

# Directors and Audit and Supervisory Committee Members As of June 26, 2025

## Directors



### Isao Tsukamoto

Representative Director,  
Founder & CEO

- 1968 Founded KAGA ELECTRONICS CO., LTD. (private management)
- 1968 Established KAGA ELECTRONICS CO., LTD., President
- 2007 Founder & CEO
- 2022 Representative Director, Chairman Founder & CEO
- 2023 Representative Director, Founder & CEO

Significant positions concurrently held

- 2021 Outside Board Director, ITbook Co., Ltd. (Currently SAAF Holdings Co., Ltd.) (to present)
- 2024 Outside Board Director, Solekia Limited (to present)



### Ryoichi Kado

Representative Director,  
President & COO

- 1980 Joined KAGA ELECTRONICS CO., LTD.
- 1991 General Manager of Sales Department, Sales Headquarters
- 1995 General Manager of East Japan Sales Department, High Tech Business Division
- 1995 Director
- 2002 Managing Director
- 2005 Senior Managing Director, Chief of Specific Industry Sales Headquarters
- 2012 Vice President
- 2014 President & COO
- 2022 Representative Director, President & COO
- 2023 Representative Director, President & COO



### Takeshi Tsukamoto

Director, Senior Executive Officer

- 1987 Joined KAGA ELECTRONICS CO., LTD.
- 2005 Representative Director, President of KAGA (H.K.) ELECTRONICS LIMITED
- 2010 General Manager of EMS Sales Department, Overseas Business Division
- 2012 Managing Director of KAGA HIGHTECH CO., LTD.
- 2015 General Manager of Corporate Strategy Office
- 2016 Executive Officer, General Manager of Corporate Strategy Office
- 2019 Executive Officer, Director and Senior Managing Executive Officer of Fujitsu Electronics Inc. (currently KAGA FEI Co., Ltd.)
- 2023 Senior Executive Officer, Representative Director, President of KAGA FEI Co., Ltd.
- 2025 Director, Senior Executive Officer, Representative Director, President of KAGA FEI Co., Ltd.



### Yasuhiro Ishihara

Director, Senior Executive Officer

- 1987 Joined KAGA ELECTRONICS CO., LTD.
- 2012 General Manager, Finance Department, Administration Headquarters
- 2012 Director of KAGA HIGHTECH CO., LTD.
- 2015 General Manager, Finance Department, Administration Headquarters
- 2018 Executive Officer, General Manager of Finance Department, Administration Headquarters
- 2019 Executive Officer, Director and Managing Executive Officer of Fujitsu Electronics Inc. (currently KAGA FEI Co., Ltd.)
- 2021 Executive Officer, General Manager of Finance Department, Deputy Head of Administration Headquarters
- 2022 Executive Officer, Deputy Head of Administration Headquarters
- 2023 Senior Executive Officer, Head of Administration Headquarters
- 2025 Director, Senior Executive Officer, Head of Administration Headquarters



### Hitoshi Koujitani

Director, Senior Executive Officer

- 1992 Joined KAGA ELECTRONICS CO., LTD. (currently Toyota Motor Corporation)
- 2012 General Manager of Special Sales Department No.4, Special Sales Division
- 2013 General Manager of Special Sales Department No.2, Special Sales Division
- 2019 General Manager of Corporate Strategy Office
- 2020 Executive Officer, General Manager of Corporate Strategy Office
- 2024 Executive Officer, General Manager of Corporate Strategy Office, General Manager of Sales Strategy Office
- 2025 Executive Officer, General Manager of Corporate Strategy Office
- 2025 Director, Executive Officer General Manager of Corporate Strategy Office



### Susumu Miyoshi

Outside Director

- 1963 Joined Toyota Motor Co., Ltd. (currently Toyota Motor Corporation)
- 2001 Executive Vice President and Representative Director
- 2002 President of Osaka Toyopet Co., Ltd. (currently Osaka Toyota Motor Co., Ltd.)
- 2005 Advisor to Toyota Motor Corporation Chairman of Osaka Toyopet Co., Ltd.
- 2015 Outside Director of the Company



### Noritomo Hashimoto

Outside Director

- 1977 Joined Mitsubishi Electric Corporation Director, Chairman of the Nomination Committee, Chairman of the Compensation Committee, Executive Officer, in charge of General Affairs, Human Resources and Public Relations
- 2012 Director, Member of the Nomination Committee, Senior Vice President, in charge of Corporate Strategic Planning and Operations of Associated Companies
- 2016 Director
- 2016 Advisor
- 2019 Outside Director of the Company

Significant positions concurrently held

- 2021 Outside Director of Ibokin Corp. (to present)
- 2024 Outside Director of Susumu Holdings Corporation (to present)
- 2024 Outside Director of Susumu Co., Ltd. (to present)



### Mamoru Yoshida

Outside Director

- 1979 Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Holdings Corporation)
- 2012 Managing Executive Officer, Panasonic Corporation, President, AVC Networks Company
- 2013 Managing Director, in charge of Technology, Intellectual Property, and Information Systems, Panasonic Corporation
- 2015 Managing Director, Senior Vice President of Appliances Company, President of Air-Conditioner Company, in charge of TV Business, Panasonic Corporation
- 2016 Senior Audit & Supervisory Board Member, Panasonic Corporation
- 2024 Outside Director of the Company

Significant positions concurrently held

- 2022 Outside Director, Nuoton Technology Corporation Japan (to present)

Directors and Audit and Supervisory Committee Members As of June 26, 2025

Directors, Audit and Supervisory Committee Members



**Eiji Kawamura**

Director, Audit and Supervisory Committee Member (full-time)

- 1979 Joined KAGA ELECTRONICS CO., LTD.
- 1985 President of TAXAN (UK) LTD.
- 1993 General Manager of Overseas Sales Department, Sales Headquarters No. 2
- 2005 Executive Officer, General Manager of Accounting Division and General Manager of Information Systems Department
- 2012 Executive Officer Chief of Administration Headquarters
- 2012 Director, Chief of Administration Headquarters and General Manager of Accounting Division
- 2015 Managing Director, Head of Administration Headquarters
- 2022 Director, Managing Executive Officer Head of Administration Headquarters
- 2023 Auditor (full-time)
- 2025 Director, Audit and Supervisory Committee Member (full-time)



**Susumu Kitsunai**

Outside Director, Audit and Supervisory Committee Member

- 1997 Joined Tokyo Office of Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)
  - 2001 Registered as Certified Public Accountant
  - 2002 Opened Kitsunai Certified Public Accountant Office as Representative (to present)
  - 2004 Established Asia Alliance Partner Co., Ltd. as Representative Director (to present)
  - 2018 Auditor of KAGA ELECTRONICS CO., LTD.
  - 2025 Outside Director of KAGA ELECTRONICS CO., LTD. (Audit and Supervisory Committee Member)
- Significant positions concurrently held
- 2002 Representative of Kitsunai Certified Public Accountant Office (to present)
  - 2004 Representative Director of Asia Alliance Partner Co., Ltd. (to present)
  - 2022 Outside Director of Agent Insurance Group, Inc. (to present)



**Yoichi Sato**

Outside Director, Audit and Supervisory Committee Member

- 1977 Assistant Judge at Tokyo District Court
  - 1989 Judge at Tokyo District Court
  - 1996 Judge at Tokyo High Court
  - 2016 Admitted to the bar, Joined Alpha Partners Law Offices (to present)
  - 2018 Auditor of KAGA ELECTRONICS CO., LTD.
  - 2025 Outside Director of KAGA ELECTRONICS CO., LTD. (Audit and Supervisory Committee Member)
- Significant positions concurrently held
- 2016 Lawyer of Alpha Partners Law Offices (Of-Counsel) (to present)
  - 2021 Auditor of Bouygues Asia K.K. (to present)



**Kyoko Oyanagi**

Outside Director, Audit and Supervisory Committee Member

- 2002 Joined Sanken Outsourcing K.K.
  - 2004 Joined Sugata Labor Management Office (currently Sakura Management Office)
  - 2005 Registered as a labor and social security attorney
  - 2006 Executive Director, Tokyo Labor Improvement Promotion Association (Labor insurance affairs association)
  - 2016 Representative of Social Insurance and Labor Advisors Corporation, Sakura Management Office (to present)
  - 2023 Auditor of KAGA ELECTRONICS CO., LTD.
  - 2025 Outside Director of KAGA ELECTRONICS CO., LTD. (Audit and Supervisory Committee Member)
- Significant positions concurrently held
- 2016 Representative of Social Insurance and Labor Advisors Corporation, Sakura Management Office (to present)
  - 2020 Chairperson, Tokyo Labor Improvement Promotion Association (Labor insurance affairs association) (to present)

Executive Officers

Founder & CEO	<b>Isao Tsukamoto</b>	
President & COO	<b>Ryoichi Kado</b>	
Managing Executive Officers	<b>Motonori Toshinari</b>	
	<b>Mitsuhiro Nohara</b>	
Senior Executive Officers	<b>Mitsuhiro Ikeda</b>	President of EXCEL CO., LTD.
	<b>Takeshi Tsukamoto</b>	Representative Director, President of KAGA FEI Co., Ltd.
	<b>Yasuhiro Ishihara</b>	Head of Administration Headquarters
	<b>Hitoshi Koujitani</b>	General Manager of Corporate Strategy Office

Executive Officers	<b>Shoji Seki</b>	Senior Managing Director of KAGA SOLUTION NETWORK CO., LTD.
	<b>Hiroki Suzuki</b>	President of Digital Media Lab., Inc.
	<b>Hiroaki Maruyama</b>	Director, Managing Executive Officer of KAGA FEI Co., Ltd.
	<b>Hironaga Nagasaka</b>	Director, Managing Executive Officer of EXCEL CO., LTD.
	<b>Takahiro Urazawa</b>	Representative Director, President of KAGA SPORTS CO., LTD.
	<b>Katsutoshi Suzuki</b>	Representative Director, President of KAGA DEVICES CO., LTD.
	<b>Satoshi Eguchi</b>	Representative Director, President of KAGA MICRO SOLUTION CO., LTD.
	<b>Mitsuhiro Kumabe</b>	Representative Director, President of KAGA SOLUTION NETWORK CO., LTD.
	<b>Kenji Shimazaki</b>	Managing Director of KAGA SOLUTION NETWORK CO., LTD.
	<b>Zhen Zhou Zhu</b>	Division Director of EMS Business Division and President of KAGA (SHANGHAI) ELECTRONICS CO., LTD.
<b>Norio Takekuma</b>	Supervisor of ASEAN Headquarters and Chairperson of KAGA ELECTRONICS (THAILAND) CO., LTD.	
<b>Takayuki Tsurumi</b>	Supervisor for Europe and the Americas President of TAXAN MEXICO S.A. DE C.V.	

## Greetings from the Newly Appointed Directors: Renewed Commitment



**Fostering the further growth of the Kaga Electronics Group's largest company and contributing to the Group's expansion**

**Takeshi Tsukamoto**  
Director, Senior Executive Officer

As a Senior Executive Officer, I have had the privilege of attending the Management Meeting and other such gatherings, in the process gaining a better understanding of the Group's overall direction and developing a sense of the path it should be taking. Upon becoming a director, however, I feel the weight of that responsibility has grown significantly.

