

Sustainability Report 2024

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.

AMANO
Employee Code of Conduct

| | |
|---|--|
| Be Honest and Modest | True to the Basics |
| Serve People and Society with Consideration and Gratitude | Be Open to Change |
| Be Pleasant and Communicate | Look out to the Entire World |
| Be Willing to put in the Effort | Grow with our Customers |
| Commit to and Deliver on Our Goals | Always Observe the Worksite |
| Engage in Active and Healthy Lifestyles | Be a Representative of the Amano Brand |

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 FY2023.

Reference Guidelines

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

Target Reporting Period

FY2023 (April 1, 2023 to March 31, 2024)
It also includes some of the major past activities and updated information for FY2024.

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 Sagamihara 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 2024 (Next issue scheduled for October 2025/
Previous issue date October 2023)

Contact

Amano Corporation Sustainability Committee Secretariat
E-mail : Sustainability@amano.co.jp

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



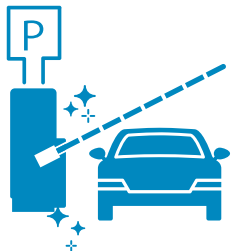
Amano's Information Systems and Time Management Products are extensively used in offices and businesses. For example, we provide workforce management systems that efficiently process employee information, payroll calculations along with employee notifications & applications. There are time recorders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



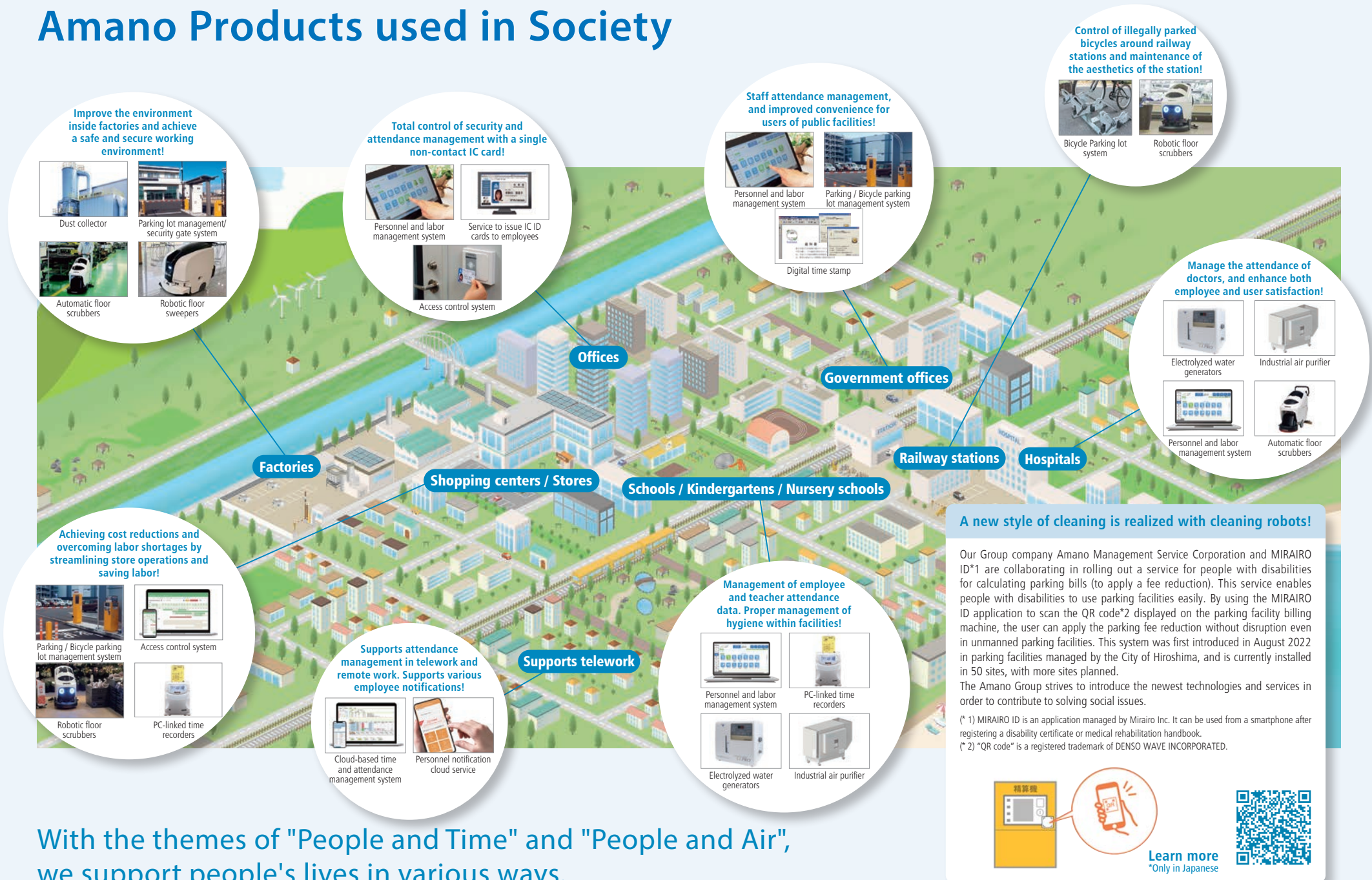
Our gate billing systems are used at a wide variety of parking facilities such as for shopping centers and hospitals. Our flaplock parking systems are frequently used for coin parking. Amano parking products are utilized in all types of locations around the city including bicycle parking lots in train 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 31, 2024)

Domestic factories (Production base)

Sagamihara Factory - Hosoe Factory

Consolidated subsidiaries

Total of 32 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, 2024)

Consolidated net sales

152,864
Millions of yen

(FY2023)

Consolidated sales ratio by region

Japan **56.3%**

Overseas **43.7%**

(FY2023)

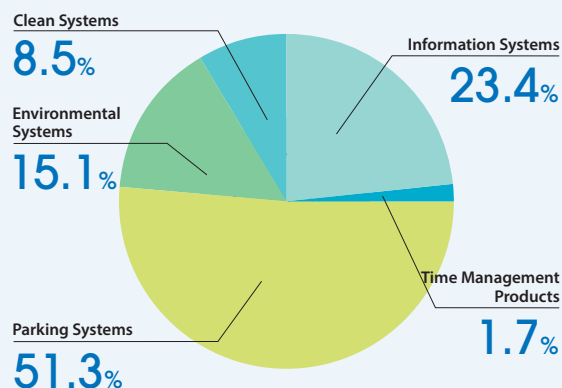
Overseas (breakdown)

North America **13.7%**

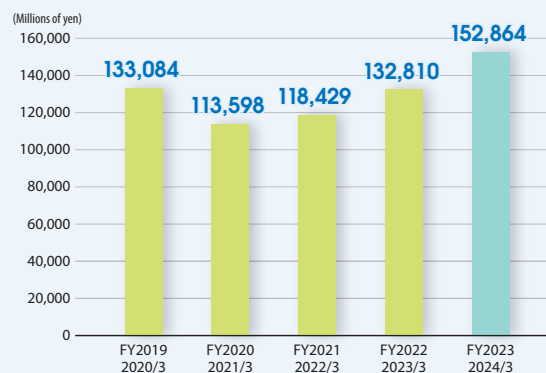
Asia **21.2%**

Europe **8.8%**

Business sales ratio (Consolidated)



Consolidated net sales



Consolidated operating profit

19,567
Millions of yen

(FY2023)

Consolidated ordinary profit

20,855
Millions of yen

(FY2023)

ROE

10.6%

(As of March 31, 2024)

No. of employees

Regular employees

Consolidated
5,335 people

Unconsolidated
1,957 people

Temporary employees

Unconsolidated **0** people

(As of March 31, 2024)

Number of employees by gender (Unconsolidated)

Male **1,627** people
83.1%

Female **330** people
16.9%

(Excluding fixed-term and part-time employees,
As of March 31, 2024)

Childcare leave take-up rate

Male **40.0%**

Female **100%**

(FY2023)

CO₂ emission reduction rate

*Targets Scope 1+2

38.2%

(Vs. FY2013, As of March 31, 2024)

Average years of service

19.3 years

(As of March 31, 2024)

Number of employees by gender (consolidated)

Male **3,872** people
72.6%

Female **1,463** people
27.4%

(Excluding fixed-term and part-time employees,
As of March 31, 2024)

No. of production / sales / R&D bases

Japan
76 locations

Overseas
95 locations

(As of March 31, 2024)

PRTR substance handling volume reduction rate

9.1%

(Vs. FY2023, As of March 31, 2024)

President's Message

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 identified four materialities: “Be Eco-Friendly”, “Be People-Friendly”, “Provide Safety and Security”, and “Responsible Corporate Activities” in terms of solving social issues through our business, and have defined specific issues and targets for each department. At the same time, we developed the basic strategy for human capital and revised our human resource development policy and policies to enhance the workplace environment 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.



Manabu YAMAZAKI
President & Representative Director
October 2024



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.

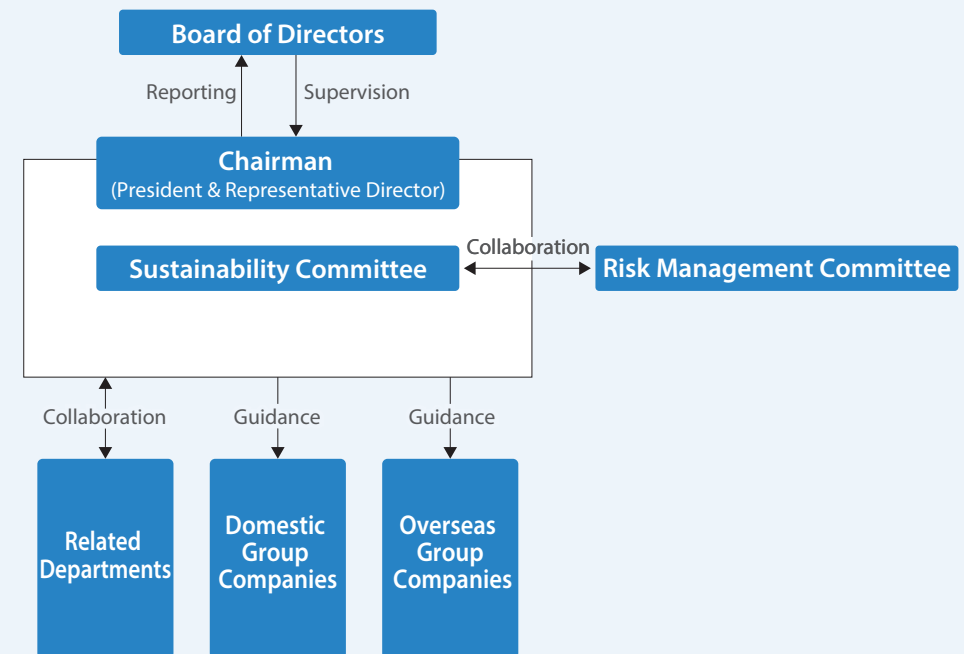
The Promotion of Sustainability and Involvement of the Board of Directors

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. The report to the Board of Directors is made by the Chairman or Vice Chairman, depending on the contents of the report.

● Sustainability Promotion System



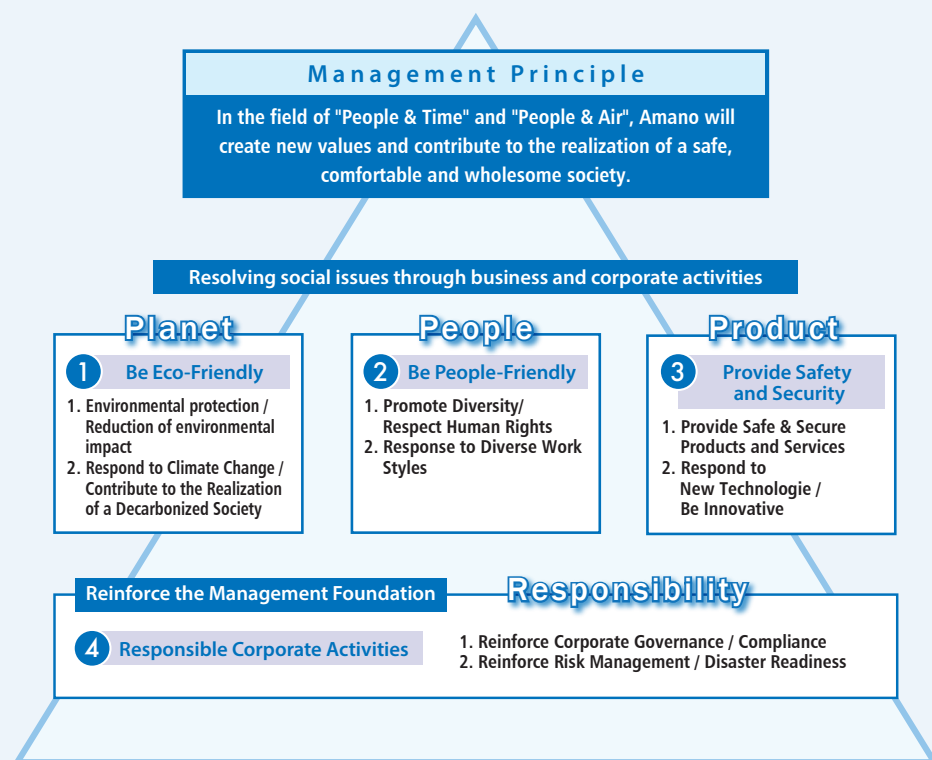
Materiality

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 & 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

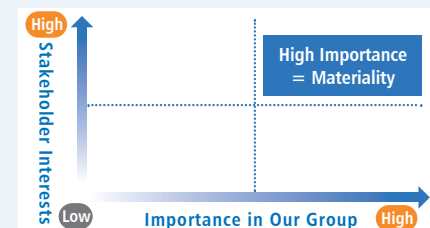
Meetings & Delibaerations / Drafting Proposals

- Departmental Meetings to confilm 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 (02), materiality evaluation is conducted on two axis as follows, and items that are considered highly important on both axis are identified as materiality.

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.

Extracting important issues that have strong relevance to the Corporate Philosophy and Businesses from the list of social issues (such as SDGs)

Sustainability Committee
(Committee chairperson: President & CEO)

Each Division

Materiality
Identification / Review

Materiality
(Sustainability Issues)

Opportunity Acquisition

Maintaining & Expanding
Business Performance

Foundation of
Growth

Strengthening
Management Foundation

Risk Management

Respond to New Technologies / Be Innovative
Provide Safe & Secure Products and Services

Respond to Diverse Work Styles
Promote Diversity / Respect for Human Rights

Environmental Protection / Reduced Environmental Burden
Respond to Climate Change/
Contribute to the Realization of a Decarbonized Society
Reinforce Corporate Governance / Compliance
Reinforce Risk Management / Disaster Readiness

**Enhancement of
Corporate Value**

Expansion of Equity Spread ROE 12% Operating Profit Ratio 13%
(March 2026)

Profit Growth

Generate Free Cash Flow through Profit Increase

Asset Efficiency
Improvement

Concentrated Investment in Growth Drivers
Investment in New Businesses (including M&A)

Return to Shareholders

Stable dividend
Distribution based on Business Performance

Sustainable growth

Long-term Risk Reduction through ESG
Enhancement

**The 9th
Medium-Term Business Plan**

Expand Business Performance through Three Growth Drivers

- 1 Information Systems : Software plus Cloud services proposals
- 2 Parking Systems : Proposals centric to the Data center for Systems and Management Services
- 3 Clean Systems : Robot plus Cloud services proposals

Maintaining & Expanding
Business Performance

Society

Maximizing the
Value of Human
Capital
KPI:Diversity

Foundation of
Growth

Business

Improvement and
Enhancement of
Management
Infrastructure

Corporate Governance &
Compliance

Environment

Reduced
Environmental
Burden / Global
Environmental
Preservation
KPI:CO₂ emissions, etc.

Strengthening
Management Foundation

Materiality and Initiatives

1. Be Eco-Friendly

| Materiality | What Amano Group Aims For | Initiatives for the FY2024 |
|--|--|---|
| (1)Environmental Protection / Reduction of Environmental Impact | <ul style="list-style-type: none"> Development, manufacture, and sales of products that contribute to reducing CO₂ emissions and the use of hazardous chemicals Improvement of energy efficiency and waste reduction in both user use and manufacturing processes of products | <p>[R&D and Manufacture Unit]</p> <ul style="list-style-type: none"> Energy consumption : reduce rate of energy consumption by 1% or more compared to the previous fiscal year (Head Office, Sagamihara Factory, and Hosoe Factory) Water consumption : reduce water consumption by 1% compared to the previous fiscal year (Head Office, Sagamihara Factory, and Hosoe Factory) Waste output : reduce total water output by 1% compared to the previous fiscal year (Head Office, Sagamihara Factory, and Hosoe Factory) Achieve 100% recycling rate, including general waste (Sagamihara Factory) : Reduce paint waste by 5% compared to the previous fiscal year, by purchasing appropriate quantities of paint (Hosoe Factory) <p>[Clean Systems business]</p> <ul style="list-style-type: none"> Develop a model with electrolytic water unit as standard equipment (both cleaning robot and automatic floor scrubber) <p>[Environmental Systems business]</p> <ul style="list-style-type: none"> Develop new energy-saving products : Variable airflow with inverter function, reducing power consumption during use |
| (2)Respond to Climate Change / Contribute to the Realization of a Decarbonized Society | <ul style="list-style-type: none"> Initiatives for reducing CO₂ emissions / Disclosure in line with TCFD Recommendations | <p>[Whole Company]</p> <ul style="list-style-type: none"> Reduce CO₂ emissions : reduce CO₂ emissions by 1% compared to the previous fiscal year Disclosure in line with TCFD Recommendations : expand the scope of TCFD application to domestic group companies |

2. Be People-Friendly

| Materiality | What Amano Group Aims For | Initiatives for the FY2024 | | | | | | | | |
|--|--|--|-------------------------|--|-------------------------|--|--------------------------------------|---|----------------------------|--|
| (1)Promote Diversity / Respect Human Rights (2)Response to Diverse Work Style | <ul style="list-style-type: none">•Promoting Diversity and Inclusion•Eliminating Gender Discrimination / Protecting Human Rights : prohibiting discrimination based on gender, nationality, disability, and other factors | <p>[Whole Company]</p> <p>Promote Diverse Human Resources :</p> <ul style="list-style-type: none">•New Graduate Recruitment (college graduates) : achieve 100% of the April 2025 recruitment plan•Overseas IT Human Resources: Continued to work in the R&D Division <p>Strengthen Responsiveness to Mid-to long-term Changes :</p> <ul style="list-style-type: none">•Diversity Promotion Training by e-learning: achieve 95% or higher of a training participation rate <p>Creating a Workplace for Diversity :</p> <ul style="list-style-type: none">•Well-being Management : Achieve 100% of health checkup rate in FY2024 <p>Numerical Targets for Diversity :</p> <table><tr><td>Female Employment ratio</td><td>March 2024 : 16.9% → March 2026 : achieve 20.0% or higher</td></tr><tr><td>Ratio of Female Manager</td><td>March 2024 : 2.7% → March 2026 : achieve 5.0% or higher</td></tr><tr><td>Manager ratio among female employees</td><td>March 2024 : 3.6% → March 2026 : achieve 10.0% or higher</td></tr><tr><td>Male Childcare Leave ratio</td><td>March 2024 : 40% → March 2026 : achieve 50% or higher</td></tr></table> | Female Employment ratio | March 2024 : 16.9% → March 2026 : achieve 20.0% or higher | Ratio of Female Manager | March 2024 : 2.7% → March 2026 : achieve 5.0% or higher | Manager ratio among female employees | March 2024 : 3.6% → March 2026 : achieve 10.0% or higher | Male Childcare Leave ratio | March 2024 : 40% → March 2026 : achieve 50% or higher |
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| Manager ratio among female employees | March 2024 : 3.6% → March 2026 : achieve 10.0% or higher | | | | | | | | | |
| Male Childcare Leave ratio | March 2024 : 40% → March 2026 : achieve 50% or higher | | | | | | | | | |
| (2)Response to Diverse Work Style | <ul style="list-style-type: none">•Achieving compliance with laws and regulations, prevention of health hazards, and increased business efficiency by providing products and solutions for diverse work styles | <p>[Information Systems business]</p> <ul style="list-style-type: none">•Develop New Time & Attendance Software : Development Investment over 1 billion yen, to enhance security and multi-device support for diversified work styles and locations | | | | | | | | |

