

Basic Philosophy Structure

Pivoted around the “Corporate Motto” which represents the immutable spirit since the company’s inauguration, “Amano Group’s Basic Philosophy” consist of “Management Principle”, “Management Guidelines”, “Management Policies” and the “Code of Conduct”.



Corporate Motto

"DON" “Don” means to take proper action. You can demonstrate “don” by performing your work with honesty, transparency, respect for individuality, cooperation with others, and a commitment to excellent service.

"KON" “Kon” means to show patience and undertake unwavering efforts. You can demonstrate “kon” by performing your work with enthusiasm and seeking to improve in every aspect of your responsibilities.

"UN" “Un” means luck or good fortune. To succeed, we must not simply wait for “Un” (luck) to come our way. We believe that if we demonstrate “don” and “kon” in our work and lives, it will lead to un - good fortune.

Management Principle

In the field of "People & Time" and "People & Air", Amano will create new values and contribute to the realization of a safe, comfortable and wholesome society.

Management Guidelines



Sustained Growth

In addition to expanding existing businesses, Amano will aim for sustained growth through the creation of new businesses, markets and values in a medium to long global perspective.

Corporate Governance

To raise corporate value over the medium- to long-term, Amano will make prompt and decisive decisions based on the optimal governance system that responds to shanges in the business environment.

Corporate Social Responsibility (CSR)

Amid growing demand for the whole society, including companies, to engage in social sustainability, Amano will actively take on issues that need to be addressed.

Profit Redistribution

Amano will strive to acquire trust and maintain good relationships with its stakeholders by securing appropriate profits through business activities and continue to redistribute its earnings.

Employee Code of Conduct

The Amano Group has established its “Employee Code of Conduct” in April 2014.

This code of conduct outlines the 12 items that we especially value and respect among the corporate culture and good traditions developed over the long history. The six items on the left are the “standards for basic attitudes”, and the six items on the right are the “standards for work” and provide guidance to each employee when making various judgments and how to behave in various situations.

We make diverse group-wide efforts to deepen understanding of the code of conduct so that employees can make the appropriate judgments and behave accordingly.



Slogan

Delivering the future of time and air.

Time and air surrounding people.

How can we make these elements better and more enriching.

Amano's history was built on relentless challenges to achieve just this.

Although our society has changed significantly, with the changing of times,

Our values remain unchanged since our founding.

Observe people thoroughly and listen carefully to what they say.

Based on the awareness gained from that,

We will create innovations that only we can do.

Visualize time and build a safe and comfortable society.

Create a comfortable global environment using the power of air.

Amano will continue to take on the challenges of improving the future.

And contribute to the realization of a sustainable society.

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Editorial Policy

The purpose of this report is to inform stakeholders about our basic sustainability philosophy and our ESG (Environmental, Social and Governance) performance in FY2022.

Reference Guidelines

GRI "Sustainability Reporting Standard"
Ministry of the Environment "Environmental Reporting Guidelines (2018 Edition)"

Target Reporting Period

FY2022 (April 1, 2022 to March 31, 2023)
It also includes some of the major past activities and updated information for FY2023.

Scope of Reporting

The scope is Amano on a non-consolidated basis, unless otherwise specified. For environmental reporting, the units are the head office, the Sagamiyama Factory, the Hosoe Factory, and the national branches and sales offices.

The Amano Galaxy Building adjacent to the head office and Amano Agency Co., Ltd. located on the head office premises are included in the scope of this report as head office sites.

Notes on Outlook

The plans and future projections contained in this report have been determined by the Company based on the information currently available and contain potential risks and uncertainties.

Therefore, please note that changes in various factors may

cause the plans and future projections to differ significantly from the actual results.

Date of Publication:

October 2023 (Next issue scheduled for October 2024/
Previous issue date November 2022)

Contact

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Amano Business Operations in Action

Ever since the launch of Japan's first time recorder, Amano has been a pioneering developer. Through "close-to-the customer" sales operations, Amano will continue our ongoing efforts to adapt to a changing environment with speed and flexibility.

Information Systems and Time Management Products



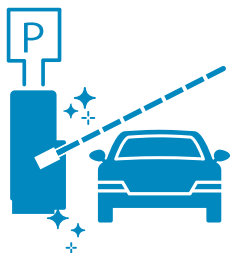
Amano's Information Systems and Time Management Products are extensively used in offices and businesses. For example, we provide workforce management systems that efficiently process employee information, payroll calculations along with employee notifications & applications. There are time recorders that compile Time & Attendance data and time stampers that authenticate various documents and transaction slips.

