

Business management and sustainability

Management team (As of October 1, 2022; asterisk (*) denotes currently held positions)

Directors



Ryutaro Kotaki
Representative Director
President and CEO

Feb 1988 Joined SATO
Jul 2007 Executive Officer and Senior Manager of Printer Sales Promotion Dept., Sales Division
Oct 2011 Executive Officer; Director and General Manager of Domestic Sales Dept., SATO Corporation
Apr 2012 Executive Officer; President, SATO Techno Lab Co., Ltd.
Apr 2013 Senior Executive Officer; President, SATO Technology Co., Ltd.
Jul 2014 Vice President
Apr 2016 Executive Vice President and Chief Operating Officer; President, SATO Corporation
Jun 2016 Representative Director, Executive Vice President and COO
Apr 2018 Representative Director, President and CEO*
May 2021 Chairperson, Japan Automatic Identification Systems Association*



Yoichi Abe
Representative Director
Vice President
Oversees global business
Regional Operations Officer
for North and Central Americas

Apr 1980 Joined Mitsubishi Corporation
Dec 2013 Joined SATO, Head of President's Office
Apr 2016 Executive Officer and CFO
Apr 2018 Vice President and CFO
Jun 2018 Director, Vice President and CFO
Jun 2020 Representative Director, Vice President, CFO and Chief Compliance Officer
Apr 2021 Representative Director, Vice President, oversees global business and Corporate Planning
Apr 2022 Representative Director and Vice President, oversees global business, and Regional Operations Officer for North and Central Americas*



Yoshiko Nonogaki
External Director

Apr 1980 Joined Sony Corporation
Sep 1992 President and Representative Director, Sony Poland SP. Z O.O.
Jul 1994 General Manager of Sales and Marketing Dept., Recording Media and Energy Company, Sony Corporation
Apr 1999 General Manager of Planning and Marketing Dept., Personal IT Network Company, Sony Corporation
Apr 2006 General Manager of Business Planning Dept., Business and Professional Solutions Group, Sony Corporation
Apr 2009 Senior General Manager of Planning and Marketing Division, Business and Professional Solutions Group, Sony Corporation
Apr 2013 Director of Global Diversity, Sony Corporation
Jun 2019 External Director, Nifco Inc.*
Jun 2020 External Director, GS Yuasa Corporation*
Jun 2021 External Director, SATO Holdings Corporation*



Hiroyuki Konuma
Director, Vice President
Oversees Japan business
President, SATO Corporation

Jul 2000 Joined SATO
Apr 2010 General Manager of Medical Dept., Tokyo Division, Japan Sales Headquarters
Apr 2013 President for healthcare business, SATO Corporation
Apr 2014 President, SATO Healthcare Co., Ltd.
Jul 2015 Executive Officer and Chief Wellness Officer
Apr 2019 Vice President; President and Head of RFID business, SATO Corporation
Apr 2020 Vice President; President, oversees global business, SATO Corporation
Jun 2020 Director
Apr 2021 Director and Vice President, oversees Japan business*; President, SATO Corporation*



Tatsuo Narumi
Director
• Chair of Senior Executive Management Meeting

Aug 2000 Joined SATO, Senior Manager of Secretary's Office
Apr 2001 Senior Manager of Human Resources Dept., Administration Division
Jun 2003 Executive Officer and Senior Manager of Planning Dept., Corporate Planning Division
Oct 2005 Executive Officer, General Manager of Corporate Planning Division, and Senior Manager of Planning Dept.
Jan 2006 Senior Executive Officer and General Manager of Corporate Planning Division
Jul 2007 Vice President and General Manager of Corporate Planning Division
Jun 2008 Director, Vice President, and General Manager of Corporate Planning Division
Jul 2009 Director*
Jan 2020 Chair of the Board
Apr 2021 Chair of Senior Executive Management Meeting*

Audit & Supervisory Board Members



Junichi Nagakura
Audit & Supervisory Board Member

Apr 1986 Joined SATO
Jul 2006 Senior Manager of Corporate Planning Dept., Corporate Planning & Administration Division
Apr 2012 Senior Manager of IR & Finance/Planning Dept.
Apr 2013 Senior Manager of Corporate Planning Office
Dec 2013 Senior Manager of Finance & Accounting Dept.
Jun 2015 Audit & Supervisory Board Member*