Furthermore, I intend to stay in my role as President of KAGA FEI, which boasts the highest sales and profits among the Group's companies. In said capacity, I will work to ensure continued solid operations while spearheading the overseas business and will strive to further enhance KAGA FEI's value within the Group. Possessing the technical skills to handle design and development, and leveraging the Company's strength in conducting business directly with regional overseas customers, I aim to build a foundation for the Group's further expansion.

I hope to enhance our value by meeting the expectations of our customers who believe that joining the Kaga Electronics Group means expanding sales channels while allowing them to feel free to ask for help whenever they are in trouble.

Going forward, now that I will be in a position to oversee the entire Group as a director, I intend to proactively share my opinions so that I can contribute to the Group's overall expansion.



**Leveraging the expertise cultivated through the Group's future expansion**

**Yasuhiro Ishihara**  
Director, Senior Executive Officer

Having worked in the fields of accounting and finance since my twenties, I consider my expertise in these areas to be my greatest asset. I see my role as analyzing management metrics and translating them into actionable insights for future management, so as to ensure that frontline salespeople understand these key indicators.

Throughout my thirties, I was tasked with managing business divisions and subsidiaries, among which was the information equipment business, where I gained experience in business improvements and reforms using IT. I feel that this particular experience and the attendant skillset I developed can be leveraged for the good of the Group.

To date, I've been seconded to subsidiaries four times. Three of those assignments involved launching new businesses or managing subsidiaries that had recently joined the Group. I devoted much of my effort to their integration, helping them adopt more efficient management to ensure their ability to contribute to the Group. The final of the four assignments focused on bringing a subsidiary stuck in the red back into the black.

Going forward, I intend to leverage the expertise I have cultivated to support post-merger integration (PMI) during future Group expansion through M&As, as well as to revitalize organizations and enhance management efficiency.



**Remaining grateful for every day and staying humble**

**Hitoshi Koujitani**  
Director, Senior Executive Officer

Despite being appointed as a director, I don't consider myself to possess any advanced skills. I believe I'm still inexperienced in many areas and need to rely on the support of others.

Moving forward, my ability to respect and leverage my network of connections, both within and outside the Company, will be put to the test. My mission as a director is to absorb the diverse insights of various people regardless of their connection with the Company and adequately convey this information to our employees.

Making sure to thank those around me when things go well and reflecting on and taking responsibility for my mistakes to ensure they aren't repeated—these are aspects of humanity that I intend to uphold, remaining grateful for every day and staying humble, no matter what.

I also feel that in the face of differing opinions or issues that must be corrected, it is my duty as a director to stand firm and express my thoughts on the matter at hand.



## Corporate Governance

### Outside officers

The Company has appointed six outside directors, three of whom serve as Audit and Supervisory Committee members. Based on the Tokyo Stock Exchange standards on independence, we appoint outside officers who do not have any special interests in the Company and who have extensive experience and broad powers of judgment in corporate management. The directors who serve as Audit and Supervisory Committee members are also required to have highly specialized knowledge and maintain independence from management executives.

The Company has established a staff office for the Board of Directors that distributes materials related to matters for deliberation by the Board to all officers, including outside officers, ahead of each meeting day. The staff office provides supplementary explanations to the outside officers when needed to ensure that adequate information is imparted in advance. This helps support lively debate at Board of Directors meetings. By the end of each fiscal year, the staff office sets the schedule for the regular Board of Directors meetings for the following fiscal year and notifies all officers, including outside officers, of this schedule in order to improve attendance.

### Attendance at Board of Directors Meetings for the fiscal year ended March 31, 2025

Name	Position and assignment at the Company (As of March 31, 2025)	Status of attendance at Board of Directors meetings		Committee membership		
		Attendance (times)	Attendance rate (%)	Nomination and Compensation Committee	Sustainability Committee	Board of Auditors
<b>Isao Tsukamoto</b>	Representative Director, Founder & CEO	17/17	100.0	● 6/6 (100%) <sup>*3</sup>	—	—
<b>Ryoichi Kado</b>	Representative Director, President & COO	17/17	100.0	● 6/6 (100%) <sup>*3</sup>	● 2/2 (100%) <sup>*3</sup>	—
<b>Shintaro Kakei*1</b>	Director, Senior Managing Executive Officer	17/17	100.0	—	● 2/2 (100%) <sup>*3</sup>	—
<b>Susumu Miyoshi</b>	<span style="background-color: #00a0e3; color: white; padding: 2px;">Outside</span> <span style="background-color: #808080; color: white; padding: 2px;">Independent</span> Outside Director	17/17	100.0	● 6/6 (100%) <sup>*3</sup>	—	—
<b>Noritomo Hashimoto</b>	<span style="background-color: #00a0e3; color: white; padding: 2px;">Outside</span> <span style="background-color: #808080; color: white; padding: 2px;">Independent</span> Outside Director	17/17	100.0	● 6/6 (100%) <sup>*3</sup>	—	—
<b>Mamoru Yoshida*2</b>	<span style="background-color: #00a0e3; color: white; padding: 2px;">Outside</span> <span style="background-color: #808080; color: white; padding: 2px;">Independent</span> Outside Director	13/13	100.0	● 6/6 (100%) <sup>*3</sup>	—	—
<b>Eiji Kawamura</b>	Full-time Auditor	17/17	100.0	—	—	● 16/16 (100%) <sup>*3</sup>
<b>Susumu Kitsunai</b>	<span style="background-color: #00a0e3; color: white; padding: 2px;">Outside</span> <span style="background-color: #808080; color: white; padding: 2px;">Independent</span> Outside Auditor	17/17	100.0	—	—	● 15/16 ( 94%) <sup>*3</sup>
<b>Yoichi Sato</b>	<span style="background-color: #00a0e3; color: white; padding: 2px;">Outside</span> <span style="background-color: #808080; color: white; padding: 2px;">Independent</span> Outside Auditor	17/17	100.0	—	—	● 16/16 (100%) <sup>*3</sup>
<b>Kyoko Oyanagi</b>	<span style="background-color: #00a0e3; color: white; padding: 2px;">Outside</span> <span style="background-color: #808080; color: white; padding: 2px;">Independent</span> Outside Auditor	17/17	100.0	—	—	● 16/16 (100%) <sup>*3</sup>

Outside : Outside directors and outside auditors Independent : Independent directors as defined by the rules of the Tokyo Stock Exchange ● : Committee chair ● : Committee member

\*1 Shintaro Kakei retired from the position of Director and Senior Managing Executive Officer at the conclusion of the 57th General Meeting of Shareholders held on June 26, 2025.

\*2 Mamoru Yoshida attended all 13 board meetings held during the current fiscal year since assuming his position as director on June 26, 2024.

\*3 Number of committee meetings attended (attendance rate)

## Corporate Governance

### Areas of specialty of Directors for the fiscal year ended March 31, 2026

Name	Corporate management	Global business	Sales and marketing	Law, risk management, and compliance	Finance and accounting	Personnel management and human resource development	Technology and manufacturing	IT and digital technology
<b>Isao Tsukamoto</b>	●	●	●		●			
<b>Ryoichi Kado</b>	●	●	●			●		
<b>Takeshi Tsukamoto</b>	●	●	●				●	
<b>Yasuhiro Ishihara</b>				●	●	●		●
<b>Hitoshi Koujitani</b>	●		●					●
<b>Susumu Miyoshi</b> Outside Independent	●		●	●	●			
<b>Noritomo Hashimoto</b> Outside Independent	●			●		●	●	
<b>Mamoru Yoshida</b> Outside Independent	●	●					●	●
<b>Eiji Kawamura</b>		●			●	●		●
<b>Susumu Kitsunai</b> Outside Independent	●	●			●			
<b>Yoichi Sato</b> Outside Independent				●		●		
<b>Kyoko Oyanagi</b> Outside Independent	●			●		●		

\*1 Up to four skill categories are presented per individual in line with the Company's expectations regarding their contributions in their respective areas of specialty. The above matrix does not fully describe the expertise possessed by each individual.

\*2 Upon resolution at the 57th General Meeting of Shareholders held on June 26, 2025, the Company transitioned to a Company with an Audit and Supervisory Committee.

### Remuneration system for officers

The Company's basic policy regarding remuneration for its directors is to structure a remuneration system that is linked with shareholder interests and that robustly incentivizes these individuals to strive for ongoing improvement in corporate value, with the aim of securing and retaining excellent human resources capable of practicing and realizing its corporate philosophy. To this end, the Company strives to set remuneration for each director at a level commensurate with their assigned responsibilities. Specifically, remuneration for executive directors comprises basic fixed remuneration, performance-linked remuneration, and share-based remuneration. Remuneration for outside directors and directors serving as Audit and Supervisory Committee members, who are tasked solely with exercising supervisory functions, consists only of basic remuneration due to the nature of their duties.

The Company has also made it a rule to ensure that procedures for determining remuneration for directors are rational, objective, and transparent as is the content of such remuneration itself.

### Total amount of remuneration for the year ended March 31, 2025

	Total remuneration, etc. (millions of yen)	Number of recipients
Directors (Of which, outside directors)	707 (28)	6 (3)
Auditors (Of which, outside auditors)	36 (15)	4 (3)

## Corporate Governance

### Evaluating the effectiveness of the Board of Directors

Outside directors with ample management experience and international perspectives engage in lively discussions at each meeting of the Board of Directors, asking questions and offering advice from a variety of perspectives regarding the execution of executive officers' duties. They also endeavor to obtain necessary information on important legal amendments and trends in corporate governance as appropriate. In addition, each director is subject to mutual checks and balances, principally through the free and vigorous exchange of opinions among the members.

Furthermore, once a year, all directors are asked to participate in a self-assessment survey on the effectiveness of the Board of Directors (i.e., its composition, operation, functions, provision of information to outside directors, governance structure, etc.). The results are then analyzed and evaluated.

The results of fiscal 2024's evaluation indicate that the effectiveness of the Board of Directors as a whole has been maintained at an appropriate level.

### Main agenda items at Board meetings

In fiscal 2024, the Board of Directors has specifically deliberated on the following matters in accordance with the Board of Directors Rules: statutory items; the approval of budgets and the settlement of accounts; the determination of management policies, strategies, and plans; M&A projects; a review of the executive structure; and matters related to the transition to a Company with an Audit and Supervisory Committee. Also, this committee receives reports from each business division on the status of activities and medium- and long-term plans.

#### Major deliberations by the Board of Directors in FY2024

Corporate Strategy Sustainability Governance	Medium-Term Management Plans	Report on the progress and results of Medium-Term Management Plan 2024 and the formulation of Medium-Term Management Plan 2027
	Sustainability	Activity reports from the Sustainability Committee and its various subcommittees and revision of the Environmental Policy
	Directors and Officers	Personnel changes involving directors and auditors (including at Group companies), compensation, liability limitation agreement with outside auditors, Directors and Officers Liability Insurance
	Governance	The transition to a Company with an Audit and Supervisory Committee and board effectiveness assessments
	Human Resources	Performance-linked bonuses and penalties, a report on the results of the engagement survey, revisions to the retirement benefit system and the qualification age limit system, the promotion of senior (older) employees, a revision of overseas allowances and rewards, and punishments
	Systems and DX	Response to generative AI and cyberattack countermeasures
Audit & Internal Control Risk Management, Finance & Accounting Compliance	Audits	The internal audit annual activity report, the internal audit plan, and external audit fees
	Internal Control	The effectiveness of judgment in internal control, internal control report
	Risk Management	Violations of laws, reporting of impropriety, credit management
	Finance & Accounting	Matters related to financial statements, budgets, borrowing limits, dividends of surplus, financial investment, cash flow, stock splits
	Compliance	Revised statement of authority, the establishment of a committee investigating improper conduct
	Litigation and Arbitration	Litigation expenses

## Internal Control / Compliance

### Basic approach to internal control systems

The Kaga Electronics Group is aware that enhancing corporate governance is an important management issue. Our fundamental policy is ensuring compliance with corporate ethics and laws and regulations and reinforcing internal control systems while maintaining the soundness, efficiency and transparency of management and raising corporate value.