Environmental Systems



Dust collectors that securely trap dust and particles generated in diverse sites such as for manufacturing of precision equipment and electronic components, and foodstuff production, etc. Fume collectors trap noxious odors and the smoke generated from welding and laser machining. This energy-saving and low-cost equipment such as mist collectors that efficiently collect oily and water-soluble mist generated during machining and spray operations help to vastly improve the workplace environment.

Parking Systems



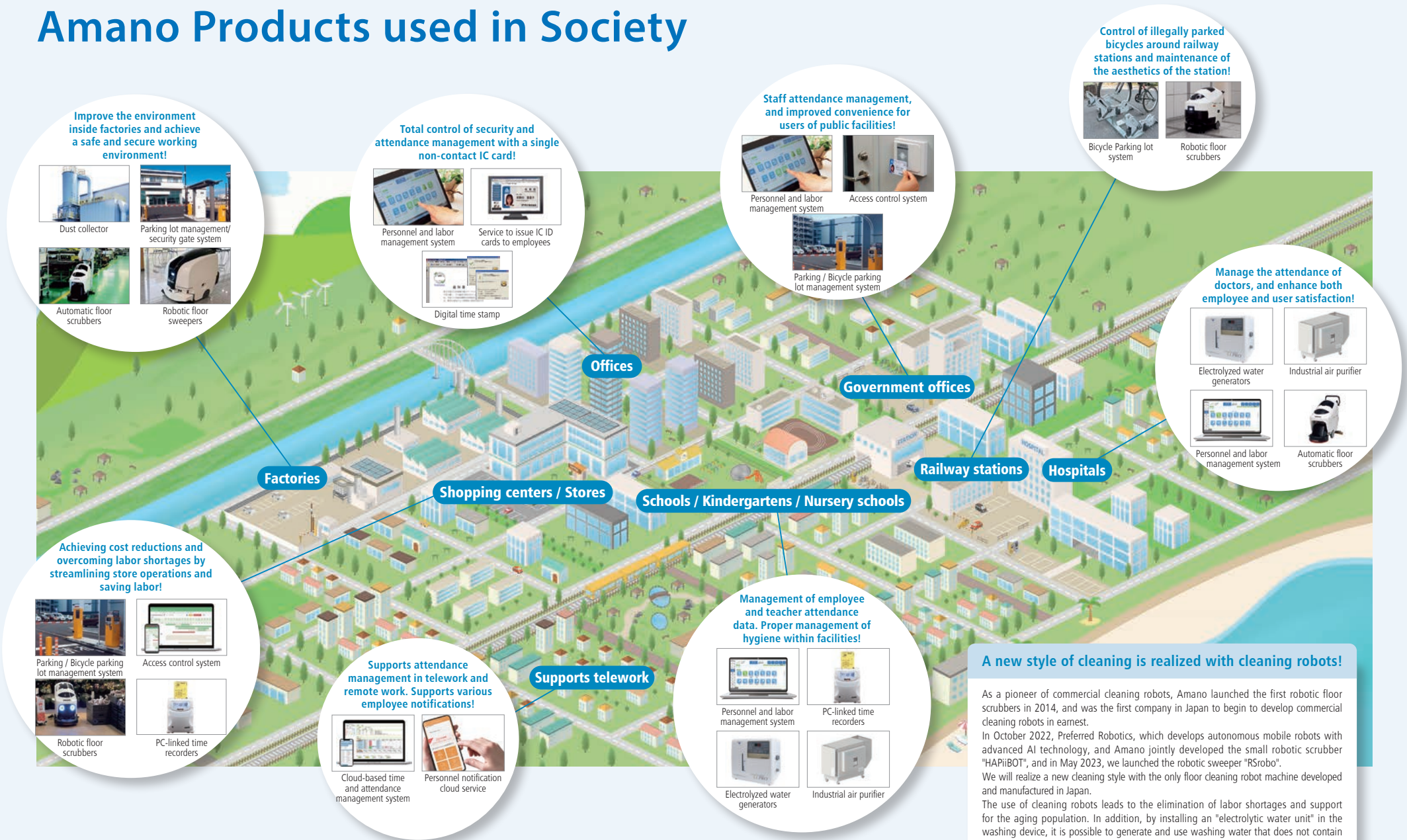
Our gate billing systems are used at a wide variety of parking facilities such as for shopping centers and hospitals. Our flaplock parking systems are frequently used for coin parking. Amano parking products are utilized in all types of locations around the city including bicycle parking lots in train station parking facilities. Amano contributes to a better world designed for both people and vehicles.

