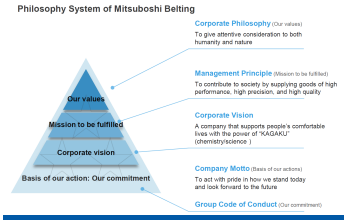
Sustainability



TOP MESSAGE



Philosophy System



Sustainability Strategy

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- Initiatives for Biodiversity Conservation
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SDGs initiatives

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Top Message

TOP MESSAGE

The spirit and corporate culture that have been passed down since the company's founding

At Mitsuboshi Belting, our values and corporate culture have been passed down from generation to generation since our founding in 1919. The company's founding philosophy was "To make products with sincerity." With this spirit as our starting point, Mitsuboshi Belting has been conducting its business with the desire to "make better products and become a company that is useful to society and people." Our technological capabilities have been honed through continuous and sincere efforts to address each and every issue faced by our customers and society. Our corporate culture of putting quality first and aiming for co-creation with society, rather than simply pursuing expansion of scale and profit, is still deeply rooted in Mitsuboshi Belting today.



Hiroshi Ikeda
President
Mitsuboshi Belting Ltd.

Striving to achieve our "Target Position"

While respecting this corporate culture and DNA, we are now in the process of transforming our business operations to continue to create both economic and social value toward the realization of a sustainable society.

In May 2022, Mitsuboshi Belting revised its 2021 Mid-Term Business Plan and announced its FY2030 "Target Position." To realize our "Target Position," we have set KPI targets for profitability, capital efficiency, shareholder returns, and ESG and are working on various measures to achieve these targets. In 2023, we established a new "Corporate Vision" and organized our corporate philosophy, management principle, and company motto into a single philosophy system. Needless to say, we believe that the most important element in achieving change is human resources. "All of our employees are able to tackle their own challenges with the same values and aspirations." - We are also focusing on fostering such a corporate culture to realize our "Target Position."

FY2030 "Target Position"
"Establish a Strong Corporate Structure Resilient to Change"

Profitability	Net sales: 100 billion yen Operating profit: 13 billion yen
Capital efficiency	ROE: 10%
Shareholder returns Capital investment	Capital policy aimed at improving corporate value over the medium to long term
Human resources strategy	Cultivation of change-promoting personnel
ESG	Contribute to the realization of a sustainable society (improve social and economic value)

"Not taking on challenges is the biggest risk."

The market environment surrounding our company is changing remarkably and at an accelerating pace. In the car industry, technological innovations such as autonomous driving and vehicle electrification are bringing about dramatic changes in the industrial structure. Maintaining the "status quo" under these circumstances means failing to respond to the needs of the times and risking a significant loss of sustainability. I believe that the greatest risk to our company is "not taking on challenges."

Perhaps because our business is a niche industry that is difficult for newcomers to enter, I feel that our corporate culture has been conservative to date. To realize the "cultivation of human resources to promote transformation," as stated in our human resources strategy in the FY2030 "Target Position," it is necessary to change our corporate culture without hesitation while preserving the values that should be cherished in the future, as mentioned earlier. Organizational change is not simply about introducing processes and measures; it is rooted in the awareness and actions of each employee. Therefore, since assuming the position of president in June 2021, I have continued to send out the message "Let's take on challenges" to the entire group from time to time. Organizational change will not happen overnight, but I intend to take the lead in changing the mindset of the organization. I am also working to create an environment in which each and every one of our employees can play a leading role in the transformation by changing their awareness and spontaneously taking action.

The establishment of the "Corporate Vision" and the reorganization of the philosophy system are as described above. We will take this opportunity to increase engagement with each and every employee, which will lead to behavioral changes throughout the organization to achieve sustainable growth and strengthen our competitiveness.

In addition, to clearly convey the company's message to employees as they take on the "Challenge," the existing personnel evaluation system was revised in FY2023 to incorporate a new system of competency evaluation. By doing so, we hope to encourage people to take new steps toward challenging initiatives without fear of the risk of failure.

As a result of these measures, many employees have come up with new approaches and proposals for many business processes that do not follow precedent. In addition, we are seeing more and more active discussions regardless of the hierarchy of the organization, and we are sensing a positive response in terms of corporate culture reform. In the future, we will work to further reform our corporate culture by multiplying the abilities of diverse people, including those from outside the company, to create a major driving force for improving profitability.

Progress in transformation ~A review of the 2021 MidTerm

Business Plan

The first phase of realizing the FY2030 “Target Position”: In FY2022, the second year of the 2021 Mid-Term Business Plan, positioned as a “period for strengthening the foundation,” the company undertook a fundamental review of its capital policy with a strong focus on increasing corporate value and has been working on various measures to improve profitability and the balance sheet. As a result, our market capitalization, which was 66 billion yen at the end of FY2021, increased to 145.2 billion yen at the end of FY2023 (the final year of the 2021 Mid-Term Business Plan), a 2.2fold increase in two years. We also achieved our KPI targets in net sales, capital expenditures, payout ratio, ESG, and other items as planned. On the other hand, ROE fell short of the KPI target due to an increase in capital, mainly owing to an increase in the market price of policy shareholdings, and this was one of the issues to be addressed for the 2024 Mid-Term Business Plan.

Toward growth and enhancement of corporate value ~2024 Mid-Term Business Plan

During the period of the 2021 Mid-Term Business Plan, we were confronted with an unprecedented business environment, including the spread of COVID-19 and soaring raw material and transportation costs due to conflicts around the world, and we felt that we had to focus more on defensive measures and carefully manage our business during this period. FY2024 is the beginning of the second phase of realizing the “Target Position”: The 2024 Mid-Term Business Plan, positioned as a “growth acceleration period,” is now underway. As the name of the phase indicates, we must work to achieve solid growth and increase corporate value by leveraging the business foundation that we have strengthened during the previous 2021 medium-term management period.

In addition to setting KPI targets for profitability, capital efficiency, and other areas, the 2024 Mid-Term Business Plan sets two pillars for improving corporate value: “profitability improvement” and “balance sheet management.”

To improve profitability, we have set measures such as “promotion of DX,” “enhancement of technology development,” and “optimization of business portfolio,” among which “enhancement of human resource strategy” is the most important issue to be addressed during the current medium-term management period. To respond quickly to the rapidly changing business environment and customer needs and achieve sustainable growth, it is essential to change to a corporate culture that embraces new ideas and challenges without fear of change. We will maximize the power of each individual, and the aggregation of these individual strengths will create synergy effects and transform them into a strong organizational strength. We are currently in the process of developing strategic measures to realize this vision.

In terms of balance sheet management, we will focus on three strategies: “investment for growth and strengthening the management base,” “improving asset efficiency,” and “shareholder returns.” In addition to the measures continued from the previous plan, during the period of the current Mid-Term Business Plan, we aim to improve profitability and enhance competitiveness through the realization of “introduction of innovative production lines” and “construction methods that contribute significantly to the promotion of decarbonization,” which are expected to have a large investment effect, thereby improving asset efficiency and maximizing returns to shareholders. Returning profits to shareholders is one of the most important policies of our management, and our basic policy is to enhance shareholder returns while securing the necessary funds for investment in growth. In the KPI for FY2026 regarding shareholder return, we have decided to change the “dividend payout ratio,” which is dependent on net income, and to adopt DOE (dividend on equity ratio) as its indicator to clarify the extent to which returns to shareholders are made. We plan to set the KPI for FY2026 at DOE: approximately 5.4%, with a dividend per share of at least 180 yen.

Business strategy ~ Co-creation business focusing on customer value

With regard to the strategy for each business, the basic policy is to “promote a co-creation business model focusing on customer value” and to further improve profitability by strengthening the structure of the belt business, our core business.

Co-creation business model

For more than 100 years since our founding, we have been creating new products and solutions by continuing to sincerely address each and every issue faced by our customers and society, contributing to solving social issues of each era and co-creating value with our stakeholders. By deepening our co-creation business model, which is one of our strengths, we aim to establish a further competitive advantage by accurately grasping the issues faced by our customers and, by extension, the issues faced by society and maximizing customer value.

Strengthening the core business structure

Our products are used in a wide variety of machinery and equipment, including cars, agricultural machinery, various industrial machinery, and environmental devices and equipment. In today’s rapidly changing market environment, it goes without saying that analysis of the growth and profitability of each industry and market is necessary to continue to improve profitability in a sustainable manner in the future. We are currently in the process of analyzing our business portfolio to optimize it, which will further strengthen our core business structure going forward.

Our approach to ESG management

Since I became president, I have positioned the promotion of ESG management as one of our strategic changes. Under our corporate philosophy of “To give attentive consideration to both humanity and nature,” we are strongly promoting the creation of a company that can contribute to the realization of a sustainable society through its business activities.

In addition to promoting activities to reduce CO_2 emissions to realize a decarbonized society, one of the measures we are currently focusing on is the development of next-generation products with sustainability at the core of our concept. To date, we have developed and sold a variety of belts that can contribute to improved fuel efficiency of cars and energy conservation of facilities. In addition to these products, we are developing products that use up to 70% non-fossil or recycled materials, for example, and through the sale of these products, we aim to further reduce the environmental impact of our products and contribute to the creation of social value.

In addition to the aforementioned human resources strategy, initiatives related to respect for human rights are also essential for a company to fulfill its responsibilities as a member of society and achieve sustainable growth. In addition to the “Human Rights Policy” and “Procurement Policy” already formulated, Mitsuboshi Belting Group also established and disclosed its “Procurement Guidelines” in February 2024 and is in the process of promoting human rights due diligence throughout its supply chain.

With regard to governance, we are promoting various initiatives to improve the transparency and credibility of management. We will

continue our efforts to improve engagement by incorporating the opinions we have received through dialogue with our stakeholders, including increasing the ratio of outside directors to at least 1/3 and changing the term of office of directors from two years to one year.

Lastly



We are now in the third year since we began our efforts to realize our “Target Position,” but there is no end to our efforts. We believe that our important mission is to continue to be a company that can contribute to the realization of a sustainable society 50 to 100 years into the future, setting the realization of our FY2030 “Target Position” as one of our milestones.

In this report, in addition to our current and future initiatives, we will also focus on our past history and carefully convey various contents, including our value creation process. Mitsuboshi Belting will continue to promote the “Challenge” to realize value co-creation with shareholders, investors, and other stakeholders. We sincerely appreciate your continued support for our business activities.

September 2024

President

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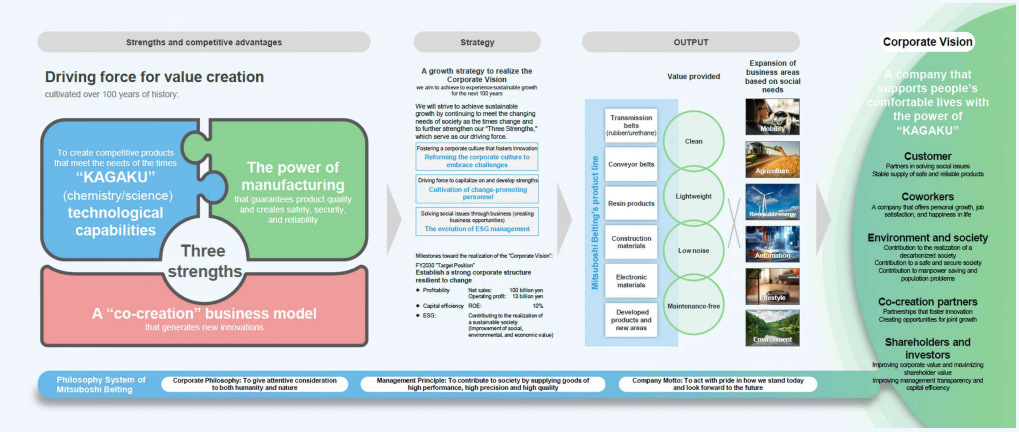
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Products

Value Creation Process

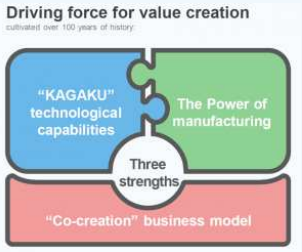
Since its establishment in 1919, the Mitsuboshi Belting Group has built its unique strengths by sincerely addressing each and every one of its customer' s needs and society' s issues.

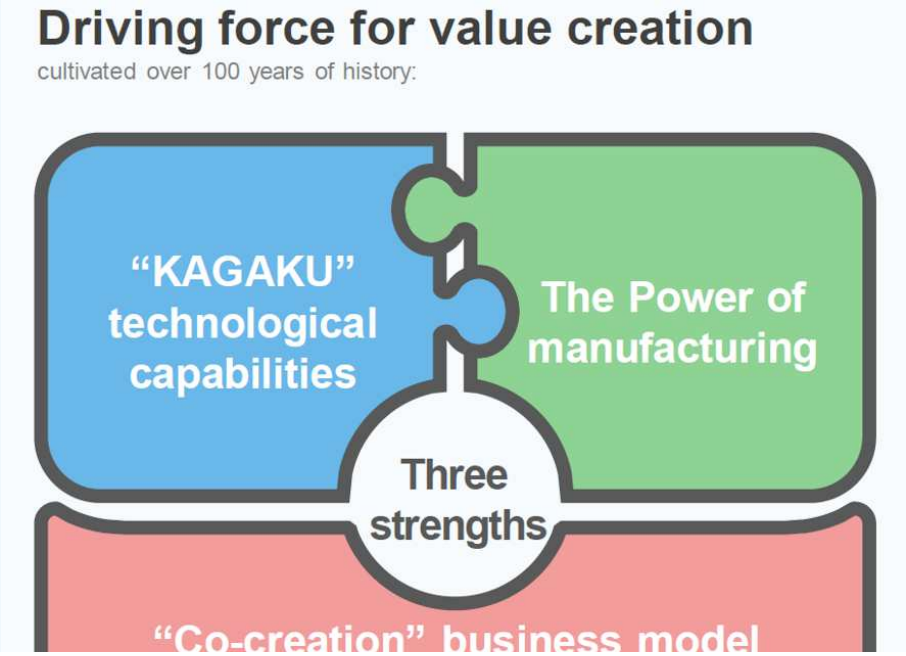
By executing a growth strategy that leverages our three strengths - our technological capabilities that we have refined, our manufacturing capabilities that ensure product quality and a stable supply, and our co-creation business model - we will work to create further social value and sustainably enhance our corporate value to realize our “Corporate Vision.”



Three Strengths We Have Cultivated

Three Strengths We Have Cultivated







The strengths of the Mitsuboshi Belting Group have been handed down through more than 100 years of accumulated experience and technology.
We are committed to taking on new challenges for the next 100 years, with our three strengths as the driving force for value creation.

To create competitive products that meet the needs of the times

"KAGAKU" technological capabilities

- Mitsuboshi Belting has been engaged in the research and development of "KAGAKU" (chemistry/scientific) technology through the development and manufacture of industrial belts and other products. To improve the functionality of rubber, the main constituent material of our products, advanced "chemical" technology is essential to select polymers and additives and to control chemical reactions such as cross-linking. In addition, "scientific" technologies such as materials engineering and structural analysis are indispensable to analyze and evaluate what material properties are necessary to satisfy the required quality of the product.
- Since our founding in 1919, we have accumulated a vast amount of technological knowledge and expertise through our sincere efforts to address each and every customer's needs and social issue, and we are boldly taking on the challenge of creating social innovations by making full use of these "KAGAKU" technologies. Accumulated technical knowledge and expertise include, for example, factors that control product performance, our proprietary material technologies, and product evaluation and analysis technologies.
- We have a broad and deep understanding of all the factors that control product performance, such as rubber compounding, other material combinations, shapes, and where and how changes can be made to the product to achieve the desired result. Another of our strengths is our product evaluation and analysis technology, which involves comprehensive and multifaceted simulation and testing of these developed products from the customer's perspective.
- We are able to propose optimal systems based on the customer's purpose of use and conditions because we have a great advantage in these "KAGAKU" technologies.

The power of manufacturing

to create safety, security, and trust

- Equally important as the technological capabilities to develop superior products is the manufacturing capability to reliably and stably produce those products and guarantee high quality. We have earned the trust of our customers as one of the few manufacturers that can provide a high level of quality assurance through a management system that guarantees the same quality no matter where in the world our products are manufactured.
- One of the major factors that enable us to ensure the same level of quality as our mother plants in manufacturing on a global basis is that the main production facilities used in all of our domestic and overseas plants are designed and manufactured in-house by the Engineering Division.
- Our in-house designed and manufactured production facilities enable us not only to maintain the same quality globally but also to easily customize our manufacturing processes to meet the diverse needs of our customers, enabling us to respond quickly and flexibly to customer demands and market changes.
- In addition to the production facilities mentioned above, we have belt evaluation facilities on a scale unparalleled for a manufacturer of intermediate consumer goods to meet our own strict quality assurance standards, and our belt evaluation facilities play an important role in evaluating the performance of our products from the development stage for our customers in various industries.
- One of our global policies is to expand our overseas operations through independent financing, which has enabled us to aggressively expand our state-of-the-art manufacturing facilities on a global scale.