3. Provide Safety and Security

| Materiality | What Amano Group Aims For | Initiatives for the FY2024 |
|--|--|---|
| (1)Provide Safe & Secure Products and Services | <ul style="list-style-type: none"> Developing high-quality products and services that customers can use safely | <p>[R&D and Manufacture Unit]</p> <ul style="list-style-type: none"> Improve Safety and Quality : Strengthen front-loading through collaboration between R&D and Manufacturing Unit from the early stages of development |
| (2)Respond to New Technologies / Be Innovative | <ul style="list-style-type: none"> Enhancement of software, cloud, IoT, AI, and robotics businesses : Improving convenience / Adapting to new technologies and diversified operations / Providing appropriate support based on an understanding each customer situation / Improving profitability by expanding stock business | <p>[Information Systems business]</p> <ul style="list-style-type: none"> Expand Alliances : peripheral services for Time & Attendance, etc <p>[Parking Systems business]</p> <ul style="list-style-type: none"> Expand ETCGO contract sites Expand cashless business sites Strengthen and expand recurring revenue model : provide new solutions such as ETCGO and MIRAIRO ID <p>[Clean Systems business]</p> <ul style="list-style-type: none"> Expand cloud services Increase sales of cleaning robots <p>[R&D and Manufacture Unit]</p> <ul style="list-style-type: none"> Expand cloud compatible services : develop web application for regular contracts and mobile payment in Paking Systems business, and enhance robot linked cloud systems in Clean Systems business |

4. Responsible Corporate Activities

| Materiality | What Amano Group Aims For | Initiatives for the FY2024 |
|---|--|--|
| (1)Reinforce Corporate Governance / Compliance | <ul style="list-style-type: none"> Eradication of Forced labor, Excessive labor, and Illegal labor Preventing Corruption and Bribery | <p>[Procurement Unit]</p> <ul style="list-style-type: none"> Survey of Due Diligence on Human Rights initiatives : conduct by 90 companies aiming to cover approximately 80% of Amano's non-consolidated transaction value in Japan by the end of FY2025 <p>[Whole Company]</p> <ul style="list-style-type: none"> Establish an External Reporting Hotline for Stakeholders (*) Strengthen the operation of both the Internal Reporting Hotline for Employees and the External Reporting Hotline for Stakeholders (*) Conduct human rights training for both executives and employees <p>[Whole Company]</p> <ul style="list-style-type: none"> Compliance training for all employees : At least once Incidents of Corruption and Bribery : None Establish an External Reporting Hotline for Stakeholders (* same as above) Strengthen the operation of both the Internal Reporting Hotline for Employees and the External Reporting Hotline for Stakeholders (* same as above) |
| (2)Reinforce Risk Management / Disaster Readiness | <ul style="list-style-type: none"> Strengthening Disaster Preparedness Strengthening Cyber Security Measures | <p>[Whole Company]</p> <ul style="list-style-type: none"> Formulate a BCP plan for each site Conduct various trainings : firefighting and evacuation drills, and safety confirmation operations in case of earthquake and fire, each at least once Continue to arrange necessary supplies in case of disaster <p>[Information System Unit]</p> <ul style="list-style-type: none"> Conduct an IT-BCP training : At least once <p>[Information System Unit]</p> <ul style="list-style-type: none"> Control Critical Incident : Zero occurrences Conduct Information Security Training by e-learning : At least twice, with 100% of a training participation rate Conduct Drills to respond to suspicious e-mails : At least twice |

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

The Amano Group conducts training and issues relevant articles to deepen each of our employees' and executives' understanding of sustainability. In FY2024, we implemented executive training (for executives and domestic group company presidents) and regular training for employees (e-learning) on the theme of human rights. We will continue with our initiatives targeting internal penetration.

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 |
| | | Protection of Personal Information through Information Security Management |
| | Responding to the Needs of Customers | Daily Contact with Customers through Direct Sales |
| | | Holding and Participating in Exhibitions and Seminars |
| Business Partners | Sustainable Procurement | Implementing Open Innovation |
| | | Participation in One-Stop ETC Social Experiments |
| | | Formulation of Procurement Policies |
| | | Promoting Green Procurement |
| Shareholders | Appropriate Information Disclosure | Implementing Human Rights Due Diligence |
| | | Information Sharing with the Supply Chain |
| | | General Shareholder's Meeting |
| | | Sustainability Report |
| | Global | Timely Disclosure of IR Information on the Corporate Website |
| Employees | Support for Diverse Human Resources Activities | Enhance English Corporate Website |
| | | Human Resource Development, Education & Training Programs (Select-type, Enroll-type) |
| | | Initiatives for the Diverse Work Styles and Work-Life Balance |
| | | Implementing Employee Engagement Survey |
| | 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 |
| All Stakeholders other than Employees | Prevention and Mitigation of Negative Impacts on Human Rights | External Stakeholder Hotline (established in April 2024) |

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 activities that solve social issues.

The background of the page is composed of a pattern of hexagons. Each hexagon contains a different texture, such as green foliage, blue water, or brown earth, creating a mosaic effect. The colors are primarily greens, blues, and browns, with some lighter yellow-green accents.

E

Environment

Environmental Policy

Environmental Principle

Amano Corporation recognizes we have a social responsibility to contribute to the creation of a “sustainable society” that balances both the environment and economy under the theme of “People and Time” and “People and Air”. We will promote business activities and environmental management that always consider environmental conservation from a broad-ranging perspective.

Environmental Policy

Basic Policy

Based on our "Environmental Principle", from research & development to production, sales and services, Amano will endeavor to achieve and maintain high environmental qualities across all levels of business activities.

Conduct Guidelines

1. Amano will establish an environmental management system that will be continuously maintained and improved by restructuring our organization and operations to practice environment-conscious business activities.
2. All employees of the Amano Group will adhere to all environment related laws, regulations, and internal standards.
3. Effective use of resources environmentally friendly will be practiced by reducing, reusing and recycling, etc. We will promote efficiency and rationalization at all levels of business activities, namely, production, sales, and services.
4. Amano will endeavor to research, develop, and produce products, which are environmentally friendly to reduce environmental impact.
5. All employees of the Amano Group will be subject to environment education and will strive to raise environmental consciousness.
6. All employees of the Amano Group will be notified of this "Environmental Policy", and will be made available on demand by the public.

Established: March 10, 2004

Revised: April 20, 2023

Addressing Climate Change



In recent years, natural disasters caused by climate change are on the rise around the world, and the impact of extreme weather and changes in the natural environment on social life and corporate activities is becoming increasingly significant.

Amidst growing social demands to reduce environmental burden, the Amano Group recognizes that addressing environmental issues, including climate change, is one of the most important management issues for solving social issues and improving corporate value, and we have defined the contribution to addressing climate change and realizing a decarbonized society as one of our materiality. We will continue to work toward climate change mitigation and adaptation in all of our business activities, and we will strive to proactively disclose information in accordance with the TCFD information disclosure framework.

Endorsement of the TCFD (Task Force on Climate-related Financial Disclosures)

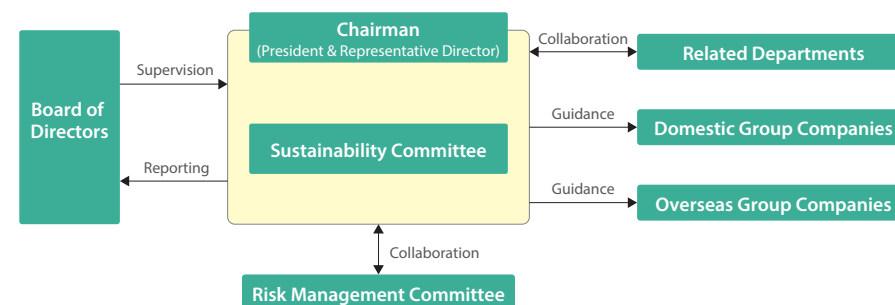
Amano discloses its evaluation of the impact of climate change on our business in four areas: Governance, Strategy, Risk Management, and Metrics and Objectives, compliant with the TCFD Recommended Framework. Considering the response to climate change to be an important issue, we expressed our endorsement of the TCFD recommendations in October 2022. We will continue our efforts to address climate change and disclose information based on the TCFD recommendations.



Corporate Governance

In order to respond to environmental issues such as climate change, the Amano Group has created an Environmental Management Committee and implemented initiatives such as reducing CO₂ emissions, etc. In addition, in April 2022, we created the Sustainability Committee to promote efforts to both 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 to climate change, materiality formulation, in-house education, and information disclosure functions, etc. Specifically, in coordination with relevant departments and the Risk Management Committee, the Committee formulates the basic policy, activity goals, and implementation issues related to climate change response. 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 and environmental issues such as reductions of CO₂ emissions to respond to climate change, evaluates their progress, approves the effectiveness of the activity policies, and provides monitoring and supervision.

Climate Change Governance Structure



Strategy

At the Amano Group, the Sustainability Committee works to identify and evaluate climate change scenario analysis and the financial impact of risks and opportunities for each business. Currently, in the Group, which develops, manufactures, and sells products in Time Information System business and Environment System business, the risks and opportunities common to all businesses are identified as follows. In addition, we are preparing to identify risks and opportunities in our domestic group companies. We will disclose the information as soon as it is ready for disclosure.

Transition Scenario (Temperature Rise of 2°C)

| Emission Restrictions | | Assumptions | Risks and Opportunities (R & O) | | | Impact High, Medium, Low | Measures & Actions |
|------------------------------|---|--|--|---|---|--------------------------|--|
| Main Classification | Sub Classification | | Specific Examples | R | O | | |
| Policies, Laws & Regulations | CO ₂ Emission Restrictions | Strengthening energy-saving standards for buildings (i.e.mandatory compliance with ZEB ^(*)) | •Increase in capital investment costs for energy-saving measures in self-owned factories and offices | ○ | | M | <ul style="list-style-type: none"> •Expand adoption of renewable energy such as solar power generation, invest more to energy-saving facilities •Relocate branches and offices to buildings with high energy-saving performance |
| | Implementation of Carbon Tax | Implementation of carbon tax and adoption of emissions trading (carbon pricing) | •Increase in raw material procurement costs due to carbon taxes imposed on emission at suppliers and passed on to purchase prices | ○ | | H | <ul style="list-style-type: none"> •Negotiate to pass on the increase in material costs to sales prices •Find new procurement sources / investigate alternatives •Modify design to reduce materials with high CO₂ emissions •Shift to materials and parts with low carbon emissions |
| | | | <ul style="list-style-type: none"> •Increased tax costs due to the burden of carbon tax imposed on own CO₂ emissions •Increased costs of own emissions trading and purchase of certificates (credits) | ○ | | H | <ul style="list-style-type: none"> •Promote energy-saving measures and expand adoption of renewable energy for self-consumption |
| Market | Changes in the Energy Mix | Promoting the adoption of expensive clean energy (renewable energy and hydrogen) | •Increased production costs due to rising energy bills | ○ | | L-M | <ul style="list-style-type: none"> •Reduce energy costs by promoting energy-saving activities •Renew or modify the facilities that use energy sources with high CO₂ emissions •Negotiate to pass on cost increases to selling prices |
| Technology | Changes in Demand and Consumer Intentions | Research and development associated with transition to low-carbon technology | •Increased introduction and development costs for CO ₂ capture, utilization, and storage technology (CCUS) | ○ | | M | •Technical cooperation with advanced low-carbon technology companies |
| | | | •Increase in R&D expenses and capital investment costs to expand the development of environmentally friendly products (other than CCUS) | ○ | | M | •Develop energy and resource saving products that meet customer needs |
| Reputation | Changes in Consumer Behavior | In order to utilize resources more efficiently, recycling and circular economy are making progress | •Reduced product manufacturing costs and waste disposal costs associated with progress in recycling-oriented (manufacture ⇒ use ⇒ retrieve ⇒ manufacture) economy and processes | | ○ | — | •Initiatives to retrieve usable materials from discarded products |
| | | Due to the growing demand for low-carbon products and services, environmentally friendly products and services are expanding to meet that demand | •Increase in sales by selling products that contribute to a low-carbon society as well as environmentally friendly products and services | | ○ | M-H | <ul style="list-style-type: none"> •Develop energy efficient products which reduce environmental burden to meet customer needs •Expand the use of recycled materials |

(*) ZEB : Net "Zero Energy Building" (A building that aims to achieve a comfortable indoor environment while achieving zero annual primary energy balance.)

Physical Scenario (Temperature Rise Over 4°C)

| Emission Restrictions | | Assumptions | Risks and Opportunities (R & O) | | | Impact High, Medium, Low | Measures & Actions |
|-----------------------|--|---|--|---|---|--------------------------|--|
| Main Classification | Sub Classification | | Specific Examples | R | O | | |
| Acute | Intensification of Extreme Weather Conditions | Severity and frequency of natural disasters/extreme weather due to extreme temperature changes (heavy rain, floods, typhoons, etc.) | •Loss of sales opportunities and increased recovery costs due to damage to self-owned factories, etc. | ○ | | H | <ul style="list-style-type: none"> •Continuous review of BCP •Strengthen the capability of mutual alternative production between the factories |
| | | | •Loss of sales opportunities and decreased sales due to damage to the suppliers' production equipment | ○ | | H | •Thoroughly practice multi-company purchasing |
| Chronic | Rise in Average Temperatures and Extreme Weather | Improving the working environment and considerations given for health risks | <ul style="list-style-type: none"> •Increase in employee health maintenance and air conditioning costs due to rising average temperatures •Reduced work efficiency due to restrictions on outdoor work hours and time zones due to extreme weather conditions (heatwave, heavy rain, etc.) | ○ | | M | <ul style="list-style-type: none"> •Improve the work environment and upkeep the infrastructure •Promote work efficiency to shorten the work time |
| | | Spread of infectious diseases such as viruses and outbreaks of pandemics | <ul style="list-style-type: none"> •Loss of sales opportunities and decreased sales due to factory shutdowns caused by the spread of infectious diseases •Loss of sales opportunities and decreased sales due to stagnated operations arising from shortages of parts and supplies caused by the spread of infectious diseases | ○ | | M-H | •Constrain losses through damage prevention measures in line with the guidelines and policies of each country |

Flood Risk Assessment

In recent years, damage caused by flooding in Japan has been increasing. In particular, typhoons and torrential rains have caused physical damage to factories and other facilities, forcing them to suspend operations. We strive to understand the status of risks that may affect our business, especially flood risk. In the current fiscal year, we have expanded the scope of our assessment to include not only our major factories but also our head office and important sales offices.

* Referring to the Ministry of Land, Infrastructure, Transport and Tourism's "Guidelines for Physical Risk Assessment in TCFD Recommendations," we calculate the financial impact as an incremental future risk by taking into account changes in future flood frequency multipliers based on the current 100-year and 1,000-year probability of inundation.

* Regarding a storm surge risk, we conducted a risk analysis of it, but we disclose only the flood risk as the calculated damage came to zero.

Forecast of Damages caused by Physical Risks at Domestic Key Sites (period: until 2100)

| Name of Sites | Flood Depth once in 1,000years | 4°C Scenario Incremental Risk (hundred million yen) | 2°C Scenario Incremental Risk (hundred million yen) | Risk Reduction Measures |
|---|--------------------------------|---|---|-------------------------------|
| Head Office | 0.5m~3.0m | Single year : 0.0 Cumulative total : 5.1 | Single year : 0.0 Cumulative total : 1.1 | Currently under consideration |
| Factories Sagamihara Factory Hosoe Factory | 0.0m~0.5m | Single year : 0.0 Cumulative total : 6.2 | Single year : 0.0 Cumulative total : 1.1 | |
| Sales Offices Tokyo branch Kanagawa branch Nagoya branch Osaka branch | 3.0m~5.0m | Single year : 0.2 Cumulative total : 17.0 | Single year : 0.0 Cumulative total : 3.7 | |

* 0.0 hundred million yen* in the table indicates that the incremental risk is less than 10 million yen.
The incremental risk includes decreases in assets and sales balance.

Calculation Steps for Damage Forecast

| | |
|--------|---|
| STEP 1 | Checking the current flood depth at each assessment site |
| STEP 2 | Calculating the current damage and loss amounts |
| STEP 3 | Confirming the future flood frequency multiplier and calculating future damage and loss amounts at the targeted flood scale |
| STEP 4 | Evaluating the future incremental risk at the targeted flood scale (*) |

See below and other
Ministry of Land, Infrastructure, Transport and Tourism publication: Future forecasts of flood frequency,
Geographical Survey Institute: Overlapping Hazard Maps, Flood Inundation Navigation System, Flood Control Economy Manual.

(*) Future incremental risk: Expected impact amount in the future

Risk Management

In consultation with the relevant departments, the Sustainability Committee annually identifies sustainability risks, including climate-related risks, and conducts scenario analyses and financial impact assessments as appropriate. The Sustainability Committee and the Risk Management Committee that manages risks discuss and review the strategy for responding to the significant risks identified.

The identified key risks and response policies are to be reported to the executives in charge of risk management via the Risk Management Committee and approval is obtained.

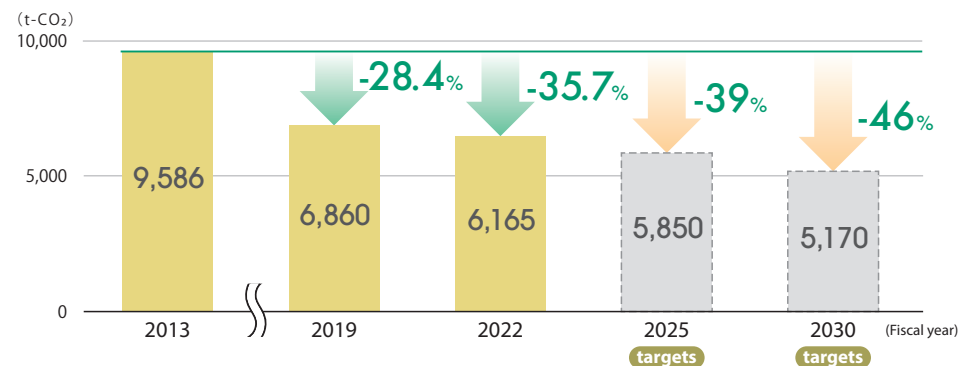
Metrics and Targets

Amano set a target to reduce CO₂ emissions in December 2021, aiming to reduce greenhouse gas emissions. We will continue our efforts to reduce CO₂ emissions in order to prevent global warming.

CO₂ emissions reduction target: Reduce CO₂ emissions by 46% by the fiscal year 2030, compared to the 2013 baseline.

* Scope 1+2 emissions are included in the target.

Results and Targets for CO₂ Emissions Reduction



Initiatives for CO₂ Emissions Reduction

- Completed switching solar power generation to private consumption (Hosoe Factory)
- Completed the introduction of an electric power visualization system (Hosoe Factory)
- Planning to switch solar power generation to private consumption (Sagamihara Factory)

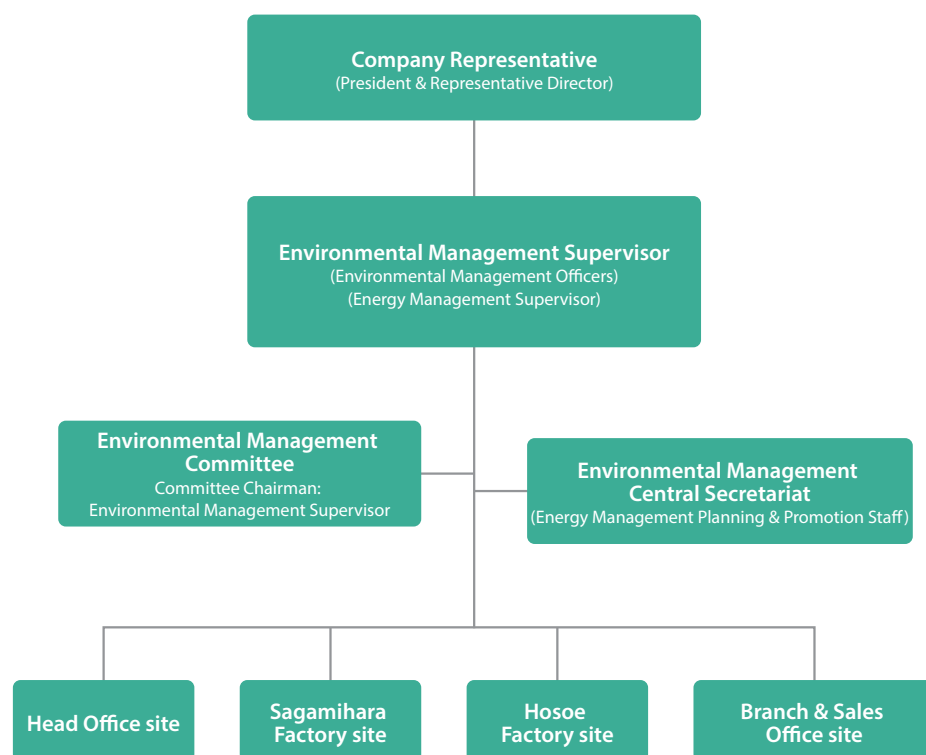
Items to be Disclosed in the Future

We are preparing to calculate Scope 3 of our CO₂ emissions.

