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(Securities Code 5809)

June 2, 2023

(Start date of electronic provision measures: May 31, 2023)

To Shareholders with Voting Rights:

Hiroya Yamada
President & Representative Director
TATSUTA Electric Wire & Cable Co., Ltd.
2-3-1 Iwata-cho, Higashiosaka City
Osaka, Japan

**NOTICE OF CONVOCATION OF
THE 99TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

You are cordially notified that the 99th Annual General Meeting of Shareholders of TATSUTA Electric Wire & Cable Co., Ltd. (the “Company”) will be held for the purposes described below.

In convening the meeting, the Company has taken electronic provision measures. Electronic provision measures matters are posted on the website presented below as “NOTICE OF CONVOCATION OF THE 99TH ANNUAL GENERAL MEETING OF SHAREHOLDERS.”

The Company’s website: https://www.tatsuta.co.jp/ir_info/information/for_shareholders/

In addition to the above, the electronic provision measures matters are also posted on the website presented below.

Tokyo Stock Exchange’s website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the website presented above, enter the name or the securities code of the Company, press “Search,” select “Basic information,” and then select “Documents for public inspection/PR information” to see the document.

If you are unable to attend the meeting, you may exercise your voting rights either by mail or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders provided in the electronic provision measures matters, and cast your vote by 5 p.m. Japan time on Thursday, June 22, 2023. A video of the Annual General Meeting of Shareholders will be made available via the Company’s website.

- 1. Date and Time:** Friday, June 23, 2023 at 10 a.m. Japan time
(Reception starts at 9:00 a.m.)
- 2. Place:** Fourth floor main conference room of the Company’s head office, located at 2-3-1 Iwata-cho, Higashiosaka City, Osaka, Japan
- 3. Meeting Agenda:**
Matters to be reported: The Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements for the Company’s 99th Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
Proposals to be resolved:
Proposal No. 1: Election of Five (5) Directors who are not Audit and Supervisory Committee Members
Proposal No. 2: Election of Four (4) Directors who are Audit and Supervisory Committee Members

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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form to the reception desk at the place of the meeting on the day of the meeting.
 - The following matters are not included in the paper copy sent to the shareholders who had requested it pursuant to the provisions of laws and regulations and Article 14, Paragraph 2 of the Articles of Incorporation of the Company. These matters were also audited by the Audit and Supervisory Committee and the Accounting Auditor as part of the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements when they prepared the Audit Report and the Independent Auditor's Report, respectively.
 - (1) Overview of Systems to Ensure Appropriate Execution of Duties and the Status of Their Operations;
 - (2) Consolidated Statements of Changes in Equity; (3) Notes to the Consolidated Financial Statements;
 - (4) Non-Consolidated Statements of Changes in Equity; and (5) Notes to the Non-Consolidated Financial Statements.
 - Any updates to the electronic provision measures matters will be posted on the websites they are on.

[Instructions for Exercise of Voting Rights via the Internet, etc.]

Please see below for the methods for exercising your voting rights. Please review the Reference Documents for the General Meeting of Shareholders provided in the electronic provision measures matters and exercise your voting rights.

Shareholders who are unable to attend the meeting in person

If you are unable to attend the meeting in person, you may exercise your voting rights via the Internet or by mail.

(1) Method for voting via the Internet

Please access the voting website (<https://evote.tr.mufg.jp/>) from a PC or a smartphone, use the “login ID” and the “temporary password” printed on the Voting Rights Exercise Form, and input your approval or disapproval to each proposal in accordance with the instructions on the screen. For details, please see Page 4.

Voting deadline: No later than 5:00 p.m. Japan time, Thursday, June 22, 2023

(2) Method for voting by mail

Please indicate your approval or disapproval to each proposal on the enclosed Voting Rights Exercise Form and return it to us. If there is no indication of your approval or disapproval to each proposal on the Voting Rights Exercise Form, we will take it as an indication of your approval.

Voting deadline: No later than 5:00 p.m. Japan time, Thursday, June 22, 2023

Handling of duplicate voting

- ① If you vote both via the Internet and by mail on the Voting Rights Exercise Form, only your vote placed via the Internet will be valid.
- ② If you submit your vote multiple times via the Internet, only the last vote will be valid. Also, if you submit your vote multiple times using a PC and a smartphone, only the last vote will be valid.

Shareholders who will attend the meeting in person

(3) Attendance to the General Meeting of Shareholders

Please submit the enclosed Voting Rights Exercise Form to the reception desk at the place of the meeting on the day of the meeting.

Date and time of the meeting Friday, June 23, 2023 at 10 a.m. Japan time

Methods for voting via the Internet

To exercise your voting rights via the Internet, please access the voting website designated by the Company from a PC or a smartphone and cast your vote in accordance with the instructions on the screen.

Voting deadline: No later than 5:00 p.m. Japan time, Thursday, June 22, 2023

*The voting website is unavailable from 2:00 a.m. to 5:00 a.m. Japan time every day.

1. Method for voting by reading the QR code

● Method for voting via a smartphone

You do not need to input either the “login ID” or the “temporary password.” You can exercise your voting rights by automatically accessing the voting website by reading the “QR Code for login” printed on the Voting Rights Exercise Form using your smartphone. After you got logged in, please input your approval or disapproval in accordance with the input instructions on the screen.

For Institutional Investors

You may exercise your voting rights on the voting platform operated by ICJ, Inc. if you have made prior application to use the platform.

2. Method for voting by inputting the login ID and the temporary password

● Method for voting via a PC

- (1) Access the voting website (<https://evote.tr.mufg.jp/>).
- (2) Input the “login ID” and the “temporary password” printed on the stub (on the right) of the Voting Rights Exercise Form.
- (3) Fill in “Current password,” then fill in both “New password” and “New password (confirmation).”
- (4) After you got logged in, please input your approval or disapproval in accordance with the input instructions on the screen.

※ Please note that, in order to prevent unauthorized access to the designated website by third party other than shareholders (persons impersonating shareholders) and to prevent the alteration of votes, if you wish to vote via the Internet, we request that you change your “temporary password” to a permanent password on the designated voting website.

※ We will notify you of a new “login ID” and “temporary password” each time when we convene a General Meeting of Shareholders.

※ All costs associated with accessing the voting website via a PC or a smartphone (including internet connection fees and communication fees) are to be borne by shareholders.

※ You may not be able to use the voting website depending on the environment in which you use the Internet.

Reference Documents for the General Meeting of Shareholders

Proposals and references

Proposal No. 1: Election of Five (5) Directors who are not Audit and Supervisory Committee Members

The terms of office of all five (5) Directors who are not Audit and Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes to elect five (5) Directors who are not Audit and Supervisory Committee Members.

The Company's Audit and Supervisory Committee has the opinion that it is appropriate to elect the candidates for Directors who are not Audit and Supervisory Committee Members in view of realizing the Company's sustainable growth and mid- and long-term improvement of its corporate value.

