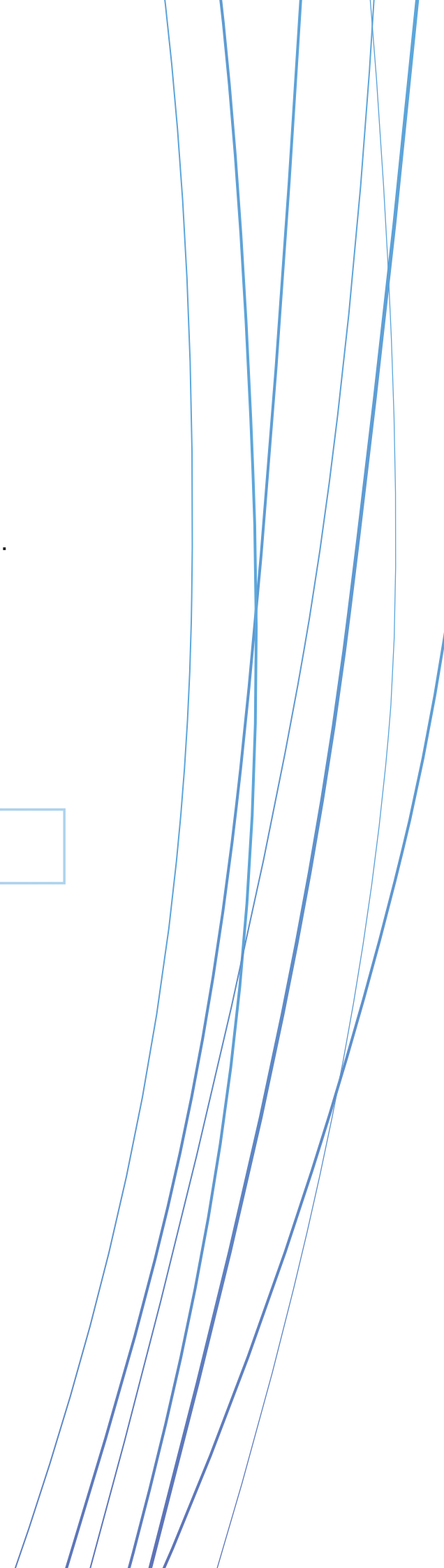
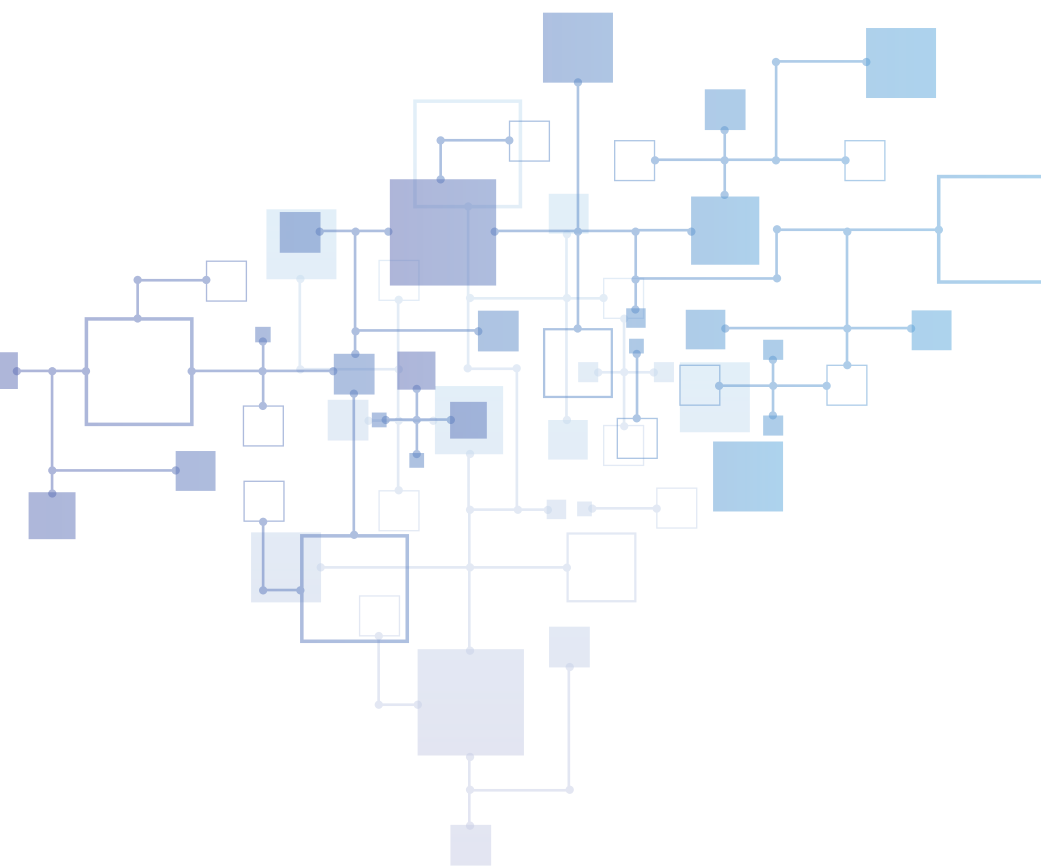




TATSUTA Electric Wire & Cable Co., Ltd.

Sustainability Report

2021



“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.

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.



Sustainability Report 2021

CONTENTS

	1	Corporate Principles and Corporate Code of Conduct
	3	At a glance
	5	History of Value Creation
	7	Top Commitment
	11	2025 Long-Term Vision
	13	TATSUTA's Sustainability
	15	Materiality Items (Key Sustainability Issues)
	17	Special Feature Approaches to Digital Transformation (DX)
	19	Environmental Vision, Management Structures, and Education System
	20	Specific Initiatives
	28	Environmental Data
	29	Provision of Advanced, High-Quality Products and Services to Benefit Society
	33	Human Resources Management
	39	Contribution to Society
	41	Corporate Governance Structure
	43	Officers Compliance
	44	Risk Management
	45	Consolidated Financial Highlights
	46	Corporate Overview

Editor's Note

Editorial Policy

The CSR Report contains social (S) and governance (G) information in addition to a conventional environmental (E) report, and presents issues of interest to stakeholders and important business activities of the TATSUTA Electric Wire & Cable Group from the three perspectives of ESG, in order to promote understanding of the Group's corporate stance and value creation initiatives. It has been prepared with reference to the Environmental Reporting Guidelines 2019, published by the Ministry of the Environment.

Scope of the Report

Period covered: Primarily covers activities during the fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021). (Includes some activities in the fiscal year ending March 31, 2022)

Organizations covered: TATSUTA Electric Wire & Cable Co., Ltd. and its main consolidated subsidiaries, affiliates, etc.

Publication: September 2021

At a glance

Our businesses

TATSUTA has acquired advanced technical knowhow from its electric wire and cable business, and TATSUTA is now applying this knowhow to contribute to society, through applications in a diverse range of fields, including electronics and electronic materials, as well as photo-electronic products. One of these areas is functional film, a product independently developed by TATSUTA and used by major global manufacturers as an indispensable component of smart phones and tablets. In recent years, TATSUTA has also explored new potential applications within the automotive and medical fields.

Electric Wire and Cable Business

TATSUTA's high-quality electric wires and cables help realize a secure, comfortable and convenient society.

Equipment Wire Business

Industrial machinery is becoming increasingly sophisticated, especially in the factory automation field. Tatsuta utilizes the collective strength of its group companies to meet diverse needs.

Functional Films Business

Tatsuta's functional films, which are made using our proprietary technologies, are gaining overwhelming support at the forefront of mobile devices.

Functional Paste Business

Our innovative functional pastes for electronics are creating the future.

Fine Wire Business

Utilizing its accumulated wire drawing technology, Tatsuta responds to the requirements for microfabrication and higher precision in semiconductors and electronic devices.

Sensor & Medical Products Business

Tatsuta creates new value in sensing and medical equipment by applying element technologies cultivated over many years.

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.

This is where you will find TATSUTA products hard at work in everyday life.

For electric appliances and automobiles



For medical and research institutions



For social infrastructure

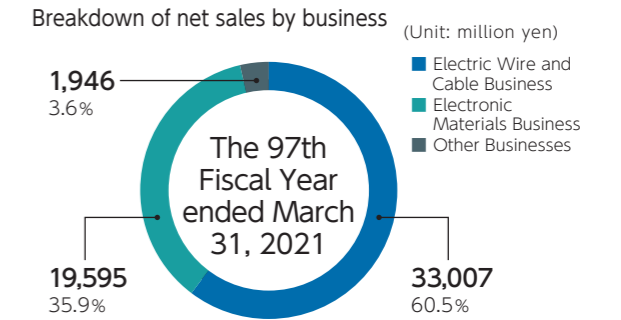


For vending machines and robots



Summary of the fiscal year ended March 31, 2021

Net sales **54.5** billion yen
 Operating income **3.5** billion yen
 Number of employees **977** employees



TATSUTA's element technologies

To deliver high value-added items, TATSUTA uses a multitude of technologies derived from the manufacture of electric wires and cables.

Electric wire and cable manufacturing technology

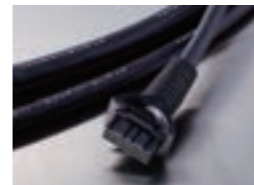


かるまげ™ (Karu Mage) (KM-CC), for wiring in narrow spaces, such as between panels

TATSUTA develops electric wire and cable mainly for power company and power plant infrastructure, which are the basis for the electric wire and cable business. The Company also progressively develops new and original products to meet customer needs.

*"かるまげ" is a trademark of Tatsuta Electric Wire and Cable Co., Ltd., registered in Japan.

Special alloying technology (high tensile alloy)

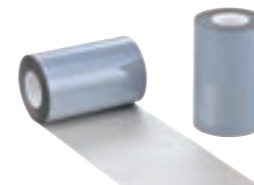


KORIKI™ high-strength cables

*"KORIKI" is a trademark of Tatsuta Electric Wire & Cable Co., Ltd., registered in Japan and other countries.

TATSUTA has developed conductors made of a special high-durability alloy that can be used in demanding environments without breakage. Our high value-added conductors precisely meet users' connector termination demand.

Making thin films from functional materials (film)



Electromagnetic interference (EMI) shielding film

To perform many functions on a thickness scale of as little as a few micrometers, TATSUTA combines plastics, metallic filler, compounding, and film-manufacturing technologies. Our products of outstanding performance have strong track records in the market.

Fine particle dispersion/compounding technologies (functional paste)



Via filling paste

Polymer formulating technology which we developed through our electric wire & cable manufacturing business and various metals are integrated to create our original functional paste. We have been creating opportunities for printed electronics market by our green products.

Ultrafine wire technology (bonding wire)



Copper wire

Ultrafine wire and alloy technologies that TATSUTA has accumulated through copper wire drawing are used to produce various types of wires including gold, silver and copper wires. Custom-made products are also available to meet specific user demand.

Liquid detection sensor technology (Sensor-related products)



Water leakage detection device

TATSUTA uses braiding technology to develop high-reliability fluid detection sensors, protecting valuable assets from the threat of water damage. Through the development of new sensor utilizing its core technologies, TATSUTA is moving into new fields such as build-in sensors in server cables.

Fiber optics application technology (optoelectronics-related products)



Optical fiber module

TATSUTA leverages its extensive knowledge and experience in optical fiber devices to contribute to the constantly-developing medical and measurement fields. Through its optical fiber device manufacturing and measurement technologies, TATSUTA customizes its products according to customer requirements.

Environmental analysis technology (Tatsuta Environmental Analysis Center Co., Ltd.)



Environmental analysis

TATSUTA has accumulated a range of analysis technologies for applications including water quality, air, and soil analysis, and further expands their speed and precision.

History of Value Creation

Since its founding in 1947, TATSUTA has tackled a variety of issues for social development amid the changing times, providing the market with products, services and systems linked to resolving these issues. It is a history of TATSUTA consistently creating new value through promoting innovation based on new ideas, while staying quietly beside consumers, companies and society.

History of TATSUTA Electric Wire & Cable

Established an integrated production system for electric wires

TATSUTA Electric Wire & Cable Co., Ltd. was established in 1945 by Usaburo Tatsumi and Ryoza Taya. Over two years since its establishment, the Company took its first step as an electric wire manufacturer, establishing an integrated production system for electric wires, from copper melting to wire drawing.



Electric wire manufacturing in its first years

Constructed the Wakae Works (current Osaka Works)

TATSUTA constructed the Wakae Works (current Osaka Works) to strengthen electric wire production base. Initially, the Works manufactured vinyl-coated wires, cotton and rubber-coated wires, stranded wires, marine wires and telecommunications cables. After manufacturing products to meet the soaring demand in the period of Japan's high economic growth, it remains an important plant today as TATSUTA's electric wire and cable manufacturing base.



Construction commences on Wakae Works

Constructed the Fukuchiyama Works (current Kyoto Works)

TATSUTA constructed the Fukuchiyama Works (current Kyoto Works) as a specialized telecommunications cable plant. From the 1990s, the plant began manufacturing optical fiber cables in addition to telecommunications cables, contributing to the enhancement of economic efficiency and national welfare, as well as the development of the information society.



Fukuchiyama Works under construction

Launched the environmental analysis business

The importance of the environmental measurement business increased, in response to the issue of environmental pollution resulting from Japan's rapid economic growth. TATSUTA launched its environmental analysis business, to contribute to local communities through the concentration measurement of air, water and soil pollution. Tatsuta Environmental Analysis Center, which subsequently took over this business, is engaged in improving the global environment and labor environment through its business activities.



Environmental analysis in its early years

Expanded into non-electric wire fields such as electronics-related products

TATSUTA expanded into electronics-related fields, in addition to electric wire and cables. It established the foundations of the current electronic materials & system equipment business, developing products such as water leakage detection devices to prevent water damage to computers, machinery and equipment, bonding wires for use in electronic circuits, and conductive copper paste.

Water leakage detection device in 1980s



Bonding wire in 1980s

Conductive copper paste in 1980s

Developed higher-efficiency production systems for electric wires

In around 1990, TATSUTA installed what was then state-of-the-art electric wire manufacturing equipment. The introduction of this cutting-edge equipment enabled TATSUTA to speed up production and shorten delivery times, while productivity continued to increase in the electric wire business with advances in machine automation. More efficient production systems were built, adding to TATSUTA's competitive advantage.



The new electric wire manufacturing equipment

Commenced sales of electromagnetic interference (EMI) shielding film

The prevention of noise from electromagnetic interference in electronic circuits became an increasing issue for electronic devices, as electronic technology progressed. TATSUTA developed EMI shielding film, utilizing the outstanding properties of conductive copper paste to counter electromagnetic wave. Today, EMI shielding film has become an indispensable part of high-performance mobile devices such as smartphones.



EMI shielding film in 2000s

Established new business bases and strengthened the equipment wire and cable group

TATSUTA established the Sendai Works and TATSUTA Technical Center, a base for the electronic materials & system equipment business, engaging in new business development and business continuity planning. In addition, TATSUTA acquired the specialist electronics wire manufacturer Tachii Electric Wire Co., Ltd. (current Tatsuta Tachii Electric Cable Co., Ltd.) as a subsidiary in the equipment wire and cable business, where future development is anticipated.



TATSUTA Technical Center

Sendai Works

Tachii Electric Wire Co., Ltd.

1947 1953 1973 1977 1980s 1990s 2000s 2010s

TATSUTA's products to address social issues

Supporting safe and stable electricity supply



Electric wire and cable for power distribution

Electric wire and cable, to make the stable supply of electricity in a safer way. TATSUTA has unwavering confidence in its quality, reliable technology and knowhow gained from many years of engagement in the development, manufacturing and sale of electric wire and cable.

For advanced telecommunications network society



Telecommunications cable

From the telegraph and telephone to other applications, telecommunications cable has been used widely as a means of transmitting information. Until production was terminated in 2012, TATSUTA boasted a wide range of cables, enabling it to adapt to the diverse needs of different systems.

Problems from toxic substances



Environmental analysis

Tatsuta Environmental Analysis Center's environmental analysis covers a wide variety of fields including not only water, air, and soil quality analysis and working environment measurement but also the analysis of toxins such as dioxins and trace PCBs, which are becoming increasingly prominent, and the analysis of products and materials.

Promotion of high-technology industry



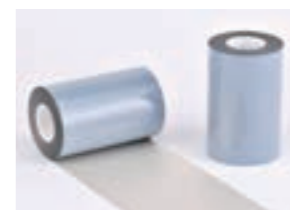
Water leakage detection device

Bonding wire

Conductive paste

Water leakage detection devices swiftly detect and report water leaks. Bonding wire connects IC chip to lead frame. Conductive paste was born of polymer mixing technology and metal powder surface treatment technology. TATSUTA has developed a variety of products related to the electronics field.

Smaller and lighter electronic devices



Electromagnetic interference (EMI) shielding film

EMI shielding film protects electronic devices from malfunction due to electromagnetic noise. With the advance of smaller and lighter smartphones and tablet devices, EMI shielding film has become indispensable to protect internal circuits.

Evolution and sophistication in the industrial device and FA industry



FA robot cable

TATSUTA has developed a unique high tensile alloy, which prove highly effective in environments requiring a range of flexure, such as internal wiring for robots. TATSUTA's Equipment Wire and Cable Group provides equipment wire and cable for a comprehensive range of devices, including industrial devices, FA/robots, video and audio devices, etc.



Hirohito Miyashita

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

Anticipating change, we will seek growth and contributions to a sustainable society in swift and flexible ways.