Initiatives toward Environmental Management

Amano recognizes that our social responsibility is to contribute to the formation of a “sustainable society” that balances the environment and the economy. All business activities at Amano will always take into consideration environmental protection and will actively promote environmental management. In order to do this, we have acquired the international certification “ISO14001” for environmental management.

● Overall Company Environmental Management Structure



ISO14001 Certification

| | | |
|---------|------|--|
| August | 1999 | Acquired by the Hosoe Factory |
| January | 2000 | Acquired by the Sagamihara Factory |
| April | 2007 | Acquired by the former Miyakoda Factory and a group subsidiary, the Environmental Technology Co., Ltd. located at the same premises. |
| April | 2014 | With the restructuring of the factories, the Hosoe Factory and the Sagamihara Factory acquired ISO14001:2004 |
| July | 2017 | The Hosoe Factory and the Sagamihara Factory updated to ISO14001:2015 |

● Certifications obtained at each factory

| Factory | Certification standard | Certifying Institution | Examination registration No. | Initial registration date | Renewal date | Expiration date |
|--------------------|---|------------------------|------------------------------|---------------------------|--------------|-----------------|
| Sagamihara Factory | ISO14001:2015 | SGS | JP00/017315 | 2000/01/24 | 2023/07/03 | 2026/07/03 |
| | Certification scope : "Manufacture of Parking System" "Manufacture of Time Recorders and Products for Time Information System" | | | | | |
| Hosoe Factory | ISO14001:2015 | SGS | JP99/016547 | 1999/08/13 | 2023/07/05 | 2026/07/05 |
| | Certification scope : "The design and manufacture of dust collection systems, pneumatic powder conveyance systems and floor cleaners" "Manufacture of electrolytic water generator " "Measurements for working environment" | | | | | |

Initiatives to Reduce our Environmental Burden

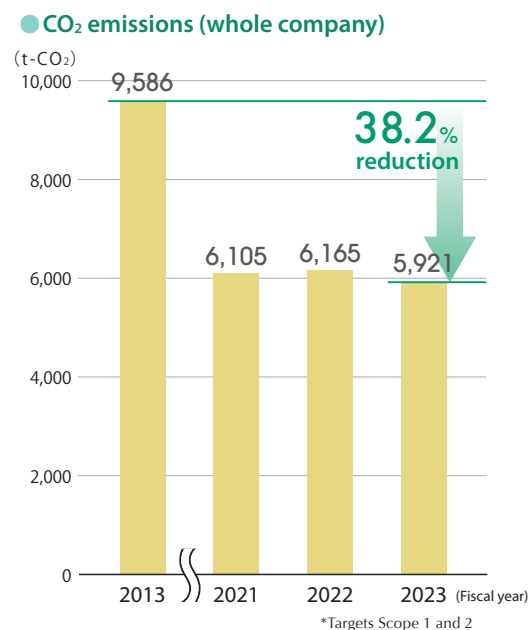


Energy Saving Initiatives

In order to reduce CO₂ emissions, Amano is promoting energy-saving activities at each business site. As reducing electricity and gasoline consumption is the most effective way to reduce energy consumption, to achieve this, each business site is making continuous efforts by sharing and applying ideas.

Energy reduction measures that are common among the sites are as follows:

- Appropriate air-conditioner temperature settings (implementation of Cool Biz and Warm Biz)
- LED lighting and power saving
- Turning off unnecessary computers
- Energy saving and optimization measures for production equipment and air conditioning equipment
- Reducing power consumption and number of units by adopting energy-saving multifunctional copiers
- Reducing standby power consumption during long vacations
- Promoting the conversion of high power consumption equipment to energy-saving models using the electric power visualization system
- Promoting company-wide eco-driving
- Proceeding with the switch to eco-cars



Shifting to self-consumption solar power generation (Hosoe Factory)



New LED lamps (Head Office)



Replacing laser beam machines with high-efficiency machines (Hosoe Factory)



Switching to high-efficiency air conditioning equipment (Head Office)



Replacing dehumidifiers with resin dehumidifiers consuming less electricity (Sagami-hara Factory)



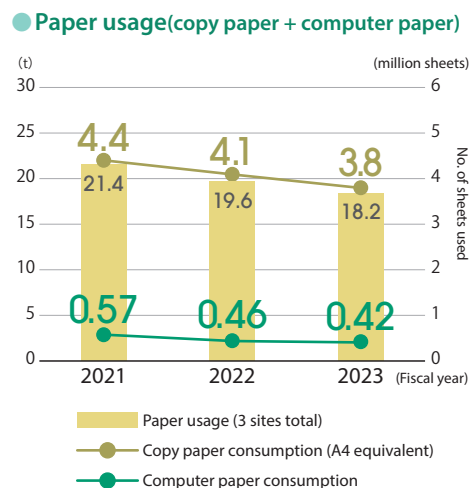
Renewal of energy-saving injection molding machines (Sagami-hara Factory)

Reducing the Consumption of Copy Paper

The three sites (Head Office, Sagamihara Factory, and Hosoe Factory) are continuing their efforts to reduce the amount of copy paper used, such as by promoting double-sided printing, paperless meetings using notebook PCs with large display screens, and the computerization of inspection sheets, etc.

As a result of these efforts, the amount of paper used in FY2023 was reduced by 7.1% compared to the previous fiscal year.

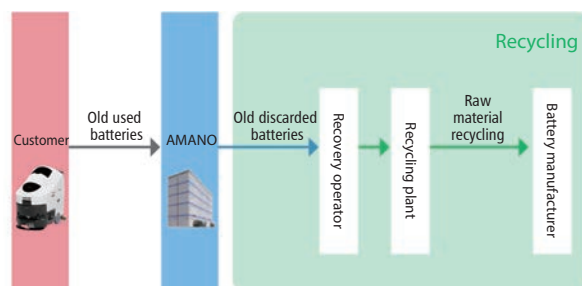
We will continue to promote these initiatives.



Battery Recycling

As part of initiatives to contribute to the creation of a recycling-oriented society, since December 2012, we have been extracting all depleted batteries from cleaning products and recycling them.

In FY2023, 90.8 tons (3,026 batteries) were recycled.



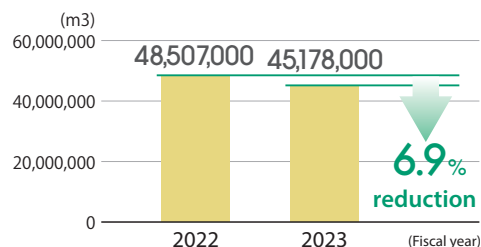
Water Reduction Target

Water is an indispensable resource in manufacturing activities. As such, we are setting goals to reduce environmental impact, avoid risks, and achieve sustainable water use in order to use limited water resources efficiently and appropriately.

Water reduction target

Reduce water usage by 1% compared to the previous year. (Targets are Head Office, Sagamihara Factory, and Hosoe Factory sites)

In FY2023, we achieved our target of reducing water usage by 1% through the introduction of water-saving toilets and other measures.



Criteria for Water

At the Hosoe Factory, we regularly measure the water quality of wastewater and manage it so that it does not discharge outside the factory, and there are no items that do not meet the current emission standards.

| Item | | Drainage reference value (mg/l) | Voluntary reference value (mg/l) | FY2023 | | |
|----------------------|---|--|---|------------------------------|------------------------------|------------------------------|
| | | | | Wastewater outlet 1(mg/l) | Wastewater outlet 2(mg/l) | Wastewater outlet 3(mg/l) |
| Standard items | pH | 5.8 to 8.6 | 6.1 to 8.2 | 7.0 to 7.3 | 6.7 to 8.0 | 7.1 to 7.6 |
| | BOD (maximum value) | 30 | 27 (daily average 20) | 8.5 | 19 | 20 |
| | COD (maximum value) | 30 | 27 (daily average 20) | 13 | 20 | 25 |
| | SS (maximum value) | 40 | 36 (daily average 30) | 5.8 | 2.5 | 18 |
| | n-Hexane extractants (mineral oil content) | 5.0 | 4.5 | Less than 1.0 | Less than 1.0 | ——* |
| | Phenols | 1 | 0.9 | Less than 0.5 | Less than 0.5 | Less than 0.5 |
| | Copper | 1 | 0.9 | Less than 0.1 | Less than 0.1 | Less than 0.1 |
| | Zinc | 2 | 1.8 | Less than 0.20 | Less than 0.2 | ——* |
| | Total iron | 10 | 9 | Less than 0.30 | Less than 0.3 | ——* |
| | Total chromium | 2 | 1.8 | Less than 0.05 | Less than 0.05 | Less than 0.05 |
| | Total nitrogen | 120 | 108 | 16 | 17 | 62 |
| | Total phosphorus | 16 | 14.4 | 1.9 | Less than 0.80 | 9.5 |
| | Number of coliform bacteria | 3,000 | 2,700 | 68 | 24 | 120 |
| Hazardous substances | Cadmium | 0.002 | 0.0018 | Less than 0.0002 | Less than 0.0002 | Less than 0.0002 |
| | Cyanogen | 1 | 0.9 | Less than 0.1 | Less than 0.1 | Less than 0.1 |
| | Organic phosphorus | 0.1 | 0.09 | Less than 0.01 | Less than 0.01 | Less than 0.01 |
| | Lead and its compounds | 0.1 | 0.09 | Less than 0.01 | Less than 0.01 | Less than 0.01 |
| | Fluorine compounds | 8 | 7.2 | Less than 0.80 | Less than 0.80 | Less than 0.80 |
| | Arsenic and its compounds | 0.001 | 0.0009 | 0.0006 | Less than 0.0003 | 0.0007 |
| | Trichloroethylene | 0.3 | 0.27 | Less than 0.005 | Less than 0.005 | Less than 0.005 |
| | Tetrachloroethylene | 0.1 | 0.09 | Less than 0.005 | Less than 0.005 | Less than 0.005 |
| | Dichloromethane | 0.2 | 0.18 | Less than 0.02 | Less than 0.02 | Less than 0.02 |

* Drainage outlet 3 is excluded from measurement since it is used for septic tank drainage.

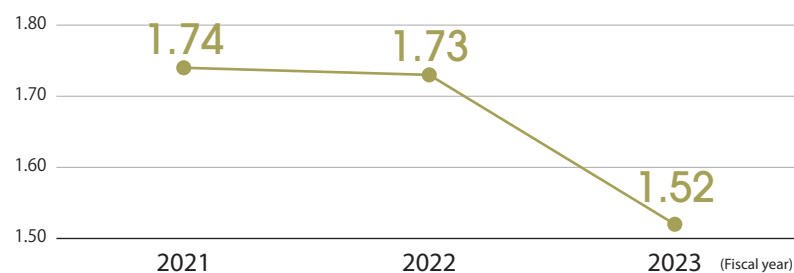
Initiatives at Branches and Sales Offices



Energy-Saving Measures of Branches and Sales Offices

Since FY2007, Amano Branches and Sales Offices have begun collecting data on environmental burden (consumption of electricity, gas, gasoline and other fuel, and water, etc.) from each regional office.

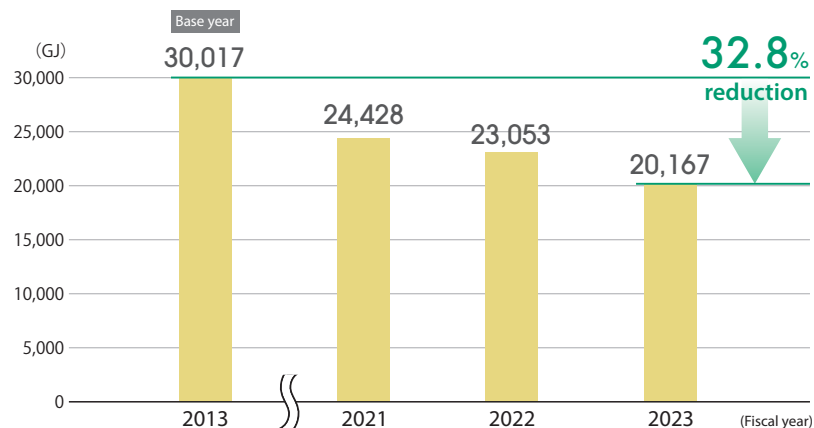
● Energy consumption per unit (total for all branches and sales offices)



* Calculated based on the Energy Conservation Act (Act on Rationalizing Energy Use and Shifting to Non-fossil Energy). (Energy consumption/total floor area)

* Figures for FY2023 onward are calculated based on the amended Energy Conservation Act that came into effect in April 2023.

● Purchased electrical power (total for all branches and sales offices)



* Figures for FY2023 onward are calculated based on the amended Energy Conservation Act that came into effect in April 2023.

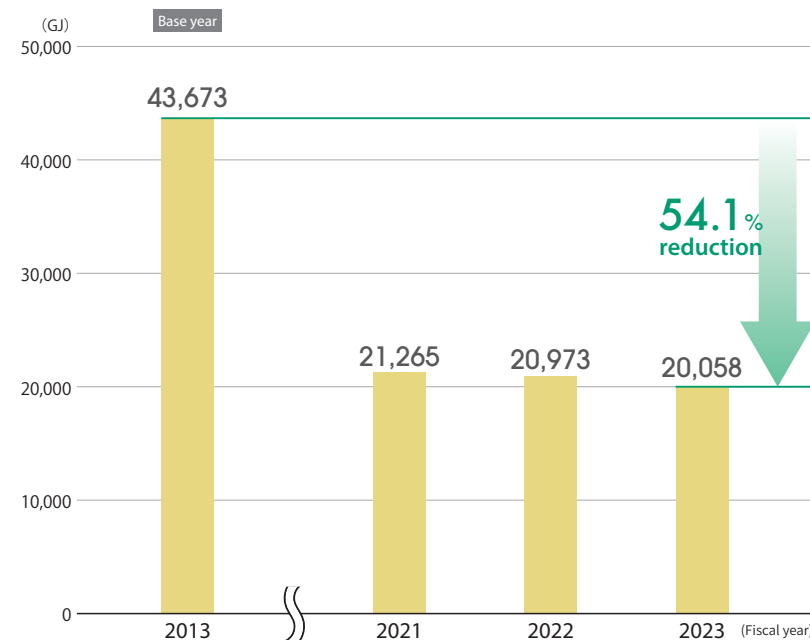
Initiatives for Company Car Usage

Regarding company vehicles running on public roads, we reduce and renew units to maintain an optimal number of vehicles, progressively replacing them with eco-cars. We have also begun to introduce hybrid vehicles (HV) and plan to continue to replace the fleet gradually.

In addition, we will introduce electric vehicles (EVs) that are more environmentally friendly and install charging stations.

We are also conducting educational activity through a booklet “10 eco-driving recommendations”

● Fuel consumption by company vehicles (total for all branches and sales offices)



* Figures for FY2023 onward are calculated based on the amended Energy Conservation Act that came into effect in April 2023.

Initiatives to Reduce Waste Material

Waste Reduction Target

Riding on the increase in efforts to promote a circular economy, since FY2022, we have set specific numerical targets for waste emissions and are working to reduce the amount of waste generated and achieve zero waste emissions.

Waste reduction target: Reduce total waste emissions intensity by 1% from the previous year. (Targets are Head Office, Sagami Factory, and Hosoe Factory sites)

Reducing the Total Waste Emissions Intensity

In FY2023, we reduced total waste emissions intensity by 14.8% at each of the factories. However, the total waste emissions intensity for the Head Office increased by 18.0% as a result of the waste generated in connection with the demolition of the office building. This impact may continue to be felt in FY2024. However, we will continue our efforts to reduce waste emissions.

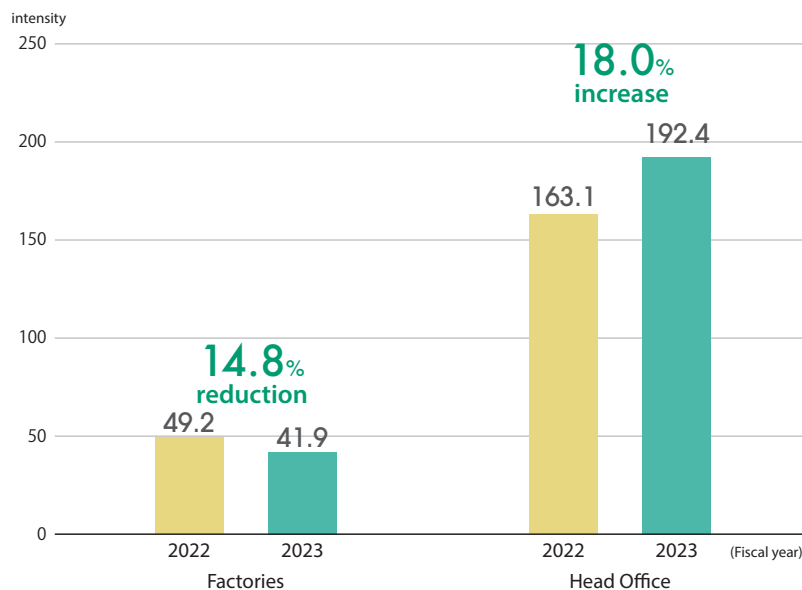


Subdivision of dry battery separation (Sagami Factory)

Promoting Waste Plastic Recycling

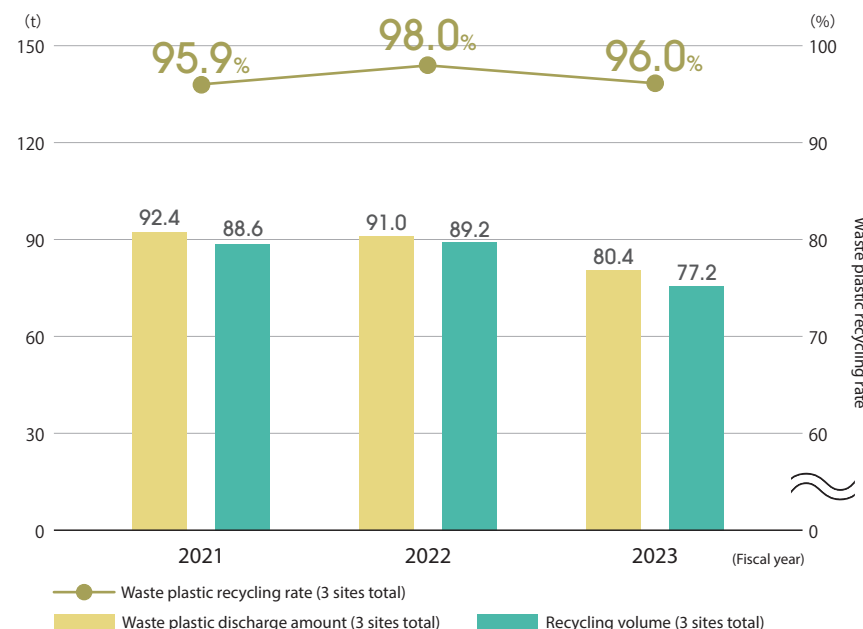
In FY2023, the total amount of plastic waste generated by our three sites (Head Office, Sagami Factory, and Hosoe Factory) was 80.4 tons, which was 12% less than the previous fiscal year. Meanwhile, the recycling rate decreased by 2% as a result of an increase in waste paint associated with increased production volume. We will continue to promote thorough sorting and strive to recycle and reduce plastic waste.