Kiyohiko Yoshii
Audit & Supervisory Board Member

Jan 2001 Joined as Director, SATO International Pte. Ltd.
Aug 2007 Executive Officer and Senior Manager of Corporate Planning Division, SATO Corporation
Apr 2008 Executive Officer and Head of Internal Control Project, Corporate Planning Division, SATO Corporation
Dec 2012 Executive Officer and CFO, Lixil International (Singapore)
Sep 2017 Executive Expert and General Manager of Finance/Operation
Apr 2020 Executive Expert and Chief Executive Auditor (Global)
Jun 2022 Audit & Supervisory Board Member*



Yuko Tanaka
External Director
• Chair of Nomination Advisory Committee

Apr 1980 Full-time lecturer, 1st Faculty of Liberal Arts, Hosei University
Apr 1983 Assistant Professor, 1st Faculty of Liberal Arts, Hosei University
Apr 1986 Exchange fellow, Peking University
Apr 1991 Professor, 1st Faculty of Liberal Arts, Hosei University
Apr 1993 Overseas fellow, University of Oxford
Apr 2003 Professor, Dept. of Media and Communication Studies, Faculty of Social Sciences, Hosei University
Jun 2004 External Director, SATO Holdings Corporation*
Apr 2007 Professor, Institute of International Japanese Studies (graduate school), Hosei University
Jun 2009 Director, Suntory Foundation for Arts*
Apr 2010 Chairperson, Institute of International Japanese Studies (graduate school) management committee, Hosei University
Apr 2012 Dean, Faculty of Social Sciences, Hosei University
Apr 2014 President and Chief Trustee, Hosei University; Trustee, Japan University Accreditation Association
Jun 2014 Executive Director, The Japan Association of Private Universities and Colleges
Oct 2017 Trustee, The Open University of Japan
Apr 2020 Managing Trustee, Japan University Accreditation Association; Director, Hosei University Museum
Apr 2021 Professor Emeritus, Hosei University*; Project Professor, Hosei University Research Center for Edo-Tokyo Studies*; Chairperson, Tokyo's Council for Gender Equality*; Chair of Nomination Advisory Committee, SATO Holdings Corporation*
Jun 2021 Director, Japan Massive Open Online Education Promotion Council*



Ryoji Itoh
External Director

Jul 1979 Joined McKinsey & Company
Jan 1984 Partner, McKinsey & Company
Jun 1988 Director for product development, UCC Ueshima Coffee Co., Ltd.
Sep 1990 Representative Director, Schroder Ventures K.K.
May 2000 Project Professor, Graduate School of Media and Governance, Keio University
Jan 2001 President, Bain & Company Japan, Inc.
Apr 2006 Representative Director, Planet Plan. Co., Ltd.*
Jun 2008 External Director, SATO Holdings Corporation
May 2012 External Director, Renown Incorporated
Jan 2013 Representative Director, El Sol Business Advisor Corporation
Jun 2014 External Director, SATO Holdings Corporation*; External Director, H.U. Group Holdings, Inc.*
Apr 2020 Part-time Lecturer, Faculty of Policy Management, Keio University
Apr 2021 Senior Researcher, Keio Research Institute at SFC*



Noriko Yao
External Audit & Supervisory Board Member

Mar 1995 Graduated from the Legal Training and Research Institute of Japan
Apr 1995 Registered as attorney (Fukuoka Bar Association)
Sep 2001 Joined Paul, Hastings, Janofsky & Walker LLP
Oct 2002 Registered as attorney (Daini Tokyo Bar Association); admitted as attorney (New York State Bar Association)
Jan 2008 Partner, TMI Associates*
Oct 2014 External Audit & Supervisory Board Member, Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development
Nov 2015 External Director, Meiko Network Japan Co., Ltd.*
Jun 2016 External Auditor & Supervisory Board Member, SATO Holdings Corporation*
Jun 2019 External Director, Asahi Net, Inc.*
Jun 2021 External Director, JGC Holdings Corporation*