This fiscal year, we have changed the title of this report from the CSR Report to the Sustainability Report. In the respect that it refers to the roles and responsibilities that companies should fulfill toward society, CSR could be described as the very essence of corporate activity. Today, as the term "SDGs" suggests, companies and the general public share the view that the world's aim should be to achieve a society that will develop in a sustainable manner.

In other words, CSR must be something that will achieve a sustainable society. We wanted to convey clearly to stakeholders our desire to contribute to the sustainable development of society and to aim for sustainable growth together with society and our customers.

Viewing the point of no return as a new business opportunity

The global and Japanese economies have been in turmoil since last year due to the impact of COVID-19. While the situation remains unpredictable, we can expect economic activity to recover in stages as progress is gradually made in the roll-out of vaccines.

On the other hand, just as work styles and lifestyles have changed, such as the rapid shift to remote work with the advocacy of digital transformation (DX) as a countermeasure to the pandemic, some moves are apparent from which there is no going back. The movement toward a carbon-free society by achieving carbon neutrality (CN) and green transformation (GX) has become a major trend, evidenced by the United States' return to the Paris Agreement and the Japanese government's decision to aim for net zero. Such moves will generate major new business opportunities. In the area of power generation, for example, as well as renewable energies such as solar power and wind power, the promotion of hydrogen and ammonia will also create new markets, bringing with them new demands for quality. It is essential for companies to firmly identify such changes and turn them into opportunities for business growth. At the same time, these kinds of responses to the current times are likely to progress naturally toward contributions to society.

The COVID-19 pandemic has also compelled a review of global supply chains, with the shortage of face masks being a typical example. Moves to re-examine and fortify supply chains will make progress from security perspectives, focusing on the United States-China relationship, and this will increase the importance of responding proactively to different changes. Fortunately, TATSUTA has not yet faced problems in its supply chain, but we will continue to monitor it so we may be ready for any unexpected

event that may accompany changes in the global situation.

Linking the reform opportunities we have been given to the next opportunity

TATSUTA Group also had a small number of COVID-19 cases but no clusters, thanks to the efforts made to prevent transmission in the company. This has allowed us to fulfill our supply responsibilities to our customers, and I would like to reiterate my thanks to our employees and their families for their cooperation.

Net sales in the electric wire and cable business for the fiscal year ended March 31, 2021 fell by about 10% from the previous year, impacted by the slowdown in the construction sector, but semiconductor-related products are already on the way to recovery. While the electronic materials division saw a temporary decline, overall demand is higher than last year thanks to the heightening of demand for smartphones and tablets from people spending more time at home during the pandemic.

Internally, rapid progress has been made toward DX, with the establishment of remote working systems in the administrative divisions in particular and web-meetings both within the company and with outside parties becoming commonplace. Although the DX Promotion Department was established at the same time as the COVID-19 pandemic, we had, in fact, already started promoting remote work as a part of our work style reforms before then, which allowed for a smooth transition to the new structure. Talk about DX tends to focus on improvements in work efficiency, but DX is simply a tool, and our real focus should be on how to change our business model. The ultimate goal of TATSUTA's all businesses is to make use of this new tool to propose new added value to customers and obtain their acceptance.

Top Commitment

The COVID-19 pandemic seems to have strengthened our relationships with local communities. In addition to donations for COVID-19 countermeasures that we made to local governments where our plants are located, in February 2021, we concluded a comprehensive partnership agreement with Higashiosaka City, where TATSUTA's Head Office and Osaka Works are located, at the City's request. Going forward, while keeping our eyes on social circumstances, we plan to propose a variety of collaborations under this agreement. In circumstances that are difficult for everybody, I have a sense that an awareness of "We're all in this together!" is starting to blossom in each individual TATSUTA employee. I imagine that other companies feel the same. I believe that this kind of willingness to be actively involved in local communities will lead to a mindset of serious engagement in contributions to society, including the SDGs.

Aiming to get back on track at full power to achieve the Long-Term Vision

We established the 2025 Long-Term Vision, which sets out TATSUTA's long-term vision for the nine-year period from 2017, a milestone year marking the 70th anniversary of the company's foundation, to 2025, alongside strategies and targets. With the aim of growing into a company that is on the next level of 100 billion yen in net sales and 10 billion yen in operating income, we divided our businesses into three categories, namely "for-profit businesses," "for-growth businesses," and "mid-to long-term development businesses," to promote further development. The Vision's nine-year period has been divided into three three-year periods, and we are currently in the second period.

Under present circumstances, we will not reach the 2022 milestone income target (operating income of 7 billion yen), the target that was originally set for the second period, which means an inevitable delay in the long-term vision. For-growth businesses, in particular, have been significantly affected by COVID-19, due to the difficulties in pursuing the kind of in-person development activities that are essential to promote these businesses. Customers' circumstances have been similarly stagnant. Nevertheless, individual projects have still been continuing steadily and, fortunately, moves are emerging to resume development activities as the vaccination roll-out makes progress in individual countries. Therefore, we plan to catch up quickly and place even more efforts into bringing products from these for-growth businesses to market.

The mid-to long-term development businesses, which are establishing the business foundations for future expansion of scale and profit, had also fallen behind schedule, but they are finally back on track and their ultimate targets are now in sight. They will take firm hold of opportunities for recovery in their respective business environments and get back on track to achieve the long-term vision.

Fulfilling our social responsibilities through our products in the pursuit of sustainable growth

In a society that gives primary consideration to sustainability, we continue to ask ourselves what we

need to do and what contributions we can make. In addition to our existing resolve to meet the needs of our customers, going forward, we must also make the products that society is asking for. Naturally, the specifications and quality required will change, and swiftly capturing that market and responding to it, and flexibly changing ourselves will be key.

Electric wire and cables are used in electric power and other energy segments, telecommunications, control signal cables, and other sectors that are essential to society. By meeting the various needs that will emerge with the advancement of CN and GX, including new products and quality requirements related to the expanded use of renewable energies and the use of hydrogen and ammonia, we will be able to contribute to the transformation of society. Robots and factory automation, which are the main applications of control cables, are essential responses to changes like shrinking workforces and DX in factories. Another of our core products, electronic materials, will expand the possibilities in the ever-advancing communications and IT sectors, while the medical and environmental analysis businesses could be described as the epitome of solutions to social issues.

In addition to contributions with our own products, there are also steps we can take in our manufacturing processes. Electric wire is made with copper and organic materials derived from petroleum, and electronic materials are made with similar raw materials, albeit in much smaller quantities. We need to evolve the technologies we have cultivated to date to achieve the recycling of these raw materials and CN in the energy used in their production. While fulfilling our responsibilities to society through proactive business development, we will achieve solutions to social problems and the sustainable growth of the TATSUTA Group.

Setting materiality items and KPIs to clarify our moves toward solutions

This fiscal year, we set materiality items and key performance indicators (KPIs) for the first time, fortifying our approaches to solutions to various social issues in concrete ways. TATSUTA has already made clear in its Corporate Principles and Code of Conduct that it will conduct its business activities for the sake of society's sustainability, and we have always incorporated ESG approaches into our corporate operations. Some of those activities have been pursued with conscious intent, while others we have engaged in unconsciously, but they have been difficult for our stakeholders to see and understand. By establishing materiality items and setting them as targets in the form of KPIs, we hope to gain the better understanding of our stakeholders.

In terms of products that will help to solve environmental problems, we will set and pursue development themes as a priority. For some time, we have been developing electric wires and electronic materials that satisfy environmental regulations, such as non-halogen products and eco-friendly electric wire and cable that utilizes highly-recyclable coatings, and we possess distinctive technologies for the provision of environmentally friendly products. Our products also benefit society in terms of resource savings, longer product life, and labor savings. For example, our conductive copper

paste is used for the wiring on electronic substrates and the like. In the past, the process used for electronic substrate wiring was to apply copper foil to the substrate before etching it with acid to form the wiring. This process required disposal of the acid used and large volumes of water for cleaning. In contrast, our paste uses printing technology to form the wiring directly on the substrate, greatly reducing the burden on the environment.

In terms of response to climate change, we will, of course, reinforce our various existing energy-saving measures to reach our goal of carbon neutrality by 2040, but in addition, we will swiftly proceed with new and different initiatives to meet all our power needs with renewable energies, such as actively purchasing green energy.

Viewing work styles, the active participation of women, and the pursuit of DX as interconnected reforms

Our ongoing promotion of women's active participation in the workforce, as well as the COVID-19 pandemic, have brought opportunities to step up the promotion of DX. We are now striving to make active use of that DX to achieve our goals of work style reform and the achievement of rewarding workplaces.

Until now, many manufacturing sites have traditionally been dominated by men. At TATSUTA as well, it was thought that assigning women to those sites would be difficult because some processes would be too burdensome for them. In this regard, we have been considering the utilization of DX at manufacturing sites that would have labor-saving benefits, and it has already been introduced to some equipment at our factories. We also hope to expand the duties open to female opportunities at our manufacturing sites. On the recruitment front, we have mostly achieved our target of female employees accounting for 25% of our total workforce in our five-year plan from 2016. Going forward, while providing the necessary career support for our female employees, we will devote our efforts to increasing the rate of female managers.

In the promotion of active participation by women in the workforce, in addition to these kinds of visible initiatives, we also believe in the importance of changing the mindset of the manager class, who will be their superiors. The main issues include communication and fairness, but this is not confined to female employees alone. They are important approaches and values in the promotion of diversity and inclusion, and as such, we will pursue training and other initiatives for manager-class employees.

We are considering a review of our personnel systems that will respond to new challenges in the pursuit of DX at individual locations, with the aim of completing that review by March 2022. For example, remote work presents difficulties in gauging how well people are working, and communication is also insufficient, all of which make it harder for managers to evaluate their subordinates. We hope to build personnel systems that will accommodate changes in business styles, through such means as reorganizing the criteria for the evaluation of subordinates and conducting training for managers. Also, regarding the security aspects that are a concern with DX, we had already strengthened our cyber-security and information security responses and built structures



last fiscal year as part of our corporate governance frameworks, but we will continue to refine and improve those responses and frameworks.

With the growing emphasis on human rights of recent times, we will place even further efforts into our initiatives both in Japan and overseas. Respect for character and individuality has long been part of our Corporate Code of Conduct, but we will further enhance our efforts in this regard through initiatives such as human rights awareness training.

We want to show stakeholders our willingness to walk alongside them

As customers' and society's values are constantly changing, there are many different ways to engage in dialogue with different stakeholders. The common factor, however, is the importance of engaging in that dialogue with sincerity and showing them our willingness to walk alongside them. Also, to convey our approaches in ways that are easy to understand, we will consider further expanding the perspectives of our economic activities, such as joining frameworks such as the Task Force on Climate-Related Financial Disclosures (TCFD).

As the social and economic turmoil caused by COVID-19 gradually subsides, various changes aimed at the realization of a sustainable society will emerge. Viewing this time of change as an opportunity, we will manage our businesses with a strong awareness of the need to change ourselves and thus bring about further change, with the conviction that this is imperative to our own sustainable growth. We look forward to the continuous support of all our stakeholders as we strive to respond to their expectations.

2025 Long-Term Vision

We will identify areas where demand is expected to grow and where the TATSUTA Group can make the most of its strength and concentrate our combined efforts on these areas.

In order to become a niche top supplier that provides unique cutting-edge parts and materials, we will actively invest in the fields which are expected to achieve market expansion, namely, functional paste and medical equipment materials in pursuit of growth. For other existing business fields, we will implement strategies such as promoting investment to help enhance efficiency and expanding product groups that match customer needs to pursue the optimization of profit earning.

Overview of the 2025 Long-Term Vision

Qualitative objective

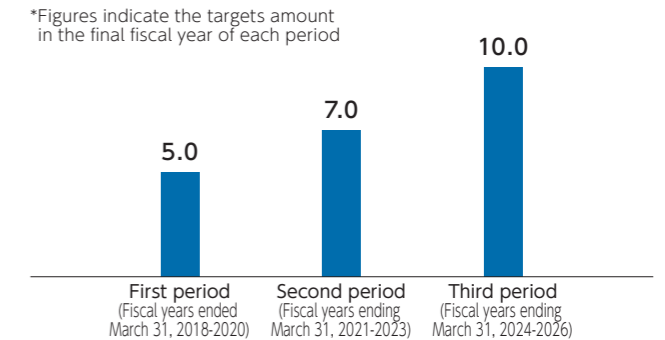
TATSUTA will explore the frontiers of electric wire and electronic materials with the aim of becoming a niche top supplier that provides unique cutting-edge parts and materials.

Quantitative objective

While maintaining high profitability, we will grow the scale of the corporate group by another digit (net sales of 100.0 billion yen and operating income of 10.0 billion yen in the fiscal year ending March 31, 2026).

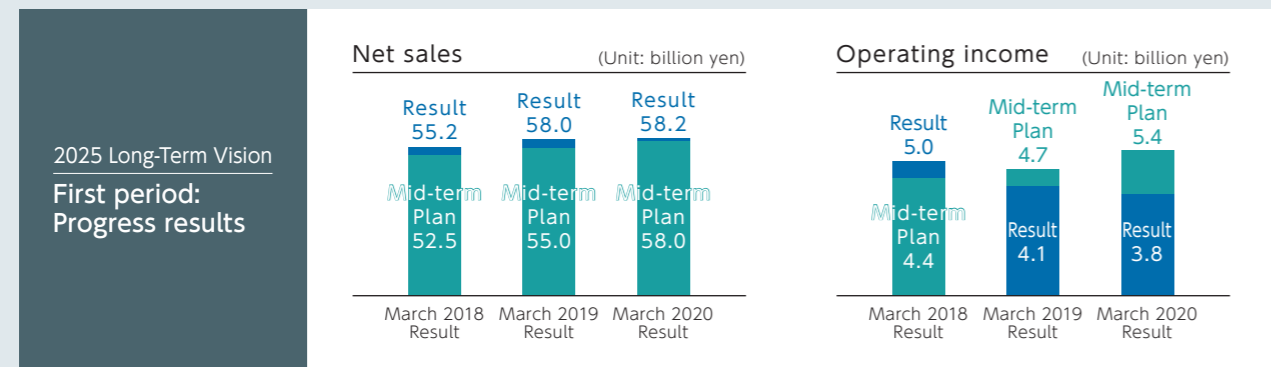
Target operating income

(Unit: billion yen)



2025 Long-Term Vision First period: Progress results Second period: Policies	Roadmap to 2025			
	Period	First period (Fiscal years ended March 31, 2018-2020)	Second period (Fiscal years ending March 31, 2021-2023)	Third period (Fiscal years ending March 31, 2024-2026)
	Challenge	Establish the business foundation	Shift to mass production of new products	Increase production of new products and contribute to revenue
	Investment and lending	21,000 million yen over 3 years (of which 12,000 million yen held in reserve)	24,000 million yen over 3 years (of which 12,000 million yen held in reserve)	28,000 million yen over 3 years (of which 12,000 million yen held in reserve)
	Target operating income	Fiscal year ended March 31, 2020: 5,000 million yen	Fiscal year ending March 31, 2023: 7,000 million yen	Fiscal year ending March 31, 2026: 10,000 million yen

(Note) "Held in reserve" refers to allowances for strategic investment, including M&A investment designated under the Long-Term Vision. These amounts are set for the nine year period from April 1, 2017 to March 31, 2026, within a range that does not compromise balance sheet soundness.



(Note) The announcement of the Mid-term Plan for the second period has been postponed due to the difficulty of making reasonable forecasts of medium- and long-term sales environments, etc. This is because the expected global expansion and protraction of the COVID-19 pandemic is resulting in given ongoing significant changes in demand assumptions for TATSUTA's core products.

2025 Long-Term Vision Second period: Basic policies	1. Thoroughly implement measures to prevent the spread of COVID-19, and fulfill our responsibility to maintain supply to our customers, while securing the safety of our employees and society.	
	2. Promote operational and production innovation and transformation of the business model through DX.	
	3. Link social changes and issues such as 5G and carbon-neutral to business opportunities.	
	4. Promote business expansion through alliances with startups, M&A, etc.	
For-profit businesses	Maintain and expand existing market share, improve product mix, improve production efficiency, expand business into peripheral fields and strengthen sales capacity to achieve that expansion, etc.	
For-growth businesses	Develop and launch new products, promote alliances with startups and other external companies, etc.	
Mid- to long-term development businesses	Expand sales volumes, enhance sales systems, strengthen cost competitiveness, etc.	

2025 Long-Term Vision	Business Development			
	For-profit businesses	Electric wire and cable business	Electric wire and cable business, domestic equipment wire business	Promote investment to help enhance efficiency and enhance product groups that meet customer needs to pursue the optimization of profit earning.
		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	Actively implement investment in business development, production increases, etc. to pursue greater scale and expand revenue.
		Other businesses	Medical equipment materials business	
Mid- to long-term development businesses	Electric wire and cable business	Overseas equipment wire business	Focus on establishing the business foundation at present and pursue greater scale and expanded revenue in the future.	

Requirements for parts and materials, such as electric wire and electronic materials, become more segmented and sophisticated in fields such as the IoT and robotics, in-vehicle equipment, medical equipment, etc.