The candidates for Director are as follows.

Candidate No.	Name	Candidate attribute	Current positions and responsibilities at the Company	Period served as a Director
1	Hiroya Yamada	[Male] [Reappointed]	Representative Director, Chief Executive Officer	1 year
2	Shohei Morimoto	[Male] [Reappointed]	Director, Senior Executive Officer General Manager of Electronic Materials & System Equipment Group General Manager of Functional Materials Division, Electronic Materials & System Equipment Group	7 years
3	Hiroshi Maeyama	[Male] [Reappointed]	Director, Senior Executive Officer In charge of Administration and Human Resources Department, Environment & Safety Administration Department, and ISO Office	7 years
4	Masafumi Imai	[Male] [Reappointed]	Director, Senior Executive Officer In charge of Auditing Department, Corporate Planning and Coordination Department, Accounting and Finance Department, and Procurement Department	2 years
5	Manabu Hyakuno	[Male] [Reappointed] [Outside]	Outside Director	2 years

(Note) The number of years served as a Director is at the conclusion of this General Meeting of Shareholders.

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Hiroya Yamada (April 20, 1959) [Reappointed]	<p>April 1982 Joined Nippon Mining Co.</p> <p>July 2009 General Manager of Technology Department, Hitachi Works, Nippon Mining & Metals Co., Ltd.</p> <p>April 2011 General Manager of Facilities Engineering Department, Hitachi Works, JX Nippon Mining & Metals Corporation</p> <p>April 2012 General Manager of Facilities Engineering Department, Kurami Works, JX Nippon Mining & Metals Corporation</p> <p>October 2013 General Manager of Facilities Engineering Department, JX Nippon Mining & Metals Corporation</p> <p>April 2016 Executive Officer of JX Nippon Mining & Metals Corporation</p> <p>April 2019 Deputy General Manager of Technology Group and General Manager of Facilities Engineering Department, JX Nippon Mining & Metals Corporation</p> <p>April 2020 Senior Executive Officer of JX Nippon Mining & Metals Corporation</p> <p>April 2022 Executive Advisor of the Company</p> <p>June 2022 Representative Director of the Company (to present) Chief Executive Officer of the Company (to present)</p> <p>Significant concurrent positions —</p> <p>Attendance at meetings of the Board of Directors 85% (12 out of 14)*</p> <p>Period served as a Director 1 year</p>	—**
<p>Reasons for selection as a candidate for Director who is not an Audit and Supervisory Committee Member Mr. Hiroya Yamada assumes duties as Representative Director and Chief Executive Officer with a wealth of knowledge and experience in relation to the electronic materials business and metal recycling business, as well as in management and supervisory work of business companies (refer to the above for his career summary, etc.). He is nominated as a candidate for Director since the Company considers that he is needed for the supervision and decision-making of the Board of Directors.</p>			

* Mr. Yamada has worked for JX Nippon Mining & Metals Corporation. He did not attend the two meetings of the Board of Directors that were held to discuss the tender offer for the Company's shares by JX Nippon Mining & Metals Corporation in order to avoid suspicions of conflicts of interests and ensure fairness in regard to the tender offer.

** The number of shares of the Company held indirectly through the officers' shareholding association of the Company is excluded.

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held	
2	Shohei Morimoto (November 16, 1965) [Reappointed]	April 1988 April 2002	Joined the Company Seconded to TATSUTA System Electronics Co., Ltd.	26,000 shares*
		July 2010	General Manager of Functional Materials Division, Electronic Materials & System Equipment Group of the Company (to present)	
		October 2011	General Manager of Technology Development Center, Electronic Materials & System Equipment Group of the Company	
		June 2013	Executive Officer of the Company	
		June 2016	Director of the Company (to present) Senior Executive Officer of the Company (to present)	
		June 2020	Deputy General Manager of Electronic Materials & System Equipment Group of the Company General Manager of Electronic Materials & System Equipment Group of the Company (to present)	
		Significant concurrent positions —		
		Attendance at meetings of the Board of Directors 100% (16 out of 16)		
		Period served as a Director 7 years		
Reasons for selection as a candidate for Director who is not an Audit and Supervisory Committee Member Mr. Shohei Morimoto assumes duties as Director and Senior Executive Officer with a wealth of knowledge and experience in relation to the electronic materials business (refer to the above for his career summary and responsibilities, etc.). He is nominated as a candidate for Director since the Company considers that he is needed for the supervision and decision-making of the Board of Directors.				

* The number of shares of the Company held indirectly through the officers' shareholding association of the Company is excluded.

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held	
3	Hiroshi Maeyama (August 7, 1960) [Reappointed]	April 1983	Joined Nippon Mining Co.	24,900 shares*
		April 2010	Manager of General Affairs Division, JX Nippon Mining & Metals Corporation	
		June 2012	Deputy Manager of Isohara Works, JX Nippon Mining & Metals Corporation	
		April 2014	Director and Senior Executive Officer of JX Metals Precision Technology Co., Ltd.	
		June 2015	Executive Officer of the Company General Manager, in charge of general affairs and human resources, General Affairs Division of the Company	
		April 2016	General Manager of Administration and Human Resources Department of the Company (to present)	
	May 2016	President and Representative Director of TATSUTA Welfare Service Co., Ltd.		
	June 2016	Director of the Company (to present) Senior Executive Officer of the Company (to present) In charge of Administration and Human Resources Department, and Environment & Safety Administration Department of the Company		
	September 2016	In charge of Administration and Human Resources Department, Environment & Safety Administration Department, and ISO Office of the Company (to present)		
		Significant concurrent positions —		
		Attendance at meetings of the Board of Directors 100% (16 out of 16)		
		Period served as a Director 7 years		
Reasons for selection as a candidate for Director who is not an Audit and Supervisory Committee Member Mr. Hiroshi Maeyama assumes duties as Director and Senior Executive Officer with a wealth of knowledge and experience in relation to planning and administrative work (refer to the above for his career summary and responsibilities, etc.). He is nominated as a candidate for Director since the Company considers that he is needed for the supervision and decision-making of the Board of Directors.				

* The number of shares of the Company held indirectly through the officers' shareholding association of the Company is excluded.

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held	
4	Masafumi Imai (July 17, 1962) [Reappointed]	April 1986 August 2013	Joined Nippon Mining Co. General Manager of Business Administration Department, Recycling & Environmental Services Group, JX Nippon Mining & Metals Corporation	1,300 shares**
		June 2015 April 2017	Seconded to Pan Pacific Copper Co., Ltd. Chief Secretary of Administration Department, Metals Group, JX Nippon Mining & Metals Corporation	
		May 2018	General Manager of Administration Department, Recycling & Environmental Services Group, JX Nippon Mining & Metals Corporation	
		June 2020 June 2021	General Manager of Accounting and Finance Department of the Company (to present) Director of the Company (to present) Executive Officer of the Company In charge of Auditing Department, Corporate Planning and Coordination Department, Accounting and Finance Department, and Procurement Department of the Company	
		June 2022	Senior Executive Officer of the Company (to present) In charge of Auditing Department, Corporate Planning and Coordination Department, Accounting and Finance Department, and Procurement Department of the Company (to present)	
		Significant concurrent positions —		
		Attendance at meetings of the Board of Directors 87% (14 out of 16)*		
		Period served as a Director 2 years		
Reasons for selection as a candidate for Director who is not an Audit and Supervisory Committee Member Mr. Masafumi Imai assumes duties as Director and Senior Executive Officer with a wealth of knowledge and experience in relation to accounting and finance operations (refer to the above for his career summary and responsibilities, etc.). He is nominated as a candidate for Director since the Company considers that he is needed for the supervision and decision-making of the Board of Directors.				