Reducing the total waste emissions intensity



* Intensity Head Office: Total waste emissions/number of employees, Factories: Total waste emissions/production output

Total amount of plastic waste and recycled amount

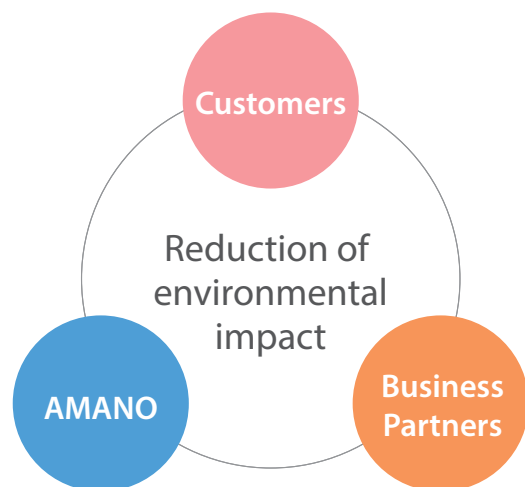


Green Procurement Initiatives

Promotion of Green Procurement (Green Procurement Guidelines)

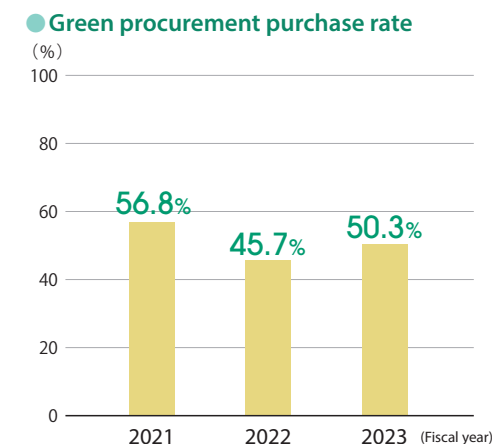
We are advocating “promotion of green procurement” in line with the environmental management system “Environmental Action Guidelines”. With a view to reducing environmental stress in our supply chain, we formulated the “Amano Corporation Green Procurement Guidelines.” Based on these guidelines, we conduct surveys on raw & product materials, parts, and halffinished products including component units, delivered by our business partners to check whether they contain any substances that we designate as hazardous. We ask our suppliers to comply with the following requirements:

- Conduct a content test of regulated chemical substances for each batch of raw material and parts we procure. (submission of a chemSHERPA file)
- In our manufacturing processes, we do not use substances that Amano has designated as being banned from use in production processes. (submission of a certificate of non-use)



Green Purchasing and Procurement Activities

- Regarding the equipment and supplies managed by General Affairs Department, since 1999, Amano has been promoting the purchase of “eco-mark” products and energy saving equipment along with “green” office supplies. We are progressively switching the stationery and office supplies used in our office to “Green” products and working to reduce the environmental burden and make effective use of resources. The “Green” product purchasing rate for stationery and office supplies in FY2023 was 50.3%.
- We will select and purchase products that have been adequately considered for recycling after disposal.
- For electronic devices with high energy consumption, such as multifunctional copiers, we will carefully compare the functionalities and energy consumption levels and select models that are superior in terms of cost performance. We will then promote device renewals.
- We repair usable equipment and supplies as much as possible to extend their lifetime in order to reduce disposals from simple renewals.
- When renewing machinery, materials and office equipment, we will select those which are environmentally friendly.
- When purchasing items for production, we implement measures to reduce waste, such as returning and reusing wooden frames and pallets for heavy parts, reusing packaging materials, and introducing returnable boxes, etc.
- We have improved traditional quotation methods (using paper forms) by promoting a system for supplier quotations using electronic estimations.

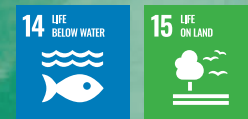


Simplify product packaging



Reuse of cushioning material

Initiatives for Biodiversity



Kanagawa Reforestation Partner System

In April 2020, Amano became a partner in a system sponsored by Kanagawa Prefecture that supports and cooperates with forest restoration and conservation projects through donations and forest volunteering by employees of partner companies. The goal of this activity is to develop Kanagawa water resources, in which we provide public management and support of private forests (forests owned by forest cooperatives, etc.) in target areas of approximately 60,900 ha centered around the upstream areas of the Shiroyama dam, Miyagase dam, and Miho dam, etc. In May 2024, we held an environmental event for Amano Group employees and their family members in the prefectural 21st century forest which involved a forest walk, environmental education, and craft-making.

Green Fundraising

At the Sagami-hara Factory, we participate in green fundraising sponsored by the Kanagawa Trust Midori Foundation Prefectural North District Promotion Council. In FY2023, donations and sales of green products totaled 51,556 yen.



Purchasing Eco-friendly Uniforms

We have adopted an eco-marked unisex work wear that uses at least 50% recycled PET fiber. In addition, for each work wear purchased about two saplings are donated to the Green Belt Campaign to plant trees around the foothills of Kenya.



Compliance Management concerning Air Pollution and Wastewater Standards

Since 2016, We have not used heavy-oil-fired boilers at any sites. We have no facilities that fall under the Air Pollution Control Act. We have measured levels of water pollutants, and there are no reports of any legal or regulatory values being exceeded.

Environmentally Friendly Products



Amano is actively promoting environmentally friendly product designs by incorporating energy efficiency, resource efficiency (Reduce, Reuse, and Recycle), safety, and rigid control of environmentally burdensome substances when developing and modifying its products.

Electric Dust Collector "MR series"

Filterless mist collector "MR series" collects water-soluble mist generated in metal cutting processes, which is global specification mist collector with long-life capture performance, energy-saving effect, and enhanced maintainability compared to the conventional "MJ series". By newly designing PM motor and inverter respectively, we have achieved global specifications that comply with high-efficiency regulations in various countries and the CE standard, while reducing CO₂ emissions.



Small Robotic Floor Scrubber "HAPiiBOT"/ Electrolyzed Water Unit

"HAPiiBOT", a small robotic floor scrubber targeting small and medium-sized facilities such as supermarkets. The conventional autonomous driving technology is equipped with AI image technology, making it possible to clean complex and narrow areas. In addition, by installing an electrolyzed water unit, it is possible to generate and use washing water that does not contain surfactants without the need for an electrolyzed water generator, water softener, or water storage tank, etc. In this way, there are no CO₂ emissions in the wastewater treatment process after use, which contributes to reducing the environmental impact.



Chemical Management



RoHS*2 Compliant Products

Europe enacted the RoHS2 Directive, which restricts the use of certain hazardous substances in electrical and electronic equipment in order to prevent adverse effects on people and the environment during the recycling and disposal of such equipment. A total of 10 substances namely, cadmium, mercury, lead, hexavalent chromium, PBB (polybrominated biphenyls), PBDE (polybrominated diphenyl ethers), the 4 Phthalate ester substances namely DEHP (bis-2-ethylhexyl phthalate), BBP (benzyl butyl phthalate), DBP (dibutyl phthalate), and DIBP (diisobutyl phthalate)) have been specified as specific harmful substances. In line with this, we are working towards the total abolition of these 10 substances.

We have also established “RoHS Regulation Management Provisions” to be included in our Environmental in-house guidelines to monitor and confirm the progress towards RoHS2 compliancy.

*RoHS: Restriction of the use of certain Hazardous Substances in electrical and electronic equipment

RoHS2-compliant products (partial)



The Management of PRTR Designated Chemical Substances

In accordance with the PRTR Act*1, we carefully monitor the types of notifiable chemical substances that are discharged and the amount handled, and aggregate the totals each month. In FY2023, the total volume handled by the three sites was 21.8 tons, a reduction of 29.9% from the previous year. We will continue to promote the reduction of emissions by replacing target substances and parts.

Of the target substances, the following three substances were notifiable substances under the PRTR Act and had a handling volume of 1 ton or more. We notified and reported these substances to the local government.

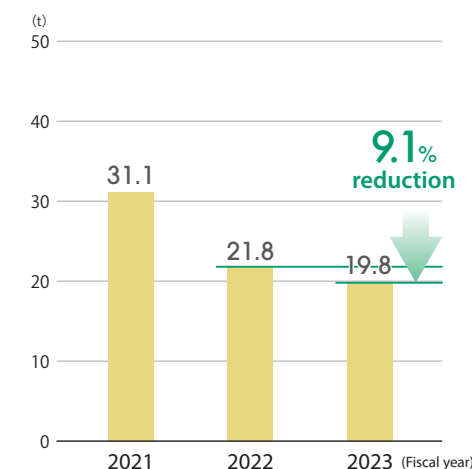
| Substances subject to PRTR | FY2023 handling volume (t) |
|----------------------------|----------------------------|
| Xylene | 5.8 |
| Toluene | 8.7 |
| Ethylbenzene | 4.8 |


With regard to the reduction of VOC*2, in FY2023, we continued to build and promote a system for proper ordering of organic paints and thinners (diversion through high repeatability bespoke paint inventory management) and proper use (reduction in the number of paint color changes, reuse of thinners for cleaning).

*1 PRTR Act: "Act on the Assessment of Releases of Specified Chemical Substances in the Environment and the Promotion of Management Improvement". A law that requires companies to monitor and control the amount of harmful chemicals that are emitted and transferred.

*2 VOC: Volatile Organic Compounds

The trend of PRTR substances handled





S

Social

Human Rights Policy

Human Rights Policy

Amano's Management Principle is to create new values in the field of “People & Time” and “People & Air”, and Amano will contribute to the realization of a safe, comfortable, and wholesome society. We understand that creating an environment in which individual human rights and individuality are respected to enrich people's lives is a natural expectation towards companies.

We will fulfill our own responsibility to respect human rights, aiming to realize a society in which human rights are always respected. Through our activities, we will avoid causing or contributing to negative impacts on human rights in every way throughout the entire value chain. Furthermore, in the event such an effect occurs, we will immediately work to remedy it through appropriate procedures.

In addition, based on such consideration for human rights, we will strive to build an easy-to-work and rewarding company with a diverse environment where all employees can maximize their individual abilities and share diversified values.

Moreover, this policy has been formulated based on international human rights standards, including the International Bill of Human Rights and the “ILO Declaration on Fundamental Principles and Rights at Work” of the International Labour Organization (ILO).

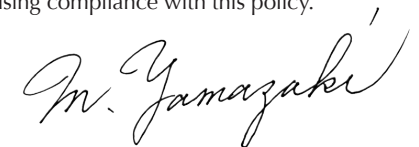
To fulfill our Responsibilities

- We will respect the human rights of all employees in the Amano Group, including non-regular workers. In addition, we will encourage our suppliers and partners to support and adopt the contents of the Amano Group Human Rights Policy.
- We comply with the local laws and regulations in each region and country where we conduct business. In the event of a conflict between internationally recognized human rights and the local requirements, we will respect the principles of international human rights while giving due consideration to the laws and regulations of each country and region.
- We respect diversity and prohibit discrimination based on race, religion, age, gender, disability, political or other opinion, or any other factors unrelated to legitimate business interests.
- We do not allow any form of forced labor, child labor, or any form of modern slavery or human trafficking.
- We respect the workers' fundamental labor rights to organize, bargain collectively, and take collective action, and we adhere to fair compensation.
- We create a working environment where all Amano Group employees can work safely, securely, and comfortably and pleasantly.
- In order to protect the safety and health of those who use products produced by the Amano Group, we are committed to producing high quality products and work on accurate product descriptions without falsifications or misleading.
- In accordance with the United Nations Guiding Principles on Business and Human Rights, we have established and continue to implement a human rights due diligence mechanism.
- We encourage all employees to promptly report any violations (or potential violations) of laws, regulations, etc.

To this end, we have established and maintain an internal whistleblowing system that is independent

of the normal chain of command, including an external hotline that allows employees to report issues directly to lawyers. In addition, we maintain the anonymity of whistleblowers in order to ensure that employees who made the report are treated fairly.

- We will hold dialogue and consultation with relevant external stakeholders to address and ameliorate the negative impacts on human rights arising from our business activities. To this end, we have established a whistleblowing system accessible to all stakeholders. (Currently accessible only in Japan) This system maintains anonymity and confidentiality, and we will remedy the negative effects through appropriate procedures based on the reported information.
- In order to comply with laws, regulations, and principles related to human rights, we thoroughly educate and train appropriately all of our officers and employees so that this policy becomes an integral part of our business activities. We will also work to promote understanding of this policy among our suppliers and partners.
- The Amano Group has appointed a person in charge of implementing this policy (the Human Rights Policy Response Officer), who will be responsible for supervising compliance with this policy.



Manabu YAMAZAKI

President & Representative Director

Established on 10 November, 2021

Revised on 1 April, 2024

Human Rights Due Diligence



Amano Corporation is working to develop a human rights due diligence system in accordance with the UN Guiding Principles on Business and Human Rights. Human rights due diligence is an ongoing effort to identify the risks of human rights violations that accompany their business activities, and to prevent or mitigate them.

In order to mitigate any negative impact that the activities of Amano Corporation may have on society, we investigate and ascertain this from a preventive perspective, implement appropriate corrective measures, and publicly disclose the progress and results.

Human Rights Due Diligence Process

STEP 01 Investigation into potential human rights risks

- We clarified our business value chain and stakeholders.
- Investigated potential human rights risks through desktop research using Rep Risk (*) in line with human rights risks stipulated in international human rights norms.

(*) Rep Risk: Global risk assessment tool and incident investigation tool for searching human rights articles.

STEP 02 Develop a list of human rights risks

- Based on the investigation conducted STEP 01, we discussed potential adverse human rights impacts in the value chain, and developed a list of human rights risks.

STEP 03 Identification of important human rights risks to be addressed

- We assessed the importance of the listed human rights in line with the definitions of the most significant human rights risks.
- We conducted a questionnaire survey to our major suppliers on human rights initiatives.
- Based on the above results, we are working on indentifying a high-priority human rights risks need to be addressed.

STEP 04 Implementation of measures to prevent and mitigate human rights risk

- We promote improvements aimed at mitigating high-priority risks.

STEP 05 Disclosure of information

- Regular disclosure of information on human rights initiatives.

Since FY2022, we have conducted a questionnaire survey on the status of human rights initiatives (including initiatives for reducing the burden on the environment) on 50 of our business partners for the purpose of understanding issues in the supply chain. (In FY2022, 50 companies were surveyed)

In FY2023, we conducted the survey on 54 of our primary suppliers, which did not identify any suppliers with risks associated with child labor. For high priority human rights issues that were identified, we issued feedback reports and requested that improvements be made.

Details of each STEP

STEP 01 Scope of human rights risks investigation

| | |
|----------------------------------|---|
| Target businesses | <ul style="list-style-type: none"> • Time Information System business • Environmental System business <p>We analyze human rights related incidents in our industry and identify human rights risks that require particular attention to in our business activities.</p> |
| Product-based risk investigation | For incidents that cannot be identified by risk investigations of each business activity, we search by product name to identify any human rights risks that need to be monitored. |
| Target country | Japan (Primary suppliers) |

STEP 02 Human rights risks in target business activities

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> • Occupational health and safety • Freedom of association / Right to collective bargaining • Consumer health and safety • Forced labor | <ul style="list-style-type: none"> • Rights of local residents • Overwork / long working hours • Discrimination / harassment • Access to relief • Right to privacy | <ul style="list-style-type: none"> • Child labor • Payment of appropriate remuneration and living wages |
|---|---|---|

STEP 03 Identification of human rights risks

From the list of human rights risks we created, we identified important human rights risks to be addressed, taking into account the magnitude of the negative impact on people. With regard to the identified human rights themes, we conducted a questionnaire survey to our primary suppliers and went on to identify the priority on human rights initiatives. Going forward, we will continue to promote initiatives to mitigate human rights risks for any stakeholders in vulnerable stakeholders.

Human Capital Management

Our group corporate stance is to be a company that has and will continue to work with and nurture "people". To this end, we view human resources as human "assets" and have created a corporate culture centered on our people. In order to continue to be an attractive company for both our customers and employees, we aim to create a vibrant and energetic organizational culture by fostering people who can feel the changing trends of the times, continue to change themselves, think and act on their own initiative, and take on new challenges.

Human Resource Development Policy

Based on the long-term management vision of "Aiming to be a 100-year-old company," the Group positions maximizing the value of human capital as one of its most important social initiatives. Aiming for "both company and individual growth," the Group will promote various measures related to human resource development in order to support self-motivated employees who can think and act on their own and develop truly professional human resources who possess high levels of expertise and broad insight.

a. Human Resources who Drive the Sustainable Growth of the Organization

In order to achieve sustainable corporate growth, it is important to build a strong management foundation. In order to build such a foundation the Group recognizes that it needs human resources who can make decisions and drive business forward from multiple perspectives, including business, customers, operations, and finances. For example, in order to expand business domains in which we have the largest market share, it is important not only to increase our share in existing markets, but also to take on initiatives to increase our share in new domains. To implement these strategies, we need human resources with the leadership skills to make important and difficult decisions regarding such things as co-creation with partners, M&As, and investment decisions.

In order to develop such human resources, the Group provides education and training aimed at strengthening organizational capabilities, improving individual abilities, and strengthening internal control. We have prepared a human resource development program in which employees can acquire the skills required for their positions from a range of training options, including conceptualization skills such as vision formation and decision-making/judgment, interpersonal skills such as leadership and subordinate development, and work execution skills such as specialized knowledge and time management.

b. Specialized Human Resources for Enhanced Adaptability to Business Changes

The Group recognizes that securing specialized human resources is essential to responding to medium- to long-term changes in the external environment and supporting the expansion of business performance and increased corporate value. For example, in order to consolidate models, expand product lineups, and expand recurring businesses, it is necessary to strengthen product development capabilities using new technologies such as VR, AI, and IoT, as well as acquire the expertise necessary to make optimal proposals tailored to customers' industries and operations. Moreover, as we continue to expand globally, we will need adaptable human resources who, in addition to possessing accumulated knowledge and technical capabilities, have the ability to take the laws, regulations, cultures, and values of various countries into consideration.

In order to develop and secure such human resources, we provide education and training aimed at strengthening business strategies and improving specialized skills. In addition, to support employees' voluntary efforts, we provide application type training, which includes group training, e-learning, and correspondence study. Through these training programs, we will focus on reskilling and expanding abilities, and support the growth of individuals.

Policies to Enhance the Workplace Environment

In order to maximize the value of human capital, we recognize that it is essential to create a work environment that leverages diversity. By promoting well-being management and work-life balance, we value the independence and creativity of each employee, as well as coexistence and co-prosperity with each employee. In addition, we will ensure workplace safety, protect the physical and mental health as well as privacy of employees, and strive to create a sound work environment where individuality is respected.

a. Respect for Human Rights

The premise behind all the Company's business activities is respect for the human rights of all people involved in our business. We established a Human Rights Policy in 2021 and are working to develop a human rights due diligence system. In line with this, we are working to improve and expand our internal whistleblowing system in order to respond appropriately to human rights risks. We will continue to promote initiatives to prevent human rights violations and improve countermeasures.

b. Promotion of Diversity and Work-Life Balance

In order to continuously grow by adapting flexibly to changes in the environment and society surrounding the Group's business, it is important to incorporate the diverse perspectives and values of employees and create an environment in which both employees and the company can grow.

The Group proactively works to promote women's career development, and from the perspective of securing diverse human resources, implements measures that include hiring people with disabilities, senior workers, and foreign nationals. Moreover, from the perspective of realizing work style reforms and promoting work-life balance, we are implementing various measures that enable employees to choose diverse and flexible working styles.

c. Ensuring Occupational Safety and Health

In order to create a work environment where all employees can feel safe, secure, and comfortable, we are taking various measures to raise awareness of occupational safety and health among employees. In addition to raising each employee's awareness of occupational safety and health through basic education when they join the company and AED installation and training, we are also implementing activities to ensure safety and disaster prevention, as well as prevent work-related accidents.

d. Implementing Health Management

The Group believes that the physical and mental health of employees is one of the

essential foundations that support business, and in order to strategically promote Health Management, we established a Health Management Declaration in 2017. Under an organizational structure in which the President & Representative Director is responsible for health management, we are implementing various initiatives based on the Health Management Strategy Map.

As a result of these efforts, Amano has been certified as a Health & Productivity Management Outstanding Organization 2024 (Large Enterprise Category (White 500)).

e. Improving Engagement

With the aim of creating an environment in which all employees can work cheerfully and with a sense of purpose, we introduced an engagement survey in FY2023. By visualizing engagement, we will continue to work on improvement activities to create a better workplace.

f. Further Strengthening Compliance

As a company that is trusted and valued by all stakeholders, the Group has established the Corporate Code of Ethics in order to ensure compliance and maintain a sound organization. We distribute this code of ethics to all employees to raise awareness of fraud and violations of laws and regulations. Moreover, based on our Basic Policy of Compliance and Compliance Rules, we are engaged in a variety of activities to ensure thorough compliance awareness.

● Targets and Indicators in Human Capital Management

| Targets | FY2023 Result | FY2025 Targets |
|---|---------------|----------------|
| Education and training costs per person | 34,200yen | 50,000yen |
| Female manager ratio | 2.7% | 5% |
| Manager ratio among female employees | 3.6% | 10% |
| Male childcare rate | 40% | 50% |
| Health Screening Attendance Rate | 100% | 100% |

Relationship with Employees



Corporate Stance

Amano has been and will continue to be a company that grows with the people while nurturing them.