TATSUTA's Vision for 2025	Qualitative objective	Quantitative 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 maintaining high profitability, we will grow the scale of the corporate group by another digit.					
	<table border="1"> <thead> <tr> <th colspan="2">2025 Targets</th> </tr> </thead> <tbody> <tr> <td>Net sales</td> <td>100.0 billion yen or greater</td> </tr> <tr> <td>Operating income</td> <td>10.0 billion yen or greater</td> </tr> </tbody> </table>		2025 Targets		Net sales	100.0 billion yen or greater	Operating income
2025 Targets							
Net sales	100.0 billion yen or greater						
Operating income	10.0 billion yen or greater						

TATSUTA's Sustainability

To realize its Corporate Principles, TATSUTA continues to engage in sustainability activities under its Corporate Code of Conduct and Environment Policy, responding to the expectations of stakeholders and 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	<ol style="list-style-type: none"> 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.
Quality and Environment Policy	<ol style="list-style-type: none"> 1. To successfully enact our corporate principles, we will continuously and appropriately strive to integrate our business processes, improve products and services, and promote environmental protection, according to our corporate code of conduct. 2. We will observe applicable laws and regulations and customer requirements by developing and operating quality and environmental management systems based on ISO standard requirements. 3. We will strive for quality improvement, pollution prevention, and environmental protection by extracting and responding to the risks we must address. 4. To maintain quality and environmental management systems and enhance their performance, we will continuously improve them by implementing the PDCA cycle.

Sustainability Concept

Contribute to the sustainable and stable development of society



Excellent relationship with each stakeholder

2025 Long-Term Vision

Corporate Principles / Corporate Code of Conduct / Quality and Environment Policy

SUSTAINABLE DEVELOPMENT GOALS



Sustainable Development Goals (SDGs)

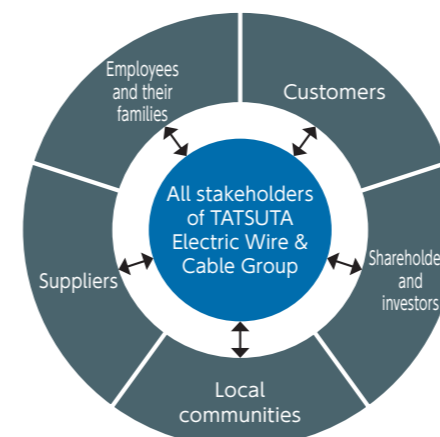
The SDGs are 17 international goals for 2030 to realize sustainable, diverse and inclusive societies where "no one will be left behind," adopted unanimously at the UN summit held in September 2015.

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

We shall establish good and sound relationships with interested parties outside the company, including shareholders and investors, customers, suppliers, and local communities. We also provide safe, healthy, and rewarding workplaces and stable livelihoods for our employees and their families.



	Relationship we aim for	Major initiatives
Employees and their families	We aim to provide safe, healthy, and rewarding workplaces for our diverse personnel and support their stable livelihoods.	<ul style="list-style-type: none"> ● Exchanges of opinions through various labor-management meetings ● Management information presentations ● Employee questionnaires ● Personnel evaluation interviews, etc.
Customers	As a member of our customers' supply chains, we will build relationships of trust based on a high degree of corporate ethics and deliver a stable supply of safe, high-quality products that meet our customers' needs.	<ul style="list-style-type: none"> ● Regular sales activities ● Joint technical development ● Quality response, etc.
Suppliers	We will strive to build good and sound relationships with our suppliers as important partners in the TATSUTA Group's business.	<ul style="list-style-type: none"> ● Regular purchasing activities ● Supplier meetings, etc.
Shareholders and investors	In addition to conducting fair corporate activities in compliance with domestic and international laws and regulations and in-house rules and according to social norms and morals, we will strive to gain trust by engaging in appropriate and fair information disclosure to increase the transparency of our management.	<ul style="list-style-type: none"> ● Communication of various financial and non-financial information ● Financial results presentations ● Individual interviews ● General Meeting of Shareholders, etc.
Local communities	We will fulfill the roles required of us as a citizen of the community and cooperate in 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, etc.

Materiality Items (Key Sustainability Issues)

TATSUTA has identified its materiality items (key sustainability issues) with the aim of engaging seriously in issues through sustainability management while pursuing the enhancement of its corporate value, to contribute to the sustainable development of its business and society.

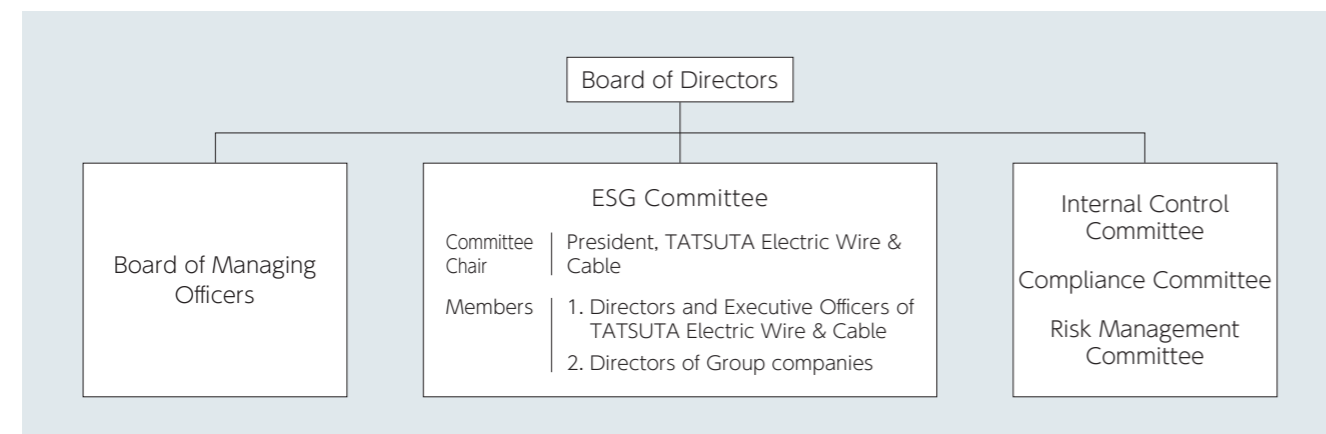
Materiality Identification Process

In 2020, we launched the ESG Committee to oversee all of the company's sustainability activities and formulated the TATSUTA Group's materiality items (key sustainability issues). We will strive to build relationships of trust with our stakeholders by incorporating these materiality items into our management issues and verifying them regularly.



Sustainability Promotion System

We have established an ESG Committee chaired by the President to promote sustainability management across the entire Group. The ESG Committee is positioned alongside the Management Committee and Internal Control Committee as a meeting body under the direct control of the President and Executive Officer. 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 on the ongoing roll-out of sustainability measures by setting sustainability targets, monitoring their progress, and evaluating achievements.



	Social Issues	Materiality Items	Specific Initiatives	KPIs	Relationship with SDGs
Environmental	<ul style="list-style-type: none"> Conservation of energy and resources Climate change countermeasures Conservation of biodiversity, forests, and oceans, and other environments 	1. Contribute to conserving the global environment (including climate change response)	<ol style="list-style-type: none"> Reduce the environmental impact of products and services Promote recycling Promote energy saving Pursue carbon neutrality 	Develop environmentally-friendly products and services	
				Promote investment to conserve resources and energy	
				Recycling rate: 95% or more	
				Reduce energy consumption by product intensity: 1% or more	
Achieve net zero CO ₂ emissions by 2040					
Social	<ul style="list-style-type: none"> Hunger, poverty, health Education Gender equality, peace and justice Respect for human rights and diversity Safety and disaster prevention International cooperation for sustainable economic growth Decline in birth rate and aging population, labor shortages, work style reform New lifestyles 	<ol style="list-style-type: none"> Provision of advanced, high-quality products and services to benefit society Realize safe and fulfilling workplaces Respect human rights Coexistence and co-prosperity with local communities 	<ol style="list-style-type: none"> Develop products and services that resolve social issues and satisfy customer needs Strengthen quality assurance and BCP systems Promote measures for safety and health Nurture human resources to drive sustainable growth Promote diversity & inclusion Promote awareness-raising activities to foster respect for human rights Maintain good communication Help develop local communities and next-generation leaders 	Develop products and services to contribute to resolving social issues	
				Enhance customer satisfaction	
				Steadily implement BCP and BCMS	
				Zero serious accidents, zero accidents requiring time off work	
				Increase the percentage of annual paid leave consumed to 80% or more	
				Enhance education and training	
Maintain and increase proportion of employees with disabilities: 2.3% or more					
Increase the proportion of female employees recruited: 25% or more					
Ratio of female managers: 10% or more by the end of fiscal 2025					
Encourage participation in human rights education					
Continue dialogue with local communities					
Contribute to local community programs to develop next-generation leaders					
Governance	<ul style="list-style-type: none"> Fair corporate activities Management transparency Prevent scandals and handle appropriately if they occur 	1. Thorough corporate governance	<ol style="list-style-type: none"> Business operations based on corporate governance guidelines Implement management systems (including risk management system) with certainty Strengthen education and training on compliance Implement an internal hotline system 	Steady operation of a company-wide management system	
				Promote participation in compliance training	
				Take ongoing action on corporate governance	

The COVID-19 pandemic has resulted in changes to society and had various impacts on business activities. In this climate, the TATSUTA Group's policy is to expand business opportunities by promoting digital transformation. We are pushing forward, swiftly and proactively, encouraging change without fearing failure, across five major themes: (1) strengthening BCP systems, (2) reforming our style of sales and marketing, (3) reforming our style of operations, (4) reforming production efficiency and quality, and (5) reforming organization and human resources.

This special feature presents some of the DX initiatives that TATSUTA is pursuing.

01.

Strengthening of BCP systems

In response to the COVID-19 pandemic, under the Group policy of ensuring the safety of employees and society through strict transmission prevention measures and meeting its supply responsibilities to customers, the TATSUTA Group formulated business continuity plans (BCP) for responding to COVID-19 in all business locations. We also undertook a range of measures to prevent cluster outbreaks, including promoting remote work with the aim of reducing opportunities for person-to-person contact and spreading out functions and operations, limiting meeting attendee numbers and shifting to web-meetings, and staggering dining hall access times. To cooperate with local communities, we donated a total of 30 million yen and 30,000 face masks to municipalities where TATSUTA manufacturing sites are located, and signed a comprehensive partnership agreement with Higashiosaka City, the home of TATSUTA Head Office.

Further, to combat the risk of cyber-attacks, which have become a major problem amid the growing informatization and networking of society, we are working on information security measures, including cyber-security, and building frameworks for the reduction of risk and strengthening of emergency response.

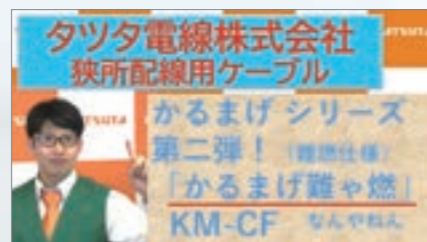


Online trade exhibition

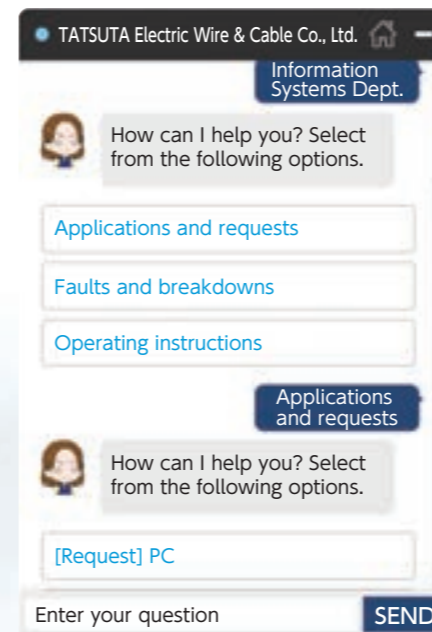
02.

Reform of sales and marketing style

To continue identifying customers' needs quickly and providing products and services that contribute to society even amid the constraints placed on sales and marketing activities by the COVID-19 pandemic, we actively incorporated remote means and opportunities for communication. In addition to accommodating customers' requirements for various web-meeting systems, we also expanded our communications and other hardware, setting up systems that allowed the same level of communication as in-person communications. Also, through the use of new telecommunications tools, including the revamping of Group companies' websites, web-based online trade exhibitions, posting of product presentation videos on YouTube, and distributing e-newsletters, we aim to broadcast information about our products and services widely, including to potential customers, and establish new business styles.



Product presentation video



AI chatbot

04.

Reform of production efficiency and quality

Because our products and services are used in electronic equipment that is essential to key infrastructure and community life, it is our social duty to deliver high quality and stable supply.

The TATSUTA Group is working on the digital transformation of its production processes with the aim of high-efficient, safe, and consistent production of high-quality products.

Central control of inventory with QR codes, systems for automated measurement and calculation of test data, automated collection of manufacturing results and operational data, etc., construction of systems for collection of location information of finished and semi-finished products, and the use of data for the detection and improvement of defective processes are some of the ways in which DX is being pursued. We are also actively engaged in the automation of processes that have a high labor burden as a means of improving both the safety and efficiency of operations.

03.

Reform of operational style

In addition to establishing systems that will allow almost all administrative processing operations to be conducted remotely through the systematization of operations, including the expansion of mobile PCs, smartphones, and other hardware and the introduction of electronic approvals, we will promote the use of robotic process automation (RPA) and the transition to databases,

among other measures, to improve the efficiency and quality of administrative processing and achieve its standardization. Going forward, we will pursue the establishment of environments and training that will allow easy access to and use of data infrastructure and analysis and visualization tools, to move forward in our shift to higher value-added operations.

05.

Reform of organization and human resources

The digitalization of society and lifestyle has brought about major changes in working styles and the nature of work, our people have become more diverse, and changes are occurring in comfortable workplace environments. The TATSUTA Group aims to reform its human resources and organization so that they can make full use of digital tools to execute highly efficient and high value-added operations. We are reviewing our personnel systems and developing education and training programs to create the environment to achieve this aim.

Environmental Report

Relationship with SDGs



Materiality items

1. Contribute to conserving the global environment (including climate change response)

Specific initiatives

1. Reduce the environmental impact of products and services
2. Promote recycling
3. Promote energy saving
4. Pursue carbon neutrality

KPIs

1. Develop environmentally-friendly products and services
2. Promote investment to conserve resources and energy
3. Recycling rate: 95% or more
4. Reduce energy consumption by product intensity: 1% or more
5. Achieve net zero CO₂ emissions by 2040

Environmental Vision, Management Structures, and Education System

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 2040, reduce the environmental impact of products and services, and promote recycling and energy saving, among other initiatives.

Quality and Environment Policy

In keeping with the Quality and Environment Policy below, TATSUTA undertakes specific initiatives to reduce the environmental impact of products and services, promote recycling and energy saving, and prevent global warming (reduce CO₂ emissions).

- 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.

Environmental management structures

The TATSUTA Group's structures for promoting environmental management systems (EMS) are composed of three main parts, with each part taking assigned roles according to the level of importance.

	Members	Secretariat	Main roles
Top Management Committee	President, General Managers, etc., and Environmental Management Administrator	ISO Office	Determine basic EMS matters; determine and review Environment Policy and approve environmental targets; and check and review EMS operating status, etc.
Environmental Management Promotion Committee	Personnel responsible for environmental management and personnel responsible for environmental management promotion	Environment & Safety Administration Department	Establish and maintain EMS; assess the status of implementation and operation; establish, review and manage environmental targets, etc.
Districts, offices, etc.	Personnel responsible for environmental management promotion	Departments in charge of environmental management promotion	Establish action plans to reduce environmental impact within each group, and implement activities in accordance with these plans, etc.

TATSUTA is also actively engaged in environmental conservation activities through structures for EMS that are integrated with Tatsuta Environmental Analysis Center, TATSUTA Welfare Service, Tatsuta Tachii Electric Cable, and Chugoku Electric Wire & Cable, which are located in the same site with TATSUTA Electric Wire & Cable.

Environmental education system

TATSUTA implements environmental education for all its employees in order to deepen their understanding of environmental conservation activities and thoroughly embed activity rules.

Education for new recruits	New recruits receive introductory training to familiarize themselves with the Quality and Environment Policy, environmental conservation initiatives such as energy conservation and waste reduction, and related rules.
Specialist education	Specialized education is carried out whenever appropriate for employees engaged in specific activities such as those subject to laws and regulations, including specially controlled industrial waste managers.
Participation in external seminars on the environment	Employees participate whenever appropriate in external lectures and seminars, such as symposiums on environmental conservation and recent international trends, in order to bring back information on environmental conservation including laws, regulations, technologies, and new initiatives to the Group. In the Osaka district, the Environmental Management Promotion Committee implements workshops on the SDGs.
General education and awareness programs	Education is implemented for all employees on the Quality and Environment Policy, laws, regulations, and bylaws relating to environmental targets and environmental conservation activities, as well as environmental issues that relate to TATSUTA's businesses such as the handling of chemicals. For example, various initiatives are implemented every year in June, Japan's Environment Month, to raise awareness of measures for energy saving. These include inviting employees of all Group companies to submit suggestions for an energy-saving awareness slogan, or inviting employees at the Kyoto Works to submit energy-saving proposals based on the theme of the month and educating them on the Quality and Environment Policy.
Education for internal audit personnel	Internal audit personnel are educated through external training or by internal instructors. 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. During the fiscal year ended March 31, 2021, we continued to make efforts to increase the number of audit personnel qualified in both EMS and quality management systems (QMS).

Specific Initiatives

Reduce the environmental impact of products and services

At TATSUTA, we are striving to develop new and improved environmentally-friendly products in order to effectively reduce environmental impact. Through the business activities of Tatsuta Environmental Analysis Center, we also work to reduce substances that burden the environment.