* Mr. Imai has worked for JX Nippon Mining & Metals Corporation. He did not attend the two meetings of the Board of Directors that were held to discuss the tender offer for the Company's shares by JX Nippon Mining & Metals Corporation in order to avoid suspicions of conflicts of interests and ensure fairness in regard to the tender offer.

** The number of shares of the Company held indirectly through the officers' shareholding association of the Company is excluded.

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held	
5	Manabu Hyakuno (August 3, 1961) [Reappointed] [Outside]	April 1985 April 2009	Joined Nippon Mining Co. Chief Secretary, Precision Rolling Department, Processing Division, Electric Materials Group, Nippon Mining & Metals Co., Ltd.	—
		April 2010	Seconded to Materials Service Complex Malaysia Sdn. Bhd.	
		January 2013	General Manager, Rolled and Processed Materials Department, Functional Materials Division, Electric Materials Group, JX Nippon Mining & Metals Corporation	
		April 2017	General Manager, Functional Materials Division, Electric Materials Group, JX Nippon Mining & Metals Corporation	
		April 2018	Executive Officer of JX Nippon Mining & Metals Corporation	
	April 2019	General Manager, Functional Materials Division, JX Nippon Mining & Metals Corporation (to present)		
	April 2021	Director of JX Nippon Mining & Metals Corporation		
	June 2021	Senior Executive Officer of JX Nippon Mining & Metals Corporation (to present) Outside Director of the Company (to present)		
		Significant concurrent position Senior Executive Officer and General Manager of the Functional Materials Division, JX Nippon Mining & Metals Corporation		
		Attendance at meetings of the Board of Directors 81% (13 out of 16)*		
		Period served as a Director 2 years		
<p>Reasons for selection as a candidate for Outside Director who is not an Audit and Supervisory Committee Member, and expected roles</p> <p>Mr. Manabu Hyakuno assumes duties as Outside Director with a wealth of knowledge and experience in relation to the management and supervisory work of business companies (refer to the above for his career summary, etc.). He is nominated as a candidate for Outside Director who is not an Audit and Supervisory Committee Member since he will contribute to securing diversity and enhancing the revitalization of the Board of Directors.</p> <p>The Company expects Mr. Hyakuno to increase corporate value through the enhancement of corporate governance, mainly by utilizing his experience in relation to the management and supervisory work of business companies to supervise the execution of duties by Directors and participate in the formulation of management strategy and management plans.</p>				

* Mr. Hyakuno concurrently serves as Senior Executive Officer of JX Nippon Mining & Metals Corporation. He did not attend the two meetings of the Board of Directors that were held to discuss the tender offer for the Company's shares by JX Nippon Mining & Metals Corporation in order to avoid suspicions of conflicts of interests and ensure fairness in regard to the tender offer.

Notes:

1. The Company does not have any special interest with the candidates for Director.
2. The Company currently has a contract with Mr. Manabu Hyakuno, to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act. If the election of Mr. Manabu Hyakuno is approved, the Company plans to continue the contract. The limit of the liability for damages under this agreement with Mr. Manabu Hyakuno shall be the minimum amount of liability for damages prescribed by laws and regulations.
3. The Company has entered into a directors and officers liability insurance (D&O insurance) contract with an insurance company, to cover legal damages and litigation expenses in the event that the insured parties, who are the Directors of

the Company, assume liability for their execution of duties, or receive a claim in the pursuit of such liability. However, the contract contains exemptions, such as legal damages and litigation expenses arising from intentional acts or gross negligence by an insured party. The Company is fully responsible for paying the insurance premium associated with this contract. The candidates will be included among the insured parties if they are appointed as Directors. The Company intends to renew this insurance contract during their terms of office.

Proposal No. 2: Election of Four (4) Directors who are Audit and Supervisory Committee Members

The terms of office of all four (4) Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders.

Accordingly, the Company proposes to elect four (4) Directors who are Audit and Supervisory Committee Members.

The candidates for Director are as follows.

The Audit and Supervisory Committee has consented to this proposal.

Candidate No.	Name	Candidate attribute	Current positions and responsibilities at the Company	Period served as an Outside Director
1	Yoshitaka Dooka	[Male] [Reappointed] [Outside]	Outside Director Audit and Supervisory Committee Member	2 years
2	Takeshi Hanai	[Male] [Reappointed] [Outside] [Independent]	Outside Director Audit and Supervisory Committee Member	6 years
3	Inao Harato	[Male] [Reappointed] [Outside] [Independent]	Outside Director Audit and Supervisory Committee Member	4 years
4	Etsuko Taniguchi	[Female] [Reappointed] [Outside] [Independent]	Outside Director Audit and Supervisory Committee Member	2 years

(Note) The number of years served as an Outside Director is at the conclusion of this General Meeting of Shareholders.

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Yoshitaka Dooka (May 13, 1962) [Reappointed] [Outside]	<p>April 1985 Joined Nippon Mining Co.</p> <p>April 2010 Chief Secretary of Planning & Coordination Department, Metals Group, JX Nippon Mining & Metals Corporation</p> <p>July 2015 Chief Secretary of Planning Department, Electric Materials Group, JX Nippon Mining & Metals Corporation</p> <p>June 2018 Deputy General Manager of Business Development Department, Tantalum and Niobium Division, Technology Group, JX Nippon Mining & Metals Corporation</p> <p>April 2019 General Manager of Business Development Department, Tantalum and Niobium Division, Technology Group, JX Nippon Mining & Metals Corporation</p> <p>June 2021 Outside Director (Audit and Supervisory Committee Member) of the Company (to present)</p> <p>Significant concurrent positions —</p> <p>Attendance at meetings of the Board of Directors 87% (14 out of 16)*</p> <p>Period served as an Outside Director 2 years</p>	—
<p>Reasons for selection as a candidate for Outside Director who is an Audit and Supervisory Committee Member, and expected roles</p> <p>Mr. Yoshitaka Dooka assumes duties as Director who is an Audit and Supervisory Committee Member with a wealth of knowledge and experience in relation to the corporate planning and administrative operation of business companies, although he has never been directly involved in business management (refer to the above for his career summary, etc.). He is nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member since he will contribute to securing diversity and enhancing the revitalization of the Board of Directors and the Company considers that he is needed for the supervision and decision-making of the Board of Directors and the supervision of the execution of the business of the Group. The Company expects Mr. Dooka to increase corporate value through the enhancement of corporate governance, mainly by utilizing his experience in relation to the corporate planning and administration of business companies to supervise the execution of duties by Directors and participate in the process of determining remuneration for Directors and officers of the Company while closely coordinating with independent officers by sharing internal information, etc. with them in a timely manner.</p>			

* Mr. Dooka has worked for JX Nippon Mining & Metals Corporation. He did not attend the two meetings of the Board of Directors that were held to discuss the tender offer for the Company's shares by JX Nippon Mining & Metals Corporation in order to avoid suspicions of conflicts of interests and ensure fairness in regard to the tender offer.