A "co-creation" business model

that generates new innovations

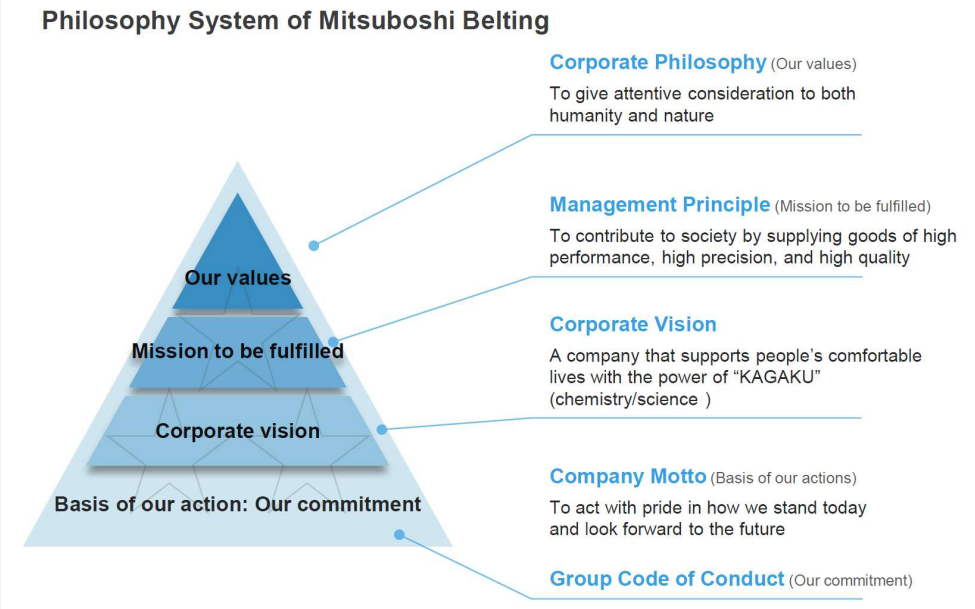
- Belts, our main product, play a role in transmitting power from a power source in various machines and are an important component of any power transmission system. No matter how sophisticated a machine is, if the movement of a single belt used stops, the machine itself will stop functioning. Our products and technologies demonstrate their value when applied to machines, and we have been developing new business areas by utilizing the technologies we have accumulated over the years and collaborating with our customers and partners.
- Since our inception, we have valued partnerships with our distributors in our business activities. By working with distributors to identify market needs, we create new business opportunities that we would not be able to uncover on our own, and by responding flexibly and quickly to each project, we provide optimal solutions to our clients. "Co-creation" with our distributors is one of the sources of our competitiveness that further strengthens our strengths and supports sustainable growth.
- Through our customer-oriented sales activities, we have accurately grasped the issues faced by our customers, and as a result of our numerous technological developments, we have created new products and solutions in collaboration with our customers, supporting manufacturing and people's lives in the manufacturing industry throughout our long history. This includes many things such as groundwater pumping pumps and irrigation pumps that would have a significant impact on people's lives if the belt were to lose its function.
- We will promote corporate growth and value creation by anticipating changes in world trends through innovation initiatives with academic institutions and by providing society our own solution capabilities.

Founding Spirit and Philosophy System

Our corporate culture of quality-first DNA and social cohesion, which has been passed down since the company's founding

In 1919, Mitsuboshi Shokai was founded by Genzo Oda, Shinjiro Nakamura, and Kusukichi Kojima. Since then, our company, which began with the production of cotton belts, has expanded its product line and business domain in response to the social issues and conditions of the times and has contributed to the development of society through both "conveyance" and "transportation." The spirit of quality first and the corporate culture of coexistence and collaboration with society are still deeply rooted in the Mitsuboshi Belting Group.

Philosophy System of Mitsuboshi Belting



The full text of the Group Code of Conduct is available on our corporate website.


Founder Genzo Oda

Founding spirit in 1919
- To make products with sincerity.

In 1919, Mitsuboshi Belting (company name at the time of its founding: Mitsuboshi Shokai) began its history as a cotton belt manufacturer. During this period of Japan's industrial boom, Mitsuboshi Shokai contributed to the development of modern industries such as steel, industrial machinery, and nonferrous metals through power transmission by belts.

The corporate philosophy of the company at the time of its founding was "To make products with sincerity" and "To walk steadily, step by step." This is where Mitsuboshi Belting's DNA, which continues to this day, began. For more than 100 years since our founding, we have been honestly committed to "manufacturing quality and selling quality."


The Shikoku Plant upon completion (1947)

Quality-first DNA
"Considering the 100-year life of the business, no compromise is allowed. We will firmly adopt a quality-first policy."

In 1945, after the end of World War II, Japan's infrastructure was devastated by the war and society was in dire straits. Mitsuboshi Belting (then known as Mitsuboshi Chotai), which decided to resume production, said: "With supplies extremely depleted, customers will jump at the chance to buy our products, even if the quality is a little lower. Is it better to start mass production for such people and try to make a profit? Or, should we maintain our traditions and focus on quality? Considering the 100-year life of the business, no compromise is allowed. We will firmly adopt a quality-first policy."
Even in times of turmoil, the spirit of valuing quality was preserved, and Mitsuboshi Belting's business continues to this day.

A corporate culture that advances hand in hand with society

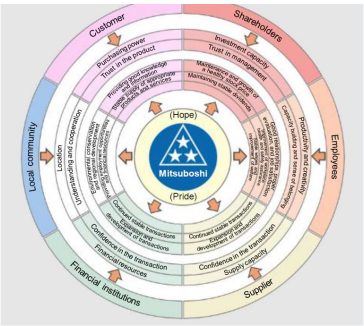


Diagram of the corporate philosophy in 1965

“All stakeholders involved, with Mitsuboshi at the core, act with pride in Mitsuboshi today and with faith in the hope for Mitsuboshi tomorrow.”

In 1965, Mitsuboshi Belting took the 45th anniversary of its founding as a turning point to review its corporate philosophy, and the above philosophy was established.

Mitsuboshi Belting considers its shareholders, customers, financial institutions, suppliers, employees, and local communities as “all stakeholders” in its business and seeks to improve economic and social value through collaboration with them. Mitsuboshi Belting has been engaged in such business management since the 1960s.

This corporate philosophy from 1965, which has since been partially revised to become our current company motto, has long been passed down as the backbone of Mitsuboshi Belting’s sustainable development, which aims for harmonious business operations.

What is Mitsuboshi Belting’s “Corporate Vision?”

A company that supports people’s comfortable lives with the power of “KAGAKU”

Although you may not often see our products directly, Mitsuboshi Belting products are used in a wide variety of machines and equipment, including cars, motorcycles, office equipment such as printers, ATMs, cash registers, and various home appliances such as washing machines and coffee makers.
Our products may be small, but no machine or piece of equipment can function without our belts. “Every one of Mitsuboshi Belting’s products supports people’s lives.” It is with this spirit that we approach manufacturing.



History of Mitsuboshi Belting

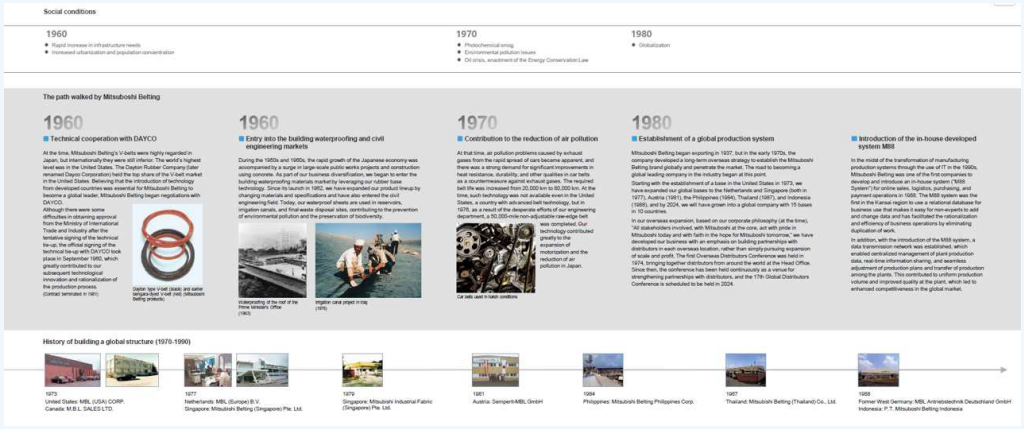
～ The birth of Mitsuboshi Belting and the beginning of its co-creation business ～

Since our founding in 1919, we have developed through a management policy that emphasizes quality-oriented manufacturing and partnerships with distributors.
We have expanded our business domain and product lineup over time. The high quality of our products was recognized in both domestic and international markets, and we established ourselves as a leading company in the industry.



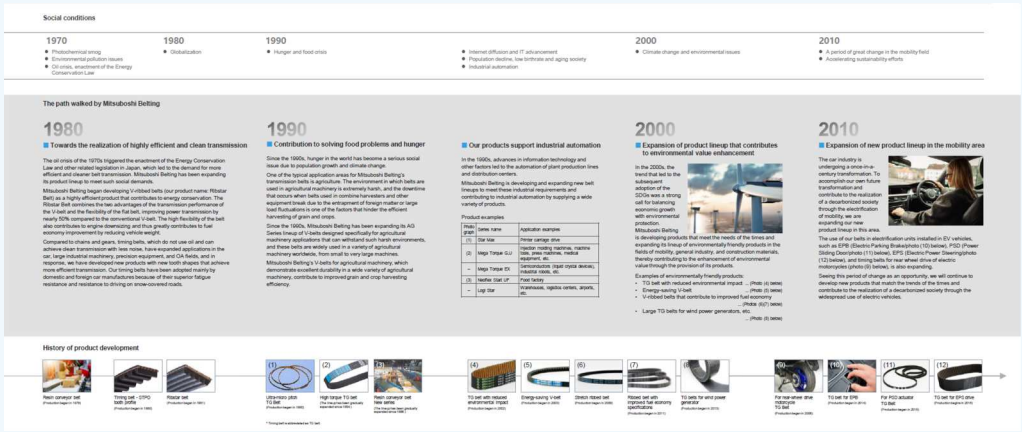
～ Building a global system ～

As Japan entered a period of rapid economic growth, the Mitsuboshi Belting Group also expanded its business both domestically and internationally through technological innovation, improved production capacity, and expansion into global markets. With a continuous focus on quality, Mitsuboshi Belting's products captured demand in the car and industrial machinery fields, further solidifying the Group's position.
Active investment in new technologies and research and development led to diversification of the product lineup, efficiency improvement, and higher quality, as well as development of products with reduced environmental impact in light of social issues.



～ To “establish a strong corporate structure resilient to change” and “become a company that supports people’s comfortable lives through the power of ‘KAGAKU’ (chemistry/ science)” ～

As globalization and digitalization progress and environmental considerations become prerequisites for business, the Mitsuboshi Belting Group is actively working to strengthen its international competitiveness, improve the functionality and energy efficiency of its products, and expand into new markets.
The Mitsuboshi Belting Group will also continue to develop a variety of initiatives to respond to changing social issues and needs, such as the development of environmentally friendly products for the realization of a sustainable society and the improvement of production processes through the use of IT technology.



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Sustainability Strategy

Sustainability Strategy

Approach to sustainability management

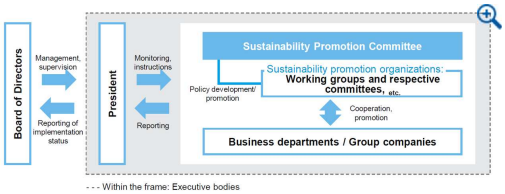
The Mitsuboshi Belting Group works to implement ESG management in order to achieve a "trade-on" between corporate value and environmental/social value under the corporate philosophy of "To give attentive consideration to both humanity and nature."

Setting "contribution to the realization of a sustainable society (improvement of social and economic value)" as one of our goals in the FY2030 "Target Position," we strive to resolve each ESG issue with a focus on the identified materiality.

Sustainability management promotion system

In today's world where companies are expected to play a greater role in addressing environmental and social challenges, with the aim of reconsidering the role and raison d'etre of the Mitsuboshi Belting Group and of quickly and effectively implementing ESG management, we established the Sustainability Promotion Committee, chaired by the President, in April 2022.

A sustainability promotion organization is set up for each identified material issue (the relevant committee/business department or working group that is under the direct control of the Sustainability Promotion Committee serves as a sustainability promotion organization) to address the resolution of each issue and manage KPIs. The progress of implementation is reported to the Sustainability Promotion Committee, which monitors, provides instructions on, judges and evaluates it. The activities of the Sustainability Promotion Committee are reported to the Board of Directors as necessary, which makes final decisions and supervises the sustainability-related activities of the executive bodies.



a. Composition of the Sustainability Promotion Committee:

- Chairperson : President
- Members : Directors (4 persons), Executive Officers (5 persons), General Manager class (1 person)
- Observer : Corporate Auditor (1 person)
- Secretariat : Sustainability Promotion Division

b. Structure of the Sustainability Promotion Committee:

- Meeting frequency : Once a month (11 meetings held in FY2023)
- Content of deliberation :
  1. Formulation of Group-wide strategies to address sustainability issues, supervision of the progress, and provision of advice
  2. Discussion on the status of efforts to address each material issue
  3. Identification of sustainability issues to be deliberated by the Board of Directors and reporting to the Board of Directors

c. List of the main agenda items of the Sustainability Promotion Committee (FY2023):

Period	Main agenda
Q1	▸ Formulation of procurement guidelines ▸ Reporting of FY2022 results (CO_2 emissions, water resources, waste, etc.) ▸ CO_2 emission reduction measures at each site (solar panels, gasification of fuel, etc.) ▸ Formulation of the "target position" in the philosophy system
Q2	▸ Interim targets for CO_2 emissions in the next Mid-Term Business Plan ▸ CO_2 emission reduction measures at each site (switching to carbon-neutral LNG, etc.) ▸ Discussion on the organization of the philosophy system ▸ Discussion on the content of Sustainability Report and Integrated Report
Q3	▸ Reporting of FY2023 first-half results (CO_2 emissions, water resources, waste, etc.) ▸ Progress of human rights due diligence initiatives ▸ TNFD ▸ Reporting of progress of discussions at the workshop for formulation of Integrated Report "Value Creation Story"
Q4	▸ Review of materiality and KPIs ▸ "Anti-bribery and anti-corruption" initiatives and content of external disclosure ▸ Initiatives for "establishment of a resource-recycling society" ▸ ESG-related laws and regulations (EUDR, etc.) ▸ Reduction targets for the final year of the next Mid-Term Business Plan

Materiality on ESG issues

Regarding the resolution of environmental and social issues as a prerequisite for corporate activities, the Mitsuboshi Belting Group has identified material issues (materiality) that the Group should address in order to contribute to the realization of a sustainable society, and has set KPIs for each measure to be implemented.

Materiality identification process



	Materiality	Sub-materiality (issues to be addressed)	Measures	KPI	Progress in FY2023
E	Contribution to the realization of a decarbonized society	• Reduction of GHG emissions (CO_2 equivalent, compared to FY2013) ※Our company manages emissions of all	• Introduction of renewable electricity • Installation of a solar power generation system • Introduction of carbon-neutral fuel • Switching to low-emission fuels	**CO_2 emissions reduction targets (Scope 1 and 2, Base year: FY2013)** Boundary / Target year: 2023 / 2025 / 2026 / 2030 In Japan: 22% / 27% / 40% / 46% Overseas: - / - / 27% / 40%	CO_2 emissions reduction rate: 35% (compared to FY2013) (Scope 1 & 2 emissions from 8 sites in Japan) (Emission factors for FY2022 are used for some calculations.)

		greenhouse gases (GHGs) in terms of CO_2 equivalents.	• Improvement of energy consumption intensity	Energy consumption intensity target: 1% or more reduction compared to the previous fiscal year (8 sites in Japan)	Energy consumption intensity: 0.7% increase※1
			• Emissions management throughout the value chain	Set a reduction target for Scope 3 emissions and work to reduce emissions throughout the entire value chain	Scope 3 emissions calculated. Formulation of CO_2 emission reduction targets under way.
	Biodiversity conservation	• Initiatives for water resources conservation	• Installation of a cooling water circulation system	Water withdrawal target for sites in Japan: Reduce the amount of water withdrawal by 50% by FY2030 (base year: FY2021)	Water withdrawal reduction rate at sites in Japan: 20.8% compared to FY2021
			• Improvement of water consumption efficiency	Water withdrawal target for overseas sites: Maintain water withdrawal intensity (base year: FY2021)	Water withdrawal reduction rate at overseas sites: 12.6% compared to FY2021
		• Initiatives for environmental conservation / Prevention of environmental pollution	• Strengthening of wastewater management	Zero violations of laws and regulations	Number of violations of laws and regulations: 0
			• Strengthening of chemical substance management	Target for amount of chemical substances released/transferred: 150 tons/year or less	Amount of chemical substances released/transferred: 143 tons/year
			• Strengthening of VOC emissions management	VOC emission target: 73 tons/year or less	VOC emissions: 40 tons/year
			• Strengthening of management of natural rubber and cotton producing regions	Manage natural rubber and cotton producing regions and promote a switch to sustainable materials in collaboration with business partners.	Disclosure of procurement guidelines, introduction of supplier information management tool
	Establishment of a resourcerecycling society / Effective use of resources	• Reduction of waste volume / Promotion of 3Rs	• Reduction in the amount of industrial waste landfilled	Less than 1% of waste generated (achievement of zero emissions / Boundary: sites in Japan)	Industrial waste landfill ratio: 0.1%
		• Development of eco-friendly products	• Expansion of eco-friendly products	Establish a management system and promote the expansion of eco-friendly products, such as products with lower carbon emissions and products that reduce resource depletion.	Development of eco-friendly products: Establishment of a management system completed.
S	Respect for human rights and personality	• Promotion of human rights due diligence	• Promotion of human rights DD throughout the supply chain	Promote human rights due diligence throughout the supply chain in collaboration with business partners.	Supply chain human rights risk assessments completed.
S		• Health and productivity management and occupational safety and health management	• Strengthening of employee health, and occupational safety/health management	Reduce the percentage of smokers among employees to 15% or less by FY2030. / Reduce the obesity rate (the proportion of people with a BMI of 25 or more) to 25% or less by FY2030.	(No measurements conducted in FY2023)
S	Reinforcement of a human resources strategy	• Promotion of DE&I	• Promotion of DE&I	Percentage of female managers (Section Chief): 5% or more for FY 2026, 10% or more for FY 2030 (non-consolidated)	Female manager ratio (Section Chief): 3.1%
S		• Promotion of human capital management	• Improvement of employee engagement (improved survey scores)	Score improvement targets: 10% improvement for FY2026, 13% improvement for FY2030	Engagement survey commenced.
G	Improvement of management transparency and prevention of corruption	• Thorough compliance	• Prevention of corrupt practices	Zero violations of laws and regulations	Number of violations of laws and regulations: 0
G		• Enhancement of risk management	• Promotion of business continuity planning activities	Maintain, manage and improve the risk management system.	BCP activities expanded to all production sites.
G			• Strengthening of information security	Number of incidents related to information security: 0	Number of incidents: 0
G		• Improvement of stakeholder engagement	• Active dialogue with stakeholders	Create opportunities for constructive dialogue and promote proactive communication.	Dialogues with investors and analysts: 66 sessions held
G			• Timely and appropriate information disclosure	2030: Obtain the highest rating in the global standard ESG evaluation.	CDP: B rating※2 | FTSE：3.3※3
G			• Improvement of engagement with local communities	Respond to disasters etc. in collaboration with local communities.	Dialogue with local urban development promotion associations: 22 times

※1 Boundary: 8 sites in Japan Energy intensity = total energy consumption / raw material consumption
※2 Score announced in February 2024
※3 Score announced in June 2024

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Environment

Initiatives Related to Climate Change

Basic approach

As alarm bells have been ringing over global warming caused by greenhouse gases, countries around the world are committing to greenhouse gas emission reduction targets and working to reduce their emissions. In the meantime, various climate disasters caused by global warming are occurring all over the world, and their frequency and intensity are increasing year by year, bringing about a critical situation not only for human lives but also for the survival of society and the environment, which are the very foundations of our corporate activities.