Accordingly, the Company has established Rules on Officers for directors and Board of Directors Rules for the Board as a whole. These rules ensure the proper execution of duties, and directors mutually supervise the status of business execution via regular and extraordinary meetings of the Board of Directors. The Company has also established Organization Rules, Rules on the Allocation of Work Duties, Rules on Work Authority, and Rules on Internal Approval to clarify the scope of authority of each director and ensure that their mutual supervision is effective. Also, the Company maintains an Audit and Supervisory Committee, and each committee member, including outside directors serving as Audit and Supervisory Committee members, conducts detailed audits of the execution of duties by directors.

In addition, the Company has formulated the Basic Compliance Rules, which serve as a code of conduct to ensure compliance with laws and regulations and the Articles of Incorporation as a means of enabling the proper execution of duties by employees of the Company and Group companies. The Company's Compliance Committee, set up under the umbrella of the Sustainability Committee, enforces these rules. In this way, the Company has secured a structure to ensure the appropriate execution of business throughout the Group.

Moreover, the Audit Office, operating under the direct authority of the Representative Director, President & COO, works in collaboration with such departments as the Administration Headquarters to monitor the status of compliance with laws and regulations, the Articles of Incorporation, and other internal rules. Furthermore, the Company has established

an internal reporting (whistleblowing) system that enables Company or Group employees to directly and anonymously report conduct in violation of laws and regulations or the Articles of Incorporation to the Representative Director, Founder & CEO, Representative Director, President & COO, Audit and Supervisory Committee members, the Sustainability Committee, or the Sexual Harassment Investigation and Countermeasures Committee.

### Risk management system

Potential risks that the Group faces include those related to economic conditions, exchange rate fluctuations, geographical location, purchases, in-house products, legal regulation, markets, major litigation, personal information, M&A, trade compliance, indemnification, human resources and labor affairs, group governance, and cybersecurity. As part of efforts to create the needed appropriate systems to manage every risk the Group may face, the Company has tasked designated divisions with handling specific risks while appointing risk control officers and managers tasked with spearheading risk countermeasures undertaken by such division.

Should any of the above risks occur, the respective departments will immediately take necessary and appropriate measures to minimize the incurrence of damage under the direction and supervision of the risk control officers and managers.

In addition, by establishing the Risk Management Committee as a direct subordinate body of the Sustainability Committee, we have put in place a system for taking prompt and appropriate action to address foreseeable risks in the Group.

### Ensuring appropriate operations at Group companies

The Company has established the Rules on the Management of Group Companies to ensure appropriate business operations at group companies and executes controls based on these

rules. In addition, it is required that any coordination among Group companies as well as any actions taken on important matters are discussed by the Company's Management Meeting and Board of Directors before decisions are made.

The Audit Office conducts audits in collaboration with the Administration Headquarters and other business units to ensure that business activities undertaken by Group companies meet unified standards and to confirm the appropriateness and compliance of their operations with laws and regulations as well as the Articles of Incorporation. The Office also provides guidance for improvements in business activities.

Furthermore, Group companies submit the minutes from all Board of Directors meetings to the Company and make monthly reports on business activities, the status of budget implementation, and important matters relating to ensuring the appropriateness of business activities.

### Efforts toward the elimination of antisocial forces

The basic position of the Kaga Electronics Group is to maintain no relationships whatsoever with antisocial forces that threaten social order and safety and to remain resolute in its refusal of all improper demands from antisocial forces as set forth in its Fundamental Compliance Rules and Employment Rules.

In cases where the Company is subject to improper demands from antisocial forces, the General Affairs Department and Sustainability Committee work together, acting in collaboration with crisis management advisors and corporate attorneys on an as necessary basis to ensure proper and organized responses to such incidents. The Company also holds regular discussions with its corporate attorneys, meets with police departments and other external specialized organizations, and participates in training and other activities to gather relevant information on antisocial forces.

# HUMAN RESOURCES

Human Capital-Related Initiatives

## Building a Better Company and Organization by Clarifying the Gap between Our Present and Our Desired Future

Ken Ishizaki  
General Manager, Administration Headquarters Personnel Department



### Conducting Our First Employee Engagement Survey

In October 2024, the Company conducted its first employee engagement survey, believing that investment in human capital and engagement surveys are inextricably linked. An online survey was administered to 792 employees of Kaga Electronics, yielding an 86.2% response rate. According to a comparison with a benchmark company employee database, the results placed us among the top 15% to 30% with a standard deviation score of 55.8.

The survey comprised 11 categories: one through five dealt with employee job satisfaction, six measured trust in management, seven addressed the reliability and stability of management and the Personnel Department, and eight through eleven concerned the Company's fundamental stance on the environment and SDGs.

Among the items covered, our employee benefits are especially well-received, ranking in the top 10% of the deviation index, those covered by the average (standard) questions, happiness at work, employee autonomy, management dependability, satisfaction with human resource and labor practices, our work environment, and diversity are ranked within the top 10% to 30%. Our scores in

such areas as self-efficacy, customer approach, human resource development, our organizational culture, and regional and social contributions show potential for future improvement.

These results indicate that the Company's widespread adoption of KAGA-ism has resulted in a large number of employees capable of taking the initiative. In terms of employee compensation, 12 consecutive years of the Company upholding a policy of distributing year-end bonuses based on the principle of "sharing the wealth" has boosted satisfaction. In addition, the Company offers comprehensive welfare benefits, including club activity support, Company-owned recreational facilities, and cruisers. Furthermore, we provide a variety of training programs and diverse leave systems to foster a comfortable working environment and are making concerted ongoing efforts to enhance working conditions for women—efforts that are well-received.

In terms of work environment, our promotion of work-style reforms that make it easier to take vacations and leave work on time have been highly rated, indicating that the reforms we have been advancing are becoming deeply ingrained within the Company. Furthermore, we believe that openly sharing company information, including financial results, with employees has fostered

### Employee Engagement Survey Results Summary

No.	Category	Deviation score	DI*
	Average (Standard questions)	55.8	57.4
	Happiness at work	57.2	53.8
1	Self-efficacy	52.2	51.4
2	Employee autonomy	59.8	73.9
3	Customer approach	52.1	61.1
4	Human resource development	52.2	32.1
5	Organizational culture	54.7	64.0
6	Management dependability	56.7	67.6
7	Satisfaction with HR and labor practices	57.1	45.5
8	Employee benefits	62.9	73.1
9	Work environment	59.7	66.1
10	Diversity	56.5	46.9
11	Regional and social contribution	47.5	23.9

\* Deviation index: Response value calculated by subtracting negative responses from positive responses. In addition to deviation scores, we utilize numerical data for each question to extract insights for future Company strategies.

Items ranking within the top 10% of deviation scores (Excellent figures)

Employee benefits

Items ranking within the top 10%-30% of deviation scores (Positive figures)

Average (Standard questions) / Happiness at work / Employee autonomy / Management dependability / Satisfaction with HR and labor practices / Work environment / Diversity

Items ranking within the top 30%-70% of deviation scores (Not bad, but room for improvement)

Self-efficacy / Customer approach / Human resource development / Organizational culture / Regional and social contribution

greater trust in management.

On the other hand, when looking at self-efficacy, because trading companies do not have products of their own, they face challenges in fostering a corporate culture and organizational structure that provides a sense of meaning and boosts pride in one's work. Furthermore, as diversity is also highly valued, improvements are needed to create an environment in which women can play an even greater role, such as by establishing more female role models. The low level of trust in the internal reporting system and the fact that many employees feel the company does not provide an environment in which they can easily discuss harassment issues are also points that management must take to heart. As for our regional and social contributions, we will ensure thorough internal communication about our ongoing initiatives and consider introducing systems to support individual employees' regional and social contribution activities.

Feedback on each business division's results will be provided to their respective division heads, who will then take appropriate action.

We will continue to conduct engagement surveys on an annual basis, with the results being reflected in management and human resource decisions.

### Human Capital-Related Issues

Our human resource development program is characterized by generous support for up-and-coming employees. We provide both annual training and rank-based training, with annual training sessions available through the fifth year of employment and tailored to each year of service or specific roles. From year six or seven, members begin to transition into leadership roles. For them, rank-based training such as Leader Training is offered. Subsequently, as employees advance to supervisory and managerial positions, the focus increasingly shifts to merit-based promotion, leading to greater variation in the pace of advancement.

The main issue here is the turnover ratio for employees with less than three years with the Company. As it takes about three years to acquire product knowledge and build strong relationships with clients in trading company roles, and given the extensive training provided, turnover at this stage poses a significant risk and resignations at this stage constitute a significant loss for the Company. Therefore, we need to focus on management practices that standardize work methods and level out workloads, aiming to shorten the time required to become fully competent by about one year.

At the same time, issues also exist in terms of developing

management personnel. As the way younger employees approach work has changed significantly and job-hopping has become commonplace, traditional management styles and perspectives based solely on the experience of individuals in leadership positions are no longer sufficient to inspire lasting loyalty or foster rapid development. We believe the quality and frequency of manager training programs should be reevaluated. Furthermore, to cultivate the human resources needed to lead Kaga Electronics into the future, for several years we have been considering establishing personnel categories such as "Next-Generation Management" and "Future Core Personnel" in an effort to stock talent pools. While we have yet to implement this, we are determined to move forward with strong resolve.

Moreover, in consideration of our future shift toward overseas business, we need to facilitate the mobility of talented human resources, not only at Kaga Electronics itself but also across the entire Group. As a first step, we have begun the task of organizing and mapping the skills of technical positions within Kaga Electronics. While the introduction of SAP has advanced the standardization of work and the leveling of operational balance, primarily in sales management, moving forward we will proceed with also building a system that enables information sharing in the area of human resources.

