

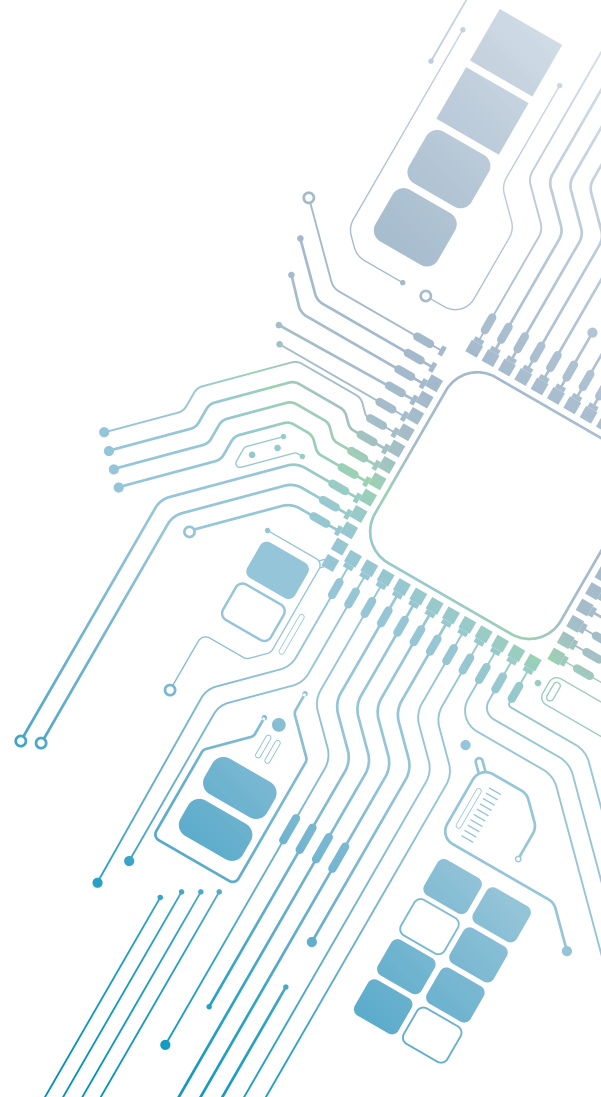


TATSUTA

TATSUTA Electric Wire & Cable Co., Ltd.

Sustainability Report

2023



“Connect-Transfer” technologies for a bright future

TATSUTA, an organization characterized by its highly unique research and development efforts, will explore the frontiers of electric wires and electronic materials. We will continue to contribute to the sustainable growth and development of society.

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Corporate Principles

Based on our core businesses of electric wire/cable and electronic materials and with overwhelming vitality and speed, TATSUTA will continuously and proactively take up the development of businesses that will lead the next generation. At the same time, we will also promote a consolidated management that is both highly conscientious and transparent, so that we may create sustainable growth and improve long-term corporate value, as well as consider global environmental problems while providing products and services with characteristics that will meet customer needs and thus also contribute to the sustainable growth and development of society.

Corporate Code of Conduct

1. By devoting ourselves to creative and novel ideas and with an indomitable spirit, we shall develop technology and products demanded by society and our customers providing useful, safe, and superior products and services.
2. In every aspect of our business activities, we shall seek to bring harmony between the environment and human life, recognizing that conserving the global environment is one of the most important issues faced by all peoples of the world and thus, must be a basic element of our management approach.
3. We shall respect the character and individuality of our employees, ensuring a safe and comfortable work environment rich in diversity.
4. We shall establish good and sound relations with interested parties outside the company, including stockholders, clients and local communities.
5. We shall observe domestic and international laws, as well as in-house rules, in conducting fair corporate activities according to social norms and morals.
6. We shall appropriately and fairly disclose information related to our corporate activities so as to enhance management transparency.

Editor's Note

Editorial Policy | The TATSUTA Electric Wire & Cable Group promotes sustainability management to contribute to the sustainable development of society through its business activities. The Sustainability Report is published annually to ensure the appropriate disclosure of information to the Group's broad range of stakeholders, including customers, suppliers, shareholders and investors, employees and their families, local communities, and others, and to promote an understanding of the Group's initiatives.

Scope of the Report | **[Period covered]** Covers activities during the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023). Also includes some activities in the fiscal year ending March 31, 2024.
[Organizations covered] TATSUTA Electric Wire & Cable Co., Ltd. and its main Group companies.

Publication: September 2023

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Top Commitment



We will continue to take on challenges, earnestly addressing changing customer needs and social issues to bring them to resolution, and aim to enhance our corporate value and achieve sustainable growth.

TATSUTA Electric Wire & Cable Co., Ltd.
Representative Director,
President and Executive Officer

Hiroya Yamada

Resolved to fully merge with JX Metals with an eye to future growth

FY2022 was a year in which we were heavily impacted by complex global conditions. We promoted various measures to tackle this, such as revising prices in the Electric Wire and Cable Business against a backdrop of soaring raw material and energy prices, reducing costs and losses, and developing new products. We will continue carrying out our operations cautiously.

Meanwhile, we received a proposal from JX Metals Corporation to fully merge our two companies, and resolved to agree to the proposal in December last year. Over the course of 60 years, we have built a good relationship with JX Metals since when it was called Nippon Mining, not only in terms of a capital relationship, but also in many areas, including the trading of raw materials. We have recently received an offer from JX Metals to work on our businesses together as part of efforts to achieve its long-term vision for 2040.

JX Metals is a global specialist in nonferrous metals. It carries out operations ranging from the manufacture and sale of advanced materials related to nonferrous metals such as copper and rare metals, to resource development, smelting and metal recycling. It boasts extensive knowledge and an abundant team of specialist personnel both in Japan and overseas. We believe that we can learn a lot from sharing information and building a cooperative structure with JX Metals, as well as develop a more advanced and resilient global business. In addition, we anticipate such an environment will provide a major advantage in our human resource development, and have determined that this partnership can further enhance our corporate value.

To create new businesses that will become the pillars of the next era

As a new move for FY2023, we established the New Business Development Department at the head office, and also transferred the Technology Development Center from the Electronic Materials & System Equipment Group. To date, we have invested in startups in Japan and overseas with the aim of advancing our research and development in various fields. Going forward, we will further enhance and accelerate efforts to create new businesses and aim to build new businesses that will become new pillars to follow in the footsteps of our core businesses of Electric Wire and Cable Business and functional films business.



Members of the New Business Development Department

Stepping up energy generation and conservation activities and business continuity plan (BCP) measures

After declaring our support for the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, we began information disclosure in line with the disclosure framework in June 2022. Our analysis and policies based on the climate change scenarios for 2050 remain unchanged at the current stage.

We aim to achieve carbon neutrality (Scope 1 and 2) by FY2025 as a means to tackle climate change risks. We undertake initiatives on this front in order to proactively fulfill our corporate social responsibility and customer requests. In FY2022, we actively worked to generate and save energy, such as by installing solar power generation equipment at three sites in Japan and upgrading to more energy-efficient facilities. We also systematically promoted the shift to electric power sourced from renewable energy and carbon-neutral LNG. Having all employees participate in energy-saving activities, such as inviting employees to submit suggestions for an energy-saving awareness slogan and setting performance indicators to help visualize achievements, helps raise employee awareness. This, in turn, will lead not only to the reduction of CO₂ emissions, but also to the reduction of electricity costs.

In recent years, a number of unpredictable situations have occurred in addition to natural disasters. Even against this backdrop, we regard it as our social mission and responsibility to develop technology and products demanded by society and our customers, and to ensure the stable supply of products and services to support economic growth. In particular, our functional films have been adopted by a large number of smartphone manufacturers around the world. We thus have an extremely heavy social responsibility to supply these products. In order to meet these expectations, we are vigorously promoting business continuity management system (BCMS) activities. As part of these initiatives, we plan to construct a new distribution center within Kyoto Works (to be completed in March 2024) to support BCP by dispersing inventory. By improving logistics efficiency, it will also help to reduce logistics costs, as well as tackle logistics issues brought on by tighter labor regulations, specifically caps on overtime for truck drivers, scheduled to come into effect from April 2024.

Going forward, we will endeavor to enhance our resilience as a manufacturer by considering cooperation with suppliers in our supply chain.



Newly installed solar panels at Sendai Works

Promoting reform with an eye to the major challenge of human resource development

In promoting human capital management, recruiting and developing human resources is a major challenge companies face. When formulating the new personnel system we started rolling out in April 2022, responding to changes in the social

and business environment was positioned as the main theme of human resource development, and efforts were made to further enhance our education and training programs. Although we have only recently kicked off such efforts, we have already conducted a number of interesting training programs.

We want to foster a company culture in which employees do not hesitate to make change or change themselves, and enjoy their work. In order to achieve this, we need to provide appropriate educational opportunities and organizational management that enable employees to feel their own growth. I hope that our employees maintain a positive attitude as they take on challenges and overcome difficulties, and grow while gaining a sense of fulfillment and accomplishment.



New employee training

We will continue our diligent efforts

TATSUTA has continued to carry out business operations since its founding in Higashiosaka City in 1947. We sincerely appreciate the understanding and cooperation given by the local residents for over 70 years. We endeavor to contribute to the prosperity and sustainable development of the region in hopes of returning the favor.

Specifically, we hold exchanges with and make contributions to the local communities in which we operate, such as Higashiosaka, Fukuchiyama, Kizugawa, and Sendai. Such activities include beautification of the areas around our plants, cooperating with local events, and giving visiting classes at local schools. We also support the revitalization of surrounding communities by promoting sports, such as sponsoring FC Osaka (a professional J.League soccer club) and displaying our billboards at Hanazono Rugby Stadium, both of which are based in Higashiosaka City, where our head office is located.

Of course, even after becoming a JX Metals Group company, we will continue to work diligently in everything we do, including these contributions to local communities. In order to continue our operations amid an uncertain future, engaging in dialogue with stakeholders and gaining their input is vital. We will continue to disclose information in a timely and fair manner. We hope that you are excited about TATSUTA's future growth, and look forward to your continued support going forward.



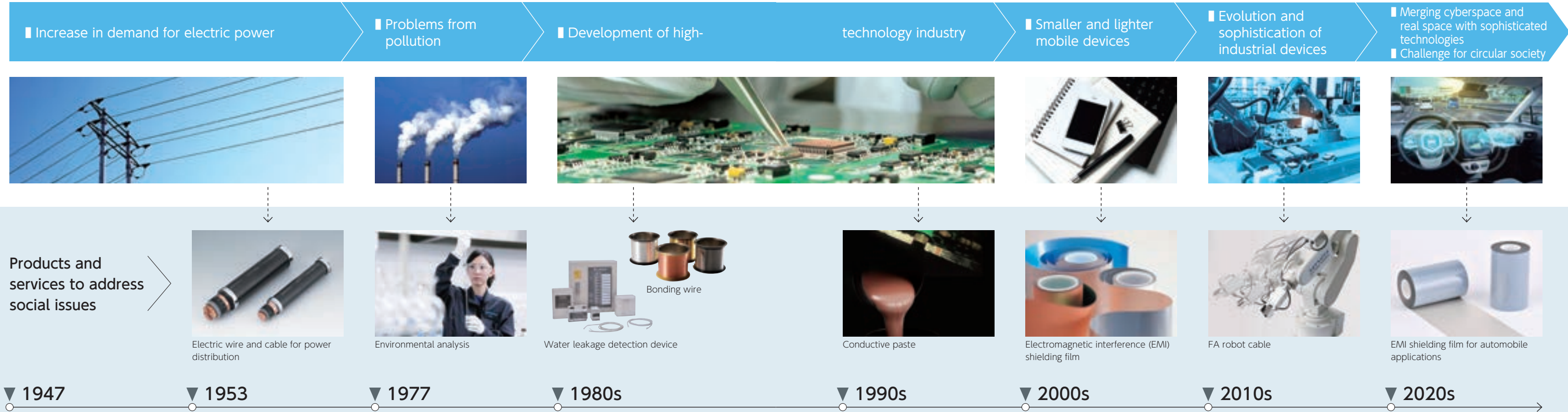
Taking part in HANAZONO EXPO as a local company

**HANA
ZONO
EXPO**
HIGASHIOSAKA

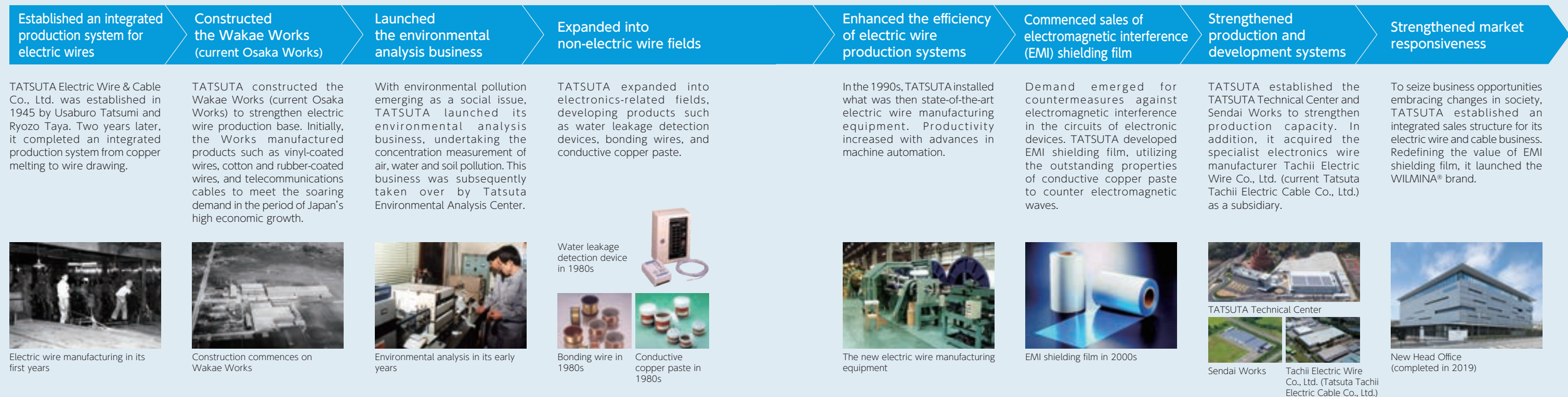
History of Value Creation

The TATSUTA Electric Wire & Cable Group has resolved a broad range of social issues by providing products such as electric wires and cables to support infrastructure and functional films for use in mobile devices. The Group will continue to provide products to meet customer needs in the future.

Historical background



History of TATSUTA Electric Wire & Cable Group



At a glance

Our businesses

TATSUTA applies the advanced technologies and knowhow acquired from its electric wire and cable manufacturing technologies to provide a diverse range of products such as electronic materials and photo-electronic products. TATSUTA has also expanded into automotive, medical, and other fields.



Infrastructure Wire Business

TATSUTA provides customers with high-quality electric wires and cables through the electric wire manufacturing technology acquired since its founding. TATSUTA contributes to the stable supply of electricity to support social infrastructure.

Metal working technology
Insulation and sheathing technology



Low-friction cable

Low friction performance for improved ease of installation



Industrial Equipment Wire Business

TATSUTA develops high-performance electric wires and cables for use in diverse applications such as construction and FA. TATSUTA utilizes the collective strength of the TATSUTA Group to respond to customer needs.

Special alloying technology



Broadcasting cable

Delivering crisp video and clear audio



Functional Films Business

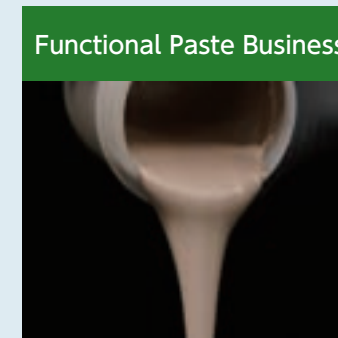
Functional films developed using TATSUTA's unique plastics, metallic filler, compounding, and film-manufacturing technologies. TATSUTA has attained overwhelming support for our products underpinning the development of mobile devices.

Making thin films from functional materials



Functional films

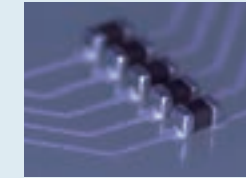
Protecting electronic devices from malfunction due to electromagnetic noise



Functional Paste Business

TATSUTA develops functional pastes that conduct electricity and heat three-dimensionally, utilizing TATSUTA's metal and plastic compounding technologies. These are used in diverse applications such as mobile devices and automobiles.

Fine particle dispersion/
compounding technologies



SMT paste

Functional paste as a solder substitute, enabling three-dimensional components



Fine Wire Business

TATSUTA offers all types of wire, utilizing our wire drawing technology. These play a vital part in the electronic materials field as semiconductor package components.

Ultrafine wire technology



Palladium-copper wire

Bonding wire that combines the merits of gold and copper



Sensor & Medical Products Business

TATSUTA provides sensing technology and medical equipment materials products utilizing its unique fundamental technologies. TATSUTA will further evolve these proprietary technologies to provide broad support for social development.

Liquid detection sensor technology
Fiber optics application technology



Water leakage detection system

Protects important equipment from damage due to water leakage



Environmental Analysis Business

TATSUTA provides a wide range of analysis services based on many years of experience and achievements to flexibly support customers' business activities.

Environmental analysis technology

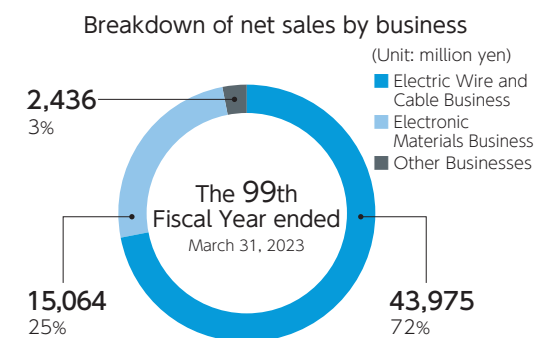


Soil contamination surveys and analysis

From soil contamination surveys to purification

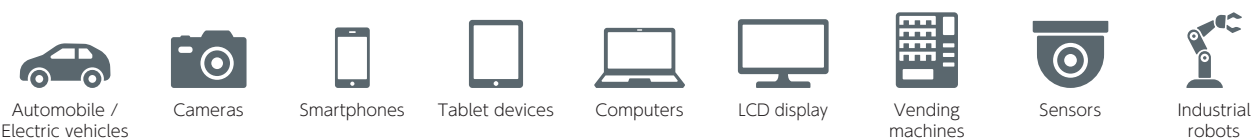
Summary of the fiscal year ended March 31, 2023

Net sales **61.4** billion yen
Operating income **1.7** billion yen
Number of employees **1,046** employees

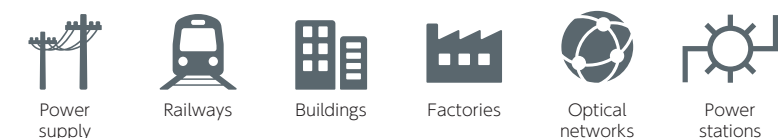


TATSUTA in everyday life

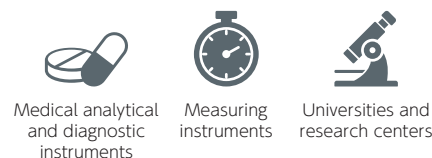
For electric appliances and automobiles



For social infrastructure



For medical facilities and research institutions



2025 Long-Term Vision

The TATSUTA Group established the 2025 Long-Term Vision in 2017, with the aim of achieving sustainable development and enhancing corporate value.

Business Category	Businesses	Strategic Focus
For-profit businesses	Electric wire and cable business	Electric wire and cable business, domestic equipment wire business
	Electronic materials business	Functional films business, fine wire business
	Other businesses	Sensor business, environmental analysis business
For-growth businesses	Electronic materials business	Functional paste business
	Other businesses	Medical equipment materials business
Medium- to long-term development businesses	Electric wire and cable business	Overseas equipment wire business

Promote investment to help enhance efficiency and enhance product groups that meet customer needs to pursue the optimization of profit earning.

Actively implement investment in business development, production increases, etc. to pursue greater scale and expand revenue.

Focus on establishing the business foundation at present and pursue greater scale and expanded revenue in the future.

TATSUTA's Vision for 2025 (Qualitative objective)

Expand our businesses globally in the fields of electric wire, electronic materials, and related parts and materials. In particular, explore the frontiers of products for the IoT and robotics, in-vehicle equipment, medical equipment, etc., for which needs are expanding and becoming more segmented and sophisticated. Become the top share supplier in multiple advanced, niche fields as a corporate group that customers trust.

