

Sustainability Management

Basic Policy of Sustainability

Nippon Chemi-Con embraces the corporate philosophy “Contributing to Environmentally and People Friendly Technology.” Over the years, we have continuously played a role in supporting people’s lives and enabling technological innovation for society. This corporate philosophy represents our belief that the technology that supports society and its development must not harm the environment or people. Nippon Chemi-Con believes that the essence of sustainability is to be appreciated by society and to contribute to society while engaging in communication and maintaining harmony with stakeholders. We drafted our new “Basic Policy of Sustainability” as a policy to make this philosophy a reality.

WEB Basic Policy of Sustainability
<https://www.chemi-con.co.jp/en/company/sustainability/philosophy/>

WEB Nippon Chemi-Con Group Charter of Corporate Behavior
<https://www.chemi-con.co.jp/en/company/sustainability/governance/compliance/charter.html>

Sustainability Promotion System

The Nippon Chemi-Con Group works to cooperate with all divisions and sites mainly through the Administration Dept. The Administration Dept. takes charge of practical matters with supervision and instructions from the Board of Directors and the Executive Committee. To promote CSR upon our supply chain, we convey our CSR policies to suppliers before implementing assessments and aim for mutual sustainable development through communication. All Group offices and plants conduct CSR internal audits and independently work to understand and correct risks, enforcing policies to become a better company. We have adopted a system that selects auditors from sites that are not subject to auditing to monitor each other.

Participation in the UN Global Compact

The Nippon Chemi-Con Group participates in the United Nations Global Compact (UNGC). The UNGC is comprised of 10 universal principles related to four areas: human rights, labour, environment, and anti-corruption.

The Ten Principles of the UN Global Compact

- 1**
Human Rights

 - Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
 - Principle 2 make sure that they are not complicit in human rights abuses.

- 2**
Labour

 - Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
 - Principle 4 the elimination of all forms of forced and compulsory labour;
 - Principle 5 the effective abolition of child labour; and
 - Principle 6 the elimination of discrimination in respect of employment and occupation.

- 3**
Environment

 - Principle 7 Businesses should support a precautionary approach to environmental challenges;
 - Principle 8 undertake initiatives to promote greater environmental responsibility; and
 - Principle 9 encourage the development and diffusion of environmentally friendly technologies.

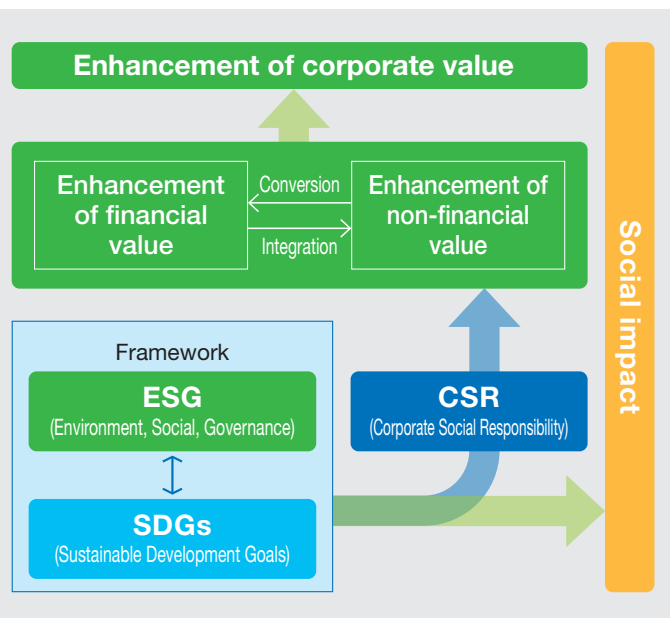
- 4**
Anti-Corruption

 - Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

How Nippon Chemi-Con positions sustainability activities and concepts

We position ESG and SDGs as a framework for implementing and evaluating our efforts related to corporate CSR. We do not view these concepts as mutually exclusive, rather as overlapping and deeply correlated. With this notion, we will comprehensively engage in sustainability activities.

With consideration to the impact our corporate activities have on society, we will also aim to increase our non-financial value through internal sustainability investments with the goal of generating a positive impact on earnings. We believe that it is important to have processes that link sustainability investments, such as human capital, intellectual property and climate change measures, to the reduction of business risks and improvement of both short-term and long-term earnings. Through these activities, we will continue to be a better company for our shareholders, customers, employees and other stakeholders, and make efforts to continuously improve our corporate value.



Strategic Basis for Sustainability – ESG Initiatives

Nippon Chemi-Con Group incorporates ESG (Environment, Social, Governance) into our corporate strategies to pursue sustainable growth. We outline activity goals and promote participation.




E Promote business activities focused on global environment

S Promote human resource development and work-life balance

G Ensure corporate governance, corporate ethics, and transparency of management

Sustainable Corporate Growth

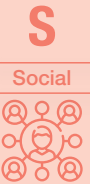
ESG Activities (Goals, Achievements, Progress, and Degree of Completion) ○: Achieved ○: Achievement rate of 80% or more △: Achievement rate of 50% or more x: No progress — : Not evaluated in the fiscal year under review

ESG initiative items	FY2022 major activities and goals	FY2022 achievements and progress	Degree of completion	FY2023 major activities and goals	Related pages
E Environment Global environment conservation	Global warming prevention and energy conservation activities -Energy intensity improvement: 1% or higher per year ¹ -CO ₂ emission reduction rate goal: 24.4% (FY2013 comparison) ²	Base year (FY2020) comparison: 9.5% improvement Base year (FY2013) comparison: 22.0% improvement	○ ○	Global warming prevention and energy conservation activities -Energy intensity improvement: 1% or higher per year ¹ -CO ₂ emission reduction rate goal: 30.0%(FY2013 comparison) ²	P27 
	Appropriate management of chemical substances used by factories ¹ -Environmental impact of chemical substances used by factories	Appropriate management conducted at all plants, no incidents having an impact on the environment	○	Appropriate management of chemical substances used by factories -Environmental impact of chemical substances used by factories	P29 
	Management of chemical substances used in products (environmentally friendly products) ³ -Zero environmental-related product accidents	No environmental-related product accidents	○	Management of chemical substances used in products (environmentally friendly products) -Zero environmental-related product accidents	P10 
	Effective use of resources and waste reduction, promotion of 3Rs including plastic waste -Final disposal rate: 1.0% or less ²	Final disposal rate: 0.9%	○	Effective use of resources and waste reduction, promotion of 3Rs including plastic waste -Final disposal rate: 1.0% or less ²	P28 
	Continue improvements based on environmental management system (ISO14001 etc.) ³	Environmental management system functioned effectively and performance including environmental goals improved	○	Enhance performance by continued improvements based on environmental management system (ISO14001 etc.)	WEB 
	Promote biodiversity conservation activities ² -Continue protection of endangered species -Cooperation with local companies and schools -Conservation activities near sites	Each site conducted distinctive initiatives to promote cooperation with local communities	○	Promote biodiversity conservation activities -Continue protection of endangered species -Cooperation with local companies and schools -Conservation activities near sites	P28 P36 
	Contribute to local communities ² -Continue environmental conservation activities	Volunteer work we conducted as part of our community contributions includes environmental beautification activities, such as cleaning around each plant and along shorelines.	○	Contribute to local communities -Continue environmental conservation activities	P36 
	Compliance with environmental laws ³ -No legal violations including accidents resulting in environmental pollution attributable to the Company	No legal violations including accidents resulting in environmental pollution attributable to the Company	○	Compliance with environmental laws -No legal violations including accidents resulting in environmental pollution attributable to the Company	P27 
Expand line of products enabling size reductions and higher temperature resistance and longer life ³	Promoted product size reductions and energy conservation with new electrode foil, and developed solutions for higher temperature resistance and longer life	○	Expand line of products enabling size reductions and higher temperature resistance and longer life	P4 P20 	

¹Manufacturing bases in Japan and overseas (excluding Samyoung Electronics and Qingdao Samyoung Electronics), head office ²Manufacturing bases in Japan ³Nippon Chemi-Con Group

Strategic Basis for Sustainability – ESG Initiatives

ESG Activities (Goals, Achievements, Progress, and Degree of Completion) ◎: Achieved ○: Achievement rate of 80% or more △: Achievement rate of 50% or more ×: No progress —: Not evaluated in the fiscal year under review

ESG initiative items	FY2022 major activities and goals	FY2022 achievements and progress	Degree of completion	FY2023 major activities and goals	Related pages	
 S Social	HR/ benefits	Adopt work-from-home system ⁴	Continued work-from-home system	◎	Adopt work-from-home system	
		Continue welcome back program (re-hiring program) ⁵	No applications	—	Continue welcome back program (re-hiring program)	WEB
	Employee health and safety	Reduce average overtime to average 29 hours or less per month per employee ⁴	Achieved	◎	Reduce average overtime to average 29 hours or less per month per employee	P34
		Increase paid leave usage rate and childcare leave usage rate to 70% and higher ⁵	Paid leave usage rate: Not achieved Childcare leave usage rate: Achieved	○	Increase paid leave usage rate and childcare leave usage rate to 70% and higher	P34 P35
		Continue mandatory rest between shifts ⁵	Continued mandatory rest between shifts	◎	Continue mandatory rest between shifts	
		Continue healthy company activities ⁵	Group events promoting improvement in exercise habits were cancelled due to COVID-19 and walking events that could be worked on individually were promoted instead	○	Continue healthy company activities	P35
	Human resource development	Conduct tiered training ⁵	Conducted as scheduled	◎	Conduct tiered training	P33
		Continue training programs in Japan for overseas local employees ⁶	Not conducted due to COVID-19	—	Continue training programs in Japan for overseas local employees	P33
		Continue overseas assignments via the global human resources development program (application based) ⁵	Not conducted due to COVID-19	—	Continue overseas assignments via the global human resources development program (application based)	P33
	Diversity	Continue measures to maintain a 5-year turnover rate of 11% or less for young employees ⁵	Not achieved	△	Continue measures to maintain a 5-year turnover rate of 11% or less for young employees	P32-33
		Proactive employment of foreign students studying in Japan ⁴	Achieved	○	Proactive employment of foreign students studying in Japan	P32
		Increase employment rate for disabled workers to 2.5% by FY2023 ⁵	Hired two people but did not achieve goals	×	Increase employment rate for disabled workers to 2.5% by FY2023	P32
		Increase female employment rate to 30% or higher for technical and manufacturing positions and 40% or higher for sales and clerical positions ⁴	Technical and manufacturing positions: Approx. 10% Sales and clerical positions: Approx. 60%	○	Increase female employment rate to 30% or higher for technical and manufacturing positions and 40% or higher for sales and clerical positions	P32
	Social welfare	Increase female managers/section chiefs/section managers/deputy section managers by 50% by the end of FY2025 compared to the end of FY2020 ⁴	As of end of FY2022: Increased by 67%	◎	Increase female managers/section chiefs/section managers/deputy section managers by 50% by the end of FY2025 compared to the end of FY2020	P32
		Provide support such as vaccines and clothing to developing nations ⁵	Did not conduct as the clothing donations were suspended due to COVID-19 Continued collection of plastic bottle caps	△	Provide support such as vaccines and clothing to developing nations	
	Next-generation development	Support wheelchair purchases ⁵	Continued collection of soda can pull tabs	◎	Support wheelchair purchases	
		Continue internship system ⁴	Conducted at Nippon Chemi-Con head office, Kanagawa Research Center, Chemi-Con East Japan Corp. Fukushima Plant and Chemi-Con Device Corp. Nagai Plant (for university graduates)	◎	Continue internship system	P32
		Dispatch instructors for next-generation human resource development conducted by industry organizations ⁴	Participated in JEITA Human Resources Development Council-Elementary and Secondary Education WG "visiting lectures" project	◎	Dispatch instructors for next-generation human resource development conducted by industry organizations	