Clean Systems



Amano's robotic cleaners improve the quality and efficiency of cleaning work, and are an effective measure against labor shortages. Automatic scrubbers keep the floors of train stations, commercial facilities and factories clean. Carpet cleaners keep the carpets in hotels and offices clean. Road scrubbers that efficiently clean indoor and outdoor road surfaces. Amano's "sweeping," "washing," and "polishing" machines are helping to maintain cleanliness of the environment close to us.

Amano Products used in Society



With the themes of "People and Time" and "People and Air", we support people's lives in various ways.

Company Overview

Corporate name

AMANO Corporation

Address of the Head office

275 Mamedocho, Kohoku-ku, Yokohama, Kanagawa
TEL: +8145-401-1441

Founded

November 3, 1931

Established

November 22, 1945

Representative

President & Representative Director
Manabu YAMAZAKI

Capital

18,239.58 million yen (as of March, 2023)

Domestic factories (Production base)

Sagamihara Factory - Hosoe Factory

Consolidated subsidiaries

Total of 28 consolidated subsidiaries
(manufacturing and sales companies both
in Japan and overseas)

Unconsolidated subsidiaries

3 unconsolidated subsidiaries

Affiliated company

1 affiliated company

The Amano Group consists of Amano Corporation and 32 Group affiliates, and develops Information Systems, Time Management Products, Parking Systems, Environmental Systems, and Clean Systems.

(As of March 31, 2023)

Consolidated net sales

132,810
Millions of yen

(As of March 31, 2023)

Consolidated sales ratio by region

Japan **61.1%**

Overseas **38.9%**

(As of March 31, 2023)

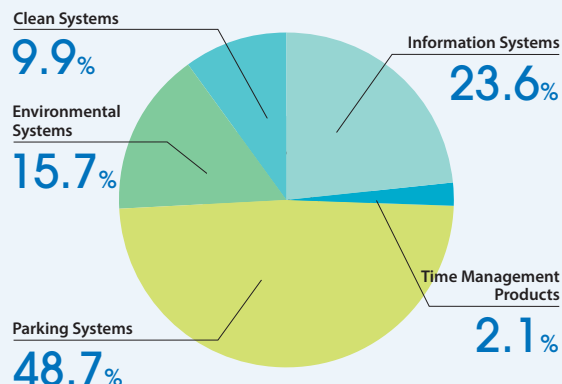
Overseas (breakdown)

North America **12.3%**

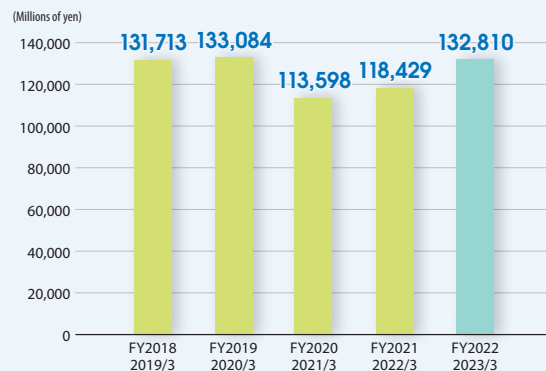
Asia **18.9%**

Europe **7.7%**

Business sales ratio (Consolidated)



Consolidated net sales



Consolidated operating profit

15,787
Millions of yen

(As of March 31, 2023)

Consolidated ordinary profit

16,960
Millions of yen

(As of March 31, 2023)

ROE

9.6%

(As of March 31, 2023)

No. of employees

Regular employees

Consolidated
5,083 people

Unconsolidated
2,017 people

Temporary employees

Unconsolidated **0** people

(As of March 31, 2023)

Number of employees by gender (Unconsolidated)

Male **1,687** people
83.6%

Female **330** people
16.4%

(Excluding fixed-term and part-time employees,
As of March 31, 2023)

Childcare leave take-up rate

Male **20.0%**

Female **100%**

(FY2022 results)

CO₂ emission reduction rate

*Targets Scope 1+2

35.7%

(Vs. FY2013, As of March 31, 2023)

Waste plastic recycling rate

97.9%

(As of March 31, 2023)

Average years of service

19 years

(As of March 31, 2023)

Number of employees by gender (consolidated)

Male **3,825** people
75.3%

Female **1,258** people
24.7%

(Excluding fixed-term and part-time employees,
As of March 31, 2023)

No. of production / sales / R&D bases

Japan
76 locations

Overseas
93 locations

(As of March 31, 2023)

PRTR substance handling volume reduction rate

29.9%

(Vs. FY2022, As of March 31, 2023)

We aim to achieve a sustainable society and increase corporate value by tackling paradigm shifts that will lead to sustainable management.