While there is no change at present in the direction set forth in the 2025 Long-Term Vision, we will focus on and make a concerted effort toward earnings recovery in the fiscal year ending March 2024 as the top priority across the Group. The Group's business plans and targets for FY2024 to FY2025 will be formulated by the end of FY2023 as we assess the outlook for the business environment and trends in earnings recovery. TATSUTA will continue to explore the frontiers of electric wire and electronic materials with the aim of becoming a niche top supplier.

TATSUTA's Sustainability

To realize its Corporate Principles, TATSUTA continues to promote sustainability management under its Corporate Code of Conduct and Quality and Environment Policy, contributing to the sustainable and stable development of society.

Corporate Principles

Based on our core businesses of electric wire/cable and electronic materials and with overwhelming vitality and speed, TATSUTA will continuously and proactively take up the development of businesses that will lead the next generation. At the same time, we will also promote a consolidated management that is both highly conscientious and transparent, so that we may create sustainable growth and improve long-term corporate value, as well as consider global environmental problems while providing products and services with characteristics that will meet customer needs and thus also contribute to the sustainable growth and development of society.

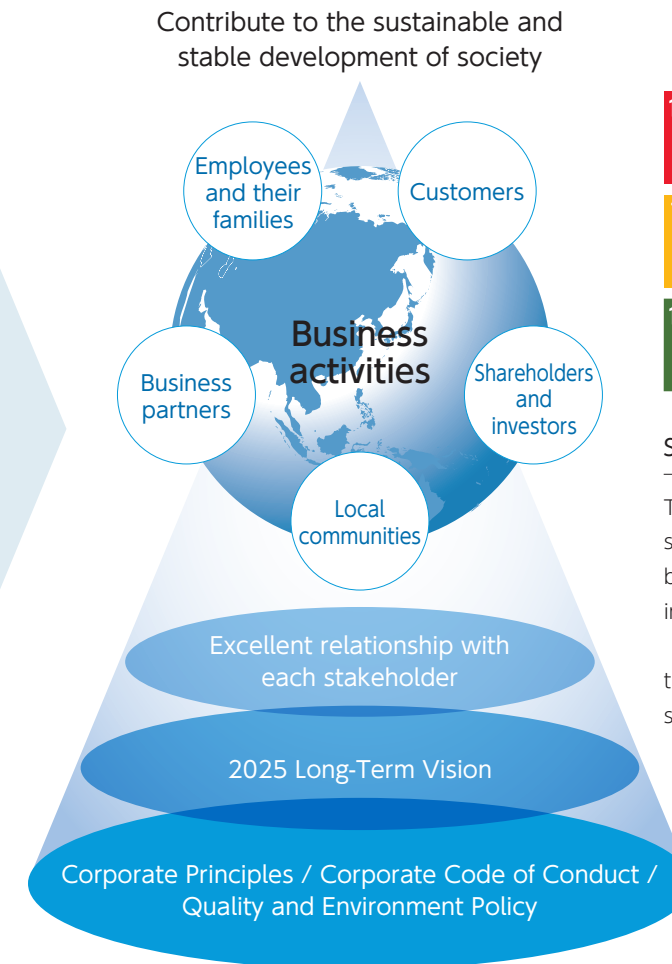
Corporate Code of Conduct

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3. We shall respect the character and individuality of our employees, ensuring a safe and comfortable work environment rich in diversity.
4. We shall establish good and sound relations with interested parties outside the company, including stockholders, clients and local communities.
5. We shall observe domestic and international laws, as well as in-house rules, in conducting fair corporate activities according to social norms and morals.
6. We shall appropriately and fairly disclose information related to our corporate activities so as to enhance management transparency.

Quality and Environment Policy

1. In order to ensure that the Corporate Principles are upheld and in line with our Corporate Code of Conduct, we will implement initiatives that continuously and appropriately improve the business process, improve products and services, and promote environmental preservation.
2. Based on the requirements for the ISO standards, we will build quality and environment management systems and by implementing these systems, comply with applicable laws and customer requirements.
3. TATSUTA will identify risks which must be addressed and by responding to them, take up initiatives that will improve quality, prevent pollution, and preserve the environment.
4. TATSUTA will maintain its quality and environment management systems and continuously work to improve performance through the PDCA (Plan-Do-Check-Action) cycle.

Sustainability Concept



Sustainable Development Goals (SDGs)

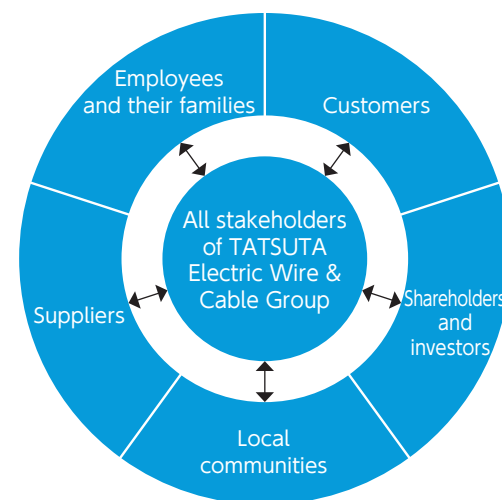
The SDGs are 17 international goals for 2030 to realize sustainable, diverse and inclusive societies where "no one will be left behind," adopted unanimously at the UN summit held in September 2015.

The TATSUTA Group is engaged in addressing the SDGs through its business activities in order to contribute to the sustainable and stable development of society.

Stakeholder Engagement

The TATSUTA Electric Wire & Cable Group actively engages in dialogue with its stakeholders. By understanding and responding to their expectations and demands, we endeavor to build sound and good relationships. We also provide comfortable workplace environments and stable livelihoods for our employees and their families.

Through dialogue with stakeholders, we aim to enhance corporate value and contribute to the sustainable development of society.



	Policies	Major initiatives
Employees and their families	We will provide environments where diverse personnel can attain work satisfaction and actively work. Moreover, we will maintain good labor relations and support the lives of employees.	<ul style="list-style-type: none"> Exchanges of opinions through various labor-management meetings Management information presentations Employee questionnaires Personnel evaluation interviews
Customers	We will fulfill our responsibility as a member of supply chains by providing a stable supply of high-quality, high-performance products to meet customer needs.	<ul style="list-style-type: none"> Regular sales activities, exhibiting at trade shows Joint technical development Communicating information via websites, social media, etc. Quality response
Suppliers	We will recognize suppliers as important partners of the Group, strive to ensure fair trading, and work together to fulfill our social responsibility.	<ul style="list-style-type: none"> Regular purchasing activities Supplier meetings Questionnaires
Shareholders and investors	We will observe laws and regulations and in-house rules, and conduct fair business activities according to social norms and morals. We will endeavor to build relationships of trust by appropriately and fairly disclosing information related to our corporate activities so as to enhance management transparency.	<ul style="list-style-type: none"> Communication of various financial and non-financial information Financial results presentations Individual interviews General Meeting of Shareholders
Local communities	We will fulfill the roles required of us as a citizen of the community and contribute to the realization of better local communities.	<ul style="list-style-type: none"> Factory tours Next-generation development activities Participation in local community activities Construction works briefings

Materiality Items

The TATSUTA Group pursues higher corporate value through sustainability management, and has identified “materiality items (key sustainability issues)” with the aim of achieving the sustainable development of our businesses and society.

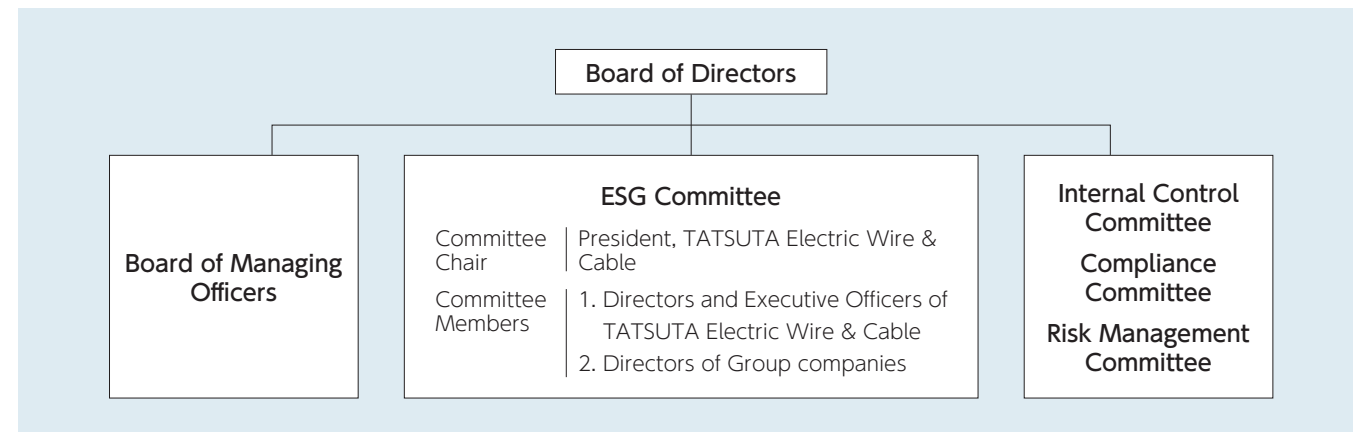
Materiality Identification Process

In 2020, we launched the ESG Committee to oversee all sustainability activities and identified the TATSUTA Group’s materiality items (key sustainability issues). We will continue to regularly validate and update these materiality items.



Sustainability Promotion System

The TATSUTA Group has established an ESG Committee chaired by the President & Representative Director to promote sustainability management across the Group. The ESG Committee is positioned alongside the Board of Managing Officers and Internal Control Committee as a meeting body under the direct control of the President & Representative Director. The Administration and Human Resources Department and Corporate Planning and Coordination Department, which act as the Committee’s secretariat, coordinate with the various business divisions by setting sustainability targets, monitoring their progress, and evaluating achievements.



TATSUTA Electric Wire & Cable Group Materiality Items

	Materiality Items	Specific initiatives	KPIs and targets	Relationship with SDGs
Environmental	Contribute to conserving the global environment (including climate change response)	Reduce the environmental impact of products and services	1 Develop environmentally-friendly products and services	
		Promote recycling	2 Recycling rate: 95% or more	
		Promote energy saving	3 Promote investment to conserve resources and energy 4 Reduce expected effect of rationalization of energy use: 1% or more 5 Reduce energy consumption by product intensity: 1% or more	
Social	Provide advanced, high-quality products and services to benefit society	Develop products and services that resolve social issues and satisfy customer needs	1 Develop products and services related to resolving social issues	
		Strengthen quality assurance and BCP systems	2 Enhance customer satisfaction 3 Steadily implement BCP and BCMS 4 Zero serious accidents and accidents requiring time off work	
		Promote measures for safety and health	5 Increase the percentage of annual paid leave consumed to 80% or more	
	Realize safe and fulfilling workplaces	Nurture human resources to drive sustainable growth	6 Enhance education and training 7 Maintain and increase proportion of employees with disabilities: 2.3% or more	
		Promote diversity & inclusion	8 Increase proportion of female employees recruited: 25% or more 9 Ratio of female managers: 10% or more by the end of FY2025	
		Respect human rights	10 Encourage participation in human rights education	
Governance	Thorough corporate governance	Business operations based on corporate governance guidelines	1 Take ongoing action to meet the Corporate Governance Code	
		Implement management systems (including risk management system) with certainty	2 Steady operation of a company-wide management system (risk, quality, environment, information, etc.)	
		Strengthen education and training on compliance	3 Promote participation in compliance training	

FY2022 Materiality Items KPIs Results

Legend
 Assessment against qualitative or medium- and long-term quantitative targets ↑ : Improved ↓ : Worsened → : No change
 Assessment against single fiscal year quantitative targets ○ : Achieved ✕ : Not achieved

	Materiality Items	Specific initiatives	KPIs and targets	Assessment	Status of Initiatives in FY2022
Environmental	Contribute to conserving the global environment (including climate change response)	Reduce the environmental impact of products and services	1 Develop environmentally-friendly products and services	↑	- Developed and provided environmentally-friendly products and services on a continuous basis
		Promote recycling	2 Recycling rate: 95% or more	○	98.3% (TATSUTA Electric Wire & Cable, Chugoku Electric Wire & Cable, and Tatsuta Tachii Electric Cable) *Including the TATSUTA Group companies in Japan from FY2022 Took action to increase the rate of utilization of recycled materials
		Promote energy saving	3 Promote investment to conserve resources and energy	↑	- Introduced solar power generation systems at three sites in Japan - Started reusing waste heat from deodorization equipment (in air conditioner reheaters) - Adopted energy-saving motors when renewing drive control systems - Automated lighting and air conditioning - Renewed to LED lightings, etc.
			4 Reduce expected effect of rationalization of energy use: 1% or more	○	Down 2.2% (TATSUTA Electric Wire & Cable) Reduced fossil energy consumption theoretically by 2.2% from the previous year by introducing renewable energy and renewing equipment to energy-efficient ones, etc.
			5 Reduce energy consumption by product intensity: 1% or more	✕	Up 8.9% (TATSUTA Electric Wire & Cable) Although we increased the efficiency of production facilities and made investments to save energy, lower production impacted the overall achievement.
		Pursue carbon neutrality	6 Net zero CO ₂ emissions by 2025 (Scope 1 and 2, at operational sites in Japan and affiliated companies)	↑	CO ₂ emissions: 6,365t (TATSUTA Electric Wire & Cable, Chugoku Electric Wire & Cable, and Tatsuta Tachii Electric Cable) (down 68% YoY) - The functional films business has been carbon neutral since April 2022. - Increased the amount of renewable energy by installing/adding solar power generation systems at three sites in Japan (TATSUTA Technical Center, Sendai Works, and Kyoto Works) - Progressively shifting to electrical power sourced from renewable energy and carbon-neutral LNG
Social	Provide advanced, high-quality products and services to benefit society	Develop products and services that resolve social issues and satisfy customer needs	1 Develop products and services related to resolving social issues	↑	- Developed products and services with high functionality to contribute to resolving social issues - Provided high value-added products and services leveraging our technological strength
			2 Enhance customer satisfaction	↑	- Maintained the stable supply system and expanded and enhanced the quality assurance system - Developed and launched high value-added products and services that meet social and customer needs - Prompt delivery, etc.
		Strengthen quality assurance and BCP systems	3 Steadily implement BCP and BCMS	↑	- Renewed ISO 22301 (Business Continuity Management System: BCMS) certification, and obtained ISO 27001 (Information Security Management System: ISMS) certification, for the functional films business - The Electronic Materials & System Equipment Group conducted large-scale disaster trainings and supply chain BCP exercises, and worked for improvement. - Maintained and strengthened the Group BCM system and BCP, and promoted sustainable procurement
	Realize safe and fulfilling workplaces	Promote measures for safety and health	4 Zero serious accidents and accidents requiring time off work	✕	Zero serious accidents, three accidents requiring time off work, and zero serious accidents while commuting (TATSUTA Electric Wire & Cable) - Expanded the scope of hands-on danger education to Group companies - Invested for improving work environment - Conducted risk assessment workshops - Took measures to prevent accidents
			5 Increase the percentage of annual paid leave consumed to 80% or more	✕	75.0% (14.7 days) (TATSUTA Electric Wire & Cable), up from the previous fiscal year's level of 69.0% (13.1 days)
		Nurture human resources to drive sustainable growth	6 Enhance education and training	↑	- Formulated the Human Resource Development Policy under the new personnel systems - Introduced Udemy Business, an on-demand video-based training program - Introduced DX training across the Company
			7 Maintain and increase proportion of employees with disabilities: 2.3% or more	○	3.15% (TATSUTA Electric Wire & Cable) as of June 1, 2023
	Promote diversity & inclusion	8 Increase proportion of female employees recruited: 25% or more	✕	18.2% (TATSUTA Electric Wire & Cable), up from the previous fiscal year's level (10.6%). Considering to hire women to work in new job domains	
		9 Ratio of female managers: 10% or more by the end of FY2025	→	7.8% (TATSUTA Electric Wire & Cable), almost unchanged from the previous fiscal year's level (7.5%). Considering a career development training program	
		10 Encourage participation in human rights education	↑	- Held a lecture on human rights on the theme of "Business and Human Rights," inviting an external advisor	
Respect human rights	Promote awareness-raising activities to foster respect for human rights				
Coexistence and co-prosperity with local communities	Maintain good communication Contribute to local community promotion and next-generation development	11 Continue dialogue with local communities	↑	- Promoted sports through the basketball club in the amateur league - Lent out the TATSUTA's gymnasium for use by local sports organizations as a venue of practice sessions and regional competition games - Cooperated in local community events (exhibited at HANAZONO EXPO, held a booth at Kizugawa Minori Matsuri festival, etc.) - Donations through the hometown tax program (for "Citizens' festival" and "Support the Children's Future Project" of Kizugawa City) - Contributed to local communities through beautification activities around plants, etc., while having dialogue with local communities	
		12 Contribute to local community next-generation development programs	↑	- Contributed to the next-generation development activities by offering internship programs, work experience opportunities for junior high school students, and guest-teaching at elementary school classes.	
Governance	Thorough corporate governance	Business operations based on corporate governance guidelines	1 Take ongoing action to meet the Corporate Governance Code	↑	- Took action to meet the Corporate Governance Code revised in FY2021 (Appointing one-third of members of the Board of Directors to be Independent Outside Directors, information disclosure based on TCFD Recommendations in June 2022)
		Implement management systems (including risk management system) with certainty	2 Steady operation of a company-wide management system (risk, quality, environment, information, etc.)	↑	- Grasped business environment risks accurately and took appropriate action - Revised and established rules concerning quality, environment, and information management systems - Provided education for internal audit personnel, revised checklists, etc.
		Strengthen education and training on compliance Implement an internal hotline system	3 Promote participation in compliance training	↑	- Lecture by Osaka Prefectural Police on cyber security and information leak prevention - Conducted the first compliance training at a subsidiary in China - Workshop on the law amendment on childcare leave for fathers - Provided training concerning purchasing, intellectual properties, etc.

Special Feature | Messages from General Managers of

our Business Groups

We will move further forward to solve social issues by changing ourselves and pushing ahead with reforms without being bound by conventions.

Electric Wire and Cable Business

- Infrastructure wire business
- Industrial equipment wire business

A comprehensive electric wire manufacturer that supports electric power infrastructure and various industries

The Wire & Cable (W&C) Group is responsible for the core operations of TATSUTA Electric Wire and Cable, which has been in business for more than 75 years since its founding in 1947. Our electric wires provide support for vital domestic electric power infrastructure, including that related to electric power companies and nuclear and thermal power plants. We also manufacture and sell a wide variety of industrial electric wires used in solar power generation, railways, FA equipment, industrial robots, and semiconductor and automobile production facilities.

In addition to continuing high-quality and stable production and providing an extensive lineup of electric wires and cables for various fields, our integrated production system, ranging from wire drawing, wire twisting, and sheathing, in place since our founding is likely the reason why many of our customers have remained loyal to us for many years. This has led to our strengths in being able to meticulously respond to customer requests in each process, including development, design, and mass production.

FY2022 was a very challenging year, due to a combination of soaring prices of raw material copper, sheathing materials, and energy, the inability to immediately reflect rising production costs in product prices, and a downward trend in demand for electric wires. As a result of careful attempts to raise prices, we are gradually gaining understanding from customers, and are currently on the road to profitability improvement.

Initiatives to solve social issues from various angles

The W&C Group engages in initiatives geared toward solving social issues from various angles.

We manufacture and sell solar power generation cables used mainly in mega solar facilities as products that contribute to society in terms of pursuing carbon neutrality. We also play a role in supporting public infrastructure, as there is increasing demand for electric cables for railway cars that can contribute to the reduction of CO₂ emissions in the field of mobility. Our long-life electric cables for FA equipment and industrial robots are products that leverage the characteristics of our original KORIKI™ high-strength copper alloy, and contribute to resource conservation. In addition, *かるまげ*™ (Karu Mage) (KM-CC), 600V fire-resistant flexible crosslinked polyethylene eco-friendly cable, which is suitable for wiring in narrow places, boasts excellent flexibility that helps save labor and manhours for cable laying operations.

In terms of efforts to achieve carbon neutrality at the production bases of the W&C Group, Group subsidiaries Tatsuta Tachii Electric Cable Co., Ltd. and Chugoku Electric Wire & Cable Co., Ltd. completed the shift of all electric power to that sourced from renewable energy in FY2022. The Osaka Works, another production base, is also gradually increasing its use of electric power sourced from renewable energy, and is scheduled to complete the shift in FY2025.



