To achieve sustainable growth and medium- to long-term corporate value enhancement, we will continue to deepen discussions on management strategies, business challenges, governance enhancement, sustainability, and human resource development. We are committed to further improving the effectiveness of the Board of Directors in the future.

## 1. Law and Ordinance Compliance and Corporate Ethics

### 1.1.

With self-consciousness as an independent member of society, we behave faithfully on the basis of a high sense of ethics.

### 1.2.

We comply with all laws, ordinances and internal rules on our own tasks in all business activities.

### 1.3.

We refrain from behavior for the benefits of ourselves or third parties contrary to reasonable benefits to the company.

### 1.4.

As a member working at an enterprise, we assume responsibility for our roles, keep promises without fail, and behave trustworthily.

## 2. International Business Activities

### 2.1.

In international business activities, we not only comply with international rules and laws and ordinances of respective nations and respective regions, but also develop business activities based on mutual confidence fully considering respective cultures and customs.

### 2.2.

We refrain from giving gifts to or entertaining foreign country officials for unfair business benefits in international commercial transactions.

## 3. Improvement of Customer Satisfaction

### 3.1.

Constantly keeping customer satisfaction in mind, we develop and supply products and services (meaning all values Yamaichi Electronics Group supplies to customers) based on customer needs.

### 3.2.

We secure safety of products and services and endeavor for quality improvement to win customer support and confidence.

### 3.3.

We provide customers with adequate information on products and services.

### 3.4.

We respond faithfully to inquiries from customers.

## 4. Sound Corporate Activities

### 4.1.

We comply with all laws and ordinances on monopoly inhibition, fair competition and fair trade.

### 4.2.

We comply with all laws and ordinances on export and import in international transactions.

### 4.3.

We comply with laws and ordinances on procurement activities and procure necessary materials of adequate quality, price and delivery time from global markets.

### 4.4.

We behave in line with sound commercial practice and social common sense in entertainment and gift receiving from and giving to business partners.

### 4.5.

We refrain from making donations that may come under favor giving or illegal payment.

## 5. Information Disclosure

### 5.1.

We comply with laws and ordinances on accounting and perform proper account processing and financial reports.

## 5.2.

We disclose to shareholders and investors timely and adequately corporate information including contents of management and state of business activities of the company.

## 6. Respect for Human Rights and Workplaces Easy to Work

### 6.1.

We respect basic human rights, characters and privacy of individuals, and commit no disregarding acts of individuality such as bullying, contempt or moral harassment.

### 6.2.

We deny child labor and compulsory labor.

### 6.3.

We will not discriminate based on race, religion, gender, nationality, age, physical or mental disorder and sexual orientation.

### 6.4.

We commit no sexual harassment acts such as sex-related words or deeds offending a person and people nearby.

### 6.5.

We endeavor to maintain and improve safe and comfortable workplace environment and also to build our own health.

## 7. Global Environment Conservation

### 7.1.

We acknowledge that global environment conservation is the most important task common to human beings, behave considering global environment conservation in all respects of corporate activities, and contribute to sustained development of society.

## 8. Management of Company Property and Company Information

### 8.1.

We adequately manage property (including tangible assets and also intangible assets such as intellectual property rights) of the company and use them only for business task purposes.

### 8.2.

Whether during employment or after retirement, we do not disclose nor divulge company information without going through designated internal proceedings.

### 8.3.

Whether during employment or after retirement, we do not use company information improperly or unduly.

### 8.4.

We comply with internal rules on information security and use company information properly.

### 8.5.

We refrain from trading company shares before information publication (insider trading) using internal information (information with grave effects on share prices of the company) obtained in relation to tasks. Further, we do not supply internal information to third parties with no business relations.

### 8.6.

We refrain from trading company shares before information publication (insider trading) using internal information (information with grave effects on share prices of the company) obtained in relation to tasks. Further, we do not supply internal information to third parties with no business relations.

## 9. Harmony with Society

### 9.1.

We practice social contribution activities as a good corporate citizen.

### 9.2.

We flatly reject relations with antisocial forces and organizations.

## Information security policy

Yamaichi Electronics Group is working to strengthen our cybersecurity measures to maximize its business activities and prepare for threats from external sources, including appropriate vulnerability management for IT assets.

To prevent significant incidents related to information management, we have established a system and operational structure to ensure the confidentiality, integrity, and availability of information systems. We are conducting e-learning and targeted phishing email training for all employees who use information equipment, aiming to improve literacy in information security among our staff.

In the event that a cyberattack causes damage to the head office or any domestic or overseas affiliate, a report is promptly submitted to the Management Headquarters. To ensure that the Board of Directors and relevant departments can respond appropriately, a new regulation was established in 2025 defining reporting routes, workflows, and report formats according to the scale and nature of the damage.

## Research, development, and intellectual property

Yamaichi Electronics Group contributes to society through the creation of new technologies and products. In pursuit of our management philosophy of maximizing our corporate value, we actively acquire intellectual property rights to protect our business and establish a framework to respect the intellectual property rights of others.