⁴Nippon Chemi-Con ⁵Nippon Chemi-Con and affiliates in Japan ⁶Taiwan Chemi-Con, Chemi-Con Wuxi, Chemi-Con Malaysia, Indonesia Chemi-Con

Strategic Basis for Sustainability – ESG Initiatives

ESG Activities (Goals, Achievements, Progress, and Degree of Completion)

◎: Achieved ○: Achievement rate of 80% or more △: Achievement rate of 50% or more ×: No progress — : Not evaluated in the fiscal year under review

ESG initiative items	FY2022 major activities and goals	FY2022 achievements and progress	Degree of completion	FY2023 major activities and goals	Related pages
Corporate governance	Increase participation in management by outside officers and creation of environment that promotes engagement ⁴	Attended various meetings as necessary and conducted inspection tours of sites	○	Increase participation in management by outside officers and creation of environment that promotes engagement	P37
	Reflect results of internal controls efficacy evaluations on management ⁴	Issued report to management on internal governance efficacy evaluation	◎	Reflect results of internal controls efficacy evaluations on management	P37 WEB
	Compliance with basic policy on corporate governance ⁴	In compliance with policies	◎	Compliance with basic policy on corporate governance	P37 WEB
	Promptly disclose financial results explanatory materials (May/November: on day of briefing session, August/February: on day of results announcement) ⁴	May/November: on day of briefing session, August/February: on day of results announcement	◎	Promptly disclose financial results explanatory materials (May/November: on day of briefing session, August/February: on day of results announcement)	WEB
Compliance	Conduct compliance study sessions and continue publishing articles related to legal affairs in the company newsletter ⁵	Continued publishing articles related to legal affairs in the company newsletter	△	Continue publishing articles related to legal affairs in the company newsletter	P39 WEB
	Continue participation in UN Global Compact (participating since 2012) ³	Continued participation in UN Global Compact	◎	Continue participation in UN Global Compact (participating since 2012)	P23 WEB
	Conduct CSR internal audits at 6 sites Expand the system where different sites audit each other as deputy auditors ⁵	CSR internal audits: conducted at 4 sites (2 sites to be conducted in FY2023) Expand participation by deputy auditors	△	Conduct CSR internal audits at 8 sites Expand the system where different sites audit each other as deputy auditors	P39
Risk management	Regular BCP validation, reviews ³	Conducted annual regular updates, including the list of material suppliers and created new lists of BCP information for each site	◎	Regular BCP validation, reviews	P39 WEB
	Reinforce information leak prevention (data center, thin client, internal audits, etc.) ⁵	Conducted internal audits as planned	◎	Reinforce information leak prevention (data center, thin client, internal audits, etc.)	WEB

³Nippon Chemi-Con Group⁴Nippon Chemi-Con⁵Nippon Chemi-Con and affiliates in Japan



Environmental Management

Nippon Chemi-Con's Environmental Policy (Summary)

- Structures organization that operates at every level for conserving the global environment
- Sets environmental goals and targets, Improves environmental performances, Continuous improvements of Environmental Management System (EMS)
- Considers biodiversity
- Observes all environmental laws, regulations, agreements, and internal standards
- Promotes Carbon neutral and Energy conservation, Proper control of Chemical substances in the products, Effective use of resources, and Waste reduction
- Promotes the development and marketing of products that have a less environmental loads
- Educates and enlightens our entire workforce
- Prevents the environmental risks, and maintains management systems that minimize the impacts from the risks such as climate changes
- Releases information to the public positively, and promotes sufficient communication with the local community and stakeholders

Compliance to the Laws and Significant Accidents Occurrence Status

Nippon Chemi-Con responds to environmental laws and complies to legal standards. We also set stricter independent standards for management depending on regulatory objectives.

Our company has not caused any accidents involving environmental pollution.

Environmental Activities

Energy Conservation Since FY2021, the Nippon Chemi-Con Group has participated in the electrical and electronics industry's "Carbon Neutrality Action Plan." We are continuing efforts to achieve our Group energy intensity improvement goal of 1% or more through FY2030 based on FY2020 results.

As an additional target, we have set a goal of "reducing CO₂ emissions from manufacturing in FY2030 by roughly 46% compared to FY2013 levels to achieve carbon neutrality in 2050."

To achieve this goal, the Group is engaged in company-wide activities led by an energy conservation working group, which is comprised of staff in charge of energy.

Mid-term target In light of "Carbon Neutrality Action Plan" by industrial associations:

Toward FY2030 Improvement target in energy intensity → Annual average : **1%** and higher

Long-term target In light of the common goal set by industrial associations:

Toward FY2050 Improvement target in energy intensity → Annual average : **1%** and higher

Activity Results Breakdown of total CO₂ emissions by year¹

Fiscal Year	2018	2019	2020	2021	2022
Purchased electric power ²	476,074	428,225	373,316	397,629	389,238
Grade A heavy oil ³	23,351	11,486	7,291	6,029	5,961
Kerosene	1,458	1,020	1,293	1,144	1,128
City gas	21,210	17,267	11,451	18,133	15,929
Gasoline	320	243	205	118	189
LPG	354	280	222	260	306
LNG ³	1,825	8,813	15,836	16,179	15,164
Diesel (Light oil)	120	41	164	52	37
Industrial steam	2,486	1,687	2,158	294	174
Total	527,198	469,062	411,936	439,839	428,126

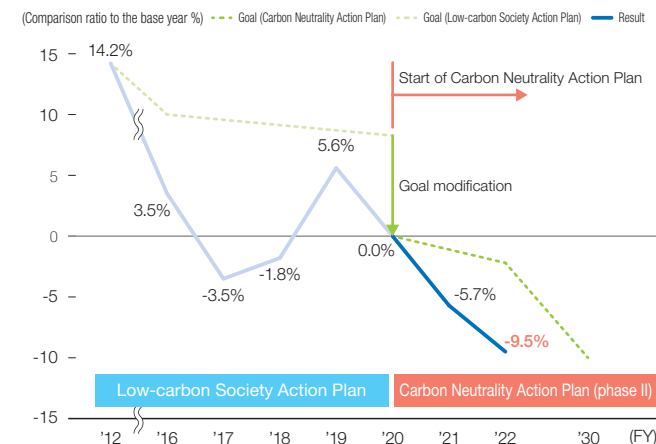
Notes: ¹Aggregation scope: Total for overseas manufacturing bases (excluding Samyoung Electronics and Qingdao Samyoung Electronics), manufacturing bases in Japan and head office.

²Overseas electricity consumption-CO₂ conversion factors: International Energy Agency (IEA) CO₂ Emissions from Fuel Combustion Highlights 2019, International Energy Agency (IEA)

Electricity consumption in Japan-CO₂ conversion factors: Calculated based on emission coefficient (adjusted emission coefficient) published by the Federation of Electric Power Companies of Japan.

³Partial conversion of boiler fuel to LNG from grade A heavy oil in FY2018 and FY2019. As a result, CO₂ emissions from LNG combustion increased and emissions from Grade A heavy oil combustion decreased.

Trend of energy intensity improvement (Manufacturing bases in Japan and overseas (excluding Samyoung Electronics and Qingdao Samyoung Electronics))

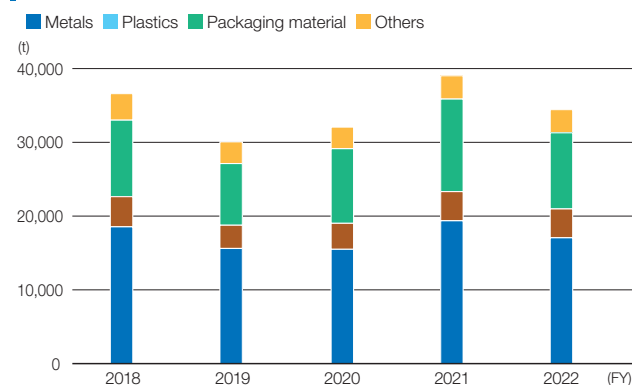


E Environment Environmental Management

Resource Conservation In the manufacturing activities of industries, the resources are essential element. Efficient use of such resources will protect global environment and ecology.

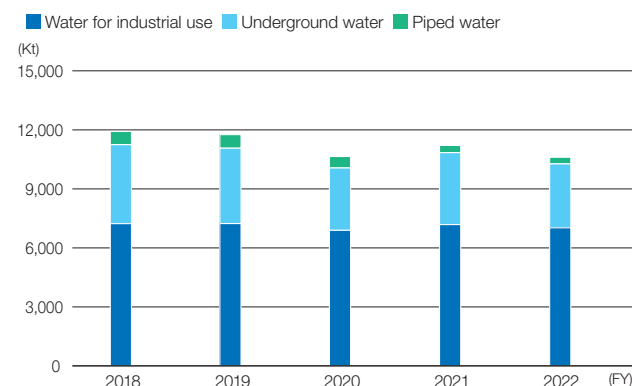
We contribute to the preservation of the environment by encouraging the 3Rs, which stand for reduce, reuse and recycle, and improving production processes.

Trend of resource consumption by Nippon Chemi-Con Group*



*Manufacturing bases in Japan and overseas (excluding Samyoung Electronics and Qingdao Samyoung Electronics), head office

Trend of water consumption by Nippon Chemi-Con Group*

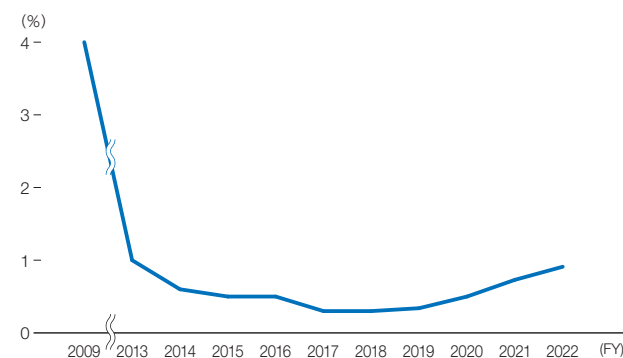


*Manufacturing bases in Japan and overseas (excluding Samyoung Electronics and Qingdao Samyoung Electronics), head office

Waste Reduction The Nippon Chemi-Con Group has addressed activities for resource recycling and reduction in landfill disposal volumes by reducing the amount of industrial waste generated.

We further promote 3R, effective utilization and recycling of resources to reduce wastes including plastic waste and improve the final disposal rate.