Electric wire and cable business: Environmentally-friendly products

Eco-friendly electric wire and cable

When electric wires and cables are disposed of, their coatings mostly end up as industrial waste. In particular, there is concern over the impact on the environment of harmful substances released by vinyl chloride coatings when they are incinerated.

Eco-friendly electric wires and cables boast the same level of fire resistance as conventional vinyl chloride-coated products but are environmentally-friendly, utilizing highly-recyclable coatings and containing no halogen elements, lead, and other heavy metals.

Features of environmentally-friendly products	Details
Safe to dispose of by incineration	There is no risk of harmful dioxins being emitted during incineration. They do not produce acid gases such as chlorine gas and do not corrode the incinerator.
Fire-resistant and low-fuming	These products boast the same self-extinguishing properties as vinyl cable, and are flame-retardant. They also produce little smoke, helping to ensure visibility in the case of fire.
Recyclable	These products can be recycled through material recycling or thermal recycling using heat energy generated through incineration.
Chemical-resistant	The use of polyethylene-based coatings provides outstanding chemical-resistant properties.



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

With halogen-free and environmentally-friendly specifications, these electric wires and cables maintain a smoke density of 150 or less, and use highly-recyclable coatings.

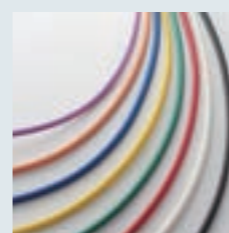
- Features of かるまげ™ (Karu Mage) (KM-CC)**
1. Using 0.45 mm element wires, KM-CC is extremely easy to handle and significantly enhances workability, particularly when wiring in narrow places.
 2. No substances under RoHS 2 (10 substances) are intentionally included.



ネットタフ115™ (Netsu Tough 115) ((S) HKIV) special heat-resistant vinyl-insulated electric wire for electric devices

NETSU ネットタフ115™ (Netsu Tough-115) features insulating material with an increased heat-resistant temperature. It enables to make the size of electric wires smaller compared to previous products, leading to resource savings.

- Features of ネットタフ115™ (Netsu Tough 115) ((S) HKIV)**
1. With a high allowable current capacity, ネットタフ115™ (Netsu Tough 115) NETSU Tough-115 enables reductions in the size of conductor and amount of copper used.
 2. By utilizing a conductor of smaller size, it enables a reduction in the amount of insulation material used.
 3. As a result of 1. and 2. above, it facilitates the efficient use of wiring space.
 4. No substances under RoHS 2 (10 substances) are intentionally included.



EM-TLFC110 eco-friendly fire-resistant flexible crosslinked polyethylene insulated electric wire, heat resistant to 110°C

EM-TLFC110 is a flexible electric wire using highly-recyclable coating material. It has outstanding heat tolerance, with smaller sized electric wires than the IV or KIV, leading to resource savings.

- Features of EM-TLFC110**
1. EM-TLFC110 uses eco-friendly, fire-resistant, crosslinked polyethylene material.
 2. By making the size of conductor smaller, it enables a reduction in the amount of copper and insulation material used.
 3. As a result of 1. and 2. above, it facilitates the efficient use of wiring space.
 4. Box packaging enables storage space savings.
 5. No substances under RoHS 2 (10 substances) are intentionally included.



GT-Lead high-durability lead wire for plating barrels

GT-Lead uses a flex-type conductor and uses a special urethane in the protective layer to enhance durability, with the aim of saving resources.

- Features of GT-Lead**
1. More than twice as durable as previous products* due to the use of a special urethane in the protective layer (* compared in-house).
 2. Reduces production line stoppages to replace damaged lead lines, enabling productivity enhancements and total cost reductions.
 3. Flexibility has been improved through the use of a flexible-type conductor, resulting in higher workability.
 4. No substances under RoHS 2 (10 substances) are intentionally included.

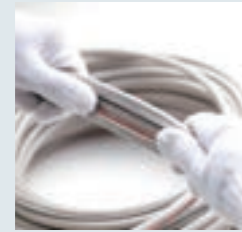
* ネットタフ115™ is a trademark of Tatsuta Electric Wire and Cable Co., Ltd., registered in Japan.

■ FIT Series

The new FIT Series features products responding to diverse customer requests for NETSU Tough-115, TLFC and GT-Lead. Utilizing a small-diameter conductor to achieve both flexibility and formability, it is designed to save resources.

Features of the FIT Series

1. Use less coating material than previous products by achieving a smaller diameter.
2. Wiring and terminal processing workability is improved.



■ New Slat Cable

Until now, "vinyl" has been the main material used in insulators for drop cables. The New Slat Cable uses environmentally-friendly "black crosslinked polyethylene" insulator instead, which contains no chlorine.

Features of New Slat Cable

1. New Slat Cable contains less vinyl material which may have a negative impact on the environment when incinerated.
2. With enhanced weather-resistant characteristics when laid, the cable is more resilient against the effects of temperature changes, water, etc.
3. Enhanced heat-resistance when applying electricity has enabled the cable to be down-sized.



■ ドコサンミハール™ (Doko San Miharu) (acid leakage location detection sensor)

Regular inspections of places that cannot be inspected visually are required under the Water Pollution Prevention Act. ドコサンミハール™ (Doko San Miharu) DOKOSAN-MIHARU enables swift detection of the position of acid leakages, even for locations that cannot be seen.

Features of ドコサンミハール™ (Doko San Miharu)

1. Sulfuric acid, hydrochloric acid, and nitric acid—a diverse lineup for every application.
2. Possible to be installed on existing equipment.
3. Separate wiring for the power source. Can be jointed using a connector, facilitating easy laying and maintenance.
4. Senses leaks in around four minutes. * When 98% concentration of sulfuric acid is dripping (25°C).
5. Can be installed outside.

* "ドコサンミハール" is a trademark of Tatsuta Electric Wire and Cable Co., Ltd., registered in Japan.

Electronic materials & system equipment business: Environmentally-friendly products

Electronic materials We develop our electronic materials with attention to environmental compatibility, which is epitomized by halogen-free, Restriction of the Use of Certain Hazardous Substances (RoHS), UL, and lead-free reflow soldering.

Enhanced environmental compatibility of electronic materials	Halogen-free	Containing no halogens such as chlorine, there is no concern for these materials emitting dioxins and toxic gases when burned.
	RoHS 2	They do not contain the designated hazardous substances that have a negative impact on the environment and human body: lead, cadmium, mercury, hexavalent chromium, the designated bromine-based flame retardants polybrominated biphenyls (PBB) and polybrominated diphenyl ethers (PBDE), and four phthalates.
	UL	UL94 is a United States testing standard. VTM-0 tests the vertical flammability of thin plastics, and V-0 tests vertical flammability. Both tests are graded at three levels, V-0 to V-2, from least to most flammable. The tests assess features such as whether the material will suppress the spread of flame and help to extinguish the fire.
	Lead-free reflow soldering	Lead-free solder is a vital part of RoHS compliance for electronic circuits. While soldering to mount components onto the printed circuit board is difficult through the mainstream reflow processing, this material is compatible with lead-free soldering.



■ SF-PC8900-C high-frequency-compatible thin EMI shielding film

By retaining the structure of the previous model's thin electromagnetic interference (EMI) shielding film (SF-PC5900-C) while increasing the thickness of the shield layer, we achieved the production of a thin EMI shielding film that enhances electric characteristics in the high-frequency range. This range is vital for 5G communications, which are forecast to spread extensively in the future.

In addition to providing high-performance shielding in the high-frequency range, SF-PC8900-C also demonstrates higher performance than previous products in terms of mechanical characteristics such as crease performance. It is thus considered increasingly for a possible use in flexible printed circuit boards for components of displays, camera modules, hinges, etc.

In terms of the environment, SF-PC8900-C has attained UL94 flammability class VTM-0, while also being halogen-free. It also complies with RoHS.

Features of SF-PC8900-C

1. Halogen-free, and attained UL94 VTM-0. Also complies with RoHS.
2. With a total thickness of 8 μm, it achieves high-performance shielding in the high-frequency range.
3. Outstanding mechanical characteristics such as crease performance.

Equipment wire and cable business: Environmentally-friendly products

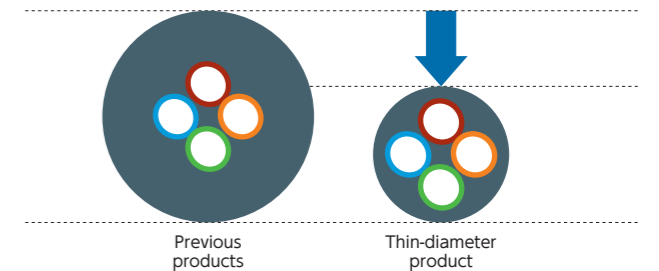
Thin-diameter KORIKI™ high-strength cables for FA robots

We have been providing high-strength cables that use high-tensile alloy conductors, to enable usage in harsh environments where complicated movement is required, such as in industrial robots and FA equipment. We are also developing thin-diameter KORIKI™ high-strength cables, suited for use in space-saving wiring applications such as equipment miniaturization, robots with limited wiring space, cableveyor, etc.

This enables wiring space reductions, flexible wiring and layout while retaining the outstanding flex durability of previous products.

These features facilitate weight reductions, miniaturization and space savings in robots and other applications, and also contribute to resource savings through longer product life, which is a characteristic of high-strength cables.

Comparison with previous products
Outer diameter: around 30% smaller
Weight: around 35% lighter



* "KORIKI" are trademarks of Tatsuta Electric Wire and Cable Co., Ltd., registered in Japan.

Features of thin-diameter high-strength cables	Maintain superior flex and twist durability with slim body and surprising durability	Flex and twist durability are the same or higher than previous high-strength cables (based on in-house test data).
	Excellent terminal workability	Workability of connector and wire harness assemblies improved by limiting use of filler and binding wherever possible inside the cable. This also leads to less fabrication waste.
	Superior space-saving properties	Thinner cable made possible by reducing the outer diameter by approximately 30% and the cross-section area by approximately 50% (compared to our previous products).

TOPIC

Establishment of an eco-friendly production method for rubber cable

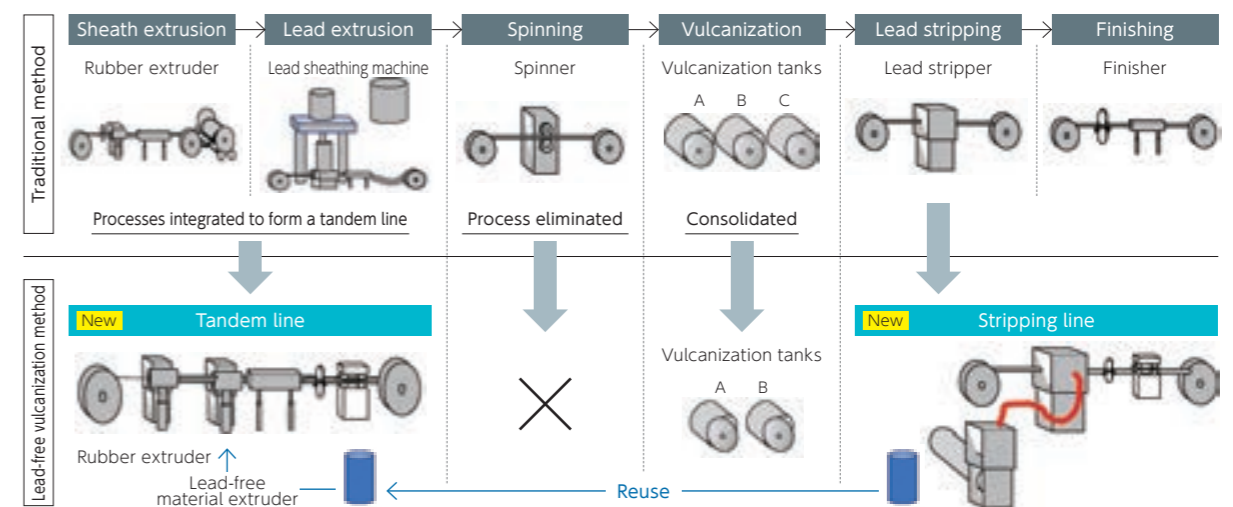
Chugoku Electric Wire & Cable traditionally relied on the lead vulcanization method whereby rubber cable cables are sheathed with lead and the sheaths vulcanized. Recently, however, the company has switched to a lead-free vulcanization method. The new production method not using lead enables the company to reduce environmental risks and shorten lead times.

Lower environmental risks

The lead-free vulcanization method allows for the production of eco-friendly rubber cable cables that fully comply with RoHS and REACH regulations.

Shorter lead times

The tandem extrusion of rubber sheaths and lead-free vulcanization material, among other improvements, leads to shorter production processes and thereby shorter lead times.



Tatsuta Environmental Analysis Center's environmental analysis business



Dioxins analysis

Providing highly-reliable analysis through strict quality control in as little as two business days

Dioxins are extremely toxic and harmful substances. A precision control system and advanced technical capabilities for ultra-trace analysis are required to analyze them. At TATSUTA, we have strived to enhance our capabilities with a full range of the latest devices, and can complete an analysis in as little as two days.



Working environment measurement

Providing one-stop services for integrated working environment management from regular measurement to workplace improvement proposals

For indoor workplaces that manufacture or handle harmful substances subject to laws or regulations such as the Industrial Safety and Health Act, it is necessary to implement regular measurement and evaluation of the working environment, and appropriate improvements based on the results. At TATSUTA, we are engaged in working environment management together with our customers that ranges from evaluation, including measurement of the concentration of welding fumes, to improvement of working environments.



PCB analysis

Providing broad-scope PCB analysis based on a proven track record, with the capability to analyze trace PCBs in as little as one business day

In addition to trace polychlorinated biphenyls (PCBs) in transformer oil, insulation oil, pressure sensitive paper and film, we also have the capability to analyze PCBs in water, air and soil, as well as cloth, tools and containers.



Soil contamination investigation

Fully utilizing our accumulated technologies, experience and expertise to accurately determine levels of contamination with heavy metals, volatile organic compounds, etc.

Investigations based on the Soil Contamination Countermeasures Act are required for redevelopment or land sales involving former plant sites, etc. As a certified Designated Investigation Institution, we collect accurate data on factors such as the concentration and distribution of contaminating substances, and evaluate the degree of contamination, playing an important role in the effective use of land.



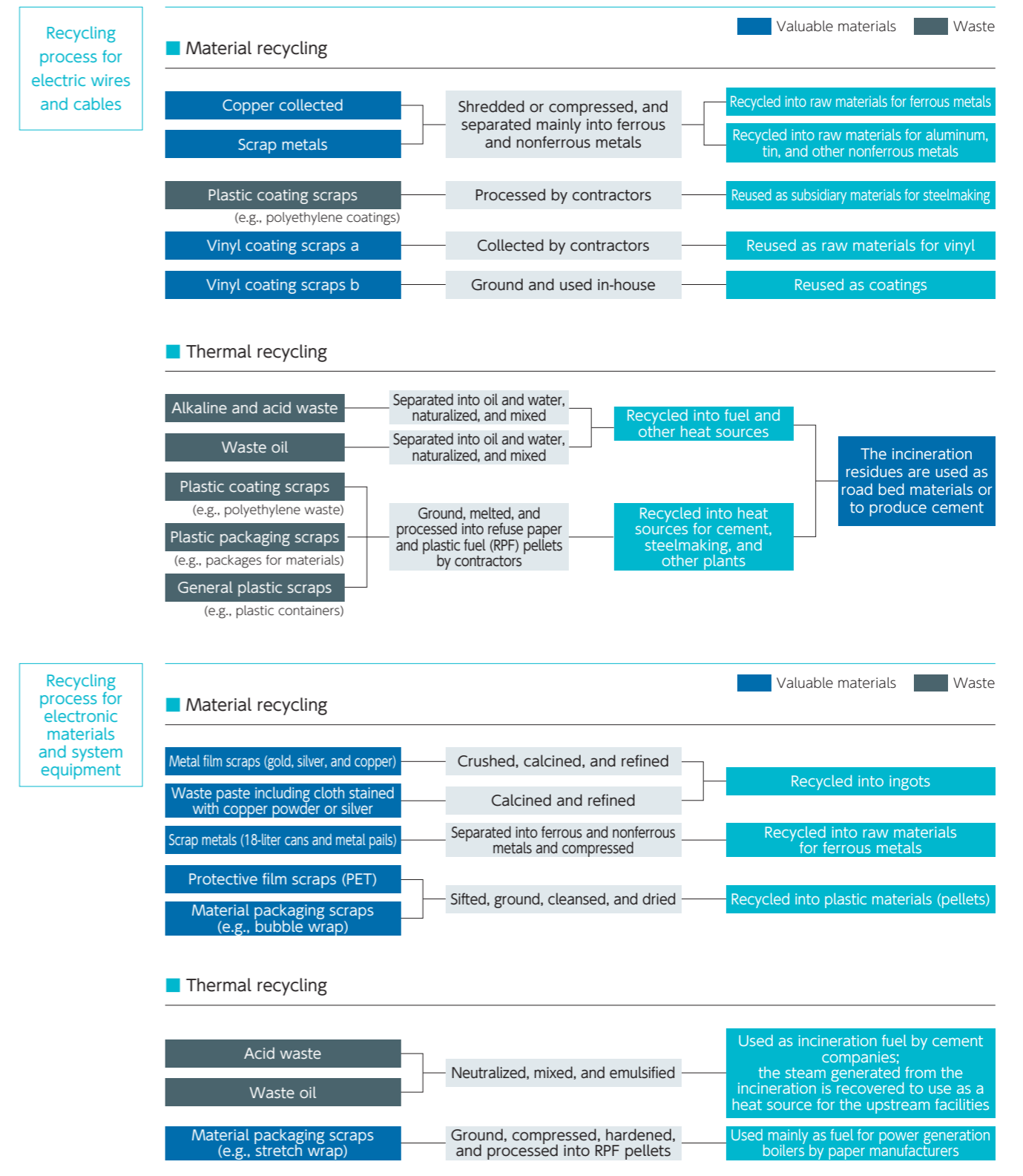
Analysis of products and materials

Responding to diverse needs through services including the analysis of substances that impact the environment, such as the RoHS substances, and materials composition analysis

We make full use of multiple analysis techniques and insights gained through extensive experience, including morphological observation, composition analysis, and evaluation of material characteristics, to solve a range of issues related to products, components, and materials.