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held	
2	Takeshi Hanai (October 16, 1954) [Reappointed] [Outside] [Independent]	April 1977	Joined The Industrial Bank of Japan, Limited (currently, Mizuho Bank, Ltd.)	1,000 shares*
		April 2004	Executive Officer, General Manager of Shanghai Branch, Mizuho Corporate Bank, Ltd. (currently, Mizuho Bank, Ltd.)	
		March 2006	Managing Executive Officer, Head of Asia & Oceania, Mizuho Corporate Bank, Ltd.	
		June 2007	Managing Executive Officer of Mizuho Corporate Bank, Ltd., Chairman of Mizuho Corporate Bank (China), Ltd., Chief Regional Representative of Mizuho China	
		April 2009	Advisor of Mizuho Corporate Bank, Ltd.	
		May 2009	Managing Executive Officer of Rakuten, Inc.	
		March 2010	Senior Executive Officer and Director of Rakuten, Inc.	
		July 2012	Senior Advisor of Corporate Directions, Inc.	
		June 2013	Outside Audit & Supervisory Board Member of NEXT Co., Ltd. (currently, LIFULL Co., Ltd.)	
		June 2014	Outside Director of ASICS Corporation Outside Director of Maruwn Corporation	
June 2015	Outside Director of Nippon Seisen Co., Ltd. (to present)			
June 2017	Outside Director (Audit and Supervisory Committee Member) of the Company (to present)			
June 2020	Outside Director of geechs inc. (to present)			
June 2021	Outside Director of KI-STAR REAL ESTATE CO., LTD (to present)			
		Significant concurrent positions Outside Director of Nippon Seisen Co., Ltd. Outside Director of geechs inc. Outside Director of KI-STAR REAL ESTATE CO., LTD		
		Attendance at meetings of the Board of Directors 100% (16 out of 16)		
		Period served as an Outside Director 6 years		
Reasons for selection as a candidate for Outside Director who is an Audit and Supervisory Committee Member, and expected roles Mr. Takeshi Hanai assumes duties as Director who is an Audit and Supervisory Committee Member with a wealth of knowledge and experience as a manager of financial institutions and business companies in relation to administrative and supervision work (refer to the above for his career summary, etc.). He is nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member since he will contribute to securing diversity and enhancing the revitalization of the Board of Directors and the Company considers that he is needed for the supervision and decision-making of the Board of Directors and the supervision of the execution of the business of the Group. The Company expects Mr. Hanai to increase corporate value through the enhancement of corporate governance, mainly by utilizing his experience in relation to administrative and supervision as a manager of financial institutions and business companies to supervise the execution of duties by Directors and any conflicts of interest, as well as participating in the process of nominating, selecting, dismissing, and determining remuneration for Directors and officers of the Company.				
Matters related to independence Mr. Takeshi Hanai satisfies the standards for independence for the Company's Outside Directors. The Company has therefore registered him as an independent officer in accordance with the provisions of the Tokyo Stock Exchange (TSE). He previously belonged to Mizuho Bank, Ltd. and thereafter retired from said bank in April 2009. In addition, the ratio of borrowings from the bank to the consolidated total assets of the Company is only 0.34%.				

* The number of shares of the Company held indirectly through the officers' shareholding association of the Company is excluded.

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Inao Harato (September 20, 1960) [Reappointed] [Outside] [Independent]	April 1991 Registered as an attorney Joined Kyowa-sogo Law Office	—
		April 1999 Partner of Kyowa-sogo Law Office (to present)	
		June 2015 Outside Corporate Auditor of Fuji Corporation Limited (to present)	
		July 2018 Outside Corporate Auditor of Osaka Chikagai Co., Ltd. (to present)	
		June 2019 Outside Director (Audit and Supervisory Committee Member) of the Company (to present)	
		Significant concurrent positions Partner of Kyowa-sogo Law Office Outside Corporate Auditor of Fuji Corporation Limited Outside Corporate Auditor of Osaka Chikagai Co., Ltd.	
		Attendance at meetings of the Board of Directors 100% (16 out of 16)	
		Period served as an Outside Director 4 years	
Reasons for selection as a candidate for Outside Director who is an Audit and Supervisory Committee Member, and expected roles Mr. Inao Harato assumes duties as Director who is an Audit and Supervisory Committee Member with a wealth of experience over many years and broad knowledge as an attorney, although he has never been directly involved in business management (refer to the above for his career summary, etc.). He is nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member since he will contribute to securing diversity and enhancing the revitalization of the Board of Directors and the Company considers that he is needed for the supervision and decision-making of the Board of Directors and the supervision of the execution of the business of the Group. The Company expects Mr. Harato to increase corporate value through the enhancement of corporate governance, mainly by utilizing his experience as an attorney to supervise the execution of duties by Directors and any conflicts of interest, as well as participating in the process of nominating, selecting, dismissing, and determining remuneration for Directors and officers of the Company.			
Matters related to independence Mr. Inao Harato satisfies the standards for independence for the Company's Outside Directors. The Company has therefore registered him as an independent officer in accordance with the provisions of the Tokyo Stock Exchange (TSE).			

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	Etsuko Taniguchi (July 8, 1964) [Reappointed] [Outside] [Independent]	October 1990 Joined Asahi Shinwa & Co. (currently KPMG AZSA LLC)	—
		May 1994 Registered as a Certified Public Accountant	
		June 2011 Partner of KPMG AZSA LLC	
		July 2019 Representative of Etsuko Taniguchi CPA Office (to present) Auditor of Osaka Gender Equality Foundation (to present)	
		June 2021 Outside Director (Audit and Supervisory Committee Member) of the Company (to present)	
		Significant concurrent position Representative of Etsuko Taniguchi CPA Office	
		Attendance at meetings of the Board of Directors 100% (16 out of 16)	
		Period served as an Outside Director 2 years	
Reasons for selection as a candidate for Outside Director who is an Audit and Supervisory Committee Member, and expected roles Ms. Etsuko Taniguchi assumes duties as Director who is an Audit and Supervisory Committee Member with extensive experience and broad knowledge in corporate accounting and audit work, gained over many years as a Certified Public Accountant although she has never been directly involved in business management (refer to the above for her career summary, etc.). She is nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member since she will contribute to securing diversity and enhancing the revitalization of the Board of Directors and the Company considers that she is needed for the supervision and decision-making of the Board of Directors and the supervision of the execution of the business of the Group. The Company expects Ms. Taniguchi to increase corporate value through the enhancement of corporate governance, mainly by utilizing her experience as a Certified Public Accountant to supervise the execution of duties by Directors and any conflicts of interest, as well as participating in the process of nominating, selecting, dismissing, and determining remuneration for Directors and officers of the Company.			
Matters related to independence Ms. Etsuko Taniguchi satisfies the standards for independence for the Company's Outside Directors. The Company has therefore designated her as an independent officer in accordance with the provisions of the Tokyo Stock Exchange (TSE).			