Amano's company insignia, the triangle, which is comprised of the steadfast three arches, is a representation of the letter "A" of AMANO. "A" being the first letter of the alphabet and also the highest score, reflects Amano's concepts such as "frontier spirit", "No.1 philosophy" and "wisdom & creativity". It represents Amano's corporate stance to leap forward globally in the fields of "People & Time" and "People & Air" with a challenging spirit armed with a focus on the market and state-of-the-art technology. Furthermore, inside the triangle, the three arches emboss the kanji character "人 hito" which means person, expresses Amano's philosophy that "human resources" are "human assets" emphasizing the importance of people. In other words, while each of the 3 sides of the triangle represents "an environment to nurture employees", "free and open culture" and "the spirit to make the effort", the harmony of these elements will nurture the employees and hence the company. In addition, we have a "spirit in which people support and compete with other people for infinite possibilities and strive to help themselves", which is precisely a corporate culture centered on "人 hito".



The People Amano Desires

Amano wishes to be an attractive company that prosper and share the prosperity with all the people and societies that support our business activities.

Amano aims to continually be a company that is attractive to both customers and employees. To realize this, we will endeavor to be a group of people that is full of vigor and vitality who can challenge new things. We would like to be sensitive to the changes in the times and capable of self adapting, and be able to think and act independently.



Human Resource Development

We have established guidelines relating to human resource development policy. Based on these guidelines, we provide education and training systems for skills improvement and career development and conduct human resource development programs suited to various purposes and demographics. Annual hours of training per employee: 7.85 hours (* Data covers group training sessions conducted by external trainers in FY2023 only)

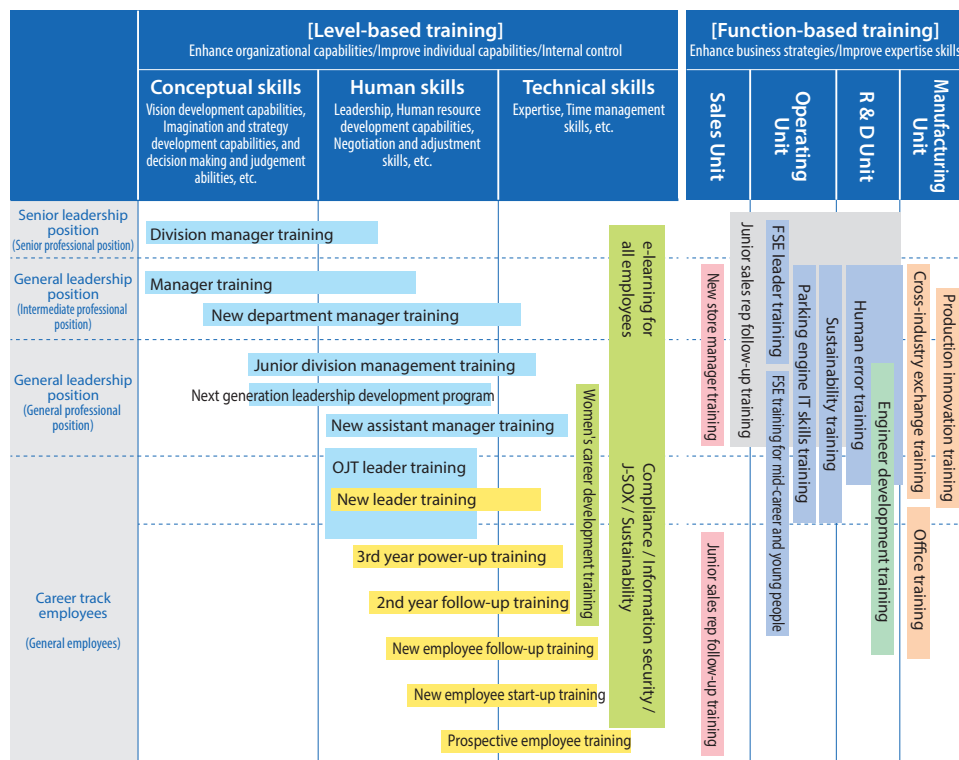
Education & Training Program

Application type : Application type training is a human resource development training to support and nurture self-learning and motivate employees. It helps develop skills based on individual abilities and issues. We offer three types of training : group training (including online training), e-learning, and correspondence study, depending on the study purpose and environment.

Selection type : We have put in place educational and training programs for developing individual skills and developing human resources that are required for employees to continue growing into the future. In level-based training among the selection type training, employees learn thinking and skills required for promotion, and in function-based training, they learn professional skills required for their individual work to improve their expertise.



● Selection type training



Young Employee Development and New Graduate Turnover Rate

Young Employee Development

We put efforts into developing employees in their first year to third year, with the aim of having employees learn the necessary business skills in three years.

In the first year, we provide activities combining OJT and Off-JT under the main

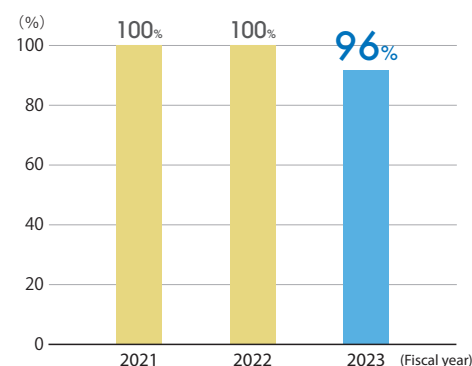
theme of employee learning and business skill review. In the second year, employees learn more advanced business skills in addition to reflecting on their work processes. In the third year, they reflect on their past activities and think about their future careers.



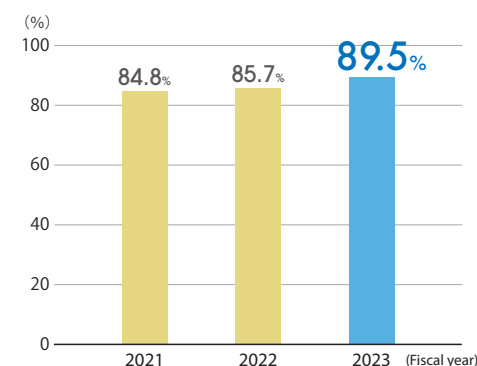
New Employee Turnover Rate

Our new employee turnover rates are as follows. We provide training for OJT leaders (new employee trainers) so that new employees can work and develop themselves free from anxiety. We also provide new employees with follow-up training on a regular basis.

● New Graduate first-year turnover rate



● New Graduate third-year turnover rate



① Number and rate of new hires in FY2023

| | | FY2023 | | |
|---------------|-------------------------------|--------|--------|-------|
| | | Male | Female | Total |
| | | 49 | 12 | 61 |
| All employees | New employment rate by gender | 80.3% | 19.7% | 100% |
| All employees | Number of new graduates | 29 | 8 | 37 |
| | Number of mid-career recruits | 20 | 4 | 24 |

② Breakdown of employee turnover by number and gender in FY2023 (By personal choice, retirement age, and end of contract)

| | | FY2023 | | |
|----------------------------------|------------------|--------|--------|-------|
| | | Male | Female | Total |
| Number of people leaving company | | 76 | 22 | 98 |
| | Personal reasons | 43 | 14 | 57 |
| | Retirement age | 9 | 2 | 11 |
| | End of contract | 24 | 6 | 30 |

* Retirement age means retirement at age of 60 or part-time retirement age
* End of contract means the end of a commission contract, or the end of a part-time contract

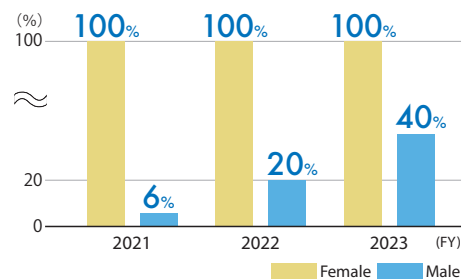
Efforts for Diverse Working Styles and Work-Life Balance

As demand for various values and working styles increases along with employee life events including childbirth, childcare, and nursing care of family members, we are working to allow employees to have options for efficient working styles and help them achieve work-life balance, according to the type of work and based on proper labor management.

Childcare Leave System

In the past few years, the rate of childcare leave taken by women has been 100%, but it has been low at 1% for men in FY2019 and 3% in FY2020. Therefore, we have made active announcements, including disclosing information on the outline of our childcare leave system for both men and women. The amended Act on Childcare Leave, which has progressively been implemented since April 2022, also supported these efforts, and in FY2022, the rate of childcare leave taken by men increased significantly to 20%. We have set a target of 50% as part of an action plan based on the Act on the Promotion of Women's Active Engagement in Professional Life and achieved a rate of 40% in FY2023.

Acquisition rates of childcare leave



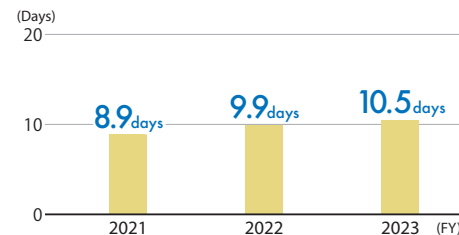
Reduced Working Hours System

It is one type of workstyle in response to life events, such as using the system not only to balance work and childcare after returning from childcare leave but also for nursing care and other purposes.

Paid Leave System

The annual holidays are set at 127 days, with consecutive holidays during the Year-end and New Year, Golden Week, and Obon holidays. In addition to paid leave, employees are also entitled to special leave such as anniversary holiday (1 day) and refreshment holidays (up to 10 days). In addition, paid leave can be taken not only on a daily basis, but also on a half-day or hourly basis, and is widely used for a variety of purposes.

Average paid leave days taken



Employee Welfare System

In addition to the leave system, we have introduced various employee welfare systems to create a working environment in which each and every employee can work comfortably.

- Leave system (annual paid leave; refreshment holidays; anniversary holiday; spousal childbirth leave; maternity leave; childcare leave)
- Company dormitory and housing system (employee dormitories; housing subsidies and allowances)
- Asset accumulation (in house deposits; employee stock ownership system; retirement benefit system; asset accumulation savings system)
- Staff cafeteria (Head Office; Sagami Factory; Hosoe Factory)
- Others (discounts with partnered establishments; subsidies for complete health check-ups; etc.)

* Eligibility: Regular workers and part-time workers

Women's Career Development

We have made the following efforts to create a work environment in which women can play an active role and work comfortably.

Efforts based on the Act of Promotion of Women's

Participation and Advancement in the Workplace we have developed and made public our action plan based on the Act of Promotion of Women's Participation and Advancement in the Workplace since FY2016. In the first period, we set and achieved our target to hire 70 female employees by the end of FY2020, and in FY2021 we developed the second period action plan. We have achieved a rate of taking childcare leave system of at least 5% for men. From FY2023, our target will be raised to at least 50%.

target 1: Raise the percentage of female workers in the workforce to 20%.

target 2: Raise the childcare leave rate of male workers to over 50%.

Career Training for Female Employees

We conduct "Women's Activity Training" to encourage our employees think about their own career based on work-life balance and to promote their future growth. The number of trainees achieved are as follows.

- FY 2020: 15 trainees
- FY 2021: 21 trainees
- FY 2022: 16 trainees
- FY 2023: 17 trainees

Achievements and goals related to the active participation of women

| | Fiscal 2023 results | Goals by March 2026 |
|---|---------------------|---------------------|
| Ratio of female managers | 2.7% | 5.0% |
| Ratio of managers among female employees | 3.6% | 10.0% |
| Differences in wages between male and female workers* | 68.3% | |
| Regular workers | 71.3% | |
| Part-time workers | 38.5% | |

* Ratio of women's wages to men's wages

Social Support Service

We have a "Social Support Service" outsourcing contract with the social welfare office for the purpose of providing a comfortable work environment and supporting a family environment where employees can feel secure in their lives.

In order to balance work and family life, this service provides consultation with experts about issues such as parental nursing care, post-retirement living plans and other issues, as part of welfare services.

Survey of Current Conditions

We conduct surveys to ascertain individual employees' career preferences and to minimize career mismatches. Based on the material gathered on individuals' work histories, skills, career inclinations, and other considerations, interviews are held with their department head or, upon request, the human resource representatives, to support employees' autonomous growth and achievement of career goals.

Employee Diversity

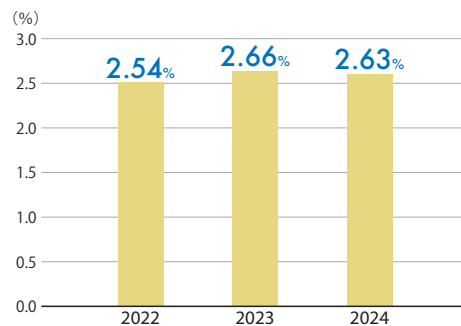
We respect the personality and individuality of each employee and ensures a sound workplace environment free from harassment and discrimination because of ideology, beliefs, religion, nationality, race, sex, disability, property and place of origin.

Employment of People with Disabilities

In order to promote the active participation of people with disabilities, we encourage their participation in the Abilympics* with the aim of improving their skills and motivation.

*Abilympics ... Held for people with disabilities to compete against each other using skills developed through everyday work to improve vocational abilities, and to help companies and the public have an indepth understanding and awareness of people with disabilities, while promoting their employment.

● Employment rate of people with disabilities



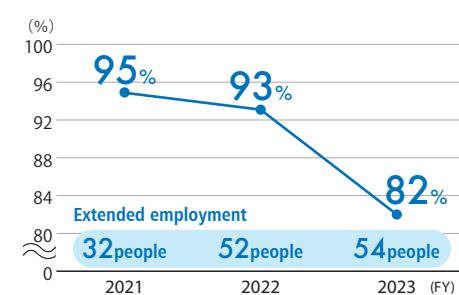
Abilympics

Employment Opportunities for Senior Workers

When our employees wish to continue working after reaching the mandatory retirement age (at the end of the fiscal year of their 60th birthday), we extend their employment as part-time contract workers (until the end of the fiscal year of their 65th birthday). About 90% of our compulsory retirees are rehired every year and contribute to corporate growth and the development of younger workers.

We also provide employees who end their part-time contracts after reaching 65 years of age with reemployment opportunities in parking lot management (customer service and replenishment of change and expendable supplies) at our Group company (Amano Management Service) to prepare them for new opportunities to use their knowledge, skills, and experience.

● Extended employment rate of senior workers



Employment of Foreign Nationals

We recruit new graduates and mid-career professionals regardless of nationality, and this has led to revitalization of the organization through intercultural exchanges.

In addition, after joining the company, we provide support not only for work, but also to ensure that foreign national employees can live with peace of mind in Japan. We also hire foreign national executives and strive to develop a company with a global perspective.

Telework

In response to the spread of COVID-19 since around February 2020, we are working on flexible ways of working remotely, such as working from home. In addition, for positions where working from home is not possible, we have also devised work styles to stagger working hours, such as introducing shift work. Since May 2023, when COVID-19 was categorized as a Class 5 infectious disease, onsite work has increased slightly, but teleworking continues to be one of the diverse ways to work.

Expanding Work Opportunities

As Amano's business consists of an integrated system covering product planning to development, manufacturing, sales, and maintenance, there are many job opportunities available. We are currently working to expand opportunities even further with the aim of enhancing employee's careers and optimizing our workforce. This is a new initiative that will enable employees to use their skills and proactively take the initiative to advance their careers.

Specialist Development System

We have introduced the Specialist Development System to nurture specialist resources with highly-specialized skills. We accredit them as specialists regardless of their position (leadership role, professional position, etc.). They contribute to improving corporate performance by utilizing their skills and creating new things. They also endeavor to pursue selfdevelopment and improve their expertise as pioneers in their fields.

Freedom of Association

We respect workers' fundamental labor rights that recognize their right to solidarity, collective bargaining, and collective action. Based on mutual honesty and trust, we work with the trade union to establish labor-management relationships through collective bargaining and other means, and to communicate effectively for the lasting development of the company.

Security Personnel

Amano does not have any security personnel.

Internships

We offer internships to students to deepen their understanding of work, our company, industry, and society.

Several courses are available, including one-day courses to deepen understanding of our company and hands-on courses for several days of practical work.

The following Experiential Courses are held:

- Software Development Course
- Parking Product Development Course
- Production Technology Course
- Plant Design Engineering Course
- Customer Engineering Course
- Systems Engineering Course
- Group Discussion Course



Occupational Safety and Labor Hygiene / Disaster Prevention Measures

Occupational Safety and Labor Hygiene

To ensure that all employees feel safe, secure, and comfortable at work, we educate them on the basics of safety and labor hygiene when they join the company, and raise awareness about occupational safety and labor hygiene for everyone. We regularly measure the working environment (noise, dust, organic solvents, heat stroke index) according to the characteristics of each site, and strive to maintain the comfort of the work environment. As a safety and health awareness campaign, we ask employees to come up with safety slogans and apply to Labor Standards Associations, during “National Safety Week” and “National Occupational Health Week”. We also provide occupational health training by industrial physicians and ask police chiefs for lectures on safety.



Safety training



Tip-over prevention measures

Safety and Disaster Prevention Initiatives

Each site has established action guidelines to cope with disasters. The guidelines assumes various situations such as spillage of hazardous substances due to an earthquake and /or factory fires, etc., and regularly conducts emergency response drills along with employee training sessions.

• Action guidelines for responding to earthquakes

In order to prepare for major earthquakes, we have established “Action Guidelines for Responding to Earthquakes” for all employees to ensure that basic policy and action standards in the event of disasters are fully understood and observed. Each site has prepared their own “Disaster Prevention Manual” which gives more specific and detailed instructions on how to act during emergencies.

• Employee safety confirmation system

In order to prepare as part of our Business Continuity Plan (BCP), for emergencies we have introduced an “Employee Safety Confirmation System” that can promptly and accurately confirm the safety of all employees including those of domestic group companies. We regularly conduct operational training.

• Initial response checklist

We have prepared and operated an “Initial Response Checklist” to promptly secure the safety of visitors, employees, and company equipment.

Activities to Prevent Work-related Accidents

We conduct safety education (foreman education, low-voltage electricity, free grinding wheels, asbestos work, and full harnesses) as required by laws and regulations by in-house lecturers, and safety experience workshops to improve

risk awareness. In addition, employees and cooperative companies jointly hold safety events and disaster prevention councils on a regular basis, and carry out activities to prevent work-related accidents.

Emergency Drills

In anticipation of earthquakes of an intensity of 6, the Sagamihara Factory conducts fire drills for a scenario in which damage occurs due to fires caused by earthquakes. The drills include calling 119 to report an emergency, evacuation training, and firefighting training. The in-house fire brigade’s firefighting lessons are the core of the firefighting training, and fire extinguisher operation training is carried out under the supervision of the fire department.

Furthermore, we conduct drills for preventing leakage and spread of hazardous and toxic substances for workplaces that handle hazardous and toxic substances. Environmental protection and emergency drills are conducted at the entire site and are assessed for effectiveness annually.

The Hosoe Factory conducts disaster prevention training on the assumption of tsunamis and fires. Based on the division of roles in the event of a disaster, such as fire extinguishing teams, rescue teams, information liaison teams, and evacuation guidance teams, we conduct evacuation drills and fire extinguishing drills, to reconfirm evacuation routes and fire extinguishing equipment. In addition, we also identified risks at each workplace and conducted simulated training on a workplace basis, assuming the occurrence of fire in dust collectors and other equipment, as well as leakage of oil or chemicals from production and painting equipment in the event of an earthquake. We are

working on disaster preparedness, actions, and countermeasures by conducting training based on the developed response procedures, and by checking and revising the content of the drills.

The Head Office conducts comprehensive firefighting drills (accident reporting, fire extinguishing, and evacuation drills) on the basis that an earthquake has occurred. In FY2023, we conducted a drill in a scenario in which an earthquake caused fire damage to spread from one section of a building. The employees and personnel from cooperative companies in the building were led by the in-house fire brigade members to safety, and all 240 individuals were swiftly evacuated.

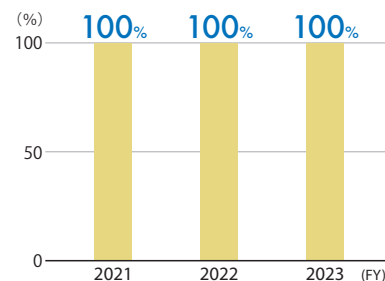


Emergency Drills

Health Care and Mental Health

The Amano Group views employee health care from a business management perspective, and in order to strategically promote “Health Management”, we have established a “Health Management Declaration”. In addition, supervising industrial physicians, public health nurses, and health insurance organizations work together to support employees in staying healthy.

1. Regular medical checkups, and lung, stomach, and colon cancer screening (introduced checkups for lifestyle-related diseases such as metabolic syndrome for employees over the age of 30)
2. Health promotion support for employees including their dependants (medical checkups, breast cancer, and uterine cancer screening, and bone density measurement)
3. Employee support through regular health guidance and consultation (individual consultations via interviews, telephone, and e-mails including branches)
4. Provision of health information and health education through the company's intranet
5. Interviews with industrial physicians and public health nurses for mental health care, consultations and support provided by external contractors over the telephone or social networking services, and referrals to medical institutions
6. Safety & Health support activities by the Safety and Health Committee
7. Seminars by external instructors (physical & mental health, nutrition guidance, and first aid methods, etc.)
8. Arrangement and subsidization of influenza vaccinations for those who wish to receive them
9. Conduct stress checks on all employees regardless of the size of their office



Online "Quit Smoking" Program

In order to improve employee healthcare, we offer a free online “quit smoking” program to help employees to quit smoking. This program allows smokers who wish to quit to easily access doctors online at a convenient location and time. The program also includes long-term periodic support and check-up calls via telephone and e-mails, which have proven effective to maintain a high rate of success.