We proactively acquire rights and strive to protect and utilize intellectual property related to newly created technologies and designs. Furthermore, to prevent infringement of others' rights, we conduct infringement prevention investigations before product development and respond appropriately.

## Compliance measures

We uphold the fundamental understanding of providing reliable products and services to customers, responding to the demands of stakeholders, including shareholders, pursuing fair profits, and aiming to maximize our corporate value based on our management philosophy and group behavior standards. We adhere to the fundamental principles of corporate governance, respecting the rights of shareholders and conducting management that meets societal trust, emphasizing basic understanding and compliance.

To prevent employee compliance violations and take appropriate actions in case of violations or potential violations, Yamaichi Electronics and its affiliated companies have established and operate an internal reporting system (Compliance Helpline).

Within Yamaichi Electronics (standalone), there are two internal reporting points: General Affairs and Audit and Supervisor Committee. Confidentiality obligations related to reporting are maintained, and anonymous reporting is also possible. Directors and employees who report sincerely and for legitimate purposes will not be subjected to adverse treatment based on their reporting.

In FY 2023, there was one internal report.

## Taxation policy

### ■ Fundamental principles

Our group complies with international rules regarding taxation. It adheres to local laws and regulations in each country and region where it conducts business, striving for proper tax reporting and payment.

### ■ Taxation risks

Transactions that may pose taxation risks are thoroughly reviewed, and we seek advice from external experts and consult with relevant tax authorities as needed to address these risks appropriately.

### ■ Relationship with tax authorities

Our group responds with sincerity to information requests and disclosures demanded by tax authorities in various countries and regions, aiming to maintain trust-based relationships.

### ■ Ensuring transparency

Our group complies with laws and disclosure standards in the countries and regions where it operates, ensuring proper information disclosure. Furthermore, we adhere to Japanese tax laws by submitting business summary reports and country-by-country reports.

## Anti-corruption policy

One of our fundamental principles of corporate governance is a commitment to thorough compliance. We recognize the prevention of corruption as one of the most critical issues for ensuring compliance, and we will work towards preventing corruption and maintaining societal trust.

The types of corruption to be prevented within our company are as follows:

- Acts that seek personal or third-party benefits against the legitimate interests of the company
- Offering gifts or hospitality to foreign officials or others in international business transactions to gain an unfair advantage
- Acts related to the giving and receiving of entertainment or gifts with business partners that deviate from healthy business practices and social norms
- Donations that may be associated with profit payments or improper expenditures
- Using insider information obtained through business activities for trading in securities or other financial instruments before public disclosure (insider trading)
- Involvement with anti-social forces or organizations

Each year, our company distributes the YAMAICHI CARD, which describes the Group Behavior Standards to every employee, ensuring widespread awareness, and conducts education on the Group Behavior Standards for new employees upon joining the company.

Additionally, we have reporting channels through our internal reporting system.

There were no political donations, disciplinary actions, or dismissals of employees due to violations of our anti-corruption policy or related fines, penalties, or settlements in FY 2024.

## [Regulations and structure]

To ensure prompt emergency response in the event of a disaster, we have established regulations related to BCM/BCP and strengthened our system through practical training. These efforts aim to enhance our capabilities in initial response, information coordination, and business continuity during emergencies.

## [Major activities]

In October 2024, as part of our preparedness for earthquakes, YAMAICHI Earthquake Response Cards were distributed to all employees.

In March 2025, the safety confirmation system was renewed, followed by operation briefings and safety confirmation drills for all employees. The safety confirmation drill achieved a 100% response rate.

In August 2025, we conducted a BCP drill assuming that both the Head Office and Sakura Factory were affected by a major earthquake directly beneath the Tokyo metropolitan area. Executives, including the president, and employees participated in verifying the initial response, coordinating information, and activating business continuity during the disaster.

After the activation, each department conducted training on the actions required following the initiation of the BCP.

Issues identified during the training are being reflected in revisions to relevant regulations and incorporated into future training to further strengthen our business continuity capabilities.

## BCP at the Sakura Factory

The solar power generation system at the Sakura Factory in Chiba Prefecture is also utilized as part of our business continuity plan (BCP) measures. In March 2021, we concluded an agreement with Sakura City on the “Temporary Use of Facilities in the Event of Disasters.” During disasters, the Sakura Factory serves as an evacuation site for the local community, providing support such as power supply within the facility.

The power supply for the office building designated as an evacuation site is expected to be maintained 24 hours a day, 365 days a year, including operation of elevators, even during prolonged disasters.

We have established a system that reserves a certain amount of NAS battery capacity during normal operations to ensure preparedness for possible power outages, enabling its use as an emergency power source when needed.



Sakura Factory's NAS battery system: Capacity 2,400 kWh/Output 400 kW

We prioritize fairness and transparency, engaging in dialogues with shareholders and investors through earnings briefings and IR meetings.



## Key IR activities

IR meetings : Conducting approximately 180 meetings annually, including online meetings.