Notes:

1. The Company does not have any special interest with the candidates for Director who are Audit and Supervisory Committee Members.
2. If the election of Mr. Yoshitaka Dooka is approved, the Company will appoint him Standing Audit and Supervisory Committee Member.
3. The Company has entered into contracts with Mr. Takeshi Hanai, Mr. Inao Harato, Mr. Yoshitaka Dooka, and Ms. Etsuko Taniguchi to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act. If the election of Mr. Takeshi Hanai, Mr. Inao Harato, Mr. Yoshitaka Dooka, and Ms. Etsuko Taniguchi is approved, the Company will continue these contracts with them. The limit of the liability for damages under this agreement with each of the four candidates shall be the minimum amount of liability for damages prescribed by laws and regulations.
4. The Company has entered into a directors and officers liability insurance (D&O insurance) contract with an insurance company, to cover legal damages and litigation expenses in the event that the insured parties, who are the Directors of the Company, assume liability for their execution of duties, or receive a claim in the pursuit of such liability. However, the contract contains exemptions, such as legal damages and litigation expenses arising from intentional acts or gross negligence by an insured party. The Company is fully responsible for paying the insurance premium associated with this contract. The candidates will be included among the insured parties if they are appointed as Directors. The Company intends to renew this insurance contract during their terms of office.

[Reference]

Experience and Expertise of Directors

If the proposal is approved and passed, then the Company's Board of Directors will be composed of members with the following skills.

Name	Corporate management, management strategy	ESG, sustainability	Sales, business strategy	R&D, production technology, DX	International business	Finance, accounting	Legal affairs, compliance	General affairs, HR	Experience in other industries
Hiroya Yamada	•	•		•					
Shohei Morimoto	•		•	•	•				
Hiroshi Maeyama	•	•			•		•	•	
Masafumi Imai	•	•	•			•			
Manabu Hyakuno	•		•		•				
Yoshitaka Dooka	•		•		•				
Takeshi Hanai	•	•	•		•	•	•		•
Inao Harato		•					•		•
Etsuko Taniguchi		•				•			•

*The table above presents the fields in which each individual is more specialized, based on his or her experience, etc. It does not represent all the skills and knowledge that they possess.

(Attachment)

Business Report

(April 1, 2022 - March 31, 2023)

1. Overview of the Company Group

(1) Business Progress and Results

During the current fiscal year under review, as the movement restrictions due to the COVID-19 pandemic were lifted, the Japanese economy saw signs of moderate recovery in corporate earnings, capital investment, production, personal consumption, etc. The world economy is also expected to continue improving modestly as the impact of COVID-19 decreases, although the economy in some regions is at a standstill. However, downside risks are increasing due to volatility in the financial and capital markets and rising prices amid ongoing global monetary tightening, resource and raw material prices fluctuating at high levels, the prolonged Russia-Ukraine crisis, and the lingering effects of restraints on economic activity in China.

The average domestic quotation price for copper, the main raw material used for the Company's products, during the fiscal year under review was on levels higher compared to the previous fiscal year.

In the meantime, demand for electric wires for infrastructure was on levels lower compared to the previous fiscal year, while in the industrial equipment wire business, a recovery in demand from some users continued. Sales volume of smartphones, the main usage of functional films, remained weak due to a global price increase, a slowdown of the Chinese economy, the effects of lockdowns in the country, etc. The materials demand was affected by sluggish product sales, shortfalls in semiconductors and other components and materials, inventory adjustments by users, etc.

In this environment, net sales for the fiscal year under review amounted to 61,476 million yen (up 2.7% year on year). Operating income was 1,701 million yen (down 41.0% year on year), ordinary income was 1,864 million yen (down 40.1% year on year), and income attributable to owners of parent was 967 million yen (down 58.5% year on year).

(Millions of yen, unless otherwise stated)

	Fiscal year ended March 31, 2022 (previous fiscal year)	Fiscal year ended March 31, 2023 (fiscal year under review)	Year on year change
Net sales	59,861	61,476	2.7%
Operating income	2,885	1,701	(41.0)%
Ordinary income	3,114	1,864	(40.1)%
Income attributable to owners of parent	2,330	967	(58.5)%

The Company is currently listed in the Tokyo Stock Exchange Inc. as of the end of the fiscal year under review. As announced in the Notice on Position Statement concerning Planned Commencement of a Tender Offer by JX Nippon Mining & Metals Corporation, a Wholly-owned Subsidiary of ENEOS Holdings, Inc., for Shares of the Company released on December 21, 2022, JX Nippon Mining & Metals Corporation plans to commence the tender offer for shares of the Company as soon as the prospect for clearance of competition laws of relevant countries becomes probable. The details of the schedule will be

notified promptly after the determination. Through the tender offer and subsequent series of procedures, the Company is planned to become a wholly-owned subsidiary of JX Nippon Mining & Metals Corporation, and the Company's stock is planned to be delisted.

The Company will develop synergies, including efficient utilization of management resources of both companies; further enhancement of business competitiveness in the electronic materials area; and enhancement of business foundation in the electric wire and cable area, in an effort to increase corporate value.

An overview of the Group's business performance by segment is as follows:

[Electric Wire and Cable Business]

(Millions of yen, unless otherwise stated)

	Fiscal year ended March 31, 2022 (previous fiscal year)	Fiscal year ended March 31, 2023 (fiscal year under review)	Year on year change
Net sales	40,400	43,975	8.8%
Operating income	750	768	2.3%

The sales volume of electric wires for infrastructure declined from the previous fiscal year (down 9.2% year on year) as customers continued conservative buying due to higher copper prices, and competition intensified, fueled by selling price revisions implemented in response to rising raw material prices. Meanwhile, owing to the increase in copper prices, a continued recovery in demand at some customers for industrial equipment wires, etc., segment net sales were 43,975 million yen (up 8.8% year on year). Operating income was 768 million yen (up 2.3% year on year) due to efforts to secure profits by increasing sales of industrial equipment wires, making progress on selling price revisions, reducing costs, etc., despite a decrease in sales of electric wires for infrastructure, an increase in costs attributable to a rise in raw material and energy prices, the effect of copper price movement, etc.