Promote recycling

At TATSUTA, we engage in recycling and the effective utilization of waste, by collecting and recycling gold, silver, and copper, which we use as raw materials as well as by converting mixed waste of metal and plastic to valuable materials.



Pursue carbon neutrality

TATSUTA views combatting climate change as a key challenge and aims to achieve carbon neutrality by 2040. Toward that end, we will make investments and take other actions to conserve energy and utilize renewable energy sources.

Renewable energy

The TATSUTA Technical Center (TTC) installed 192.5-watt solar power modules in 2013, utilizing the feed-in tariff scheme. Annually, the modules generate 216,000kWh of electricity (equivalent to around 54kl crude oil), which corresponds to some 6% of TTC's energy use. In terms of CO₂ emissions, the electricity generated is equivalent to reducing CO₂ emissions by 76 tons per annum.

Reducing CO₂ emissions through energy saving

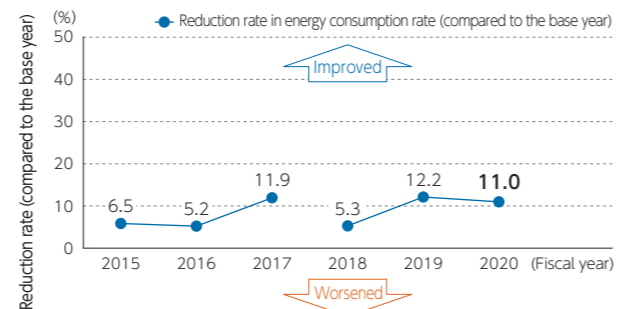
As a means of reducing CO₂ emissions in the near term, TATSUTA has set a goal of reducing energy consumption per unit of production by 1% or more on a year-on-year basis. Each operational site has been working toward this goal.
For the fiscal year ended March 31, 2021, TATSUTA achieved the goal, reducing its company-wide energy consumption per unit of production by 3.0%; it also lowered CO₂ emissions by 7.1%.

CO₂ emissions (Unit: ton)

District	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Head Office and Osaka Works	13,239	11,601	10,578
Kyoto Works	2,005	1,747	1,839
TATSUTA Technical Center	1,795	1,468	1,441
Sendai Works	4,503	4,474	4,342
Total	21,542	19,290	18,200

CO₂ emission reduction results (three-year plan based on Osaka Prefecture ordinance)

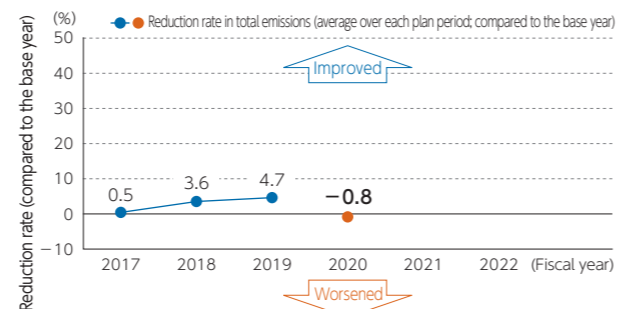
The Head Office and Osaka Works worked toward a target reduction in energy consumption rate against the base year of 3.2 percentage points or greater for the final year of the reduction plan (the fiscal years ended March 31, 2019-2021). The results for the final year of the plan period surpassed the target, achieving a reduction of 11.0 percentage points compared to the base year.



* The graph shows the results for each reduction plan period: fiscal years ended March 31, 2016-2018 and fiscal years ended March 31, 2019-2021.

CO₂ emission reduction results (three-year plan based on Kyoto Prefecture ordinance)

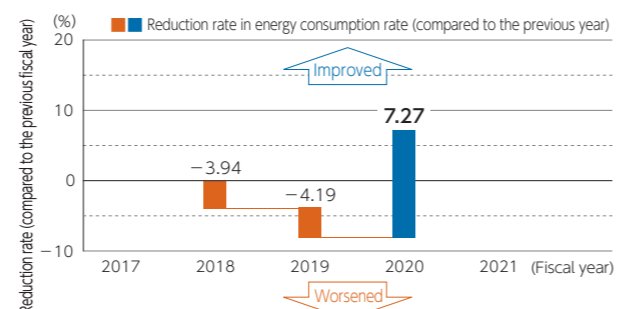
The TATSUTA Technical Center and Kyoto Works work toward a target reduction in total emissions against the base year of 3.9 percentage points or greater for the final year of the reduction plan (the fiscal years ending March 31, 2021-2024). The results for the first year of the current reduction plan period increased slightly compared to the base year, by 0.84 percentage points.



* The graph shows the results for each reduction plan period: fiscal years ended March 31, 2018-2020 and fiscal years ending March 31, 2021-2024. The TATSUTA Technical Center has been covered by the reduction plan since the fiscal year ended March 31, 2018.

CO₂ emission reduction results (based on a voluntary plan established by the Sendai Works)

The Sendai Works established a target reduction in energy consumption rate per unit against the previous fiscal year of 1 percentage point or greater under a voluntary reduction plan. Despite a significant impact from fixed energy-consuming facilities, efforts were made to practice efficient manufacturing. As a result, the Sendai Works reduced the energy consumption rate by around 7.3 percentage points, achieving the reduction target.



* Results begin from the fiscal year ended March 31, 2018 because the Sendai Works was completed in November 2016.

Note: Criteria for data evaluation differ for each reduction plan period. There is therefore no continuity between reduction plan periods.

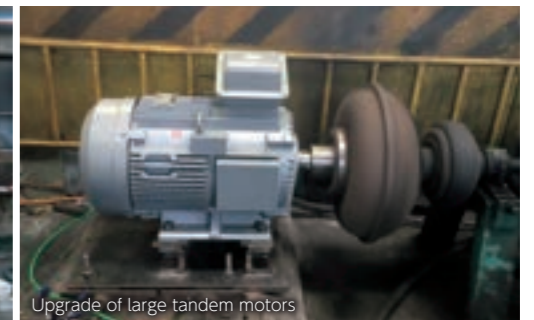
TOPIC

The Osaka Works implemented renovation works for production equipment from the perspective of enhancing efficiency and energy savings. This resulted in an annual reduction of around 63,000kWh.

The Kyoto Works upgraded light fittings and air handling units, which led to reducing electricity usage by 22,000kWh and gas usage by 2,000m³, respectively.

Meanwhile, the Sendai Works introduced a cogeneration system, which produced the effect of 767,000kWh. It also replaced steam boilers with a fewer number of smaller models, resulting in a gas usage reduction of 64,000m³.

Osaka Works



Kyoto Works



Sendai Works



Properly manage and reduce chemical substances

Decommissioned equipment using PCBs are stored and managed internally as specially controlled industrial waste, and systematically disposed of as planned in accordance with disposal methods stipulated by the government of Japan.



In March 2021, we transported all the 1,240 pieces of equipment containing high concentrations of PCBs to Japan Environmental Storage & Safety Corporation (JESCO), where they were disposed of.

* A total of 966 stabilizers, 37 neon transformers, and 237 lighting capacitors.



Efforts for biodiversity conservation

In order to maintain biodiversity, we avoid using raw materials containing chemical substances harmful to living creatures as much as possible in our products. At the same time, we also regard it as important for our employees to feel a connection with living creatures and nature through their everyday work and corporate activities. At TATSUTA, we are doing what we can to ensure that the blessing of biodiversity is passed on to future generations.

<p>Participating in the activities of the IKOMA no MORI Forest Consortium</p>	<p>The IKOMA no MORI Forest Consortium, in which we also participate, is engaged in forest conservation works at Yakkanba Forest (the name given to the location of the Consortium's activities), thinning the densely-growing trees to allow sunlight to penetrate and improve airflow. For the fiscal year ended March 31, 2021, however, its activities were cancelled to prevent the spread of COVID-19.</p> <p>The IKOMA no MORI Forest Consortium is composed of companies, universities, NPOs and administrative bodies in Higashiosaka City, and aims to revitalize forests of Mt. Ikoma that have degenerated due to a lack of maintenance by the people, and make them rich forests again.</p>
<p>Local production for local consumption at the TATSUTA Technical Center and Kyoto Works</p>	<p>We have requested the cooperation of the contractor providing lunch at the employee cafeteria to create menus using local ingredients such as vegetables. The quality and availability of ingredients depends on weather conditions, but employees are enjoying the taste of the blessings of nature and the foods of the season.</p>
<p>Sunflowers and vegetable gardening</p>	<p>At the Kyoto Works, sunflowers have been grown from the seeds received for the repose of the victims of earthquake. The employees have carefully looked after the sunflowers, watering them daily and looking forward to the beautiful flowers. Their hard work paid off in 2020, too, with the magnificent blooms.</p>  <p>In the fiscal year ended March 31, 2021, the Sendai Works started vegetable gardening in earnest as part of its site greening initiative. The garden has yielded cherry tomatoes, cucumbers, potatoes, onions, and other seasonal vegetables. Sharing the produce with employees helps inspire conversations about the changing seasons.</p> 

Green procurement

As a company regarding environmental conservation activities as one of the most important management challenges, TATSUTA has developed Green Procurement Guidelines in an effort to provide products with lower environmental impacts. These guidelines are designed to reduce our ecological footprint, advance environmental conservation activities, and help create a sustainable recycling-based society. The means to these ends include identifying chemicals contained in the raw materials, parts, subsidiary materials, subcontracted supplies, and other items we purchase from business partners; and prioritizing the purchase of items not containing hazardous chemicals.

In light of the fact that the trade of conflict minerals finances armed groups committing atrocities in countries bordering conflicts, these guidelines also stipulate that we investigate business partners to prevent us from purchasing raw materials, products, and such that contain conflict minerals and their derivatives.

Environmental Data

Head Office and Osaka Works

1. Atmospheric and water-related (data for the fiscal year ended March 31, 2021)

	Facility name	Item	Unit	Regulation level	Measured value (maximum)
Atmospheric	Natural gas boiler	NOx concentration	ppm	150 or lower	48
		NOx emissions	kg	—	1,116.2
		Particulate matter	g/Nm ³	0.05 or lower	0.03
Water	Sewage	pH (Note)	—	More than 5.7 and less than 8.7	6.7~8.6
		BOD	mg/L	Less than 300	180
		n-hexane extraction (mineral oils)	mg/L	5 or lower	4

2. Results of PRTR investigation (the fiscal year ended March 31, 2021; chemical substances for which the amount handled by the facility exceeded 1 ton)

No. (PRTR Law)	Substance name	Amount emitted (ton)	Amount transported (ton)
Class I - 31	Antimony and its compounds	0	1
Class I - 239	Organic tin compounds	0	0.03
Class I - 305	Lead compounds	0	0.12
Class I - 330	Dicumyl peroxide	0	0.32
Class I - 355	Bis (2-ethylhexyl) phthalate	0	17

(Note) pH indicates a range.
* The Regulation level for water is in accordance with the Higashiosaka City sewage ordinance.

Kyoto Works

1. Atmospheric and water-related (data for the fiscal year ended March 31, 2021)

	Facility name	Item	Unit	Regulation level	Measured value (maximum)
Water	Sewage	pH (Note)	—	More than 5.7 and less than 8.6	6.9
		BOD	mg/L	Less than 300	38
		n-hexane extraction (mineral oils)	mg/L	5.0 or lower	Less than 1

2. Results of PRTR investigation (the fiscal year ended March 31, 2021; chemical substances for which the amount handled by the facility exceeded 1 ton)

No. (PRTR Law)	Substance name	Amount emitted (ton)	Amount transported (ton)
Class I - 82	Silver and its water-soluble compounds	0	0
Class I - 300	Toluene	1.6	0

(Note) pH indicates a range.
* The Regulation level for water is in accordance with the environmental conservation agreement with Fukuchiyama City.

TATSUTA Technical Center

1. Atmospheric and water-related (data for the fiscal year ended March 31, 2021)

	Facility name	Item	Unit	Regulation level	Measured value (maximum)
Water	Sewage	pH (Note)	—	More than 5 and less than 9	7.3~8.6
		BOD	mg/L	Less than 3,000	270
		n-hexane extraction (mineral oils)	mg/L	5.0 or lower	2

2. Results of PRTR investigation (the fiscal year ended March 31, 2021; chemical substances for which the amount handled by the facility exceeded 1 ton)

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

(Note) pH indicates a range.
* The Regulation level for water is in accordance with the Kizugawa City public sewage ordinance.

Sendai Works

1. Atmospheric and water-related (data for the fiscal year ended March 31, 2021)

	Facility name	Item	Unit	Regulation level	Measured value (maximum)
Atmospheric	Natural gas boiler	NOx concentration	ppm	150 or lower	53
		NOx emissions	kg	—	1.2
		Particulate matter	g/Nm ³	0.1 or lower	Less than 0.02
Water	Sewage	pH (Note)	—	More than 5 and less than 9	7.9
		BOD	mg/L	Less than 600	150
		n-hexane extraction (mineral oils)	mg/L	5.0 or lower	Less than 1

2. Results of PRTR investigation (the fiscal year ended March 31, 2021; chemical substances for which the amount handled by the facility exceeded 1 ton)

No. (PRTR Law)	Substance name	Amount emitted (ton)	Amount transported (ton)
Class I - 82	Silver and its water-soluble compounds	0	0
Class I - 300	Toluene	0	17

(Note) pH indicates a range.
* The Regulation level for water is in accordance with the Taiwa Town sewage ordinance.



Provision of advanced, high-quality products and services to benefit society

P.29

Materiality items

1. Provision of advanced, high-quality products and services to benefit society

Specific initiatives

1. Develop products and services that resolve social issues and satisfy customer needs
2. Strengthen quality assurance and BCP systems

KPIs

1. Develop products and services to contribute to resolving social issues
2. Enhance customer satisfaction
3. Steadily implement BCP and BCMS

Human resources management

P.33

Materiality items

1. Realize safe and fulfilling workplaces
2. Respect human rights

Specific initiatives

1. Promote measures for safety and health
2. Nurture human resources to drive sustainable growth
3. Promote diversity & inclusion
4. Promote awareness-raising activities to foster respect for human rights

KPIs

1. Zero serious accidents, zero accidents requiring time off work
2. Increase the percentage of annual paid leave consumed to 80% or more
3. Enhance education and training
4. Maintain and increase proportion of employees with disabilities: 2.3% or more
5. Increase the proportion of female employees recruited: 25% or more
6. Ratio of female managers: 10% or more by the end of fiscal 2025
7. Encourage participation in human rights education

Contribution to society

P.39

Materiality items

1. Coexistence and co-prosperity with local communities

Specific initiatives

1. Maintain good communication
2. Help develop local communities and next-generation leaders

KPIs

1. Continue dialogue with local communities
2. Contribute to local community programs to develop next-generation leaders

Provision of advanced, high-quality products and services to benefit society

Develop products and services that resolve social issues and satisfy customer needs

The TATSUTA Group leverages its technologies to develop products useful for society, taking into account social issues and customer needs.

	Product name	Features and uses
Electric wires and cables	 かるまげ™ (Karu Mage) (KM-CC), 600V fire-resistant flexible crosslinked polyethylene eco-friendly cable	Boasts excellent bendability that helps save labor and man-hours for cable laying operations. For wiring in data centers and narrow places.
	 ネットフ115™ (Netsu Tough 115) ((S)HKIV) special heat-resistant vinyl-insulated electric wire for electric devices	Achieves resource savings by making the size of electric wires smaller. For the inside of electric devices on low-voltage circuits (AC 600 V or lower).
	 FA robot cable Thin-diameter KORIKI™ high-strength cables	Realizes resource savings through longer product life. For industrial robots and FA equipment.
Electronic materials	 SF-PC8900-C high-frequency-compatible thin EMI shielding film	Provides the level of EMI shielding in the high-frequency range that is vital to 5G communications. Complies with RoHS and other environmental requirements. For smartphones and tablets.
	 EMI shielding paste for semiconductor packages	Gives EMI shielding feature to semiconductor packages directly and three-dimensionally. For mobile devices and in-vehicle equipment.
Other	 Water leakage detection system	Accurately detects water through line sensors. Provides protection for important equipment from water leakage. For servers and data centers.
	 OCT interferometer module	Applies high-precision high-quality fiber optic technology to enhance medical equipment and analytical devices. For ophthalmic equipment and analytical devices.

Strengthen quality assurance systems

We consider that consistently supplying safe and high-quality products to society is one of the key management challenges to the TATSUTA Group achieving sustainable growth. We therefore operate management systems pursuant to our Quality and Environment Policy. At the same time, we strive to achieve the quality goals of (1) reducing defective products, (2) strengthening cost competitiveness, improving productivity, (3) adhering to production plans and shortening lead times, and (4) enhancing product lineup and customer support.

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.