INTERVIEW
Senior Executive Officer
General Manager of
Wire & Cable Group
Kenzo Ide

INTERVIEW
Director,
Senior Executive Officer
General Manager of
Electronic Materials &
System Equipment Group
Shohei Morimoto

Meanwhile, we are also focusing on logistics issues. As the mega-solar market stabilizes, demand for solar power generation equipment from companies and households is increasing nationwide. From the perspective of White Logistics (movement launched by the Japanese government to improve the work environment of the logistics industry), as well as from the perspective of achieving short delivery times and increasing customer satisfaction, we are considering establishing another logistics base in the Kanto area to expand our distribution network, which is currently centered around the Osaka Works. Since electric wires and cables are heavy and large in volume, they place a heavy burden on logistic workers. We recognize that the strain on the logistics industry is an important issue for the W&C Group that has an impact on sustainable business management.

To always provide products that our customers need

Amid being affected by various global situations in recent years, we have reaffirmed our social responsibility to provide a stable supply of electric wires and cables that support electric power infrastructure and various industrial equipment.

When I first joined the Company, I was responsible for the development and production technology of conductors for our KORIKI™ high-strength copper alloy and other electric wires. After that, I was involved in the technology development, manufacturing, and sales of bonding wires in the semiconductor industry. This has allowed me to gain a wide range of valuable experience. Especially in the bonding wire manufacturing process, I have worked to thoroughly increase efficiency, lower costs, and improve quality to increase profitability. These efforts helped make the business into what it is today.

In keeping with our commitment to become a valuable company that continues to provide differentiated products and services that customers need, we must pursue the development of new products, such as modular wiring solutions or systems for the devices and peripherals attached to electric wires and cables. We also need to provide added value other than products, such as shortened delivery times and advanced services. To this end, it is essential to build a consensus across the Group and create a framework (establish systems) that enables us to continue to respond to customer needs. We plan to continue pursuing reforms from multiple perspectives going forward.

Businesses born from numerous challenges we overcame with our core technologies

The Electronic Materials & System Equipment Group consists of four business divisions: Functional materials, Bonding wire, Advanced paste, Sensor & medical products. In the 1980s, our core technologies cultivated in the field of electric wires, the cornerstone of our founding, were utilized to tackle a number of issues in non-electric wire fields. We have since tapped into and expanded the market to match the needs of the times.

Starting with the development of conductive paste, we later went on to develop and launch the world's first electromagnetic interference (EMI) shielding film, indispensable for smartphones and other devices. We have grown to command an overwhelming share of the global market for functional films. We are currently expanding our core technologies to other fields, making inroads into the areas of semiconductors, sensors, and medical devices.

I plan to make use of my experience in leading the functional films business from launch to market expansion to carry out initiatives aimed at boosting the profitability of our businesses. We will also take on the challenge of creating new businesses in the pursuit of medium- to long-term growth.

A business portfolio that contributes to society with an eye to the future

In this section, I will describe the portfolio of the Electronic Materials & System Equipment Group for promoting sustainable businesses, including initiatives for environmentally-friendly products.

The functional paste business began with the development of conductive paste approximately 40 years ago. The paste enables part of the manufacturing process for printed circuit boards to be replaced with a plating-free dry process, and has contributed to the reduction of liquid waste as an environmentally-friendly product. We are currently working to further improve functionality and enhance our product lineup.

In the functional films business, there is growing demand for high-performance and highly reliable products due to the needs of society and customers. By leveraging the strengths of our development technologies that we have cultivated over the years, we have been among the first to develop and launch products compatible with 5G communication technology and foldable phones. In recent years, we have been taking on new challenges in the field of recycled materials, and are working to increase the usage ratio of recycled film. We will also endeavor to fulfill our social mission by focusing on providing stable quality and a stable supply of related products, such as by obtaining BCMS^{*1} and ISMS^{*2} certifications, and maintaining and improving these systems.

In the bonding wire business, we have developed wire products ranging from gold wire to silver wire by reducing costs while maintaining quality. We have already commenced mass production, and have set our sights on improving customer satisfaction.

Our sensor business is also supported by the technologies we have cultivated through our electric wire operations. Thanks to this, we have an overwhelming share in the domestic water leakage detection sensor market. We are also promoting measures that give consideration to the environment, such as the development of parts that comply with RoHS 2^{*3} and other regulations. Meanwhile, the medical products business is a relatively new business for us. Looking ahead, as medical devices make further technological

We will continue to take on new challenges by leveraging our core technologies to fulfill our social responsibility and customer requests.

Electronic Materials Business/Other Businesses

- Functional films business
- Bonding wire business
- Functional paste business
- Sensor & medical products business

advances, we aim to solve various issues in the medical field by collaborating with startups and other companies while leveraging our technologies and knowhow.

^{*1} BCMS: Business continuity management system (ISO 22301: Acquired certification in FY2016)
^{*2} ISMS: Information security management system (ISO 27001: Acquired certification in FY2022)
^{*3} RoHS: An EU directive that restricts the use of certain hazardous substances in electrical and electronic equipment.
 RoHS 2 is the revised directive that includes additional hazardous substances.

The functional films business essentially achieved carbon neutrality in FY2022

While we are aiming to achieve company-wide carbon neutrality by FY2025, the functional films business essentially achieved carbon neutrality (Scope 1 and 2) in April 2022, due partly to the requests of customers. In the previous fiscal year, in addition to energy conservation, we expanded and newly installed solar power generation facilities at the TATSUTA Technical Center, Sendai Works, and Kyoto Works, as part of our. We also carried out energy generation initiatives to increase the volume of power generated in-house. We were able to achieve carbon neutrality for this business ahead of the rest of the Company because we have consistently responded to clear and high expectations in terms of ESG and SDGs, particularly from our customers in the Electronic Materials Business. We will continue to proactively carry out these initiatives going forward.

Furthermore, as a BCP measure, the Electronic Materials & System Equipment Group plans to build a distribution center at the Kyoto Works in the Kansai region (to be completed in March 2024) in order to spread out the inventory at the Sendai Works, which is our main production base, and respond to logistics issues brought on by tighter labor regulations, specifically caps on overtime for truck drivers, scheduled to come into effect from April 2024. We expect this to reduce Scope 3 CO₂ emissions associated with transportation and distribution through improvement in the loading rate for transportation between plants, and also help to reduce costs. We will continue to deliver high-quality products and services that are useful to society while increasing customer satisfaction.

Our wealth of information and speedy development are the strengths of the Electronic Materials & System Equipment Group

The Electronic Materials & System Equipment Group is currently focusing on the mobile device market, including smartphones, and the automotive market, where a shift to autonomous driving is accelerating. The large volume of information we have, which is indispensable in quickly grasping market trends, is one of our strengths, as we have a global advantage in functional films. We also command a swift development speed we have cultivated through many years of doing business with global companies.

We have been a leading company since the launch of our functional films business to the expansion of the market. As someone familiar with the difficulties of that time, I am confident that we will be able to overcome the current tough operating environment caused by various global situations. We will use our experience to boldly take on challenges. In particular, we will work to increase the profitability of our businesses and create new businesses in the pursuit of medium- to long-term growth.

A new human resource strategy is underway, to ensure that diverse personnel can feel growth and lead a fulfilling work life.

Director, Senior Executive Officer
Officer Responsible for the Administration
and Human Resources Department

**Hiroshi
Maeyama**



The start of a new personnel system Overhaul of our core human resource development policy

In FY2022, TATSUTA Electric Wire & Cable adopted a new personnel system and overhauled its core human resource development policy.

In simple terms, the new system clarifies the roles and responsibilities of each person, sets goals, and evaluates their actions and performance. Our aim is to transform into a "fulfilling personnel system" that encourages each employee to take on challenges and rewards those who strive to do better, thus creating a culture where creative work and taking on challenges is valued, and developing personnel who can take on challenges swiftly and handle their work autonomously.

While more details on our human resource development policy will be provided later on (Page 38), in particular, I expect all of our employees to be able to learn and grow on their own.

Also a major challenge for the leadership

The factors behind the review of our personnel systems are the increasing roles and responsibilities of companies expected on the global level and significant changes in the business environment amid rapid changes in the social environment and people's values. In addition, with the unexpected spread of COVID-19, we had to face more changes in working styles and communication than before.

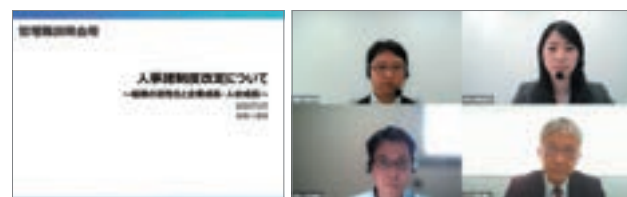
While we need to swiftly and appropriately respond to these changes and also change ourselves, we felt a sense of crisis about whether we could adapt to changes with our current organization and human resources. There was also a growing awareness of the issues with our existing personnel systems.

As part of the review, we conducted a full check of various systems. This brought to light the need to develop professional personnel who can actively take on challenges, create innovation, and drive global growth. I really feel that the time has come for us to seriously rethink our approach to human capital, especially from the perspective of diversity.

In the process of deliberation, we conducted a survey (examination and analysis of organizations and workplaces) of all employees and interviews with all officers, and held discussions among officers and managers. In particular, we gained responses from all survey targets, showing that employee interest is high. At the same time, this shed light on the vague concern everyone is feeling about the future and the current era of rapid change.

From January to March 2022, prior to the start of the new personnel system, we held briefings explaining the specifics of the system and the evaluation method. At the briefings, there were various questions and opinions. From division manager-level employees, in particular, some were puzzled about the new evaluation system, wondering whether it could really be done. Nevertheless, I feel grateful they expressed their honest opinions.

For a while now, there has been a growing consciousness among management and executives of "let's change the Company" and "let's take on challenges." Even so, the series of initiatives carried out as part of the latest personnel system revisions were major challenges for the leadership as well. I would like to tell our employees that every time an opportunity presents itself, "do not hesitate to change."



A briefing on personnel system revisions

Evolution into a fully convincing system

In carrying out human capital management, one important personnel strategy is accumulating data on individual employees (career, qualifications, training history, intentions of the individual, self-evaluation, evaluation by manager, etc.) and visualizing it so that both the evaluator and the evaluatee

can understand it. At the center of this is the TATSUTA HR system, rolled out in July 2022.

We believe that proper evaluation and allocation, as well as promotion and salary increases, will encourage the growth of each individual, and by utilizing the HR system to organizational structure and business operations, it will in turn lead to the growth of the Company. For the TATSUTA HR system, there are still areas that need to be improved in terms of the awareness and environment of users. We intend to gradually make improvements and utilize this system going forward.

One year has passed after deployment, and employee evaluations were carried out under the new system. Of course, it is not easy to penetrate this system throughout all employees. I believe that we need to evolve the system into one that will fully convince as many employees as possible, by repeatedly holding seminars to respond to the various opinions and questions that arise during goal setting and self-evaluation.



TATSUTA HR system

Actively investing in education and training

I believe the growth of each and every employee starts with having fun and working every day with high morale and a sense of fulfillment. To achieve this, it is important for each employee to deepen their knowledge and improve their skills.

We had previously conducted training by job level and programs aimed at unearthing the next generation of leaders. From FY2022, we have started providing a wider range of learning opportunities.

With full-scale training to prepare for DX, we aim to develop DX personnel with diverse perspectives, such as by incorporating quality management education. In the on-demand video training program, where employees can choose what to learn from a wealth of content, they can acquire the practical IT skills necessary for their work and business skills that are trending, as well as learn about self-development and health. The number of users has exceeded our expectations, probably because the videos can be easily accessed at any time. We found that many employees have the will to learn if given the opportunity. In the past, most training programs were limited to those personnel specified by the Company. With the spread of the Internet, I feel that the environment has grown conducive to enabling people who want to learn to do so freely at their own pace. We also plan to actively support individual employees' efforts to acquire qualifications and improve their skills.

In addition, we have introduced a self-reporting system that allows employees to report their work and career aspirations, family situation, and work location requests to the Company. We believe that this communication is necessary for employees to find self-directed career formation and growth, and for

them to want to work at TATSUTA Electric Wire & Cable for a long time. At the same time, we believe that this information can be utilized for human resource development, appropriate allocation, and the creation of workplaces where employees can work with peace of mind.



Full-scale DX training that we have been conducting since FY2022

Securing diverse human resources in the medium-term recruitment plan

One year has passed after the start of the new personnel system, and we reviewed and newly introduced personnel measures and systems linked to our management plans. I believe that the framework and foundation for conducting human capital management in line with the times are now in place.

For example, one of the things we reviewed is the recruitment plan based on our business plans. Recruitment quotas are currently on a significant upward trend at many companies in anticipation of a full-fledged economic recovery. However, given the concerns over a decrease in the working population due to Japan's declining birthrate, it is uncertain whether we will continue to be able to acquire the talent we need.

Therefore, from the current fiscal year, we have created a three-year recruitment plan instead of our previous one-year recruitment plan. First, in order to develop a human resource portfolio, we conducted detailed interviews with each department to clarify respective human resource needs (skills, expertise, number of employees, place of work, etc.) across the Company for this three-year period. Having grasped this, we believe that we can increase the possibility of hiring diverse personnel by carrying out recruitment activities throughout these three years while flexibly adjusting the hiring timing and combining new graduates and mid-career hires.

Facing each person seriously even as the times change

While the way people think and the tools related to human resources change as times change, people will always be of utmost importance to any company. We thus always face each of our employees seriously.

The more steadfastly someone works, the more joy and confidence they likely feel when they reach their goals, and the more frustrated they are when they fail. I believe that all of these things we experience in day-to-day work are what lead to job satisfaction. We have reviewed various systems and measures, but of course this is not the end. We will check, revise, and make additions as necessary so that both the Company and our employees can feel that the organization and company culture have changed. Changing the Company's culture and essence, as well as its personnel, is not something that can be achieved in a short period of one or two years. We will steadily move forward with these efforts, while making quick decisions and taking swift actions.

TATSUTA's Initiatives to Address the TCFD Recommendations

TATSUTA declared its support for the Task Force on Climate-Related Financial Disclosures (TCFD) in March 2022. We conduct scenario analysis based on the TCFD approach, identify risks and opportunities for our business activities, and work to reflect these in our management strategy. We have been actively pursuing a range of initiatives to drive carbon neutrality, provide environmentally friendly products and services, and promote recycling and energy saving, among other initiatives, based on a recognition that the sustainable development of society is fundamental for the sustainable growth of the Group.



Governance

We have established an ESG Committee chaired by the President & Representative Director to promote sustainability management across the entire Group. The ESG Committee, which meets twice a year (and anytime necessary) is engaged in the ongoing roll-out of sustainability measures by setting targets for sustainability, including climate change countermeasures, monitoring their progress, evaluating and managing risks and opportunities, and evaluating achievements. The results are reported to the Board of Directors, which manages and supervises the Committee. The ESG Committee had four meetings in the fiscal year ended March 31, 2023.

Strategies

We analyzed the impact of climate change on the TATSUTA Group based on the climate change scenarios for 2050. The result of our analysis shows that the financial impact on the Group as a whole will be limited. Even though we anticipate that climate change will have some negative impact on the Group's business management, we also expect to be able to respond to these risks and capture business opportunities such as the sale of products that contribute to climate change countermeasures.

The climate change scenarios are based on the following worldviews. Our business groups and related departments are working together to identify and analyze climate change-related risks for each of the scenarios.

<p>1.5°C scenario Under this scenario, the rise in global average temperatures from before the industrial revolution is assumed to be kept within 2°C, in line with the goal of the Paris Agreement.</p> <ul style="list-style-type: none"> ✓ Natural disasters increase due to rising average temperatures, but this increase does not exceed a certain level ✓ Corporate business costs increase due to the introduction of strict climate change countermeasures ✓ Technological innovation progresses, driven by low-carbon and decarbonization measures 	<p>4°C scenario Under this scenario, no new policies or programs are implemented, and the rise in global average temperatures from before the industrial revolution is assumed to be 4°C.</p> <ul style="list-style-type: none"> ✓ Average temperatures rise significantly, and natural disasters become more frequent and intense ✓ Corporate business costs increase somewhat due to the introduction of climate change countermeasures ✓ Coastal areas are significantly impacted by rising sea levels, flooding, and torrential rain (it becomes necessary to revise lifestyles and BCP, and corporate business costs increase)
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Impact analysis results TATSUTA recognizes the following as significant opportunities and risks related to climate change.

1.5°C scenario (opportunities and risks)

Opportunities /Risks	Type	Social changes	Anticipated scenarios	TATSUTA's response policies
Opportunities	Market, technology, and reputation	●Changes in the composition of the power supply due to the energy mix	●Increase in demand for TATSUTA's power cables for solar power plants and power transmission and distribution network enhancements associated with the increasing spread of renewable energy	●We will monitor market trends and engage in sales promotion activities for fields where demand is expected.
		●Development and spread of advanced technologies aimed at decarbonization	●Expansion in demand for TATSUTA's electronic materials such as functional films and functional pastes due to the development and spread of the advanced electronic equipment needed for applications such as larger and more efficient renewable energy production facilities and advances in energy-saving technologies	●We will capture technological trends and market information to develop and sell products.
Risks	Policy, and laws and regulations	●Stronger environmental regulations related to GHG emissions ●Introduction of carbon taxes and emission rights trading	●Transition costs associated with the shift to renewable energy ●Costs associated with the introduction of carbon taxes and emission rights trading	●In consideration of the demands of society and our corporate customers, we have established a plan to achieve carbon neutrality (Scope 1 and 2) at our operational sites and affiliated companies in Japan by the fiscal year ending March 31, 2026. ●We see no significant financial impact at present due to the transition of electricity, gas, and fuels to renewable energies or CO ₂ credit trading. ●We will promote energy-saving measures and seek to procure renewable energy at more reasonable prices. ●We will generate our own electric power to mitigate the impact of rising power procurement costs.
		●Rapid transition to low-carbon and decarbonization	●Rise in the price of copper and other metals whose demand is anticipated to increase from applications such as power generating facilities using renewable energy, EVs, and green fuels (intensifying competition for resources)	●We will endeavor to transfer costs onto the price of our products and reduce production costs.
	Physical risks	●Increase in natural disasters, but curbed to some extent by climate change countermeasures	●Possible impact on ensuring the safety of business and employees due to a certain increase in natural disasters	●We will formulate and establish BCP in anticipation of an increase in natural disasters. ●We will implement measures to ensure the health and safety of employees.

4°C scenario (opportunities and risks)

Opportunities /Risks	Type	Social changes	Anticipated scenarios	TATSUTA's response policies
Opportunities	Market, technology, and reputation	●Increasing intensity and frequency of abnormal weather (typhoons, wildfires, flooding, rainstorms)	●Increase in demand for shift from conventional wires to electric wires superior for preventing disconnections to prepare for natural disasters	●We will monitor market trends and engage in sales promotion activities for fields where demand is expected.
Risks	Physical risks	●Increasing intensity and frequency of abnormal weather (typhoons, wildfires, flooding, rainstorms) ●Changes in precipitation and weather patterns (increase in rainfall and rise in average temperatures)	●Supply stoppages for copper and other raw materials due to natural disasters ●Localized shutdowns of TATSUTA's operating sites due to flood damage in low-lying areas and natural disasters ●Securing the safety of employees due to increased rainfall ●Decline in the efficiency of operations by employees due to an increase in epidemics, heatstroke, etc.	●We will formulate and establish BCP in anticipation of an increase in the severity of abnormal weather. ●We will implement measures to ensure the health and safety of employees.

Risk management

At TATSUTA, we follow the following procedures to appropriately manage risks related to climate change.

Identification and evaluation	Management and integration into companywide risk management
<ul style="list-style-type: none"> ■ The Corporate Planning and Coordination Department cooperated with business groups and related departments to investigate and reveal the risks and opportunities, based on the status at other companies and the opinions and advice of external agencies. The Board of Directors, Board of Managing Officers, and ESG Committee deliberated on the risks and opportunities revealed to identify and evaluate them. ■ The ESG Committee, which meets regularly, sums up the overall status of action, and discusses whether there are any new risks or opportunities related to climate change and a need of update, as well as identifies and evaluates them. 	<ul style="list-style-type: none"> ■ The status of action summarized and matters related to risks found by the ESG Committee are reported to the Board of Managing Officers and the Board of Directors, and are also communicated to the Risk Management Committee, to integrate the findings into the Group's overall risk management reflecting updated risks.

Indicators and targets

Pursuing carbon neutrality

The TATSUTA Group has been actively promoting the reduction of CO₂ emissions through company-wide efforts, including "energy generation" by installing new or additional solar power generation systems at three plants in Japan, and "energy saving" by upgrading to more energy-efficient facilities and energy-saving activities at workplaces and other locations.