[Electronic Materials Business]

(Millions of yen, unless otherwise stated)

	Fiscal year ended March 31, 2022 (previous fiscal year)	Fiscal year ended March 31, 2023 (fiscal year under review)	Year on year change
Net sales	17,247	15,064	(12.7) %
Operating income	2,705	1,463	(45.9) %

Demand for functional films, our flagship products, decreased (down 13.5% year on year) due to lower sales volume for smartphones, the main usage of functional films, lockdowns in China, shortfalls in semiconductors and other components and materials, inventory adjustments by users, etc. As a result, segment net sales were 15,064 million yen (down 12.7% year on year). Operating income was 1,463 million yen (down 45.9% year on year) due to an increase in costs attributable to a rise in raw material and energy prices, etc. in addition to a decrease in sales volume despite our efforts to reduce costs, losses, etc.

[Other Businesses]

(Millions of yen, unless otherwise stated)

	Fiscal year ended March 31, 2022 (previous fiscal year)	Fiscal year ended March 31, 2023 (fiscal year under review)	Year on year change
Net sales	2,243	2,463	9.8%
Operating income	139	161	15.6%

The sensor, medical equipment materials, and environmental analysis businesses saw an ongoing recovery in demand. Segment net sales were 2,463 million yen (up 9.8% year on year), and operating income was 161 million yen (up 15.6% year on year).

2. Issues to Be Addressed

(1) Basic Management Policy of the Group

Recognizing that the sustainable development of society is fundamental to the sustainable growth for the Group, we will raise our environmental, social and economic corporate value by providing products and services useful for society, while aiming to reduce environmental burden at all stages of our business activities, based on the Group's Corporate Principles and Corporate Code of Conduct.

Furthermore, we aim to expand business by providing products and services useful for the society, and recognize reducing social and environmental burden from the Group's business activities as a key challenge. Protecting the global environment, in particular, is a worldwide issue, and we would like to actively play our part as a corporate member of society. To this end, we will also be diligently engaged in initiatives such as achieving carbon neutrality, resource conservation, energy conservation and recycling.

Through these activities, the Group will contribute to realizing a better society and its sustainable development.

Corporate Principles

The Group will

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

Corporate Code of Conduct

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

In order to realize the Group's Corporate Principles, we have formulated "2025 Long-Term Vision," the Group's long-term business strategy. This establishes the future direction and vision (business model) for the Group's core businesses, the Electric Wire and Cable Business and Electronic Materials Business, for the Company's business operations during nine years from the fiscal year ended March 31, 2018 to the fiscal year ending March 31, 2026, based on the Group's core competence and future social issues, need and trends.

Under our 2025 Long-Term Vision, in addition to further strengthening businesses in which the Company already has a substantial competitive advantage, we aim to focus the Group's initiatives on frontier sectors where social needs are expected to rise in the future, such as the IoT, robotics, automotive onboard devices and medical devices, to expand our businesses and transform our business portfolio. We think that these initiatives will address the SDGs and contribute to responding to social issues that emerged as a result of the COVID-19 crisis.

To achieve this, we develop our businesses in three groups, "for-profit businesses", "for-growth businesses", and "mid- to long-term development businesses" based on factors such as their stage of growth and competitive strength, also dividing into the First period (FY2017-2019), Second period (FY2020-2022) and Third period (FY2023-2025).

However, with regard to for-growth businesses and mid- to long-term development businesses, which we planned to substantially grow, though we have made certain progress, there have been significant delays in new product development and sales expansion, especially in the Second period (FY2020-2022), due to restricted contact with customer companies, stagnant certification process for new materials on the customer side, etc. caused by the COVID-19 crisis. With regard to for-profit businesses, earnings of FY2022 considerably deteriorated attributable to soaring resource and energy prices triggered by the Russian invasion of Ukraine, sluggish production caused by supply shortages of parts such as semiconductors, a subsequent sharp decline in smartphone sales, etc.

Under these circumstances, while there is no change in the direction set forth in the 2025 Long-Term Vision, the Group has decided to first focus on and make a concerted effort toward earnings recovery in FY2023 as the top priority and formulate business plans and targets for FY2024 to FY2025 by the end of FY2023 as we assess the outlook for the business environment and trends in earnings recovery.

[2025 Long-Term Vision]

Our goal is to achieve net sales of 100 billion yen and operating income of 10 billion yen in the fiscal year ending March 31, 2026. We will explore the frontiers of electric wire and electronic materials with the aim of becoming a niche top supplier that provides unique cutting-edge parts and materials.

To this end, we will actively invest in the fields which are expected to achieve market expansion, namely, functional paste and medical equipment materials, in pursuit of growth. For other existing business fields, we will implement strategies such as promoting investment to help enhance efficiency and shifting our operational focus to high function products to pursue the optimization of profit earning.

For-profit businesses	[Electric wire and cable business] Electric wire and cable business, Domestic equipment wire and cable business [Electronic materials business] Functional films business, Bonding wire business [Other businesses] Sensor business, Environmental analysis business	Promote investment for enhancing efficiency and product improvement and shift operational focus to high function products to pursue the optimization of profit earning.
For-growth businesses	[Electronic materials business] Functional paste business [Other businesses] Medical equipment materials business	Actively implement investment in development and production increases to pursue greater scale and expand revenue.
Mid- to long-term development businesses	[Electric wire and cable business] Overseas equipment wire and cable business	Focus on establishing the business foundation at present; after this is complete, implement investment in production increases, and pursue greater scale and expand revenue in the future.

(3) Issues to Be Addressed

1) Issues of each segment

i) Electric Wire and Cable Business

With increasing needs for “developing power transmission and distribution network” and “functional cable” associated with social changes such as a shift to carbon-neutral society, 5G, FA and robotization, business opportunities of the Electric Wire and Cable Business are expanding, and acquisition of such opportunities is a priority. Given such circumstances, the Company will improve market responsiveness of the entire Electric Wire and Cable Business to further “expand into new/overseas markets”, “develop high function and differentiated products”, and “plan/implement measures to enhance product lineup through alliance, etc. and to strengthen manufacturing and sales system”. As part of it, the Company consolidated in July 2021 the Electric Wire & Cable Division and the Equipment Wire and Cable Division to form “Wire & Cable Group”. Furthermore, in July 2022, we centralized our sales functions to the Company and simplified our management system to accelerate market exploration and development of differentiated new products through efficient operation, swift decision making, and further information sharing.

In addition, in FY2022, conservative buying by customers continued from FY2021 as prices of copper, the main raw material, remained high, and production costs significantly increased as prices of other production materials and energy rose. In response to the situation, we proceeded with thorough cost reduction and selling price revision. However, partly because these efforts took time, we were unable to offset the significant impact on revenue. As prices of production materials and energy are expected to continue to fluctuate in the future, maintaining appropriate sales prices is an important task, and we will continue to focus our efforts on it.