### Top 15 Responses by DI

Category	No.	Question	DI	Deviation score
Employee autonomy	11	I am familiar with the Company's management philosophy (Vision, Kaga-ism, etc.)	92.4	58.4
Management dependability	39	The Company discloses its financial results to employees	91.2	61.6
Management dependability	47	The Company values its customers	89.5	55.9
Employee benefits	56	I am provided regular opportunities for training (workshops, e-learning, etc.)	85.5	61.6
Employee autonomy	13	I am aware of the performance of the Company and my department (sales, profits, costs, etc.)	84.6	59.0
Organizational culture	35	Employees greet each other properly in the workplace	82.4	55.8
Customer approach	22	Employees are courteous when receiving visitors and properly greet and see off customers	82.4	54.9
Employee autonomy	15	I often support other employees	80.4	69.2
Organizational culture	34	I trust my coworkers and colleagues	79.8	53.0
Work environment	64	It is easy to take paid leave or compensatory time off	79.4	65.1
Employee benefits	57	The Company pays attention to the comfort of the work environment and internal welfare facilities (break rooms, restrooms, etc.)	79.2	65.2
Employee autonomy	14	I proactively think and act towards the organization's goals	78.8	65.5
Happiness at work	1	Are you happy working at this company? Please rate on a scale of 100 points	78.3	59.0
Customer approach	26	The Company responds sincerely to customer complaints	78.2	52.1
Management dependability	40	I trust the management	77.6	57.2

### Bottom 15 Responses by DI

Category	No.	Question	DI	Deviation score
Regional and social contribution	74	I actively participate in regional and social contribution activities	-25.0	40.8
Additional questions	79	I am aware of women within the Company who serve as role models for the advancement of women	1.9	-
Human resource development	28	I feel that training for new employees and mid-career hires is thorough	5.0	45.9
Additional questions	85	I believe there is an organizational culture that supports the advancement of women throughout the Company	5.1	-
Additional questions	89	I have confidence in the whistleblowing system (suggestion boxes, compliance and harassment consultation boxes)	8.6	-
Additional questions	84	I believe this is a company in which women can thrive	8.9	-
Additional questions	81	I feel management expects women to thrive	11.9	-
Regional and social contribution	73	I believe the Company actively engages in activities contributing to the community and society	15.2	41.2
Additional questions	78	The Company promotes employees (e.g., into management roles) based on gender equality	20.2	-
Additional questions	87	The Company provides an environment where it is easy to report harassment	20.2	-
Satisfaction with HR and labor practices	53	I am satisfied with the content of the performance evaluation and compensation systems	24.5	55.7
Diversity	70	I believe the Company is working to create an environment in which older employees can work comfortably on a daily basis (e.g., employment conditions, evaluations)	26.1	51.7
Additional questions	86	I aspire to a career as a manager	26.2	-
Human resource development	27	The Company hires human resources who not only possess business skills and abilities but also align with its philosophy and values	29.3	51.6
Customer approach	19	The Company shares customer information effectively, fostering a sense of unity within the organization	29.7	55.1

# Together with Our Employees

The most important management resource for a trading company is undoubtedly its human resources. To drive sustainable growth, we promote the development of human resources and the creation of an environment that enables the execution of our action guideline F.Y.T. (FLEXIBILITY, YOUNG, TRY). This guideline expresses our commitment to remain "Flexible in the face of change, Young at heart, and willing to Try new things."

## Implementing the idea that "everyone is a corporate manager"

### Human resource strategy / Diversity management

The Kaga Electronics Group's approach to human resources can be summarized into a single sentence, "People are our greatest asset." In line with this approach, we have worked to nurture independent, autonomous, and self-motivated individuals with a strong spirit. In the course of human resource management, we remain mindful of what can be done to maximize the value of our human resources and bring out their full potential while encouraging them to exercise their unique strengths as Kaga Electronics Group employees. As our business activities become more global and the market environment is increasingly subject to abrupt change, diversity and a willingness to take on new challenges are essential to driving sustainable growth. For its part, diversity enables us to approach risks as opportunities while the willingness to take on new challenges puts us in a position to take full advantage of these opportunities. Accordingly, the Kaga Electronics Group promotes diversity management with an eye to making effective use of diversity in human resources and work styles. At the same time, applying a perspective that treats each individual as a corporate manager, we respect human resources who persist in taking on challenges. We intend to continue nurturing a corporate culture that encourages taking on challenges and learning from rather than punishing failure.

### Nurturing Global Human Resources Based on the EMS Business

Our EMS Business Division serves as the hub of a training program supported by coordinated domestic and international operations entailing the dispatch of employees to overseas assignments. This program involves providing employees with on-site experience in executing the EMS Business Division's business framework through business trips abroad and their ultimate secondment to overseas operations once they have amassed sufficient experience. In addition, to nurture human resources capable of handling overseas production management, we promote initiatives related to human resource mobility. This includes assigning new recruits for stints at overseas factories once they have gained experience at domestic factories.

### Initiatives to Promote Diversity

In line with its Human Rights Policy, the Group promotes initiatives with such goals as the establishment of safe and comfortable work environments. Also, within this framework, our Medium-to-Long-Term Sustainability Management Plan focuses on advancing diversity and human resource management. Domestically, we are establishing targets and systems for promoting the advancement of women in the workplace as well as appointing women to management positions. Overseas, we are developing systems for appointing local human resources, including women, to leadership roles. We will continue our efforts to foster work environments in which everyone can demonstrate their abilities through flexible work arrangements and enhanced development support.

## Pursuing a comfortable working environment

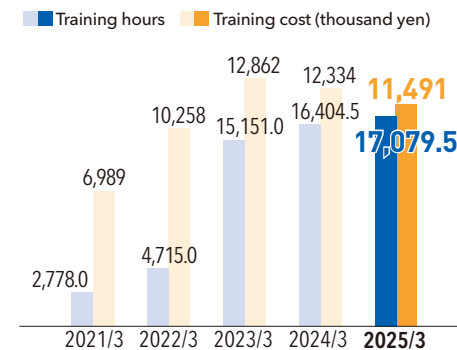
### Employee education, training, and income compensation programs

At the Kaga Electronics Group, we support the career development of employees through training for new recruits, annual training, rank-based training, e-learning, and other forms of education, as well as by providing assistance through correspondence courses.

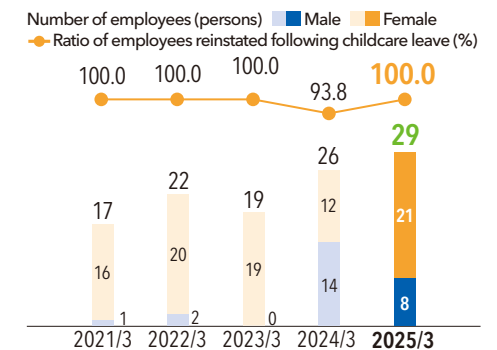
At the core of our training system are in-house position level qualification systems and annual training programs. Under this system, every new employee receives training to qualify as a Group member before advancing to leader, chief, manager, general manager and, ultimately, senior general manager. Our training programs, which differ based on employees' years of service, provide comprehensive support, including post-employment training for new hires, sales mindset training, factory tours (manufacturing training), six-month follow-up training, and basic technical study sessions. Over their second to fifth year, employees undergo training on a yearly basis. Around their sixth year, employees typically reach the "leader" level of positions, making them eligible to participate in such position level-based training programs as leadership training.

In addition, every year, we grant a total of six days of paid "refresh leave," which is separate from annual paid leave, to all employees. We also instituted a sick leave program for those who develop one of three specified types of serious disease (cancer, cerebral stroke, or myocardial infarction) to help them secure their income during their hospitalization and absence from work as well as hourly paid leave. Furthermore, to encourage male employees to utilize childcare leave, we implement various initiatives—including a specialized childcare leave system that was established on April 1, 2023. Through such initiatives, we aim to strike a good work-life balance and thus realize a safer work environment for employees.

### Total training hours / Training cost



### Number of employees who took childcare leave\* / Ratio of employees reinstated following childcare leave



Note: Includes employees who took specialized childcare leave

## Together with Our Employees

### Pursuing a comfortable working environment

#### Initiatives to Promote Health Management

To ensure the physical and mental well-being of our employees and to maintain and improve their health, we proactively pursue health management. In addition to conducting regular health check-ups and stress checks, we have established a consultation system that includes industrial physicians and external counselors to provide support in the prevention of mental health issues. As part of our work-style reform initiatives, we also promote the use of paid leave and are expanding our hourly paid leave system.

Furthermore, we own four domestic recreational facilities and two cruiser boats operating as employee welfare facilities and have secured access to other employee welfare facilities, including domestic and international resorts and contracted golf courses.

We also provide daily health support in the form of physical training rooms within the main headquarters building and its annex. Offering the opportunity to develop exercise habits, these rooms feature the latest AI-assisted exercise machines utilizing electronic tags to deliver optimal training tailored to the physical needs and capabilities of each individual.

We will continue to pursue various health promotion initiatives with an eye to creating an environment in which employees can work with peace of mind, while also empowering them to proactively maintain and improve their health.



Training room established within the Kaga Electronics Head Office Building Annex



Company-owned cruiser boats

#### Recognized as a 2025 Outstanding Organization of KENKO Investment for Health



We believe that it is essential for each and every employee to be healthy both mentally and physically, and to operate as a group of professionals with integrity and high corporate ethics. We also believe that an energetic corporate culture centered on a work environment that allows for smooth communication, job satisfaction, and the health of our employees and their families is extremely important for the Company's sustainable growth and that the

value of our existence can be enhanced by continuing to maintain and improve employee health.

Accordingly, we have implemented various initiatives, including organizing a Health Management Promotion Committee and analyzing employee health checkup results to identify high-risk individuals and develop targeted approaches. For these efforts, we were recognized as a 2025 Outstanding Organization of KENKO Investment for Health (Large Enterprise Category), the third consecutive year of our receiving such recognition.

#### SDGs Contribution Award

Based on its corporate philosophy, "Everything we do is for our customers," as outlined in its Sustainability Policy, the Kaga Electronics Group will contribute to the realization of a sustainable society by striking a balance between solving social issues and sustaining growth as a corporation through its business activities. To achieve this, this award system, established in 2022, is aimed at fostering a corporate culture in which each and every employee of the Company is encouraged and motivated to take an interest in and work toward SDGs on a daily basis. Winners are awarded shares of the Company's stock.

In FY2024, the individual award recognized the introduction of sales of IH soldering equipment that reduces CO<sub>2</sub> emissions, while the group award honored various initiatives, including our sponsorship of EV buses for the Osaka-Kansai Expo and development of an app for agricultural machinery control systems to facilitate smart farming.

## Together with Our Customers

The Kaga Electronics Group proposes and provides value-added products and services that swiftly meet changes in the times based on its corporate philosophy of "Everything we do is for our customers." By doing so, we support the technological innovation and production streamlining of our customers worldwide.

### To deliver high-quality products and services

#### Quality control system

Within its EMS Business Division, the Group established the Production Center as its headquarters. Centered around three core factory facilities—Japan (KAGA EMS TOWADA CO., LTD.), China (KAGA TAXAN (SUZHOU) ELECTRONICS CO., LTD.), and Thailand (KAGA ELECTRONICS (THAILAND) CO., LTD.)—the Group works to strengthen production technology and quality control across the entire organization. This is achieved through the coordinated efforts of its 21 EMS in-house factory locations across various regions, including the Americas, Europe, Asia/ASEAN, China, and Japan.

In addition to actualizing our commitment to "putting quality first and manufacturing products that satisfy our customers," we have established working groups to handle quality assurance, production control, production technology, IT-based production innovation, global procurement, SDGs, etc., at every site with the overarching purpose of sharing and standardizing various indicators and standards across the Group. Furthermore, not only do we pursue such lateral development as the supplementation of know-how and resources, we also conduct regular inter-site business trip exchange meetings in order to improve quality and customer service.



A Production Center-led exchange of overseas engineers

### Pursuing our philosophy of "Everything we do is for our customers"

#### Efforts to enhance quality

The Company's Engineering Department controls the technological resources of the entire Group, works to ensure the effective use and optimization of these resources as well as to strengthen technological capabilities and expand business across the organization. The Systems Engineering Department collaborates with the Company and its Group companies to handle everything from planning and development to design, manufacturing, maintenance, and operation of customer products. The Quality Assurance Department seeks to enhance development quality and manages safety standards throughout the Group. This department works with other departments responsible for quality within the Group, depending on the circumstances, to resolve issues.