Toward achieving carbon neutrality, we are working to introduce solar power generation systems and shift to electric power sourced from renewable energy and carbon-neutral LNG, based on our plan in consideration of the request of society and our corporate customers. In the functional films business, we have been carbon neutral (Scope 1 and 2) since April 2022, including the purchase of CO₂ credits. We plan to achieve carbon neutrality (Scope 1 and 2) at our other operational sites and affiliated companies in Japan by the fiscal year ending March 31, 2026. We have designated CO₂ emissions volume (Scope 1 and 2) as an evaluation metric.

Promoting energy saving

In view of increased costs from switching to renewable energy-based electricity and gas and purchasing CO₂ credits, we target a reduction of 1% or more in "energy consumption per unit of production" which we use as a metric. In the fiscal year ended March 31, 2023, to make the effects of our energy-saving activities more visible, we also added "expected effect of rationalization of energy use" as a new indicator to measure the energy-saving effects of our actions, such as introducing in-house solar power and other generation equipment as a renewable energy source, and upgrading to more energy-efficient equipment. While making thorough energy-saving efforts, we have been promoting price pass-through to products and services.

Promoting recycling

We engage in recycling to reduce waste, targeting a recycling rate of 95% or more. In the fiscal year ended March 31, 2023, the scope of management was expanded from TATSUTA Electric Wire & Cable on a non-consolidated basis to the group companies in Japan. We have achieved a recycling rate of 95% or more as the TATSUTA Group (in Japan). While working to achieve targets at all of our operational sites in Japan, we will work to expand the scope of the activities to overseas subsidiaries to cover the entire group.

Develop environmentally-friendly products and services

We are striving to develop new and improved environmentally-friendly products to reduce environmental impact. In the electric wire and cable business, we are developing eco-friendly electric wires and cables that boast the same level of fire resistance as conventional vinyl chloride-coated products but utilize highly-recyclable coatings and contain no halogen elements, lead, or other heavy metals. In the electronic materials business, we are developing products with attention to environmental compatibility, epitomized by halogen-free, Restriction of the Use of Certain Hazardous Substances (RoHS), UL, and lead-free reflow soldering. In our environmental analysis business, we carry out environmental analysis and industrial waste analysis, including services such as dioxins analysis and working environment measurement, and we will aim to expand this business.



TATSUTA Electric Wire & Cable Group's Approach to Environmental Issues

Environmental Vision | Help conserve the global environment by practicing sustainable manufacturing and providing eco-conscious products and services

To make the Environmental Vision a reality, the TATSUTA Group has established the Quality and Environment Policy. Guided by the policy, we seek to achieve carbon neutrality by the fiscal year ending March 31, 2026, reducing the environmental impact of products and services, and promoting recycling and energy saving, among other initiatives.

- Quality and Environment Policy**
- In order to ensure that the Corporate Principles are upheld and in line with our Corporate Code of Conduct, we will implement initiatives that continuously and appropriately improve the business process, improve products and services, and promote environmental preservation.
 - Based on the requirements for the ISO standards, we will build quality and environment management systems and by implementing these systems, comply with applicable laws and customer requirements.
 - TATSUTA will identify risks which must be addressed and by responding to them, take up initiatives that will improve quality, prevent pollution, and preserve the environment.
 - TATSUTA will maintain its quality and environment management systems and continuously work to improve performance through the PDCA (Plan-Do-Check-Action) cycle.

Environmental Conservation Frameworks

Environmental management structures

At the TATSUTA Group, we have established the structures described below to work on environmental issues across the entire group. The Top Management Committee, chaired by the President of Tatsuta Electric Wire & Cable, meets twice a year to check the status of operation of the environmental management system and to formulate and review environmental policies. Environmental conservation activities are driven mainly by the Environmental Management Promotion Committee under the supervision of the personnel responsible for environmental management, and activities are carried out at each operational site in accordance with the environmental targets and policies.

Organization, etc.	Members	Main roles
Top Management Committee	President of TATSUTA Electric Wire & Cable Presidents of Group companies in Japan General Managers, etc. Environmental Management Administrator	<ul style="list-style-type: none"> Determine basic EMS matters Check and review EMS operating status Establish and review Environment Policy and approve environmental targets
Environmental Management Promotion Committee	Personnel responsible for environmental management Personnel responsible for environmental management promotion	<ul style="list-style-type: none"> Maintain EMS and assess the status of operation Establish, review, and manage environmental targets
Districts, offices, etc.	Personnel responsible for environmental management promotion	<ul style="list-style-type: none"> Establish and implement action plans for each division to reduce environmental impact

Environmental education for employees

TATSUTA implements environmental education for all its employees about environmental risks, compliance with environmental laws and regulations, and other topics. Our environmental education programs are described below.

Program name, etc.	Description	Target group
New employee training	New recruits receive introductory training on the Quality and Environment Policy, environmental conservation initiatives, and rules such as energy conservation and waste reduction.	New employees
Specialist education	We provide specialist education such as a skill training course for organic solvents operations supervisors.	Employees engaging in specific operations
Education for internal audit personnel	Internal audit personnel are educated through external and internal training. Audit personnel who have acquired internal qualifications are given hands-on training through participation in actual internal audits with the aim of enhancing their abilities as audit personnel. In the fiscal year ended March 31, 2023, we increased the number of audit personnel qualified for auditing environmental management systems.	Internal audit personnel
Participation in external seminars on the environment, etc.	Employees participate in external lectures and seminars in order to collect information on environmental conservation such as laws, regulations, and technologies.	Members of Environment & Safety Administration Department
General education and awareness programs	An e-learning environmental education program (basics of waste) for all employees was launched last fiscal year (977 participants). This fiscal year, we provided training on the topic of practical waste management to employees in the Osaka area (444 participants). Moreover, during Japan's Environment Month in June each year, we invite employees to submit suggestions for an energy-saving awareness slogan and energy-saving proposals.	All employees


Reducing the Environmental Impact of Products and Services

Electric wire and cable business

To reduce the environmental impact of our products, we develop products with attention to safety, flame-resistance and low-fuming, as well as environmental compatibility such as recyclability. In the electric wire and cable business, we observe the following guidelines.

Safety	Containing no halogens such as chlorine, the materials in our products emit no dioxins or toxic gases when burned.
Fire-resistant and low-fuming	These materials are not only fire-resistant, but also emit little smoke when burned, ensuring safety in the case of fire.
Recyclable	These products can be recycled through material recycling or thermal recycling.
Chemical-resistant	The use of polyethylene-based insulators provides outstanding chemical-resistant properties.

Eco-friendly electric wire and cable




かるまげ™ (Karu Mage) (KM-CC) 600V fire-resistant flexible crosslinked polyethylene eco-friendly cable

Eco-friendly electric wires and cables use highly-recyclable coatings and sheathings containing no halogen, lead, or other heavy metals while boasting the same level of fire resistance as conventional vinyl chloride-coated products.

These eco-friendly electric wires and cables have the properties of being halogen-free and with a smoke density of 150 or less. They include no substances under RoHS (10 substances).

Note: かるまげ "Karu Mage" is a trademark of TATSUTA Electric Wire & Cable Co., Ltd., registered in Japan.

Electric wires and cables that contribute to reducing environmental impact



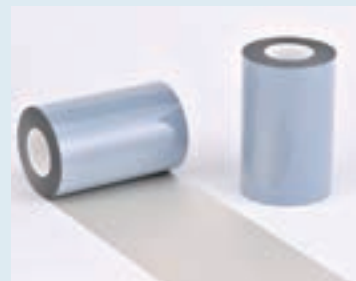
High-strength Ethernet cable with outstanding flex-durability

Cables using conductors made from our unique high-strength copper alloy have a longer life and reduce total costs, as well as reduce environmental impact by saving materials, contributing also to the SDGs.

Electronic materials business

In the electronic materials business, we develop products with attention to environmental compatibility from the design stage, including compliance with standards such as halogen-free, Restriction of the Use of Certain Hazardous Substances (RoHS), UL, etc.

Halogen-free	Containing no halogens such as chlorine, the materials in our products emit no dioxins or toxic gases when burned.
RoHS-compliant	Containing no lead, cadmium, mercury, hexavalent chromium, the designated bromine-based flame retardants polybrominated biphenyls (PBB) and polybrominated diphenyl ethers (PBDE), or four phthalates, which are designated hazardous substances that have a negative impact on the environment and human body. Our products are also compatible with reflow processing using lead-free solder.
Meeting UL standards	UL94 is a United States flammability testing standard. VTM-0 tests the vertical flammability of thin plastics, and V-0 tests vertical flammability. TATSUTA has developed products that have attained UL94 flammability class VTM-0, to provide products featuring outstanding safety and flame-resistance.



Highly heat-resistant shielding film for automobile applications (WILMINA™ SF-HR8600-C)

This shielding film is suitable for automotive sensor applications requiring high performance in high frequency ranges and high heat resistance. For automotive applications, durability at high temperatures (2,000 hours at 125°C) is especially important. Now manufacturers are considering in earnest adopting the film in electric vehicles with lower environmental impact, which incorporate many sensors. It has attained UL94 flammability class VTM-0. It is also halogen-free and complies with RoHS.

Note: "WILMINA" is a trademark of TATSUTA Electric Wire & Cable Co., Ltd., registered in Japan and other countries.



Thin copper foil shielding film for high-frequency range applications (WILMINA™ SF-HF3900R2-C)

This product is a thin copper foil shielding film using rolled copper foil with high shielding characteristics, suitable for high-frequency range applications. With a thinner film than the conventional WILMINA™ SF-PC™ 3300-C, it is an environmentally friendly product made from less materials. The use of a low-moisture-absorbing material shortens the baking time before mounting components. It has attained UL94 flammability class VTM-0. It is also halogen-free and complies with RoHS.



MP series and copper foil bond

Via filling paste (metalizing type) (MPA500)

The via filling paste is used as an interlayer connection material for printed circuit boards. It is usable in dry processes and cures at temperatures as low as 180°C or below. Having a connection reliability equivalent or superior to solder, it is now drawing attention also as an alternative to solder. One of our users commented that it has reduced CO₂ emissions in the printed circuit board manufacturing process by 40% compared to the conventional plating process.

Topic | Digging more into the world of functional pastes [Realizing more environmentally friendly manufacturing methods]

In the electronics field, we propose environmentally friendly manufacturing methods utilizing our strengths in polymer compounding and fine particle dispersion technologies.

Based on the EU WEEE and RoHS Directives, lead-free packaging has become a common practice. While leaded solder was replaced by alternative lead-free solder, technological innovations are creating demands for finer-pitch packaging, low-temperature packaging and heat-resistant packaging. High expectations are placed on conductive adhesive technology as an environmentally friendly technology to enable lead-free, low-temperature processing using no flux. In manufacturing electronic circuits and devices in printed electronics, vacuum processes such as sputtering and wet processes such as etching and plating have been commonly used. However, the use of plating, for example, has a high environmental impact including CO₂ emissions from consuming a large amount of electricity, chemicals, and a large volume of water. Thus, replacing these wet methods with dry printing methods is expected to further improve productivity while saving energy and resources.

Our functional paste lineup, consisting primarily of conductive pastes, includes a wide variety of products which are used in many applications such as the high-density packaging, build-up, and high-reliability of PCBs. We are also strengthening our collaboration with startup companies and entering technology areas that use nano-sized particles. The Radio Frequency Identification (RFID)* market is our target area. RFID products are made by processing aluminum foil using steps from exposure to etching, which cause a large environmental impact, using PET as a base material. Making these with ordinary paper, such as copy paper, will reduce both environmental impact and costs. Since paper is a naturally derived material unlike PET, which is a chemical product, this can further reduce environmental impact.

TATSUTA supports the evolution of electronics and contributes to reducing the environmental impact of its customers' manufacturing processes.

*RFID is an automatic identification technology that uses radio waves to read and write information on IC tags without contact.

Other businesses

The TATSUTA Group contributes to environmental conservation at customers' sites and workplaces drawing on its product lineup based on its unique technologies as well as the wealth of its experience.



Liquid leakage detection sensor (AD-BFL)

This liquid leakage detection sensor has high fire resistance and high chemical fluid resistance. Combined with a leakage position detector, it can detect the position of leakage and contribute to environmental conservation by protecting assets at data centers and chemical plants and enabling effective use of water resources through early restoration. Also, after detecting a leak, the system can be restored by simply wiping the liquid off, which also saves resources. It also complies with RoHS.



Tatsuta Environmental Analysis Center's environmental analysis business

TATSUTA Electric Wire & Cable established its environmental analysis business in response to the emergence of pollution problems in the 1970s. Tatsuta Environmental Analysis Center engages in the environmental analysis business with the vision of an "Ecological & Socially Positive Company." It represents a corporate approach of contributing to the improvement of the global environment and work environments through business activities. It contributes to solving various environmental problems not only through measurements and analyses of air and water quality, but also through environmental assessments and soil contamination investigations.

Wide range of analysis services

- Dioxins analysis
- Water quality analysis and drinking water testing
- Industrial waste analysis
- Working environment measurement
- Air/air pollutants/odor analysis
- PCB analysis
- Soil and groundwater investigation
- Asbestos analysis
- Analysis of products and materials

Promoting Recycling

The TATSUTA Group engages in recycling with the goal of achieving a circular society, targeting a recycling rate of 95% or more. In the electric wire and cable business, we collect gold, silver, and copper, which we use as raw materials for electric wires and cables, and convert mixed waste of metal and plastic to valuable materials. In the electronic materials business, we convert film scraps and material packaging scraps into valuable materials. In the fiscal year ended March 31, 2023, we achieved a recycling rate of 98.3% as the TATSUTA Group (in Japan).

$$\text{Recycling rate (\%)} = \frac{(\text{Valuable materials} + \text{industrial waste} + \text{general waste}) - \text{final disposal volume}}{(\text{Valuable materials} + \text{industrial waste} + \text{general waste})}$$

Note: Final disposal volume = general waste landfill + industrial waste landfill

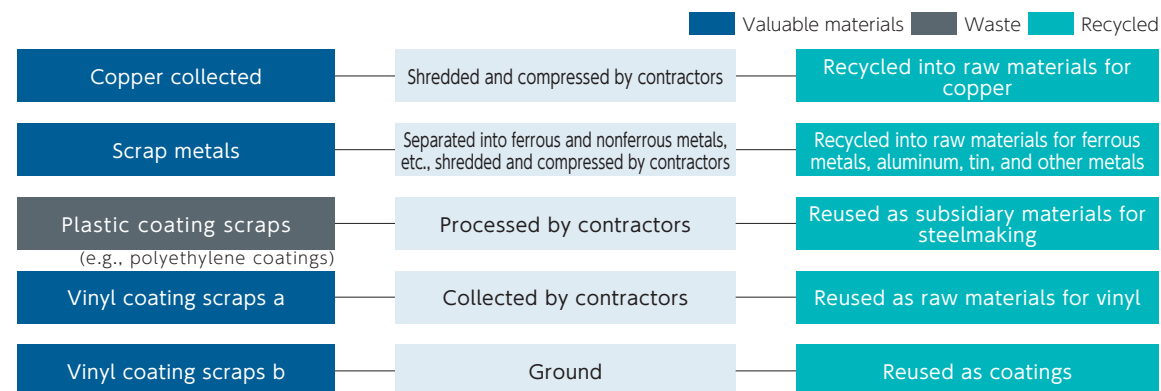
District	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Head Office and Osaka Works	98.6%	99.0%	99.5%	99.5%
Kyoto Works	99.1%	98.3%	99.7%	99.7%
TATSUTA Technical Center	95.1%	95.7%	92.2%	97.0%
Sendai Works	98.1%	98.3%	97.8%	97.9%
Chugoku Electric Wire & Cable Co., Ltd.	—	—	—	82.2%
Tatsuta Tachii Electric Cable Co., Ltd.	—	—	—	98.8%
Total	98.5%	98.8%	99.2%	98.3%

Note: The figures from the fiscal year ended March 31, 2020 to the fiscal year ended March 31, 2022 are for TATSUTA Electric Wire & Cable on a non-consolidated basis.

Wire & Cable Group

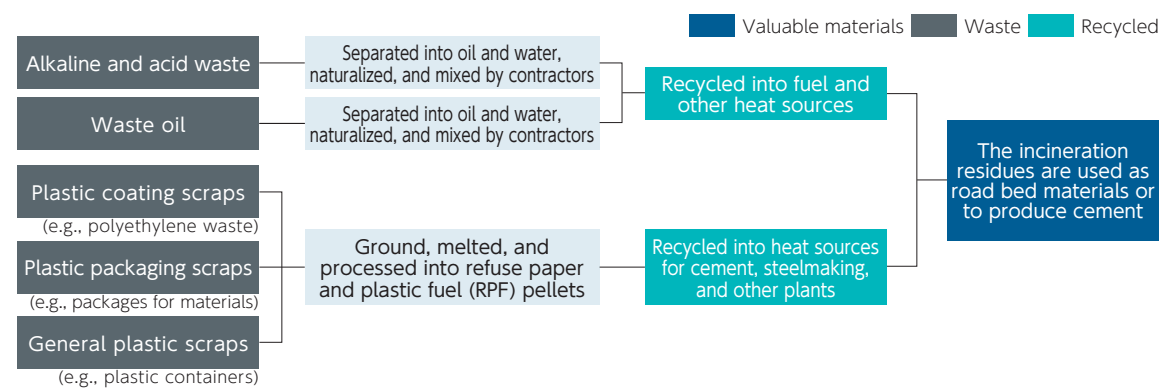
Material recycling

We separate copper, vinyl, and other waste materials generated from the manufacturing processes of wires and cables, and recover and process them through contractors to recycle them into raw materials and foaming inhibitors.



Thermal recycling

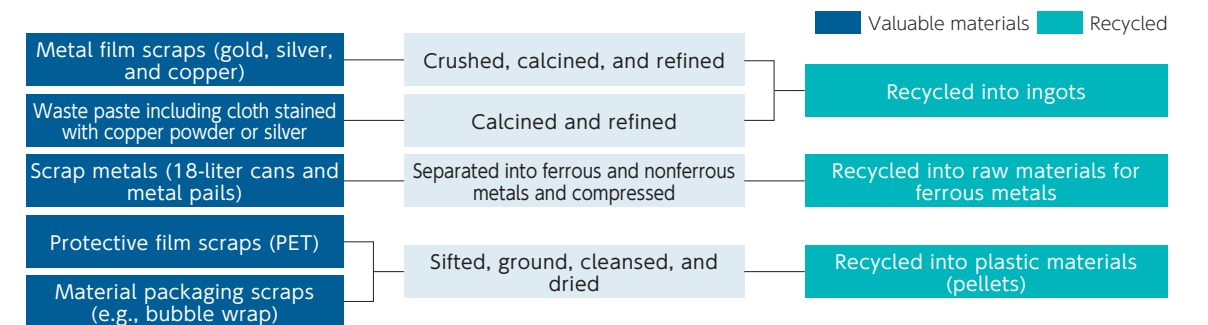
We separate polyethylene scraps generated from the manufacturing processes of wires and cables, and recover and process them through contractors to recycle them as fuels and other heat sources.



Electronic Materials & System Equipment Group

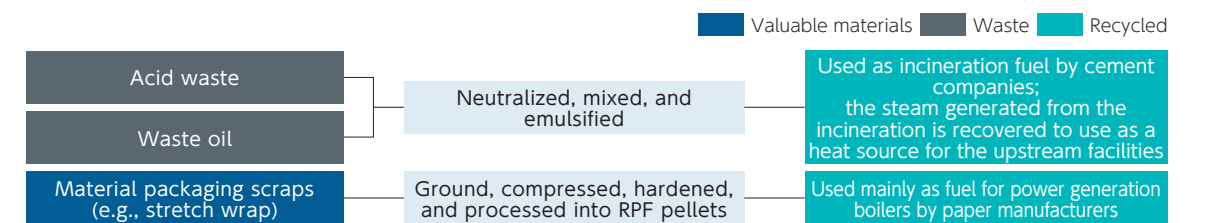
Material recycling

We separate gold, silver, copper, PET and other waste materials generated from the manufacturing processes of functional films, and recover and process them through contractors to recycle them into raw materials.



Thermal recycling

We separate acid waste, waste oil, and material packaging scraps generated from the manufacturing processes of functional films, and recover and process them through contractors to recycle them into fuels and other heat sources.



Promoting Energy Saving

We are improving the efficiency of production equipment and investing in energy saving, proactively introducing equipment with high energy-saving performance. In the fiscal year ended March 31, 2023, we focused on the following.

Promoting investment to conserve resources and energy

At the Osaka Works, we installed energy-saving motors when renewing drive control devices, contributing to an approximate annual power savings of 26,000kWh. At the Kyoto Works, automating air conditioning systems and reusing waste heat from deodorization equipment (in air conditioner reheaters) achieved an approximate annual power savings of 289,000kWh. At the Sendai Works, using automatic lighting reduced annual power consumption by 11,000kWh.