Meanwhile, as for wires for industrial equipment, demand is strong for wires for manufacturing equipment such as FAs, and we will make an effort to expand our production capacity to achieve further growth.

Conservative buying by customers is becoming noticeable due to soaring prices of copper, the main raw material, and other production materials and energy prices are rising, all of which weigh on revenue. To counter this, we will thoroughly reduce costs while further collaborating with suppliers and corporate clients to retain revenue.

ii) Electronic materials business

Our mainstay functional films are mainly applied to mobile communication devices such as smart phones and tablets. The sales volume of smartphones declined significantly in FY2022 due to inflation, concerns over an economic slowdown, etc. However, mobile communication devices will go compatible with millimeter wave bases and device models to enable higher speed communications. Foldable phones (foldable smartphones) are also expected to increase. We have developed electromagnetic wave shielding film that is compatible with millimeter wave and highly flexible film that is compatible with foldable phones and will capture business opportunities with full-scale penetration of such devices. On the other hand, expanding the application range of functional films is an issue. The Company has developed highly heat-resistant, electromagnetic wave shielding film for in-vehicle electronic components such as sensors, cameras, inverters, power windows, headlights and instruments, from which further growth is expected. The Company will diligently engage in making the shielding film for automobile applications the second business pillar following the shielding films for smartphones.

Functional paste business, positioned as for-growth business, has focused on business development under the 2025 Long-Term Vision as a second business pillar following the functional films business. Partly due to the delay in certification process by corporate clients due to COVID-19, the business is still yet to contribute to the Company's revenue. However, certification of materials at corporate clients is underway, and collaboration with startups in which the Company has invested is materializing. We will continue to work vigorously so that the business will contribute to revenue soon.

iii) Other businesses

The medical equipment materials business, positioned as for-growth business, can utilize the Company's resin molding technology and fine electric wire processing technology, in addition to sensing technology accumulated from the sensor business. Under the policy to develop and operate business of top niche product groups by addressing development themes that meet the needs of major clients, we have developed unique niche top products, while building a business foundation through contract manufacturing of OEM products for major medical equipment manufacturers. In particular, minimally invasive medical areas contribute to better QOL after surgery, reducing patient burden. With higher demand for adding new functions, the market is expected to grow in the development of new treatment methods, and our core technologies such as optical fiber, alloy, fine wire, and tube can contribute to developing new medical technologies. At the end of FY2021, we started production and sales of minimally invasive PDT probe for cancer treatment utilizing our optical fiber technology and OEM products for major medical equipment manufacturers, and the production and sales are growing steadily. Furthermore, we are moving forward with a capital and business alliance with a startup company developing advanced medical technology products, to contract manufacture products of both companies in the mass production phase, and focus on new product development by combining our technology. Progress of the Long-Term Vision is lagging behind but we will drive the growth of the medical equipment materials business through forming a unique group, collaborating with companies in the relevant fields.

Tatsuta Environmental Analysis Center's environmental analysis business conducts dioxins analysis, working environment measurement, soil and groundwater investigation, and environmental analysis such as water quality and air. It also responds to various analyses such as products/materials and industrial waste, generating certain revenue with growing needs for environmental protection. To drive

further growth, we will continue to pursue our growth strategies by shortening the time required for dioxins analysis, providing one-stop solutions of soil and environment business including soil analysis, expanding the area in which we offer analysis services, etc. and enhance efficiency and service quality through digital transformation.

2) Alliances with companies and universities, etc. to strengthen business and nurture new business

It is a priority to strengthen existing business and nurture new business to drive our growth, and to early enhance fundamental technologies which are the key to creating a new business. From the perspective of leveraging the strengths of the Company's Group, we engage in open innovation through alliance with other companies and universities, in addition to leveraging its internal resources. The Company pursues capital and business alliance with startup companies which develop and possess differentiated technology contributing to solving social issues, in the fields aligned with its business directions, mainly of carbon neutrality and renewable energies; electronic materials such as 5G, IoT, AI, and DX; medical and environment/sensing. Since FY2020, the Company has invested in seven startups (approx. 600 million yen in total), aiming to create a new business through alliance while supporting their growth.

In FY2022, in accordance with the Accounting Standard for Financial Instruments (ASBJ Statement No. 10) and the Practical Guidelines on Accounting Standards for Financial Instruments (Accounting Practice Committee Statement No. 14), we recorded loss on valuation of investment securities in start-up companies. However, we have made the investment for the purpose of collaborating with start-up companies and are making steady progress in collaborating with them, including the start-up companies whose securities were written down this time.

In R&D areas, collaboration with universities has started, and currently co-developing products with several universities. The Company will promote such collaboration, aiming to enhance its profitability and develop new technologies and business.

Applied Cavitation, Inc.	Copprint Technologies Ltd.	SIRC Co., Ltd.	Man-Machine Synergy Effectors, Inc.	OK Fiber Technology Co., Ltd.	Bendit Technologies Ltd.	Space Power Technologies Inc.
Functional materials using its proprietary cavitation process	Nano Copper inks that allow low temperature sintering	DX solutions using multi-functional sensors	Social implementation of human-like heavy machinery based on state-of-the-art robotics technologies	Composite-type optical fiber for medical application	360-degree rotating microcatheters for medical application	Space-to-space wireless power transmission systems to supply power

3) DX promotion

The Group is promoting DX in various aspects, namely, manufacturing, development, sales, and general affairs. In April 2022, we modified our personnel system in light of changes in work styles, and in July 2022, we centralized our sales bases in the Electric Wire and Cable Business on the premise of utilizing DX technology. In addition, as we believe that human resource development is an important

task in establishing and continuing to promote DX as a corporate culture, we have systematized and significantly improved our DX training program. We will continue to enhance the digital environment and address issues to enable the reform of business styles and business models and create new added value.

(4) Sustainability Promotion

As stated in 2. Issues to Be Addressed (1) Basic Management Policy of the Group, recognizing that the sustainable development of society is fundamental for the sustainable growth for the Group, we have been pursuing sustainability management. We have formulated the ESG Committee Rules and have established and operated the ESG Committee as a body to recognize and determine the importance of sustainability information in our group management. In April 2021, we identified contribution to conserving the global environment, provision of advanced, high-quality products and services to benefit society, realization of safe and fulfilling workplaces, respect of human rights, coexistence and co-prosperity with local communities, and thorough corporate governance as materiality items of the Group and have been making group-wide efforts to achieve them. Through these activities, we will aim for sustainable growth of our business and play an active role as a member of society in realizing a better society and its sustainable development.

1) Governance

In October 2020, in order to promote sustainability management across the Group, we established the ESG Committee, which is chaired by the President and Representative Director and composed of Directors and Executive Officers of the Company and Directors of Group companies. The ESG Committee is positioned alongside the Board of Managing Officers and Internal Control Committee as a meeting body under the direct control of the President and Representative Director. The ESG Committee meeting is held twice a year (or as needed) (It was held four times in FY2022.). The ESG Committee monitors the status of ESG-related initiatives, discusses and deliberates on important matters related to ESG from the perspective of the sustainability of business activities, and reports and presents the results to the Board of Managing Officers and the Board of Directors.