Under these circumstances, supporting the Paris Agreement adopted at COP21, as well as Japan's climaterelated laws and regulations, such as the Act on Rationalizing Energy Use (Energy Conservation Act) and the Act on Promotion of Global Warming Countermeasures (Global Warming Countermeasures Act), the Mitsuboshi Belting Group has taken up "contribution to the realization of a decarbonized society" as a key management issue (materiality), for which it has set specific measures and KPIs, and has been implementing various activities, including CO_2 emissions reduction, energy-saving, and development of ecofriendly products.

Disclosure based on the TCFD Recommendations

In December 2022, Mitsuboshi Belting announced its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and joined the TCFD Consortium, a forum for discussion among supporting companies and financial institutions. This section explains the Group's climate change initiatives in line with the TCFD's four recommended disclosure pillars: governance, risk management, strategy, and metrics and targets.

Governance

At Mitsuboshi Belting, the Board of Directors makes decisions on and supervises climate change-related risks and opportunities as a management priority. Climate change-related risks and opportunities are discussed by the Sustainability Promotion Committee and reported to the Board of Directors, which then conducts decision-making and supervision based on the reports from the Committee.

"Reduction of GHG emissions," "Water resource conservation," and "Environmental conservation" have been set as sub-material issues (submateriality) related to the "environment." The Sustainability Promotion Committee discusses and deliberates on the progress of activities of the organizations (business departments, committees, or working groups) in charge of the measures determined for each issue, thereby ensuring continuous improvement of activities.

Risk management

The Mitsuboshi Belting Group has established the Risk Management Committee to monitor and evaluate risk management activities for issues (significant risks) that should be addressed on a group-wide basis in terms of their impact on its business and to maintain and develop the risk management system.

For climate change-related risks, the implementation of the measures is monitored and evaluated by the Risk Management Committee in addition to the Sustainability Promotion Committee, and the monitoring and evaluation results are reported to the Board of Directors along with reports on other significant risks.

Strategy

With the aim of verifying the impact of climate change on the value chain of the Mitsuboshi Belting Group in the future and the effectiveness of climate change measures, we conducted scenario analysis based on two climate change scenarios: a 1.5°C warming scenario, in which the trend toward decarbonization continues to grow and the impact of transition risks and opportunities increases, and a 4°C warming scenario, in which climate change progresses significantly and the impact of physical risks increases.

Scenario analysis

1) Analysis target and preconditions

Region	Period	Range	Main reference scenarios
Countries and regions in which the Mitsuboshi Belting Group operates	Present - 2050	Value chain	IEA WEO 2022. IPCC AR6 (SSP 1-1. 9, SSP 3-7. 0, SSP 5-8. 5), etc.

2) Future vision of society surrounding the Mitsuboshi Belting Group's business

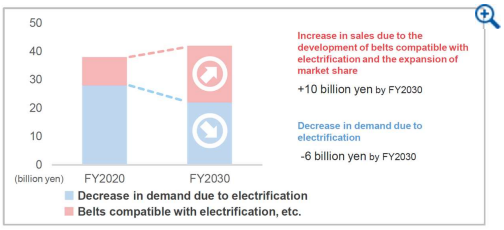
Scenario	2030	2050
1.5°C scenario	· The carbon price is USD 140/t-CO_2 in developed countries and USD 90/t-CO_2 in developing countries. · Demand for products for low-carbon and decarbonization technologies increases around the world. · Electrification progresses in the automobile industry, and EVs account for half of new vehicle sales. · The rise in average temperature reaches 1.5° C, and physical risks become apparent. Investment in disaster prevention and mitigation increases.	· The carbon price is USD 250/t- CO_2 in developed countries and USD 205/t- CO_2 in developing countries. · Demand for products for low-carbon and decarbonization technologies further increases around the world. · Electrification progresses in the automobile industry, and EVs account for most of new vehicle sales. · The rise in average temperature reaches 1.6° C, and physical risks become apparent. Investment in disaster prevention and mitigation increases.
4°C scenario	· The carbon price is USD 90/t- CO_2 in developed countries and zero in developing countries. · Demand for products for low-carbon and decarbonization technologies increases in developed countries. · Electrification progresses in the automobile industry, and EVs account for half of new vehicle sales. · The rise in average temperature reaches 1.5° C, and physical risks become apparent. Investment in disaster prevention and mitigation increases.	· The carbon price is USD 130/t- CO_2 in developed countries and zero in developing countries. · Demand for products for low-carbon and decarbonization technologies increases in developed countries. · EVs account for only half of new vehicle sales. Internal combustion locomotives are the mainstream in developing countries. · The rise in average temperature reaches 2.1° C, and physical risks become apparent. Investment in disaster prevention and mitigation increases.

Risks and opportunities

	Type	Driver	Impact on business: Impact	<Risks>	Impact on business: Impact	<Opportunities>	Measures / Strategies	Time frame
Transition risks	Policy / Laws and regulations	Strengthening of climate change policies, such as carbon pricing policy	Medium	· An increase in manufacturing costs due to the use of carbon-taxed fossil fuels · An increase in costs due to CO_2 emission reduction activities, such as carbon offsets and the use of biomass raw materials · An increase in raw material costs due to cost pass-through of decarbonization costs by suppliers · A decline in the competitiveness of products made in developing countries in international trade due to CBAM	Medium	· A reduction in energy costs due to the accelerated introduction of energy-saving and renewable energy technologies · Improvement of corporate value and an increase in opportunities to be selected by customers due to proactive activities to reduce CO_2 emissions	· Avoid the impact of carbon taxes by electrifying equipment and introducing renewable electricity · Strengthen the development and sales of low-carbon footprint items (low-carbon products) · Reduce CO_2 emissions during manufacturing. · Reduce Scope 3 emissions (by using biomass raw materials, etc.)	Medium to long term
	Technology	Replacement of existing products/services with low-carbon options	Large	· Shrinking and disappearance of the market for power transmission belts for internal combustion engines of automobiles and motorcycles due to the spread of electrification	Large	· Acquisition of new demand for power transmission belts resulting from electrification	· Shift the product portfolio · Expand the sales of various drive belts used in EVs, ranging from belts for internal combustion engines to belts for electric power steering, power sliding doors, electric power brakes, and other component parts	Short term
		Upfront costs for shifting to low-carbon technologies	Large	· A decline in competitiveness due to delays in the development of innovative technologies to reduce CO_2 emissions	Medium	· Improvement of product competitiveness through the realization of low-carbon technology transformation	· Promote product development and innovation, using DX and other technologies, to realize low-carbon technology transformation	Medium to long term
	Market	Changes in customer behavior	Large	· A decline in the competitiveness of products with a large carbon footprint in customer procurement	Medium	· Improvement of product competitiveness through reduction of the carbon footprint	· Reduce CO_2 emissions during manufacturing. · Reduce Scope 3 emissions (by using biomass raw materials, etc.) · Strengthen the development of eco-friendly products	
	Reputation	An increase in stakeholders' anxiety or negative feedback therefrom	Large	· A decrease in corporate value due to delays in taking measures against climate change or lack of information disclosure	–	–	· Make sure to implement measures to address climate change, achieve KPIs, and disclose details of these efforts to stakeholders in an appropriate and timely manner.	Short to long term
Physical risks	Acute risks	Increased intensity and frequency of extreme weather events, such as cyclones and floods	Medium	· Suspension of operations or restrictions on operating systems due to damage to plant production equipment · Suspension of operations at suppliers or disruption of distribution channels due to disasters	Large	· Achievement of stable supply through early development of products with alternative specifications using synthetic raw materials and expansion of market share through these efforts · Acquisition of customer trust through stable product supply	· Implement stable business activities by formulating and operating a business continuity plan for the company as well as the supply chain while using hazard screening	Short to long term
	Chronic risks	Changes in rainfall patterns and extreme changes in weather patterns in general	Small	· Increased delays in product supply to customers due to unstable supply of natural raw materials · Unstable profitability due to price fluctuations of natural raw materials · Increased delays in product supply to customers due to suspension of production activities caused by drought and water intake restrictions · Suspension of operations at suppliers due to drought and water intake restrictions		· Expansion of the need for equipment to prepare for disasters (1) Increased sales of water-shielding sheets due to heightened awareness of environmental impact reduction (2) Increased sales of power transmission belts for wind power generators due to increased demand for renewable energy	· Make an agreement with suppliers in advance about supply in case of emergency through close collaboration with them. · Enhance production resilience during droughts or other emergencies by installing a cooling water circulation system or other systems.	Short to long term
		Rise in average temperature	Large	· Decline in labor productivity due to deterioration of the working environment caused by a rise in average temperature	–	–	· Facilitate the automation of production equipment by promoting DX. · Implement stable business activities by formulating and operating a business continuity plan for the company as well as the supply chain while using hazard screening.	Short to long term
		Sea level rise	Small	· Increased delays in product supply to customers due to flooding of inventory and disruption of distribution channels				

Risks and opportunities associated with the progress of electrification of automobiles

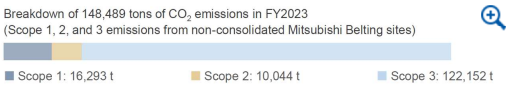
With the electrification of automobiles, demand for power transmission belts for internal combustion engines is expected to decrease by approximately six billion yen by FY2030. Meanwhile, we expect an increase in sales of approximately 10 billion yen due to increased sales of timing belts for electric units (EPBs, EPSs, PSDs, etc.) in automobiles and belts for rear-wheel drives of electric motorcycles for the same period. Taking the progress of electrification of automobiles as an opportunity, we will strive to develop products that can achieve sustainable growth.



CO_2 emissions

As a result of our ongoing efforts, such as installing solar power generation equipment at our offices/plants, switching to renewable electricity, and switching to fuel gas for heavy oil-fueled equipment, CO_2 emissions in FY2023 were 26,337 tons (a 35.6% reduction compared to FY2013), far exceeding our target of "a 22% reduction in FY2023 compared to FY2013."

We are working to reduce emissions not only in our own operations but also throughout our supply chain. In FY2023, the total emissions of the entire supply chain, including Scope 3, amounted to 148,489 tons. From FY2024 onwards, we will continue to implement our internal emissions reduction activities while at the same time working with our business partners to reduce greenhouse gas emissions, particularly Category 1 emissions, which account for a large proportion of Scope 3 emissions.



Details of Scope 3 emissions are available on our corporate website.

Metrics and targets

The Mitsuboshi Belting Group has identified "contribution to the realization of a decarbonized society" as one of its materiality, which is positioned as an important element in business activities, and has set long-term targets of

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Environment

Energy Management

Basic approach

With its roots in “energy conservation” that started with the first oil crisis in 1973, the Mitsuboshi Belting Group’s energy management activities already span half a century. Initially,concern about “oil depletion” was the main driving force, but cost reduction was added as one of the objectives later on. At present, energy management is positioned as an important measure and indicator in responding to climate change.

Recognizing that energy management contributes to global warming mitigation and biodiversity conservation, we will actively work toward achieving these targets through rapid implementation of effective measures.

Management system

The Mitsuboshi Belting Group conducts energy management in accordance with an environmental management system (EMS) that complies with ISO14001. The President and the Director in Charge of Safety and the Environment are responsible for the overall management of the EMS and the appointment of a Person with Overall Environmental Responsibility. The Companywide Environmental Conference, with the Director in Charge of Safety and the Environment as chairperson and the responsible persons of all departments and affiliated companies as members, meets twice a year to determine and disseminate policies, strategies, and targets for each fiscal year to all departments and affiliated companies for implementation. The Conference monitors and evaluates the progress of measures implemented in each department and affiliated company and provides necessary instructions. The Companywide Environmental Conference’s deliberations and decisions are reported to the Board of Directors through the President and the Director in Charge of Safety and the Environment.

On our materiality list, for materiality related to energy management, “improvement of energy consumption intensity” is listed as a measure to reduce CO_2 emissions, and a KPI target of “reducing energy consumption intensity by 1% or more compared to the previous fiscal year” is set. Energy management activities are therefore subject to monitoring and evaluation by the Sustainability Promotion Committee.

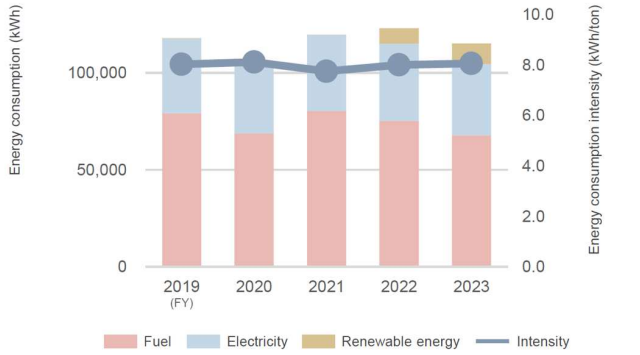
Targets and implementation status

As mentioned above, our target for energy management for FY2023 was to reduce energy consumption intensity by 1% or more compared to the previous fiscal year. However, actual results fell short of the target with an increase of 0.7% from the previous fiscal year. Looking at the trends in energy consumption intensity over the past five years in the chart below, no noticeable effects have been observed. It appears that effective measures have run their course over the years of activities.

Meanwhile, the renewable energy introduction ratio*, which was only 0.1% in FY2021, increased to 9.1% in FY2023, which means 9.1% of the total energy consumption was replaced by renewable energy.

Since the primary energy equivalent of renewable energy is expected to be smaller than the equivalent of energy derived from fossil fuels, we plan to gradually expand the contribution of renewable energy in the future.

Trends in energy consumption*



* Boundary: 8 sites in Japan

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Environment

Development of Eco-Friendly Products

Basic approach

The Mitsuboshi Belting Group recognizes that it is its corporate social responsibility to promote efforts to resolve environmental issues and realize a decarbonized society. Under this recognition, we aim to realize sustainable corporate activities. To this end, we strive to strengthen the development of ecofriendly products and actively work to reduce CO_2 emissions in the production process.