We at the Amano Group have the management principle of creating new value in the fields of “People and Time” and “People and Air”, and contributing to the realization of a safe, comfortable, and wholesome society. In addition, the concept of “immutability” has been passed down from our successive managers. “Keeping what should be kept, introducing new things, and changing what needs to be changed. The company will survive by taking on challenges without fearing them and making successive changes.” We believe that when all employees put this idea into practice, we will become a 100-year company, and we work daily on this basis.

In the 9th Medium-Term Business Plan, which began in April 2023, the management concept is “The 4th Stage Towards a 100-year company - Commitment to Paradigm Shifts Leading to Sustainable Management”. Within this, in addition to expanding all global businesses, we positioned reducing environmental impact and maximizing the value of human capital as important issues. In order to achieve these issues, we first identified four materialities: “Be Eco-Friendly”, “Be People-Friendly”, “Provide Safety and Security”, and “Reinforce the Management Foundation” in terms of solving social issues through our business. Going forward, we will embody these materialities. At the same time, we will continue to create a workplace where diverse human resources can play an active role in order to respond to changes in the external environment in the medium- to long-term.

In terms of participation in external organizations, we expressed our support for the “TCFD (Task Force on Climate-related Financial Disclosures)” in October 2022, and in June 2023, we signed the “United Nations Global Compact” advocated by the United Nations for responsible corporate behavior. We will actively cooperate with external organizations to achieve a better society.

We will continue to aim to be a corporate group trusted by all stakeholders, tackle social issues from a medium- to long-term, global perspective, and contribute to creating a sustainable society for the future.

President & Representative Director
Manabu YAMAZAKI



The Amano Group's Sustainability

Sustainability Basic Policy

The Amano Group's Management Principle is to create new value in the fields of "People & Time" and "People & Air" and contribute to the realization of a safe, comfortable, and wholesome society. We strive to realize society and improve corporate value.

Amid growing demand for the whole society, including companies, to engage in social sustainability, Amano will actively take on issues that need to be addressed, aiming to become a company that is trusted and appreciated by all stakeholders, including our customers, business partners, shareholders, employees, and local communities.

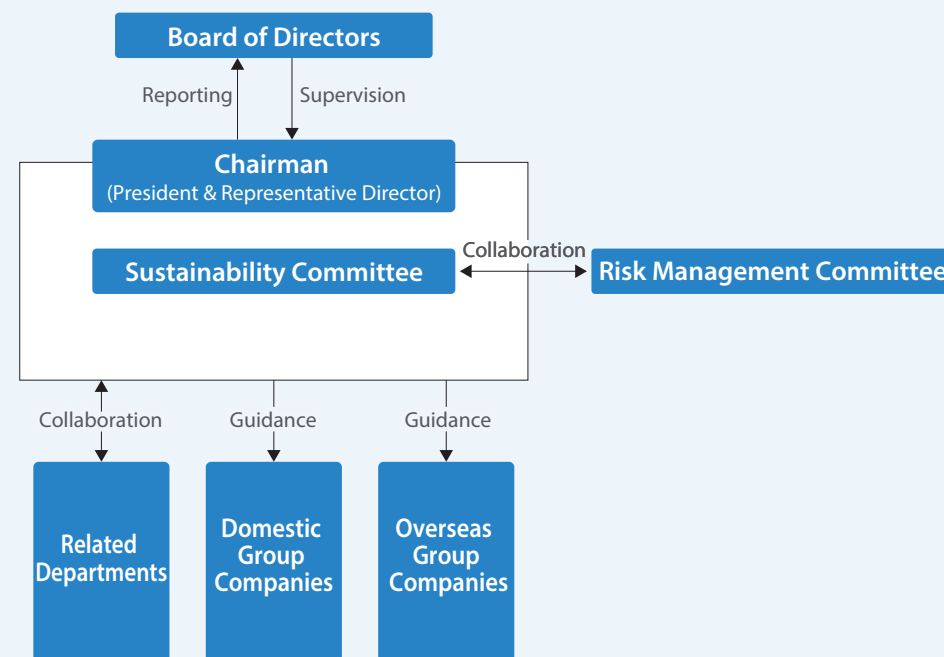
The Promotion of Sustainability and Involvement of the Board of Directors

In April 2022, the Amano Group established the Sustainability Committee in order to promote efforts to achieve a sustainable society and improve corporate value.