Installed take-up inverter motor

Reducing expected effect of rationalization of energy use by 1% or more

We have added "expected effect of rationalization of energy use" as a new indicator to measure the effect of our energy-saving measures and activities at our sites and workplaces since December 2022. The expected effect of rationalization of energy use is the expected effect of energy savings achieved by introducing renewable energy, renewal to energy-saving equipment, and other measures, calculated as a reduction in crude oil equivalent from the previous year. The expected effect of rationalization of energy use in the fiscal year ended March 31, 2023 was a reduction of 2.2%.

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Energy usage (kl crude oil equivalent): A	11,692	11,482	10,921
Expected effect of rationalization of energy use (kl crude oil equivalent): B	132.5	47.2	255.3
B as % of A in the previous year	1.08	0.40	2.22

Note: Results of TATSUTA Electric Wire & Cable on a non-consolidated basis (excluding Chugoku Electric Wire & Cable and Tatsuta Tachii Electric Cable).

Reducing energy consumption by product intensity: 1% or more

In the fiscal year ended March 31, 2023, energy consumption by product intensity increased by 8.9% (TATSUTA Electric Wire & Cable on a non-consolidated basis).

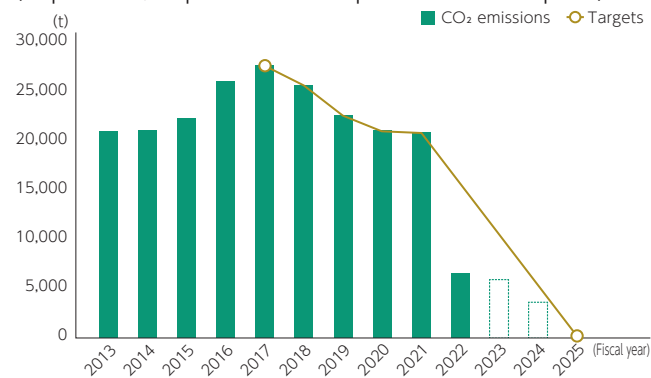
Pursuing Carbon Neutrality

The TATSUTA Group aims to achieve carbon neutrality by the fiscal year ending March 31, 2026. The Carbon Neutrality Pursuit Subcommittee, headed by the Executive Officer responsible for facilities engineering, drives and oversees efforts toward the goal. As a means of reducing CO₂ emissions, we are working to save energy, to generate energy, and to introduce CO₂-free energy.

We will work to reduce our overall energy usage by promoting energy-saving efforts. We will proceed with installing solar power generation systems to generate renewable energy.

The TATSUTA Group in Japan will shift to electrical power sourced from renewable energy for the electricity it uses in stages over a four-year period from FY2022 to FY2025, and will also shift to carbon-neutral LNG in principle in transition away from city gas. By combining these with the use of CO₂ credits, we plan to achieve carbon neutrality (Scope 1 and 2) by the fiscal year ending March 31, 2026. As a result of these efforts, we reduced our CO₂ emissions to 6,365 tons (down 68% YoY) in the fiscal year ended March 31, 2023.

Group CO₂ emissions reduction targets and emissions (results and forecasts) (Scope 1 and 2, at operational sites in Japan and affiliated companies)



CO₂ emissions (tons)

District	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Head Office and Osaka Works	11,604	10,579	10,443	5,430
Kyoto Works	1,745	1,839	1,986	305
TATSUTA Technical Center	1,476	1,444	1,525	624
Sendai Works	4,474	4,341	3,800	0
Chugoku Electric Wire & Cable Co., Ltd.	1,258	1,033	1,000	2
Tatsuta Tachii Electric Cable Co., Ltd.	1,272	1,061	1,365	4
Total	21,829	20,297	20,119	6,365

Achieving carbon neutrality in the functional films business

In the functional films business where customer demand has been particularly high, we have been carbon neutral (Scope 1 and 2) since April 2022.

We have also worked proactively on energy generation, adding solar power generation equipment at the TATSUTA Technical Center and installing new equipment at the Sendai Works and Kyoto Works. This resulted in an annual reduction in CO₂ emissions of 87t at the TATSUTA Technical Center and 337t at the Sendai Works. The equipment at the Kyoto Works completed installation in March 2023 and started operating in April. [Power generation capacity of solar power generation systems installed in the fiscal year ended March 31, 2023 (total of 3 sites): 1,342kW]

TATSUTA Technical Center



Kyoto Works



Biodiversity Conservation Activities

The TATSUTA Group avoids using chemicals that are harmful to living organisms, wherever possible. We pursue biodiversity conservation activities tailored to the uniqueness of each region in which we operate. In the fiscal year ended March 31, 2023, we focused on the following.

Initiative	Details
Forest conservation	TATSUTA participates in the IKOMA no MORI Forest Consortium, which engages in forest conservation activities through cooperation between companies, universities, NPOs, administrative bodies, and other organizations. The Consortium carries out the periodic thinning and maintenance of forests. In the fiscal year ended March 31, 2023, activities were canceled due to the COVID-19 pandemic.
Site greening initiative	The Sendai Works engages in vegetable gardening as part of its site greening initiative. The harvested vegetables are distributed to employees. The activities were canceled in the fiscal year ended March 31, 2023, but have resumed in the fiscal year ending March 31, 2024.

Environmental Data (fiscal year ended March 31, 2023)

Head Office and Osaka Works

1. Atmospheric and water-related

	Facility name	Item	Unit	Regulation level	Measured value (maximum)
Atmospheric	Natural gas boiler	NOx concentration	ppm	150 or lower	41
		NOx emissions	kg	—	996.5
		Particulate matter	g/Nm ³	0.05 or lower	0.03
Water ¹	Sewage	pH ²	—	More than 5.7 and less than 8.7	7.1~8.6
		BOD	mg/L	Less than 300	260
		n-hexane extraction (mineral oils)	mg/L	5 or lower	5

2. Results of PRTR investigation (chemical substances for which the amount handled by the business operator exceeded 1 ton)

No. (PRTR Law)	Substance name	Amount emitted (tons)	Amount transported (tons)
Class I - 31	Antimony and its compounds	0	0.79
Class I - 239	Organic tin compounds	0	0
Class I - 305	Lead compounds	0	0.14
Class I - 330	Dicumyl peroxide	0	0.32
Class I - 355	Bis (2-ethylhexyl) phthalate	0	14

Kyoto Works

1. Atmospheric and water-related

	Facility name	Item	Unit	Regulation level	Measured value (maximum)
Water	Sewage	pH ²	—	More than 5.7 and less than 8.6	6.8
		BOD	mg/L	Less than 300	17
		n-hexane extraction (mineral oils)	mg/L	5 or lower	Less than 1

2. Results of PRTR investigation (chemical substances for which the amount handled by the business operator exceeded 1 ton)

No. (PRTR Law)	Substance name	Amount emitted (tons)	Amount transported (tons)
Class I - 82	Silver and its water-soluble compounds	0	0
Class I - 300	Toluene	0.6	1.2

TATSUTA Technical Center

1. Atmospheric and water-related

	Facility name	Item	Unit	Regulation level	Measured value (maximum)
Water	Sewage	pH ²	—	More than 5 and less than 9	8.2~8.5
		BOD	mg/L	Less than 3,000	360
		n-hexane extraction (mineral oils)	mg/L	5 or lower	Less than 1

2. Results of PRTR investigation (chemical substances for which the amount handled by the business operator exceeded 1 ton)

No. (PRTR Law)	Substance name	Amount emitted (tons)	Amount transported (tons)
Class I - 82	Silver and its water-soluble compounds	0	0
Class I - 300	Toluene	0	2.5

Sendai Works

1. Atmospheric and water-related

	Facility name	Item	Unit	Regulation level	Measured value (maximum)
Atmospheric	Natural gas boiler	NOx concentration	ppm	150 or lower	54
		NOx emissions	kg	—	845.3
		Particulate matter	g/Nm ³	0.05 or lower	Less than 0.02
Water	Sewage	pH ²	—	More than 5 and less than 9	8.8
		BOD	mg/L	Less than 600	68
		n-hexane extraction (mineral oils)	mg/L	5 or lower	Less than 1

2. Results of PRTR investigation (chemical substances for which the amount handled by the business operator exceeded 1 ton)

No. (PRTR Law)	Substance name	Amount emitted (tons)	Amount transported (tons)
Class I - 82	Silver and its water-soluble compounds	0	0
Class I - 300	Toluene	0	20

¹ The Regulation level for water is in accordance with the Higashiosaka City sewage ordinance.

² pH indicates a range.





Development of Products and Services That Resolve Social Issues and Satisfy Customer Needs

At the TATSUTA Group, we develop products that satisfy customer needs, and products and services that help to resolve social issues.



Electric Wire and Cable Business

We endeavor to improve the quality of overhead distribution cables for power companies and to increase productivity. We also meet the needs of society, such as considering the use of materials that help to achieve a stable supply and to reduce our environmental impact. Additionally, in the area of wires for industrial equipment, we are not only expanding our product types based on various actual needs, but also developing unique products that contribute to the stable supply of electricity and to environmental and social issues.

Social needs	Products	Features
Improving the efficiency of onsite work	<p>かるまげ™ 難や燃 (Karu Mage Nanyanen)</p> 	<p>The allowable bending radius is half of the typical, which is particularly useful for wiring in narrow spaces. In addition, because of its excellent flame resistance, it is the optimal cable for data centers, power plants, and surrounding cubicles.</p> <p>Note: かるまげ "Karu Mage" is a trademark of TATSUTA Electric Wire & Cable Co., Ltd., registered in Japan.</p>
Supporting the advancement of FA and robot markets	<p>Thin-diameter KORIKI™ high-strength cables</p> 	<p>Cables with excellent tensile strength and repeated bending strength, made from our unique high-strength copper alloy. They are ideal for use in space-saving environments, such as various FA equipment, machine tools and other moving parts, cableveyors, and revolving parts on robots.</p>

Electronic Materials Business



In functional films and functional pastes, we engage in material development, product development, and the development of processing technologies for these. We also pursue product development and application development targeting fields related to electronic materials and new fields, including coordination with external organizations in Japan and overseas. In bonding wire, we promote copper wire and silver wire product development.

Social needs	Products	Features
Supporting the evolution of smartphones	<p>Shielding film for high step/uneven surface (WILMINA™ SF-FT™ 6015-US-C)</p> 	<p>Cameras that have evolved with the development of smartphones. With the higher functionality of smartphone cameras, high shielding has also become required on the high-step substrates used in camera modules. Resistance to ultrasonic washing in the camera module manufacturing process is also necessary. WILMINA™ SF-FT™ 6015-US-C satisfies the needs of high shielding, high-step/uneven surface, and ultrasonic cleaning resistance.</p> <p>Note: "WILMINA" is a trademark of TATSUTA Electric Wire & Cable Co., Ltd., registered in Japan and other countries.</p>
Supporting advanced electronics	<p>SC series low-temperature curable conductive paste</p> 	<p>This is a conductive paste that can be cured in the low temperature range of 60°C-80°C. Its use is expanding in plastic substrate interlayer connection applications and component packaging applications, and it will support the evolution of electronics in various fields.</p>

Social needs	Products	Features
Supporting the semiconductor market through higher functionality of ultrafine wire	<p>Silver wire for NAND memory</p> 	<p>In response to a request for an alternative to expensive gold wire, we began mass production of highly reliable, highly conductive, low-cost silver wire for NAND memory in Japan. NAND memory demand is expanding in smartphones, tablets, and data centers, and to address BCP and meet the demand overseas users, we have begun to build a mass production system overseas (Malaysia) and plan to begin shipping samples from the second half of this fiscal year.</p>

Other Businesses

We engage in R&D for the commercialization of medical equipment materials and R&D for medium- to long-term product development.

Social needs	Products	Features
Advanced medicine	<p>Medical equipment materials</p> 	<p>The Company began to manufacture and sell optical fiber interferometer modules for optical coherence tomography (OCT) in 2013 and medical cables in 2017, and we have steadily achieved results. Currently we engage in development and commercialization of high-function tubes and optical fiber devices to improve convenience for medical professionals. In March 2022, we built a production line for optical fiber probes for medical applications at our Kyoto Works, and have begun manufacturing and sales.</p> <p>[Optical fiber probes]</p> <p>New cancer treatment methods using light irradiation, such as photodynamic therapy (PDT)^{*1} and photoimmunotherapy (PIT)^{*2}, are becoming popular alternatives to surgery and chemotherapy. The beam profile (which indicates the intensity distribution of the laser light) of the optical fiber probes^{*3} supplied by the Company is based on a frustum cone shape, resulting in a smooth profile, enabling extremely uniform and efficient frontal irradiation of the tumor tissue at the target site.</p> <p>*1 A minimally invasive treatment that has little effect on normal tissue and reduces the physical burden due to being a local treatment that causes degeneration and necrosis of the tumor tissue at the target site by putting a photosensitizing agent with high tumor affinity into the body and projecting laser light onto the area. *2 A new cancer treatment method that combines photodynamic therapy and immunotherapy. *3 A tool used to project a laser at a lesion.</p>
Prevention of environmental pollution and protection of human health	<p>Dioxins analysis</p> 	<p>We measure and analyze dioxins that are toxic and have a major impact on the human body. To ensure highly reliable measurement and analysis, at the Tatsuta Environmental Analysis Center, we obtained Specified Measurement Laboratory Accreditation (MLAP) from the National Institute of Technology and Evaluation (NITE).</p>

Topic | Aiming for the creation of new businesses




The TATSUTA Electric Wire & Cable Group is aiming to build new business pillars succeeding the core electric wire and cable business and functional films business.

Co-creation with Startups

We engage in open innovation to swiftly expand our fundamental technologies, which are the key to new business creation. As part of this initiative, we actively promote partnerships with startups that develop/possess differentiating technologies that match our business direction and will contribute to resolving social issues. Currently we are engaged with seven companies.



[Major initiatives in the fiscal year ended March 31, 2023]

Company name	Initiatives
SIRC Co., Ltd.	<p>A company that provides DX solutions using multi-functional sensors.</p> <ul style="list-style-type: none"> In November 2022, we conducted a proof of concept on SIRC's new product, an IoT electric power sensor unit, at our Osaka Works.  <p>Proof of concept</p>
Copprint Technologies Ltd.	<p>A company that develops Nano Copper inks that allow low-temperature sintering.</p> <ul style="list-style-type: none"> In January 2023, we signed a strategic agreement with Copprint under which TATSUTA will manufacture Nano Copper inks in Japan based on Copprint's patented technology. We also made a supplementary investment in Copprint. (January 31, 2023 news release)  <p>Copprint's pilot production facility</p>
Man-Machine Synergy Effectors, Inc.	<p>A company that aims for social implementation of human-like heavy machinery based on state-of-the-art robotics technologies.</p> <ul style="list-style-type: none"> In March 2023 at our Osaka Works, we conducted a demonstration of "JINKI Cart Ver.1.0" a general-purpose device that aims to resolve the issue of transporting heavy items.  <p>Demonstration</p>

Establishment of New Business Development Department

In April 2023, we reorganized and established the New Business Development Department by spinning off the business development functions of the Corporate Planning and Coordination Department. From a company-wide and medium- to long-term perspective, this department will focus on initiatives such as deepening partnerships with existing investment targets, discovering new partnership possibilities, considering and promoting M&A, and creating a framework for new business creation, as well as expedite new business creation with the Technology Development Center, which was transferred to the head office divisions.

Message | Message from the Officer Responsible for New Business Development Department

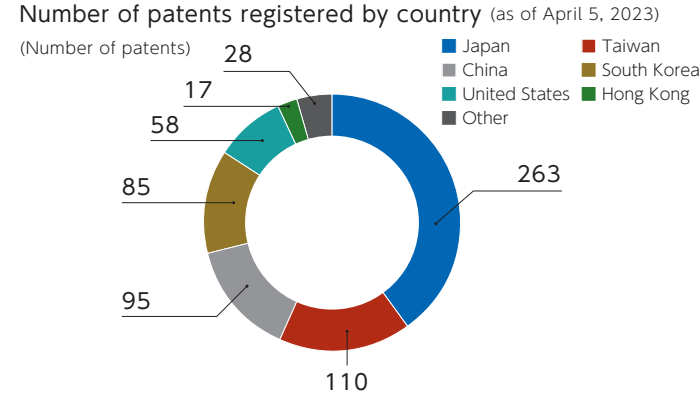
We are actively collaborating with startups. A demonstration project started in FY2022, and we expect to see its results going forward. The New Business Development Department is dedicated to the development of new businesses. We will examine various possibilities, such as by grasping global trends and needs, searching for business partners, and utilizing the tangible and intangible assets (products, technologies, knowhow, customer base, etc.) which we have cultivated over the years, and take on the challenge of developing businesses that will become TATSUTA's new pillars over the medium to long term.

Masayuki Nakamura, Senior Executive Officer



Intellectual property

The TATSUTA Electric Wire & Cable Group respects intellectual property rights, to achieve sustainable growth and enhance corporate value. Led by the Intellectual Property Department, we focus our efforts on risk management, rights acquisition, and education relating to intellectual property to ensure our products' superiority.

Initiatives	Details																
Risk management	<ol style="list-style-type: none"> We confirm the intellectual property rights of others at every stage from development to commercialization to achieve efficient development that respects the intellectual property rights of others. By checking agreements relating to intellectual property, such as joint development agreements, we ensure that the content of the agreements is appropriate. 																
Rights acquisition	<ol style="list-style-type: none"> The TATSUTA Group's products are sold globally; therefore, we strengthen our production sites and sales networks by striving to establish rights both in Japan and in countries overseas. We evaluate inventions and creations fairly at each stage—when filing for patent applications, patenting, and generating profits—to create an environment that motivates employees to dedicate themselves to developing highly unique products and technologies. We manage intellectual property in an integrated manner from filing to extinguishment, and intellectual property that has been granted rights is strategically used throughout the TATSUTA Group. One example of strategic use involves searching for licensees and collaborators by posting some intellectual property, which has been granted rights, on our website (https://www.tatsuta.co.jp/new_technology/details/33/) (Japanese only) and on the Licensable Patent Information Database. <p>Number of patents registered by country (as of April 5, 2023)</p> <p>(Number of patents)</p>  <table border="1"> <thead> <tr> <th>Country</th> <th>Number of patents</th> </tr> </thead> <tbody> <tr> <td>Japan</td> <td>263</td> </tr> <tr> <td>Taiwan</td> <td>110</td> </tr> <tr> <td>United States</td> <td>95</td> </tr> <tr> <td>South Korea</td> <td>85</td> </tr> <tr> <td>China</td> <td>58</td> </tr> <tr> <td>Hong Kong</td> <td>17</td> </tr> <tr> <td>Other</td> <td>28</td> </tr> </tbody> </table>	Country	Number of patents	Japan	263	Taiwan	110	United States	95	South Korea	85	China	58	Hong Kong	17	Other	28
Country	Number of patents																
Japan	263																
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United States	95																
South Korea	85																
China	58																
Hong Kong	17																
Other	28																
Education	<p>We provide graded education to all employees, from new employees to managers, according to a curriculum established for every type of work and every length of service (experience).</p> <p>For example, employees in administrative, sales, and engineering divisions receive training on points of concern in agreements relating to intellectual property, such as handling new inventions that arise in the course of business transactions and patent liability risks, with our corporate lawyer as the instructor.</p>																

Strengthening Quality Assurance and BCP Systems

The Group will continue to respond to customer expectations by consistently providing superior quality.

Strengthening quality assurance systems

The TATSUTA Electric Wire & Cable Group has acquired ISO 9001 certification, appropriately operates a quality management system (QMS), and performs regular audits. We have also constructed a proprietary QMS tailored to our businesses and undertake a variety of initiatives to provide safe and high-quality products and services.

Electric Wire and Cable Business (Wire & Cable Group, TATSUTA Electric Wire & Cable Co., Ltd.)


At the Wire & Cable Group, we manage the quality of raw materials, manufacturing processes, and finished products so that customers can use our products with peace of mind. By maintaining public certifications, such as ISO and JIS, and by undergoing customer audits, we can prove that the quality of our products complies with the demands of customers.