- ● : Products that contribute to reducing CO_2 emissions
- ● : Products that contribute to the realization of a circular economy
- ● : Products that contribute to the conservation of biodiversity

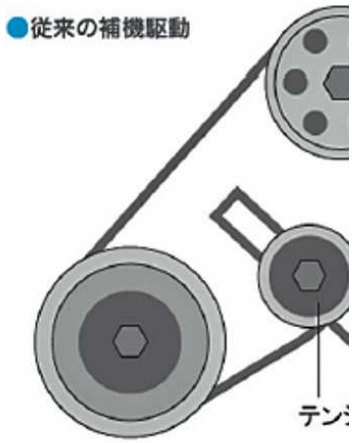
● TG belts for blade pitch drives in wind power generators



● Low friction loss belts / TG belts in oil



● "StarFit™" low modulus belts for automobiles



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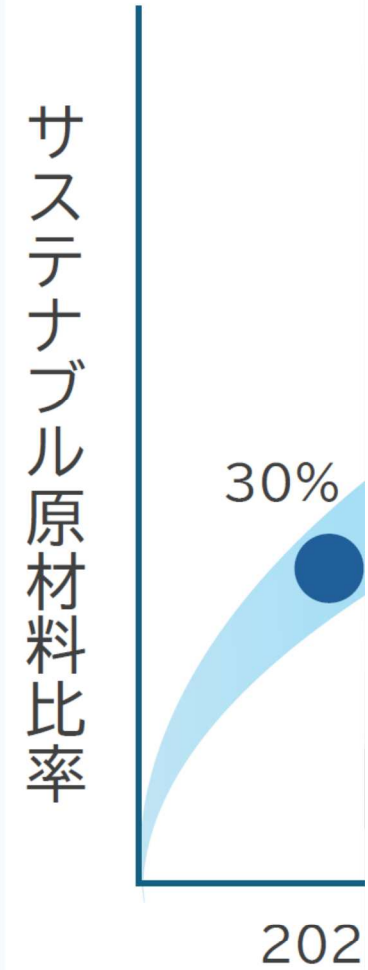
● “Smastar™ ” alternator pulleys for automobiles

● “e-POWER™ ” energy-saving belts

● Power transmission belts with a higher proportion of sustainable raw materials











● Plant-derived high-performance nylon material “PA410”

● “Water-shielding sheets” from the Building & Construction Materials Division

●Contributing to biodiversity conservation







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Initiatives for Biodiversity Conservation

Basic approach

Biodiversity is rapidly being lost due to global warming, environmental pollution, overexploitation, overfishing, and other factors caused by human activities, and ecosystems are in crisis. If we fail to take action now, the entire society will suffer severe damage in the future due to inability to enjoy ecosystem services, and we will not be able to realize a "sustainable society." The Mitsuboshi Belting Group has been working to reduce CO_2 emissions in order to curb global warming, but we also recognize that biodiversity loss is a risk of equal importance and urgency to global warming for society as a whole.

We have identified "biodiversity conservation" as one of our materiality. We have set specific KPIs for each of the issues, including water resources conservation, and have been working on various activities.

Strategy

The Sustainability Promotion Committee has identified risks and opportunities related to "biodiversity conservation" and assessed their impact on the Mitsuboshi Belting Group's business activities, in accordance with the disclosure framework recommended by the TNFD, and has developed strategies and targets based on the impact assessment results.

Relationship between operating regions and nature

1) Dependency and impact on nature

Our Group's production sites use steam as a heat transfer medium and water as a refrigerant in the processing of rubber products. Without a sufficient amount of good quality fresh water supplied by nature, in no time we would be forced to suspend operations. In addition, natural rubber, cotton, oil processed from palm oil, etc. are used as non-petroleum-derived raw materials in the manufacture of rubber products, but if the supply of these materials is disrupted, we would have no choice but to rely on petroleum-derived raw materials, leading to increased risk of resource depletion. Furthermore, our Group's main products -transmission belts and related products -are widely used in various industries, including agriculture, forestry, fishery, mining, semiconductors, automotive, electrical machinery, machinery, food and logistics. For these reasons, we recognize that our Group's business activities depend not only on water and natural materials but also on many other ecosystem services.

We investigated, using ENCORE, the dependencies that the industry to which our Group belongs (sub-industry: automotive parts, tire & rubber / production process: parts manufacturing, tire & rubber) has on ecosystem services. The investigation results showed that there were no ecosystem services on which our industry depends at a Very High level, but that the dependency on "groundwater" and "surface water" was High.

Our Group's production activities consume various resources, including energy (water and other natural resources), and emit waste, wastewater, exhaust gas, exhaust heat, noise, odors, etc., which have a significant impact on the natural environment. Among our industry's impact drivers (impact factors) on ecosystem services identified by ENCORE, there were no Very High-level impact factors, but six High-level impact factors were identified: "disturbances to living," "greenhouse gas emissions," "soil pollution," "waste," "water pollution," and "water consumption."

Based on these results, the Group will continue to take concrete steps towards the sustainable use of natural capital and reduction of environmental impacts, including the efficient use of resources and product design that takes environmental impact mitigation into consideration.

※1 ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) is an online tool jointly developed by the Natural Capital Finance Alliance (NCFA), an international network of financial institutions, the United Nations Environment Programme World Conservation Monitoring Center (UNEP-WCMC), and other organizations. This tool helps organizations to explore their exposure to nature-related risk and to understand and assess their dependencies and impacts on nature.

2) Interface between the operating regions and important regions for biodiversity conservation

We surveyed and identified the interface between the Mitsuboshi Belting Group's operating regions (from the perspective of product life cycle) and important regions for biodiversity conservation. Specifically, as our operating regions, we selected (1) regions where the Mitsuboshi Belting Group's 16 production sites are located, (2) regions where natural rubber and cotton, which are our raw materials, are produced, and (3) regions where crude oil, which is our raw material and energy source, is produced. For important regions for biodiversity conservation, we selected (1) regions called hotspots,*1where ecosystem integrity is being lost, (2) regions where endangered species need to be protected (AZE sites*2), and (3) high water-stressed regions.*3

Our operating regions interfacing with hotspots	• Regions where seven domestic production sites are located • Regions where four production sites in Thailand, Singapore, and Indonesia are located • Natural rubber producing regions in Southeast Asia
Our operating regions interfacing with AZE sites	• Natural rubber producing regions in Southeast Asia
Our operating regions interfacing with high water-stressed regions	• Regions where one production site in India, one production site in China, and one production site in the United States are located • Cotton producing regions in India

We recognize that business activities at the Group's sites have a significant impact on their respective local ecosystems due to water consumption, environmental pollution caused by wastewater, and emissions and waste discharged. More specifically, we believe that in the production of natural rubber, deforestation due to land use has a heavy impact on the ecosystem, while in the production of cotton, the water consumption required for cultivation and environmental pollution caused by pesticides have a heavy impact on the ecosystem. Issues related to the production of natural rubber and cotton have already been taken up as international environmental issues, and several initiatives have been launched to improve them. We believe that these issues should be given the highest priority in the Group's business activities. Regarding water consumption, implementing water use reduction in production activities is important also for biodiversity

conservation, as all of our production sites in Japan, where such activities are carried out, are located in biodiversity hotspots. We are determined to achieve the reduction target without fail.

※1 A hotspot is a region with more than 1,500 species of endemic vascular plants (seed plants and ferns) and where more than 70% of the native ecosystem has been altered.

※2 An AZE site is an area that holds the last remaining populations of 1,483 of the earth's most threatened species, as disclosed by the Alliance for Zero Extinction biodiversity initiative.

※3 High water-stressed regions: Regions with a baseline water stress level that is classified as "extremely high" in the World Resource Institute's Aqueduct Water Risk Atlas.

Scenario analysis, risks and opportunities, and strategy

We have identified risks and opportunities by taking into consideration the relationship between the regions in which the Mitsuboshi Belting Group operates and the important biodiversity regions, as well as the scenarios shown in Table 1 below. Table 2 summarizes the identified risks and opportunities and measures taken to address them. By examining information obtained from published biodiversity-related reports and the World Resource Institute's Aqueduct, the Mitsuboshi Belting Group has created scenarios that describe what the natural environment and social situations will look like in 2030 and 2050.

Table 1: Near-future scenarios from a biodiversity conservation perspective

	Biodiversity conservation scenario	Biodiversity loss scenario
2030	• Environmental destruction by humans stops and the environment begins to repair itself. • Disasters caused by deforestation and climate change decrease compared to current levels. • Strict environmental assessments are conducted for all industrial land developments. • Biodiversity recovers, but water stress is exacerbated by other social factors such as population growth. • Demand for more expensive eco-friendly products becomes mainstream. • Ecosystem services are supplied stably, and individuals, companies, communities, and societies that utilize them are stabilized.	• Areas important for biodiversity conservation expand compared to the present. • The scale of climate change-derived disasters is amplified by environmental destruction. • Land development expands with the same inadequate environmental assessments as now. • Coupled with loss of biodiversity, water stress is further exacerbated. • Eco-friendly products are being removed from the market due to price competition. • The provision of ecosystem services becomes unstable, and shortages of goods, price increases, regional conflicts, etc. increase from the current levels.

	Biodiversity conservation scenario	Biodiversity loss scenario
2050	• Self-restoration of the environment progresses and biodiversity becomes richer than it is now. • Disasters caused by deforestation and climate change decrease compared to 2030. • Further strict environmental assessments are conducted for all industrial land developments. • Biodiversity recovers, but water stress is exacerbated by other social factors such as population growth. • Non-environmentally friendly products are weeded out of the market. • Ecosystem services are supplied stably, and individuals, companies, communities, and societies that utilize them are stabilized.	• Areas important for biodiversity conservation expand compared to 2030. • The scale of climate change-derived disasters is further amplified compared to the 2030 levels. • Strict environmental assessments finally become the norm for land development in all industries. • Coupled with loss of biodiversity, water stress is further exacerbated. • Demand for more expensive eco-friendly products finally becomes mainstream. • The provision of ecosystem services is disrupted, and occurrences of shortages of goods, price increases, regional conflicts, etc. further increase from the 2030 levels.

Table 2 Risks and opportunities related to biodiversity conservation

Table 2 Risks and opportunities related to biodiversity conservation

Type		Driver	Impact on business: Impact	Risks	Impact	Opportunities	Measures / Strategies	Time frame
Physical risks		Deforestation Progress of global warming Water stress	Small	• Increased delays in product supply to customers due to suspension of production activities caused by drought	Small	• Acquisition of customer trust through stable product supply	• Installation of cooling water circulation systems, mist cooling systems, etc. • Maintaining and improving a global complementary production system	Short to long term
					Medium	• Increased demand for products for irrigation projects	• Overseas expansion of irrigation-related business	
			Small	• Increased delays in product supply to customers due to suspension of production activities caused by floods, landslides, and other disasters	Medium	• Increased demand for products for disaster prevention projects	• Maintaining and improving a global complementary production system	
		Ecosystem loss	Small	• Rising raw material prices due to poor harvest of raw materials derived from ecosystem services		–	• Developing products using raw materials that do not rely on ecosystem services	Medium to long term
Transition risks	Policy	Land development regulations	Small	• Soaring raw material prices due to stricter controls of natural rubber, cotton, palm oil, etc.		–	• Developing products using raw materials that do not rely on ecosystem services	Medium to long term
		Environmental regulations	Medium	• Increase in capital investment and administrative costs to comply with stricter environmental regulations • Decrease in sales in the European market due to delays in complying with the EUDR	Small	• Acquisition of other companies' share and increased sales in the European market by supplying EUDR-compliant products ahead of competitors	• Absorbing capital investments and increased costs by improving productivity using DX technology • Establishing procurement routes for EUDR-compliant rubber	
		Water stress	Small	• Increased delays in product supply to customers due to suspension of production activities caused by water intake restrictions	Small	• Acquisition of customer trust through stable product supply	• Installation of cooling water circulation systems, mist cooling systems, etc. • Maintaining and improving a global complementary production system	
	Technology	Alternative technology	Small	• Delays in the development of an alternative technology to substitute raw materials derived from ecosystem services		–	• Developing products using raw materials that do not rely on ecosystem services	
	Market	Customer-oriented	Medium	• Loss of business opportunities due to delays in switching to eco-friendly products demanded by the market	Medium	• Creation of new business opportunities through new eco-friendly products	• Research, planning, and development of eco-friendly products • Maintaining and improving a management system for eco-friendly products	
	Reputation	Market demand	Small	• Decrease in selection of Mitsuboshi Belting's products due to its failure to achieve biodiversity conservation targets or lack of information disclosure		–	• Management of biodiversity conservation activities by the Sustainability Promotion Committee (top management) • Encouraging natural rubber and cotton suppliers to work on biodiversity conservation	Short to long term

* Definition
Impact: large – 1.0 billion yen or more; medium – 0.1 to 1.0 billion yen; small – less than 0.1 billion yen
Time frame: short term – until 2026; medium term – until 2030; long term – until 2050

Failure to develop eco-friendly products generates negative financial impact in the form of lost opportunities for new businesses as well as reduced demand for existing products. Just as products with large carbon footprints are removed from the market to address climate change, products that negatively impact biodiversity conservation will be removed from the market. In fact, in June 2023, the European Union Deforestation Regulation (EUDR) came into force. Under the EUDR, businesses are required to prove that their products are not linked to deforestation when exporting them to the EU market.

Meanwhile, irrigation projects in regions with high water stress are expected to become increasingly active in the future. Our company's water-shielding sheets and installation services have already been widely used in irrigation projects in Japan, but at present, we have hardly been able to expand them into overseas high water-stressed regions. Utilizing the sales network for our main product, transmission belts, we will expand our business of watershielding sheets and installation services to high water-stressed regions.

Just like reducing, calculating, and disclosing CO_2 emissions as a measure to address climate change, we believe that working to reduce water consumption and properly disclosing the status of reduction is also very important for our business activities. From our efforts to date, we have already confirmed that the use of recycled water through cooling water circulation systems is an effective measure to reduce water consumption. We will continue to actively install cooling water circulation systems to reduce water consumption.

※1 A regulation that aims to minimize the EU's contribution to global deforestation and forest degradation. It covers seven commodities (cocoa, coffee, palm oil, rubber, soya, cattle and wood, and derivatives). This regulation prohibits any operators and traders from trading products linked to deforestation and forest degradation in the EU market and requires due diligence for them. The provisions of the EUDR will apply to small and medium-sized enterprises from June 30, 2025, and to other enterprises from December 30, 2024, and the sale of products that do not meet EUDR standards will be prohibited in the EU.

■ Targets

The Group has already completed the development of product specifications that do not use cotton or natural rubber. However, these products inevitably require the use of some non-renewable raw materials. In the context of resource depletion, cotton and natural rubber will continue to be raw materials that play a crucial role. In the future, we plan to encourage our cotton and natural rubber suppliers to conduct business activities that take biodiversity conservation into consideration, in accordance with the Procurement Guidelines formulated in FY2023. For targets regarding water resources, please refer to “Targets” in the section “Initiatives to Conserve Water Resources.”

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Environment

Initiatives for Water Resources Conservation

Basic approach

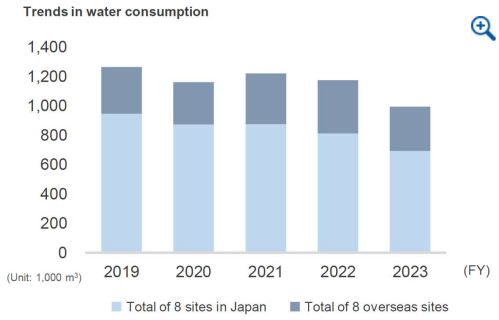
Recognizing environmental conservation as one of its important management issues, the Mitsuboshi Belting Group has been committed to water resources conservation.

The initiatives for water resource conservation that we are undertaking are closely related to our initiatives to address climate change caused by global warming. Water is an essential resource for our survival. However, despite its importance, water is being depleted and polluted, seriously affecting our social lives and economic activities, as well as the natural environment.

We are deeply aware of the impact of water depletion and pollution on society and will strive to conserve water resources in our business activities.

Strategy

In Japan, where tap water can be used as drinking water and is available at low cost, awareness of water resource conservation tends to fade easily. In fact, Mitsuboshi Belting Group's production sites in Japan use approximately 2.5 times as much water as its overseas production sites, even though the production volume of transmission belts (main product) at Japanese production sites is only one-third of that of overseas production sites (as of FY2023, see the chart below).



However, it is by no means the case that Japan is free from water problems. Droughts occur in some places in Japan every year. Meanwhile, looking overseas, the heat wave and drought that hit Europe in 2022 had a major negative impact on agricultural production and also affected electricity supply due to a rise in the temperature of the cooling water at nuclear power plants.

In light of this current situation, we identified risks and opportunities related to water resources conservation and assessed their impact on the Mitsuboshi Belting Group's business activities, and based on the assessment results, we developed strategies and targets.

a. Hazard screening

We analyzed and assessed the risks of "water supply shortage" and "water stress" at each production site of the Mitsuboshi Belting Group.

Since water supply shortage risk and water stress risk vary depending on the location of each production site, we obtained information on the current and future water supply shortage risk from the World Resource Institute (WRI)'s Aqueduct Water Risk Atlas. We then assessed each production site's water supply shortage risk in 2030, 2050 and 2080 under SSP1 RCP2.6 and SSP5 RCP8.5 scenarios and assigned a risk rating to each site on a five-point scale from 1 (low) to 5 (high).