Naoki Kubo
External Audit & Supervisory Board Member

Oct 1980 Joined Chuo Audit Corporation (later Misuzu Audit Corporation)
Mar 1984 Registered as certified public accountant (Japan)
Apr 1999 Partner, Chuo Audit Corporation
May 2004 Senior Partner, Chuo Audit Corporation
Sep 2005 Registered as certified public tax accountant (Japan)
Jul 2007 Left Misuzu Audit Corporation
Aug 2007 Joined as Partner, KPMG Azsa & Co. (now KPMG Azsa LLC)
Jun 2016 Vice Chairperson, Tokyo Chapter of The Japanese Institute of Certified Public Accountants
Jun 2019 Left KPMG Azsa LLC; Joined as Executive, Tokyo Chapter of The Japanese Institute of Certified Public Accountants*
Jul 2019 Established Kubo Accounting Office (to present)
Dec 2019 External Director, Beauty Sharing Technologies Co., Ltd.
Jun 2021 External Auditor & Supervisory Board Member, SATO Holdings Corporation*; External Auditor, Japan Federation of Land and House Investigators' Associations*
Apr 2022 External Auditor, The Japan-Korea Cultural Foundation*



Hideo Yamada
External Director
• Chair of the Board

Mar 1984 Graduated from the Legal Training and Research Institute of Japan
Apr 1984 Registered as attorney (Daini Tokyo Bar Association)
Oct 1992 President, Hideo Yamada Law Office (now Yamada & Ozaki Law Office)*
May 1998 External Audit & Supervisory Board Member, Taiyo Chemical Industry Co., Ltd.*
Jun 2004 External Director, SATO Holdings Corporation
Mar 2006 External Director, Lion Corporation
Jun 2007 External Audit & Supervisory Board Member, Ishii Food Co., Ltd.; External Audit & Supervisory Board Member, Mikuni Corporation
Mar 2009 External Director, Hulic Co., Ltd.*
Apr 2010 External Governor, Japan Federation of Bar Associations
Apr 2014 Vice President, Japan Federation of Bar Associations; Chairperson, Daini Tokyo Bar Association
Jun 2015 External Director, SATO Holdings Corporation*; Chairperson, Akiko Tachibana Memorial Foundation*
Jun 2016 External Director, Mikuni Corporation*
Apr 2021 Chair of the Board, SATO Holdings Corporation*



Sadayoshi Fujishige
External Director
• Chair of Remuneration Advisory Committee

Mar 2004 Representative Director and President, Lion Corporation
Jan 2012 Representative Director and Chairperson, Lion Corporation
Apr 2012 External Director, Showa Nishikawa Co., Ltd.*
Jun 2014 Chairperson, Japan Table Tennis Association
Mar 2016 Advisor, Lion Corporation
Jun 2016 Chairperson, Advertising Council Japan*
May 2019 Chairperson, Japan Marketing Association*
Jun 2020 External Director, SATO Holdings Corporation*; External Director, Nitto Boseki Co., Ltd.*
Mar 2021 Special Advisor, Lion Corporation*
Apr 2021 Chair of Remuneration Advisory Committee, SATO Holdings Corporation*
Jun 2021 External Director, TV Asahi Holdings Corporation*; External Audit & Supervisory Board Member, TV Asahi Corporation*

Executive Officers

Vice President
Yoshinori Sasahara
Chief Wellness Officer
Director and Vice President, SATO Corporation
General Manager of Production and RFID Business

Executive Officer
Goro Yumiba
Global Operations Officer
Regional Operations Officer for Oceania, Argox and India

Executive Officer
Hideyuki Hashimoto
President, SATO Healthcare Co., Ltd.

Executive Officer
Kenji Ushiki
Director, SATO Corporation
General Manager of Value Creation (R&D)

Executive Officer
Fusaaki Matsumoto
CFO and Chief Compliance Officer

Executive Officer
Miki Takei
Global Marketing Officer

Executive Officer
Maria Olcese
Head of South America
General Manager, Achernar S.A.

Executive Officer
Hayato Shindo
Regional Operations Officer for Europe

Executive Officer
Naomi Maze
Global Human Resources Officer

Executive Officer
Hironori Onishi
Director, SATO Corporation
General Manager of Sales

Executive Officer
Hirota Wada
Regional Operations Officer for Asia, South America and global primary labels business

Sustainability through our business

Basic concept

Our Mission is to “create new value for our customers through products and services of superior quality, and to contribute towards a better and more sustainable world.” Sustainability is inseparable from our business. Amid the growing importance of SDGs and rising investors’ expectations on ESG compliance, we established our basic policy for sustainability in 2018 and conducted a materiality assessment in 2019 to identify sustainability issues most material to our business and stakeholders. We also set up the Sustainability Promotion Committee in the same year to formulate policies and action plans while driving their execution in line with

business strategies. This committee reports directly to our Senior Executive Management Meeting as of FY 2022. Besides establishing a Sustainability Promotion Division in 2020 to promote materiality activities, raise employee awareness about sustainability and bring in external expertise, we also recently made information disclosures based on ISO 26000 and TCFD (Task Force on Climate-related Financial Disclosures) guidelines. We will continue pursuing sustainability practices and work to achieve our corporate mission and higher corporate value through our core business.