Trend of final disposal rate (manufacturing bases in Japan)



Biodiversity Initiatives In the Nippon Chemi-Con Group's activities to conserve biodiversity, we will take actions for each of the three impacts on biodiversity.

1. Impact from procurement of raw materials: In cooperation with our suppliers, we share views and mutual understanding concerning biodiversity, and move continuously ahead with activities.
2. Impact on ecosystems caused by manufacturing: Our manufacturing processes use energy and resources, and they emit CO₂, waste water and other emissions. As this is an area where our Group's business activities directly have an impact, effective and continuous activities are ongoing.
3. Impact on biodiversity due to changes in environments surrounding our workplaces caused by our use of land: Consideration to local environment and surrounding ecosystem by securing green space in our premises and the social contribution activities.

Biodiversity offers indispensable and vital bounties (ecosystem services) to all of humanity. The activities that we are able to perform are steady and modest ones, we think. Yet we believe that each workplace employing its ingenuity, and continuing with what small activities it can accomplish, is a very significant thing. We will roll out such steady and continuous activities.



Chemi-Con Device Corp. Nagai Plant
We conducted an organism survey in the pond on plant grounds and found Japanese fire belly newts breeding and nurturing a rich ecosystem. Japanese fire belly newts are classified as a near threatened species by Yamagata prefecture.

Chemi-Con East Japan Corp. Ome Division (Tokyo)
To protect wild birds, we have installed nests in trees on factory grounds, and we have observed nesting by the Japanese tit.



Chemi-Con East Japan Corp. Fukushima Plant
We supported the Yabuki town "Hana Ippai (Flowers Everywhere) Campaign" and participated in planting many flower seedlings in roadside planters.

For more environmental information, see the webpages below.

[WEB https://www.chemi-con.co.jp/en/company/sustainability/environment/](https://www.chemi-con.co.jp/en/company/sustainability/environment/)



Green Procurement/Third-party Evaluation of Environmental Initiatives

Management of Chemical Substances in the Products

Through policies such as RoHS Directives, prohibited and restricted substances have been defined based on consideration of human health and the ecosystem, and the aim of reducing waste, thus the management of such substances has become essential. The Nippon Chemi-Con Group has established and operates the following based on the keywords "Keep Out, Do not Use, Do not Emit, Do not Mix": (1) A CiP management system* at all production sites and related departments; we have implemented our own (2)Green Supplier Certification System and (3)material approval system to ensure thorough management of "Keep Out" from development stage of the products, and appropriately manage chemical substances at each stage of development, procurement, manufacturing, and sales. We also respond to various environmental requirements (legal regulations, industry requirements, customer requirements).

Information on chemical substances in products is very important in modern society. These requirements are not limited to the management of specific prohibited substances, but also apply to information used towards waste reduction, the stable supply of important resources, information related to realizing a resource recycling-based society, and important information disclosure to waste disposal companies. As such, it is necessary to engage in initiatives that consider the entire life cycle.

Cooperation across the entire supply chain is essential to handling more advanced information. We place great significance on the green supplier certification system, and are promoting measures to give preferential treatment to suppliers with a strong track record and high level of cooperation.

*A chemical substances in products (CiP) management system based on guidelines (<https://chemsherpa.net/english/docs/guidelines>) drafted by the Joint Article Management Promotion-consortium (JAMP).

Green Procurement and Green Supplier Certification System

Building strong cooperation with suppliers and sharing information in a timely manner are essential not only for compliance with laws but also for making products that meet diversifying customer requirements. The Nippon Chemi-Con Group has established and implemented the Nippon Chemi-Con Group Green Procurement Standards from the viewpoint of procuring materials and parts that satisfy legal regulations and customer requirements and is working to ensure thorough chemical substance manage-

ment. In addition, we support our sustainable global procurement activities by sharing regulatory information with suppliers through the Green Supplier Certification System and conducting regular audits and evaluations of suppliers' status of chemical substances and maintenance management. From July 2021, we have started issuing our "Climate Change Risk Assessment Report" during supplier audit feedback to promote a common understanding of risk assessments among suppliers.

Third-party Evaluation of Environmental Initiatives



Yuji Kishi
Professor emeritus,
Keio University

In response to the war in Ukraine, the COP27 meeting of the United Nations Framework Convention on Climate Change (UNFCCC) held in Egypt in November 2022 emphasized the importance of adaptation measures that emphasize topography and ecosystems, along with the conventional mitigation measures aimed at achieving zero carbon. With the outbreak of war in Israel following the war in Ukraine, new developments in international debate and corporate strategies on renewable energy are becoming inevitable. It is likely that it will become inevitable for companies that aim to contribute to the environment to make efforts to form a proactive vision that complies with national and international environmental guidelines while maintaining sustainable management, expecting major changes in the world environmental vision.

In FY2021, your company expressed support for the TCFD recommendations. In the "CHEMI-CON REPORT 2023," I aware a slight increase in the disposal rate in the

waste field, but affirm continued improvement in the areas of resource conservation and energy intensity improvement rate. I judge that you are making steady efforts in accordance with your basic environmental policy despite the drastic changes in the related environment both domestically and internationally.

In the area of biodiversity, you have been promoting the protection of rare species and important local species in biotopes on the factory premises and other facilities, as well as activities to promote greening in cooperation with local communities. The Japanese Ministry of the Environment has proposed the "30 by 30" policy, which aims to expand conservation areas as a new target after the completion of the Decade of Biodiversity, but it is not yet time to discuss the details of the relationship between this policy and corporate activities.

I see a future in which you will continue your steady efforts in cooperation with schools and citizens at your company's sites and in the local community, and combine your contribution to biodiversity with your contribution to global warming adaptation measures, centered on rainwater retention and/or flood control. The efforts that your company has continued to make at corporate sites are expected to be a practice that anticipates this direction. I look forward to your confident and proactive efforts.



Climate Change Initiatives

In March 2022, Nippon Chemi-Con declared support for the recommendations of the “Task Force on Climate-Related Financial Disclosures (TCFD)” with the recognition that climate change is a significant issue which affects the continuation of our business. Based on the TCFD framework, we will analyze risks/opportunities related to climate change that may affect our business and reflect them in our corporate strategy. At the same time, we will engage in disclosure of financial information related to climate change. For details on Nippon Chemi-Con’s TCFD initiatives, see the webpage. <https://www.chemi-con.co.jp/en/company/sustainability/environment/tcfd.html>



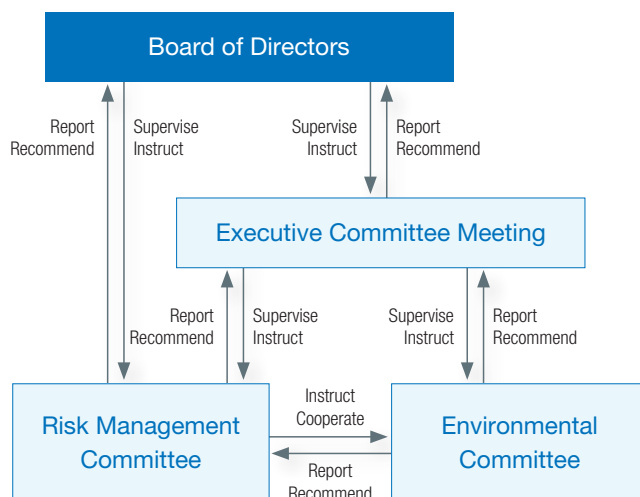
Governance

We will conduct discussions related to climate change and evaluate/manage statuses of climate change initiatives at the Risk Management Committee.

The Risk Management Committee will report climate-related information including risks and opportunities that may affect our business to the Executive Committee Meeting and Board of Directors twice a year, and the Board of Directors will instruct/supervise.

We will also implement initiatives towards resolving issues related to climate change, environmental risks and environmental tasks at the Environmental Committee. The Environmental Committee will extend initiatives to executing divisions and manage progress of initiatives towards decarbonization and energy conservation, and report to the Executive Committee Meeting and Risk Management Committee.

Simple diagram of governance related to climate change



Strategy

Risks/opportunities	Events	Impact ¹	Term ²
Transition risks	[Market] Risks that will occur when customer demands related to climate change is not met	Impact: Large	Short to medium term

(Potential events/1.5°C scenario)

Technology related to climate change and other requests are assumed to increase. Our net sales could decrease if we cannot meet customer demands.

(Measures) (1) The automotive electronics and industrial equipment/energy conversion markets which are included in our current strategically important markets greatly contribute to the mitigation of climate change through vehicle electrification, etc. We will continue developing new products for these markets while further increasing our speed to meet customer demands and respond to risks. As a metric for this measure, we will aim to achieve R&D expenses equal to 4% of net sales.

(2) We ask our suppliers to implement initiatives on climate-related risks in our Green Procurement Standards. We will continue promoting efforts through the supply chain.

Transition risks	[Policy/Legal] Adoption of carbon pricing and increase in electricity and fuel costs	Impact: Large	Medium term
------------------	--	---------------	-------------

(Potential events/1.5°C scenario)

Carbon pricing such as carbon taxes is assumed to be adopted as measures for climate change. This could directly/indirectly increase taxes.

(Measures) We have an Energy Conservation Subcommittee under the Environmental Committee as a measure for carbon pricing. The Subcommittee engages in group-wide energy conservation and CO₂ reduction. We will also start introducing renewable energy power to achieve carbon neutrality in 2050. We are also considering further utilization.

Physical risks	[Acute] Increase in severity of disasters due to extreme weather	Impact: Small	Short to long term
----------------	--	---------------	--------------------

(Potential events/4°C scenario)

Heavy rains due to currently assumed extreme weather is assumed to become frequent.

(Measures) Since the 2011 earthquake, we have adopted a production system to manufacture products and materials at multiple locations, and have also established a system to purchase materials from other companies. Furthermore, we quantified the annual impact of the future flood risk at domestic sites and quantified the risk at each site. Risk responses at domestic sites were prioritized based on hazard maps.

The BCP (Business Continuity Plan) was reviewed for potentially affected domestic manufacturing sites, and measures were initiated to reduce the risk at sites that were likely to suffer a disaster on the planned flood scale (L1, once every 10 to 100 years). Measures were also sequentially planned and initiated at sites that were likely to suffer a disaster on the assumed maximum flood scale (L2, once every 1000 years) in an effort to reduce the risk.

Opportunities	[Market] Providing products/services that meet customer demand [Technology] Improvement of competitive advantage due to development of new technology	Impact: Large	Short to medium term
---------------	--	---------------	----------------------

(Potential events/1.5°C scenario)

Adoption of facilities and changes in device specifications is assumed to be promoted to suppress greenhouse gas emissions. In such a world that promotes electrification and energy conservation, utilization opportunities of our products could increase.

Moreover, we believe we will be able to provide products with reduced CO₂ emissions as we have already been proactively reducing the amount of electricity consumption in our electrode foil production.

(Measures) (1) The automotive electronics and industrial equipment/energy conversion markets which are included in our current strategically important markets greatly contribute to the mitigation of climate change through vehicle electrification, etc. We will continue developing new products for these markets while further increasing our speed to meet customer demands and expand business opportunities. As a metric for this measure, we will aim to achieve R&D expenses equal to 4% of net sales.