Production site*	Location	Water supply shortage							Water stress						
			SSP1 RCP2.6			SSP5 RCP8.5				SSP1 RCP2.6			SSP5 RCP8.5		
		Present	2030	2050	2080	2030	2050	2080	Present	2030	2050	2080	2030	2050	2080
Kobe Head Office	Japan	2	2	2	1	2	2	1	2	2	2	2	2	2	2
Shikoku Plant		1	1	1	1	1	1	1	2	2	2	2	2	2	2
Nagoya Plant		2	2	2	2	2	2	2	3	3	3	3	3	3	3
Ayabe Production System Development Center		2	2	2	1	2	2	1	2	2	2	2	2	2	2
Shiga Plant		2	2	2	1	2	2	1	2	2	2	2	2	2	2
Mitsuboshi Cord Co., Ltd.		2	2	2	1	2	2	1	2	2	2	2	2	2	2
Mitsuboshi Belting Kohki Co., Ltd.		2	2	2	1	2	2	1	2	2	2	2	2	2	2
MBL(USA)	USA	2	2	2	3	2	3	3	5	5	5	5	5	5	5
MOH	Singapore	1	1	1	1	1	1	1	1	1	1	1	1	1	1
MBI	Indonesia	2	2	2	2	2	2	2	4	4	3	3	4	4	4
SEIWA		2	2	2	2	2	2	2	4	4	3	3	4	4	4
STI	Thailand	3	3	3	3	3	3	3	4	4	4	4	4	4	4
SMB	China	2	2	2	2	2	2	3	5	4	4	4	4	4	4
MB (POL)	Poland	1	1	1	1	1	1	1	1	1	1	1	1	1	1
MB (IND) Rabale	India	1	1	2	2	2	2	2	2	2	2	2	2	2	2
MB (IND) Supa		4	4	4	4	4	4	4	5	5	5	5	5	5	5

※1 * Abbreviations for overseas sites in the table

- MBL (USA) : MBL(USA) CORPORATION
- MOH : MITSUBOSHI OVERSEAS HEADQUARTERS PRIVATE LIMITED
- MBI : PT.MITSUBOSHI BELTING INDONESIA
- SEIWA : PT.SEIWA INDONESIA
- SMB : SUZHOU MITSUBOSHI BELTINGCO.,LTD.
- MB(POL) : MITSUBOSHI POLAND Sp.zo.o.
- MB(IND)Rabale : MITSUBOSHI BELTING-INDIA PRIVATE LIMITED (RabalePlant)
- MB(IND)Supa : MITSUBOSHI BELTING-INDIA PRIVATE LIMITED (SupaPlant)

We have concluded that the water supply shortage risk at the seven production sites in Japan will be hardly affected by climate change and that the risk will remain at the current low level (Level 1 -2) until the end of the century. The water supply shortage risk at the nine overseas production sites is slightly higher (Level 1 -4) than that at the sites in Japan, but various measures have already been taken, such as installation of cooling water circulation systems and mist cooling systems, and stable operations have been maintained. From the analysis results that the water supply shortage risk will not change significantly from the current level until the end of the century, although we will proceed with the installation of cooling water circulation systems and mist cooling systems, we do not see an immediate need to take action.

As with the water supply shortage risk, the water stress risk at the seven production sites in Japan will be hardly affected by climate change, and the water stress risk will remain at the current low level (Level 2 -3) until the end of the century. As for the nine overseas production sites, one production site in India, one in China and one in the USA are at the highest risk level of 5, while two production sites in Indonesia and one in Thailand are at a fairly high risk level of 4. This situation is expected to continue until the end of the century. The main causes of the worsening water stress risk are said to be the social environment of the region, such as population growth, climate change, and water conflicts, andwehave set water consumption reduction as a basic measure to address water stress and intend to take timely and appropriate measures for each region by properly monitoring and evaluating changesinthe social environment of each region.
Furthermore, as a result of extending the scope of the water stress risk survey to the entire supplier chain, we found that aproduction region of cotton, one of the raw materials we use, and a high water-stressed region overlap in northwestern India. The current water stress in this region is at the highest level of 5 and isnot expected to improve in the future. Growing cotton in high water-stressed regions poses problems not only in terms of water consumption but also in terms of environmental pollution caused bypesticides. Therefore, in the future, we plan to clearly define the implementation of water resources conservation activities in our procurement guidelines, etc., and promote the switch to sustainable cotton and other sustainable materials throughout our supply chain.

b. Risk and opportunity identification and impact assessment results

Type	Driver	Impact on business			Measures / Strategies	Time frame
		Impact	Risks	Opportunities		
Technology	Development of a production method with low water consumption	Small	・Delays in development can lead to production shutdowns due to droughts and water intake restrictions, resulting in increased delays in product supply to customers.	・Acquisition of customer trust through stable product supply	・Enhance production resilience during droughts by installing cooling water circulation systems, mist cooling systems, etc. ・Conduct hazard screening and risk assessments of all global bases for water resources, especially for drought ・Develop and strengthen our overseas sales network with the aim of capturing overseas demand while continuing to respond to domestic demand	Medium to long term
Climate change	Changes in rainfall patterns and extreme changes in weather patterns in general	Small	・Increased delays in product supply to customers due to suspension of production activities caused by drought and water intake restrictions ・Suspension of operations at suppliers due to drought and water intake restrictions	・Increased demand for water-shielding sheets used at reservoirs, irrigation canals, etc. for the purpose of effective use of water resources		
Reputation	An increase in stakeholders' anxiety or negative feedback therefrom	Large	・A decrease in corporate value due to delays in taking water resource conservation measures or lack of information disclosure	–	・Make sure to implement water resource conservation measures, achieve KPIs, and disclose details of these efforts to stakeholders in an appropriate and timely manner	Short to long term
		Large	・Decline in reputation due to the use of cotton, which can be one of the causes of increased water stress	・Improved reputation due to the use of "sustainable cotton"	・Promote the development of product specifications that do not use cotton in the design stage ・Strengthen management throughout the supply chain	Medium to long term

* Definition
Impact: large – 1.0 billion yen or more; medium – 0.1 to 1.0 billion yen; small – less than 0.1 billion yen
Time frame: short term – until 2026; medium term – until 2030; long term – until 2050

As a result of identifying risks and opportunities and assessing their impacts, we have concluded that water supply shortages due to climate change and increased water stress caused by changes in the social environment will affect water withdrawal in the Group's production activities, leading to increased delays in product supply if no measures are taken and to acquisition of customer trust through stable product supply if appropriate measures are taken. Furthermore, the use of cotton produced in high water-stressed regions as a raw material could have a significant negative impact on the Group's reputation, as does cotton produced through forced labor, posing a risk that could lead to boycotts.

Meanwhile, it is expected that more dams, reservoirs, irrigation canals, etc. will be constructed for irrigation and efficient use of water resources, and demand for our water-shielding sheets to be used at these facilities and their installation services is expected to increase.

The financial impact of the suspension of production activities will be very minor on a consolidated basis due to the functioning of the global complementary production system, but on an individual production site basis, sales are expected to decrease in proportion to the period of suspension.

Although it is difficult to estimate sales of water-shielding sheets used for irrigation projects separately, sales of the construction materials business as a whole, including these sales, increased to 7.307 billion yen in FY2023, up 27.1% from FY2020.

Targets

The Mitsuboshi Belting Group has introduced cooling water circulation systems and mist cooling systems to reduce water consumption, mainly at overseas production sites where the water intake environment is harsher than in Japan (see graph below). In the production of rubber products, the "vulcanization" process is essential, which increases the elasticity of rubber through chemical reaction. In this process, sulfur and other chemicals are added to rubber and the mixture is heated to high temperatures (100°C or higher) to create a chemical reaction. After vulcanization, the rubber is cooled down using water. As described above, vulcanization and post-vulcanization cooling are essential processes for manufacturing rubber products.

Reference - Changes in water consumption at MBL (USA) Corporation

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Other Products

Sustainability

News Releases

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Environment

Environmental Data

A more detailed list of ESG data is available on our website.

Item	Description		FY2019	FY2020	FY2021	FY2022	FY2023	Unit	Scope
Raw material consumption			14,655	12,776	15,399	14,345	12,974	Ton	Eight sites in Japan*1
			33,824	30,487	35,915	34,961	29,970	Ton	Group
GHG emissions	Total CO_2 emissions*2		33,910	28,999	34,979	28,927	26,338	t-CO_2	
		Scope1	18,374	16,045	18,995	17,759	16,294	t-CO_2	
		Scope 2 (market-based)	15,537	12,955	15,983	11,168	10,044	t-CO_2	
		Scope 2 (location-based)	18,791	16,485	16,955	17,244	16,988	t-CO_2	
	Base year (FY2013)								
		Total CO_2 emissions			40,915			t-CO_2	Eight sites in Japan
		Scope1			18,875			t-CO_2	
		Scope 2 (market-based)			22,040			t-CO_2	
	Reduction of CO_2 emissions*3		-17.1	-29.1	-14.5	-29.3	-35.6	%	
		Scope1	-2.7	-15.0	0.6	-5.9	-13.7	%	
		Scope 2 (market-based)	-29.5	-41.2	-27.5	-49.3	-54.4	%	
	Total CO_2 emissions		46,080	43,747	51,183	49,751	48,439	t-CO_2	
		Scope1	21,807	20,979	24,437	24,057	22,554	t-CO_2	
		Scope 2 (market-based)	26,249	22,965	25,921	25,127	20,992	t-CO_2	
		Scope 2 (location-based)	24,273	22,777	26,746	25,594	25,884	t-CO_2	
	Base year (2013)								
		Total CO_2 emissions			57,053			t-CO_2	Overseas production sites*4
		Scope1			25,147			t-CO_2	
		Scope 2 (market-based)			31,906			t-CO_2	
	Reduction of CO_2 emissions		12.6	6.9	25.1	21.6	18.4	%	
		Scope1	15.5	11.1	29.5	27.5	19.5	%	
		Scope 2 (market-based)	19.1	4.2	17.6	14.0	-4.8	%	
	Scope3		–	–	–	243,841	208,187	t-CO_2	
		Category 1: Purchased goods and services	n.d.	n.d.	n.d.	38,008	35,188	t-CO_2	Non-consolidated
		Category 2: Capital goods	n.d.	n.d.	n.d.	11,608	24,699	t-CO_2	Group
		Category 3: Energy-related activities	n.d.	n.d.	n.d.	5,737	5,308	t-CO_2	Non-consolidated
		Category 4: Upstream transportation and distribution	n.d.	n.d.	n.d.	4,140	3,341	t-CO_2	Group
		Category 5: Waste generated in operations	n.d.	n.d.	n.d.	5,074	4,833	t-CO_2	Non-consolidated
		Category 6: Business travel	n.d.	n.d.	n.d.	546	581	t-CO_2	Group
		Category 7: Employee commuting	n.d.	n.d.	n.d.	282	221	t-CO_2	Non-consolidated
		Category 8: Upstream leased assets	n.d.	n.d.	n.d.	Not applicable	Not applicable	t-CO_2	–
		Category 9: Downstream transportation and distribution	n.d.	n.d.	n.d.	248	224	t-CO_2	Group
		Category 10: Processing of sold products	n.d.	n.d.	n.d.	8,502	4,595	t-CO_2	Group
		Category 11: Use of sold products	n.d.	n.d.	n.d.	169,443	128,800	t-CO_2	Group
		Category 12: End-of-life treatment of sold products	n.d.	n.d.	n.d.	253	197	t-CO_2	Group
		Category 13: Downstream leased assets	n.d.	n.d.	n.d.	Not applicable	Not applicable	t-CO_2	–
		Category 14: Franchises	n.d.	n.d.	n.d.	Not applicable	Not applicable	t-CO_2	–
		Category 15: Investments	n.d.	n.d.	n.d.	Not applicable	Not applicable	t-CO_2	–

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Social

Human Resources Strategy

Basic concept

Mitsuboshi Belting Group recognizes that "human resources" are the most important source of growth for our company to achieve sustainable growth as well as to enhance social value in the future and has set forth the following "human resources strategy" in its FY2030 "Target Position."

We hope to create a major impetus for improving profitability by combining the abilities of a diverse group of people, including not only Group employees but also external personnel.

Cultivate human resources to promote transformation

Enhance the personnel affairs system, education system, and workplace environment so as to enable maximization of "individual" capabilities
Foster a "corporate culture" that respects diversity and values new ideas and a challenging spirit that is not afraid of change

To be a company that makes employees' hearts "beat" with excitement and their tomorrows "bloom"

In order for companies to achieve sustainable growth in Japan, where the working population is declining, it is essential to be a company that is "chosen by human resources." In order to be a company of choice, we define the factor for maximizing the individual strengths of each and every employee of our group as "making employees' hearts beat with excitement and their tomorrows bloom," and we are working on a variety of initiatives to achieve this.

"Hearts beat with excitement"

We define "hearts beat with excitement" as a positive attitude toward challenges, with employees having a strong sense of motivation and accomplishment in their work.

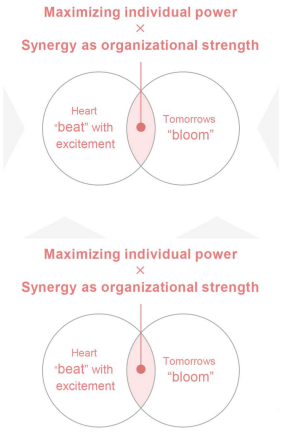
"Tomorrows bloom"

We define "tomorrows bloom" as a state in which employees have high expectations for their own careers and future and work while feeling a sense of personal growth every day.

Human resource strategy of Mitsuboshi Belting

Promotion of DE&I

Our corporate philosophy of "To give attentive consideration to both humanity and nature," expresses our desire to be an organization that respects the human rights, personality, and individuality of each and every employee and that fully demonstrates these qualities. We aim to be a company where the abilities and diverse personalities of each and every employee with different roots and backgrounds in terms of age, nationality, and gender are fully realized.



Human resources management Development and reskilling

To support sustainable corporate growth, it is essential to build a human resource portfolio in which diverse personalities can thrive, and we are working to rebuild our talent management system to realize our "Target Position." We also focus on expanding education, training, and reskilling to improve the skills and career development of each employee.

Reforming the corporate culture to embrace challenges

In the current business environment, where the future is highly uncertain and the outlook is difficult to predict, we must be willing to explore new approaches, rather than sticking to conventional methods. We are working to foster a new corporate culture that is not afraid of change by introducing a system that supports and praises the "challenges" of all employees.

Creation of a rewarding workplace

To encourage each employee to maximize his or her "individual" potential, we strive to create a rewarding workplace from two perspectives: "ease of work" and "provision of opportunities for self-realization and growth." We are also actively working to expand various systems to achieve a better work-life balance for each of our employees.

Reforming the corporate culture to embrace challenges

Restructuring of the personnel system

We regard “fostering a ‘corporate culture’ that values new ideas that respect diversity and a spirit of challenge without fear of change” as a top priority management issue and are working on various measures to realize our “Target Position.”

As a measure to foster a “corporate culture that values the spirit of challenge” as mentioned above, we have been working to revise our personnel system since FY2022. The new personnel system incorporates competency assessment to encourage employees to take on challenges more proactively and to appropriately evaluate not only results but also their attitude and processes. We have also revised the framework for human resource development, including the criteria for appointment to supervisory and managerial positions, to enable young employees to grow quickly through a variety of career paths. We will continue our efforts to create a personnel system that maximizes the power of each individual.

Job matching (internal recruitment system)

We believe that in order for diverse personalities to be maximized and for these personalities to be utilized as an organization, it is necessary to have a system that supports the proactive “challenge” of our employees. Based on this idea, we are introducing a job matching system to provide employees with opportunities to raise their hand to take on the challenges of the work they want to do. Through this program, we expect to increase employee engagement by realizing their career plans.

Human resource management, training, and reskilling

Capability development programs

We operate a variety of capability development programs, including training for new employees and initial workers, hierarchical training in line with changes in roles, and training for specialists according to the nature of their duties (see table on the right).

These capability development programs are planned and executed annually by departments or designated organizations, based on the skills matrix, and after evaluating their effectiveness, they are rolled out into activities for the following fiscal year.

Table) List of capability development programs

Rank	Rank-based education	Specialized education	*Monozukuri*/DX	Global personnel education	Self-development, etc.
Upper management Managers	Executive school	Specialized professional education in each department	AOTS overseas practitioner training	*Tokusei Juku*	Distance education
	General Manager training		Mitsuboshi academy		
	New managerial/ professional position training				
Mid-level employees Junior employees	Human assessment training		Voluntary maintenance personnel training	Overseas training	e-learning
	Leadership training				
	Third-year training		Problem-solving training at production sites		
New employees	New employee training			Online language training	Star training (see page 29)
	Follow-up training		Basic training in quality control		
	Step-up training				
	Business etiquette training		QC certification	Training prior to overseas assignment	
	PC/office training				
	Basic training in products/ materials		IT-ization of logistics		
	Business documents/ bookkeeping			Overseas locally hired employee training	Skill-improvement seminar for working women
	Introduction to SDGs for ultra beginners		Utilization of AI (artificial intelligence)		
	Sales/Technology/ Head Office Training				
	Safety education				
	Plant training				

Training the next generation of leaders

We send our executive candidates to outside management training programs to develop the next generation of leaders who will lead the company through successful change. By learning logical thinking skills and all aspects of management, including “people,” “things,” and “money,” participants can develop a general management perspective and also compete with participants from different industries in a competitive environment, which can stimulate them and help them improve themselves. Networking with participants across industries has been a valuable asset.

Overseas training system

To develop human resources who can work globally, we send trainees to universities in four countries: the U.S., Germany, China, and Thailand. In addition to providing an environment in which participants can focus on language acquisition, the training in the destination countries is a unique opportunity to cultivate diverse perspectives through cross-cultural exchange, which is rarely experienced in Japan. After completing the training, participants are expected to be active in their own departments as human resources with a global perspective and may also take on the challenge of working at overseas bases, depending on their career plans.

Digital transformation training

We are aware that in Japan, addressing the declining working population is important in continuing our business. Amid a declining workforce, we are promoting Digital Transformation (DX) to improve productivity and automation and are working to promote measures to control or reduce the increase in the number of personnel required for business expansion.

Total number of participants in DX training programs (unit: person)

Programs	FY2022	FY2023
DX training	33	763

Training programs that support autonomous relearning

Every two months, employees are asked to raise their hand to attend the course, and the company pays for the entire cost of the course. The program is offered in an e-learning format and can be taken during working hours with the approval of the head of the organization, allowing participants to learn in a way that fits their individual lifestyles. Since the system began in FY2022, a total of 221 employees and 3,442 hours (15.6 hours per person) of learning opportunities have been provided to help employees improve their skills.