Quality assurance system

The TATSUTA Group has constructed and utilizes quality management system (QMS) based on ISO 9001 to provide our customers with useful, safe, and superior products. We work to promote information exchange regarding decisions on corporate policy and quality targets as well as issues and initiatives related to quality through management review (MR), meetings, etc. We also audit the operation of QMS within business groups and TATSUTA Group companies.

Quality management education

The purpose of the quality management education conducted at the Wire & Cable Group's Technical Education and Training Center is to facilitate understanding in TATSUTA's quality policy and raise awareness toward quality, which improves each production site's ability to produce and operate. At the Electric Wire & Cable Division, each business division takes its own initiatives to strengthen the quality management system, such as establishing an in-house certification for operation of testing instruments used in each manufacturing process.

Initiatives taken by individual business units

Each business unit undertakes a variety of initiatives to provide safe and high-quality products and services.

Electric Wire & Cable Division

All information on process abnormalities is aggregated into the Quality Assurance Department, through which we have established and implemented systems to autonomously improve the standards that form the basis for quality. By continuing repetition of this process, we aim to confirm the validity of our quality standards, review control items and enhance our quality management. These activities have led to a constant improvement of standards at each workplace, and steady improvements in quality.

From the fiscal year ending March 31, 2022 onwards, we will continue to implement efforts through these systems to autonomously improve the standards that form the basis for quality. We will also work on the planned development of new quality control system construction (such as operational status monitoring and materials management systems).

Inspection and data management through the introduction of advanced devices	We have progressively introduced operational status monitoring and management systems to manage by using data on the condition of major factors (temperature, pressure, number of rotations, etc.) in production lines for electric wire and cable manufacturing. By continuously monitoring changes in operational status and the occurrence of any abnormalities, we implement thorough quality control. In addition to inspections by personnel using measurement devices, we also implement accurate inspections using automated measurement devices. For example, by using an image measuring device in structural inspections, we are able to conduct speedy and precise inspections at the point of finishing production without a margin of error, facilitating a process control through statistics management.
Finished product inspections	TATSUTA's qualified quality inspection personnel carry out thorough quality inspections to confirm that finished products meet the specifications agreed with customers, undertaking structural tests, voltage endurance tests, and other tests based on the specifications form.
Process control	If an abnormality should occur within a process, in addition to quality checks by the Quality Assurance Department, we prevent the outflow of defective products through the use of process abnormality control systems, which record details and appropriate handling of the abnormality.
Improving quality and enhancing customer satisfaction (CS)	Customer quality claims and defects are primarily addressed by the Quality Assurance Department, which thoroughly investigates to find out the true cause, whereby formulating and implementing appropriate measures to prevent recurrence. It also regularly confirms the effectiveness of measures implemented to prevent recurrence, which contributes to the prevention of defects from occurring again.

Equipment Wire and Cable Division

At Tatsuta Tachii Electric Cable, the basic policy is to "provide products that satisfy customers and match the required quality," and the quality improvement has been achieved through review of work standards and inspection systems. From the fiscal year ending March 31, 2022 onwards, we will also engage in further quality enhancements while working to transition to high-efficiency production systems.

At Chugoku Electric Wire & Cable, each division planned and implemented initiatives to realize more flexible production systems by developing multiskilled workers and to enhance customer satisfaction. From the fiscal year ending March 31, 2022 onwards, we will work to enhance quality by strengthening production base, demonstrating greater flexibility in manufacturing systems, and evolving our style of sales and marketing through DX, among other efforts.

Responding to needs for high-performance, high-precision products	As cables have become thinner in diameter and more sophisticated in performance, enhanced precision is required in manufacturing processes. The precise product requirement is especially common for equipment wires and cables, which are often individually customized and manufactured, along with excellent terminal workability. We therefore thoroughly implement product inspections at each production site to ensure that they meet the customer's specifications.
Introducing cutting-edge instruments to quality assurance systems	We are in the process of switching from the traditional system of manually inspecting products, to the system using cutting-edge instruments that allow for efficient and accurate measurement and automated assessment. Prime examples of such instruments are image measuring devices for structural measurement and image recognition cameras for in-process visual inspections. This effort is aimed at creating quality assurance systems that enable us to meet the demand for higher-precision products and manufacturing processes.
Using flex properties data to predict product lifespan	Superior flex and twist properties are required for movable cables such as FA robot cables to increase durability. In view of that, we accommodate testing requests from customers. In addition, we have built a database utilizing the data accumulated over the years, which allows us to more accurately predict cable lifespan.
Providing highly-durable and lifecycle-focused products	We will continue to provide environmentally-friendly products that meet user needs, such as Agreable™ cable and rubber cabtire cable.

Electronic Materials & System Equipment Group

As an expansion of business revenue requires new and different products and an expansion of supply chain is predicted, we strive to achieve optimal quality assurance and management. We are also implementing measures to enhance manufacturing efficiency and quality levels.

From the fiscal year ending March 31, 2022 onwards, we will continue to work on achieving optimal quality assurance and management to support new products and expansion of the supply chain for the business revenue development. We will also continue with measures to enhance manufacturing efficiency and quality levels.

Stringent quality inspections by the Quality Assurance Department	The Quality Assurance Department undertakes stringent inspections of the products in each division of the Electronic Materials & System Equipment Group and judges whether or not they are satisfactory in order to fulfill our mission of delivering safe and secure products. These inspections begin with audits of the suppliers involved in raw materials procurement, and extend to checks in the manufacturing process from the dual perspectives of people and machinery. In the shipping inspection, qualified quality inspection personnel certified by TATSUTA carries out thorough external visual inspections, mechanical property tests, and electrical property tests to ensure TATSUTA's quality.
Developing groundbreaking products	TATSUTA's strength in research and development is widely recognized, which is the result from our development of core technologies acquired through electric wire and cable manufacturing to pursue effective applications for society. The Electronic Materials & System Equipment Group takes on these advanced domains to deliver highly original products, such as the functional materials in which it boasts a global share. We engage in repeated design reviews and prototype evaluation (experiments and testing) to arrive at the final product, and work to further reduce quality risk through stringent validation by the Quality Assurance Department and all other relevant departments. We are also in the process of obtaining additional permits, including those for the development of products in the medical devices field, a focus area for TATSUTA in the future.

Strengthening of BCP systems

The TATSUTA Group takes seriously its responsibility of supplying products and services even in times of emergency such as a natural disaster or pandemic. To discharge this responsibility, we have a business continuity management system (BCMS) in place and conduct business continuity planning (BCP), striving to operate them in an effective manner.

BCMS

The year 2011 was one in which many businesses were affected by natural disasters, most notably the Great East Japan Earthquake and the Thailand floods. These events prompted the entire market to strongly call for business continuity. At TATSUTA's functional films business, too, major customers began requesting us to build a BCMS and inquiring about the progress on our efforts toward business continuity management (BCM) and BCP, in 2014.

Our functional films business boasts an overwhelming share in the global market and, as such, has a duty to consistently supply customers. Therefore, to minimize the impact of any business interruption and promptly resume operations, we started working on BCM. In addition, we decided to build a BCMS and obtain ISO 22301 certification for it from a third-party certifier with an eye to continuous improvement.

In July 2015, we began working on BCP in earnest, which was designed to cover not only natural disasters such as large earthquakes but also various other incidents ranging from supply chain disruptions and pandemics to information system failures including cyberattacks. What was aimed at was, even if such incidents occur, to continue or promptly resume our business and minimize the impact on supplying products and services for customers. It was in July 2016 that we completed building our BCMS. Thereupon, we obtained ISO 22301 certification from BSI Group Japan K.K., a third-party certifier.

Going forward, TATSUTA will continue with employee education and training to enhance their skills and ensure consistent supply to customers.

BCP basic plan for COVID-19

The COVID-19 pandemic that began in early 2020 has caused chaos around the world. The TATSUTA Group has been taking proactive actions to ensure the safety of employees and society through strict COVID-19 measures and meet its duty to supply customers. Such actions include establishing an Emergency Response Headquarters, undertaking an array of infection prevention measures, and formulating a BCP basic plan for COVID-19.

BCP for major natural disasters

How the TATSUTA Group responds to an emergency is governed by its Crisis and Emergency Response Rules (while the functional films business relies on the BCMS). In recent years, major natural disasters have occurred with increasing frequency. Hence we work hard to make BCP better and more effective.

Supply chain management

To achieve optimal procurement on a stable basis, TATSUTA has a Basic Procurement Policy in place. The policy is founded upon TATSUTA's Corporate Principles and Corporate Code of Conduct. Also, it incorporates and adjusts to the perspective of corporate social responsibility, such as environmentally responsible procurement and BCP. We endeavor to instill the policy in our business partners, too, asking for their understanding and cooperation.

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.

Green procurement

As a company regarding environmental conservation activities as one of the most important management challenges, TATSUTA has developed Green Procurement Guidelines in an effort to provide products with lower environmental impacts. These guidelines are designed to reduce our ecological footprint, advance environmental conservation activities, and help create a sustainable recycling-based society. The means to these ends include identifying chemicals contained in the raw materials, parts, subsidiary materials, subcontracted supplies, and other items we purchase from business partners; and prioritizing the purchase of items not containing hazardous chemicals. In light of the fact that the trade of conflict minerals finances armed groups committing atrocities in countries bordering conflicts, these guidelines also stipulate that we investigate business partners to prevent us from purchasing raw materials, products, and such that contain conflict minerals and their derivatives.

BCP for procurement

TATSUTA endeavors to purchase key materials and raw materials from more than one business partner, in anticipation of the possibility that a problem occurring at a business partner may make it impossible for us to purchase that partner's materials and raw materials. We have also created a framework that, should any incident occur at a business partner, enables us to swiftly gather information and take action. On top of these, TATSUTA's functional films business has built a BCMS, given that the business boasts an overwhelming share in the global market and thus has a duty to consistently supply customers.

Supplier meetings

With the primary aim of fostering mutual trust and sharing information with business partners, TATSUTA's Functional Materials Division holds supplier meetings where participants exchange ideas, and otherwise works to build sound and equitable relationships.

Procurement training

As part of compliance education, TATSUTA provides training on legal compliance for personnel who liaise with business partners.

Intellectual property

TATSUTA aspires to achieve sustainable growth by developing, and providing to society, products that meet customer needs and help resolve social issues. Toward that end, we have been working to cement our products' superiority by acquiring rights to inventions and such used in the products, to build a management system that ensures development respecting other companies' intellectual property rights, and to create an environment that motivates employees to dedicate themselves to developing highly unique technologies.

Employee inventions are evaluated and rewarded fairly when they are filed for patent applications, are patented, and generate profits, respectively.

□ Human resources management

The TATSUTA Group believes that corporate growth is supported by human resources, which is reflected in paragraph 3 of its Corporate Code of Conduct that reads, "We shall respect the character and individuality of our employees, ensuring a safe and comfortable work environment rich in diversity." Guided by this ideal, we endeavor to create a vibrant workplace environment in which diverse personnel respect each other's rights, thrive by taking on the right task, and reach their full potential. As part of this effort, we undertake various measures focusing on three themes: diversity & inclusion; human resources development; and ensuring occupational safety and health.

Respect 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.

Diversity & inclusion

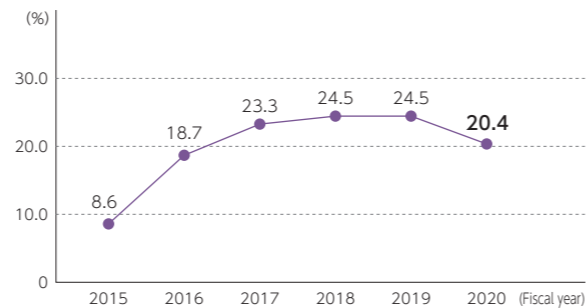
To grow and develop in a sustainable manner, the TATSUTA Group endeavors to instill diversity and inclusion that are essential to creating a vibrant workplace environment in which diverse personnel respect each other's rights, thrive by taking on the right task, and reach their full potential. Toward that end, we carry out activities focusing on three themes: promoting female participation and career advancement; furthering employment of persons with disabilities; and encouraging a work-life balance.

Action Plan to Promote Female Participation and Career Advancement and Help Develop Next-Generation Leaders

■ Female recruitment rate

As part of diversity management, in April 2021 we formulated the Action Plan to Promote Female Participation and Career Advancement and Help Develop Next-Generation Leaders, building on the April 2016 Basic Policy on Female Participation and Career Advancement. Going forward, we will take necessary steps in accordance with the basic policy of hiring women proactively, creating an environment in which they can reach their full potential, dedicating our resources to their education and career development, and thereby actively promoting female participation and career advancement.

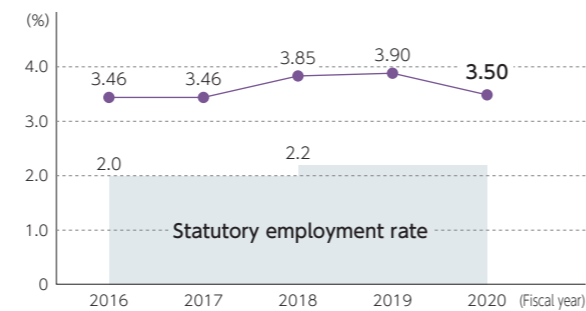
With a goal of women comprising 25% or more of our new hires, we promote the proactive recruitment of female employees (both new graduates and mid-career recruits). For the fiscal year ended March 31, 2021, women comprised 20.4% of our new hires and 14.9% of the employees. We make a particular effort to hire women in traditionally male-dominated fields, such as sales and technical jobs. In pursuit of the new goal of women comprising 10% or more of managers by the end of the fiscal year ending March 31, 2026 (compared to 6.84% for the fiscal year ended March 31, 2021), we will work even harder to promote female participation and career advancement.



Furthering employment of persons with disabilities

■ Employment rate of disabled persons

We are focusing on employing persons with disabilities, and striving to create environments that are work-friendly for each person based on his or her characteristics. We have been assessed as an outstanding facility due to our extremely high employee retention rate, and the large number of employment opportunities we provide.



Encouraging a work-life balance

We have established unique standards to help employees maintain a work-life balance (harmony of work and lifestyle). We provide workplace environments that are work-friendly for all where employees can work for many years to come, through measures such as enhanced systems to support childcare, nursing and care for the aged; changes to the Article 36 Agreement (concerning overtime work and work on rest days) based on the Act on the Arrangement of Related Acts to Promote Work Style Reform; and the designation of five paid leave promotion days. In addition, we hold meetings of a specialist committee on working hours composed of company and employee representatives, and deepen dialogue to develop systems that will be utilized for improvement in the future. In the fiscal year ended March 31, 2021, we made official the teleworking scheme that had been discussed by our Diversity Roundtable and other fora, in view of COVID-19 prevention measures.

Childcare	<ul style="list-style-type: none"> Measures to shorten regular working hours for childcare (until the end of the fiscal year when the child turns 12) Review of childcare leave allowance Review of the maximum subsidy for the use of nurseries, etc.
Nursing and care for the aged	<ul style="list-style-type: none"> Nursing care leave / Shortened working-hour system / Other forms of leave Establishment of nursing care leave allowance
Other	<ul style="list-style-type: none"> Adoption of teleworking scheme Review of remuneration for re-employed employees

Preventing harassment

The TATSUTA Group respects basic human rights, and aims to prevent harassment and create good workplace environments and working environments.

With this aim, we have amended in-house rules, which were previously designed only to prevent specific kinds of harassment such as sexual harassment and maternity harassment, to create and operate in-house rules to prevent all forms of harassment, not limited to specific types. Under the new in-house rules, we indicate examples of the specific actions that constitute the most prominent forms of harassment, including sexual harassment and power harassment, and create an environment that makes it easier for employees to prevent harassment.

■ Harassment training program as part of graded education

Training objectives

- Learn the basics of harassment
 - Definition of power harassment
 - Definition of sexual harassment
- Know that harassment can be a daily occurrence
 - Case studies
 - Possible prevention measures (refuse to harass others, refuse to let others be harassed, and deal with harassment at an early stage)
- Understand the consequences the harasser and company may suffer
 - Ramifications on the workplace and organization
 - Criminal and civil treatment

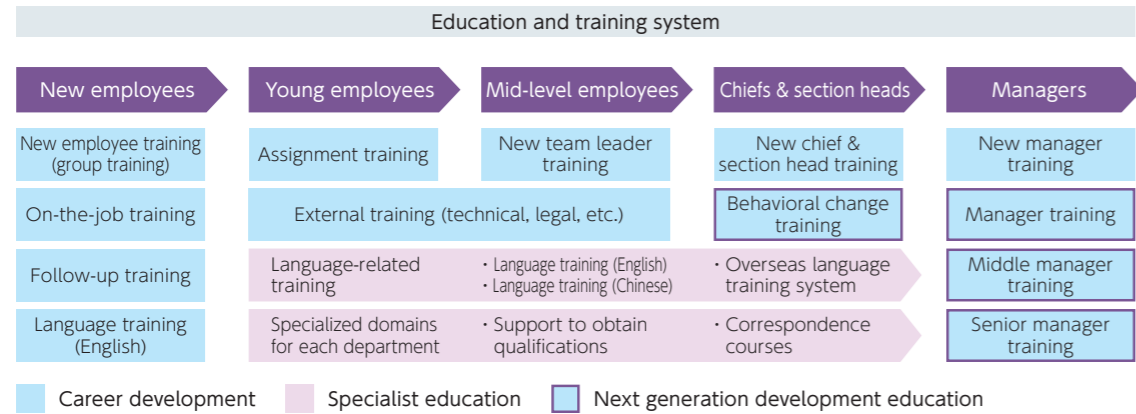
Promoting DX

Amid the various restrictions on and changes to business activities resulting from the spread of COVID-19, the TATSUTA Group's policy is to expand business opportunities by promoting digital transformation. We are pushing forward, swiftly and proactively, encouraging change without fearing failure, across five major themes: (1) strengthening BCP systems, (2) reforming our style of sales and marketing, (3) reforming our style of operations, (4) reforming production efficiency and quality, and (5) reforming organization and human resources. We do not expect the trend of digitalization to change in the future; only to accelerate. We will continue to enhance the digital environment and address issues based on the foundations of DX that we have built, to enable the reform of business styles and business models, and to create new added value.