The Administration and Human Resources Department and Corporate Planning and Coordination Department act as the ESG Committee's secretariat, and in coordination with various business divisions, bring basic ideas, important issues, etc. related to ESG in general to the ESG Committee for discussion, set sustainability targets, summarize their progress, and supervise the evaluation of achievements. Regarding climate change, in particular, we have established a Carbon Neutrality Pursuit Subcommittee, which is headed by an Executive Officer in charge of facilities engineering, under the ESG Committee. It supervises efforts toward carbon neutrality by 2025 and reports to the ESG Committee.




2) Risk management

The ESG Committee oversees ESG-related initiatives as a whole, discusses and assesses the risks and opportunities associated with each materiality item from the perspective of sustainability, and when necessary, reviews the materiality items, specific initiatives, and KPIs. As for identified risk items, the ESG Committee reports them to the Board of Managing Officers and the Board of Directors, and in coordination with the Risk Management Committee, incorporates and reflects them in the risk management of the entire Group.

3) Strategy and target indices

The Group's sustainability-related materiality items, specific initiatives, and KPIs are as follows:

TATSUTA Electric Wire & Cable Group Materiality Items & SDGs		Specific initiatives	KPIs
Environmental	Contribute to conserving the global environment (including climate change response)	<ul style="list-style-type: none"> Reduce the environmental impact of services Promote recycling 	Develop environmentally-friendly products and services Recycling rate: 95% or more
		<ul style="list-style-type: none"> Promote energy saving 	Promote investment to conserve resources and energy Reduce expected effect of rationalization of energy use: 1% or more Reduce energy consumption by product intensity 1% or more
		<ul style="list-style-type: none"> Pursue carbon neutrality 	Net zero CO ₂ emissions by 2025
			
Social	Provide advanced, high-quality products and services to benefit society	<ul style="list-style-type: none"> Develop products and services that resolve social issues and satisfy customer needs Strengthen quality assurance and BCP systems 	Develop products and services related to resolving social issues Enhance customer satisfaction Steadily implement BCP and BCMS
		<ul style="list-style-type: none"> Promote measures for safety and health Nurture human resources to drive sustainable growth 	Zero serious accidents and accidents requiring time off work Increase the percentage of annual paid leave consumed to 80% or more Enhance education and training
		<ul style="list-style-type: none"> Promote diversity & inclusion 	Maintain and increase proportion of employees with disabilities: 2.3% or more Increase proportion of female employees recruited: 25% or more Ratio of female managers: 10% or more by the end of fiscal 2025
		<ul style="list-style-type: none"> Promote awareness-raising activities to foster respect for human rights 	Encourage participation in human rights education
Governance	Thorough corporate governance	<ul style="list-style-type: none"> Maintain good communication Contribute to local community promotion and next-generation development 	Continue dialogue with local communities Contribute to local community next generation development programs
		<ul style="list-style-type: none"> Business operations based on corporate governance guidelines Implement management systems (including risk management system) with certainty Strengthen education and training on compliance Implement an internal hotline system 	Take ongoing action on corporate governance Steady operation of a company-wide management system (risk, quality, environment, information, etc.) Promote participation in compliance training

▪ Response to climate change

We understand that climate change will significantly affect the preconditions for a stable social infrastructure that allows us to continue our business activities now and in future through an increase in natural disasters, an impact on ecosystems, etc. as a result of global warming. We recognize that the reduction of CO2 emissions, in particular, is an urgent priority that may have an effect on our management strategy.

In April 2022, the Group has practically achieved carbon neutrality (Scope 1 and 2) in the functional films business in response to requests from society, client companies, etc. We plan to achieve carbon neutrality (Scope 1 and 2) in FY2025 at other business sites and affiliated companies in Japan.

Total CO2 emissions (Scope 1 + Scope 2) by the Company and consolidated subsidiaries in Japan

FY2020	FY2021	FY2022
20,296 tCO2	20,119 tCO2	7,085 tCO2

In addition, the Company expressed its support for the Task Force on Climate Related Financial Disclosures in March 2022 and has analyzed scenarios based on the concept of TCFD and identified risks and opportunities related to our business activities to incorporate them into our management strategy.

▪ Approach to developing human resources, including diversified human resources, and improving the corporate environment

We have formulated a Human Resource Development Policy and are working to develop professional human resources who are willing and able to actively take on challenges and drive the creation of innovation and the global growth of our business.

<p>[Human Resource Development Policy]</p> <p>(1) Basic approach</p> <p>In compliance with the Corporate Principles and the Corporate Code of Conduct, we shall develop human resources that will assume the role of realizing sustainable development of the Company and enhancement of corporate value over the medium to long term.</p> <p>(2) Link with the personnel system</p> <p>Based on the Description Table of Roles and Grades in the personnel system, we shall develop human resources according to the roles and skills required for various levels.</p> <p>(3) Image of human resources that the Company seeks</p> <ol style="list-style-type: none"> 1) Human resources that are able to formulate a vision for the future based on an accurate understanding of the current situation and future outlook, overseeing the entire Group from a global perspective 2) Human resources that embrace diversity and are able to lead an organization, department, or workplace while working to smoothly coordinate with other departments 3) Human resources that take on challenges with a sense of urgency and are able to respond autonomously in the face of changes in social conditions, technological innovations, etc. 4) Human resources that are ambitious, have high ethical standards, and are capable of lifelong learning and self-improvement

In April 2022, we modified our personnel systems to take personnel measures that will facilitate diverse career paths and autonomous work styles and utilize employee diversity in business promotion and product development in an effort to achieve sustainable growth and development.

We state in the Corporate Code of Conduct that we shall respect the character and individuality of our employees, ensuring a safe and comfortable work environment rich in diversity. We pursue the realization of a dynamic work environment in which diverse human resources respect each other's human rights and vigorously demonstrate their abilities in their right places. In the face of social changes, such as a decrease in the working population due to the declining birthrate in Japan and the diversification of values regarding employment, we promote work-life management, such as diversity and inclusion, work style reform, and health management. We actively recruit and appoint diverse human resources, including women, people with disabilities, older people, foreigners, and mid-career hires with various work histories. We offer various types of leave of absence and the option of telecommuting in an effort to create a corporate environment that allows employees to make the most of their respective characters and abilities at different life stages. We also work to change the mindset of our employees by such means as educating managers.

Diversity-related indices: FY2022 results (non-consolidated)

(Proportion of employees with disabilities: from July 1, 2021 to June 30, 2022)

Percentage of annual paid leave consumed	75.0%
Proportion of employees with disabilities	3.1%
Proportion of female employees recruited	18.2%
Ratio of female managers	7.8%
Ratio of male employees that took childcare leave	50.0%

We would appreciate your continuous, warm understanding and support of our efforts.