Total number of participants in e-learning training programs(unit: person)

Programs	FY2022	FY2023
e-learning	140	221

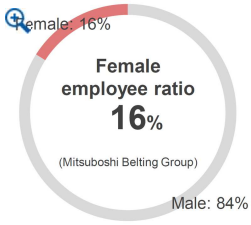
Promotion of DE&I

Supporting female empowerment

We aim to be a company where the abilities and diverse personalities of each and every employee with different roots and backgrounds in terms of age, nationality, and gender are fully realized.

In terms of gender diversity, we have a small percentage of female employees and female managers*, which we recognize as one of the challenges in our diversity. To improve this situation, we are actively recruiting women and expanding various systems to achieve a better work-life balance for each employee to promote the success of all employees regardless of gender.

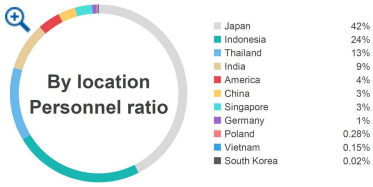
※1 FY2023 results: Ratio of female managers: 3.1% (Mitsuboshi Belting non-consolidated) Materiality KPI: Ratio of female managers: FY2026: 5% or more, FY2030: 10% or more (Mitsuboshi Belting non-consolidated)



Active participation of multinational human resources

Mitsuboshi Belting Group is a global company with production and sales in 14 locations in 11 countries, with more than 50% of its net sales and production volume coming from overseas locations. Of the approximately 4,500 employees worldwide, about 60% are foreign nationals.

To ensure that these diverse human resources can maximize their capabilities, we will work to secure and develop human resources suited to local cultures and values, with the aim of strengthening our competitiveness on a global basis.



Active participation of senior human resources

The aging of employees is one of the major challenges in the management of Japanese companies. In addition, with no progress being made in addressing the issue of declining birthrates, the success of senior human resources is an essential issue for securing a source of competitive advantage for companies. Employment until the age of 70 is becoming commonplace nowadays, and we are in need of measures that take advantage of the “experience” of senior human resources while canceling out the disadvantages of “physical decline” and “obsolescence of technology.”

We are working to support the active participation of senior human resources from two perspectives: (1) maintenance of health and (2) reskilling.

Welcome back system (alumni recruitment system)

We are introducing a system to rehire retirees who have left the company due to life events or to pursue their own career plans.

By having former employees who have a deep understanding of our corporate culture and operations leave our company and return with a different perspective, we hope to create opportunities to leverage their experience and knowledge and for the company to gain new insights into our strengths and challenges.

Employment of people with disabilities

We have installed wheelchair ramps and handicapped-accessible restrooms to provide a safe working environment for people with disabilities.

In addition, we are striving to increase the employment of people with disabilities, and the employment rate of people with disabilities in FY2024 was 2.1%. We will continue to strive to increase the employment of people with disabilities to comply with the statutory employment rate.

We will continue to strive to be a company where everyone can work comfortably and where a diverse workforce can thrive.

Rate of employees with disabilities

FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
1.7%	1.5%	2.4%	2.2%	1.9%	2.1%

※1 * The statutory employment rate is 2.2% from April 2018, 2.3% from March 2021, 2.5% from April 2024, and 2.7% from July 2026.

Creation of a rewarding workplace

Work Style Reform Promotion Committee

To realize diverse and flexible work styles with a good work-life balance, the company has established the Work Style Reform Promotion Committee, chaired by a director and composed of members who are aware of diversity (gender, age, occupation, and job classification), for the purpose of implementing and promptly spreading measures across the organization to improve the workplace environment and productivity. This Committee establishes implementation challenges, target divisions, countermeasures and goals, monitors and evaluates the implementation status of the countermeasures, and instructs specific changes to the measures as needed. These activities are reported to the President and the Board of Directors for deliberation in accordance with the progress of the measures.

Creating an environment for improved employee engagement

We began measuring employee engagement in FY2023 with the aim of ensuring that each and every one of our employees is in a state of "hearts beat with excitement and their tomorrows bloom."

We will strive to improve engagement by implementing measures such as 1-on-1 meetings and holding town meetings between general employees and management to further disseminate the company's philosophy and management strategies, especially among employees in their 30s and employees in the production division, whose engagement score is relatively low.

Introduction of an employee stock ownership plan (MISA※1)

The purpose of this program is to foster a sense of participation in management by granting shares to eligible employees and to further increase their morale and willingness to contribute to improving business performance. By doing so, we aim to increase employee engagement and lead to sustainable enhancement of our corporate value.

※1 MISA: Mitsuboshi Individual Shares Award

※2 This initiative is scheduled to begin in August 2024.

Work-life balance (balancing work with childcare or elderly care)

As mentioned earlier, we aim to be a company where the abilities and diverse personalities of each and every employee with different roots and backgrounds in terms of age, nationality, and gender are fully realized. Regardless of gender, we are working to create a work environment that facilitates balancing work and private life alongside life events such as childcare and nursing care. The main initiatives are as follows.

Childcare leave system

In accordance with the law, parental leave can be taken up to when a child reaches the age of two. After returning to work from parental leave, employees can choose to shorten their work hours by up to two hours. Employees can choose part-time work until the child enrolls in elementary school, and there is no reduction in wages until the child reaches the age of three. We also support employees raising children by setting limits on overtime and late-night work.

Childcare leave acquisition rate

	FY2021	FY2022	FY2023
Male	10%	26.5%	59.3%
Female	100%	100%	100%

Acquisition rate among the current year's entitlement holders (not including continuing entitlement holders)

Childcare support

In 2008, we obtained "Kurumin" certification, which recognizes companies that are actively engaged in supporting the development of the next generation. We plan to acquire Platinum Kurumincertification in the future, aiming to be a company "chosen" by our employees.

Annual paid leave system

To enable employees to continue working in response to various situations in their daily lives, we offer a maximum of 40 days of annual paid leave, including carryover days, and a system that allows employees to take leave in half-day or hourly increments for ease of use.

Percentage of annual paid leave taken

FY2021	FY2022	FY2023
48.6%	53.1%	68.3%

Special leave system

In addition to annual paid leave, we have a system that allows employees to take paid leave for individual life events such as marriage, childbirth, bereavement, memorial services, and transfers. Memorial leave can be taken within the period of one week before and after a birthday, and employees who have completed 15 and 25 years of continued service are given refreshment leave along with travel vouchers.

Star system/Star leave/Star training

This program is designed for employees who are single mothers, fathers, or mothers/fathers of children with disabilities or who have family members who require nursing care, and the program provides both financial support and special leave. In addition, mental support training is provided for employees after long-term parental leave to ensure a smooth return to work.

Nursing care leave

In accordance with the law, nursing care leave can be taken for up to 93 days. In addition, restrictions are placed on overtime work, late-night work, etc., in consideration of the lives of employees who provide nursing care.

Turnover rate within 3 years after new graduates join the company

From 2017 to 2021, we welcomed 135 new college and graduate school graduates, of which 8 left the company within 3 years of joining. Our turnover rate of new graduates within 3 years of joining the company (average for the last 5 years) is 5.9%, which is well below the national average* of approximately 30%.

Year of hire	Number of people hired	Number of employees who left the company within three years of employment
2017	21	0
2018	33	2
2019	36	2
2020	23	1
2021	22	3
Total	135	8

＊From the Ministry of Health, Labor and Welfare's "Employment status of new graduates by length of employment"

Relaxation of the dress code

As part of our efforts to promote D&I, we have changed our office dress code to allow employees to choose attire other than suits or uniforms. We aim to create a work environment where each employee's individuality is utilized and where new and free ideas and autonomous thinking can easily emerge.

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Respect for Human Rights

Basic approach

The Mitsuboshi Belting Group recognizes that respecting the human rights of all people involved in its business activities is the greatest prerequisite for the sustainable growth of society and the Group. Based on the United Nations Guiding Principles on Business and Human Rights and other international standards, we have set “Respect for human rights and personality” as a materiality and are promoting initiatives for respect for human rights.

Mitsuboshi Belting Group Human Rights Policy

Promotion system

In order to identify risks related to “respect for human rights and personality” and implement appropriate measures, a working group of the Sustainability Promotion Committee conducts human rights due diligence (DD). For human rights risks identified through DD, a promotion organization designated by the Sustainability Promotion Committee implements specific measures. The progress of measures is monitored and evaluated by the Sustainability Promotion Committee, and the details are regularly reported to the Board of Directors.

In promoting human rights DD initiatives, we believe all employees should first have a correct understanding of human rights. Under this belief, in 2022, we revised the Mitsubishi Belting Group Code of Conduct to include respect for human rights, in line with the UN Global Compact’s Ten Principles in four areas, including human rights. This Code of Conduct is positioned as “our promise” in our philosophy system, and training on the Code of Conduct is provided regularly as part of employee training programs. Furthermore, in 2023, we formulated and disclosed a human rights policy based on the United Nations Guiding Principles on Business and Human Rights, and we have been working to strengthen our human rights DD efforts not only within our Group but throughout our entire supply chain.

With the aim of reducing human rights risks throughout our supply chain, we are working with our business partners to address human rights issues.

Identification of human rights risks

In January 2023, we identified human rights risks (listed on the right) in our business activities, including our supply chain, through discussions in the Working Group and Sustainability Promotion Committee, which is an organization responsible for promoting materiality-related initiatives.

Flowchart of “identification of adverse impacts and risks”



Identified human rights risks

Identified human rights risks	Division in charge
● Use of raw materials (natural rubber, cotton, etc.) involving child labor or forced labor	Sustainability Promotion Committee Secretariat + Purchasing Department

Implementation status of initiatives

In promoting Human Rights DD, we are currently undertaking the following initiatives.

a) Initiatives to strengthen human rights DD promotion system

November 2022	• Revision of the Mitsuboshi Belting Group Code of Conduct, based on the ten principles in four areas established by the UN Global Compact
December 2022	• Implementation of human rights risk assessments in the supply chain
January 2003	• Identification of human rights issues • Establishment and disclosure of the Human Rights Policy
March 2023 -	• Implementation of employee education on human rights (new employee training and training for employees in their third year after joining the company, etc.)

b) Initiatives to address individual human rights risks: Regarding the “use of raw materials (natural rubber, cotton, etc.) involving child labor or forced labor”

May 2023	• Commencement of deliberations by the Sustainability Promotion Committee on procurement guidelines
February 2024	• Disclosing the Procurement Guidelines on the corporate website and asking business partners to cooperate in human rights DD activities
Next fiscal year plan	• Identification of current issues through interviews with business partners and development of countermeasures

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Value Chain Management

Basic approach

Stable procurement of superior quality products and services at appropriate prices is a prerequisite for continuing business activities in a sustainable manner, and what serves as the foundation for this prerequisite is the relationship of trust between our Group and our business partners.

As stated in the Mitsuboshi Belting Group Procurement Policy, we are committed to engaging in "fair and impartial procurement activities" and "establishment of a mutually reliable partnerships" with all of our business partners. Through these efforts, we will work to build the types of relationships with our business partners that allow us to co-create new value.

Establishment and disclosure of the Procurement Guidelines

In order for the Mitsuboshi Belting Group to contribute to the realization of a sustainable society while sharing our values with our business partners, we need to deepen our commitment to CSR procurement (compliance, respect for human rights, health and safety, information security, information disclosure, etc.) and green procurement (response to climate change, biodiversity conservation, water security, circular economy, etc.) practices and to strive to resolve various social issues.

In 2023, the Mitsubishi Belting Group formulated the "Procurement Guidelines," which outline its philosophy regarding procurement and the matters on which it wants to work with its business partners, in line with the ten principles in four areas (human rights, labor, environment, and anti-corruption) established by the UN Global Compact, and disclosed the Guidelines, with the aim of further activating the efforts to realize a sustainable society throughout the entire value chain. We have already received responses in support of our guidelines from business partners accounting for approximately 80% of our raw material procurement value.

In the future, we will identify adverse impacts on such items as human rights, CO_2 reduction and biodiversity throughout our value chain, based on the Guidelines, and promote sustainable business practices in cooperation with our business partners.

In particular, with regard to the procurement of natural rubber, there is an urgent need to comply with the EU Deforestation Regulation (EUDR) in Europe. We will work together with our business partners to build a sustainable value chain.

Mitsuboshi Belting Group Procurement Policy

Mitsuboshi Belting Group Procurement Guidelines

Regarding business partner audits

The Mitsuboshi Belting Group annually conducts two-party audits (in some cases, one-party audits) in accordance with ISO14001 (Environmental Management System (EMS)) or ISO9001/ IATF16949 (Quality Management System (QMS)) to monitor, evaluate and improve the status of business partners' efforts regarding environmental conservation and quality assurance. The business partners to be audited are narrowed down by considering past audit results.

Based on the results of our audits to date, we have determined that our business partners are doing well in terms of environmental conservation and quality assurance, but in the future we should expand the scope of auditing to include not only business partners of the Purchasing Department of the Mitsuboshi Belting Group Head Office but also business partners of affiliated companies of the Group.

【Unit: cases】

Business partner audit status		FY2021	FY2022	FY2023
Environment	Number performed	21	18	19
	Number of non-conformities	0	0	0
Quality	Number performed	21	18	20
	Number of non-conformities	0	0	0
BCP	Number performed	54	75	79
	Number of those that have not formulated a BCP	18	14	7

In addition, we have been requesting our business partners to formulate and execute Business Continuity Plans since FY2020 as part of our efforts to address climate change, and we confirm the status of their implementation through annual one-party audits. The number of one-party audits is increasing year by year, and in FY2023, all of our 79 business partners cooperated with our audits.

Declaration of Partnership Building

In 2021, Mitsuboshi Belting made the "Declaration of Partnership Building," advocated by the Ministry of Economy, Trade and Industry, with the aim of creating new added value and conducting fair transactions throughout the supply chain.

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Partnerships with Local Communities

Basic approach

The Mitsuboshi Belting Group is working to strengthen partnerships with local communities as part of the foundation of its "co-creation business model," which is one of its strengths.

All offices and plants of the Mitsuboshi Belting Group in Japan and overseas aim to grow together with their respective local communities, and to this end, they conduct a variety of activities in line with the Mitsuboshi Belting Group Code of Conduct shown below.

From the Mitsuboshi Belting Group Code of Conduct

We will value partnerships with local communities.
We will conduct social contribution activities that will lead to solving the issues of local communities.

Initiatives for coexisting in harmony with local communities

The Mitsuboshi Belting Group in Japan has formed a volunteer group called the Mitsuboshi Belting Fureai Council with the aim of realizing sustainable community development and creating livable towns through "town development where residents and businesses coexist." The Council, which comprises Group employees, plans and hosts various events to promote the SDGs and deepen interaction and communication between local residents and employees while valuing engagement with the local community.

Due to mobility restrictions imposed to prevent the spread of COVID-19, the planned events were forced to be cancelled, but with the lifting of the COVID-related restrictions in May 2023, Mitsuboshi Belting offices and plants have resumed co-creation events with their local communities.

In the Mano district of Nagata-ku, Kobe City, where our Kobe Head Office is located, we regularly hold meetings* to exchange opinions with the board of directors and committees of the Mano District Urban Development Promotion Association. The committee members include people from government and educational institutions, and we confirm the needs of the local community, which is one of our important stakeholders, before we reflect our deliberations in the events we host.

※1 * Number of times opinion exchange meetings were held: 22 times each year from FY2020 to FY2023

Initiatives for coexistence with local communities (in Japan)

Autumn Festival



The "Fureai Festa Autumn Festival" has been held at the Kobe headquarters since 2023. It is a diverse event that deepens ties with the local community and can be enjoyed by children and adults alike, featuring cute stage performances by local preschoolers, disaster prevention quizzes for families, street performances, and a raffle with luxurious prizes.

Tanabata Bamboo Decoration



Kobe Head Office has annually hosted a Tanabata Festival since 2001. The event was canceled from 2020 and on due to the COVID 19 pandemic, and instead, Tanabata bamboo decorations were made surrounding each of the Group offices and plants. The event may not be the same as before, but we plan to continue to actively promote communications with local communities.

Beach cleaning activity



In November 2024, we carried out a beach clean-up activity on Suma Beach in collaboration with Kobe Umisakura, a Kobe City NPO, and our business partner RICOH JAPAN Corp. Around 130 employees, their families and members of the general public took part, and learned about the importance of environmental conservation through a variety of programs, including an environmental seminar, a hands-on experience with a plastic sorting sensor, the release of young fish and the transplantation of eelgrass.

Seine Net Experience



The Shikoku Plant hosts a seine net experience event every May on the coast adjacent to the plant.

Yura River Cleaning Operation



In May 2024, 40 employees from the Mitsuboshi Belting Group took part in the Yuragawa River

The event in 2023 was the first in four years, enabled by the lifting of movement restrictions due to COVID 19, and participating children rejoiced in such a rare and valuable experience.

Cleanup Project. This activity was part of the Yuragawa River environmental conservation activities organized by the Analytical Chemistry Club of Kyoto Prefectural Ayabe High School, and around 330 people from local companies and residents took part, collecting around 65kg of rubbish. On the day, we made banners with designs of our company's products, and employees actively competed with each other to see who could collect the most rubbish.

Initiatives for coexistence with local communities (Affiliated companies outside Japan)

Overseas affiliated companies also conduct initiatives to resolve various environmental, educational and social issues under Mitsuboshi Belting Group's Corporate Philosophy of "To give attentive consideration to both humanity and nature."