Earnings briefings : Holding quarterly online

: Earnings briefing materials are published on our website.

For more details, please visit our website: <https://www.yamaichi.co.jp/en/ir/>

# ESG Data

E: Environment			Unit		FY 2021	FY 2022	FY 2023	FY 2024	Scope
	CO <sub>2</sub> Emissions	Scope1	t-CO <sub>2</sub>		2,034	1,419	1,258	1,072	Consolidated
		Scope2	t-CO <sub>2</sub>		12,762	12,352	11,984	13,547	Consolidated
		Scope3	t-CO <sub>2</sub>		-	-	-	139,405	Consolidated
S: Society			Unit	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Scope
	Diversity & Inclusion	Number of employees	Person	1,809	1,946	2,165	2,123	2,061	Consolidated
			Person	363	372	385	389	390	Non-consolidated
		Percentage of female employees	%	44.4	43.3	45.1	44.5	43.7	Consolidated
			%	17.9	18.5	20.0	19.0	19.5	Non-consolidated
		Number of managers	Person	-	-	-	-	262	Consolidated
			Person	119	119	120	116	120	Non-consolidated
		Percentage of female managers	%	-	-	-	-	15.6	Consolidated
			%	1.7	1.7	1.7	0.9	1.7	Non-consolidated
		Employment rate of persons with disabilities	%	1.1	1.3	1.3	1.5	1.4	Non-consolidated
		Number of new graduates hired	Person	12	10	8	12	17	Non-consolidated
		Percentage of female new graduates hired	%	41.7	30	25	8.3	41.2	Non-consolidated
		Number of mid-career hires	Person	12	11	11	9	7	Non-consolidated
		Percentage of female employees	%	25	18.2	36.4	66.7	14.3	Non-consolidated
		Percentage of mid-career hires	%	50	52.4	57.9	42.9	29.2	Non-consolidated
		Average years of service	Year	18.3	18.3	18.3	17.5	17.1	Non-consolidated
		Turnover rate	%	2.3	2.2	2.4	1.8	1.8	Non-consolidated
		Average age	Age	44.5	44.5	44.7	44.0	43.5	Non-consolidated
		Male	Age	45.5	45.6	45.8	45.0	44.7	Non-consolidated
		Female	Age	39.4	39.4	40	39.9	39.0	Non-consolidated
		Gender pay gap	%	62	64	63	67	72	Non-consolidated
		Full-time employees	%	67	68	67	69	72	Non-consolidated
		Contract/Part-time employees	%	58	55	53	55	43	Non-consolidated
		Paid leave utilization rate	%	61.8	71.2	78.4	79.6	79.1	Non-consolidated
		Childcare leave utilization rate	%	66.7	33.3	50	66.7	100	Non-consolidated
		Male	%	0	0	33.3	50	100	Non-consolidated
		Female	%	100	100	100	100	100	Non-consolidated
	Occupational health and safety	Number of fatal occupational accidents	Person	0	0	0	0	0	Non-consolidated
		Number of work-related accidents	Accident	2	1	1	1	0	Non-consolidated
		Frequency rate	Accidents/1 million hours	1.284	1.298	1.251	0.000	0.000	Non-consolidated
		Severity rate	Days/1,000 hours	0.001	0.001	0.000	0.000	0.000	Non-consolidated

G: Governance			Unit	As of June 2025
	Formation of Board of Directors	Number of directors	Person	11
		Number of outside directors	Person	5
		Number of Outside Directors designated as independent officers	Person	5
		Number of internal directors	Person	6
		Percentage of outside directors	%	45.5
		Number of female directors	Person	2
		Percentage of female directors	%	18.2
	Formation of the Audit and Supervisory Committee	Number of the Audit and Supervisory Committee members	Person	3
		Number of outside members of the Audit and Supervisory Committee	Person	2
	Formation of the Nomination and Compensation Committee	Chairperson	-	Independent outside director
		Number of members of the Nomination and Compensation Committee	Person	6
		Number of outside directors	Person	4
			Unit	FY 2024
	Meeting frequency, etc.	Number of board meetings held	Time	12
		Board meeting attendance rate	%	99.2
		Attendance rate of outside directors at board meetings	%	98.3
		Number of meetings of the Audit and Supervisory Committee held	Time	14
		Attendance rate of the members of the Audit and Supervisory Committee	%	97.6
		Number of meetings of the Nomination and Compensation Committee held	Time	4
		Attendance rate of the members of the Nomination and Compensation Committee	%	95.8

\* In addition to the number of Board of Directors meetings shown above, there was one written resolution deemed to have been adopted by the Board of Directors pursuant to Article 370 of the Companies Act and the provisions of the Articles of Incorporation.

\* Including contract workers, excluding part-time, dispatched, and overseas stationed employees.



## Contact

### **Sustainability Promotion Section Corporate Administration Department**

Technoport Taiju Seimei Bldg. 2-16-2,  
Minamikamata, Ota-ku, Tokyo 144-8581, JAPAN  
TEL:+81-3-3734-0110  
FAX:+81-3-3734-0120