(2) We will promote product development and production facility development/adoption with the prospect of reducing CO₂ emissions in production.

Opportunities	[Resilience] Promotion of renewable energy programs and energy-saving measures	Impact: Small	Short to medium term
---------------	--	---------------	----------------------

(Potential events/1.5°C scenario)

Promotion of renewable energy programs and energy-saving measures is required.

(Measures) We aim to improve competitiveness by promoting renewable energy programs and energy-saving measures to reduce costs, etc.

¹Risks and opportunities that may have an effect of over 5% of net sales is evaluated as having a large impact.

²The terms assume the following periods: short=until FY2025, medium=until FY2030, long=until FY2050.

Risk Management

Our Group has formulated the Basic Risk Management Policy, and is working to develop and strengthen its risk management system based on the Basic Regulations for Risk Management and related guidelines. Our Group has established the Risk Management Committee under the general manager of risk management to formulate action plans related to risk management and monitor the status of their implementation from the perspective of the entire group. In this committee, we consider climate change risks as a risk to our business, which is discussed within the committee. The committee meets twice a year and reports the status of risk management to the Board of Directors and the Executive Committee Meeting. In particular, with regard to climate change risks, the division in charge develops policies for risk reduction and opportunity acquisition to each business site and division, and monitors the status of initiatives. It also provides support to related divisions.

For our basic policy and processes regarding risk management, please refer to the link below.

[WEB https://www.chemi-con.co.jp/en/company/sustainability/governance/risk/management.html](https://www.chemi-con.co.jp/en/company/sustainability/governance/risk/management.html)

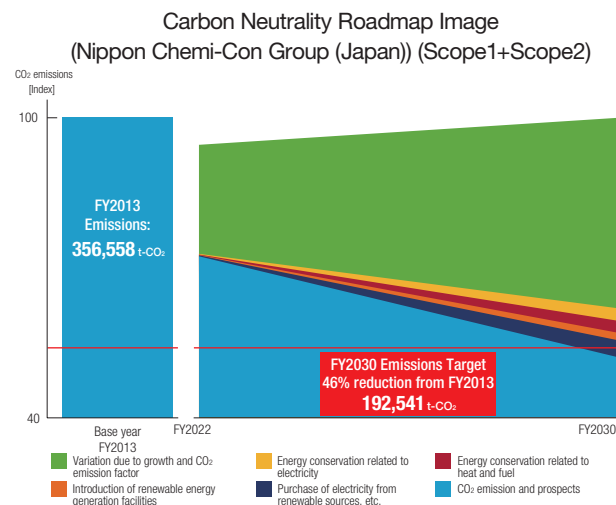
Metrics and Targets

Nippon Chemi-Con uses the following metrics and targets to evaluate/manage climate-related risks.

Manufacturing bases in Japan

- We aim to improve energy consumption per unit by an annual average of 1% or higher towards FY2030 based on the "Carbon Neutrality Action Plan" promoted by electrical and electronics industries.
- To realize carbon neutrality by 2050, we will pursue a reduction of approximately 46% for CO₂ emissions caused by our production operations in FY2030 on a FY2013 basis.

Initiatives for carbon neutrality



- Details of initiatives -

Energy conservation related to electricity

Conversion of lighting to LEDs, renewal of air conditioning equipment, energy conservation of production facilities, renewal of rectifiers and transformers, etc.

Energy conservation related to heat and fuel

Replacement of boilers, fuel conversion, heat insulation, steamless production equipment, etc.

Introduction of renewable energy generation facilities

Installation and use of solar power generation facilities on production sites, etc.

Purchase of electricity from renewable sources, etc.

Purchase of electricity from renewable sources, etc. at production sites

For manufacturing bases in other countries, we are working to establish targets within two years in accordance with the laws and regulations of each country where each manufacturing site is located.

In fiscal 2022, we started hearings and investigations regarding the laws and regulations of overseas manufacturing sites, and are working to establish targets.

As metrics/targets for climate-related opportunities, under our company's 9th Medium-term Management Plan (fiscal 2020 to 2022), we focused on strengthening our product planning capabilities and speeding up the introduction of new products to markets that are expected to grow. These include new products in the automotive electronics market and the industrial equipment/energy conversion market. During the 9th Medium-term Management Plan, we planned and worked to generate a cumulative operating profit of 3.8 billion yen combined with other products, resulting in profit of 4.1 billion yen.

For GHG emissions by Nippon Chemi-Con's operations, please refer to the link below.

[WEB https://www.chemi-con.co.jp/en/company/sustainability/environment/data.html](https://www.chemi-con.co.jp/en/company/sustainability/environment/data.html)

For Nippon Chemi-Con's performance based on metrics and targets related to climate change, please refer to the link below.

(Metrics/targets for risks)

[WEB https://www.chemi-con.co.jp/en/company/sustainability/environment/target.html](https://www.chemi-con.co.jp/en/company/sustainability/environment/target.html)

S Social Diversity/Human Resource Development/Employee Safety

Diversity

Aiming to diversify management by promoting global HR development and active participation of females in the workplace

Amid continuing globalization, overseas production accounts for approximately 70% of production (in volume) at Nippon Chemi-Con and of our approximately 6,000 employees, about 60% are outside Japan. In the recruitment of new graduates, we set targets for the ratio of female and foreign students to be employed and provide support for career plans and regular interviews after entering the company. Regardless of age, gender, or nationality, we emphasize individuality among our diverse human resources. We believe that the new ideas created as a result of this diversity will contribute to the creation of technology that benefits both the environment and people.

Initiatives of Nippon Chemi-Con and affiliates in Japan

Active Participation of Women

- Percentage of female new graduate employment (most recent three fiscal years) Approx. 31%
- Percentage of women in management positions End of FY2022: 3.6%

Goal : Increasing the number of female section chiefs, section managers and deputy section managers as well as women in management positions by 50% by the end of FY2025 (compared to the end of FY2020)

Initiative examples : Further increasing awareness through training, providing opportunities for workers to interact with female senior staff in the position of section chiefs and above, distributing leaflets on support for balancing work and childcare

Mid-career Employment

- Status of employment FY2020: 1 person FY2021: 1 person FY2022: 7 people
- Percentage of mid-career employees in management positions End of FY2022: Approx. 17%

We continuously engage in mid-career employment activities to secure personnel capable of making immediate contributions and future candidates for management positions. Mid-career personnel are positioned in various fields including development, sales, and clerical positions. We also provide individual training for mid-career employees to help them rapidly acquire an understanding of our organization.

Foreign Students

- Foreign employees - Rate of hiring (most recent five fiscal years)

Country	Rate of hiring
China	56%
Malaysia	22%
Vietnam	11%
Taiwan	11%

Nippon Chemi-Con practices the hiring of foreign students studying in Japan. Amid continuing globalization, our belief is that the employment of human resources who live in Japan and understand Japanese culture is vital. Since 2012, we have aggressively recruited foreign students in Japan. As of April 2023, we have 20 such personnel who are involved in a variety of roles in the company. We will continue providing equal opportunities for employees based on their qualifications and capabilities to step up their careers regardless of nationality.

Persons with Disabilities

- Status of employment End of FY2022: 1.76%
- Goal 2.5% employment rate

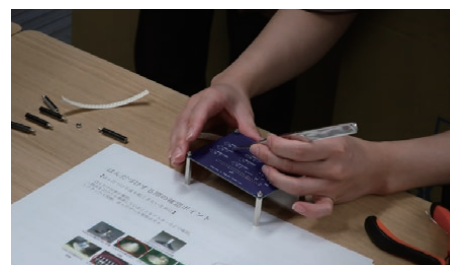
Nippon Chemi-Con proactively conducts the employment of persons with disabilities. Not only does this include staff on site in our various factories and offices, but we also work to allow telecommuting to ensure a comfortable working environment. We are aiming for persons with disabilities to represent at least 2.5% of employees. The Nippon Chemi-Con Group will continue working to expand our overall employment and provide work opportunities for persons with disabilities.

Internships

- Number of people accepted for internships

Fiscal Year	Season	Tokyo	Kanagawa	Yamagata	Fukushima
FY2020	summer	4	2	0	0
FY2020	winter	3	3	0	0
FY2021	summer	5	2	4	0
FY2021	winter	3	2	7	0
FY2022	summer	12	0	5	6
FY2022	winter	7	0	3	2

From winter of FY2018, we started an open recruitment of internships as part of our job training program. We had mainly accepted students in Tokyo and Kanagawa, but expanded regions to Yamagata in FY2021 and Fukushima in FY2022. We will continue to promote familiarity with Nippon Chemi-Con through various experiences such as disassembly and analysis of electronic components and circuit design.



Scenes from internships

Nippon Chemi-Con Group Education System

Requirements of a Nippon Chemi-Con Group employee common to both domestic and international offices

- 1) Employees who can take on increasingly difficult challenges 2) Employees with high communication skills 3) Employees who can independently think and act from a global perspective

	Tiered training		Number of participants for FY2022
	Target persons	Program	
	Managerial tier	New managerial staff training	Postponed
		Mid-career employee training	Postponed
	Practical tier	Follow up training I & II	46
		New employee training	26
		Prospective employee training	26
	OJT leader training	26	

•Tiered Training

Tiered training is a system of curriculum that serves as the foundation for long-term personnel development. We conduct tiered training sessions where we provide education on the skills required for each tier. Since 2017 we also have conducted OJT leader training at domestic affiliate companies. We aim to equip new employees with the ability to quickly engage in and contribute to business operations. This training will also help develop the basic management skills of supervisors in charge of education and training. To ensure diversity and raise awareness, internationalization training is included in new employee training. Since FY2020, we have incorporated online training and currently conduct both in-person and online training based on the training content. In FY2023, we established quality management training for managerial staff with the aim of further improving quality awareness.



New employee training

	Selective training		Number of participants for FY2022
	Target persons	Program	
	Managerial tier	Newly appointed overseas representative training	0
		Overseas pre-assignment training	12
	Practical tier	Local overseas employee training system	Cancelled
		Global HR development program	Cancelled
		Management capability assessment	100

•Selective Training

We also work to develop global human resources. With the goal of increasing employee skill levels at our overseas affiliates, since 2006 we have selected employees from overseas offices to participate in training conducted in Japan. Since then, already over 170 overseas employees have participated. Among those who have completed the training are numerous employees who are already working as managers overseas. We also started an overseas training program (Global HR development program) in FY2018. Through this program, employees in Japan selected through an open enrollment system are sent for training at an overseas affiliate. A total of seven employees have finished this program thus far. We were unable to conduct this program in FY2022 due to COVID-19, but we will expand target persons and make the program even more appealing.

Assessment training has been a requirement for promotion to management positions. From FY2020, we adopted a new separate evaluation process to be promoted to supervisors. We will continue striving to develop human resources capable of thinking, deciding, and acting based on a global perspective and who are able to lead a team comprised of a diverse range of individuals towards goal achievement.