Initiative	Details
Maintaining and managing public certification and customer accreditation	Public certifications, such as ISO and JIS, and the needs of customers change along with social, environmental, and economic changes. To respond to these, we are improving our quality management system. We also continue to undergo quality audits by public certification institutions and customers to prove that our quality management system complies with quality requirements.
Strengthening the quality management system	A tremendous amount of data is generated in manufacturing products and managing quality. We have established a computer system for aggregating the data and are improving the accuracy and speed of data analysis by using numerical analysis software. The analysis results help to check that quality is maintained, that the impact on the environment is mitigated, problems are solved, and that conditions for making products safely are established.
Finished product inspections	Finished products are inspected for product structure, electrical properties, and characteristics of materials used, based on specification forms describing customer requirements. Inspections are carried out according to procedures determined by qualified quality inspection personnel who determine acceptability.
Process control	We operate a computer system to manage production lines. This system can send instructions to manufacturing processes, check the progress of processes, and contact those concerned immediately if an abnormality should occur. Manufacturing personnel remove the abnormality, and quality personnel conduct an investigation and check to prevent its outflow from the company.
Improving quality and enhancing customer satisfaction	Quality claims and defects are addressed by thoroughly investigating the cause of the problem through "why-why analysis," to prevent the problem from recurring.
Quality management education	We added the following new education topics to our existing education on quality management methods. <ul style="list-style-type: none"> ●Quality compliance that teaches the importance of steady adherence to quality ●Education for fostering a culture of safety to teach that quality comes from safe workplace environments, work procedures, equipment, and raw materials. We provide education by using methods such as e-learning through networks, to continue satisfying daily-changing customer needs and maintaining public certification.

Electric Wire and Cable Business (Tatsuta Tachii Electric Cable Co., Ltd. and Chugoku Electric Wire & Cable Co., Ltd.)

At Tatsuta Tachii Electric Cable Co., Ltd., we investigate the true cause of defects and take measures to prevent recurrence through means such as why-why analysis and replication experiment verification, progressively standardize processes, review inspection methods, and strive to improve quality. As a result, we reduced the number of defects in the second half of the fiscal year ended March 31, 2023, by 23% from the first half of the fiscal year. Going forward, we will engage in initiatives to visualize equipment operating status, and we will endeavor to identify issues through analyses of equipment outages, further improve quality, and promote high-efficiency and high-quality systems.

At Chugoku Electric Wire & Cable Co., Ltd., we have proceeded with the review of inspection standards, and continue to engage in ensuring stable product quality through the implementation of low-variation inspections by image measuring devices.

Initiative	Details
Enhancing inspection systems	We implement efficient and exact inspections using cutting-edge measuring instruments, including image measuring devices for structural measurement.
Increasing the precision of product lifespan forecasts	For movable cables where superior flex and twist properties are required, we have compiled a proprietary database using historical data to increase the precision of product lifespan forecasts. We accommodate flex and twist testing requests from customers.  <p>Property data retrieval by a flex and twist testing device</p>

Electronic Materials Business

We have established flexible quality assurance systems, optimally suited to our enhanced product lineup. We also work towards more stable product quality through measures such as supplier audits, to ensure that we respond appropriately to the anticipated expansion of our supply chains.

Initiative	Details
Verifications at the development stage	Electronic materials undergo design reviews and prototype evaluation (experiments and testing) before arriving at the final product. We work to reduce quality risk through stringent verification by the Quality Assurance Department and other relevant departments at each stage. We have also obtained the relevant permits for the development and manufacture of medical equipment materials.
Quality inspections	We carry out the following inspections for each process. <ul style="list-style-type: none"> ●Raw materials procurement process: Supplier audits ●Manufacturing process: Dual quality inspections by personnel and machines ●Shipping process: External visual inspections, mechanical property tests, and electrical property tests by qualified quality inspection personnel
Quality management education	We are conducting activities to raise individual employee awareness of quality by providing quality management education through ENEOS Research Institute, Ltd.

Supply chain management

TATSUTA Electric Wire & Cable has established a Basic Procurement Policy, and will promote sustainable procurement based on this policy to fulfill its social responsibilities throughout the supply chain.

Basic Procurement Policy

- 1 We build sound and productive relationships with business partners in the spirit of mutual trust and cooperation.
- 2 We seek to promote procurement activity that is not only legally compliant, but also highly fair, equitable, and transparent.
- 3 We carry out procurement activity that is aimed at symbiosis between nature and humanity.
- 4 We endeavor to build and maintain systems instrumental in stably supplying products to customers.
- 5 We stringently safeguard business partners' confidential information to honor confidentiality.

Promoting sustainable procurement

We have developed TATSUTA's Green Procurement Guidelines. We disclose our green procurement standards to our suppliers, and ensure that they comply with the matters requested. We also investigate suppliers to ensure they do not use raw materials or components containing conflict minerals or similar substances. By procuring environmentally-friendly raw materials and subsidiary materials, we aim to reduce environmental impact throughout our supply chains and contribute to achieving a sustainable society.

Furthermore, in view of rising interest in ensuing respect for human rights in our corporate customers' supply chains, we engage in initiatives (human rights due diligence) to appropriately investigate, analyze, and redress human rights risk. As part of our human rights due diligence, we utilize external resources to carry out investigations of new and existing business partners, including whether they have relationships with antisocial forces or are in violation of laws and regulations concerning matters such as human rights, money laundering, and bribery in various countries. We engage appropriately with key suppliers through measures such as individual surveys.

BCP for procurement

TATSUTA endeavors to purchase key materials and raw materials from more than one business partner, in anticipation of the possibility that it may become impossible for us to purchase that partner's materials and raw materials. Should any incident occur, we swiftly gather information and take action.

Supplier meetings

We hold supplier meetings as necessary for the purpose of fostering mutual trust with suppliers. At these meetings, we communicate trading precautions and rules, and request the compliance of our suppliers.

Procurement training

The TATSUTA Electric Wire & Cable Group implements procurement training and workshops according to operation and level, with the aim of raising compliance awareness. In the fiscal year ended March 31, 2023, a total of 228 employees attended workshops and seminars that we held on compliance with the Subcontract Act.

At the Subcontract Act workshops, lectures are given according to the operations of each department, with the aim of acquiring basic knowledge and strengthening awareness of legal compliance.

At seminars for responding to the "Package of Measures to Facilitate Transfers," we invited an attorney as the instructor to thoroughly raise awareness of fair trade.

We also conduct awareness programs, such as playing videos of examples of violations and communicating information about precautions on our internal portal site. Future plans include posting Subcontract Act Q&A.



Procurement workshop

Strengthening BCP systems

At the TATSUTA Group, we have implemented the following initiatives to ensure business continuity in the event of incidents such as large-scale disasters, supply chain disruptions, epidemics, and information system failures.

BCP for large-scale disasters and epidemics	We have taken every precaution to prevent infection among employees and ensure business continuity by establishing the Basic Policy on Epidemic Countermeasures and the Action Plan for Epidemic Prevention Measures as procedures that can be used against new epidemic risks that may arise in the future, based on countermeasures implemented during the COVID-19 pandemic, in accordance with the Crisis and Emergency Response Rules. We also have implemented the Large-scale Disaster Business Continuity Plan and the Large-scale Earthquake Action Plan at domestic business units, and provide education and seminars to increase effectiveness, to prepare for events such as large-scale earthquakes and other large-scale disasters.
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Topic | BCMS/ISMS in the Functional Films Business

TATSUTA's functional films business boasts an overwhelming share of the global market. To fulfill our duty to consistently supply customers, we obtained ISO 22301 (BCMS) certification in July 2016. We have established a BCP covering large-scale disasters (natural disasters, accidents, fires, etc.), supply chain disruptions, epidemics, and information system failures, including cyber attacks, and constructed a system for business continuity, with the General Manager of Electronic Materials & System Equipment Group as the top management. Specific initiatives to reduce supply chain disruptions include diversification of vendors, business continuity audits of suppliers in relation to materials procurement, contract manufacturing, and logistics, and post-evaluation feedback. We also strive to share information for building better relationships and to request BCP initiatives at supplier meetings.

In the fiscal year ended March 31, 2023, to increase the effectiveness of BCP, we held a BCM seminar in anticipation of a natural disaster and supplier shutdown, refamiliarized ourselves with suppliers' crisis management systems and procurement risks that businesses could face, and engaged in initiatives to improve throughout the organization.

In the fiscal year ending March 31, 2024, our focus will be on strengthening product planning and development systems in response to customer and market needs and on initiatives to eliminate lost opportunities due to development delays.

Business Continuity Policy	TATSUTA's functional materials business fully recognizes the social responsibility as a company that provides functional materials to the market, and will implement a business continuity management system (BCMS) to minimize the impact of large-scale disasters, epidemics, and information security incidents on business. <ul style="list-style-type: none"> ●Our top priorities are human life and safety. ●We will continue key operations. ●We will fulfill our responsibility to provide a stable supply to customers.
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In recent years, cyber attacks (ransomware, malware, etc.) have become a significant risk around the world. In the functional films business, in January 2023 we obtained ISO 27001 (ISMS) certification as a means of ensuring business continuity with the aim of building customer trust through the appropriate management and protection of customer information. We also reviewed our information system BCP.

Information Security Policy	TATSUTA's functional materials business will implement an information security management system (ISMS) in an effort to maintain and build social trust and increase corporate value, based on the recognition that maintaining and improving corporate information security is an important management issue. <ul style="list-style-type: none"> ●We will protect and appropriately manage all information assets in our possession.
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We will continue to strengthen our BCMS system through business continuity seminars and training in anticipation of possible incidents such as natural disasters due to abnormal weather conditions, supply chain disruptions, system failures, and cyber terrorism. By ensuring the continuity and swift resumption of business operations, and minimizing the impact on the supply of products and services to customers, we aim to win the trust of customers and ensure stable supply.

Supply chain management activities in the Function Films Business

Trusting relationships with suppliers	We explain and share information about customer needs and market trends with business partners at annual business policy briefings.
Construction of a supply chain BCP	We ask business partners at business policy briefings to cooperate with BCP initiatives. In emergencies, we conduct audits of the level of impact on business partners, ascertain the status of each company, and maintain stable procurement.
Risk management	We audit individual items, including quality, environment, business continuity plans (BCP), and information security, provide feedback of the audit results, and ask business partners judged as high risk to make improvements.
Stable supply	We store products and materials at Sendai Works, Kyoto Works (distribution center), and external warehouses so that shipment and production are not delayed in the event of an emergency.
More efficient logistics	We are shortening cargo handling work based on the White Logistics movement. We will build a new distribution center at the Kyoto Works (to be completed in March 2024), which will shorten product transport times and reduce the burden on drivers, in response to the issue of drivers' working hours being addressed in the 2024 problem. We also will endeavor to reduce transport costs and further reduce CO ₂ emissions by increasing the efficiency of transport between factories and reducing the number of transport vehicles.

Promoting Measures for Safety and Health

The mental and physical health of employees is the TATSUTA Electric Wire & Cable Group's first priority, and we establish safety and health management policies each year. Aiming to realize comfortable and safe workplace environments, we have established an action plan based on policies that reflect the actual circumstances of each workplace, and implemented various measures for safety and health.

Safety and health management policies and key initiatives for the fiscal year ended March 31, 2023

In the fiscal year ended March 31, 2023, our goals were strengthening on-site monitoring, promoting risk assessment activities, deepening safety and health improvement investments, enhancing safety and health education, and further solidifying systems for safe execution of works, to eliminate or reduce risks by increasing the managerial ability of managers. We also aim to create an environment to ensure safety, build awareness of safety, and instill these as a culture, by not only preventing epidemics, but also maintaining and promoting mental and physical health, and preventing traffic accidents.

Safety and health management policies	<ul style="list-style-type: none"> 1 Deepen safety and health improvement investments 2 Steadily implement key initiatives for safety and health activities 3 Foster and embed a culture of safety
Item	<ul style="list-style-type: none"> ●Implement measures to prevent serious accidents (promote the increase of inherent safety and the establishment of a culture of safety) ●Enhance safety and health education ●Solidify systems for safe execution of works ●Support and enhance mental and physical health ●Continue to implement traffic accident prevention (including those in the course of work)

Safety and health management framework

At the TATSUTA Group, we have established a framework for the promotion of safety and health measures.


Central Safety and Health Committee	Biannual	Deliberates on basic matters related to companywide safety and health
Workplace Safety and Health Committees	Monthly	Deliberates on matters related to safety and health corresponding to the work and region unique to each workplace
Workplace Safety and Health Council	Monthly	Deliberates on specific matters related to safety and health in the workplace

Status of occupational accidents

The status of occupational accidents for the TATSUTA Electric Wire & Cable Group is as follows: The occupational accident incidence rate worsened due to an increase in the number of occupational accidents resulting in lost workdays in the fiscal year ended March 31, 2023. We endeavor to promote inherent safety and raise danger and safety awareness among employees by continuing safety and health improvement investments, strengthening hands-on danger education and risk assessment, and other activities.

		Fiscal year ended March 31, 2022		Targets	Results			Fiscal year ended March 31, 2023		Targets	Results
Safety	Safety	Serious accidents	0	0	0	Safety	Safety	Serious accidents	0	0	0
		Accidents resulting in lost workdays	0	2	0			3			
		Accidents not resulting in lost workdays	0	3	1 or lower			2			
		Rate of accidents resulting in lost workdays	–	0.99	0.50 or lower			1.45			
		Serious commuting accidents	–	1	0			0			
Health	Health	Cases of occupational illness	0	0	0	Health	Health	Cases of occupational illness	0	0	0
		Rate of absence due to illness outside work	0.52% or lower	0.85%	0.62% or lower			0.96%			
		Uptake rate of statutory medical check-up	100%	100%	100%			100%			

Safety activities

Implement hands-on danger education	We encourage intuitive understanding through the human senses of sight, hearing, and touch to increase danger awareness and prevent accidents. We promote education that enables simulated experiences of potential dangers in everyday work through our introduction of simulators including an experience of the danger of being caught in machinery and VR danger experience. In the fiscal year ended March 31, 2023, 198 employees (100% of the plan) participated in training.	
Safety and health improvement investments	At the TATSUTA Group, we have worked since the fiscal year ended March 31, 2021 to promote the increase of inherent safety (the idea being to increase safety, first by eliminating dangerous sources of harm to humans), identify safety and health issues, and implement safety and health improvement investments in accordance with the importance and urgency of these issues.	

Safety and health improvement investments	Number of projects	Completed	Amount invested	Examples of investment projects
April 2020 to March 2023	128	126	389,726 thousand yen	Prevention of falls from work at heights by installing scaffolding for DDA wire drawing machines Prevention of collision accidents by increasing the number of entrances and exits at Measurement Factory No. 1

Risk assessment

The TATSUTA Group conducts risk assessments based on internal rules for the purpose of reducing occupational safety and health risks in the workplace. In risk assessments, we identify the dangers and hazards, evaluate risk, and implement risk mitigation measures based on the risk evaluation. At workplaces that use chemical substances, we also engage in risk assessment of chemical substances and compliance with amendments to laws. In addition, we regularly hold risk assessment workshops led by external instructors to strengthen on-site monitoring (of dangers and hazards).



Status of risk assessment



Risk assessment workshop

Initiatives to prevent accidents

At our Osaka Works, we carry out a "patrol for disaster and accident eradication," focusing on intersections within the grounds of the works. We hold safety lectures for officers and managers, safety seminars for forklift and reach truck drivers, and kiken yochi (hazard prediction) training (KYT) workshops for on-site workers, to raise safety awareness.



A patrol for disaster and accident eradication



Safety lecture



Safety seminar for forklift and reach truck drivers (held online)



Kiken yochi (hazard prediction) training (KYT)

When there is an accident, we take measures for working environments and processes to prevent recurrence. We have also prepared an internal hazard map to indicate where contractors have had collisions in the past and alert entering vehicles. Initiatives to ensure works safety include checking that protective gear is worn according to works safety rules.



Measures to prevent collisions by indicating height limits

Support and enhance mental and physical health

The TATSUTA Electric Wire & Cable Group supports employees to work in good mental and physical health.

Initiatives for mental health

Annual stress checks are carried out with the aim of preventing mental health disorders. In addition to promoting employees' awareness, we endeavor to reduce sources of workplace stress using group analysis. We also provide mental health support in the form of annual mental health education. In the fiscal year ended March 31, 2023, we held line care training for 151 managers.

Establishing consultation services

Industrial physician consultations

Industrial physicians conduct consultations for employees at each major facility, including post-health check interviews, medical consultations, consultations regarding leave, return to work, and stress check responses. In addition, industrial physicians interview employees who engage in overtime work exceeding a designated level to prevent health disorders resulting from excessive workload.

Mental Wellbeing Counseling Rooms

We engage in preventing mental health disorders and supporting employees returning to work through counseling by counselors.

Initiatives to increase the percentage of annual paid leave consumed

We introduced five days of planned annual paid leave and established a biannual "Wellness Month" program that promotes consumption of annual paid leave to support and enhance the health of employees. We continue to engage in widely promoting annual leave through company newsletters and our portal site. We make the results of annual paid leave consumption available to general managers and encourage employees to be certain to take annual leave. The average percentage of annual paid leave consumed in the fiscal year ended March 31, 2023 was 75.0%.

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Average number of days of annual paid leave consumed	13.1 days	14.7 days
Percentage of annual paid leave consumed (%)	68.7%	75.0%

*Results of TATSUTA Electric Wire & Cable (on a non-consolidated basis)

Nurturing Human Resources to Drive Sustainable Growth

At the TATSUTA Group, in the context of a rapidly changing business environment, it is important for us to develop professional human resources who are willing and able to actively take on challenges and drive the creation of innovation and global growth. Therefore, we have formulated the following Human Resource Development Policy.

Human Resource Development Policy

[Basic approach]

In compliance with the Corporate Principles and the Corporate Code of Conduct, we shall develop human resources that will assume the role of realizing sustainable development of the Company and enhancement of corporate value over the medium to long term.

[Link with the personnel system]

Based on the Description Table of Roles and Grades in the personnel system, we shall develop human resources according to the roles and skills required for various levels.

[Image of human resources to be developed]

- 1 Human resources that are able to formulate a vision for the future based on an accurate understanding of the current situation and future outlook, overseeing the entire Group from a global perspective.
- 2 Human resources that embrace diversity and are able to lead an organization, department, or workplace while working to smoothly coordinate with other departments.
- 3 Human resources that take on challenges with a sense of urgency and are able to respond autonomously in the face of changes in social conditions, technological innovations, etc.
- 4 Human resources that are ambitious, have high ethical standards, and are capable of lifelong learning and self-improvement

Adoption of new personnel systems

Transforming to a 'fulfilling personnel system' that encourages each employee to take on challenges and rewards those who strive to do better

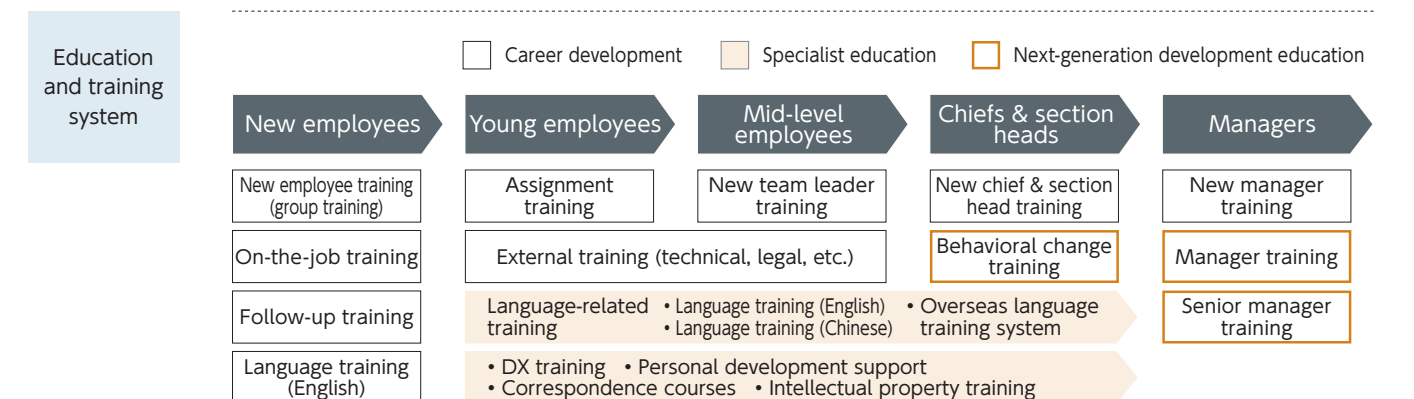
At the Company, we revamped our personnel systems and began in April 2022 to implement new systems focused on roles, actions, and results. In the new system, employees are given a clear image of the required human resources, actions, and roles according to their respective position, and they are to set challenge goals in line with management and departmental policies each year. We ensure a transparent and convincing assessment system by conducting activities including regular interviews of supervisors and subordinates, training for assessors, and assessments by external organizations in cases such as appointing managers. We encourage individual employee growth in an effort to achieve further corporate growth.