Prototype evaluation using a measurement device

### Status of ISO 9001 certification

**KAGA ELECTRONICS and the following Group companies have attained ISO 9000 series certification, an international standard for quality management. The Company is striving to further enhance customer satisfaction through the continuous improvement of its quality management system.**

- Japan:** KAGA ELECTRONICS CO., LTD./ AD DEVICE CO., LTD./ KAGA MICRO SOLUTION CO., LTD./ KAGA FEI Co., Ltd./ NV DEVICES Co., Ltd./ KAGA EMS TOWADA CO., LTD./ Kyokuto Electric Co., Ltd./ KAGA TECHNO SERVICE CO., LTD.
- Overseas:** China: KAGA (H.K.) ELECTRONICS LIMITED/ KAGA (SHENZHEN) ELECTRONICS LTD./ SUZHOU TAXAN KAGA TRADING CO., LTD./ KAGA TECHNOLOGY (SUZHOU) ELECTRONICS CO., LTD./ HUBEI KAGA ELECTRONICS LIMITED
- Asia/ASEAN: KAGA COMPONENTS (MALAYSIA) SDN. BHD./ KAGA ELECTRONICS (THAILAND) CO., LTD./ PT. KAGA ELECTRONICS INDONESIA/ KAGA ELECTRONICS (VIETNAM) CO., LTD./ KAGA ELECTRONICS INDIA PRIVATE LIMITED
- The Americas: TAXAN MEXICO S.A. DE C.V./ KAGA FEI AMERICA, Inc.
- Europe: KD TEC s.r.o./ KD TEC TURKEY ELECTRONIK SANAYI VE TICARET LIMITED SIRKETI/ KAGA FEI EUROPE GmbH

## Together with Society

Cognizant of the importance of its social responsibilities as a company, the Kaga Electronics Group contributes to sports promotion and to the local community through its business sites worldwide and actively undertakes activities that help drive advances in education, art, and culture.

### Contributing to the local community

The Kaga Electronics Group, which conducts business activities around the world, takes on a variety of social contribution activities at its domestic and overseas sites to foster sustainable local development.

Among our overseas sites, TAXAN MEXICO S.A. DE C.V. (Mexico) conducted activities during the Christmas season that involved employees bringing in and distributing toys to children living near the factory in addition to providing candy goody bags for children at a local kindergarten.



Distributing toys to children living near the factory (TAXAN MEXICO)

As for our domestic sites, KAGA EMS TOWADA CO., LTD. conducts regular cleanup activities not only around its factories but at local tourist spots and also organizes factory tours for local junior high school students as part of their social studies courses. KAGA MICRO SOLUTION CO., LTD. offers work experience training and internship programs to local junior high schools in addition to conducting cleanup activities in the areas surrounding its factories. Kyokuto Electric Co., Ltd. also contributes to the beautification of the local environment through cleanup activities around its factories.



Factory tour for local junior high school students (KAGA EMS TOWADA)



Work experience training for local junior high school students (KAGA MICRO SOLUTIONS)

### Supporting education, the arts, and culture

Digital Media Lab., Inc., a Group company, is using its copyrighted characters, the Vegetable Fairies,\* to support the Ministry of Agriculture, Forestry and Fisheries' "Let's Eat Vegetables Project," which promotes educational food activities for kids.

This promotional campaign, taking place in such areas as Tokyo's Nerima Ward and Shizuoka City, centered on the essential role of vegetables in a healthy diet, conveying this message through posters distributed to approximately 250 elementary, junior high, and high schools, as well as childcare facilities.

We also provided children with opportunities to learn about healthy vegetable eating through our other educational nutrition workshops. We will continue to collaborate with local communities and educational institutions to foster a greater interest in nutrition.

In addition, the Company contributes to society in a wide range of fields related to education, the arts, and culture. These efforts include Founder & CEO Chairman Isao Tsukamoto presenting lectures as a specially appointed professor for the Faculty of Service Innovation, Chiba University of Commerce, and sponsoring Kanazawa JAZZ STREET, an annual music event in Kanazawa City, Ishikawa Prefecture.

\* *Vegetable Fairies N.Y. Salad* is an animated series based on an art book created by author Yoshitaka Amano. The series, produced by Digital Media Lab., Inc., began airing on NHK Educational TV from 2007.



A promotional poster for the "Let's Eat Vegetables Project"



Educational activities on nutrition at an elementary school



Kanazawa JAZZ STREET 2025

# Together with the Earth

The Kaga Electronics Group views the 21st century as the century for protection of the global environment and, with this in mind, conducts business activities aimed at realizing a sustainable society by reducing the emission of CO<sub>2</sub> and other greenhouse gases (GHGs), utilizing renewable energy, and conserving biodiversity.

## Environmental Policy

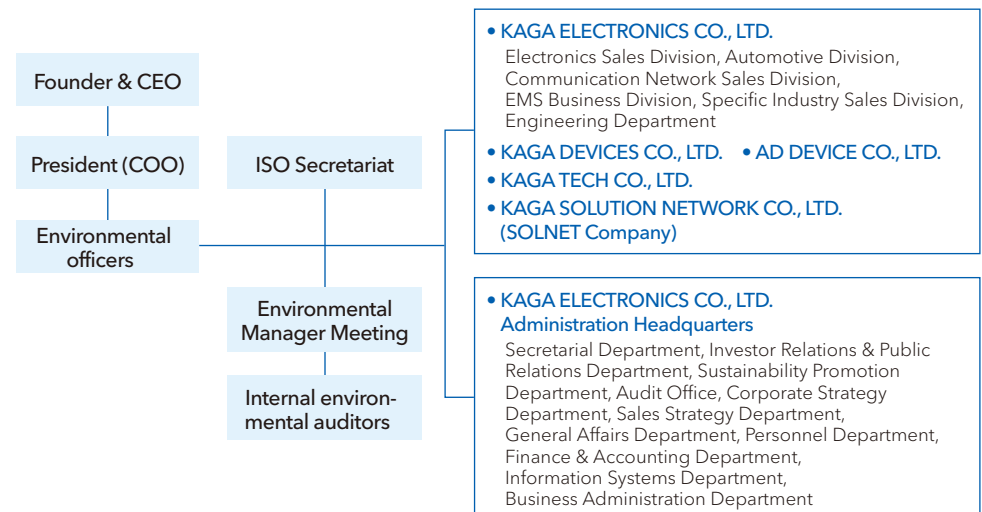
Under our corporate philosophy of "Everything we do is for our customers," the Kaga Electronics Group seeks to meet our customers' needs while striving for the realization of a sustainable society. To achieve this goal, we are committed to conserving and enhancing the natural environment in order to protect our irreplaceable earth.

- 1 The Kaga Electronics Group shall establish an environmental management system involving all executives and employees (including contract and temporary employees. The same applies hereinafter in this environmental policy). Under this management system, we shall promote global environmental conservation and pollution prevention in all business activities, including the provision of products and services.
- 2 In executing our business activities, we shall strictly adhere to environmental laws, regulations, and requirements as well as comply with all other requirements agreed upon by the Kaga Electronics Group.
- 3 We shall reduce CO<sub>2</sub> emissions, promote the use of renewable energy, and thoroughly implement energy and resource conservation initiatives through our business activities to mitigate climate change.
- 4 Products and services handled by the Kaga Electronics Group shall, to the extent possible, meet the following requirements.
  - Must be comprised of environmentally friendly substances
  - Must be able to cut waste through reuse and recycling
  - Must be designed with energy and resource conservation in mind using the latest electronics technology
- 5 We shall raise awareness among our executives and employees regarding environmental and biodiversity conservation, and promote education and training to implement our environmental policy.
- 6 Our Environmental Policy shall be disseminated widely throughout society through such means as the Kaga Electronics Group website and integrated report.

## Environmental management system

The Kaga Electronics Group established an environmental management system based on its Environmental Policy. Under the system, environmental officers, the ISO Secretariat, the Environmental Manager Meeting, and internal environmental auditors team up and, guided by the President, conduct environmental management at KAGA ELECTRONICS and its Group companies. In addition, the Company and its Group companies have attained ISO 14001 certification, an international standard for environmental management systems. We are strengthening our system through a PDCA cycle.

### Environmental management system



Note: KAGA FEI, KAGA EMS TOWADA, EXCEL, KAGA TECHNO SERVICE CO., LTD., Kyokuto Electric Co., Ltd., and NV DEVICES Co., Ltd. have each acquired ISO 14000 certification for their respective environmental management systems.

## Together with the Earth

### Initiatives to reduce environmental burden

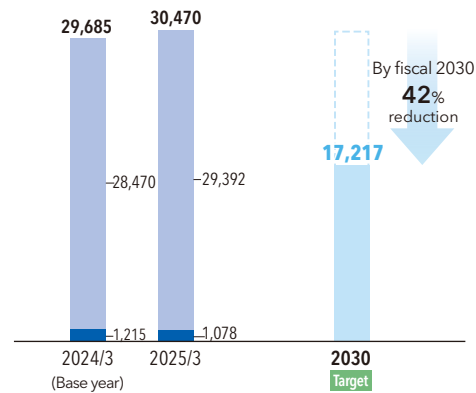
#### Greenhouse gas emission status and reduction targets

Historically, although the Company has calculated greenhouse gas emissions only for specific areas of activity, in the interest of ensuring continuous emissions management and transparent information disclosure, we have calculated all relevant Scope 1, 2, and 3 emissions for the first time in the fiscal year ended March 31, 2024. Using this period as a baseline, we have set a reduction target of 42% for Scope 1 and 2 emissions and 25% for Scope 3 emissions by fiscal 2030.

The Group is committed to understanding the current situation and working toward achieving its goals. Emissions for the year ended March 31, 2025 are as follows.

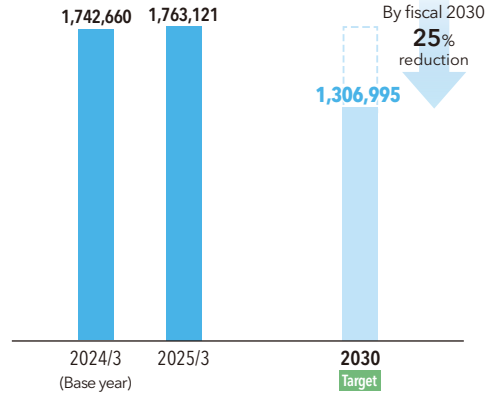
##### Scope 1 and 2 GHG Emissions

■ Scope 1 ■ Scope 2 ■ Target level  
(tCO<sub>2</sub>e)



##### Scope 3 Emissions

■ Scope 3 ■ Target level  
(tCO<sub>2</sub>e)



#### Achieving 100% renewable energy use

The KAGA ELECTRONICS Head Office Building is designed for energy conservation. Notably, it features an exterior air-intake double-skin\* curtain wall that brings outside air into offices to reduce the heat load, introduce natural ventilation, and improve sound insulation. In addition, the Group has installed renewable energy facilities employing solar panels at manufacturing sites in Aomori and Fukushima prefectures in Japan as well as at overseas manufacturing sites in China, Vietnam, and Mexico. Furthermore, we are advancing the shift to renewable energy while simultaneously purchasing carbon credits and non-fossil certificates.