	Self-development		Number of participants for FY2022
	Target persons	Program	
	All employees	NBS (distance learning)	566
	Other		Number of participants for FY2022
	Target persons	Program	
	All employees	Mental health training	1,300
		Harassment training	

•Self-development

Nippon Chemi-Con and affiliates in Japan have partnered with a distance learning provider to offer distance learning courses covering nearly 200 subjects twice a year. This system enables employees to freely select courses to promote skill improvement. As an incentive, employees who complete courses with high scores are eligible for partial tuition subsidies from the company. Also, employees who complete coursework are allotted “career points,” which are a parameter in the evaluation of promotions and raises. Linking this education system to our HR system helps promote self-development.

•Other

The Act on Comprehensive Promotion of Labor Policies (commonly referred to as the Power Harassment Prevention Act) was enacted in June 2020. This law requires companies to implement measures to increase worker awareness and understanding of power harassment as well as measures to promote awareness among workers of their colleagues' words and actions towards other workers. As part of these measures, we implement harassment training for Nippon Chemi-Con and affiliates in Japan. We have started conducting training for managerial and supervisory staff from the second half of FY2020, and for all employees from the second half of FY2021. Thus far, over 2,000 employees have receiving training as we work to improve overall awareness within the Group.

S Social Diversity/Human Resource Development/Employee Safety

Realization of Work Style Diversity

The Nippon Chemi-Con Group initiates environmental improvement to make active participation possible for personnel with diverse backgrounds and values.

Diverse work styles

- Adoption of work-from-home
- Adoption of flextime
- Adoption of hourly paid leave
- Expansion of half-day paid leave
- Change in units for acquirable accumulated paid leave (half-day allowed)
- Childcare leave
- Family care leave
- Shorter working hours
- Staggered working hours
- Returnment support for employees on administrative leave
- Work-treatment balance support
- Welcome-back (re hiring) program

Realization of work-life balance

- Implementation of no-overtime day
- Reduction of overtime work
- Promotion of paid leave acquisition
- Promotion of childcare leave acquisition for men
- Rest between shifts

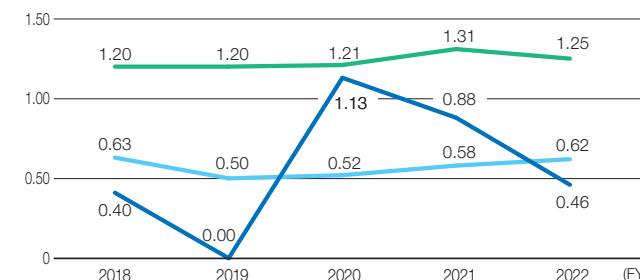
Industrial Safety and Health

The Nippon Chemi-Con Group has Industrial Safety and Health Committees at each site and promotes initiatives on industrial safety and health. In the event of a labor accident, the cause and correction actions are shared with domestic and overseas bases through the supervisory division of manufacturing businesses to prevent reoccurrences.

Status of labor accidents

The lost time incident rate (LTIR) in Japan varies depending on the fiscal year, but the rate in FY2022 was 0.46. There were no incidents that resulted in death.

Lost time incident rate (LTIR)



■ Nippon Chemi-Con and affiliates in Japan
 ■ Manufacturers of electronic components/devices/electronic circuits ■ Manufacturers
 *Source: Lost time incident rate/Survey on Industrial Accidents (Ministry of Health, Labour and Welfare)

Lost time incident rate (LTIR) = Number of victims (leave of 1 day or more) due to industrial accidents ÷ total actual working hours x 1,000,000

Topic Initiatives to Promote Diversity

In the second half of FY2022, Nippon Chemi-Con established a committee and promoted the following types initiatives focused on promoting opportunities for women in the workplace and supporting work-life balance in FY2022 and FY2023.

(1) Internal enlightenment

We use internal newsletters and intranet bulletin boards to regularly provide information related to diversity promotion and promote understanding of internal diversity initiatives.

(2) Female employee forum

Gathered approximately 30 female employees from within the Group to promote networking between female employees and increase motivation.

(3) Information on support for balancing work and childcare

We organize information on internal and external programs and procedures related to maternity leave, childcare leave, and child-rearing, as well as post interviews with employees on their own experiences to help relieve concerns and inconveniences related to achieving work-life balance.

We will take action to address issues related to our initiatives as we continue to drive the cycle of diversity promotion.

Goal of Diversity Promotion Committee

To accept differences and maximize the potential of everyone towards increasing the satisfaction and sense of belonging among employees throughout the entire Group as well as ensure our ability to secure diverse human capital. Also, utilize diverse human capital towards technological innovation, increased business performance, and improvements in our corporate value.

S Social Healthy Company

Activity Details

Ensuring the health of our employees and their families enables employees to work safely and leads to growth for the company. Embracing the approach that employee health is a benchmark of corporate management status, we aim to provide a comfortable work environment that encourages all employees to actively engage in health management, health risk countermeasures, and health maintenance and improvement. To support the mental and physical health of our employees, we will strengthen our collaboration with health insurance unions and proactively adopt ICT in initiatives to promote health management.

Since FY2017, Nippon Chemi-Con and affiliates in Japan have participated in health management surveys conducted by the Ministry of Economy, Trade, and Industry (METI) to promote effective health initiatives by quantifying health information. With the designation of COVID-19 as a Class V infectious disease in May 2023, we will continue to apply the lessons learned thus far while taking a managerial and strategic approach to employee health and productivity management.

Activities in FY2022 (Nippon Chemi-Con and affiliates in Japan)

I. Health management initiatives

1) Maintain a 100% health examination consultation rate and measures to increase rate of re-examinations

Although we have a 100% health examination consultation rate, there is room to improve the rate of re-examinations. To ensure compliance with the Industrial Safety and Health Act and increase health awareness among employees, we will continue working to increase the rate of re-examinations.

2) Providing designated health guidance based on health examination results

Using the results of designated examinations focused on metabolic syndrome, we will use dedicated staff to proactively provide designated health guidance to persons with high risks of lifestyle diseases and may greatly enhance

their chances of disease prevention through lifestyle improvements.

Additionally, we visit all offices and plants and arrange to have industry doctors conduct interviews with employees who work long hours.

3) Continuation of stress check system

We conduct the stress check system at all workplaces to expand opportunities for discovery with a focus on prevention. In doing so, we are working to prevent the rate of workers who suffer from mental illnesses or require a leave of absence. To increase respondents, we check employees' response statuses using the online response system adopted in FY2021 and further urge people to respond if they have not yet answered.

At the same time, we provide line care training for management personnel to provide opportunities for learning how to respond to consultations from subordinates.

II. Health risk initiatives

1) Total ban on smoking during work hours

Society is paying greater attention to measures against smoking because tobacco impacts not only the smoker but also the health of non-smokers due to second-hand smoke. Tobacco increases the risk of lung cancer and ischemic heart disease and can greatly impact future health. We promote various anti-tobacco measures from the desire to promote health maintenance.

In FY2020, the Nippon Chemi-Con Group initiated smoking bans during work hours as part of efforts to further prevent passive smoking.

2) Lifestyle disease prevention

Health physicians and specialists use health examination results to provide health guidance to persons applicable to metabolic syndrome and pre-metabolic syndrome to support lifestyle improvements. To promote the prevention of common illnesses and lifestyle diseases related to eating habits and sleep, we regularly hold behavior improvement seminars at our offices and plants. In FY2022, as in FY2021, Nippon

Chemi-Con continued online attendance as an alternative to group training to prevent the spread of COVID-19. We will use online measures as well in FY2023 depending on conditions.

III. Health maintenance and improvement initiatives

Implementing various measures to promote improvement of exercise habits

While many people understand the importance and joy of exercise, the reality is that, even with that understanding, few people habitually engage in exercise. To improve this situation, we aim to increase our "habitual exerciser ratio (ratio of people who have decent exercise habits)" which is an indicator of the Survey on Health and Productivity Management. In FY2022, we recommended participation in walking events sponsored by the Health Insurance Union in response to the difficulty in holding events that promote improvements in fitness habits due to COVID-19. We will continue to recommend proactive participation in walking events in FY2023.

IV. Achieving work-life balance

We work to create a comfortable work environment that enables balance between work and childcare or family care in order to provide all employees with the opportunity to reach their full potential.

Nippon Chemi-Con has established an action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children. Through this plan, we aim for paid leave utilization rates and childcare leave utilization rates of 70% and higher, and to reduce average overtime to 29 hours or less per month, per employee. We are near achievement of these goals.

We will continue enhancing systems that promote flexible and diverse working styles.

S Social Contributions to Local Communities

The Nippon Chemi-Con Group values communication with local communities and actively promotes local contribution activities in a spirit of coexistence and coprosperity.

Relationships with Local Communities



“Shinai-motsugo” is a type of fish which is registered as an endangered species by the Ministry of Environment and was found at Shinai-numa in Miyagi Prefecture.

Chemi-Con East Japan Corp. Miyagi Plant has been attempting hatching of Shinai-motsugo in its premises under the guidance of a local NPO since FY2016.

In June 2019, we released Shinai-motsugo to their home “Katsurasawa pond” with local elementary school students.

We have continued to participate in the pond release event since 2020, and we also participated in the event on June 23, 2023.

As a member of the community, we will perform activities that share the importance of passing on the rich nature to our future generations.



(Photos are from June 2023)

Certificate and Letter of Appreciation in FY2022



In fiscal 2022, the Nippon Chemi-Con Group received the following certificate for its community contribution activities.

Chemi-Con Corporation Niigata Plant
Seiro town Environment Beautification Contest Encouragement Award

Sponsor:

Seiro town, Niigata Prefecture



Comment:

Seiro town conducts the “Seiro Sawayaka Green Support Program” as a new environmental beautification initiative promoted collaboratively by town residents, factories, and municipal government. In FY2022, the Nippon Chemi-Con Corporation Niigata Plant received the program’s Encouragement Award in recognition of its past efforts.

Environmental Volunteering Activities



As a part of regional contributions, the Nippon Chemi-Con Group conducts volunteer activities by employees for the purpose of environment protection. Every year, many employees and their families participate in cleanup activities around our offices and in nearby forests to preserve the nature that brings us many “blessings” into the future.



◀ Cleaning activity on the beach by employees of Nippon Chemi-Con Corporation Takahagi Plant



Cleaning activity of surrounding area by employees of Chemi-Con Device Corp. Nagai Plant ▶

Regional Cooperation for Conservation of the Endangered Minami-Medaka

The Chemi-Con East Japan Iwate Plant has worked to protect the Minami-Medaka (Japanese rice fish/Oryzias latipes), which has been designated as a Vulnerable species on the Ministry of Environment Red List since 2015.

These activities started from protection of medaka native to the local Kitakami River using the pond located on plant grounds to leave regional medaka to the children of the future. Our donation of the medaka raised on plant grounds to nearby elementary schools helped spread the circle of conservation.

In 2016, we started a partnership with then TDK Akita Kitakami Plant, which is located in the same region by donating approximately 30 medaka. In October 2019, we helped the grown medaka return home by releasing them into the Chemi-Con East Japan Iwate Plant pond. We will continue to cooperate with the people of the Kitakami region towards medaka conservation.