Tree planting project

(STI/Kingdom of Thailand)



We provided upcycled backpacks made from recycled PET bottles to students at schools near the WHA industrial area.
We provided food, daily necessities, school supplies, etc to school children We also collaborated on a project with other companies and donated school bags made from recycled plastic bottles.
To contribute to reducing CO_2 emissions, we participated in a tree planting project and distributed 828 donated trees to employees, who were asked to plant them in their homes.

" Go Green, One Tree MillionBenefits"

(MBI/Republic of Indonesia)



In November 2022 PT MITSUBOSHI BELTING INDONESIA (conducted corporate CSR activities at two locations under the theme of "Go Green, One Tree Million Benefits The first location was at a nearby school called Al Barokah, and the second location was at Pasir Jaya Ward Office We donated 1000 saplings to the school and 1200 saplings to the ward office.

Al Barokah school

We donated 1000 saplings to the students and teachers of the school, and we also gave snacks to the students We also donated chairs and building materials to help the school build a first aid room and improve its facilities.

Pasir Jaya Ward Office

We presented 1200 seedlings to the ward office The seedlings were later distributed to neighborhood associations and civic groups in Pasir Jaya We work with the hope of contributing to reducing CO_2 improving the quality of the environment, and achieving the SDGs MBI's activities can be viewed on the local YouTube news channel. https://youtu.be/fOp9jetG1Yc

Mangrove planting program

(PT. SEIWA/Republic of Indonesia)



As part of our environmental efforts, we made a donation to a mangrove planting program through PT Megalopolis Manunggal Industrial Development, which operates the MM 2100 Industrial Town, and planted a total of 25500 mangrove trees on Bahagia Beach in Bekasi District This program aims to protect the coastline from erosion by planting mangroves, which have strong roots that can even withstand tsunamis.

As part of our educational efforts, we are accepting several students from the vocational training school located in the MM 2100 Industrial Town for on the job training This activity supports the LINK MATCH program run by the Bekasi District Government, which fosters talented students who can hit the ground running and introduces them to companies.

As part of our social initiatives, we supported the families of employees affected by the strong earthquake that occurred in the Cianjur district of West Java in November 2022 by donating 55 million rupiah through the Cianjur Earthquake Relief Program, which we collected from all our employees including labor unions, employee collectives, and the in house mosque board.

Donation to NABU

(Federal Republic of Germany)



Mitsuboshi Belting Europe GmbH in Germany collected and donated unused cellphones from employees and their families by participating in the Mobile Phone Recycling Campaign run by NABU (Nature and Biodiversity Conservation Union) for the purpose of environmental protection This contributes to environmental protection by recycling and properly disposing the circuit boards of collected mobile phones, and the proceeds from recycling are used for the NABU Insect Protection Fund.

Contributing to the creation of a rich natural environment (Kingdom of Thailand)


Tree planting activities in collaboration with other companies in the same industrial park (Kingdom of Thailand)

In addition to local cleanup activities, we also proactively participate in tree planting activities in the areas where our sites are located, both in Japan and overseas. Tree-planting activities in various locations not only help reduce CO_2 emissions but also contribute to creating a town where people can continue to live by preventing coastal erosion.

Supporting the growth of the people who will create the future (Kingdom of Thailand/ Indonesia)



In Thailand and Indonesia, where we have manufacturing plants, we provide school supplies, food, and other items to schoolchildren. We also accept students from vocational schools for on-the-job training to support the development of excellent human resources.

Social contribution activities through donations

Activities to support the future of children (Donation to Japan Committee for UNICEF)



The Great Hanshin Awaji Earthquake caused devastating damage to Nagata ku, Kobe City, where our head office is located Due to natural disasters and other causes including poverty, as many as five million children under the age of five lose their precious lives every year Staying true to the Corporate Philosophy of “to give attentive consideration to both humanity and nature,” the Mitsuboshi Belting Group began in FY 2005 the tenth anniversary of the earthquake, the activity titled “Extending Love to the Children of the World This activity donates a sum, mainly of collections from Group employees, to Japan Committee for UNICEF, a public interest incorporated foundation, in order to help these children We made a 10 million yen donation in FY 2024.

Initiatives related to disaster prevention

Comprehensive disaster prevention training (Kobe Plant R&D center)



The Mitsuboshi Belting Group conducts disaster prevention and evacuation drills at each office / plant to raise employees' awareness regarding disasters. Additionally, we have designated January 17, the day of the Great Hanshin Awaji Earthquake, as “Mitsuboshi Belting Disaster Prevention Day,” and conduct comprehensive disaster prevention drills every year. This drill assumes that a strong earthquake has occurred, and not only conducts activities to prevent and reduce the damages from natural disasters and fires that may occur at any time, but also allows each individual to think about how to respond appropriately in the event of a disaster.

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Social

Social Data

A more detailed list of ESG data is available on our website.

Item	Description		FY2019	FY2020	FY2021	FY2022	FY2023	Unit	Scope
Total number of employees	Number of employees (full-time employees)	Male	609	608	613	620	618	Person	Non-consolidated
		Female	74	74	75	74	79	Person	
		Male	89.2	89.1	89.1	89.3	88.7	%	
		Female	10.8	10.9	10.9	10.7	11.3	%	
New hires and terminations	Number of new hires	Male	36	24	22	30	41	Person	Non-consolidated
		Female	10	5	6	4	10	Person	
		Male	78.3	82.8	78.6	88.2	80.4	%	
		Female	21.7	17.2	21.4	11.8	19.6	%	
	Number of terminations	Male	22	18	27	34	34	Person	
		Female	4	5	4	7	4	Person	
		Male	84.6	78.3	87.1	82.9	89.5	%	
		Female	15.4	21.7	12.9	17.1	10.5	%	
Occupational accidents	Number of lost-time injuries		1	6	2	1	0	Person	Non-consolidated
	Lost-time injury frequency rate*8		0.73	4.50	1.44	0.70	0	–	
	Number of fatal accidents		0	0	0	0	0	Person	
	Fatal accident frequency rate*8		0	0	0	0	0	–	
Work-related illnesses	Number of work-related illnesses		0	0	0	0	0	Person	Non-consolidated
	Number of deaths from work-related illnesses		0	0	0	0	0	Person	
Training	Number of participants in upper management training	Male	n.d.	n.d.	1	9	11	Person	Training by the Personnel Development Office
		Female	n.d.	n.d.	0	0	0	Person	
	Upper management training hours*9	Male	n.d.	n.d.	36	36	36	hr/person	
		Female	n.d.	n.d.	N/A	N/A	N/A	hr/person	
	Number of participants in manager training	Male	n.d.	n.d.	37	36	104	Person	
		Female	n.d.	n.d.	2	0	3	Person	
	Manager training hours*9	Male	n.d.	n.d.	39	43	143	hr/person	
		Female	n.d.	n.d.	39	N/A	61	hr/person	
	Number of participants in general staff training	Male	n.d.	n.d.	170	149	159	Person	
		Female	n.d.	n.d.	30	24	57	Person	
	General staff training hours*9	Male	n.d.	n.d.	235.5	266.5	245.5	hr/person	
		Female	n.d.	n.d.	235.5	266.5	245.5	hr/person	
Diversity	Percentage of female directors		0	0	0	11.1	12.5	%	Non-consolidated
	Percentage of female managers	Section Chief	0.9	1.6	1.6	2.4	3.1	%	
		All managers	0.6	1.2	1.1	1.7	2.2	%	
	Ratio of women's salaries to men's salaries	All workers	n.d.	n.d.	n.d.	72.1	76.1	%	Non-consolidated
		Permanent employees	n.d.	n.d.	n.d.	70.9	76.5	%	
		Part-time/Fixed-term employees	n.d.	n.d.	n.d.	37.0	24.9	%	
Human rights	Number of human rights DD issues		n.d.	n.d.	n.d.	2	2	Case	Group in Japan
Quality control system	Number of sites maintaining IATF16949 certification		8 100%	8 100%	8 100%	8 100%	7 88%	Site Coverage rate*10	Group
	Number of sites maintaining ISO9001 certification		11 73%	11 73%	11 73%	11 73%	11 69%	Site Coverage rate*6	
	Supplier QMS audits	Number of audits conducted	18	17	21	18	20	Case	In Japan
		Number of non-conformities	0	0	0	0	0	Case	
		Number of improvements*11	N/A	N/A	N/A	N/A	N/A	Case	
	QMS education	VDA6.3					4	Person	
		IATF16949					19	Person	
		ISO19001					8	Person	

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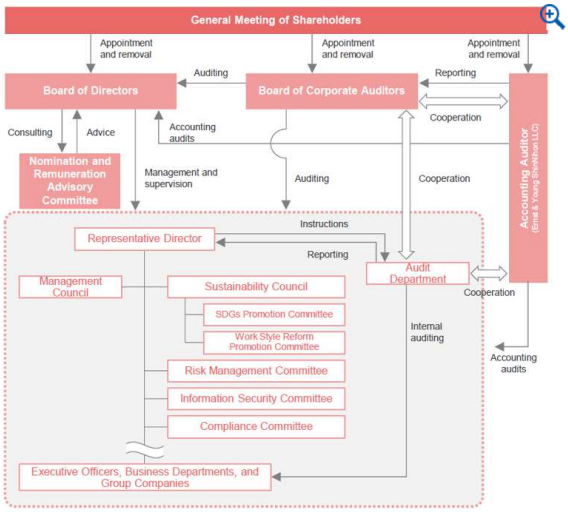
Governance

Corporate Governance

This section introduces our initiatives regarding corporate governance.
We are striving to build a sound governance system in order to achieve highly transparent management and live up to the trust of our stakeholders.

※1 Information current as of July 1, 2024.

Governance structure



Major initiatives to date to strengthen corporate governance

Date	Major initiatives
October 2003	Executive officer system introduced
May 2015	Risk Management Committee and Compliance Committee established
	Corporate Governance Basic Policy established
June 2015	Two Outside Directors appointed
April 2016	Directors' effectiveness assessment survey initiated
October 2018	CSR Promotion Committee established※1
March 2021	Nomination and Remuneration Advisory Committee established (Three out of five members are Independent Outside Directors.)
June 2021	Restricted stock compensation plan introduced
April 2022	Sustainability Promotion Committee established
June 2022	One Outside Director appointed (female director) (The number of Outside Directors increased to three.)
June 2022	The ratio of Outside Directors exceeded one-third of the members of the Board of Directors.
June 2022	The term of office of Directors was shortened from two years to one year.
July 2024	Sustainability Council established
July 2024	Performance-linked compensation system※2 introduced (Effective from the payment for July 2024)

※1 Renamed the SDGs Promotion Committee in March 2021

※2 Compensation, etc. for Directors" consists of base salary, position-based salary and a performance-linked portion* as basic compensation (monetary compensation) and restricted stock as basic compensation (stock-based compensation). "Compensation, etc. for Outside Directors" consists of only base salary as basic compensation (monetary compensation), taking into account their responsibilities, duties, etc.

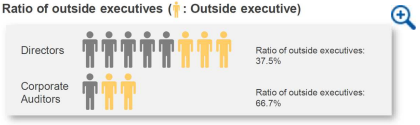
- With regard to the "performance-linked portion," the compensation system was changed to one based on the indicators of "net sales," "operating profit," and "return on equity" effective from the payment for July 2024.
  After the change, the approximate ratio of a fixed portion of basic compensation (monetary compensation), a performance-linked portion of basic compensation (monetary compensation), and basic compensation (stock-based compensation) was set to be 60:20:20 in the case where the performance indicators are 100% achieved. However, the payment rate of the performance-linked portion to be actually paid will vary as it fluctuates according to the Group's performance.

Strengthening corporate governance

The Mitsuboshi Belting Group is a company with a Board of Corporate Auditors that has in place a Board of Directors comprising eight Directors, three of whom are Outside Directors, and a Board of Corporate Auditors comprising three Corporate Auditors, two of whom are Outside Corporate Auditors. The Board of Directors makes decisions on important matters and supervises the execution of business by Directors. The Management Council meets prior to a Board of Directors meeting in order to ensure sufficient advance discussions regarding important matters.

In addition, we have established the Nomination and Remuneration Advisory Committee (a voluntary advisory committee consisting of at least three members, the majority of whom are Independent Outside Directors) with the aim of enhancing the functional independence, objectivity, and accountability of the Board of Directors concerning matters such as the appointment, removal, and remuneration of management team members. Furthermore, a restricted stock compensation plan has been introduced with the aim of sharing profits with our shareholders and improving corporate value over a long period of time. In this way, we are committed to enhancing and improving corporate governance. The ratios of outside and female executives among Directors and Corporate Auditors are as shown below.

Ratio of outside executives (: Outside executive)



Ratio of female executives (: Female executive)



Our view on the appointment of Directors

Regarding the appointment of senior management team members and the nomination of director candidates, we examine the

candidates from various aspects, including diverse experience, knowledge, and competence suitable for promoting further enhancement of the corporate value of the Mitsuboshi Belting Group, as well as qualities such as a broad perspective and the ability to take action and lead.

Skill matrix table for Directors (a list of knowledge, experience, abilities, etc.)

Position	Name	Management and business planning	Personnel, general, and legal affairs	Digital (DX promotion)	Finance and accounting	ESG and sustainability	Technology and innovation	Procurement and production	Sales and marketing	Global experience
Representative Director President	Hiroshi Ikeda	○	○			○			○	○
Director	Toshimi Kumazaki	○			○			○	○	○
Director	Keiji Mataba	○	○						○	○
Director	Shinji Kuramoto		○	○		○		○	○	
Director	Kazuhiro Takeda			○			○	○		○
Director (Independent Outside Director)	Shinya Okuda	○				○			○	○
Director (Independent Outside Director)	Yuka Miyake				○	○				
Director (Independent Outside Director)	Yasuhiro Tsuji		○			○				

Roles expected of Independent Outside Directors

1. Possesses a high level of insight, extensive practical experience, and experience in leadership roles in areas such as corporatemanagement, international business, financial affairs and accounting, banking and finance, regulatory compliance, legal affairs,public administration, academic studies and research, risk management, human resource development and education, and IT and digital
2. Has abilities such as understanding the entire Group from a bird's-eye view and grasping essential issues and risks, and can be expected to contribute to frank, active, and constructive deliberations at meetings of the Board of Directors and other occasions
3. Is capable of objectively supervising and making decisions on business management and providing advice and support for the company's sustainable growth from a practical perspective based on his/her extensive experience in corporate management and specialized fields
4. Meets the requirements for Outside Directors under Japan's Companies Act and the independence standard set by the Tokyo StockExchange

Operation status of the Board of Directors

No. of meetings	14
Average meeting time	78.9 minutes
Average number of agenda items	6.1

In accordance with relevant laws, the articles of incorporation, and the regulations for the Board of Directors, our Board members deliberate on and resolve matters related to our basic management policy and investments and other matters such as the execution of important business operations (including disposal and acceptance of transfer of important assets, borrowing in large amounts, establishment and change of important organizations, and appointment and removal of important employees). The Board also reports on the status of Directors' execution of duties as well as the status of other important business operations.

In FY2023, in addition to regular agenda items (matters for resolution and reporting), the Board of Directors deliberated on matters related to the 2024 Mid-Term Business Plan, corporate governance (such as appointment and remuneration of Directors and succession planning of the Representative Director and Directors), investments (related to production, logistics, and businesses), and sustainability (such as external disclosure reports).

Regarding the operation of the Board of Directors, briefing sessions for Outside Directors are held prior to Board meetings in order to ensure the effectiveness of the Board and adequate deliberation and discussion within the limited time available (13 preliminary briefing sessions held in FY2023).

List of main agenda items at Board of Directors meetings (excerpt):

Category	Main agenda items (excerpt)
Management	● Financial reporting and business performance ● Next medium-term business plan ● Large-scale investments ● Shareholdings ● Global strategy
Other	● Analysis and assessment of the effectiveness of the Board of Directors ● Succession planning for the Representative Director and Directors ● Policy on how to address significant risks and countermeasures ● Status of use of the whistleblowing system ● Information disclosure in external disclosure reports (sustainability reports and integrated reports)

Operation status of the Nomination and Remuneration Advisory Committee

No. of meetings	8
Average meeting time	25.6 minutes

We have established the Nomination and Remuneration Advisory Committee as a voluntary system (consisting of at least three members, the majority of whom are Independent Outside Directors) with the aim of enhancing the functional independence, objectivity, and accountability of the Board of Directors concerning matters such as the appointment, removal, and remuneration of management team members.

The Committee deliberates and make decisions (in response to inquiries by the Board of Directors) on matters such as policies and procedures related to the nomination of director candidates, the appointment and removal of senior management team members, and the determination of succession planning (for normal times and emergencies) for the Representative Director and Directors and of Directors' remunerations, in accordance with the Nomination and Remuneration Advisory Committee Regulations.

In FY2023, the Committee interviewed 10 executive officers who are candidates for next-generation leaders (approximately 30 minutes each) to confirm their respective capability development and career plans, with the aim of building a system that will support our sustainable growth in the future. Based on the results of these interviews, the Committee assesses the aptitudes of the next-generation leaders or deliberates on their development policies.

Effectiveness assessment of the Board of Directors

As part of our ongoing efforts to continually maintain and improve the functions of the Board of Directors, we assess the effectiveness of the Board of Directors as a whole each year.

To further ensure the effectiveness of the Board of Directors and improve its functions, we have attendees (Directors and Corporate Auditors) of the Board of Directors meetings complete a self-assessment questionnaire (written survey) annually regarding matters related to the Board of Directors (including provision of information, items submitted to the Board, deliberation and supervision, effectiveness of individual members of the Board of Directors and of the Board as a whole, contents to be disclosed in reports on corporate governance, and opinions, proposals and requests for improvement from Directors and Corporate Auditors) in order to identify issues and areas for improvement and enhance the effectiveness of the Board of Directors.