The Committee, chaired by the President & Representative Director, is responsible for the Amano Group's sustainability management response, materiality formulation, in-house education, and information disclosure functions. Specifically, in coordination with relevant departments and the Risk Management Committee, the Committee formulates the basic policy, activity goals, and implementation issues related to sustainability activities. The matters agreed by the Committee are then deployed to group companies.

In addition, the Board of Directors receives a report at least once a year on the basic policies and activity goals examined by the Committee regarding how our business contributes to the realization of a sustainable society, evaluates their progress, approves the effectiveness of the activity policies, and provides monitoring and supervision.

● Sustainability Promotion System



Materiality

Materiality Formulation

The Amano Group is engaged in the fields of "People & Time" and "People & Air," and we believe it is important to contribute to solving social issues through these businesses while coexisting with all stakeholders.

In order to identify the key issues for the Amano Group, the Sustainability Committee and the Corporate Planning Division conducted a series of studies and deliberations, and in July 2023, identified the following Four Themes and Eight Materialities.

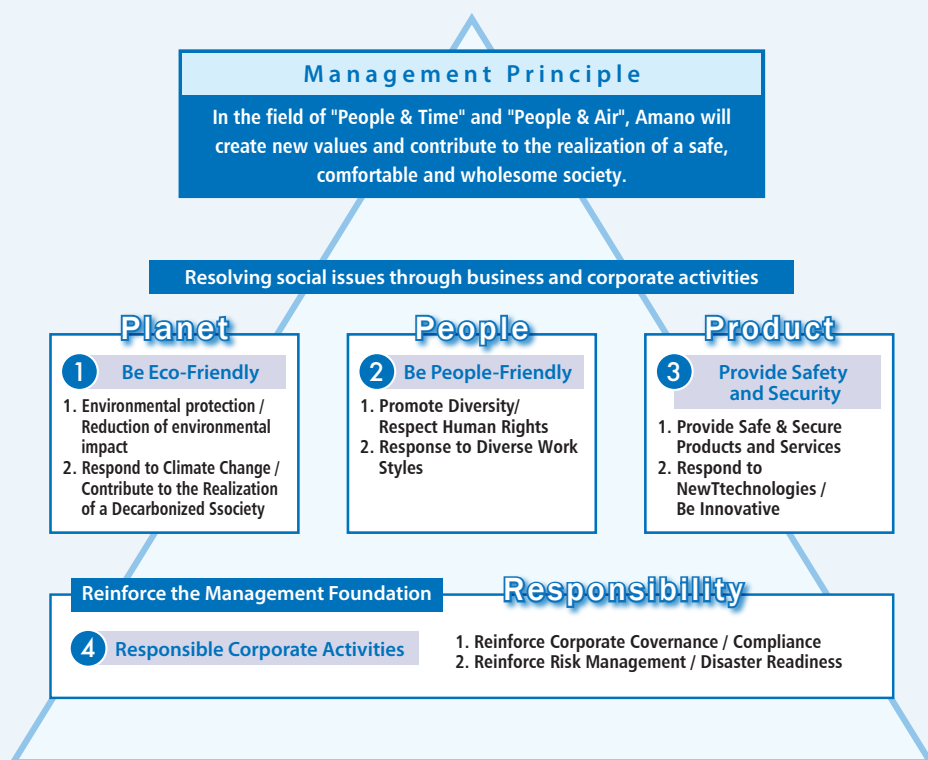
Going forward, the issues and the KPIs will be set in accordance with the materialities in each division and we will promote the efforts to address them.

Materiality identification process

To identify materiality, we first extracted social issues by referring to the SDGs and GRI guidelines, and then selected possible materialities by taking into consideration our management philosophy, businesses, and medium- long-term vision.

The selected possible materialities were narrowed down based on what we consider important and what stakeholders expect from us, taking into consideration both business opportunities and its risks, and with this in mind, we held meetings with each department to confirm their recognitions and to listen to their thoughts. The Sustainability Committee Secretariat and the Corporate Planning Division then compiled and prepared a draft proposal.