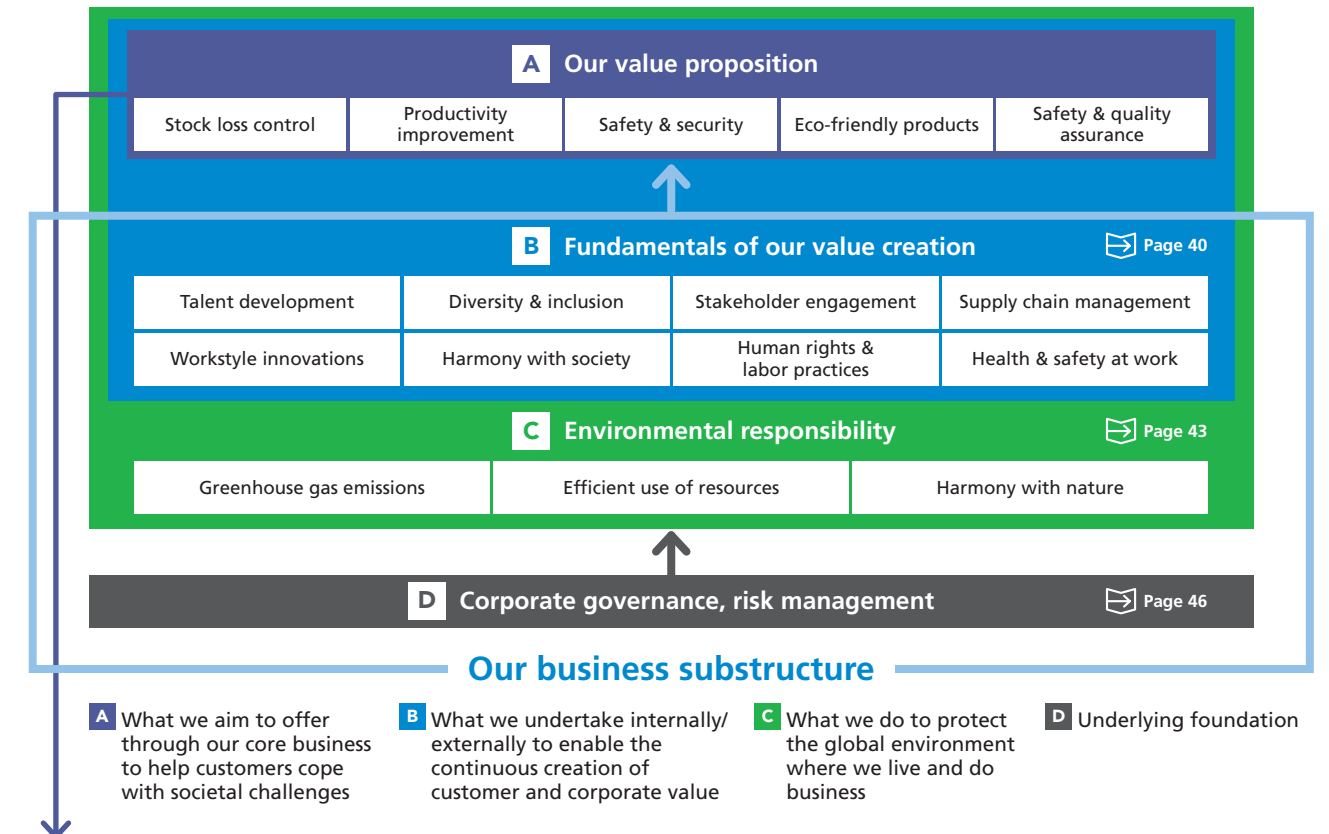
Basic policy for sustainability

| | |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 Create value | Sustainability goes hand in hand with customer value creation and corporate value enhancement, which we consider the fundamentals of company management. |
| 2 Keep to our business | We achieve sustainability through our business. |
| 3 Make it duplicable | Our sustainability initiatives shall be duplicable over time or across the group. |
| 4 Align with the actual situation | The actual situation of our business operations shall reflect our ideas for sustainability. |
| 5 Enhance disclosure | We shall disclose sustainability-related information to fulfill our accountability to stakeholders. |

Materiality overview

We identify our materiality agendas by their relevance to three areas: A. Our value proposition, B. Fundamentals of our value creation, and C. Environmental responsibility. These areas stand on the foundation of corporate governance and risk management.