The Group remains committed to considering environmental issues and will continue to advance initiatives to achieve 100% renewable energy.

\* Double skin refers to a construction technique in which a building's exterior walls are partially or fully covered with a double layer of glass.

##### Introducing solar panels at manufacturing bases



TAXAN MEXICO's New Plant

#### Biodiversity conservation activities

In 2023, the Company installed a biotope type rooftop garden at its Head Office building in line with its commitment to preserving biodiversity and protecting the natural environment. To this end, we also strive toward species conservation and the creation of environments conducive to the survival of living organisms and plants. Furthermore, we regularly host biodiversity lectures for employees and their families, inviting representatives from cooperating NPOs to serve as instructors.

We will continue to regularly survey the habitats of living organisms and plants and provide information through the Company's website.











\*A cohesive space in which local wildlife lives.



The biotope on the roof of our Head Office building

# The Kaga Electronics Group's Materiality

Having sincerely considered the various issues and social demands the Company and the world are facing, the Kaga Electronics Group has identified the following key issues that will have a significant impact on its management from the four perspectives of E: Environment, S: Society, G: Governance, and B: Business. By implementing materiality initiatives addressing these issues through corporate activities, we will contribute to the realization of a sustainable society and promote the further enhancement of corporate value.

	Materiality	Related SDGs	Changes in the socio-economic environment	Our initiatives
E	Create a clean global environment	 	<ul style="list-style-type: none"> <li>• Growing seriousness of global warming and other environmental problems</li> <li>• Urgent call for carbon neutrality</li> </ul>	<ul style="list-style-type: none"> <li>• Provide products and services designed to help resolve environmental and energy issues</li> <li>• Continue initiatives to reduce the environmental burden</li> </ul>
S	Create an inclusive company as well as an affluent society	  	<ul style="list-style-type: none"> <li>• Changes in social structure as we move toward the popularization of the new normal</li> <li>• Human resource shortages attributable to a low birthrate and an aging population</li> </ul>	<ul style="list-style-type: none"> <li>• Promote workforce diversity and innovative work styles to better adapt to the new normal</li> <li>• Develop human resources by passing down and updating KAGA-ism</li> </ul>
G	Create a sustainable management base	 	<ul style="list-style-type: none"> <li>• Public calls for more robust corporate governance</li> <li>• Growing need for business resilience against changes in the operating environment</li> </ul>	<ul style="list-style-type: none"> <li>• Further strengthen corporate governance and compliance</li> <li>• Thoroughly practice a profit-focused management approach</li> </ul>
B	Realize sustainable business growth	  	<ul style="list-style-type: none"> <li>• Progress in digital transformation</li> <li>• Coming of a "super-smart" society due to the popularization of ICT, such as IoT and AI</li> <li>• Intensification of global competition</li> </ul>	<ul style="list-style-type: none"> <li>• Provide products and services that contribute to the transition to a digital-driven society</li> <li>• Create new businesses aimed at helping solve social issues</li> <li>• Further promote global expansion</li> </ul>

# MATERIALITY

# Medium- to Long-Term Sustainability Management Plan

In November 2021, the Group formulated its Medium- to Long-Term Sustainability Management Plan. In line with its corporate philosophy, "Everything we do is for our customers," the Kaga Electronics Group will promote sustainability management that aims to achieve both a sustainable society and its own sustainable growth as a corporate group. In our efforts, we will also cherish dialogue with customers, business partners, shareholders, investors, employees, local communities, and all other stakeholders. In these ways, we will proactively play our part in the realization of a sustainable society while enhancing our corporate value.

## Sustainability Policy

Under our corporate philosophy of "Everything we do is for our customers," the Kaga Electronics Group seeks to achieve both a sustainable society and sustainable growth of the Group.

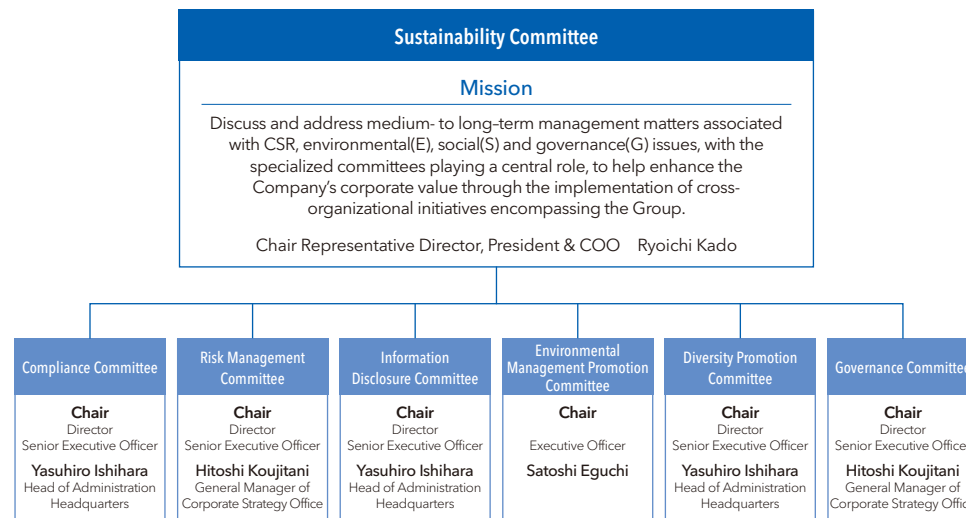
Toward this purpose, we will respect dialogue with customers, business partners, shareholders, investors, employees, local communities, and all other stakeholders, based on our Basic CSR Policy, Environmental Policy, and Action Guidelines. We will work to increase our corporate value as we play an active role in achieving a sustainable society.

<p><b>1</b> We tackle environmental issues through our business activities</p>	<p>Through our business activities, we will take action to cut CO<sub>2</sub> emissions, reduce waste, and promote reuse. At the same time, by providing environmentally considerate products and services, we will contribute to bringing about a society that values the global environment.</p>
<p><b>2</b> We respect develop rights and nurture human resources</p>	<p>We will respect the human rights of all stakeholders, regardless of gender, age, nationality, social status, disabilities, or other personal attributes. We will develop work environments in which diverse employees can work in safety and health, both physically and mentally, and will develop personnel systems and education and training systems that allow these employees to maximize their individual abilities. We will further work to develop human resources who will take on the challenge of innovation.</p>
<p><b>3</b> We will work to build mutual trust with society</p>	<p>We will work to be a company that earns the trust of society by observing laws and regulations, by strengthening our governance structure, and by sincerely engaging in fair competition, the provision of high-quality products and services, timely and appropriate information disclosure, and other corporate activities.</p>

## Sustainability Promotion Structure

The Kaga Electronics Group recognizes the promotion of CSR and sustainability as an important management issue. We have established a Sustainability Committee chaired by the Representative Director and President of Kaga Electronics Co., Ltd.

Under the committee, we have set up specialized subcommittees for Environmental Management Promotion, Diversity Promotion, Governance, Risk Management, Compliance, and Information Disclosure. This management structure promotes CSR and sustainability across the Group. Under the commitment of top management and in collaboration with business divisions, we work as a united group to promote sustainability through each committee by formulating policies, measures, and targets for ESG issues and managing progress.



Medium- to Long-Term Sustainability Management Plan



Progress of the Medium- to Long-Term Sustainability Management Plan

	Main themes	Issues to be tackled or discussed	Medium-term targets*	Long-term targets	Main activities and progress	
					FY2024/3	FY2025/3
E	Aiming to raise the ratio of renewable energy to total energy consumption to 100%	• Introducing renewable energy at domestic sales bases	2024: 40% (1%)	2030: 100%	<ul style="list-style-type: none"> <li>Renewable energy-derived electricity accounted for 5.1% of consumption.</li> <li>Decided to purchase non-fossil certificates toward achieving the goal of 40% renewable energy by FY2024. The Company also decided to quantify greenhouse gas emissions and set a reduction target for FY2024.</li> </ul>	<ul style="list-style-type: none"> <li>At present, renewable energy-derived electricity accounts for 14.6% of consumption.</li> <li>Purchased non-fossil certificates and achieved the target of 40% renewable energy. Quantified greenhouse gas emissions (Scope 1, 2 &amp; 3 calculations) and set a reduction target, which is published on the Company website.</li> </ul>
		• Introducing renewable energy at domestic manufacturing bases	2024: Determine policies via information gathering and analysis <b>In-house power generation/external procurement</b>	2030: 50% 2050: 100%	Introduced solar power generation equipment at Towada Factory (December 2023) and Sukagawa Factory (February 2024).	The self-sufficiency rate due to solar power generation reached 9.2% at the Towada Factory, and additional equipment installation is under consideration. The self-sufficiency rate at the Sukagawa Factory reached 21.9%.
		• Introducing renewable energy at overseas manufacturing bases	Solar panel/biomass power generation/renewable energy power generation businesses	2030: 30% 2050: 100%	Installed solar panels at our new plant in Mexico (April 2024).	The new plant in Mexico received approval for solar power generation and started operation in January 2025. The purchase of an I-REC (International Renewable Energy Certificate) for the leased manufacturing facility is under consideration.
	Switchover of Company-owned vehicles to EVs	• Switchover of vehicles used by domestic sales departments to EVs (including HVs, PHVs, and FCVs)	2024: 85% (78.5%)	2030: 100%	The ratio of electric vehicles in the Company fleet increased by 3.0 percentage points from the previous year to 85.0% (as of March 31, 2024).	The ratio of electric vehicles in the Company fleet increased by 5.2 percentage points from the previous year to 90.2% (as of March 31, 2025).
S	Diversity promotion and human resource management	• Securing diversity in core human resources (women, foreign nationals, and mid-career hires)	Ratio of women among new graduates hired as career-track employees 2023: 30% (5.8%) Ratio of women among managers 2024: 15% (13.3%)	Ratio of women among new graduates hired as career-track employees 2028: 40% Ratio of women among managers 2029: 17%	<ul style="list-style-type: none"> <li>Implemented recruitment activities for women among new graduates hired as career-track employees in accordance with the Action Plan.</li> <li>Of the 23 new graduates hired for career-track positions, five were women, an increase of 3.6 percentage points from the previous fiscal year to 21.7%.</li> <li>Discussions were held within the Group to increase the ratio of women among managers, with each company setting its own target number for female managers.</li> </ul>	<ul style="list-style-type: none"> <li>Of the 22 new graduates hired for career-track positions, five were women, a 1.0 percentage point increase in the ratio from the previous fiscal year to 22.7%, but still fell short of the 30% target.</li> <li>Ratio of women among managers was 17.4%, up 0.9 percentage points from the previous year.</li> <li>Fully achieved statutory employment ratio for people with disabilities.</li> </ul>
		• Hiring elderly citizens and people with disabilities			Fully achieved statutory employment ratio for people with disabilities.	Fully achieved statutory employment ratio for people with disabilities.
		• Enhancing the content of various programs supporting employees engaged in child rearing, nursing care, and remote working, etc.	2022: Expansion of various programs 2023: Recognized as an outstanding organization under the Certified Health & Productivity Management Organization Recognition Program (currently the KENKO Investment for Health Program)	2025: Obtain external certification 2024 onward: Maintain status as an outstanding organization	Considered a permanent remote work system as well as revised in-house rules and regulations. New rules came into effect from April 2023	Twelve employees utilized the parental leave system for male employees. The utilization rate for the parental leave system among male employees was 100%.
	An optimal balance between work-life management and productivity improvement	• Aiming to be selected as an outstanding organization under the KENKO Investment for Health Program			Certified in March 2024 for the second consecutive year.	Certified in March 2025 for the third consecutive year. Health management policies and initiatives were published on the Company website.
G	Restructuring the governance structure in response to the revision of the CG Code and the reorganization of the Tokyo Stock Exchange	• Increasing the number of independent outside directors so that they account for one third or more of the Board membership	Done in June 2021		The number of directors was set at six (including three outside directors) at the June 2023 General Meeting of Shareholders.	A reduced number of outside directors was elected at the June 2024 General Meeting of Shareholders, retaining a structure of six directors (including three outside directors).
		• Establishing a Nomination and Compensation Committee				
		• Diversifying the composition of the Board of Directors	Through June 2022: Determined policies		Appointed a female outside auditor at the June 2023 General Meeting of Shareholders; appointment of female Director at the June 2024 General Meeting of Shareholders was postponed.	Following the June 2025 General Meeting of Shareholders, the Company plans to appoint a female director in conjunction with the transition to a Company with an Audit and Supervisory Committee.
	• Thoroughly complying with the revised CG Code and other requirements accompanying the Company's listing on the Prime Market	Done in November 2021	Set targets in conjunction with the next round of revisions to the CG Code	No revision of the Corporate Governance Code	No revision of the Corporate Governance Code, but the Company revised its internal response	
Further strengthening the supervisory and oversight functions of top management over business execution	• Introducing a commissioned executive officer system	April 2022: Enforced			Decided to expand the membership of the Group Management Headquarters Council to include delegation-based executive officers. Operation started in April 2024.	Operation is ongoing
	• Transitioning to a "company with committees, etc.," system	Through March 2023: Determined policies			Continued to be a company with a corporate auditor system. Considered the need for speedy management and the appointment of women among directors, and continued to consider the transition to a Company with an Audit and Supervisory Committee.	The Board of Directors resolved to transition to a Company with an Audit and Supervisory Committee. Transition was made after the General Meeting of Shareholders in June 2025.