As for the assessment for FY2023, we conducted the above-mentioned questionnaire from March to April 2024. At a subsequent Board of Directors meeting, we reviewed and analyzed the results and also exchanged opinions and held discussions regarding "how to provide more information to the Board of Directors, etc.," especially for which there were many opinions and requests from Directors and Corporate Auditors. In light of these results, it was determined, at the Board of Directors meeting held in June of the same year, that "the current Board of Directors is functioning well and the effectiveness of the Board as a whole is ensured."

Status of dialogue with shareholders and investors

We have established a policy for constructive dialogue with shareholders and taken proactive steps to realize constructive dialogue. The opinions, etc. of shareholders obtained through dialogue are reported to Directors, management team members, and relevant internal departments as necessary to share and utilize the

information.

In FY2023, we held a total of 66 financial results briefings and individual dialogues for institutional investors and analysts, where we received a great deal of useful feedback. We will continue to deepen our relationship of trust with shareholders through transparent information disclosure and sincere dialogue.

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Governance

Compliance

Our view on compliance

The Mitsuboshi Belting Group regards "compliance" as one of the important elements in our initiative to deepen our ESG management with the aim of achieving sustainable growth. Maintaining good compliance in our business activities is directly linked to gaining the trust of all stakeholders and thereby improving corporate value. We recognize this as a critical matter we must focus on and ensure as a Group, which touts itself as a manufacturing company.

In 2022, we made major revisions to our previous Code of Conduct in consideration of the ten principles of the United Nations Global Compact and other factors to ensure that it is compatible even with today's society, in which companies are expected to play a greater role. This Code of Conduct has been translated into a total of five languages, including English and Chinese, and has been disseminated to all employees of the Mitsuboshi Belting Group. Also, with the aim of ensuring that each employee correctly understands this Code of Conduct, meetings are also held in each department to read it.

Management system

The Mitsuboshi Belting Group has established the Compliance Committee, which is chaired by an executive appointed by the President and is comprised of members who are the heads of all departments of Mitsuboshi Belting, for the purpose of the overall management of compliance management activities in our business activities.

The Compliance Committee, in principle, meets three times a year to identify significant compliance risks that the Mitsuboshi Belting Group must address for each fiscal year, establish response policies with responsible organizations and goals, monitor and evaluate the implementation status of the responsible organizations, and provide instructions as necessary. The details of the Committee's activities are reported to the President and the Board of Directors.

Implementation status

In FY2023, we continued to engage in compliance training activities, in which training was provided for each rank, function, and site and exchange of opinions was held, and the implementation status of such activities was monitored and evaluated by the Compliance Committee. Additionally, we collected information on the details of compliance management activities of all departments monitored through internal audits conducted by the administrative department of the Head Office to clarify what has and has not been done.

There were no incidents of anti-competitive or corrupt practices in the Mitsuboshi Belting Group in FY2023.

【Unit: cases】

Role	Scope	FY2021	FY2022	FY2023
Significant compliance risks	Group	0	0	0
Identified anti-competitive practices	Group	0	0	0
Identified corrupt practices	Group	0	0	0

Whistle blowing system

The Mitsuboshi Help Line is in place as a system to ensure the proper handling of consultations from or information provided by executives or employees of Mitsuboshi Belting or our Group companies in Japan regarding the violation or possible violation of (1) laws, (2) the articles of incorporation, (3) internal rules and regulations, (4) contracts, or (5) social norms within the Group. An external law firm serves as the contact point for the Help Line, and a "Person Responsible for the Help Line," a designated "Person Engaged in the Activity of Dealing with Whistleblowing Disclosures," and other personnel handle whistleblowing cases. We also prohibit any unfavorable treatment of whistleblowers or any investigation into whistleblowers in an effort to protect them. We will continue to strive for early detection and correction of any misconduct and strengthening of our compliance management.

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Governance

Risk Management

Our view on risk management

With the aim of becoming a "sustainable company," the Mitsuboshi Belting Group recognizes the importance of risk management and continually works to improve its management systems. As a risk management method, we have adopted the concept of "risk and opportunity," which is an ISO requirement. Based on that concept, we set strategies, policies, plans, and targets to effectively deploy risk management in our business activities.

Our approach to risk management

1. **Integrating risk management and business activities**
   The Mitsuboshi Belting Group will contribute to the realization of a sustainable society by effectively employing the results of our risk management activities in ensuring an ESG management practice that allows us to respond to any changes in the business environment and to sustain our business in a stable manner.

2. **Scope of risks**
   In the Group's risk management activities, we address negative non-financial impacts concerning human rights, compliance, health and safety, the environment, quality, and other areas in the same way as we handle negative financial impacts.

3. **Personnel responsiblefor implementation**
   In our risk management activities, personnel responsible for implementation are clearly defined to ensure the execution of activities.

4. **Personnel implementing risk management activities**
   Our risk management activities are carried out by all executives and employees and cover all of our business activities. Additionally, to ensure the effectiveness of our risk management, information related to the business environment is always kept up-to-date, and particular attention is paid to information obtained from stakeholders.

5. **Maintaining and improving risk management systems**
   Effectively functioning risk management systems are in place, maintained, and improved to ensure the execution of our risk management.

6. **Information disclosure**
   Information concerning risk management is disclosed to all stakeholders in a timely and appropriate manner.

Management system

The Mitsuboshi Belting Group has a Risk Management Committee* in place, aiming to monitor and evaluate our risk management activities against issues (significant risks) in our business activities that could have a large impact on our business and that should be addressed by the entire Group, as well as to maintain and develop the risk management systems across the Group.

※1 Chairperson: An executive appointed by the President; Committee members: Responsible persons of all business departments and affiliated companies

Every fiscal year, the Risk Management Committee determines significant risks and organizations responsible for the respective risks, persons in charge, goals, and plans, receives reports on the response status from the persons in charge of the responsible organizations twice a year in principle, and deliberates on the contents of the reports. The details of decisions made in the selection of significant risks as well as deliberations regarding the response status are reported to the President and the Board of Directors each time. The Risk Management Committee also plays the role of driving the Mitsuboshi Belting Group's risk management activities from a systemic perspective (such as policies, regulations, and procedures).

Regarding the risk management activities to address the issues (various risks arising in each management environment, including significant risks) that business departments or affiliated companies have determined should be addressed, the responsible persons of respective business departments or affiliated companies define the departments in charge and the persons in charge along with targets and plans in a policy document for the relevant fiscal year for approval by the President. After approval is granted, risk management activities are carried out and the persons in charge monitor and evaluate the implementation status on a daily basis. Once a year, in principle, the responsible persons of business departments or affiliated companies report the implementation status of risk management activities to the President and the Board of Directors, and after deliberation on the report, instructions are given as necessary.

Risk assessment

The Mitsuboshi Belting Group assesses risks based on two factors, the degree of impact on business activities and the probability of occurrence, in the process of selecting issues (risks) that should be addressed. When the Risk Management Committee selects significant risks, for example, it assesses risks based on their impact (Large: 1 billion yen or more; Medium: 100 million to 1 billion yen; and Small: less than 100 million yen) and probability (High: once a year or more; Medium: once in two years; and Low: less than once in ten years). Our business departments and affiliated companies establish their own assessment criteria according to the scale of their business and use them in their risk assessment.

Understanding risks

In FY2023, the Risk Management Committee improved the assessment method to use a risk

assessment sheet so that we can make riskssurrounding our business as apparent as possible and identify risks that should be addressed as a priority. Consequently, the Committee identified the following as significant risks for the Mitsuboshi Belting Group: (1) Suspension of business activities and the supply of rawmaterials due to natural disasters, bankruptcy, large-scale accidents, or the like, (2) Information leakage and system outage due to information security incidents, (3) Decline in corporate value due to failure to achieve CO_2 emissions reduction targets, (4) Recalls, claims for compensation, or other actions resulting from product quality defects, and (5) Decline in corporate value due to compliance violations. The Committee has also developed countermeasures, organizations for implementing them, responsible personnel, targets, and plans for each risk and monitored and evaluated the implementation status.

Identified significant risks	Actual results
(1) Suspension of business activities and the supply of raw materials due to natural disasters, bankruptcy, large-scale accidents, or the like	We have put in place a system to mutually complement production operations between our sites. In parallel with this, we are promoting the purchase of raw materials and subsidiary materials from multiple sources and the development of a business continuity plan (BCP).
(2) Information leakage and system outage due to information security incidents	We have launched an information security management system at our Kobe Head Office and are in the process of deploying it to all Group companies. We are also introducing and deploying across the Group security software that detects cyberattacks and controls damage.
(3) Decline in corporate value due to failure to achieve CO_2 emissions reduction targets	We achieved our CO_2 emissions reduction target for FY2023 (a 22% reduction from the FY2013 level) by promoting measures such as introducing solar power generation systems and switching to electricity generated from renewable energy sources and to carbon-neutral gas. CO_2 emissions reduction is one of our material issues, and the progress of each measure is reported at the Sustainability Promotion Committee meetings.
(4) Recalls, claims for compensation, or other actions resulting from product quality defects	We are reviewing the recall insurance we have taken out for the purpose of mitigating the impact on our management.
(5) Decline in corporate value due to compliance violations	We engaged in compliance training activities, in which training was provided for each rank, function, and site and exchange of opinions was held. Additionally, we collected information on the details of compliance management activities of all departments monitored through internal audits conducted by the administrative department of the Head Office to clarify what has and has not been done.

Examples of responses to significant risks

(1) Business continuity plan (BCP)

Our Risk Management Committee began its activities in FY2015, and every year it identifies “suspension of business activities and the supply of raw materials due to natural disasters, bankruptcy, large-scale accidents, or the like” as a significant risk. To address this risk, a “business continuity plan (BCP)” was introduced in FY2016. We recognize that it is our corporate responsibility to utilize a BCP to promptly restore business activities since their suspension could cause damage not only to the Mitsuboshi Belting Group but also to the society as a whole that collaborates in the value chain.

In the Mitsuboshi Belting Group, site-based contingency plans have been developed and implemented under our quality management and environmental management systems to respond to emergency situations at the respective sites. In addition, to establish a unified approach throughout the Group, a BCP Development and Implementation Procedure has been developed and implemented to unify BCP policy, purpose, and development and operation processes. As a result, a system has been established to systematically manage risks in accordance with this standard. We aim for sustainable corporate activities that will enable us to respond to unexpected accidents and disasters by continually improving our BCP management system.

-Management system

As mentioned above, the Mitsuboshi Belting Group implements its BCP activities as measures to address the significant risks identified by the Risk Management Committee. The Safety and Environment Management Department, appointed as the organization responsible for our BCP, maintains the BCP Development and Implementation Procedure and monitors the operational status of BCPs deployed at our respective business locations on a monthly basis. The department also provides education and training, disseminates information, and offers assistance in the development of a BCP when necessary. In addition, although our business locations formulate their own BCPs, we review them with a bird’s-eye view of the entire Group to ensure that their BCPs are not too specific to their own situation. The details of our BCP activities are reported to the Risk Management Committee twice a year and to the President and the Board of Directors after deliberation by the Committee.

-Implementation status

We reviewed the BCP Development and Implementation Procedure to clearly define a business impact analysis (BIA) process and switched from the previously implemented cause-based BCP to an outcome-based (all hazards) BCP throughout the Group. The business impact analysis (BIA) is a method of examining all operations to identify the most important operations for business continuity, and it greatly influences the effectiveness of a BCP. An outcome-based BCP is a plan to restore operations in a situation where resources needed for business continuity have been lost, without limiting to specific types of accidents or disasters. We have adopted this type of BCP to deal with unexpected accidents and disasters. We were aiming to expand it to all of our production

(2) Information security

Our current information networks are linked not only within the Group but also to external systems, making it difficult to prevent in-house information security incidents from impacting society, and vice versa. Each company connected to an information network must take responsibility for managing its own information security and preventing incidents from occurring. Recognizing the importance of information security management, the Mitsuboshi Belting Group established the Information Security Committee in 2021, which works to ensure information security for the entire Group based on our information security policy.

The Risk Management Committee continued to define “information leakage and system outage due to information security incidents” as a significant risk for FY2023. The details of such activities of the Information Security Committee are reported to the Risk Management Committee and are shared with the responsible personnel of all business departments and affiliated companies of the Group.

-Management system

The Mitsuboshi Belting Group aims to build an Information Security Management System (ISMS), with the Information Security Committee playing a central role, in order to meet the demands of car manufacturers, which are our important customers.

The Information Security Committee is made up of a Chairperson appointed by the President and other members who are the heads of business and administrative departments designated by the Chairperson. The Committee is responsible for identifying information security challenges that should be addressed as a Group; determining the department responsible for each issue; and monitoring, evaluating, and providing instructions on the implementation status, the details of which are reported to the President and the Board of Directors. Additionally, the Information Security Committee is also responsible for developing, promoting, and improving information security management systems for the whole Mitsuboshi Belting Group.

-Implementation status

In FY2022, the Information Security Committee launched an ISMS for our Kobe Head Office, which complies with the Trusted Information Security Assessment Exchange (TISAX), an information security standard published by the German Association of the Automotive Industry. After establishing policies, regulations, and procedures, the Committee has appointed information security managers in all departments and trained them to identify information assets, assess risks, provide training, and so on in each department. The implementation status and effectiveness of the system are verified through internal audits with corrective measures instructed as necessary and their completion and effectiveness confirmed. In FY2023, we deployed the ISMS to our Group companies in Japan. We are also taking measures to prevent information security incidents by introducing and deploying across the Group security software that detects cyberattacks and controls damage. In FY2024, we plan to deploy the ISMS to our Group companies outside of Japan.

sites, including those overseas, through our activities in FY2023.

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Governance

Governance Data

A more detailed list of ESG data is available on our website.

Item	Description	FY2019	FY2020	FY2021	FY2022	FY2023	Unit	Scope
Risk Management	Number of significant risks identified	6	5	6	6	5	Case	
Compliance	Number of significant compliance risks identified	2	1	0	0	1	Case	
	Number of cases of corrupt practice	0	0	0	0	0	Case	Group
	Number of cases of anti-competitive practice	0	0	0	0	0	Case	
	Number of violations of labor standards	0	0	0	0	0	Case	

*1 Kobe Head Office / Kobe Plant R&D Center, Tokyo Head Office, Shikoku Plant, Nagoya Plant, Ayabe Production System Development Center, Seishin Office, Shiga Plant, Shin Asahi Head Office Plant
*2 Total CO_2 emissions = (Scope 1 emissions) + (Scope 2 market-based emissions)
*3 Reduction of CO_2 emissions = ((previous year's results - current year's results) / previous year's results) x 100
*4 MBL (USA), MOH (Singapore), SEIWA (Indonesia), MEI (Indonesia), STI (Thailand), SMB (China), MB (IND) (two sites in India), MBPol (Poland)
*5 Regions with a baseline water stress level that is classified as "extremely high" in the World Resources Institute's Water Stress/Water Risk Atlas are defined as water-stressed regions.
*6 Coverage rate = (number of production sites included in the applicable sites) / 16 (total number of production sites; 15 until FY2022)
*7 Number of cases in which compliance approval was given after appropriate corrective actions were taken for non-conformities identified during supplier audits
*8 Number of lost-time injuries or fatal accidents per million cumulative actual working hours
*9 Training hours per trainee
*10 Coverage rate = (number of production sites included in the applicable sites) / 8 (number of production sites requiring IATF certification)
*11 Number of cases in which compliance approval was given after appropriate corrective actions were taken for non-conformities identified during supplier audits

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SDGs initiatives

SDGs initiatives

The Mitsuboshi Belting Group's CSR activities are based on the basic philosophy of “To give attentive consideration to both humanity and nature.”. We aim to achieve a comfortable and prosperous future by pursuing advanced ideas and advanced technological capabilities that provide “high functionality, high precision, and high quality”, and by coexisting with the stakeholders (shareholders, customers, employees, local communities, etc.) surrounding our group, and by continuously contributing to people and society.

Contributing to society

By providing safe and highly reliable products based on superior technology, we contribute to global manufacturing by working with our business partners to provide products that are needed by society.





Collaboration and cooperation with the local community

We value communication with society at large, and while fulfilling our business activities, we will work to cooperate and collaborate with local communities, and contribute to society through coexistence.



Contributing to the global environment

By promoting the creation of products that have a low impact on the environment and environmental conservation within the group, we aim to create a company that is always conscious of coexistence with the global environment.



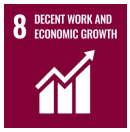
Respect for human rights

We respect the rights of people in society and our employees, and aim to be a company that can provide a workplace where each and every employee can work comfortably, play an active role, and find their work worthwhile.



Continuous strengthening of management governance

We aim to be a company that can grow together with our stakeholders by complying with laws and regulations and continuing to engage in lawful business activities.



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Participation in Initiatives

Participating in initiatives

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TCFD Consortium

TNFD Taskforce on Nature-related Financial Disclosures

Human Capital Management 人的資本経営コンソーシアム

Related Articles

- Contributing to the Realization of a Decarbonized Society ～Endorsement of TCFD (Task Force on Climate-related Financial Disclosure) Recommendations～
- Participation in the Taskforce on Nature-related Financial Disclosures (TNFD) Forum

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- Basic Quality Policy
- Procurement Policy
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