Implementation of Stress Checks

From a stress management and mental health perspective, we conduct stress checks for all employees once a year. Each individual receives an analysis of their results and feedback, and we provide self-care training as needed. For employees with high stress levels, we recommend an individual consultation with a doctor administered by an appointed contractor. In addition, the analysis results are fed back in the form of a report for each workplace unit, so that improvements can be made at that level. We also collaborate with industrial physicians to also help us improve the work environment.

Health and Productivity Management Organization 2024

For the second consecutive year, Amano has been certified as “Health & Productivity Management Outstanding Organization 2024 (Large Enterprise Category (White 500))” under the Health & Productivity Management Outstanding Organization certification scheme jointly implemented by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi (Japan Health Council).



Health Management Declaration

Based on the philosophy that “Companies are People” fostered since foundation, Amano considers that the physical and mental health of its employees is of utmost importance and hereby declares that Amano will promote the various activities by the company, health insurance association and employees as a united force in order to practice “Health Management”.

September 2017
AMANO Corporation
Health management supervisor

Further, the Hosoe Factory has been certified as a “Hamamatsu City Work-Life Balance Promotion Workplace” under a scheme to promote work style reforms such as supporting work-life balance among employees (FY2017-FY2024). In addition, the Head Office has received a class “AAA certification” as a “Yokohama Health Management Certification 2022 Certified Workplace”, under a scheme that promotes health management to strategically promote the health of employees from a management perspective (FY2024-FY2025).

- Ministry of Economy, Health and Productivity Management Organization
https://www.meti.go.jp/english/press/2024/0311_002.html

- Amano Corporation - Health Management Declaration
https://www.amano.co.jp/en/sustainability/social/health_management/



Participation in the “Satsuki Run & Walk 2024 Corporate Competition”

As part of our health promotion efforts, we have participated in the “Satsuki Run & Walk” since 2022, and in the corporate competition again in 2024. All participants successfully completed the race and walked the entire distance, setting new records for the total distance and total number of steps, and winning the “Best Company Award” and “Do Sports Award”. In this online event, you can compete based on the distance you run and the number of steps you walk in the month of May every year on the app, and you can participate according to your own pace and events from anywhere in Japan. In addition to developing exercise habits, the event helps to revitalize internal communication.



Delivering Health Information (Health Literacy)

Throughout the year, we issue health information to our employees so as to improve their living habits, prevent various illnesses, and raise work performance and engagement. We distribute information on how to make use of medical examination results, mental health, seasonal tips such as countermeasures for heat stroke and infectious disease, and other information. These are not only published on the Company’s intranet, but also at rest areas and various locations where employees can easily view them.

Distribution of Disaster Prevention Helmets

In order to ensure safety in the event of disasters, we distribute disaster helmets at our head office and factories. The helmets are a fold-up type and are easy to wear. In order to be able to wear it quickly in the event of an earthquake or fire, etc., each employee keeps their own helmet, for example by hanging it on a hook next to their desk. Similar helmets are always provided in the reception rooms used by visitors. In this way, we are highly conscious of disaster prevention and are prepared for emergencies.



Introduction of mini Convenience Store (Snack Sales Service)

In the Head Office and the Amano Galaxy Building adjacent to the Head Office, we have introduced a service that allows employees to purchase snacks and light meals. Payments can be settled using the beverage vending machine. Even during lunch or on rainy days, employees can use this service when they want to buy something without going to nearby shops or convenience stores, which leads to better rest time for employees.



Installation and hands-on Training of AEDs (Automated External Defibrillators)

We have deployed AEDs (Automated External Defibrillators) at all of our head office, factories, branches, and sales offices to prepare for emergencies involving visitors, local residents, or employees. In order to ensure that AEDs can be used quickly and appropriately, we conduct AED operation training at our branches during “National Safety Week”. The Head Office regularly conducts AED operation training and emergency life-saving drills with the assistance of the local fire department. We prepare diligently so that we can smoothly cooperate through self-help, mutual aid, and public assistance in the event of a disaster.



Infectious Disease Measures

We divide up the times the cafeteria can be used and try to avoid crowding. We apply antibacterial coatings to each table, chair, and tea dispenser. We have installed our own “Amatsukaze” industrial air purifiers to not only clean the air in wide spaces but also trap and suppress viruses, to provide a space where people can enjoy meals with peace of mind.



Quality and Customer Satisfaction

Amano Quality Activities (Quality Management Systems)

A manufacturer has the social responsibility to provide its customers with high quality products, systems, and services which are safe and reassuring. In order to maintain maximum customer satisfaction, we have been certified under the international quality management system ISO 9001. We have been certified in the following areas.

Head Office and Sagamiyara Factory:

"Design, development and manufacture of Parking System "

"Design, development and manufacture of Time Recorders and Products for Time Information System"

Hosoe Factory:

"The design and manufacture of dust collection systems, pneumatic powder conveyance systems and floor cleaners"

"Manufacture of electrolytic water generator"

Each workplace is committed to maintaining and continuously improving the PDCA cycle in accordance with ISO 9001 so that we can always provide our customers with the best products and services.

In addition, there were no violations of regulations and voluntary codes for product and service information and labeling in FY2023.

● Certifications obtained at each Factory

| Business operations | Certification Standard | Certifying Institution | Examination registration No. | Initial registration date | Renewal date | Expiration date |
|------------------------------------|------------------------|------------------------|------------------------------|---------------------------|--------------|-----------------|
| Head Office and Sagamiyara Factory | ISO9001:2015 | SGS | JP98/011884 | 1998/01/08 | 2023/07/03 | 2026/07/03 |
| Hosoe Factory | ISO9001:2015 | SGS | JP99/015829 | 1999/03/25 | 2023/07/05 | 2026/07/05 |

Production Meister Certification

For the personnel involved in the "making of things", the Production Meister Certification is a program which judges, certifies, and authenticates the degree of knowledge and skills of the managers, frontline supervisors, group leaders and production line personnel in aspects pertaining to Role, Quality, Cost, Delivery, Safety and Environment (R, Q, C, D, S, E). In addition, it also measures the degree of knowledge and skills in production management and their roles in innovative production in their respective job positions.

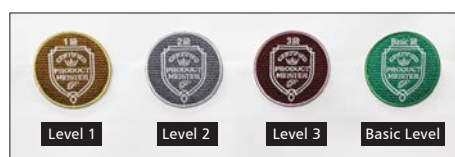
We are seeking to further improve quality by promoting our workers to obtain this Production Meister Certificate (formerly known as Efficiency Expert).

Production Meister original badges

We distribute Amano original Production Meister badges to qualified personnel to wear for the purpose of showing their skills and sharpening other workers desire to acquire such skills.

Total number of certified as of April 2024

Level 1: 198 Level 2: 189 Level 3: 173



Improvement Proposal Activities

All of our factories have adopted improvement proposal activities and allow anyone to submit proposals, which helps to improve manufacturing efficiency and product quality. In addition, if inferior or faulty products are found, we make a thorough diagnosis using "Near Miss incident" and "Five Whys" analysis to find the true cause of the problem. In addition, we conduct improvement activities in small groups to realize a workplace of our own original creativity, and achieve thorough standardization and other objectives.

While aiming to solve problems, we also seek to develop independent and problem-solving human resources and revitalize the organization.



Small group improvement activities presentation meeting

Customer Support System

Our basic stance is that "The manufacturer is responsible for providing appropriate services from the installation of products and systems through to after-sales service".

Adhering to our "Customer First" basic policy, which implies "listen to your customers", all business activities are geared to obtain customer satisfaction and through this, we will continue to pursue the quality and cost effectiveness that meet the market so as to provide our customers with the products, solutions, and services that they need.

Nationwide Customer Service Network

From the northern Hokkaido to the southern Okinawa, we have branches, sales offices, representative offices, sales & marketing divisions (71), system centers (19), and sales & service stations that cover the entire country. In addition, we along with our 7 domestic group companies, which engage in state-of-the-art R&D and various service operations, can provide consistent and reliable services to customers.

Social Contribution Activities



Kids' Eco Club

Japan Environment Association (JEA) offices across Japan provide programs and opportunities for the environmental activities conducted by the Kids' Eco Club with the support and cooperation of local communities, companies, and organizations. We support the Kids' Eco Club project as a project partner. The project is aimed at promoting children's environmental conservation activities and their environmental education, encouraging children to be friendly to the environment and helping children to develop the ability to think for themselves in acting to resolve environmental problems. It is also intended to expand the local network for environmental conservation activities.



Children's Eco Club homepage screen
<http://www.j-ecoclub.jp/>

Initiative for "The Children's Future Used Book Donation"

"The Children's Future Used Book Donation" is an initiative that links donations through the sale of used books that have been read with support for the eradication of poverty among children, who will be responsible for future society. Used books collected from companies and individuals are purchased by affiliated companies and the entire amount raised is donated to The Children's Future Support Fund* in full. The donations collected are used to support the activities by grassroots

organizations that actually support children in the community through a public-private partnership projects. We have been participating in this initiative since June 2022. We will continue to regularly call on employees to donate to "Children's Future Used Book Donation" and promote activities aimed at realizing a society where children can grow up with dreams and hopes.

Established in 2015 as part of the Children's Future Support National Movement (Secretariat: Children and Families Agency, Ministry of Education, Culture, Sports, Science and Technology; Independent Administrative Agency Welfare and Medical Service Agency), a public-private collaborative project to combat child poverty, the fund supports NPOs and other organizations that work closely with children, such as children's canteens and learning support.



Cover of "Children's Future Support National Movement"

Introduction of The Nippon Foundation Charity Vending Machines

We operate some Nippon Foundation vending machines at our head office, factories, and branches. For each can, we donate 10 yen to a social contribution project run by the Nippon Foundation, which makes social contribution activities accessible to employees.



Sponsorship of Performance for Invited Children, "Theatre of the Heart"

We sponsor the "Theatre of the Heart", a social contribution project organized by the BUTAIGEIJUTSU CENTER and the Shiki Theatre Company. Aiming to realize a spiritually rich society, we support the project to bring the excitement of theater to children throughout Japan who watch the performances as a sponsor of the event in Kanagawa and Shizuoka prefectures.



"TABLE FOR TWO"

We have introduced a TABLE FOR TWO donation program at the head office employee cafeteria. The mission of this initiative is to balance the disparity between citizens of developed nations with obesity and other lifestyle diseases and citizens of emerging nations who suffer due to malnutrition. Twenty yen from each purchase of



selected, healthy and balanced cafeteria meals is donated to school meals in Africa and Asia.

Orders to Facilities for People with Disabilities

As an initiative to support the independence of people with disabilities, we are ordering packing of timecards and labels for employees from a social welfare corporation in Sagamihara City.



Engaging with Regional Schools (Hosoe Factory)

At the Hosoe Factory, we host educational excursions and social studies field trips for local elementary and junior high school students. In FY2023, we hosted elementary and junior high school students from Hamamatsu City for the second consecutive fiscal year. The students observed the production process at our factory and conducted fieldwork on the theme of "Local Contribution to Support the Community". We treasure our interactions with local schools, and also offer internships for high school students, practical training for disabled students of special needs schools and other special needs facilities, and traineeships for faculty of special needs schools.

Job Coach (workplace adaptation assistants)* Training (Hosoe Factory)

The Hosoe Factory serves as a training site for job coaches (workplace adaptation assistants) training. We act as a lecturer for those in charge of persons with disabilities from various companies, and shares information about guidance methods with a perspective of people with disabilities through lectures and work experiences.

*Job coach (workplace adaptation assistant)

A person who provides professional support based on the characteristics of people with disabilities in cases where people with disabilities have problems adapting to the workplace when working at companies

Fire Brigade Cooperation Workplace (Hosoe Factory, Sagamihara Factory)

At the Hosoe Factory and the Sagamihara Factory, we cooperate in local disaster prevention as a "Fire Brigade Cooperation Workplace". Companies and workplaces certified as Fire Brigade Cooperation Workplaces help to improve the local disaster prevention system through cooperative activities with the fire brigade. For example, many employees join the fire brigade, and materials and equipment are provided to the fire brigade in the event of a disaster.

Sports Promotion

Women's Professional Golf: Sponsoring a Professional Golf Player Ms. Yumiko YOSHIDA

We are supporting Ms.Yumiko Yoshida, a professional on the Japanese LPGA Tour golfer from Kanagawa Prefecture, the same one where Amano's Head Office is located, as an athlete belonging to our company. We will continue to support Ms.Yoshida as we believe that her attitude is in line with our corporate stance as she continues to grow and develop on the tour with the skills she has built up and her natural cheerfulness and strong spirit In the highly competitive world of women's professional golf.



Sponsoring a Professional Golf Player, Ms. Sakura YOKOMINE

We have been supporting professional golf player Ms. Sakura Yokomine as a sponsor since the 2023 season. She has been an active leading player since her junior days to date, and we resonate with and support her goal of becoming a permanently seeded player as she competes in tournaments as golfer and mother after her marriage and childbirth.



Supporting the American Football Team Nojima Sagamihara Rise

Since the 2023 season, we have been supporting Nojima Sagamihara Rise, which belongs to the American football professional club team "X League", as a supporting goods sponsor. Nojima Sagamihara Rise was founded in 2009 with the philosophy of "a professional club that stands with the community and fans regardless of social conditions", and has participated in the "X League" since the 2009 season.



Local Football Club: Supporting the Activities of "Mamedo FC (Football Club)"

We support Mamedo FC (football club), a football club based in Mamedo, Kohoku Ward, Yokohama City (the location of our head office), as an official club partner. "Mamedo FC" is a strong team with approximately 400 elementary and junior high school students and has participated in the Club Youth Championship Kanto Tournament multiple times. In addition, they are also actively involved in activities that contribute to the community and support the growth of children.



Canoeing: Supporting the Activities of the Sagamihara City Canoe Association

We support the Sagamihara Canoe Association, which is based at Doshi River in Sagamihara City, near our Sagamihara Factory, as a sponsor. The Doshi River has a "slalom" competition area where canoeists dive through 18 to 25 gates in a predetermined order on a 250 to 400 -meter rapid course, competing for their skills to pass through the gates and reaching the goal in the quickest possible time.



Beach Soccer: Supporting the Activities of the Beach Soccer Team "Harectio Okayama"

We support "Harectio Okayama", a beach soccer team managed by the Shibukawa Marine Activity Association that promotes tourism in Okayama Prefecture, as a sponsor.

Beach soccer is a sport that always starts with a beach cleanup activity before the game, as it is played barefoot. Therefore, the more activities such as competitions and daily practice occur, the more beautiful the coast becomes. As a result, a beach soccer is also called a "good sport for the global environment".



Supporting the Ai Sugiyama Cup

We sponsor the Ai Sugiyama Cup, an international junior tennis tournament directed by Yokohama-born tennis player Ms. Ai Sugiyama, recognized by the International Tennis Federation and held at eleven tournaments in Japan. This tournament is held to develop Japan's junior tennis players, increase their competitiveness, and promote international and regional exchange.



Amano Sporting Club Activities: Rifle Shooting Club

In hopes that a local athlete will compete in the global arena, since April 2019, we have formally established the Amano Rifle Shooting Club. We are determined to contribute to the development of rifle shooting competitions by strengthening and developing affiliated shooters.



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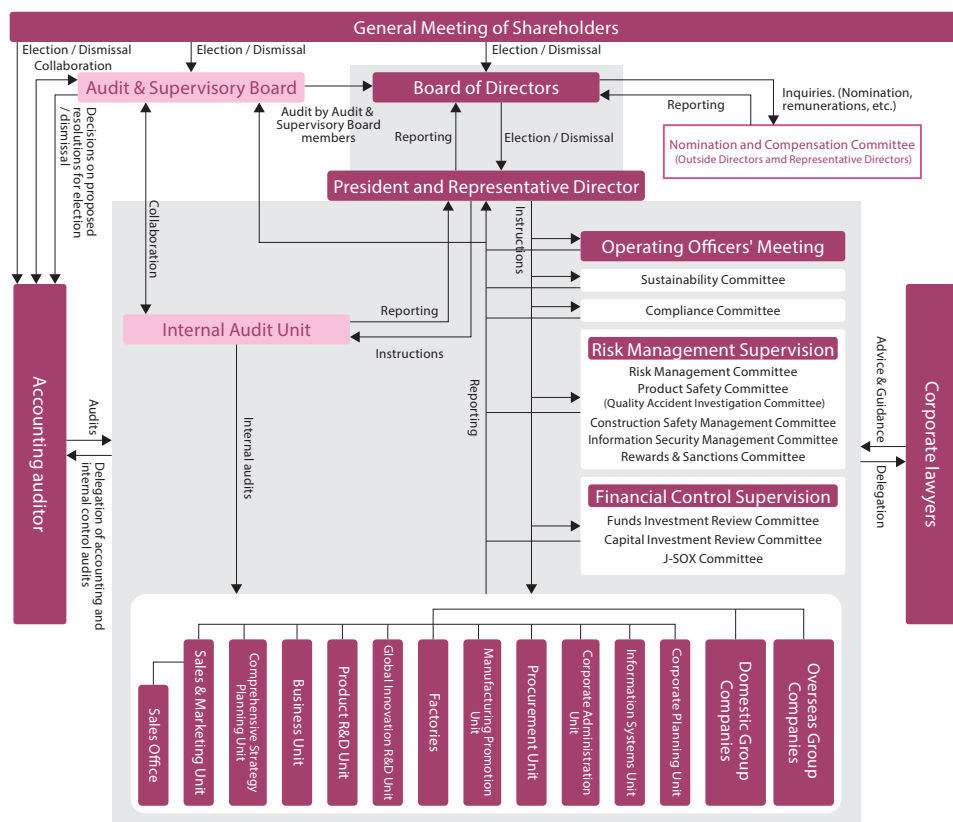
Governance

Corporate Governance

The Basic Concept

The Amano Group positions the importance of corporate ethics and the soundness of management as important management issues. By structuring the organization and establishing management systems to promote and tackle these issues, it is ensuring in the promotion of legally compliant business activities which are also in adherence to corporate ethics. Through such efforts, it is raising the effectiveness of corporate governance to realize a fair and transparent management so as to become an even more trustworthy company.

Amano Corporate Governance System



Corporate Governance



Board of Directors

The Board of Directors consists of 8 directors, including 3 part-time Outside Directors. In addition to regular meetings, the board flexibly convenes ad hoc meetings as required to deliberate and decide upon important matters concerning management as well as to report business progress. Thus, the Company has put in place a system to facilitate swift managerial decision-making. At present, Outside Directors account for a third of the Directors, and one Outside Director is a woman.



Operating Officer System

In order to clearly define the functions and responsibilities of management and for business performance as well as to ensure swift decision-making and achieve greater management efficiency, the Company has introduced the Operating Officer System since April 2005. Of the 16 operating officers, 3 concurrently serve as Directors.



Audit & Supervisory Board

The Audit & Supervisory Board consists of four members, including two part-time outside members. In addition to monitoring the execution of directors' duties, they work with the Internal Audit Unit to more effectively supervise business performance. One of the two outside corporate auditors is a woman.



Nomination & Compensation Committee

In order to strengthen fairness, transparency, and objectivity of procedures related to nomination and remuneration of the Board of Directors and to further enhance corporate governance, the Company has set up the Nomination and Compensation Committee, a voluntary committee, which consists of Outside Directors and Representative Directors. The Committee discusses important matters and report to the Board of Directors, such as appointments and dismissals of executives, their remuneration and successor training plan from the perspective of Outside Directors based on their independence, by making use of their extensive experience and technical knowledge. The Nomination and Compensation Committee operates in accordance with the Nomination and Compensation Committee Regulations to ensure that there are no conflicts of interest with general shareholders. Furthermore, to ensure the independence of this Committee, more than a half of the committee members are independent Outside Directors and the Chairman has been changed to an Outside Director since April 2023.





Group Companies

In addition, the Amano Group convenes sessions of the Domestic Strategy Conference (for group companies in Japan) and the Global Strategy Conference (for group companies overseas) as required in order to grasp group companies' management statuses. In this way, it is enhancing our management monitoring capabilities to ensure that corporate ethics permeate the entire group to realize more effective corporate governance.