G Governance Corporate Governance

Enhancement of Corporate Governance

2014

- Introduction of an Executive Officer System

2015

- Formulation of Basic Policy for Corporate Governance
- Establishment of Nomination Advisory Committee
- Establishment of Compensation Advisory Committee

2016

- Ratio of outside directors: 1/3
- Start of Effectiveness Evaluations for the Board of Directors

Basic Concept

Nippon Chemi-Con's basic concept of corporate governance is to ensure the transparency and efficiency of management for shareholders and all other stakeholders. In addition to legal functions such as General Meeting of Shareholders, the Board of Directors, the Audit & Supervisory Board, and Accounting Auditor, the company established the internal control systems, and continuously provided information on business conditions through briefing session on financial results and timely disclosure to implement sound, efficient and transparent corporate management.

Our Corporate Governance System

Nippon Chemi-Con is a company with an Audit & Supervisory Board. We have adopted an executive officer system to clearly separate inspection/supervision of management and execution of operations. Additionally, we have established a Nomination Advisory Committee and a Compensation Advisory Committee to strengthen our governance of executive appointments and compensation. Both the Nomination Advisory Committee and Compensation Advisory Committee are chaired by independent outside directors, and each advisory committee is made up of a majority of independent outside directors.

Nippon Chemi-Con's Board of Directors comprises seven members. The Board of Directors with this small number has enabled to make swift decisions and appointed three independent outside directors who are disinterested in the company to reinforce the function of inspecting and supervising management. The Nippon Chemi-Con Articles of Incorporation outline that the company shall appoint no more than 10 people as directors.

Composition of the Board of Directors

Number of outside officers

Board of Directors
(As of June 29, 2023)



Status of outside director activities

Name	Summary of statements and duties	Rate of attendance at the Board of Directors
Kinya Kawakami	Makes beneficial statements based on vast experience in corporate management and knowledge as a materials engineer. Concurrently served as Chairman of the Nomination Advisory Committee and the Compensation Advisory Committee.	19/20
Suzuko Miyata	Makes beneficial statements at various meetings based on advanced knowledge of legal affairs and risk management.	20/20
Hiroshi Yoshida	Makes beneficial statements at various meetings based on advanced knowledge on sales and marketing.	—

Executive Officer System Nippon Chemi-Con has introduced an executive officer system to make separation between the function of the Board of Directors' decision making in management and of directors' inspecting and supervising operations and the function of executive officers' executing operations. Executive officers swiftly execute operations based on decisions in management by executing matters determined by the Board of Directors.

The Audit & Supervisory Board inspects the state of the corporate governance, the steering situations, and daily activities in management including those performed by directors. The Board works closely with the internal audit department and the corporate auditor to exchange reports, opinions, and information.

Composition of Audit & Supervisory Board

Number of outside officers

Audit & Supervisory Board



Priority audit points for FY2022

- Audits the legality and appropriateness of decision-making processes and decisions made at Board of Directors meetings and other important meetings.
- Audit of legal compliance of business operations and status of compliance with Business Conduct Guidelines as a business group
- Audits the organization and operation of the internal control systems for the Nippon Chemi-Con Group as well as the effectiveness of subsidiary governance by each head office organization in charge.
- Audit of status of execution of FY2022 management policy and the process of formulating the 10th Medium-term Management Plan

Status of outside Audit & Supervisory Board member activities

Name	Summary of statements	Rate of attendance at the Board of Directors/Audit & Supervisory Board
Fumio Morita	Makes objective statements based on experience in management covering a wide range of fields, including the accounting and auditing departments of an operating company.	20/20 18/18
Masaaki Doi	Makes objective statements based on many years of experience and knowledge as a Certified Public Accountant.	15/15 12/12

Nomination Advisory Committee The Nomination Advisory Committee consult with other members about the content of a draft to be proposal to a General Meeting of Shareholders concerning selection and dismissal of directors and members of the Audit & Supervisory Board and the content of a draft to be proposed to the Board of Directors concerning selection and dismissal of executive officers. Such consultations are conducted prior to determination of such proposals in light of the "Standards for Selection of Directors and Executive Officers" and the "Standards for Selection of Members of the Audit & Supervisory Board" set by the company, the conclusions of which are recommended to the Board of Directors.

Compensation Advisory Committee The Compensation Advisory Committee consult with other members about matters concerning compensation of directors and executive officers and expenses opinions and advice to the Board of Directors. Such consultations are conducted after the committee considers the business scale and levels of compensation of employees of the company, and decent third party's study conducted periodically on compensation of corporate management, etc. in addition to levels of compensation of other competitors, socio-economic conditions, etc.

Executive Committee Meeting Nippon Chemi-Con has established the Executive Committee Meeting for making swift decisions. The committee, which is the consultation organ on operational execution policies, holds weekly meetings, in principle, in order to examine important subjects in management.

Officer Compensation

1. Policies

Compensation for Nippon Chemi-Con directors is designed and managed as a system that is both linked to performance and investor long-term income and to the promotion of personnel growth and development. Our basic policy is to achieve an appropriate and fair balance that further increases director motivation toward maximizing corporate value.

2. Procedures

For the purpose of enhancing the independence and objectivity of functions related to determining directors' compensation, we establish a Compensation Advisory Committee to deliberate on matters related to directors' compensation, after which a decision is made by the Board of Directors. The Nippon Chemi-Con Board of Directors has determined that the Representative Director is the most appropriate person for comprehensively assessing the level

of contributions to overall Company performance made by the departments overseen by each director. As such, the Board entrusts decisions on individual compensation for each director to the Representative Director. Furthermore, compensation for executive directors is comprised of monthly compensation and performance linked compensation, which is determined based on company performance for the given fiscal year and individual performance. As performance-linked compensation is not

appropriate for non-executive directors and outside directors, their compensation consists solely of monthly compensation. Compensation for Audit & Supervisory Board Members is monthly compensation only, which is determined as individual fixed compensation based on deliberations by Audit & Supervisory Board Members. Policies concerning decisions on compensation for individual directors are determined following consultation with and a review by the Compensation Advisory Committee.

Officer category	Total compensation (million yen)	Total compensation by type (million yen)				Number of applicable officers
		Fixed compensation	Performance-linked compensation	Retirement bonuses	Non-monetary compensation (within types on the left)	
Directors (excluding outside directors)	198	134	64	—	—	4
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	43	43	—	—	—	2
Outside officers	36	36	—	—	—	5
Total	278	213	64	—	—	11

(For the fiscal year ended March 31, 2023)

Effectiveness Evaluations for the Board of Directors

Nippon Chemi-Con conducts effectiveness surveys on all Directors and Audit & Supervisory Board Members comprising the Board of Directors. These surveys are used to conduct an effectiveness analysis and evaluation of the Board of Directors.

Main evaluation points

- Structure and governance of the Board of Directors (Ratio/responsibilities of independent outside directors, suitable structure of the Board of Directors, etc.)
- Corporate strategy and business strategy (Continuous enhancement of corporate value, monitoring of strategic feasibility through promotion of DX, etc.)
- Business ethics and risk management (Code of conduct compliance, monitoring and supervision, effectiveness of whistleblowing system, etc.)
- Performance monitoring and evaluation of executives (Correlation between performance indicators and management indicators, decisions on nomination and compensation for management through the Nomination and Compensation Advisory Committee, etc.)

-Communication With Shareholders

(Appropriate communication with shareholders, etc.)

For this survey, we used an external organization to evaluate survey questions, and to collect and tabulate the survey responses.

Based on these results of the surveys, our evaluation concluded that the company was largely maintaining the effectiveness of the Board of Directors in FY2022.

Highly evaluated points

- The Board of Directors is comprised of a sufficient percentage of independent outside directors. Independent outside directors offer constructive opinions to management and are able to raise objections as necessary.
- The performance indicators used by management to report performance to the Board of Directors are linked to company's important management strategy or business strategy as well as the key management indicators for determining the corporate value emphasized by the company.

Points requiring improvement

- Further strengthen deliberations by the Nomination Advisory Committee on matters related to the nomination of directors, including the skills required of directors and a CEO succession plan. Also, share problem awareness gained through meeting deliberations with the Board of Directors.
- Provide opportunities for effective and continuous training to ensure Directors and Audit & Supervisory Board Members are able to acquire the knowledge necessary to appropriately fulfilling their roles and duties.

Based on this analysis/evaluation, we will continue with initiatives aimed at increasing the effectiveness of the Board of Directors.

Issues from FY2021 Effectiveness Evaluations and FY2022 initiatives

[Issues in FY2021]

Having the Board of Directors engage in more in-depth discussions concerning management resource allocation based on consideration of matters such as medium- to long-term management strategy, business strategy, human capital, and intellectual property.

[FY2022 initiatives]

The Board of Directors conducted progress evaluations and monitoring of each of the policies outlined in the Medium-term Management Plan

G Governance Compliance

Compliance Promotion System

1. System

The Nippon Chemi-Con Group appoints a managing compliance officer as the chief officer in charge. This chief compliance officer oversees a compliance committee which works to draft compliance policies and action plans related to compliance, and conduct monitoring of implementation progresses for these initiatives. Each department in Nippon Chemi-Con and company of the Group has assigned a compliance officer and compliance staff who work to promote and reinforce policy related to compliance.

2. Measures

To further ensure overall compliance, we conduct CSR internal audits of each factory to confirm that management systems related to labor, health and safety, and ethics at all factories are constantly operating effectively. As compliance education, we hold seminars on sustainability, competition laws and insider trading regulations in new employee training and continuous training conducted at each employee level. One initiative related to ensuring compliance with competition laws is to invite external lecturers (attorneys) to hold competition law seminars. At the same time, we drafted the Basic Policies Concerning Compliance with Competition Laws and other internal regulations and manuals which are applied to internal audits conducted by the legal affairs department every year.

Whistleblowing System

The Nippon Chemi-Con Group has established “Rules on Handling of Whistleblowing,” through which we established a consultation desk and whistleblowing help desk for employees (Nippon Chemi-Con in-house standing statutory member of the Audit & Supervisory Board and Administration Department manager) as part of a system for ensuring the early discovery and prevention of legal infractions and to protect whistleblowers. During compliance training, we explain the importance and effectiveness of whistleblowing to promote awareness about the whistleblowing system. To address questions that arise during daily operations, the department in charge of legal affairs serves as a help desk to provide legal consultation and help prevent compliance risks before they arise.

WEB Whistleblowing system

<https://www.chemi-con.co.jp/en/company/sustainability/governance/compliance/whistleblowing.html>

G Governance Risk Management

The Nippon Chemi-Con Group has established Basic Policy for Risk Management to prevent risks, including human error and natural disaster, which could have a major impact on business and minimize the subsequent risks to stakeholders. We use Basic Regulations for Risk Management and other relevant regulations to maintain and enhance our risk management system.

Risk Management Promotion System

At the Nippon Chemi-Con Group, the chief risk management officer oversees a risk management committee, which promotes policy related to risk management. This committee works to draft risk management policy that is applied to the entire Group, draft action plans related to risk management, and conduct monitoring of implementation progress for these initiatives. The committee is comprised of the chief risk management officer, managers of departments in charge of risk management, and Audit & Supervisory Board Members. The committee meets once each half year and holds provisional meetings when necessary.