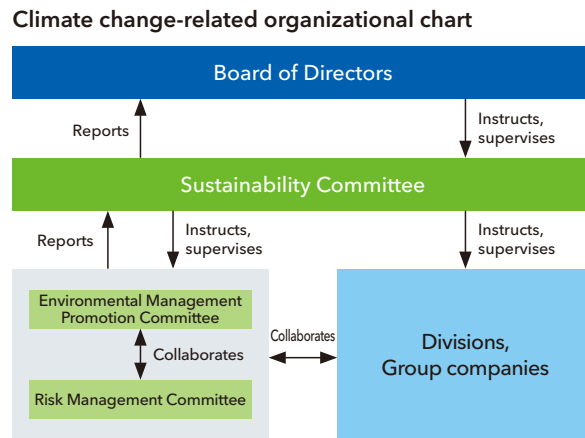
Note: Figures in parentheses are values at the time of the formulation of the plan (November 2021).

# Disclosure based on TCFD or equivalent framework

The Kaga Electronics Group is currently advancing its contributions to the global environment by reducing CO<sub>2</sub> emissions, promoting waste reduction and reuse throughout its business activities, and providing environmentally friendly products and services. Furthermore, we have set "creating a clean global environment" as one of our material issues and are working to address climate change.

## Basic framework

The Group established the Sustainability Committee through the integration and consolidation of the former CSR and SDGs committees in April 2024, enhancing the Group's overall corporate value by facilitating the implementation of cross-Group initiatives that address medium- to long-term management issues related to the environment, society, governance, and other areas. Under this committee, we have established six specialized subcommittees, including the Environmental Management Promotion Committee and the Risk Management Committee.



The roles of the committee include the deliberation of sustainability-related issues identified by such specialized subcommittees as the Environmental Management Promotion Committee, the formulation of strategies and targets and the implementation of measures for the Group's ESG issues, including those related to climate change, and the monitoring of their progress.

The Sustainability Committee considers a range of matters and reports on the outcomes of its deliberations to the Board of Directors after each meeting. The Board of Directors then consults with the committee on these matters, providing instruction and oversight on initiatives it has resolved to implement.

## Analysis process

Taking a step by step approach, we examined the risks and opportunities posed by climate change regarding the Group's business operations as follows, with reference to the items identified as risks and opportunities in the TCFD recommendations.

Moreover, we conducted an analysis of the transition of policies and market trends (transition risks and opportunities) and an analysis of physical changes due to disasters and other factors (physical risks and opportunities), under two scenarios: a rise of 1.5°C and a rise of 4°C.



## Climate change scenarios

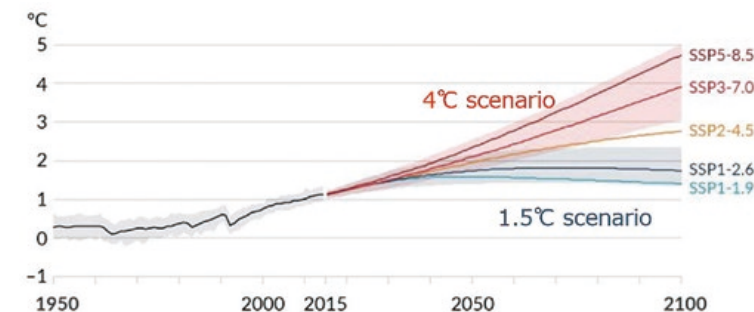
### 1.5°C scenario (decarbonization scenario)

In this scenario, the increase in global surface temperature is limited to less than 1.5°C compared to pre-industrial levels, thanks to the acceleration of initiatives aimed at achieving carbon neutrality to mitigate the impacts of climate change. In the 1.5°C scenario, it is assumed that the impact of policy and legal risks among transition risks will be greater, compared to the assumptions regarding those risks in the 2°C scenario.

### 4°C scenario (high emissions scenario)

In this scenario, measures against climate change do not progress from the current state, resulting in a global surface temperature rise of approximately 4°C by the end of this century compared to pre-industrial levels. It is assumed that the physical risks of intensifying extreme weather events and sea level rise will increase.

## Global surface temperature change relative to 1850-1900



Source: This figure is a reproduction of Figure SPM.8 from the Summary for Policymakers of the Working Group I (WGI) contribution to the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (Ministry of Education, Culture, Sports, Science and Technology and Japan Meteorological Agency)

## Disclosure based on TCFD or equivalent framework

### Risks and opportunities

The major transition risks and physical risks and earnings opportunities relating to climate change are as follows.

Types of risks and earnings opportunities		Time horizon	Degree of impact	Response policies	
Transition risks (Most anticipated to materialize in a 1.5-2°C scenario)	Legal and policy risks	Increase in costs due to taxation on CO <sub>2</sub> emissions from business activities if a carbon tax is introduced in the future	Large	<ul style="list-style-type: none"> <li>Electrify the company fleet and increase the use of renewable energy (These are being addressed as part of our Medium- to Long-Term Sustainability Management Plan)</li> </ul>	
		Concerns over potential increase in procurement costs due to the introduction of a carbon tax on suppliers in the future	Large	<ul style="list-style-type: none"> <li>Review packaging and transportation methods through engagement with suppliers</li> <li>Pass on costs to sales prices to the extent possible</li> </ul>	
		Increase in credit prices due to rising demand for carbon offsets aimed at achieving emission reduction targets	Small	<ul style="list-style-type: none"> <li>Currently installing solar panels at our facilities (already installed at our Aomori (Towada), Fukushima, Vietnam, Mexico, Hubei China, and Malaysia factories). Also considering the introduction of off-site Power Purchase Agreements (PPAs)</li> <li>Already purchased non-fossil certificates (Plans to promote the purchase have been formulated within the Medium- to Long-Term Sustainability Management Plan.</li> </ul>	
	Technical risks	Surge in power generation costs due to the increase in the share of renewable energy	Medium-term	Small	<ul style="list-style-type: none"> <li>Enhance the capacity of our self-generation facilities, such as solar panels (currently installing self-generation facilities at the Aomori (Towada) and Fukushima factories)</li> <li>Consider the introduction of battery storage systems</li> <li>Commence purchasing electricity through electricity auctions</li> </ul>
	Market risks	Decline in sales due to the inability to meet customer needs for energy-saving and low-carbon products and components in the trading and EMS businesses	Medium- to Long-term	Small	<ul style="list-style-type: none"> <li>Enhance the lineup and offerings of environmentally superior products and components that meet customer demands</li> </ul>
		Rise in procurement costs driven by the tightening demand for mineral resources (such as rare metals) resulting from the expansion of the renewable energy and electric vehicle markets	Medium- to Long-term	Small	<ul style="list-style-type: none"> <li>Consider the diversification of the supply chain</li> <li>Develop alternative products</li> <li>Pass costs on to sales prices</li> </ul>
Reputation risks	Decline in evaluations from customers who prioritize ESG, due to delays in greenhouse gas (GHG) reduction initiatives and insufficient information disclosure	Short- to Long-term	Medium	<ul style="list-style-type: none"> <li>Thoroughly disclose climate-related information, and actively work to improve external evaluations</li> </ul>	

Types of risks and earnings opportunities		Time horizon	Degree of impact	Response policies	
Physical risks (Most anticipated to materialize in a 4°C scenario, etc.)	Acute risks	Decline in sales during the recovery period due to the cessation of business activities by customers and suppliers, as well as disruptions in the supply chain	Short- to Medium-term	Small	<ul style="list-style-type: none"> <li>Diversify the supply chain</li> <li>Develop a Business Continuity Plan (BCP) Manual</li> </ul>
		Potential recovery costs incurred due to damage at our company bases	Short- to Long-term	Small	<ul style="list-style-type: none"> <li>Install new disaster prevention equipment and strengthen disaster preparedness measures for existing equipment</li> <li>Develop a Business Continuity Plan (BCP) Manual</li> <li>Ensure that all of our domestic factories are equipped with hazard maps</li> </ul>
	Chronic risks	Increase in costs associated with addressing heat-related illnesses, such as heat stroke, due to deteriorating labor conditions at our factories	Medium- to Long-term	Small	<ul style="list-style-type: none"> <li>Review the workplace environment, including the air-conditioning systems in our factories (Currently replacing the air-conditioning equipment with high-efficiency models every year)</li> </ul>

Earnings opportunities	Resource efficiency	Reduction in operational costs through the implementation of energy-saving equipment at worksites	Short- to Medium-term	Small	<ul style="list-style-type: none"> <li>Implement energy efficiency monitoring and continuous improvement</li> <li>Use AI-powered energy consumption management products</li> </ul>
	Products and services	Increase in sales due to growing demand for energy-saving and low-carbon products	Medium- to Long-term	Large	<ul style="list-style-type: none"> <li>Focus on semiconductors and electronic components for electric vehicles</li> <li>Expand the sales of electric buses</li> </ul>
		Enhancement of subsidies for energy-saving and low-carbon products	Short- to Medium-term	Medium	<ul style="list-style-type: none"> <li>Implement measures to drive the expansion of the PC peripheral recycling business</li> </ul>
	Market	Increase in demand for EMS processing due to the expansion of the market for air-conditioning associated with the rise in average temperatures	Medium- to Long-term	Medium	<ul style="list-style-type: none"> <li>Establish strategic partnerships with customers and service providers in the air-conditioning industry</li> <li>Broaden the range of products offered</li> <li>Promote stable supply in the supply chain</li> </ul>
Improvement in stakeholder evaluations if initiatives to reduce GHG emissions progress		Short- to Medium-term	Small	<ul style="list-style-type: none"> <li>Improve the Carbon Disclose Project (CDP) score and obtain Science Based Targets (SBT) certification</li> </ul>	

- Time horizon: Short-term: up to 3 years, Medium-term: 3 to 6 years (2030), Long-term: 6 to 26 years (2050)
- Degree of impact: Large: 10% or more of operating income, Medium: 3% to 10% of operating income, Small: Less than 3% of operating income

## Disclosure based on TCFD or equivalent framework

### Risk management

#### Process for classifying, evaluating, and managing climate-related risks

We have established the Environmental Management Promotion Committee as a specialized subcommittee directly under the Sustainability Committee. Each department and Group company identifies short-term and medium- to long-term risks associated with climate change. The Environmental Management Promotion Committee then classifies and evaluates these risks and reports the particularly significant ones to the Board of Directors through the Sustainability Committee every six months.