Board of Directors

Corporate Governance System Summary Table

(As of June 29, 2024)

| | |
|--|---------------------------------------|
| Number of Directors (of which, Outside Directors) | |
| <div> <div>8 people</div>  <div>Outside Directors 3 people</div> </div> | |
| Number of Audit & Supervisory Board Members (of which, Outside Audit & Supervisory Board Members) | |
| <div> <div>4 people</div>  <div>Outside Audit & Supervisory Board Members 2 people</div> </div> | |
| Term of Office of Directors | 2 years |
| Adoption of Operating Officer System | Yes |
| Discretionary Bodies of the Board of Directors | Nomination and Compensation Committee |
| Accounting Auditor | Ernst & Young ShinNihon LLC. |

Compensation Policy for Directors

Amano has decided by resolution of the Board of Directors on the decision policy pertaining to the content of compensation, etc. for individual directors (hereinafter referred to as “Decision Policy”).

When deciding on the content of compensation, etc. for individual directors, the Board of Directors will respect the report of the Nomination and Compensation Committee with regard to the compensation proposal prepared by the Representative Director within the upper limit approved by the General Shareholders’ Meeting. Furthermore, since the Board of Directors has made this decision, it has been determined that the content is in line with the Decision Policy. An overview of the Decision Policy is shown below.

Overview of Decision Policy pertaining to the content of individual directors’ compensation, etc.

1) Basic Policy

Compensation of our Directors shall be based on a compensation system that is linked to interests of shareholder so as to fully serve as an incentive for the sustainable increase of corporate value, and the basic policy shall be to set an appropriate level based on the responsibilities of each director when deciding the compensation of individual directors.

Specifically, the compensation of internal directors shall be “Basic Compensation” as fixed compensation (including “Compensation for the Acquiring Company Shares”) and “Short-Term Performance-Linked Compensation (Bonus)” (hereinafter referred to as “Short-Term Bonus”) and “Medium- to Long-Term Performance-Linked Compensation (Performance-Linked Stock Compensation)” (hereinafter referred to as “Medium- to Long-Term Stock Compensation”) as performance-linked compensation, and for Outside Directors, shall be “Basic Compensation” (excluding “Compensation for the Acquiring Company Shares”) and “Short-Term Bonus” in view of their duties.

2) Policy for determining the amount of Basic Compensation (monetary compensation), etc. for individual directors (include determining the time and conditions for awarding compensation).

Our Directors shall be paid the amount of “Basic Compensation” monthly as fixed compensation. For internal directors, a certain percentage of monthly

compensation will be paid as “Compensation for the Acquiring Company Shares,” and contributing such shares to the executive stock ownership association. Shares purchased through the “Compensation for the Acquiring Company Shares” shall be held during the term of office.

The amount of compensation for each individual pertaining to “Basic Compensation” shall be determined by comprehensively taking into consideration the compensation level of other companies, the performance and the level of employee salaries of Amano according to the position, duties, the number of years of office.

3) Policy for determining the calculation method for the content, amount, and number of performance-linked compensation, etc. and non-monetary compensation, etc. (include determining the timing and conditions for awarding compensation, etc.)

Performance-linked compensation shall consist of “Short-Term Bonus” and “Medium- to Long-Term Stock Compensation”. “Short-Term Bonus” shall be paid annually at a fixed period of time in an amount calculated according to the results of each fiscal year.

Key Performance Indicators (KPIs) (hereinafter referred to as “KPIs”) shall use consolidated operating profit and shall be reviewed as appropriate, based on report from the Nomination and Compensation Committee in response to changes in the environment for business. In addition to performance-linked compensation, as part of “Medium- to Long-Term Stock Compensation”, the Directors’ compensation BIP (Board Incentive Plan) Trust system

shall be introduced as non-monetary compensation. Based on the results of the KPIs linked to the Medium-Term Business Plan, eligible internal directors shall be awarded points each year corresponding to their position based on the “Stock Distribution Rules”, and Company shares, etc. shall be issued in accordance with the accumulated value of points when the eligible internal director leaves office.

The KPIs and their values shall be set at the time of the formulation of the Medium-Term Business Plan, and shall be reviewed as appropriate, based on report from the Nomination and Compensation Committee in response to changes in the environment for business.

4) Policy for determining the ratio of fixed compensation, performance-linked compensation, etc., and non-monetary compensation, etc. within an individual director’s compensation, etc.

The compensation of internal directors shall be comprised of “Basic Compensation” (including “Compensation for the Acquiring Company Shares”), “Short-Term Bonus” and “Medium- to Long-Term Stock Compensation”, and the compensation of outside directors shall be comprised of “Basic Compensation” (excluding “Compensation for the Acquiring Company Shares”) and “Short-Term Bonus”.

These payment ratios shall be determined by comprehensively taking into consideration the position, duties, number of years of office, the performance of Amano, the attainment level for goal, and the company scale.

Total Amount of Compensation for the Current Business Year (April 2023 to March 2024)

| Officer classification | Total amount of compensation (Millions of yen) | Total amount by type of compensation (Millions of yen) | | | | Number of eligible officers (People) |
|---|--|--|--|------------------|--|--------------------------------------|
| | | Basic Compensation | Short-Term Performance Linked Compensation (Bonus) | Retirement Bonus | Medium- to Long-Term Performance-Linked Compensation (Performance-Linked Stock Compensation) | |
| Directors (excluding Outside Directors) | 307 | 184 | 57 | — | 66 | 6 |
| Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members) | 44 | 38 | 6 | — | — | 2 |
| Outside Officers | 45 | 31 | 13 | — | — | 5 |

Diversity of the Board of Directors (Skills Matrix)

| | | Matters concerning Outside Directors | | Sales and Operations | Manufacturing and Development | Legal Affairs | Financial, Accounting and Tax | Global | Diversity & Inclusion |
|-------------------|--|--------------------------------------|----------------------|----------------------|-------------------------------|---------------|-------------------------------|--------|-----------------------|
| | | Independence | Corporate Management | | | | | | |
| Hiroyuki TSUDA | Chairman & Representative Director | — | — | ○ | | | | | |
| Manabu YAMAZAKI | President & Representative Director | — | — | ○ | | | | ○ | |
| Kunihiro IHARA | Director & Executive Operating Officer | — | — | | | | ○ | ○ | |
| Yoshihiko HATA | Director & Managing Operating Officer | — | — | ○ | | | | ○ | |
| Fujinori TAZO | Director & Operating Officer | — | — | | ○ | | | ○ | |
| Kiyoshi KAWASHIMA | (Outside) Director | ○ | | | | ○ | | | |
| Michinobu OMORI | (Outside) Director | ○ | ○ | | | | ○ | | |
| Sumie WATANABE | (Outside) Director | ○ | ○ | ○ | | | | | ○ |

Independent Criteria of Outside Director and Outside Audit & Supervisory Board Member

Outside Director and Outside Audit & Supervisory Board Member shall be considered independent from Amano if none of the following apply for the past 10 years, to the candidates or to the candidate's relatives up to the second degree of kinship.

1. A major business counterparty of Amano (Note1) or a person executing the business.
2. A consultant, an accounting expert, or a legal expert, etc. who receives substantial amounts of money, etc. in addition to the officers' remuneration from Amano (if the recipient of such rewards is a corporation, or other organizations such as unions etc, then this implies the person who belongs to such organizations); (Note2)
3. A person executing the business of Amano or our subsidiaries;
4. A director of Amano's subsidiaries who does not execute the business of our subsidiaries (only the case that Outside Audit & Supervisory Board Member is designated as an independent officer is approved);
5. A major shareholder of Amano or a person executing the business of the major shareholder; (Note3)
6. A person who was once a Director or Audit & Supervisory Board Member of Amano or our subsidiaries at any point during the past 10 years prior to this nomination.

(Note) 1. Business counterparty with annual transaction amount that exceeds 2% of the consolidated sales of Amano and our business counterparty in the most recent business year.

2. Substantial amount of money is defined as actual amounts exceeding 10 million yen per year.

3. A major shareholder means that a shareholder who holds more than 10% of the voting rights of Amano.

Effectiveness Evaluation of the Board of Directors

During the fiscal year 2023, Amano conducted a questionnaire survey on 12 officers, including 8 directors (including 3 Outside Directors) and 4 Audit & Supervisory Board members (including 2 outside members). Based on the results of the survey, the Board of Directors has determined that the overall effectiveness of the Board of Directors is properly secured.

| Question | Evaluation Results |
|---|---|
| Structure of the Board of Directors | The Board of Directors consists of talent from within Amano with extensive experience in actual business and highly independent outside directors with specialized knowledge of financial and legal affairs, etc., thereby the knowledge, experience, and abilities are well balanced as a whole and secured appropriately. Furthermore, to further reinforce governance, the ratio of outside directors at the Board of Directors is now at one third. In addition, two female officers, outside director and outside Audit & Supervisory Board member, have been appointed to promote diversity. |
| Operation of the Board of Directors | The frequency of the current Board of Directors is frequent enough to carry out appropriate decision making in a timely manner. The attendance rate of directors stands at 100% (that of outside directors stands at 100%). The information and materials on proposed agenda and resolutions are provided to all directors in advance, and sufficient time is allocated for them to examine the contents. |
| Agenda of the Board of Directors, etc. | Regarding the contents of agenda and resolutions, the Amano Group's important information (both quantitative and qualitative) is shared with all directors on a monthly basis, and other important matters are discussed as agenda items at meetings of the Board of Directors as necessary before making decisions. |
| Structure to support the Board of Directors | Opportunities for seeking the provision of information are appropriately secured to directors and Audit & Supervisory Board members, and coordination between the Internal Audit Unit and directors and Audit & Supervisory Board members is secured. In addition, Corporate Planning personnel, etc., provide support as required to furnish necessary information to outside officers in a timely manner. In respect of training for officers, opportunities are given to fully understand the roles and responsibilities that executives are expected to fulfill, through measures including holding periodic seminars for executives. |
| Further enhancement of effectiveness | During the analysis and evaluation of the Board of Directors Meetings, the Directors suggested that Medium to Long term management issues including sustainability initiatives should be discussed and the agenda should be further enhanced. Based on such opinions and discussions, the Company will strive to further improve the effectiveness of the Board of Directors Meetings by ensuring that all relevant issues are thoroughly recognized and shared among the members. |

Executives



Directors

Chairman & Representative Director

Hiroyuki TSUDA

| | |
|-----------|---|
| Apr. 1982 | Joined the Company |
| Apr. 2007 | General Manager of Kanto Regional Sales & Marketing Unit of the Company |
| Apr. 2011 | General Manager of Chubu Regional Sales & Marketing Unit of the Company |
| Apr. 2013 | Operating Officer of the Company |
| Apr. 2014 | Resigned from the Operating Officer of the Company |
| Apr. 2014 | President & Representative Director of Amano Management Service Corporation |
| Apr. 2016 | Operating Officer of the Company |
| Apr. 2016 | Business Supervisory of the Company |
| Jun. 2017 | President & Representative Director of the Company |
| Apr. 2023 | Chairman & Representative Director of the Company (current position) |

President & Representative Director

Manabu YAMAZAKI

| | |
|-----------|---|
| Apr. 1986 | Joined the Company |
| Apr. 2013 | General Manager of Chugoku & Shikoku Regional Sales & Marketing Unit of the Company |
| Apr. 2014 | General Manager of Comprehensive Planning Unit of the Company |
| Apr. 2015 | General Manager of Time Information Business Unit of the Company |
| Apr. 2016 | Operating Officer of the Company |
| Apr. 2016 | Division Manager of Comprehensive Strategy Planning Division and Deputy General Manager of Corporate Planning Unit of the Company |
| Apr. 2017 | Business Supervisory and Division Manager of Comprehensive Strategy Planning Division of the Company |
| Jun. 2017 | Director of the Company |
| Apr. 2018 | Chairman of Amano USA Holdings Inc. |
| Oct. 2018 | Chairman & President of Amano USA Holdings Inc. |
| Feb. 2020 | Domestic Group Company Supervisory of the Company |
| Apr. 2020 | Corporate Administration Supervisory and General Manager of Corporate Administration Unit and Domestic Group Company Supervisory of the Company |
| Apr. 2021 | Managing Operating Officer of the Company |
| Apr. 2021 | Corporate Administration Supervisory and General Manager of Corporate Administration Unit of the Company |
| Apr. 2022 | Sales & Marketing Supervisory / Business Supervisory of the Company |
| Apr. 2023 | President & Representative Director of the Company (current position) |

Director & Executive Operating Officer, General Manager Corporate Planning Unit / (Outside) Director CREO Co.Ltd.

Kunihiro IHARA

| | |
|-----------|---|
| Apr. 2004 | Deputy General Manager of Loan Department of the Dai-ichi Mutual Life Insurance Company (currently, the Dai-ichi Life Insurance Company, Limited) |
| Apr. 2007 | Joined the Company |
| Apr. 2009 | Division Manager of Accounting Division of the Company |
| Apr. 2010 | Operating Officer of the Company |
| Apr. 2013 | Deputy General Manager of Corporate Administration Unit of the Company |
| Apr. 2015 | General Manager of Corporate Administration Unit and Division Manager of Human Resources Division of the Company |
| Apr. 2016 | General Manager of Corporate Planning Unit of the Company (current position) |
| Jun. 2016 | Director of CREO CO., LTD. (current position) |
| Jun. 2016 | Director of the Company (current position) |
| Apr. 2024 | Executive Operating Officer of the Company (current position) |

Director & Managing Operating Officer, Sales & Marketing Supervisory / Business Supervisory, Domestic Group Company Director in Charge

Yoshihiko HATA

| | |
|-----------|---|
| Apr. 1987 | Joined the Company |
| Apr. 2011 | General Manager of Kanto Regional Sales & Marketing Unit of the Company |
| Apr. 2014 | General Manager of Parking Business Unit of the Company |
| Apr. 2017 | Operating Officer of the Company |
| Apr. 2018 | General Manager of Parking Business Unit of the Company and President & Representative Director of AMANO Management Service Corporation |
| Apr. 2019 | Executive Vice President AMANO USA HOLDINGS, INC. and Executive Vice President AMANO McGann, INC. |
| Apr. 2021 | Business Supervisory and Domestic Group Company Supervisory of the Company |
| Apr. 2022 | Corporate Administration Supervisory and General Manager of Corporate Administration Unit of the Company |
| Jun. 2022 | Director of the Company (current position) |
| Apr. 2023 | Managing Executive Officer (current position) |
| Apr. 2023 | Sales & Marketing Supervisory / Business Supervisory, Domestic Group Company Director in Charge (current position) |

Director & Operating Officer, R&D / Production Supervisory / General Manager Product R&D Unit / Global Innovation R&D Unit

Fujinori TAZO

| | |
|-----------|---|
| Apr. 1987 | Joined the Company |
| Apr. 2016 | Deputy General Manager of R&D Unit and Division Manager of Technology R&D Division of the Company |
| Apr. 2018 | Deputy General Manager of R&D Unit and Division Manager of Innovation R&D Division of the Company |
| Apr. 2019 | Operating Officer of the Company (current position) |
| Apr. 2019 | General Manager of R&D Unit of the Company and Technology Desk of Amano USA Holdings, Inc. |
| Apr. 2020 | R&D Supervisory / General Manager of R&D Unit and Domestic & Overseas R&D Supervisory of the Company |
| Jun. 2020 | Director of the Company (current position) |
| Apr. 2022 | R&D Supervisory / General Manager Product R&D / General Manager Innovation R&D |
| Apr. 2022 | R&D / Production Supervisory / General Manager Product R&D / Global Innovation R&D (current position) |

(Outside) Director

Kiyoshi KAWASHIMA

| | |
|-----------|--|
| Apr. 1979 | Registered as an attorney at law (with Daini Tokyo Bar Association) |
| May. 1984 | Kawashima Law Office (Kanagawa Bar Association) (current position) |
| Apr. 1995 | Legal Training and Research Professor of Defense in Civil Cases, Institute in the Supreme Court of Japan |
| Apr. 2004 | Professor of Yokohama National University Law School |
| Apr. 2011 | Guest Professor of the Open University of Japan (current position) |
| Jun. 2012 | Director of Fuji Furukawa Engineering & Construction Co., Ltd. |
| Nov. 2013 | Director of Kanagawa Gakuen, an incorporated Educational Institution (current position) |
| Jun. 2015 | Director of the Company (current position) |
| May 2017 | Audit & Supervisory Board Member of YOKOHAMA IMPORTMART INC. |
| Jun. 2021 | Audit & Supervisory Board Member of Yokohama-Kawasaki International Port Corporation (current position) |

(Outside) Director

Michinobu OMORI

| | |
|-----------|--|
| Apr. 1981 | Joined the Ministry of Finance |
| Jul. 1997 | Deputy Commissioner of Criminal Investigation Department Tokyo Regional Taxation Bureau |
| Jul. 1999 | Director of Tobacco and Salt Industries Office, Planning and Administration Division, Financial Bureau |
| Jul. 2002 | Director of Local Financial Department, Kinki Local Financial Bureau |
| Jul. 2003 | Counselor of Office for Industrial Revitalization Corporation of Japan, Cabinet Office |
| Jul. 2005 | Director of Customs Clearance Division, Customs and Tariff Bureau |
| Jul. 2006 | Director of Personnel Division, Customs and Tariff Bureau |
| Jul. 2007 | Director General of Hokuriku Local Finance Bureau |
| Aug. 2009 | Officer of Nippon Automated Cargo And Port Consolidated System, Inc. |
| May 2010 | Director of Treasury Department, Deposit Insurance Corporation of Japan |
| Jul. 2011 | Director of Inspection Department, Deposit Insurance Corporation of Japan |
| Jun. 2012 | Audit & Supervisory Board Member of The Shoko Chukin Bank, Ltd. |
| Jun. 2016 | Director General of Tokyo Customs |
| Jul. 2017 | Resigned from the Ministry of Finance |
| Jan. 2018 | Advisor of Mitsubishi Heavy Industries Thermal Systems, Ltd. |
| Jun. 2019 | Director of the Company (current position) |
| Jun. 2020 | Director of Japan Credit Information Reference Center Corp. |

(Outside) Director

Sumie WATANABE

| | |
|-----------|---|
| Aug. 1980 | Joined The Dai-ichi Mutual Life Insurance Company (currently, the Dai-ichi Life Insurance Company, Limited) |
| Apr. 2008 | Division Manager of FP Sales Division of the same company |
| Apr. 2010 | Division Manager of FP Consulting Division of The Dai-ichi Life Insurance Company, Limited |
| Apr. 2015 | Adjunct of the same company |
| Apr. 2016 | Operating Officer of the same company |
| Oct. 2016 | Operating Officer of Dai-ichi Life Holdings, Inc. |
| Oct. 2016 | Executive Officer, The Dai-ichi Life Insurance Company, Limited |
| Apr. 2021 | Chairman & Director of Dai-ichi Life Challenged Co., Ltd. |
| Jun. 2021 | Director of the Company (current position) |

(Full-time) Audit & Supervisory Board Member

Tomonori KITAMI

| | |
|-----------|--|
| Apr. 1986 | Joined the Company |
| Apr. 2007 | Division Manager of Corporate Planning Unit of the Company |
| Apr. 2013 | Division Manager of Corporate Administration Division of the Company |
| Apr. 2022 | Operating Officer of the Company |
| Jun. 2024 | Audit & Supervisory Board Member of the Company (current position) |

(Outside) Audit & Supervisory Board Member

Hanae NAKAYA

| | |
|-----------|--|
| Aug. 1990 | Registered as Certified Public Accountant |
| Oct. 2003 | Retired from Chuo Aoyama Audit Corporation |
| Oct. 2003 | Assistant Section Manager, Corporate Disclosure Counsellor's Office, Market Division, General Affairs and Planning Bureau, Financial Services Agency |
| Apr. 2004 | Chief Certified Public Accountant Audit Inspector, Certified Public Accountants and Audit Review Board, Financial Services Agency |
| Aug. 2007 | Certified Public Accountant, opened Nakaya Accounting Office, Representative |
| Apr. 2008 | Chief Securities Investigator, Disclosure Inspection Division, Secretariat of the Securities and Exchange Surveillance Commission, Financial Services Agency |
| Aug. 2013 | Registered Certified Public Accountant/Tax Accountant, renamed Nakaya Accounting Office, Representative (current position) |
| Apr. 2015 | Auditor, National Institute of Special Needs Education, Incorporated Administrative Agency (current position) |
| Aug. 2016 | Partner, Tachibana Limited Liability Company (current position) |
| Jun. 2019 | Audit & Supervisory Board Member of the Company (current position) |
| Jul. 2019 | Vice-President, Japanese Institute of Certified Public Accountants Kanagawa Prefecture (current position) |
| Dec. 2022 | Kanagawa Prefecture Audit Committee Member (current position) |
| Feb. 2023 | Director (Audit and Supervisory Committee), Jastec Co., Ltd. (current position) |

Audit & Supervisory Board Members

(Full-time) Audit & Supervisory Board Member

Masahiko MORITA

| | |
|-----------|--|
| Apr. 1982 | Joined the Company |
| Apr. 2007 | Division Manager of Corporate Administration Division of the Company |
| Apr. 2013 | Operating Officer of the Company |
| Apr. 2013 | Division Manager of the Accounting Division of the Company |
| Apr. 2019 | General Manager of Internal Audit of the Company |
| Jun. 2020 | Audit & Supervisory Board Member of the Company (current position) |

(Outside) Audit & Supervisory Board Member

Naofumi NAGAKAWA

| | |
|-----------|---|
| Apr. 1989 | Joined TOKYU LAND CORPORATION |
| Apr. 1993 | Housing Business Unit of the same company |
| Apr. 1996 | Kansai branch of the same company |
| Oct. 2009 | Temporarily assigned to Tokyu Land Capital Management Inc. |
| Oct. 2019 | Chairman of Fujimigaoka-Gakuen, an incorporated educational institution (current position) |
| Jun. 2021 | Audit & Supervisory Board Member of the Company (current position) |
| Apr. 2023 | Auditor of Kanagawa Prefecture Private Junior and Senior High School Association (current position) |
| Apr. 2023 | Auditor of Kanagawa Prefecture Private School Education Promotion Association (current position) |
| Jun. 2023 | Director of Kanagawa Prefecture Private School Retirement Foundation (current position) |
| Apr. 2024 | Principal, Yokohama Fujimigaoka Gakuen (current position) |
| May. 2024 | Auditor, National Association of Upper Secondary School Principals (current position) |

Compliance

Compliance

The Amano Group has established our own “Basic Policy of Compliance” and “Compliance Rules”, and is working on a variety of activities to promote and raise awareness of compliance and its thorough practice among all employees.