Human resources development

We have established a unique training system to pass on expertise and techniques developed by TATSUTA to the next generation, expand on them, and develop personnel into valuable "human resources," including specialized technical education, graded education, correspondence courses, and external training. We will implement effective training based on human resource development plans.

Education and training system



Career development support	In the behavioral change training in preparation for promotion to a management position, employees are urged to acquire management skills in human resources and technology utilization. We intend to strengthen initiatives to develop young managers and potential managers who will lead TATSUTA in the future, by expanding the scope of eligible employees to include those in their mid-30s, and reviewing training to focus on behavioral change.
Technical training	At the Electric Wire & Cable Division, the Production Coordination Department and the Technical Education and Training Center play a central part in guiding young employees. We also cultivate the necessary technical capabilities within each workplace through on-the-job training. Meanwhile, at the Electronic Materials & System Equipment Group, we are engaged in joint research with partners including the Nara Institute of Science and Technology, in order to acquire advanced technologies and enhance our specialized technologies. In addition, we are focusing on language training necessary for global business, and have launched initiatives including overseas study support.
Next generation development education	Since September 2014, we have implemented the next-generation development education, primarily aimed at unearthing the next generation of leaders, promoting a deeper understanding of management policy, and a mutual understanding of business issues through interaction between participants. We select around 10 participants for each training, which is held over four months (a total of eight times). Consultants at our partner education providers assess participants through discussions on each theme of the training (organizational management, marketing, accounting, etc.) and presentations on issues designated by the participants themselves. The results of the assessment are reported back to the individual participants and their supervisors, and we endeavor to gain a good understanding of the abilities and challenges of each participant. The establishment of a cycle of bottom-up proposals through presentations to senior management, assessment, and feedback; and the facilitation of horizontal coordination between participants; are significant achievements from this training so far. At the same time, we consider creating a strong core that links employees together across different divisions and business specializations is a challenge for the future. Since the fiscal year ended March 31, 2019, we have been engaged in reviewing the points we need to strengthen for each level of training in tandem with our 2025 Long-Term Vision.

A training session held in the fiscal year ending March 31, 2022



Ensuring occupational safety and health

At TATSUTA, we promote various measures for safety and health, in accordance with our view that safety and health form the foundations upon which businesses are built, and the mental and physical health of each individual employee of the entire Group is at the core of all management measures.

Specific policies	Safety-related	1. Increase inherent safety (redouble efforts to prevent serious accidents)	1. Enhance risk assessment activities (especially, identification of risk sources and assessment of risk) 2. Have a clear understanding, and conduct proper management, of safety and health improvement investments (grasp the progress on improvements) 3. Practice safe design on an ongoing basis
		2. Enhance safety and health education	1. Provide safety training programs in a systematic manner 2. Strengthen safety and health education
		3. Solidify systems for safe execution of works	1. Prevent accidental falls 2. Take action to ensure works safety
	Health-related	Support and enhance mental and physical health	1. Prevent mental health problems, primarily by eliminating the practice of working long hours and by using stress checks 2. Prevent and detect illness early 3. Prevent and manage lifestyle diseases and other illnesses through proactive health management
	Traffic safety-related	Make continued efforts to prevent traffic accidents (including those in the course of work)	

TATSUTA's Safety and Health Committees, which consist of the company and employee representatives, make active efforts to prevent occupational accidents and illness, among other issues. At the same time, our Risk Management Committee monitors and manages the status of safety and health risks to which employees are exposed.

Central Safety and Health Committee	<ul style="list-style-type: none"> Develop basic measures, plans, policies, targets, and the like for Group-wide safety and health management
Workplace Safety and Health Committees	<ul style="list-style-type: none"> Develop policies and targets for, and address matters relating to the improvement of, safety and health at respective workplaces Get to the bottom of disasters and accidents and devise measures to prevent the recurrence thereof Develop basic measures to support and enhance employee health Formulate measures to prevent health disorders caused by long working hours Set measures to support and enhance mental health Assess risks and hazards associated with equipment, machinery, and such (risk assessment)

Status of occupational accidents, etc.

Safety and health targets and results (results are for the TATSUTA Group)

Fiscal year ended March 31, 2020		Target	Results
Safety	Accidents resulting in lost workdays	0	4
	Accidents not resulting in lost workdays	0	11
Health	Cases of occupational illness	0	0
	Rate of absence due to illness outside work	0.2% or lower	0.65%
	Uptake rate of statutory medical check-up	100%	100%

Fiscal year ended March 31, 2021		Target	Results
Safety	Accidents resulting in lost workdays	0	0
	Accidents not resulting in lost workdays	0	2
Health	Cases of occupational illness	0	0
	Rate of absence due to illness outside work*	0.48% or lower	0.57%
	Uptake rate of statutory medical check-up	100%	100%

*Target revised to 90% or less of the average over the previous three fiscal years

■ Holding of a safety lecture

On February 4, 2021, the second TATSUTA Group safety lecture was held online via livestream. Entitled "The Future of Safety Management That Reflects Workplace Realities," the lecture was delivered by Specially Appointed Professor Masayoshi Nakamura of the Tokyo Institute of Technology.

The event was participated by 170 or more TATSUTA personnel, including officers, managers, and section heads. Professor Nakamura explained to them the responsibilities and roles of senior management, managers, and supervisors in safety management, from the perspective of his own experience and safety engineering.

In the post-lecture questionnaire, many participants gave positive feedback, such as "the lecture was very informative" and "the gist of the lecture was easy to follow." We thus consider that the lecture was valuable.

To prevent the spread of COVID-19, the lecture was held online. This format was received well by many participants, who noted that the online format allowed them to see the slides better and hear the lecturer more clearly. As such, this event reaffirmed the benefits of online lectures—namely, no limits on venues or participant numbers—that in-person lectures cannot provide.

To achieve zero accidents, we plan to implement the various practical safety activities introduced in the lecture.

■ Provision of communication skills training

The TATSUTA Group provided its first-ever communication skills training, having Mr. Masaya Saeki of Sanno University as the instructor. Titled "The Key to Workplace Management That Increases Members' Safety Awareness," the training was participated mainly by managers and supervisors at production sites.

(Webinars provided simultaneously to participants at multiple locations, in October and November 2020.)

This training program views fostering a risk-resilient workplace culture as the foundation for managing any risk, including one of work safety. A risk-resilient workplace culture is paramount to ensuring employees work with composure, which in turn enables them to not only concentrate under normal circumstances but also make prudent judgments under difficult circumstances. Hence this training was provided for managers and supervisors to consider ways of urging subordinates to focus their attention on the task at hand, in day-to-day interaction.

After the training, the instructor commented, "I noticed many participants typically communicated in a gentle and considerate manner, which is admirable in principle. However, there were times when I felt that speaking with greater authority in a timely manner would make it more certain to command the workplace."

To achieve zero accidents, we intend to incorporate learning from this training into efforts to create risk-resilient workplaces (safety-first workplace culture).



A communication skills training session

■ Safety and health improvement investments

The TATSUTA Group believes that preventing serious disasters and accidents calls for an increase in the inherent safety of equipment and operational processes. Based on this belief, we select and list potential safety and health investments; thereupon, in consultation with the relevant departments, the potential investments are prioritized in terms of importance, urgency, and so forth with a view to creating a safe workplace environment. (Of a total of 109 safety and health improvement investments, 47 have been completed.)

■ Risk assessment case study

When installing new equipment, a joint team composed of members from the Company and the labor union conducts a risk assessment of potential dangers and hazards. Based on the result of this assessment, we implement the necessary measures, and strive to prevent occupational accidents arising from equipment and machinery. We also conduct risk assessments for existing equipment and chemical substances whenever appropriate.



Risk assessment carried out in Sendai

■ Initiatives to prevent accidents

Managers and section heads of manufacturing divisions and members of the Environment & Safety Administration Department carry out patrols for disaster and accident eradication at major intersections. We also hold forklift safety seminars, and work to further enhance safety awareness.



A patrol for disaster and accident eradication



A forklift safety seminar

■ Stress checks

Mental wellbeing has recently become a social issue, and we have expanded our mental health initiatives accordingly. We endeavor to promote employees' awareness through annual stress checks, and identify improvements in workplace environments that will reduce sources of stress through group analysis. Based on the findings from the group analysis, two training programs were provided in the fiscal year ended March 31, 2021: training for managers on remote-work communication skills; and an e-learning program for workplace leaders regarding harassment prevention and support for subordinates' mental health.

■ Consultations with industrial physicians and counselors

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 particular, in order to prevent health disorders resulting from excessive workload, industrial physicians carry out interviews and guidance for employees who engage in overtime work exceeding a designated level.
Mental Wellbeing Counseling Rooms	We opened a Mental Wellbeing Counseling Room in 2011, where counselors provide consultations and guidance to prevent the occurrence of mental health disorders, and support employees returning to work after illness. Another Mental Wellbeing Counseling Room was opened at the Sendai Works in April 2020.

■ COVID-19 measures

To tackle the challenges posed by COVID-19, the TATSUTA Group established an Emergency Response Headquarters, working hard to ensure both business continuity and the safety of employees and their families. Moving forward, we will continue strict COVID-19 measures in an effort to ensure the safety of employees, business partners, and other stakeholders, prevent the spread of infections, and meet our duty to supply customers.

□ Contribution to society

The TATSUTA Group believes that to achieve its sustainable growth, the Group must contribute to the creation of a sustainable society, not only by providing products and services needed to sustain an affluent society and solve social issues but also by establishing itself in local communities where it operates, creating jobs, and playing the role required of community members. To that end, we share the challenges and needs of the local communities, and promote activities that contribute to their sustainable development and fulfilling lifestyles for all people in fields, including local contribution, welfare, education, and local environment.

Local contribution

■ Helping combat COVID-19

To help local communities combat COVID-19, in June 2020 TATSUTA donated a total of 30 million yen and 30,000 face masks to five municipalities: Higashiosaka City in Osaka Prefecture; cities of Kizugawa and Fukuchiyama in Kyoto Prefecture; Miyagi Prefecture; and Taiwa Town in Miyagi Prefecture. We also donated 2,000 face masks to the Izumi social welfare corporation.



Donations to respective municipalities

■ Concluding a comprehensive partnership agreement with Higashiosaka City

On February 25, 2021, TATSUTA and Higashiosaka City signed a comprehensive partnership agreement that covers seven fields: (1) human rights, coexistence, and cooperation; (2) children and childcare; (3) education; (4) sports, culture, and industry; (5) health and welfare; (6) city and the environment; and (7) emergency preparedness and public security. TATSUTA's primary initiatives under the agreement are twofold: utilizing our gymnasium to cooperate in times of emergency, for our basketball team to host mini-basketball competitions and clinics, and to help nurseries and kindergartens hold a field day; and putting our expertise in the employment of disabled persons into use to help them find jobs.



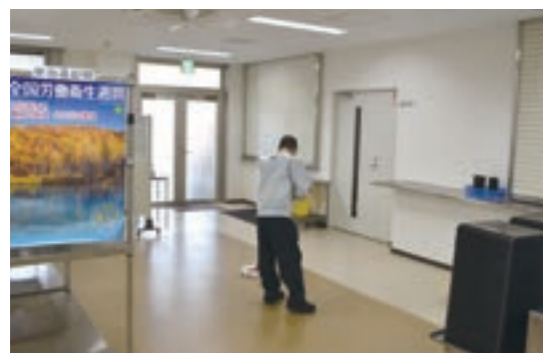
The signing ceremony

Welfare

TATSUTA leverages its many years of experience in the employment of disabled persons to support their self-reliance.

■ Providing work experience opportunities for disabled persons

Our Head Office and Osaka Works provided a work experience program for persons with disabilities frequenting Repira, a Higashiosaka municipal facility to support disabled children and adults. The participants experienced beautification work inside the buildings and around the Works. The Sendai Works also offered a work experience opportunity to a special-school student, who was engaged chiefly in beautifying the buildings and mowing the grass.



A participant in a work experience program

■ Assistance through welfare organizations

The TATSUTA Technical Center provides the Izumi social welfare corporation with opportunities to sell breads to TATSUTA employees. Similarly, TATSUTA Environmental Analysis Center commissions the Koyukai social welfare corporation to package the calendars and make cloth face masks.



Cloth face masks made at the social welfare corporation

Education

■ Work experience program for junior high schoolers

On October 29 and 30, 2020, TATSUTA implemented a two-day work experience program at the Head Office and Osaka Works, inviting two second-year students from Higashiosaka Municipal Tamagawa Junior High School. The students were engaged in stocktaking, beautification, and paperwork.



Stocktaking as part of the work experience program

■ Cooperation with College of Analytical Chemistry, Japan

TATSUTA Environmental Analysis Center participated online in the College of Analytical Chemistry's company presentation sessions, as a lecturer presenting TATSUTA's environmental measurement certification business. It also cooperated with the filming of the college's promotional video.



Cooperating with the filming of a promotional video.

Local environment

■ Beautification activities around plants

We engage in regular beautification activities, such as picking up litter and removing weeds, mainly along the roads around our Head Office, Osaka Works, TATSUTA Technical Center, Kyoto Works and Sendai Works.



A beautification activity

■ ECOCAP movement

We collect plastic bottle caps by installing collection boxes positioned around our facilities. We were able to collect 195.4 kg of bottle caps company-wide in the fiscal year ended March 31, 2021. We also promote a variety of other recycling activities.



A collection box for plastic bottle caps

Materiality items

1. Thorough corporate governance

Specific initiatives

1. Business operations based on corporate governance guidelines
2. Implement management systems (including risk management system) with certainty
3. Strengthen education and training on compliance
4. Implement an internal hotline system

KPIs

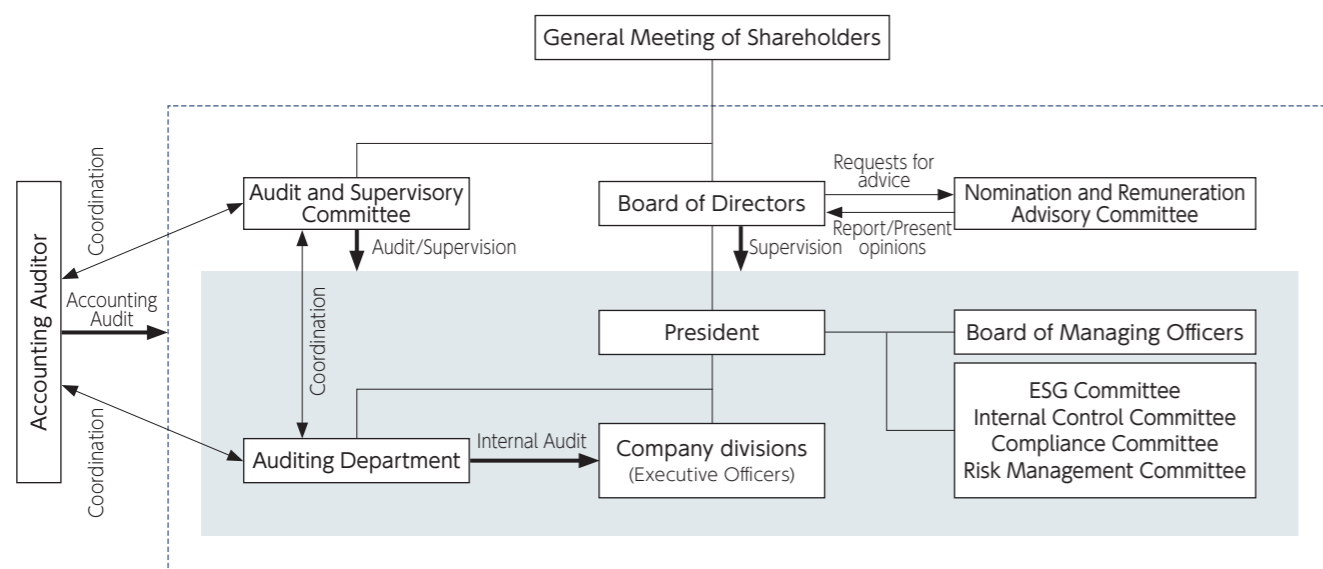
1. Steady operation of a company-wide management system
2. Promote participation in compliance training
3. Take ongoing action on corporate governance

Corporate Governance Structure

The TATSUTA Group's mission is to focus on creative and novel ideas to provide useful, safe, and superior products and services that merit the trust of society. We recognize that, to achieve this mission, it is imperative to engage in appropriate and fair information disclosure as we comply with domestic and international laws and regulations and in-house rules and carry out corporate activities in accordance with social norms and morals. Based on this recognition, in the context of substantial changes in the business environment, 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 management boards such as the Board of Directors and Board of Managing Officers 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 and set up a range of governance-related committees, which are tasked with coordinating with and supervising each other. As well as establishing the Basic Policy on Internal Control Systems, which is the source of all internal control systems, we have 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 order to fulfill these duties, in addition to deciding on matters designated by laws, 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 is also responsible for creating an environment to support appropriate risk-taking by Executive Officers and supervising 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, in order to ensure that TATSUTA and the TATSUTA Group give full regard to interests of various stakeholders, strive to work in cooperation with them, achieve sound and sustainable growth, generate medium- to long-term corporate value, and establish a good corporate governance system to respond to social trust. To fulfill that obligation, 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 are decided by resolution of the Board of Directors under the Rules for Executive Officers. Their conditions and delegated duties are also determined by resolution of 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 Committee and Remuneration Committee	The TATSUTA Group has established the Nomination and Remuneration Advisory Committee, based on the Nomination and Remuneration Advisory Committee Rules. This Committee is composed of all of the Outside Directors, the Representative Directors and the Director in charge of the human resources division. The majority of members are 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 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	The Board of Directors conducts a survey of the effectiveness of the Board of Directors based on self-evaluation by each individual Director. After the Representative Directors and Outside Directors analyze and compile the results of the survey, the evaluation of the current status and measures for future improvement are discussed and confirmed in the Board of Directors, and a summary of the findings is later published on the Company'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 of the Corporate Governance Guidelines.
Profit Distribution Policy	The policy on profit distribution is to continue stable dividends with the aim of a payout ratio of 3.0%. This policy is published in Section 2-4 of the Corporate Governance Guidelines.
Officers' Remuneration Scheme	Remuneration for Directors consists of three types of monetary remuneration— "monthly remuneration" paid in accordance with each Director's role, "performance-linked bonuses," which vary depending on the Company's consolidated ordinary income, and "share acquisition remuneration." This last component is a form of remuneration linked to medium- to long-term performance entails in which, for Directors who are not Audit and Supervisory Committee Members, a certain amount is paid into the officers' shareholding association of the Company for the acquisition of shares in the Company, which those Directors continue to hold throughout their terms of office. Policies for determining the amounts of Directors' remuneration, etc. and the methods of their calculation are stated in the Corporate Governance Guidelines set forth by resolution of the Board of Directors. An outline of these policies is as follows. 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.
Strategic shareholdings	Regarding strategic shareholdings, the Board of Directors evaluates the necessity of continuing to hold the shares in question after the close of each fiscal year, with the stated aims of "exploration of business opportunities, maintenance and expansion of trading relationships, etc." 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 of the Corporate Governance Guidelines.
Internal control	With the Basic Policy on Internal Control Systems, which are the common regulations for the TATSUTA Group, as the main axis, in actual management, the appropriateness of the TATSUTA Group's 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), 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

Corporate Governance Guidelines have been developed, the contents of which are reviewed whenever there is a revision of the Corporate Governance Code. The status of implementation of the general rules of the Corporate Governance Code are stated and 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 FY2020.