Assessment of management candidates

Training programs

The TATSUTA Electric Wire & Cable Group provides training opportunities to all employees for continued growth and has established a training system as an opportunity for learning specialized knowledge.



Implementing various training

At the TATSUTA Electric Wire & Cable Group, we endeavor to develop human resources that have a wide range of skills. In terms of company-wide education, in addition to graded training and next-generation development education, we introduced Udemy Business to support independent growth and learning and to provide selective skill improvement training and on-demand video training.

At the same time, by cultivating DX awareness, since the fiscal year ended March 31, 2022, we have developed a broad range of personnel to contribute to improving productivity, and key talents to lead the transformation of our business model. When hiring, we value the desire to participate and have also adopted an open recruitment system.



New manager training presentation

Promoting Diversity & Inclusion

In the face of social changes, such as a decrease in the workforce due to the declining birthrate in Japan and the diversification of values regarding employment, TATSUTA Electric Wire & Cable is focusing on promoting work-life management, such as securing and developing the necessary human resources, diversity and inclusion, work style reform, and health management, with the goal of creating a dynamic work environment in which diverse human resources vigorously demonstrate their abilities in the right places for the sustainable growth and development of the Company.

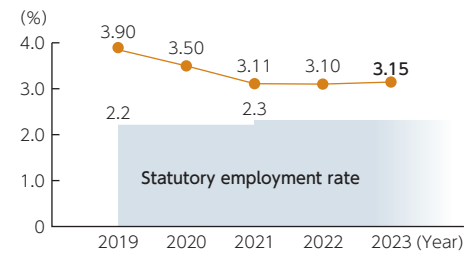
Work-life balance

TATSUTA Electric Wire & Cable provides workplace environments that are work-friendly for all, by implementing enhanced systems to support childcare and care for the aged and offering diverse working styles.

Diverse working styles	● Teleworking scheme ● Promotion of employee re-employment ● Self-reporting system ● Introduction of hourly annual leave
Childcare and nursing care	● Measures to shorten regular working hours for childcare (until the end of the fiscal year when the child turns 12) ● Childcare leave allowance ● Subsidy for the use of nurseries, etc. ● Special leave available to male employees upon the birth of a child (5 days) ● Review of core time in the flextime system ● Nursing care leave system ● Shortened working-hour system ● Nursing care leave allowance
Welfare and benefits	● Relaxation of conditions placed on the usage of accumulated paid leave (volunteer activities, infertility treatment, medical exams, etc.)

Employing persons with disabilities

TATSUTA Electric Wire & Cable targets a proportion of employees with disabilities of 2.3% or more. We are also striving to create environments that are work-friendly for each person based on his or her characteristics, and expanding the scope of operations. We implement initiatives in close cooperation with our employees, and maintain a high employee retention rate. The proportion of employees with disabilities was 3.15% as of June 1, 2023.



*Results as of June 1 each year based on administrative report
*Results of TATSUTA Electric Wire & Cable (on a non-consolidated basis)

Female participation and career advancement

Basic Policy We hire women proactively, create an environment in which they can reach their full potential, focus on their education, including career development, and thereby actively promote female participation and career advancement.

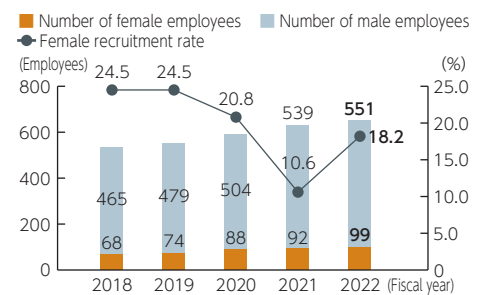
We target a proportion of 25% or more women among new hires, and 10% or more female managers by March 31, 2026. For the fiscal year ended March 31, 2023, women comprised 18.2% of new hires. The proportion of women among our employees increased year on year to 15.2% in the fiscal year ended March 31, 2023 from 12.8% in the fiscal year ended March 31, 2019. The ratio of female managers was 7.8% in the fiscal year ended March 31, 2023. We are working to expand the scope of operations, and women are participating in many job categories.

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Percentage of females among new hires	10.6%	18.2%
Ratio of female managers	7.5%	7.8%

*Results of TATSUTA Electric Wire & Cable (on a non-consolidated basis)



Participation in activity presentation by the Japanese Electric Wire & Cable Makers' Association



*Results of TATSUTA Electric Wire & Cable (on a non-consolidated basis)

Support for male participation in childcare

To foster a company culture in which both men and women can balance work and childcare, we specifically established the goal of "raising the percentage of male employees who take childcare leave to 50% or higher by 2025" as a KPI for the fiscal ending March 31, 2024. We will raise awareness so that employees can select diverse working styles and proceed to create work environments in which anyone can take childcare leave. In the fiscal year ended March 31, 2023, we conducted internal awareness-building activities to increase the percentage of males who take childcare leave, such as informational sessions on law amendments and the childcare leave system, and seminars inviting men who have taken childcare leave as guest speakers.



Internal seminar on the topic of men's childcare leave

Respecting Human Rights

The TATSUTA Electric Wire & Cable Group recognizes business activities that respect human rights as a responsibility that companies should fulfill and has identified the respect of human rights as a materiality item.

Respecting Human Rights As an enterprise doing business globally, the TATSUTA Group respects the rights of all persons affected by our business activities. We create the necessary frameworks and carry on activities needed to raise awareness.

Preventing harassment

The TATSUTA Group has established Harassment Prevention Rules for the purpose of preventing various types of harassment in the workplace and realizing a good working environment and recruitment environment. These rules stipulate matters such as respect for basic human rights, items that employees must comply with, and measures relating to company employment management. The main initiatives include establishment and operation of the TATSUTA Electric Wire & Cable Group Helpline and harassment prevention training for each level of employee.

Encouraging participation in human rights education

At the TATSUTA Electric Wire & Cable Group, we conduct human rights lectures for employees every year. In the fiscal year ended March 31, 2023, we held an online lecture presented by an external expert, on the theme of "Business and Human Rights."

Coexistence and Co-prosperity with Local Communities

The TATSUTA Electric Wire & Cable Group fulfills its social responsibilities such as creating regional employment and endeavors to build trust with local communities through activities that contribute to society and are firmly rooted in the community.

Continuing dialogue with local communities

As a corporate citizen of the community, the Group will contribute to realizing fulfilling lifestyles for local residents and the sustainable development of the community.

In the fiscal year ended March 31, 2023, we lent out TATSUTA's gymnasium, dispatched instructors for a sports event organized by Higashiosaka City, where TATSUTA's Head Office and Osaka Works are located, and exhibited at the HANAZONO EXPO held by Higashiosaka City, based on a partnership agreement with the city. We have worked to build good relationships with local communities in other locations as well, such as having a booth at the Kizugawa Minor Matsuri festival in Kizugawa City.



Exhibit at HANAZONO EXPO held by Higashiosaka City



Booth at Kizugawa Minor Matsuri festival held by Kizugawa City



Baseball experience event Providing a venue for Kids' Ballpark



Dispatching members of our basketball club as instructors for the "Shitemiru (Have a Try)" hands-on sports events for beginners

Contributing to local community next-generation development programs

At the TATSUTA Electric Wire & Cable Group, we provide opportunities to raise children's awareness of industries, such as factory tours for elementary school students and work experience for junior high school and high school students.

In the fiscal year ended March 31, 2023, at our Head Office and Osaka Works, we offered work experience opportunities for local students and visited nearby elementary schools to guest-teach classes. At other locations, we contribute to programs to develop local next-generation by guest-teaching classes at nearby high schools.



Guest-teaching at a nearby high school



Work experience for students at a local junior high school



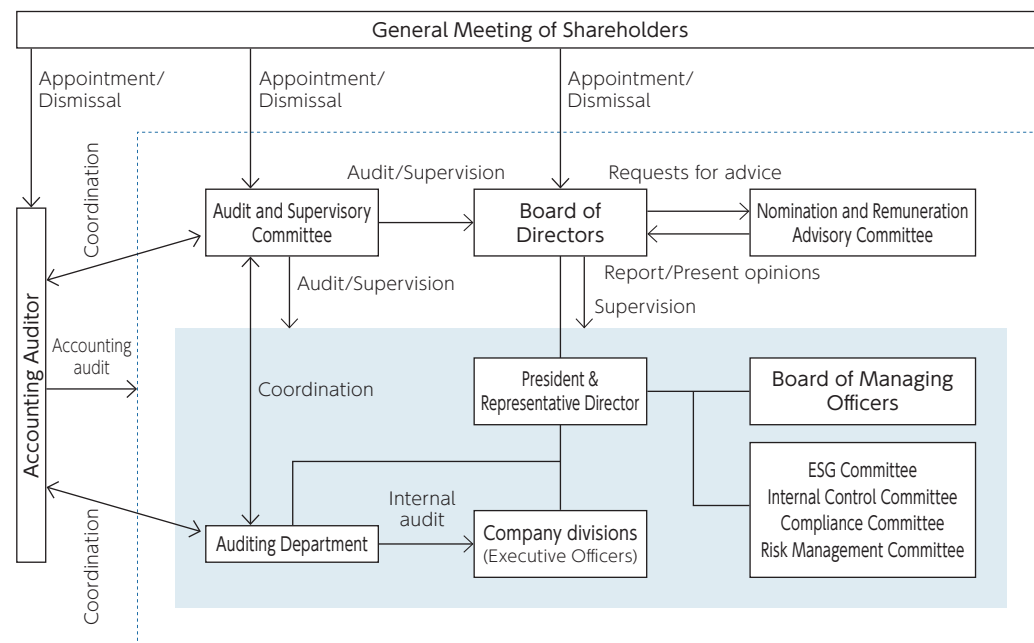
Guest-teaching at a nearby elementary school

Corporate Governance Structure

At the TATSUTA Group, we are endeavoring to strengthen corporate governance in order to achieve sustainable growth and enhance corporate value in the medium and long term, while ensuring swift decision-making as well as sound and transparent management.

TATSUTA's Board of Directors, Board of Managing Officers, and other management bodies make decisions on important matters, etc. Further, from the perspective of enhancing corporate governance by strengthening the supervisory function of the Board of Directors, we have adopted the structure of a Company with an Audit and Supervisory Committee. We have also set up a range of governance-related committees, which are tasked with coordinating with and supervising each other. We have established the Basic Policy on Internal Control Systems, and set out the division of duties of various governance tasks and organizational structures by resolution of the Board of Directors.

Promotion system



Board of Directors	The Board of Directors is responsible for promoting TATSUTA's sustainable growth and medium- and long-term corporate value enhancement and endeavoring to improve earning ability and capital efficiency, based on its fiduciary duty and accountability to shareholders. In addition to deciding on matters designated by laws and regulations or the Articles of Incorporation, the Board of Directors formulates medium-term management plans and other plans such as fiscal year budgets, manages differences between plans and results, and instructs Executive Officers in countermeasures, as necessary. Furthermore, the Board also creates an environment to support appropriate risk-taking by Executive Officers and supervises the execution of duties by Directors and Executive Officers.
Audit and Supervisory Committee	The Audit and Supervisory Committee fulfills a vital supervisory function. It has an obligation to audit the execution of duties by Representative Directors and other Executive Directors by properly executing its duties as an independent statutory body commissioned by shareholders. By properly fulfilling these duties, the Committee is responsible for ensuring that TATSUTA and the TATSUTA Group give full regard to the interests of various stakeholders, strive to work in cooperation with them, and establish a good corporate governance system to respond to social trust. It monitors and verifies the construction and operational status of internal control systems, audits the execution of duties by Directors, and fulfills its duties designated under laws, regulations, and the Articles of Incorporation.
Executive Officer System	Executive Officers efficiently execute business operations based on the basic policies determined by the Board of Directors.
Audit functions	The Internal Audit Rules determine matters such as the types and subjects of audits to be conducted, the frameworks of audits and when they will be conducted, and the preparation of written reports of audit outcomes. The Audit and Supervisory Committee also conducts its own audits, guidelines for which, including procedures, contents, and reports, are set out in the Audit and Supervisory Committee Rules.

Nomination and Remuneration Advisory Committee	We have established the Nomination and Remuneration Advisory Committee, based on the Nomination and Remuneration Advisory Committee Rules. This Committee is composed of Directors who are Audit and Supervisory Committee Members and the Representative Director who is President and Executive Officer. The majority of members are Independent Outside Directors. In addition to responding and reporting back to requests for advice by the Board of Directors on matters including the nomination of candidates for the position of Director, the appointment and dismissal of officers, succession plans and officers' remuneration, the Committee presents opinions to the Board of Directors regarding other matters of corporate governance, as necessary.						
Evaluation of effectiveness of Board of Directors	We evaluate the effectiveness of the Board of Directors based on self-evaluation by each individual Director in a survey conducted each year. After the Representative Directors and Outside Directors compile and analyze the results of the survey, the evaluation of the current status and measures for future improvement are discussed by the Board of Directors. We publish a summary of the findings on TATSUTA's website.						
Cultivation of and decision on successor as President	Upon discussions with the Nomination and Remuneration Advisory Committee, the Representative Directors formulate and implement a succession plan for the next President and report to the Board of Directors. This succession plan is also published in Section 4-8 "Succession Planning" of the Corporate Governance Guidelines.						
Officers' Remuneration Scheme	<table border="1" style="width: 100%;"> <tr> <td>Directors' remuneration</td> <td>Monthly remuneration</td> <td>Paid monthly according to role</td> </tr> <tr> <td></td> <td>Performance-linked bonuses</td> <td>Vary depending on consolidated ordinary income</td> </tr> </table> <p>Policies for determining the amounts of Directors' remuneration, etc. and the methods of their calculation are stated in Section 5 "Determination of Officers' Remuneration" of the Corporate Governance Guidelines. Under these policies, the basic approach to determining the amount of remuneration for each Director is to apply a table containing the amounts by position and years of service to each Director. These amounts are discussed and decided by the Board of Directors based on factors such as previous payments, the Company's current performance, and the situation at other companies in the industry and other listed companies of a similar scale, paying due regard to reports provided by the Nomination and Remuneration Advisory Committee.</p>	Directors' remuneration	Monthly remuneration	Paid monthly according to role		Performance-linked bonuses	Vary depending on consolidated ordinary income
Directors' remuneration	Monthly remuneration	Paid monthly according to role					
	Performance-linked bonuses	Vary depending on consolidated ordinary income					
Strategic shareholdings	The stated aims of strategic shareholdings are defined as "exploration of business opportunities, maintenance and expansion of trading relationships, etc." The Board of Directors evaluates the necessity of continuing to hold the shares in question after the close of each fiscal year. In addition, regarding the exercise of voting rights pertaining to strategic shareholdings, the judgement of the Board of Directors of the issuing company is respected as a rule, except in the case of proposals deemed detrimental to the purpose of the strategic shareholding. This policy is published in Section 2-5 "Strategic Stockholdings of Listed Stocks" of the Corporate Governance Guidelines.						
Internal control	With the Basic Policy on Internal Control Systems, which are common regulations for the Group, as the main axis, in actual management, the appropriateness of operations is ensured by conducting corporate management based on the Internal Audit Rules and Internal Control Committee Rules. The Auditing Department is the principal entity in these activities, confirming and reviewing the completeness and operational status of the Group's internal control systems.						
Reasons for appointment of Directors, etc. and status of attendance of Board of Directors meetings	Reasons for appointment of Directors (including Independent Outside Directors), the status of attendance of Board of Directors meetings, etc. are disclosed on the company website as "Reasons for nomination, appointment and dismissal of Directors, etc."						

Status of action on Corporate Governance Code

The Company has developed Corporate Governance Guidelines. The contents are reviewed whenever there is a revision of the Corporate Governance Code, and an appropriate response to the Corporate Governance Code is implemented. The status of implementation of the general rules of the Corporate Governance Code is published in the Corporate Governance Report, which is issued once a year. This has been conducted for all individual general rules of the Corporate Governance Code in the fiscal year ended March 31, 2023.

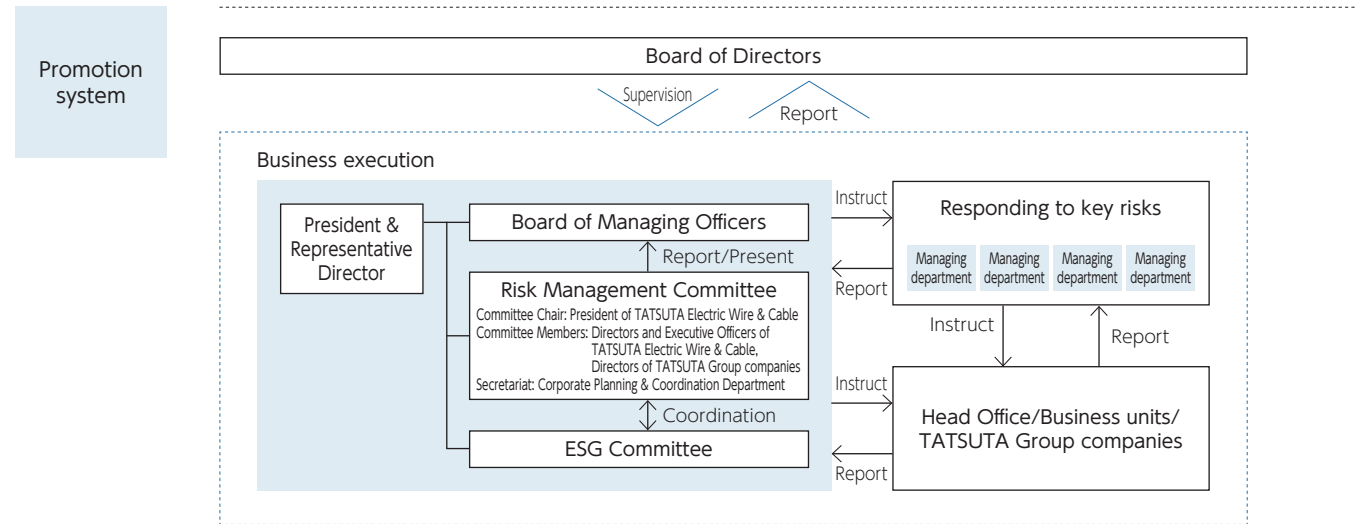
Steady Operation of Various Management Systems

- Environmental management system ▶P21
- Quality management system ▶P33
- Information security management system ▶P46

Risk Management

The various risks facing the TATSUTA Group include those with the potential to materially affect the TATSUTA Group's financial position, operating results, cash flow, and medium- to long-term strategy, depending on the scale and duration of the risk occurrence. At the TATSUTA Group, in addition to ascertaining and analyzing these risks and responding appropriately, we have established and operate a Group-wide framework to minimize the impact of risks when they emerge and prevent recurrence.

Risk Management Policy | At the TATSUTA Electric Wire & Cable Group, we strive to maintain and enhance the Group's corporate value by preventing or minimizing damage and losses, monitoring trends in the business environment to accurately ascertain and appropriately respond to risks.



In the TATSUTA Group, at meetings of the Risk Management Committee, the importance of each kind of risk facing the Group is quantitatively evaluated, as far as possible, based on the potential scale of damage and frequency of occurrence. A department is designated to manage each risk considered especially serious, and the Risk Management Committee, which meets biannually, checks on the status of its risk management and implements countermeasures, as necessary.

At its meeting at the beginning of the fiscal year, the Risk Management Committee checks on the status of risk management for the previous fiscal year and establishes the risk management policy for the current fiscal year. At its meeting at the start of the second half of the fiscal year, the Risk Management Committee checks on the status of management for the interim period. The content of discussions by the Risk Management Committee is reported to the Board of Managing Officers and the Board of Directors. The Board of Managing Officers and the Board of Directors monitor risks through monthly revenue and expenditure outlooks, business execution status reports, etc., supervise risk response, and through these activities strive to avoid risks manifesting and respond swiftly if they emerge.

Key risks, response measures and initiatives

Key risks	Details of risks	Initiatives
Risks related to management strategy	ESG activities	Based on the understanding that sustainable development of society is fundamental for the sustainable growth of the TATSUTA Group, we have established materiality items, specific initiatives, and KPIs, in view of social issues and the demands and expectations of our stakeholders. We aim to contribute to realizing a better society and its sustainable development through these activities.
	Climate change	Global initiatives against climate change are underway, and the key challenge is reduction of greenhouse gases thought to cause climate change. The TATSUTA Group recognizes risks and opportunities based on the TCFD recommendations, and addresses these issues appropriately. The Company's initiatives to address the TCFD recommendations are described in detail under "Indicators and targets" on p. 20.
	Developing new businesses	We are actively investing in new business development, including collaborations with other companies, to meet the important challenge of fostering new businesses that will become the next pillars of TATSUTA's business. These investments are based on a careful decision-making process, including an analysis of their effect and risks, and the use of external resources, as necessary.