With regard to the classified and evaluated climate change-related risks, the Environmental Management Promotion Committee considers preventive measures and response policies. After deliberation and decision making by the Sustainability Committee, these measures and policies are implemented by each department and Group company. Furthermore, we comprehensively evaluate the importance and prioritization of risks from the perspectives of impact and urgency. The Sustainability Committee also reports on these matters to the Board of Directors in a timely and appropriate manner.

#### Integration process into Groupwide risk management

The Risk Management Committee, which oversees Groupwide risks, has been established as a specialized subcommittee directly under the Sustainability Committee. It designates a department to address each specific risk, and under the direction of the department's risk control officers and managers, a necessary and appropriate risk management framework is established. With regard to climate change-related risks, the Environmental Management Promotion Committee and the Risk Management Committee work in collaboration to ensure an integrated Groupwide risk management system.

### Metrics and targets

The Group has calculated Scope 1, 2, and 3 emissions for the fiscal year ended March 31, 2024. As a result, we have set a reduction target of 42% for Scopes 1 and 2 and 25% for Scope 3 by 2030, based on the fiscal year ended March 31, 2024.

The Group is committed to understanding the current situation and working toward achieving its goals.

	Base-year emissions (FY2023)	Reduction targets (By FY2030)
Scope1	1,215 tCO <sub>2</sub> e	42% reduction
Scope2	28,470 tCO <sub>2</sub> e	
Scope3	1,742,660 tCO <sub>2</sub> e	25% reduction



# ESG Data

## E Environment

	2021/3	2022/3	2023/3	2024/3	2025/3	
<b>Greenhouse gas emissions and energy consumption</b>						
CO <sub>2</sub> emissions at the Head Office building (kg-CO <sub>2</sub> )	227,427	252,164	310,387	315,361	<b>279,107</b>	
Energy consumption at Head Office building (kWh)	601,660	667,097	821,130	895,914	<b>877,696</b>	
CO <sub>2</sub> emission amount (Scope 1) (t-CO <sub>2</sub> )	–	–	–	1,215	<b>1,078</b>	
CO <sub>2</sub> emission amount (Scope 2)* <sup>1,2</sup> (t-CO <sub>2</sub> )	227	252	310	28,470	<b>29,392</b>	
CO <sub>2</sub> emission amount (Scope 1+2 combined) (t-CO <sub>2</sub> )	–	–	–	29,685	<b>30,470</b>	
CO <sub>2</sub> emission amount (Scope 3) (t-CO <sub>2</sub> )	–	–	–	1,742,660	<b>1,763,121</b>	
Unit requirement for CO <sub>2</sub> emissions (t-CO <sub>2</sub> /million yen)* <sup>3</sup>	–	–	–	0.0546	<b>0.0556</b>	
Energy consumption (Scope 1)	Gasoline (L)	–	–	213,444	<b>188,403</b>	
	Kerosene (L)	–	–	119,787	<b>103,258</b>	
	Diesel oil (L)	–	–	128,679	<b>110,555</b>	
Energy consumption (Scope 2)* <sup>2</sup>	Electricity (kWh)	601,660	667,097	821,130	43,949,150	<b>46,912,439</b>
Renewable energy Solar power generation (kWh)	–	–	1,157,565	1,698,137	<b>2,439,372</b>	
Energy consumption per unit* <sup>2,4</sup> (kWh/million yen)	–	–	–	100.2	<b>106.1</b>	
<b>Resources</b>						
Water consumption (kℓ) * <sup>5</sup>	–	–	23,117	26,968	<b>20,950</b>	
Copy paper usage (sheets) * <sup>6</sup>	–	–	2,145,125	2,135,914	<b>2,014,798</b>	
<b>Amount waste generated from office-related activities *<sup>7</sup></b>						
Amount of waste generated (t)	–	–	36.2	38.8	<b>29.0</b>	
Amount of waste recycled (t)	–	–	23.4	22.5	<b>16.5</b>	
Recycling rate (%)	–	–	64.8	58.0	<b>57.0</b>	
<b>Others</b>						
Environmental conservation costs (thousand yen)	–	–	–	132,600	<b>62,800</b>	
Volatile organic compound (VOC) emissions (t)	–	–	0	0	<b>0</b>	

\*1 Market-based method

\*2 Up to March 2023, Scope 2 emissions are calculated for the KAGA ELECTRONICS Head Office building only

\*3 CO<sub>2</sub> emissions divided by consolidated net sales (in millions of yen)

\*4 Electricity consumption divided by consolidated net sales (in millions of yen)

\*5 KAGA ELECTRONICS Head Office building, Nagoya Business Office, Osaka Business Office, and three domestic manufacturing sites

\*6 KAGA ELECTRONICS Head Office building, Hatchobori Plaza Building

\*7 KAGA ELECTRONICS Head Office building

## S Society

	2021/3	2022/3	2023/3	2024/3	2025/3	
<b>Employee data</b>						
Number of non-consolidated employees* <sup>8</sup>	Total	556	555	546	549	<b>560</b>
	Male	374	374	364	360	<b>355</b>
	Female	182	181	182	189	<b>205</b>
Number of consolidated employees* <sup>8</sup>	Total	7,826	7,959	8,092	8,021	<b>8,560</b>
	Male	3,676	3,874	3,823	3,928	<b>4,235</b>
	Female	4,150	4,085	4,269	4,093	<b>4,325</b>
Average age of employees	Overall	42.8	42.9	43.3	43.3	<b>42.6</b>
	Male	44.9	44.9	45.4	45.3	<b>45.0</b>
	Female	38.3	38.3	39.1	39.3	<b>38.6</b>
Average years of employee service	Overall	15.4	14.8	14.5	14.5	<b>14.0</b>
	Male	16.4	15.3	14.6	14.6	<b>14.3</b>
	Female	13.3	13.9	14.2	14.3	<b>13.6</b>
Number of new graduates hired	Total	21	20	24	27	<b>32</b>
	Male	14	16	15	18	<b>18</b>
	Female	7	4	9	9	<b>14</b>
	Of whom, women hired as career-track employees	1	1	1	4	<b>5</b>
	Total	2	3	11	6	<b>23</b>
Number of mid-career hires	Male	2	3	10	5	<b>14</b>
	Female	0	0	1	1	<b>9</b>
	Of whom, women hired as career-track employees	0	0	0	1	<b>7</b>
	Training hours	2,778.0	4,715.0	15,151.0	16,404.50	<b>17,079.50</b>
	Number of trainees* <sup>9</sup>	216	756	843	1,513	<b>1,835</b>
Training cost (thousand yen)	6,989	10,258	12,862	12,334	<b>11,491</b>	

\*8 Excluding temporary employees

\*9 Total number of employees who underwent training during the year

## ESG Data

		2021/3	2022/3	2023/3	2024/3	2025/3
<b>Employee Data</b>						
Turnover ratio (%)	Overall	2.0	2.1	2.4	3.0	3.1
	Male	2.2	2.3	2.7	3.7	3.7
	Female	1.7	1.7	1.6	1.6	2.1
Management ratio (%)	Overall	17.0	17.8	17.9	18.9	18.7
	Male	95.8	96.0	93.9	94.3	95.2
	Female	4.2	4.0	6.1	5.7	4.8
Periodic health screening attendance rate (%)		93.9	96.5	96.5	100.0	100.0
Smoking rate (results of health screening survey) (%)		27.2	25.9	27.2	25.8	25.6
Percentage of persons engaged in habitual exercise (results of health screening survey) (%)		25.4	25.1	25.4	27.2	27.2
Percentage of persons of appropriate weight (results of health screening survey) (%)		58.9	51.4	58.9	60.0	60.8
Stress check examination rate (%)		99.0	98.8	98.1	99.3	99.1
Aggregate results of stress checks (percentage of high-stress individuals) (%)		7.9	8.0	8.0	8.7	8.7
Number of occupational accidents		2	2	2	2	1
Number of employees on leave due to injury or illness		3	3	6	4	7
Number of workdays lost due to work-related injuries		0	0	0	0	0
<b>Work-life balance</b>						
Number of days of annual paid leave granted*1		18.7	18.7	18.3	18.3	17.7
Utilization ratio of annual paid leave		53.2	54.3	56.2	70.1	68.5
Number of employees who took childcare leave	Total	17	22	19	12	29
	Male	1	2	0	0	8
	Female	16	20	19	12	21
Ratio of employees reinstated following childcare leave		100.0	100.0	100.0	93.8	100.0

\*1 Average of all employees, excluding carry-over

		2021/3	2022/3	2023/3	2024/3	2025/3
<b>Work-life balance</b>						
Average monthly employee overtime (hours)		12.7	10.0	14.57	13.34	12.3
Total annual prescribed working hours		1,815.0	1,807.5	1,807.5	1,815.0	1,822.50
Total hours worked annually (per person)		–	1,984	1,991	1,974	1,971
<b>Salary</b>						
Average annual income (including bonuses) (thousand yen)		7,815	8,081	8,890	8,901	8,523
Wage difference between men and women (%) Female average / Male average	All employees	–	–	66.2	66.6	68.7
	Of whom, full-time employees	–	–	65.6	66.0	67.2
	Of whom, part-time or fixed-term employees	–	–	49.9	49.8	61.7

## Governance

		2021/3	2022/3	2023/3	2024/3	2025/3*2
<b>Corporate governance</b>						
Number of directors	Total	11	11	6	6	6
	Male	11	11	6	6	6
	Female	0	0	0	0	0
Number of outside directors	(%)	4	4	3	3	3
		36.4	36.4	50.0	50.0	50.0
Number of auditors	Total	4	4	4	4	4
	Male	4	4	3	3	3
	Female	0	0	1	1	1

\*2 The Company transitioned to a Company with an Audit and Supervisory Committee pursuant to a resolution adopted at the 57th General Meeting of Shareholders held on June 26, 2025. As a result, the Board of Directors now comprises 12 members: 11 men and 1 woman (Half of whom (6) are outside directors; the Audit and Supervisory Committee comprises 3 men and 1 woman).