The Code of Ethics

In June 2015, the Amano Group distributed a revised version of our “Corporate Code of Ethics” (booklet) to all of our employees to ensure their understanding of basic policy of internal control, corporate code of ethics and to encourage their thorough compliance to the corporate standards of behavior.

Anti-Bribery Initiatives

The Amano Group established the “Rules on Compliance with International Competition Law and Prevention of Bribery” in June 2016, and strives to prevent bribery, taking steps such as raising awareness through regular e-learning. In addition, the audits conducted by the Internal Audit Office include matters relating to bribery. In FY2023, no fraud related to bribery, donations, or support was reported.

Compliance Training Programs

Employees are informed of various legal information that they should or need to know, including anti-corruption and bribery matters, with regular compliance training programs (e-learning) being conducted. In order to deepen understanding of compliance, the questions in the Q&A are specific based on actual situations.

Compliance with Environmental Laws and Regulations

Laws and regulations related to the environment have been strengthened every year, and we share information mainly through the Sustainability Committee. A survey conducted in FY2023 indicated that there were no serious violations of environmental laws and regulations (fines/sanctions). We will continue to strive to achieve proper management in the future.

The Internal Whistle-blowing System

The Amano Group has established the “Amano Group Hotline Rules” to receive “whistle-blowing” complaints and opinions from all Amano Group employees. There are three hotlines in operation; the “Corporate Ethics Hotline”, the “HR Hotline”, and the “Amano External Hotline”.

Political Contributions

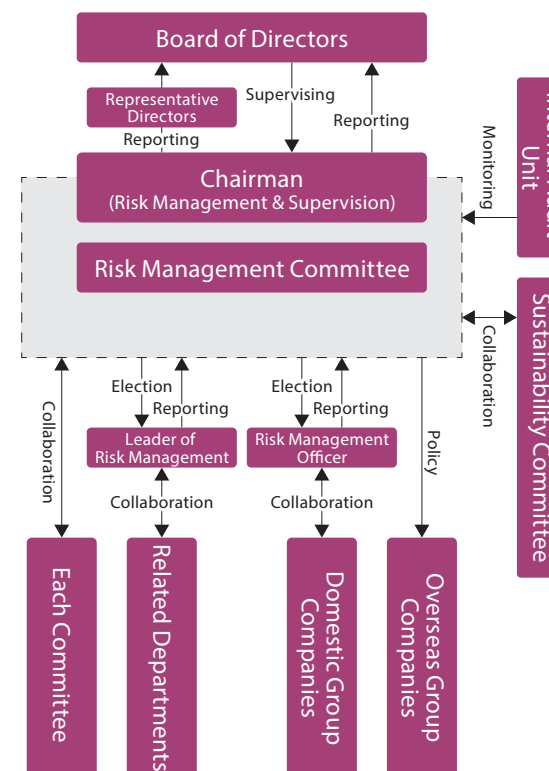
Amano did not make any political contributions in FY2023 in accordance with the Political Funds Control Act. Note that, some group companies may make political contributions based on the judgment of each company in accordance with relevant laws and regulations and their own ethical code.

Risk Management

The Amano group recognizes that in a business environment where risks are becoming increasingly complex and diversified, the formation and the operation of appropriate internal controls along with risk management structures are vital for gaining each stakeholder confidence. Under this recognition, we regard the activities of our various committees as being the core of CSR (Corporate Social Responsibility) and along with the risk management framework, form the foundation to achieve our management policy. We will continue to strive to enhance these committees and risk management.

The details of their activities are reported to Representative Directors as required and to the Board of Directors when necessary.

● Risk Management System



Information Security / Personal Information Protection



The Amano Group recognizes that one of our important management issues is to ensure that all information related to our business activities is shared and utilized appropriately under secure and reliable management, and has established the “Information Security Basic Policy” as part of the strengthening of internal controls.

Amano Information Security Basic Policy

As a company that provides products, solutions, and services related to time and air, Amano Corporation is committed to information security measures to ensure that our products and services are used safely and securely while creating new value through the use of information.

To this end, all of our officers, employees, and all others who handle information at our company will deepen their awareness of the importance of information security in the environment, people, equipment, and cyberspace involved in the process of creating and continuing to provide products and services to our customers, and will strive to prevent and correct information leaks, etc. and maintain and improve social credibility and business continuity based on the following “Information Security Basic Policy”.

Scope of Application

This policy applies to all tangible and intangible information that Amano handles. In addition, we will instruct third parties other than Amano to comply with this policy when handling information handled by Amano.

Information Security System

Based on the “Basic Compliance Policy,” Amano will establish a companywide system for information security by preparing information security-related regulations and appointing information managers in each department.

Compliance with Laws and Regulations, etc.

Amano will comply with laws, regulations, and other norms related to information security, including personal information protection, as well as customer contracts.

Information Asset Management

Amano takes measures to maintain the confidentiality, integrity, and availability of our information assets.

1. Confidentiality : Limit access to information assets to authorized individuals only.
2. Integrity : Protect the accuracy and completeness of information assets.
3. Availability : Ensure that information is available in a timely manner when needed.

Prevention and Response to Information Security Incidents

Amano will take all possible measures to prevent information security incidents. In the unlikely event of an accident, Amano will take appropriate measures to prevent recurrence.

Information Security Education

Amano provides all officers and employees with training and education on information security in order to deepen their understanding of the importance of information security and to improve their skills.

Continuous Improvement

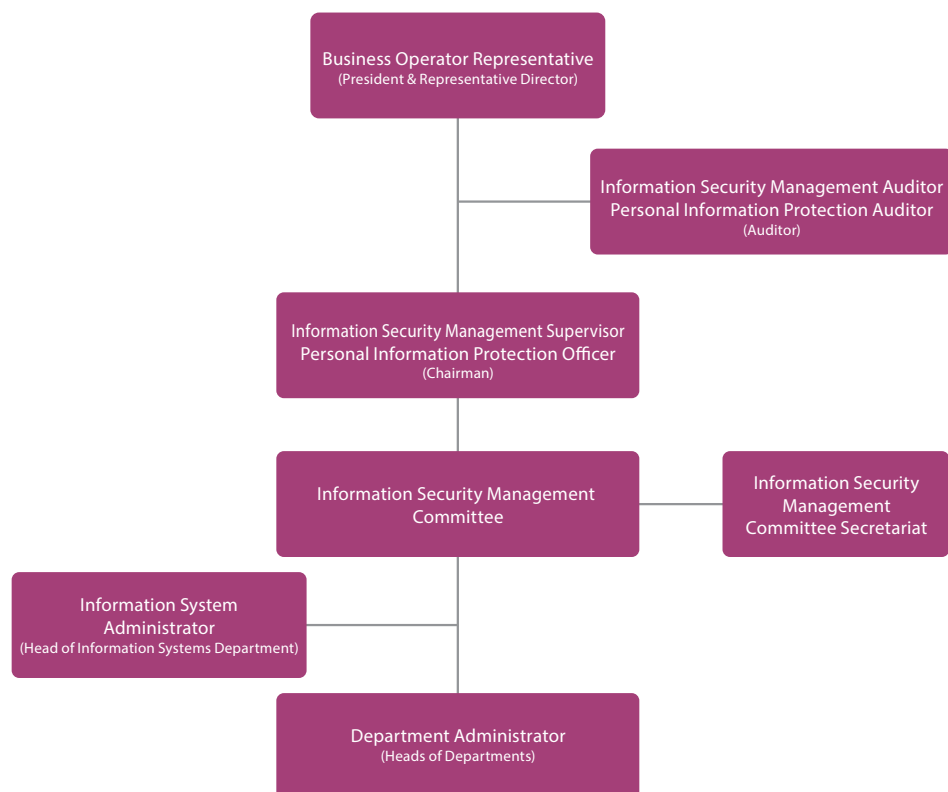
Amano will continuously review and improve the Information Security Basic Policy and the regulations related to information security.

Enacted: March 24, 2008

Revised: September 1, 2023

Information Security Management/ Personal Information Protection System Diagram

We are committed to strengthening information security through the following system.



Information Security Management System

We continuously run the PDCA cycle related to information security management and personal information protection in accordance with the "Information Security Basic Policy" and the "Personal Information Protection Policy".



Personal Information Protection

Since we think that it is our social responsibility to properly protect all personal information, we have established a "Personal Information Protection Policy". We operate a personal information protection management system based on this "Personal Information Protection Policy" to ensure the proper handling and protection of personal information. In addition, in February 2014, we received the PrivacyMark System, a third-party certification for the protection of personal information, and have continued to receive this certification since then.

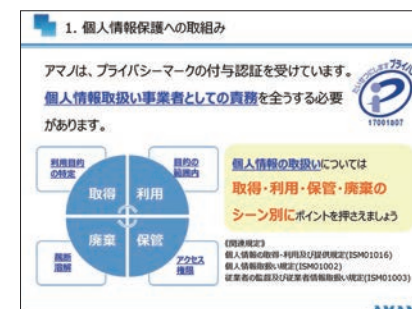
Privacy Policy

<https://www.amano.co.jp/English/privacy.html>



Information Security/Personal Information Protection Education

In order to protect information security and safeguard personal and confidential information, everyone must be proactively aware of the dangers and take appropriate actions. The Amano Group regularly conducts information security management and personal information protection education (e-learning) for all executives and employees. Training materials incorporate the latest changes in the social environment and incident cases, so as to raise awareness of the latest information security risks and improve the effectiveness of incident prevention. Further, we improve our employees' ability to identify suspicious e-mails and their understanding of how to respond appropriately at first instance by conducting targeted attack e-mail drills. We also provide education for personnel handling My Number and hierarchical education for managers every year.



Supply Chain Management



Amano Group Basic Procurement Policy

We the Amano Group are promoting activities in accordance with the “Amano Group Basic Procurement Policy” in our corporate procurement activities, in order to continue to contribute to the “building a safe and comfortable society” and “creating of a comfortable global environment” from a global perspective under our management principle.

As a good partner in contributing to society and the global environment, we ask for the understanding and cooperation of our business partners in this basic policy.

1. Fair, Equitable, and Open Procurement

We provide open, fair, and equitable trading opportunities to our business partners without judging them solely on the size of their companies or the presence or absence of transaction histories.

When selecting business partners, in addition to QCD balance, we will carefully consider stability, technology / development capabilities, transparency of information disclosure, and their compliance with laws and social norms, etc.

2. Mutual Development based on a Relationship of Trust

Through procurement transactions for materials, we will strive for coexistence, co-prosperity, and mutual development with our business partners.

To this end, we will strive to maintain and improve relationships of trust with our business partners based on long-term mutual understanding.

3. Compliance with Laws, Regulations, and Social norms

In our material procurement activities, we comply with relevant international laws and regulations, as well as laws and social norms in the countries and regions where we procure materials.

4. Respect for Human Rights and Ensuring Health and Safety

When conducting material procurement activities, we respect human rights including responding to conflict minerals that may infringe on human rights, and aim to maintain and improve a healthy working environment and ensure health and safety.

5. Environmentally Conscious Green Procurement

We promote environmentally friendly development, design, production, and distribution activities. To this end, we will continue to improve environmental conservation in cooperation with our business partners by procuring materials with low environmental impact from environmentally friendly business partners.

6. Proper Information Management

We will properly manage and protect the confidential and personal information of our business partners obtained in the course of our transactions.

Request to our Business Partners

The Amano Group contributes to a better society and environmental conservation through our procurement activities. Furthermore, in order to promote procurement activities to realize a sustainable society, it is essential that business partners who are our important partners also understand and cooperate with the Amano Groups Basic Procurement Policy and implement mutually cooperative initiatives.

Therefore, we would like to ask for your understanding and cooperation, and active promotion of the following items.

1. Fair and Equitable Competition and Trade

Please promote sound and fair business management in order to build mutual understanding and relationships of trust.

2. Building Relationships of Trust that lead to Mutual Development

Please always be aware of coexistence and co-prosperity, and strive to communicate well in order to build strong long-term relationships of trust.

3. Compliance with Laws and Regulations

We ask that you comply with all relevant international laws and regulations, along with laws and social norms in all countries and regions where you conduct business activities.

4. Consideration for Human Rights and Working Environment

Please respect the basic human rights of all people in employment and labor, and ensure and realize a safe and healthy working environment.

5. Promoting Green Procurement

Please promote procurement activities aimed at “preserving the global environment” and “building a sustainable society”.

6. Information Management and Leakage Prevention

Please properly manage and protect personal and confidential information obtained through business relationships.

7. Confirmation of the Status of Initiatives

We may ask you to confirm the status of your initiatives and provide information to ensure responsible procurement throughout the supply chain toward the realization of a sustainable society. In addition, we also ask for your cooperation when we visit your business premises as necessary.

Established: April 1, 2020/ Revised: October 1, 2023

Partnership-Building Declaration

The Company declares that it will focus on the following activities to build new partnerships by cooperating and facilitating coexistence and co-prosperity with all our supply chain business partners and all value-creating business operators.



1. Coexistence and co-prosperity across the supply chain and a new kind of cooperation that transcends scale and business affiliation

Our goal is to achieve coexistence and co-prosperity with our business partners through collaborations that transcend existing business relationships and scale, influencing our direct business partners' business partners (from Tier N to Tier N+1), even as we continue to work on initiatives to raise added value across the entire supply chain. From the perspective of business continuity during disasters and reforming work styles, we will provide support such as suggestions to our business partners regarding the implementation of telework and other BCP (business continuity planning) measures.

d. Greening Initiatives

We have formulated the "Amano Corporation Green Procurement Guidelines" to guide green procurement practices and carry out environmentally friendly activities in cooperation with our business partners, aiming to reduce the burden on the environment through the supply chain as a whole.

2. Observing Promotion Standards

We will observe desirable business practices between large procuring enterprises and subcontractors (based on "Promotion Standards" in the Act on the Promotion of Subcontracting Small and Medium-Sized Enterprises), and will strive to actively correct business practices and customs that hinder the building of partnerships with business partners.

(1) Method for Setting Prices

We do not make unreasonable requests for cost reductions. We determine transaction prices after ample consultation with subcontractors, not only consulting with them at least once a year, but also taking into account an appropriate level of profit for the subcontractors and improvements to their labor conditions. In doing so, we take appropriate actions set out in the Guidelines for Price Negotiations to Appropriately Pass Through Labor Cost. In addition, in the event of spikes in raw materials or energy costs, we will aim to fully pass through the increase in costs as appropriate. When concluding contracts, including the determination of transaction price, the contract terms are stated clearly in writing and delivered to subcontractors.

(2) Responsibility for Costs of Storing Molds and Other Expenses

We engage in business dealings involving molds based on "Basic Philosophy and Principles of Mold Transactions" in the "Report of the Council for the Promotion of Optimizing Mold Transactions" as well as the "Memorandum Regarding Handling of Molds," and in addition to promoting the disposal of molds that are not needed, do not request subcontractors to store molds at no cost.

(3) Conditions for Payment of Notes and Other Instruments

We pay our subcontractors in cash, closing our monthly accounts on the last day of each month with payment made on the 29th day of the subsequent month by bank transfer.

(4) Intellectual Property and Know-how

We conduct transactions based on the "Basic Philosophy" set out in the Guidelines Relating to Intellectual Property and the model contracts, and do not require the execution of unilateral non-disclosure agreements, disclosure of know-how acquired by virtue of business dealings or free transfers of intellectual property, or similar dealings.

(5) Negative Effects Resulting from Work Style Reforms

We do not make orders with short delivery times or rushed changes to specifications except with fair appropriate costs so that suppliers may also adapt to work style reforms. During emergencies and similar circumstances, we avoid imposing unilateral burdens on subcontractors in our dealings, and take care in continuing business relationships when resuming business as far as possible.

3. Other (Voluntary Statement)

In alignment with our Corporate Motto, the Amano Code of Conduct, and the Amano Group Basic Procurement Policy, we regard our business partners as important partners who will grow and develop with us, and we aim to build positive business relationships with them, achieving coexistence and co-prosperity and mutual development with the companies.

A handwritten signature in black ink, reading 'M. Yamazaki'.

Manabu YAMAZAKI
President & Representative Director
Enacted: August 8, 2024
Revised: November 1, 2024

Goals and Activity Results

○...Goal achieved △...Goal not achieved

| FY2023 Goals | FY2023 Activity Results | Self-assessment | FY2022 Activity Results |
|--|--|-----------------|--|
| [Initiatives to Reduce Environmental Impact] | | | |
| Reduce CO ₂ emissions by 46% in FY2030 compared to the FY2013 standard | 38.2% reduction | ○ | 35.7% reduction |
| Reduce energy consumption per unit by 1% from the previous fiscal year | 10.5% reduction | ○ | 5.1% reduction |
| Corporate vehicle fuel (gasoline and light fuel) :Reduce from the previous fiscal year | 4.4% reduction | ○ | 1.4% reduction |
| Paper usage : No increase from the previous fiscal year | 7.1% reduction | ○ | 8.4% reduction |
| Water consumption : Reduce from the previous fiscal year | 6.9% reduction | ○ | 10.1% reduction |
| Conducted statutory environmental measurements (no violation of regulatory limits) -Air emission assessment (Air Pollution Control Law, prefectural ordinance) -Odor assessment (Odor Control Law) -Water quality assessment (Water Pollution Control Law, prefectural ordinance) -Noise/ vibration assessment (prefectural ordinance) | Conducted statutory environmental measurements (no violation of regulatory limits) | ○ | Conducted statutory environmental measurements (no violation of regulatory limits) |
| [Initiatives to Reduce Waste] | | | |
| Reduce total waste emissions intensity by 1% from the previous fiscal year (New target) | Head Office : 18.0% increase Factory : 14.8% reduction | △ | — |
| Total amount of waste plastic output : Reduce from the previous fiscal year | 11.6% reduction | ○ | 1.5% reduction |
| Waste plastic recycling rate : Improve from the previous fiscal year | 2.0% decline | △ | 2.1% improvement |
| [Promotion of green purchases and green procurement] | | | |
| Green purchasing of office supplies : Continue to promote | 50.3% | ○ | 45.7% |
| [Management of chemicals] | | | |
| Amount of PRTR-designated chemicals handled : Reduce from the previous fiscal year | 9.2% reduction | ○ | 29.9% reduction |
| [Relationship with Employees] | | | |
| Increase the proportion of female workers to 16% | 16.9% | ○ | 16.4% |
| Achieve male childcare rate to 50% by men by March 2026 | 40% | — | 20% |
| Increase female managers ratio to 5% by March 2026 | 2.7% | — | 1.9% |
| Increase manager ratio among female employees to 10% by March | 3.6% | — | 2.4% |
| Maintain the employment rate of people with disabilities above the statutory employment rate | 2.63% | ○ | 2.66% |



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