Officers

Position	Name
Representative Director, President and Executive Officer, President and Director	Hirohito Miyashita
Director, Deputy Chief Executive Officer	Masato Tsuji
Director, Senior Executive Officer	Shohei Morimoto
Director, Senior Executive Officer	Hiroshi Maeyama
Director, Senior Executive Officer	Yuta Kusama
Director, Executive Officer	Koji Miyata

Position	Name
Director, 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

Compliance

The TATSUTA Group has built and operates its compliance promotion system with 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

The Company has established the Corporate Code of Conduct as its basic policy and, with the Administration and Human Resources Department playing the central role, studies laws and regulations in Japan and overseas and social/industry norms as appropriate, and formulates, revises, and abolishes 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 compliance-related information across the Group and consults on reporting related to compliance promotion activities.

In addition to the development of various company rules, to ensure these rules are correctly understood by employees, we have produced Compliance Guidelines and posted them on the company intranet. For Group companies, we have established the TATSUTA Electric Wire & Cable Group Operational Rules, which specify internal control systems within the Group. The Operational Rules are posted on the Group intranet and disseminated among all employees of each Group company so that compliance is thoroughly enforced.

Prevention of transactions with antisocial forces	The Compliance Guidelines affirm "the exclusion of antisocial forces" and ensures that this is widely known by employees. TATSUTA will have no association whatsoever with antisocial forces, such as organized crime groups, sokaiya extortionists, or fake right-wing groups, that make unreasonable demands and will stand up to such forces in an organized and resolute manner. With a policy of responding as an organization, to ensure that individual departments or persons do not bear the problem on their own, lectures on dealing with such forces are given through compliance training and other means.
Prevention of bribery	Based on the Bribery Prevention Rules, 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 and to establish a system for prior checks as an organization, to ensure that no company or individual obtains undue benefit or undertakes arbitrary transactions in exchange for such benefits. Any gift or hospitality determined, as a result of such checks, to exceed common sense according to social conventions will not be extended under any circumstances. These rules cover not only public servants, but also private-sector suppliers and customers. From a broader perspective, gifts and hospitality are prohibited as a general rule and, where necessary, prior checks of whether they should be extended will be conducted. Such prior checks will be conducted with an emphasis on judgment from a practical viewpoint. The Officer Responsible for Administration and Human Resources will act as the responsible officer, and bribery prevention officers will be appointed in each department, office, and division.
Compliance with competition law	To ensure that officers and employees, either in Japan or overseas, do not commit acts that are in violation of competition law, such as cartels, the Company has established the Competition Law Compliance Rules and acts accordingly. Employees are made aware through Compliance Guidelines and other means of the three prohibited acts, namely (1) private monopolization, (2) unreasonable restraint of trade, and (3) 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, etc. Through this process, every attendee of such meetings is instructed to be aware of the prohibited acts related to competition law. 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, etc., 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, and the employees in charge of these operations undergo training on a regular basis.
Proper accounting practices	Accounting Rules have been established as the general standards for accounting operations. They refer to the various accounting standards and management systems and serve as the basic rules for accounting operations. The Compliance Guidelines affirms "appropriate accounting practices" and ensures that this is widely known by employees. In that process, emphasis is placed on the following six points as being of particular importance. (1. Proper recognition of revenue and expenses; 2. Proper recognition of assets; 3. Attachment/preservation of evidence; 4. Appropriate approval procedures; 5. Appropriate tax accounting; 6. Financial results in line with facts and actual circumstances)
Internal whistleblowing system	Based on the TATSUTA Electric Wire & Cable Group Helpline Operation Rules, an internal hotline system has been established and carries out activities under the direction of the President, with the General Manager of the Administration and Human Resources Department as the responsible officer. As the name suggests, the objective of this initiative, which covers all officers, employees, and workers of the TATSUTA Electric Wire & Cable Group, is to receive requests for advice and reports (including of harassment) through the TATSUTA Electric Wire & Cable Group Helpline, with the aim of the early detection and resolution of problems. Two helplines have been set up for this purpose, (1) secretariat (TATSUTA Electric Wire & Cable Administration and Human Resources Department) and (2) attorney (outside attorney). The person seeking advice or wishing to file a report may choose which of the two helplines to contact, depending on the nature of their concern. For harassment-related matters, in addition to the above two contact points, they 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, although this depends on the helpline. Of course, the person seeking advice or report 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 Compliance 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 certainty 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.

Risk Management

Some of the various risks faced by the TATSUTA Group have the potential to exert a serious impact on the Group's financial condition, business performance, cash flow, or medium- to long-term management strategy, depending on the scale on which they manifest and the periods for which they persist. We have constructed and operate Group-wide systems to identify, analyze, and respond appropriately to these risks, as well as to minimize the impact of their manifestation and prevent recurrence.

Promotion system

The TATSUTA Group has established the Risk Management Committee, chaired by the President. At the start of each fiscal year, the Risk Management Committee evaluates the risks faced by the Group in the fiscal year to come and in the future in terms of their likelihood and degree of impact, establishes risk countermeasures and risk management policy, and makes a report 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., and supervise risk response. In this way, we strive to avoid risks manifesting and respond swiftly if they emerge.

Information management

TATSUTA recognizes information in all formats, including electronic data and on paper media, as important assets and has built an information security management system.

Information Security Policy

Recognizing the maintenance and improvement of information security for the company information it holds as a key management issue, the TATSUTA Electric Wire & Cable Group hereby sets forth the TATSUTA Electric Wire & Cable Group Information Security Policy with the objectives of maintaining and improving the reliability of the Group in society and enhancing corporate value.

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 company rules for the protection and appropriate management of information assets and will thoroughly raise awareness among all officers and employees 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 taking on increasing importance in recent times, the Officer Responsible for the Information Systems Department will act as the responsible officer, and the General Manager of the Information Systems Department will serve as management and operations officer. The responsible officer will manage and issue the necessary instructions regarding cyber security matters from a company-wide perspective, and the management and operations officer will manage and operate company-wide information security under the responsible officer's instructions.

As a measure for the prior management of cyber security, matters for compliance (employees, PC use, e-mail use, networks, systems, external services, education) have been decided and are being managed and monitored. In addition, servers have been located at multiple sites and constantly monitored for viruses, etc., and undergo periodic diagnoses by external experts.

In the event of an incident (software vulnerability, virus infection, unauthorized access, leak of information assets, etc.), the management and operations officer will consider and implement the necessary countermeasures and report to the responsible officer. Internal and external resources will also be put to use, pursuant to the Crisis and Emergency Response Rules, to respond swiftly and appropriately to the incident and fulfill our social mission.

Protection of personal information

With the Officer Responsible for the Administration and Human Resources Department serving as the overall management officer, matters concerning the handling of personal information are managed from a company-wide perspective and instructions are made to the individual departments and offices through personal information management officers. 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.

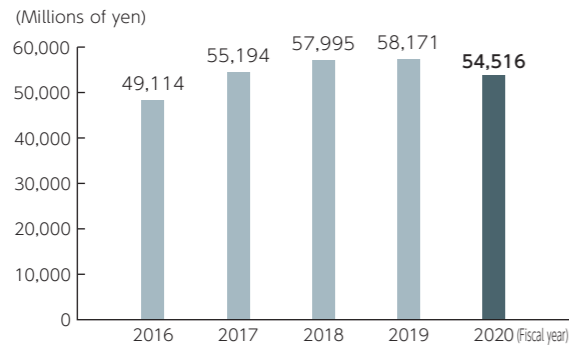
For the protection of personal information, the laws and regulations, purposes of use, rules for obtaining personal information, management methods, rules for providing personal information to third parties and other matters that employees, etc. must comply with have been set out, and the Company monitors 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 website. Safety measures of an appropriate and reasonable level are implemented and improved on a continuous basis.

In the unlikely event of an incident (unauthorized access, loss, leak, etc.), internal and external resources will be put to use, pursuant to the Crisis and Emergency Response Rules, to respond swiftly and appropriately to the incident and fulfill our social mission.

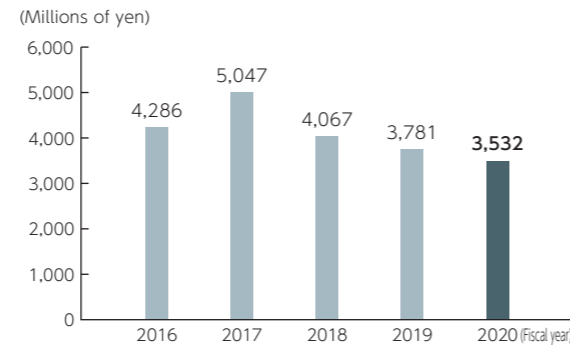
Consolidated Financial Highlights

Performance (financial data)

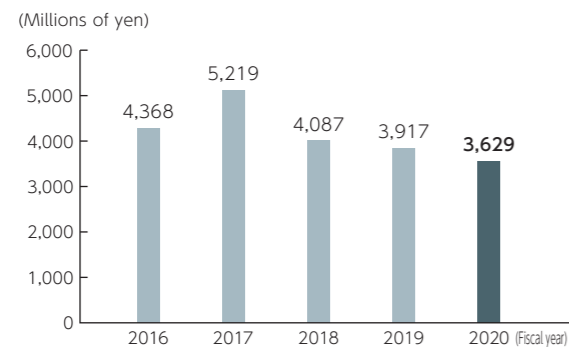
Net sales



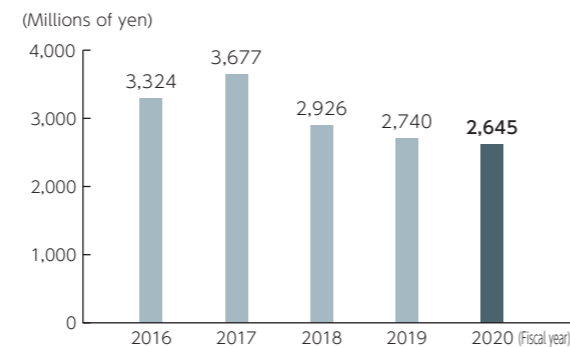
Operating income



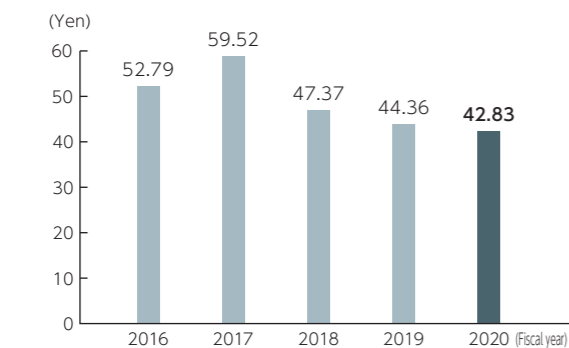
Ordinary income



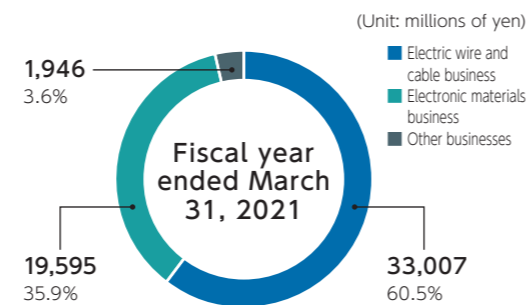
Profit attributable to owners of parent



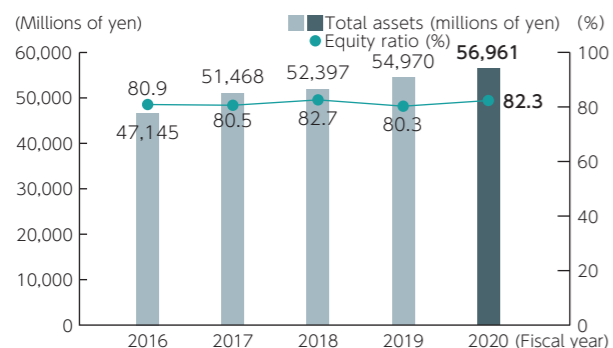
Basic earnings per share



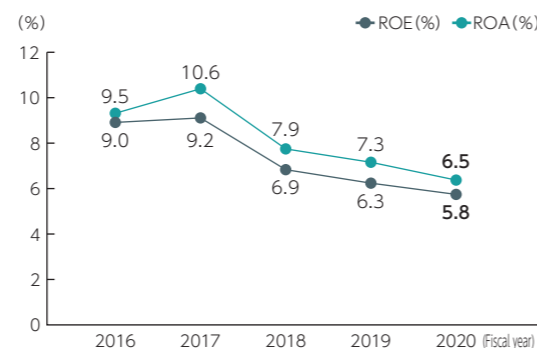
Breakdown of net sales by business



Capital structure



Return on equity (ROE) and return on assets (ROA)



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
 Capital : 6,676 million yen (as of March 2021)
 Listings : Tokyo Stock Exchange (First Section)
 Main products: Electric wire/cable, Electronic materials, Sensor & Medical Products

Net sales : Fiscal year ended March 31, 2021
 Consolidated: 54,516 million yen
 As a single entity: 49,057 million yen

Employees : Fiscal year ended March 31, 2021
 Consolidated: 977
 As a single entity: 598



Main business sites

Operational sites

Head Office, Osaka Works	2-3-1 Iwata-cho, Higashiosaka City, Osaka 575-8585 Head Office Osaka Works TEL: +81-6-6721-3331 (reception) TEL: +81-6-6721-3337
TATSUTA Technical Center	6-5-1 Kunimidai, Kizugawa City, Kyoto 619-0216 Technical Center Building Functional Film Plant TEL: +81-774-66-5550 TEL: +81-774-66-5552
Kyoto Works	3-17 Osadano-cho, Fukuchiyama City, Kyoto 620-0853 TEL: +81-773-27-3331
Sendai Works	2-1 Technohills, Taiwa-cho, Kurokawa-gun, Miyagi 981-3629 TEL: +81-22-346-1126

Branches and sales offices

Tokyo Branch Office	10th floor, Sumitomo Fudosan Shiba Building No. 4, 2-13-4 Shiba, Minato-ku, Tokyo, 105-0014 TEL: +81-3-5439-4925
Nagoya Branch Office	6th floor, Meieki DH Building, 5-5-22 Meieki, Nakamura-ku, Nagoya City, Aichi, 450-0002 TEL: +81-52-586-4131
Hiroshima Branch Office	8th floor, Otemachi Square, 2-8-1 Otemachi, Naka-ku, Hiroshima City, Hiroshima, 730-0051 TEL: +81-82-248-0436
Fukuoka Branch Office	Kyuden Fudosan Building, 1-13-8 Yakuin, Chuo-ku, Fukuoka City, Fukuoka, 810-0022 TEL: +81-92-771-3646
Sapporo Sales Office	Sankyo Odori Building, Annex 501, 18-1-26 Odorinishi, Chuo-ku, Sapporo City, Hokkaido, 060-0042 TEL: +81-11-640-3377

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.

TATSUTA



Easy to read universal
design fonts are used.