The draft proposal was then finalized by the Sustainability Committee (Chairman: President and Representative Director), and the Four Themes and Eight Materialities listed above were reported and acknowledged by the Board of Directors.



STEP 01 The Extraction & of issues / Selection of Issues

- The Extraction of Social Issues
- Selection of Possible Materialities

STEP 02 Materiality Assessment*

- Materiality Assessment in Our Group
- Materiality Assessment from Stakeholder Perspective

STEP 03 Meetings & Deliberations / Drafting Proposals

- Departmental Meetings to confirm their recognition
- Draft prepared by the Sustainability Committee Secretariat and the Corporate Planning Division

STEP 04 Discussion / Decision

- Decided by the Sustainability Committee (Chairman: President and Representative Director)
- Reported to and Approved by the Board of Directors



*In Step (2), materiality evaluation is conducted on two axis as follows, and items that are considered highly important on both axis are identified as materiality.

External Initiatives

• Participation in the United Nations Global Compact

In June 2023, Amano signed the "United Nations Global Compact" (UNGC) advocated by the United Nations.

The UNGC is a voluntary initiative in which each company and organization participates in the creation of a global framework to achieve sustainable growth by acting as good members of society through responsible and creative leadership. Companies and organizations that sign the UNGC are expected to conduct their business activities in compliance with, and implement the Ten Principles related to the protection of human rights, the elimination of unfair labor practices, environmental initiatives, and the prevention of corruption.

The Amano Group supports the Ten Principles of the UNGC and will work to contribute to a sustainable society.



• Participation in the Electrical and Electronics Coordinating Committee for Global Warming Countermeasures

Amano recognizes the importance of activities in the industrial world and industry associations, and participates in the electrical and electronic global warming countermeasures liaison meeting. We utilize the policies and the latest trends related to

climate change discussed at these meetings in the Amano Group's environmental management.

• Joined the Green Purchasing Network

Amano joined the Green Purchasing Network* in 2004.

* The Green Purchasing Network is a national network organization established in 1996 to promote green purchasing.

Initiatives targeting internal penetration

Amano is conducting the necessary training step by step to deepen the understanding of sustainability among each of our employees and executives.

So far, we have conducted executive training (for executives and domestic group company presidents), regular training for employees, and dissemination of a column on sustainability, etc.

Engagement with Stakeholders

The Amano Group's business is built on a trusting relationship with its stakeholders, and we believe that understanding and meeting the requests and the expectations of a variety of stakeholders, including our customers, business partners, shareholders, employees, and local communities, will improve our corporate value. For this reason, we recognize the importance of dialogue with stakeholders, and we conduct the activities listed in the table on the right.

Stakeholders	Main Contents	One Example of an Activity
Customers	The Development and Provision of Safe and Reliable Products and Services	The Development and Provision of Safe and Reliable products and services
		Thorough Quality Control
		Promotion of Production Meister Certification
	Responding to the Needs of Customers	Daily Contact with Customers through Direct Sales
		Holding and Participating in Exhibitions and Seminars
	Creating Innovation	Implementing Open Innovation
Business Partners	Sustainable Procurement	Formulation of Procurement Policies
		Promoting Green Procurement
		Implementing Human Rights Due Diligence
		Information Sharing with the Supply Chain
Shareholders	Appropriate Information Disclosure	General Shareholder's Meeting
		Sustainability Report
		Timely Disclosure of IR Information on the Corporate Website
	Global	Enhance English Corporate Website
Employees	Support for Diverse Human Resources Activities	Human Resource Development, Education & Training Programs (Select-type, Enroll-type)
		Initiatives for the Diverse Work Styles and Work-Life Balance
	Occupational Health and Safety and Mental Health Measures	Periodic Work Environment Measurements
		Disaster Prevention Training
		Medical Exams and Stress Checks
	Consultation Service	Setting-up the Amano Hotline
Local Communities	Understanding Opinions and Requests	Contact Point for Inquiries and Responses
	Community Contribution	Beautification and Cleaning Activities in local area surroundings Promoting Sporting Activities

SUSTAINABLE DEVELOPMENT GOALS



The Amano Group shares the principles of the Sustainable Development Goals (SDGs) advocated by the United Nations and contributes to the realization of a sustainable society through its business and social contribution activities.