Key risks	Details of risks	Initiatives
Risks related to management strategy	Technical innovation	Our basic strategy is to gain a high share and revenue in advanced, niche markets where the TATSUTA Group has a technological advantage. To this end, we appropriately ascertain and respond to the latest technological and market trends, as well as customer needs. We also endeavor to maintain our technological advantage through collaboration with leading-edge startups.
Risks related to economic conditions, the business environment, etc.	Procuring raw materials	In the procurement of raw materials, we have established a BCP response to avoid the risk of production stoppages due to a shortage of raw materials through measures such as purchasing from multiple suppliers and ensuring appropriate inventory levels in anticipation of emergencies.
	Changes in the price of raw materials	We appropriately monitor changes in the price of our main raw materials and implement responses such as hedging transactions to avoid the impact of price changes and transferring these changes onto the price of our products.
	Competition	We aim to maintain and increase our sales volume by avoiding price competition and differentiating through measures such as the continuing development and launch of high-value-added products, stable supply, early delivery, and enhanced after-sales service.
	Legal regulation	We endeavor to monitor and respond swiftly to trends across a wide range of environmental, commercial, trading, fair competition, and other regulation in Japan and overseas, including the use of external resources, as well as standardize our business operations to ensure regulatory compliance.
	Natural disasters	We implement various measures from a BCP perspective to prepare for any impediment to the Group's business activities or supply chain due to large-scale damage or other issues resulting from natural disasters. We strive to ensure the safety of interested parties and maintain a stable supply of products.
	Large-scale epidemics	In the event of a large-scale epidemic, the Group regards securing the safety of society and employees as a maximum priority issue, and will implement various measures to prevent the occurrence of any internal clusters of infection.
Risks related to business activities	Equipment malfunction	We have endeavored to establish production systems at multiple sites, and implement countermeasures such as daily or regular equipment maintenance to prevent stoppages, the systematic renewal of equipment, and maintaining strategic stocks of important components.
	Quality	We produce products in accordance with the quality management system set forth in the ISO standards and other quality management standards recognized by users, as well as continually strive to enhance and strengthen our quality management system and take every precaution to ensure quality management.
	Changes in demand	We endeavor to construct flexible production and sales systems to maximize profits in periods of economic expansion and secure profits in periods of economic decline.
	Intellectual property	We protect proprietary technologies by obtaining patents and other intellectual property rights in Japan and overseas, as well as take full precautions regarding the rights of other corporate groups to prevent intellectual property rights violations or other issues.
	2024 problem in logistics	We are endeavoring to address the 2024 problem in logistics and improve the efficiency of logistics in part by reviewing our distribution system and constructing a new distribution center.
	Information security	We have established information security systems and are strengthening safety measures, including the acquisition of ISMS certification in the functional films business.
Risks related to management strategy	Product improvement and development	We strive to provide characteristic products and services that satisfy customer needs, such as electromagnetic interference (EMI) shielding film.
	Compliance	We have established the Compliance Committee to ascertain trends in legal and regulatory reform and our state of compliance, as well as set up internal and external whistleblower helplines, and strive to ensure legal and regulatory compliance through the implementation of measures such as regular employee education.

Compliance

The TATSUTA Group has built and operates its compliance promotion system based on the recognition that compliance is one of the most important issues for the continuation of its business. In the event of a serious problem, we will disclose information appropriately and fairly and respond in good faith according to social norms and morals.

System for promotion of compliance

Under our Corporate Code of Conduct, we study laws and regulations in Japan and overseas and social/industry norms as appropriate, and formulate, revise, and abolish company rules. With the goal of achieving thorough compliance, we have strengthened audit and supervisory functions through the Board of Directors and Audit and Supervisory Committee, while the Compliance Committee shares information and consults on reporting related to compliance promotion activities.

In addition to the development of various company rules, including the TATSUTA Group Basic Compliance Rules that clarify guidelines for compliance, to ensure these rules are correctly understood by employees, we have produced Compliance Guidelines and made them widely known among employees. For employees of Group companies, we display the TATSUTA Group Operational Rules, which specify internal control systems within the Group, on the Group intranet so that compliance is thoroughly enforced.

In addition to compliance training through e-learning for employees, we provide education for each level of employee to make our basic approach, internal rules, and other matters concerning compliance widely known among employees.

Breaking relationships with antisocial forces	The TATSUTA Group Basic Regulation on Handling of Antisocial Forces stipulate basic policies for breaking relationships with antisocial forces such as organized crime groups or sokaiya extortionists that make unreasonable demands, and will respond antisocial forces as an organization, while making this widely known among employees to ensure compliance with basic policies. We will also endeavor to construct and maintain a system of close communication and cooperation with police, attorneys, and other external professional organizations, as well as give lectures on recent trends involving antisocial forces and responses to antisocial forces through training and other means to ensure that individual departments and individuals do not bear the problem on their own.
Prevention of bribery	Based on the TATSUTA Group Rules for Preventing Bribery, we thoroughly instill a policy of not extending or receiving gifts or hospitality that exceed common sense according to social conventions. This is done to disseminate accurate information about bribery widely within the company, to ensure that no company or individual obtains undue benefits or undertakes arbitrary transactions in exchange for such benefits. We have also established a system for prior checks with the Officer Responsible for the Administration and Human Resources Department of TATSUTA Electric Wire & Cable as the responsible officer, and any gift or hospitality determined to exceed a common sense according to social conventions will not be extended under any circumstances. The TATSUTA Electric Wire & Cable Group Bribery Prevention Rules cover not only public servants, but also private-sector suppliers and customers, and we are diligently working to ensure that bribery is thoroughly prevented.
Compliance with competition law	We have established the Rules for Compliance with Competition Laws, and prohibit both officers and employees, either in Japan or overseas, from committing acts that violate competition law. Employees are made aware through Compliance Guidelines and other means of three prohibited acts, namely private monopolization, unreasonable restraint of trade, and unfair trade practices. For attendance at meetings, etc., the Administration and Human Resources Department will examine in advance whether or not there will be exchanges of information with competing business operators and the nature of the meeting. Prior to attending such meetings, employees are lectured on the prohibited acts related to competition law to promote understanding. The minutes of such meetings are preserved after the meetings to ensure transparency.
Management of export-control goods	Based on the Rules for Management of Export-Control Goods, officers with responsibility for confirming whether goods are subject to export controls or not, and internal systems required for the management of export-control goods have been established. Operations are conducted to confirm list-based controls and catch-all controls for all goods and technologies. The employees in charge of these operations undergo training on a regular basis.
Proper accounting practices	The TATSUTA Accounting Rules have been established as our general standards for accounting operations, including accounting standards and management systems. They serve as the basic rules for accounting operations. The Compliance Guidelines affirm "appropriate accounting practices" and we ensure that this is widely known by employees. We emphasize the following six key themes as being of particular importance. ①Proper recognition of revenue and expenses ②Proper recognition of assets ③Attachment/preservation of evidence ④Appropriate approval procedures ⑤Appropriate tax accounting ⑥Financial results in line with facts and actual circumstances
Internal whistleblowing system	Based on the TATSUTA Group HELPLINE Operation Rules, an internal hotline system has been established and carries out activities under the direction of the President of TATSUTA Electric Wire & Cable, with the General Manager of the Administration and Human Resources Department of TATSUTA Electric Wire & Cable as the responsible officer. TATSUTA Electric Wire & Cable Group Helplines Eligibility : All officers and employees of the TATSUTA Group Purpose : To receive requests for consultation and reports (including of harassment), promptly discover and resolve issues Consultation and whistleblower helplines : The person seeking advice or wishing to file a report can choose which of the two helplines to contact, depending on the nature of their concern. 1 Secretariat (TATSUTA Electric Wire & Cable Administration and Human Resources Department) 2 Attorney (outside attorney) ● Users may either give their real name or choose to remain anonymous ● For harassment-related matters, users may also elect to contact a dedicated external helpline set up for that purpose ● Requests and reports may be made in Japanese, English or Chinese (depending on the helpline) ● The person seeking advice or reporting a matter of concern will not be subjected to any disadvantageous treatment whatsoever for that reason, and confidentiality, including their name, will be strictly protected The details of the advice request/report will be investigated and considered by the Helpline Secretariat and, where necessary, internal rules and systems and their implementation will be reviewed. The details of advice requests/reports made to the helplines are shared with top management at the twice-yearly meetings of the Compliance Committee. The existence of the helplines and information about how advice requests and reports are handled are disseminated in-house through compliance training, company newsletters, the Compliance Guidelines, and other means, and an environment that makes people feel comfortable about seeking advice or making reports has been established.

Information management

At TATSUTA, we have established and operate an information security management system. We implemented an information security e-learning program for employees and strive to raise awareness of information security. We have also established the TATSUTA Electric Wire & Cable Group Information Security Policy.

Information Security Policy

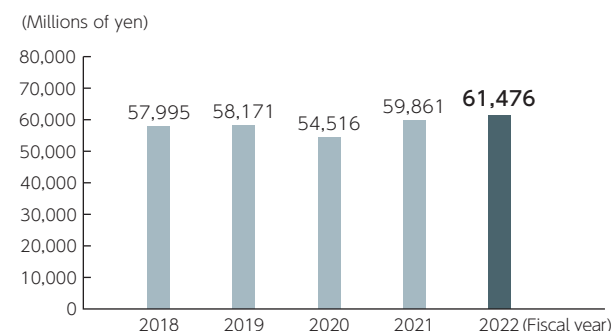
- 1 Establishment of information security management systems**
The TATSUTA Electric Wire & Cable Group will secure sufficient resources, including budget and personnel, for the protection and appropriate management of all information assets it holds and will establish systems for the prompt implementation of information security measures.
- 2 Establishment of company rules**
The TATSUTA Electric Wire & Cable Group will establish internal rules for the protection and appropriate management of information assets and will thoroughly raise awareness among all employees, etc. of the Group about the need to ensure information security and about specific compliance matters.
- 3 Appropriate information security measures**
The TATSUTA Electric Wire & Cable Group will identify information security risks and take the necessary countermeasures against those risks to prevent unauthorized access, destruction, leaks, falsification, and other incidents involving information assets. It will also establish frameworks for responses and restoration in the event of such incidents and formulate plans for early recovery, as well as promptly making appropriate reports in the event of such incidents and striving to minimize their impact and prevent their recurrence.
- 4 Human resources development**
Recognizing the objectives and importance of information security management systems, the TATSUTA Electric Wire & Cable Group will develop human resources who have the necessary knowledge and skills concerning information security.
- 5 Compliance with laws, etc.**
The TATSUTA Electric Wire & Cable Group will comply with laws and ordinances, regulations, government guidelines, contractual obligations, and other social norms related to information security.
- 6 Continuous improvement**
The TATSUTA Electric Wire & Cable Group will periodically evaluate and review the above initiatives and share information about them for the continuous improvement of the Group's information security management.

Cyber security	With cyber security becoming increasingly important in recent years, we have established the following structure to manage it.	<table border="1"> <tr> <td>Responsible officer: Officer Responsible for the Information Systems Department</td> <td>The responsible officer manages and issues the necessary instructions regarding cyber security matters from a company-wide perspective.</td> </tr> <tr> <td>Management and operations officer: General Manager of the Information Systems Department</td> <td>The management and operations officer manages and operates company-wide information security under the responsible officer's instruction.</td> </tr> </table>	Responsible officer: Officer Responsible for the Information Systems Department	The responsible officer manages and issues the necessary instructions regarding cyber security matters from a company-wide perspective.	Management and operations officer: General Manager of the Information Systems Department	The management and operations officer manages and operates company-wide information security under the responsible officer's instruction.
	Responsible officer: Officer Responsible for the Information Systems Department	The responsible officer manages and issues the necessary instructions regarding cyber security matters from a company-wide perspective.				
Management and operations officer: General Manager of the Information Systems Department	The management and operations officer manages and operates company-wide information security under the responsible officer's instruction.					
	As a measure for the concrete management of cyber security, we have designated various matters for compliance (use of IT assets and networks, use of business systems and external services, security education, etc.), and we carry out operational monitoring, installation of servers in multiple locations, constant monitoring for viruses, etc., and periodic diagnoses by external experts. When an incident occurs (discovery of a software vulnerability, virus infection, unauthorized access, leak of information assets, etc.), the management and operations officer considers and implements the necessary countermeasures, reports the matter to the responsible officer, and responds appropriately based on the Crisis and Emergency Response Rules.					
Protection of personal information	With the protection of personal information becoming increasingly important in recent years, we have established the following structure to manage it.	<table border="1"> <tr> <td>Overall management officer: Officer Responsible for the Administration and Human Resources Department</td> <td>The overall management officer manages matters concerning the handling of personal information from a company-wide perspective and instructs individual departments and offices through personal information management officers.</td> </tr> <tr> <td>Management officers: General managers of individual departments and offices</td> <td>The personal information management officers undertake the necessary measures to ensure that personal information is handled appropriately in accordance with the Act on Personal Information Protection and company rules.</td> </tr> </table>	Overall management officer: Officer Responsible for the Administration and Human Resources Department	The overall management officer manages matters concerning the handling of personal information from a company-wide perspective and instructs individual departments and offices through personal information management officers.	Management officers: General managers of individual departments and offices	The personal information management officers undertake the necessary measures to ensure that personal information is handled appropriately in accordance with the Act on Personal Information Protection and company rules.
	Overall management officer: Officer Responsible for the Administration and Human Resources Department	The overall management officer manages matters concerning the handling of personal information from a company-wide perspective and instructs individual departments and offices through personal information management officers.				
Management officers: General managers of individual departments and offices	The personal information management officers undertake the necessary measures to ensure that personal information is handled appropriately in accordance with the Act on Personal Information Protection and company rules.					
	For the protection of personal information, the laws and regulations, purposes of use, rules for obtaining personal information, management methods, rules for providing personal information to third parties and other matters that officers, employees, etc. must comply with have been set out, and the Company monitors their implementation. A Privacy Policy that sets out the rules, etc. for the protection of the personal information of stakeholders is disclosed on the Company's website. Safety measures of an appropriate and reasonable level are implemented and improved on a continuous basis. In the event of an incident (unauthorized access, loss, leak, etc.), we will respond appropriately based on the Crisis and Emergency Response Rules.					

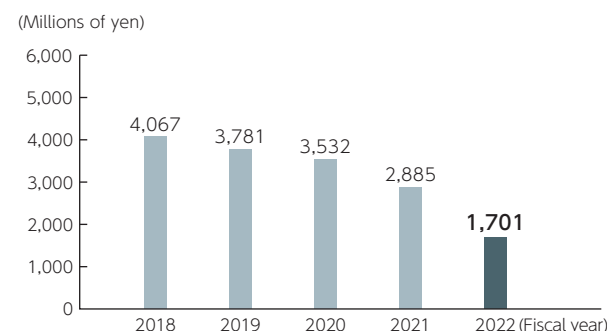
Company Information

Consolidated Financial Highlights

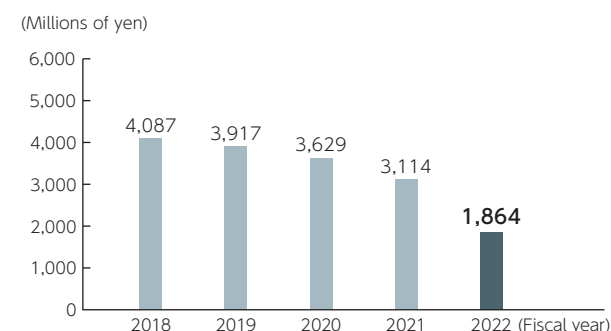
Net sales



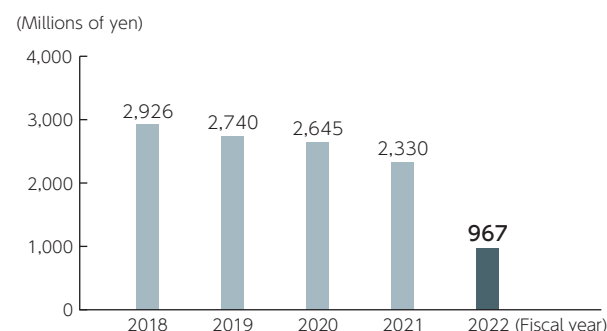
Operating income



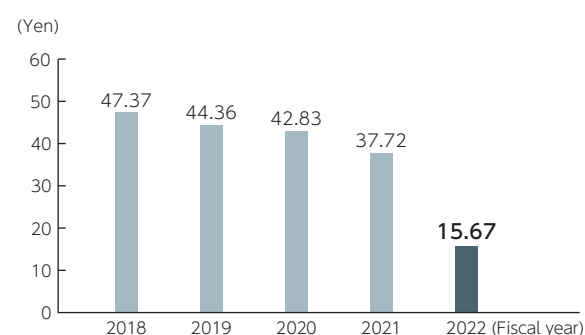
Ordinary income



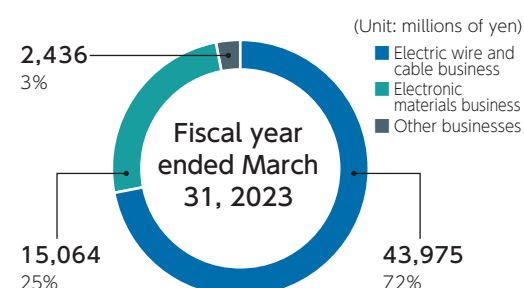
Income attributable to owners of parent



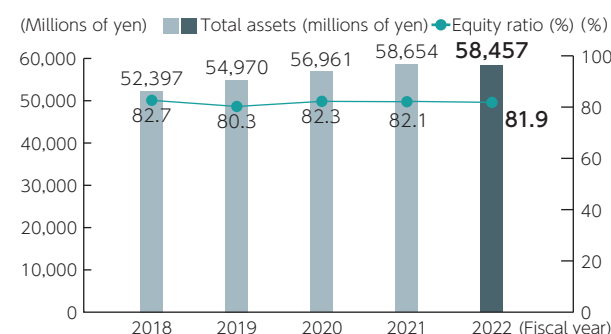
Income per share



Breakdown of net sales by business



Capital structure



Company Profile

Company name : TATSUTA Electric Wire & Cable Co., Ltd.
 Established : September 28, 1945
 Head Office : 2-3-1 Iwata-cho, Higashiosaka City, Osaka, Japan
 Share capital : 6,676 million yen (as of March 2023)
 Main products : Electric wire/cable, Electronic materials, Sensor & Medical Products
 Operational sites and branches : Head Office, Osaka Works
 TATSUTA Technical Center
 Kyoto Works
 Sendai Works
 Tokyo Branch Office
 Affiliated companies : Chugoku Electric Wire & Cable Co., Ltd.
 Tatsuta Tachii Electric Cable Co., Ltd.
 Tatsuta Environmental Analysis Center Co., Ltd.
 Tatsuta Welfare Service Co., Ltd.
 Changzhou Tatsuta Chugoku Electric Wire & Cable Co., Ltd.
 Shanghai Tatsuta Co., Ltd.
 TATSUTA ELECTRONIC MATERIALS MALAYSIA SDN. BHD.
 Tatsuta USA, Inc.

Officers

Position	Name
Representative Director, Chief Executive Officer	Hiroya Yamada
Director, Senior Executive Officer	Shohei Morimoto
Director, Senior Executive Officer	Hiroshi Maeyama
Director, Senior Executive Officer	Masafumi Imai
Outside Director	Manabu Hyakuno
Outside Director (Standing Audit and Supervisory Committee Member)	Yoshitaka Dooka
Outside Director (Audit and Supervisory Committee Member)	Takeshi Hanai
Outside Director (Audit and Supervisory Committee Member)	Inao Harato
Outside Director (Audit and Supervisory Committee Member)	Etsuko Taniguchi

as of June 23, 2023

Column

Contributing to Local Communities through Sports

We engage in local contribution activities through sports.

TATSUTA's basketball club is one of the strongest teams in the Kinki League with a vigorous spirit for challenge, aiming to win the All Japan Amateur League's championship tournament. The club also actively engages in activities to promote local sports, such as by hosting mini basketball competitions and holding basketball classes. Our head office has a gymnasium which is used by local sports organizations as a venue to practice and hold matches.

We also sponsor FC Osaka (a professional J. League soccer club) and display our billboards at Hanazono Rugby Stadium, both of which are based in Higashiosaka City.



The basketball club



Our billboard on display at Hanazono Rugby Stadium

TATSUTA



Easy to read universal
design fonts are used.