The committee reports twice a year the status of risk management to the Board of Directors and Executive Committee Meeting.

Risk Management System



Risk Factors

Major risks with the potential to impact Nippon Chemi-Con Group's operating results, stock price, cash flow, and financial position are as follows. Forward-looking statements are judgments made by the Nippon Chemi-Con Group at the end of the consolidated fiscal year 2022 (March 31, 2023).

1. Risks concerning economic conditions

Nippon Chemi-Con Group's principle business is manufacturing and sales of capacitors and other electronic components. Our business has expanded globally, covering regions including Japan, Americas, Europe and Asia, and therefore, changes in the economic conditions of these regions and countries, where our products are sold, have the potential to impact the operating results and financial position of Nippon Chemi-Con Group.

2. Risks concerning exchange rate fluctuations

Products of Nippon Chemi-Con Group are sold not only in Japan but also in Americas, Europe and Asia, and the proportion of consolidated net sales accounted for by overseas sales stood at 80.6% in the FY2021, and 80.8% in the FY2022. Although we forward exchange contracts to hedge the risk of exchange rate fluctuations, it is impossible to eliminate all such risk, and therefore such fluctuations may affect the operating results of Nippon Chemi-Con Group.

In preparing consolidated financial statements, those of our foreign affiliates are converted to JPY. Even if the values remain unchanged in local currencies, yen translations may fluctuate and thereby affect our business results.

3. Risks concerning price competition

Nippon Chemi-Con Group's main product, aluminum electrolytic capacitors, are subject to price competition

between competitors in Japan and overseas, which carry the risk of impacting the operating results and financial position of the Group. As our Group conducts business activities in various countries and markets, we must respond to price competition risks based on specific factors of each country and market. Relevant risk factors include fluctuations in production and sales costs, rises in material costs, and innovations in production technology of each country and region. Our Group, which has a high ratio of overseas sales, constantly faces the threat of international competition. As such, intensifying price competition could not only drive down profits, but could also cause a drop in our global market share. One of our strengths is our integrated production system for everything from material development to product sales. We will take advantage of this structure to promote cost reductions by optimizing production systems. At the same time, we will increase our competitive strength by developing products with high added value and high profitability, and by expanding sales in core markets. We take measures against risks in line with the abovementioned business strategies, but intensified price competition could impact the operating results and financial position of the Group.

4. Risks concerning raw material price fluctuations and procurement

Nippon Chemi-Con Group operating results and financial position may be impacted by cost increases attributable to increased procurement prices for raw materials such as aluminum foils and heavy oil or delays in product shipments caused by difficulty in procuring raw materials.

Nippon Chemi-Con Group implements various risk avoidance measures, including promoting continuous cost reductions by engaging in local procurement at overseas manufacturing companies and pursuing productivity improvements. Nippon Chemi-Con Group also purchases raw materials from multiple suppliers and engages in regular

credit management of our suppliers. However, Nippon Chemi-Con Group operating results and financial position could be impacted in the event of an extreme increase in raw material prices or extensive raw material shortages caused by natural disasters or other conditions.

A new risk to our procurement is emerging due mainly to the US economic security measures including the enforcement of the Uyghur Forced Labor Prevention Act (UFLPA) and the sanctions against Russia. The number of our production suspension (EOL) cases has also been on the increase to reduce unprofitable operations. Under the circumstances, we have been working on our supply chain reinforcement that is urged for stable procurement.

5. Risks concerning product defects

Nippon Chemi-Con Group conducts manufacturing at each global production site in accordance with globally recognized quality management standards (UL standards, AEC-Q200, etc.).

However, there is no guarantee that we will not experience product defects in any of our products at some point in the future. Although we do have product liability insurance, there is no guarantee that this insurance will be sufficient to fully cover liability compensation amount.

We have obtained certification such as ISO9001 and IATF16949 at all manufacturing sites as part of efforts to strengthen quality management. However, Nippon Chemi-Con Group operating results and financial position could be impacted by the occurrence of a largescale product defect.

We have established a structure that responds quickly to minimize effects in case of a defect.

6. Risks concerning laws and public regulations

Significant changes in laws and public regulations in regions both at home and overseas, where Nippon Chemi-Con Group operates its business, may influence the business results and financial position of Nippon Chemi-Con Group.

Besides expenses to comply with such regulations, criminal penalties and administrative actions including governmental charges or payment of compensation in case of violation against laws and public regulations, may also influence the business results and financial position of Nippon Chemi-Con Group.

Nippon Chemi-Con Group is using legal means to respond to some decisions by the competition law authorities of various countries to assess fines against our Group in relation to aluminum electrolytic capacitor transactions. Separately from the above, civil lawsuits have been filed against Nippon Chemi-Con and our subsidiary in relation to this case in the United States and Canada, etc.

Among these, Nippon Chemi-Con and its subsidiary United Chemi-Con, Inc. (hereinafter the "Company, etc.") have concluded a compromise agreement with the direct and indirect purchaser plaintiffs in the class action civil lawsuit in the United States concerning the trade of our electrolytic capacitors and film capacitors. Aside from the above, the Company, etc. have civil lawsuits with the direct purchaser plaintiffs who have not taken part in the class action civil lawsuit. The Company, etc. have accepted no liabilities for such damages, etc. However, after giving comprehensive consideration of the circumstances, the Company, etc. agreed in July 2022 with some of these plaintiffs to pay 31.5 million US dollars for settlements. Furthermore, the jury in the session held in May 2023 at the California State North County Federal District Court delivered a verdict that authorizes damages of 89.2 million US dollars against the Company, etc. in the civil lawsuit where Avnet, Inc. is the direct purchaser plaintiff who has not taken part in the class action civil lawsuit in the United States. In June 2023, the same district court ordered the Company, etc. to pay 150.677 million US dollars, which is the statutory triple damages resulting from multiplication of the amount authorized by the aforementioned verdict from which the sums of the settlements to the other plaintiffs in the same civil lawsuit are

deducted. The plaintiffs' attorney fees that the Company, etc. are obliged to bear will be decided later.

Meanwhile, the Company, etc. have faced class action civil lawsuits demanding compensation for damages in the States of Ontario, Quebec and British Columbia of Canada concerning our electrolytic capacitors and film capacitors that are allegedly in violation of the Canadian Competition Act, etc. The Company, etc. have accepted no liabilities for such damage compensation. However, after giving comprehensive consideration of the circumstances, the Company, etc. concluded a compromise agreement in May 2023 with all the plaintiffs in the class action civil lawsuits in Canada (covering the direct purchaser plaintiffs, indirect purchaser plaintiffs and other types of plaintiffs except the plaintiffs who have not taken part in the class action civil lawsuits after being filed) to pay 21.3 million Canadian dollars for settlements. The agreement will take effect officially after the approval procedure by the court is completed.

If these legal proceedings result in what we deem to be an unfavorable verdict or in the event we are required to make payments as part of a settlement, it may impact the operating results and financial status of the Group.

7. Risks concerning natural disasters and unpredictable events

Nippon Chemi-Con Group operating results and financial position could be impacted by a stop in production caused by facility damage or difficulty in supplying electricity or water due to natural disasters such as earthquakes or some unpredictable events. The spread and prolongation of the COVID-19 pandemic not only has the potential to cause economic downturn but may also impact the continuation of business operations due to the suspension of operations requested by national governments. We prioritize the safety and health of our employees and stakeholders and will continue to gather information and cooperate with administrative authorities. At the same time, we will implement

various infection prevention measures to continue operations, including telecommuting and staggered working hours, as well as adopting tools for remote work.

8. Risks concerning climate change

Climate change related risks stemming from global warming could impact on the performances and financial position of the Nippon Chemi-Con Group. Presently major nations are studying on the introduction of carbon tax, carbon pricing, and an emission trading system. If these are introduced, it would have significant impact on our med-term performance, which stems from risks of additional direct and indirect expenses, including soaring costs of raw materials, to the Group. In addition, if the Nippon Chemi-Con Group fails to fully meet customer requirements related to climate changes (supplier screening standards, etc. concerning environmental performance and sustainability), the failure entails the risk of decreasing in sales due to the lowering competitiveness, etc. of our products in the market. Furthermore, intensifying and more frequent natural disasters entail the risk of suspending the Nippon Chemi-Con Group's business continuity and causing additional extraordinary expenses to the manufacturing activities, etc. in our entire supply chain. To manage such risks, Nippon Chemi-Con Group is working for CO2 reduction initiated by the Energy-Saving Sub-Committee based on the roadmap for Group-wide energy-saving and carbon-neutral measures. Furthermore, the Nippon Chemi-Con Group has decided to take precedence in expanding disaster prevention equipment in its business bases, which will have significant impact on our business activities if such a natural disaster occurs, and to make endeavors that will satisfy customer requirements from the viewpoints of procurement and R&D.



Anticipating Production, Sales, and Technology Collaborations for New Product Development

Kinya Kawakami
Outside Director

Since assuming my role as Outside Director, I have continuously focused on increasing corporate value. However, in FY2023, the Company incurred another 30.9 billion yen in expenses related to competition laws. This is extremely regrettable and disappointing. Competition law violations reflect a serious problem with corporate governance. It is essential that the Company fully eradicate such issues by identifying the cause and reinforcing and continuing taking measures to prevent reoccurrence. The Company must also work to strengthen and reinforce structure related to legal affairs. I will focus on this response to corporate governance.

In an industry with intense competition, Nippon Chemi-Con has a history dating back over 90 years and the Company possesses unique strengths to research and develop aluminum electrolytic capacitors from materials to products. I look forward to seeing the Company improve revenues by using collaborations between production, sales, and technology towards new product development and the release of new products that separate Nippon Chemi-Con from the competition. Additionally, I am looking forward to positive effect on performance from efforts to strengthen product planning and productivity improvements achieved through the shift to smart factories as outlined in the 10th Medium-term Management Plan.



Strengthening Governance to Leap Forward

Suzuko Miyata
Outside Director

Nippon Chemi-Con has positioned 2024 as a pivotal year for the Company. 2023 was a year of major challenges. Despite a severe business environment, the Company, backed by its technological strengths, worked relentlessly to achieve increased revenues and profit for the year ended March 2023. However, the Company's need to respond to competition law violations, a dark stain on the Company's legacy, resulted in having to record massive extraordinary losses that greatly damaged the Company's financial platform. Amid this situation, the decision by management to conduct 17.4 billion yen in capital procurement through third-party capitalization represents the Company's commitment to pursuing future growth. From facility investments for its core product divisions and additional structural reforms to planning and development that reflects the future needs of society, the Company continues to face a mountain of issues. However, I am confident that the Company will unite towards achieving the 10th Medium-term Management plan. The capital procurement also presented an opportunity to reevaluate weaknesses related to governance, including the legal and risk management structure. The company has begun discussions towards implementing fundamental reforms and I expect this will lead to the formation of a new frameworks. The Company must also accelerate the diversity promotion initiatives it recently launched.

Nippon Chemi-Con products, which are centered on aluminum electrolytic capacitors, contribute to technical innovation in various final products, including automobiles, industrial equipment, and household appliances. Through these products, the Company continues to make contributions towards enriching the lives of people. I would like to see the Company take on the challenge of developing an image strategy that makes society more aware of these efforts and better connections people, especially the young generations responsible for leading the future. The Company needs to quickly recover the strength needed to broadly disseminate its corporate message.

The global economic growth rate projected by the IMF has slowed in recent years, with the Chinese economy experiencing a prolonged slump due to the intensifying real estate crisis. Inflation in Europe and the United States is slowing down, but it has not reached its peak, and the US continues to see an inverted yield curve, which is said to be a sign of economic recession. Although market uncertainty is increasing, companies must grow in response to the trust they receive from stakeholders. I will fulfill my responsibilities as an Outside Director so that this year will be the year in which the Company takes the first step toward the future.



Improving Corporate Value

Hiroshi Yoshida
Outside Director

The Company has been forced to pay massive penalties and settlements due to the competition law violations that occurred in 2014, having a major negative impact on the Company's financial position and significantly reducing the Company's net assets. In December 2023, the Company conducted capital procurement of 15 billion yen in equity financing to secure the capital necessary for efforts to recover this loss in net assets and ensure the implementation of the major policies outlined in the Medium-term Management Plan (approved at the Extraordinary General Meeting of Shareholders held on December 22, 2023).

The source of this capital was the Japan Industrial Solutions III Investment Limited Partnership (JIS). Moving forward, I believe JIS will provide advice towards achieving its Medium-term Management Plan and various support towards strengthening governance.

However, the responsibility for formulating and implementing that plan lies with us as employees and officers of Nippon Chemi-Con. It goes without saying that generating profits is the only way for the Company to fulfill its obligations and enable the reinvestments that will lead to meeting the needs of customers. It is critical that the Company further clarify the order of priority with which production, sales, development, and back-office staff should address the various issues they face. In addition to addressing those issues, the Company must also strengthen collaborations between departments towards improving corporate value.

As an Outside Director, I will work to contribute to improving the Company's corporate value by acting from the perspective of a stakeholder.



Becoming “Resilient Company, Chemi-Con”

Fumio Morita
Outside Audit &
Supervisory Board Member

Nippon Chemi-Con recorded massive extraordinary losses related to competition law, resulting in the significant deterioration of its financial structure.

To achieve sustainable growth investments and shore up the lost capital, the Company conducted a large-scale capital increase through a third party. This capital increase comes with conditions related to future financial structure and profit and losses.

FY2023 is the first year of the 10th Medium-term Management Plan. The 10th Medium-term Management Plan differs from previous plans in that performance relative to the plan can be considered a contract, rather than just a commitment (promise). While both commitments and contracts must be honored, there is a difference in the weight one bears.

Approaches to management can include back-casting (approaching the present from a future ideal) and forward-looking (building from the present towards a future ideal). However, I want to focus on a medium-term approach.

With both employees and management, my hope is that the Company embraces a commitment to creating results through the 10th Medium-term Management Plan.

Chemi-Con is a company that has applied its wisdom to serve as an industry leader and produce results. I am confident that the Company will embrace its responsibilities, concentrate its knowledge, and apply the lessons learned through the process of realizing numerical values towards becoming a sustainable company and a company that is needed by society.

I look forward to the formation of a “Resilient Company, Chemi-Con” that is able to survive flexibly in any environment as it looks ahead to the next 100 years.



Promoting reform and strengthening governance

Masaaki Doi
Outside Audit &
Supervisory Board Member

This age of new normal is seeing increasing uncertainty on a global scale. War, division, and conflict have intensified and are becoming common. As efforts to recover, both economically and socially, from the impact of COVID-19 continue, Japan too faces the emergence of various issues. There are concerns about the impact of issues, such as natural disasters, inflation pressure, a lack of resource stability, and a shrinking labor force, will have on society and business activities.

Amid such an environment, the Chemi-Con Group started its 10th Medium-term Management Plan. Despite recording major losses for the initial year of the Plan, the Company improved its financial position and made important decisions concerning capital policy that would enable investments towards solidifying its profit platform. As Chemi-Con moves into this new phase, I expect the Company to steadily and decisively implement policies to overcome these difficult conditions and establish this moment as a turning point towards reforms that will benefit the future.

As the corporate internal and external environments transform and the Company faces a myriad of complex and diversifying factors, I will engage in my duties as Outside Audit & Supervisory Board Member by focusing on Group governance, including checking for risks that could harm corporate value, evaluating the appropriateness of decision-making processes, and confirming the feasibility of business plans. The process of strengthening governance requires repeatedly addressing issues and validating responses, and work continuously to maintain an appropriate structure.



Executive Members (As of December 27, 2023)



Representative
Director and
President

Norio Kamiyama

-Date of birth:
April 1, 1959
-Joined Company in 1983

Currently President and Chief Executive Officer

Formerly CQO and Division Manager of Quality Assurance Headquarters, Nippon Chemi-Con Corp., CTO and Division Manager of R&D Headquarters, Nippon Chemi-Con Corp.



Director
Osamu Ishii

-Date of birth:
July 3, 1959
-Joined Company in 1984

Currently Senior Managing Executive Officer (CFO, Officer in charge of Accounting Dept./Corporate Strategy Dept./Digital Strategy Dept.)

Formerly Department Manager of Division Planning Dept., Material Division Headquarters, Nippon Chemi-Con Corp., Department Manager of Accounting Dept., Planning Headquarters, Nippon Chemi-Con Corp.



Director
Takumi Iwata

-Date of birth:
January 20, 1962
-Joined Company in 1986

Currently Senior Executive Officer (Division Manager of Sales Headquarters)

Formerly Department Manager of Sales Planning Dept., Sales Headquarters, Nippon Chemi-Con Corp., President of Hong Kong Chemi-Con Ltd., Chairman of Shanghai Chemi-Con Trading Co., Ltd.



Director
Kenichi Konno

-Date of birth:
December 25, 1965
-Joined Company in 1984

Currently Senior Executive Officer (Division Manager of Business Management, and President of Chemi-Con East Japan Corp.)

Formerly Division Manager of Product Business Management, Nippon Chemi-Con Corp., Department Manager of Module Production Planning Department, Production Headquarters, Nippon Chemi-Con Corp.



Outside Director
Kinya Kawakami

-Date of birth:
November 20, 1951
-Appointed as Director in June 2015

Formerly Director and Managing Corporate Officer, Head of Global Procurement Division, Head of Corporate Social Responsibility Division, Head of R&D Center, The Yokohama Rubber Co., Ltd.



Outside Director
Suzuko Miyata

-Date of birth:
April 2, 1955
-Appointed as Director in June 2021

Formerly Senior Managing Director, Legal Affairs Strategy Manager, Chairperson of Risk Management Committee, Special Expert Committee Member of Internal Audit Division, TV TOKYO Holdings Corporation



Outside Director
Hiroshi Yoshida

-Date of birth:
July 24, 1955
-Appointed as Director in June 2023

Formerly Director and Vice Presidential Executive Officer, President of Performance Polymers SBU, Asahi Kasei Corp. Executive Officer, Asahi Kasei Chemicals Corp.



Outside Director
Takashi Komagata

-Date of birth:
May 6, 1976
-Appointed as Director in December 2023

Currently Member of the Board, Japan Industrial Solutions Co., Ltd. Outside Director of MITSUBA Corp.



Audit &
Supervisory
Board Member

Shinichi Shibata

-Date of birth:
June 29, 1959
-Joined Company in 1983
-Appointed as Audit &
Supervisory Board Member
in June 2020

Formerly Executive Officer and Deputy Officer in charge of Accounting Dept., Nippon Chemi-Con Corp., President of Iwate Electric Industry Co., Ltd., Department Manager of Administration Dept. of Chemi-Con (Wuxi) Co., Ltd.



Audit &
Supervisory
Board Member

Kazuto Miura

-Date of birth:
January 22, 1959
-Joined Company in 1982
-Appointed as Audit &
Supervisory Board
Member in June 2021

Formerly Senior Executive Officer, Nippon Chemi-Con Corp., President of Chemi-Con East Japan Corp.



Outside Audit &
Supervisory Board
Member

Fumio Morita

-Date of birth:
August 30, 1955
-Appointed as Audit &
Supervisory Board
Member in June 2016

Formerly Director and Managing Corporate Officer, Head of Corporate Social Responsibility Division, Head of Corporate Finance & Accounting Dept., The Yokohama Rubber Co., Ltd.; President of PRGR Co., Ltd.



Outside Audit &
Supervisory Board
Member

Masaaki Doi

-Date of birth:
September 15, 1960
-Appointed as Audit &
Supervisory Board
Member in June 2022

Currently Head of Doi CPA Office

Formerly Managing Director, General Manager of Osaka Regional Office No.2, Asahi Shinwa & Co. (currently KPMG AZSA LLC)

G Governance Executive Members

Skill Matrix - Directors and Audit & Supervisory Board Members

To promote the Company's sustainable growth and medium- and long-term improvements in corporate value, we use our corporate philosophy as the basis for identifying the skills and experience required of the Board of Directors with comprehensive consideration given to the following: (1) product planning reform and structural reform measures, (2) global market environment response measures, and (3) sustainability promotion. Particular areas of expectation for directors include the following. Furthermore, skills selection for independent outside directors focuses on management experience at other companies and the ability to make meaningful recommendations concerning governance for Nippon Chemi-Con.

Name	Attributes	Position in the Company	Age	Gender	Term of office	Skills and experience					
						Corporate Management	R&D/Quality	Sales/Marketing	Legal Affairs/CSR	Finance/Accounting	International Experience
Norio Kamiyama		Representative Director and President (Chief Executive Officer)	64	Male	7	●	●				
Osamu Ishii		Director (Senior Managing Executive Officer)	64	Male	2	●				●	●
Takumi Iwata		Director (Senior Executive Officer)	61	Male	2	●		●			●
Kenichi Konno		Director (Senior Executive Officer)	58	Male	—	●					
Kinya Kawakami	Outside/independent officer	Director	72	Male	8	●	●		●		
Suzuko Miyata	Outside/independent officer	Director	68	Female	2	●			●		
Hiroshi Yoshida	Outside/independent officer	Director	68	Male	—	●		●			
Takashi Komagata	Outside officer	Director	47	Male	—	●				●	
Shinichi Shibata		Audit & Supervisory Board Member	64	Male	3	●				●	●
Kazuto Miura		Audit & Supervisory Board Member	64	Male	2	●	●				●
Fumio Morita	Outside/independent officer	Audit & Supervisory Board Member	68	Male	7	●				●	
Masaaki Doi	Outside/independent officer	Audit & Supervisory Board Member	63	Male	1					●	

Executive officers

President and Chief Executive Officer

Norio Kamiyama

Senior Managing Executive Officer and CFO

Osamu Ishii

Senior Executive Officer

Takumi Iwata

Senior Executive Officer

Kenichi Konno

Senior Executive Officer and CTO

Katsunori Nogami

Executive Officer

Katsuaki Abe

Executive Officer and CQO

Hiroyuki Wakabayashi

Executive Officer

Tsuyoshi Ushiro

Executive Officer

Eiketsu Tsuchiya