Addressing sustainability priorities (materiality) with focus on our value proposition



Examples of value propositions we enable through our core business

| Our sustainability priorities | What SATO solutions can do | How we contribute to SDGs |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| Stock loss control | <ul style="list-style-type: none"> Provide supply chain visibility Minimize leftover inventory | <ul style="list-style-type: none"> Support sustainable consumption and production patterns (SDG 12) |
| Productivity improvement | <ul style="list-style-type: none"> Optimize operations Automate manual tasks | <ul style="list-style-type: none"> Promote productive employment (SDG 8) |
| Safety & security | <ul style="list-style-type: none"> Enable social distancing and contact reduction | <ul style="list-style-type: none"> Ensure health & safety at work (SDG 3) |
| Eco-friendly products | <ul style="list-style-type: none"> Reduce carbon dioxide emissions Use less plastics | <ul style="list-style-type: none"> Combat climate change (SDG 13) |

TOPIC New solution for reducing food waste

By adding best-before date identifiers to the SKU (stock keeping unit) barcodes on product labels, we can help retailers easily differentiate food products and track their inventory levels by best-before dates. When combined with electronic shelf tags, this can be used as a digital price markdown solution to encourage consumers to purchase soon-expiring items, thereby reducing food waste.



Concept showcased at Retailtech Japan 2022 exhibition

Fundamentals of our value creation



We are always creative in the value we provide customers, and this consistency owes to our fundamentals, which comprise internal aspects such as workstyle innovation and diversity/inclusion, and external aspects such as respect for human rights, harmony with society and supply chain management. Our recent efforts are focused on driving talent development and employee-led improvements, as well as stakeholder engagement and intellectual property management to continually generate new value in a rapidly changing world.

Basic concept

The future we envision for SATO is filled with talent who exemplify our competitive advantage of genbaryoku (being Powered On Site) and our corporate values that underlie it to continuously create customer value for sustainable growth.

Talent development is central to our value creation, so we must foster self-supportive and self-determining employees

(who are capable of thinking and acting autonomously to initiate changes on their own) with the necessary supporting systems in place. We will work on this steadfastly, while continuously implementing improvement ideas submitted through our Teiho system, to build our corporate culture.

Recap Worldwide

In FY 2021, we introduced a global grading system to help our overseas subsidiaries assess pay equity and work out how they should be appraising and paying their managers. This will also be used in succession planning and in facilitating talent mobility across countries.

We also launched a learning management system (LMS) called EDGE. This name selected in-house is an acronym for “Engage, Develop, Grow and Evolve,” which explains the employee learning journey, starting from first engaging with the contents, to ultimately evolving and changing into a better version of themselves. The system comes with an original content creation tool for making videos and quizzes that make learning more fun and effective. We plan to make the course offerings more comprehensive — by adding third-party contents, on top of universal onboarding programs — and provide product/service training for business partners worldwide to strengthen our partnerships.

FY 2021 marks our 10-year milestone of promoting the use and learning of the English language in Japan to globalize our organization. As we look back and plan forward, we decided to prioritize English education for employees in Japan and other non-English speaking countries who need to use the language frequently at work. We will also make changes such as incorporating the latest English e-learning tools and continue to enhance learning and development efficiently and effectively.

Recap Japan

Established in April 2021, the Nomination and Remuneration Advisory Committees for our board of directors led many discussions on the starting of a new committee for human resource development and on how we can shape a more proactive corporate culture and increase diversity. They will continue to help us review executive compensation and draft policies for fostering talent who take up core roles in the company.

In addition to SATO Campus, which functions to strengthen our human capital and instill corporate values, we also launched an LMS in Japan (EDGE@JP), and will continue to drive overall employee engagement and talent development.

Our priorities:

- Build an environment for employees to grow into true professionals
- Create a corporate culture that empowers employees to keep bettering their work environment and honing their on-site awareness and abilities
- Train managers to offer the necessary support

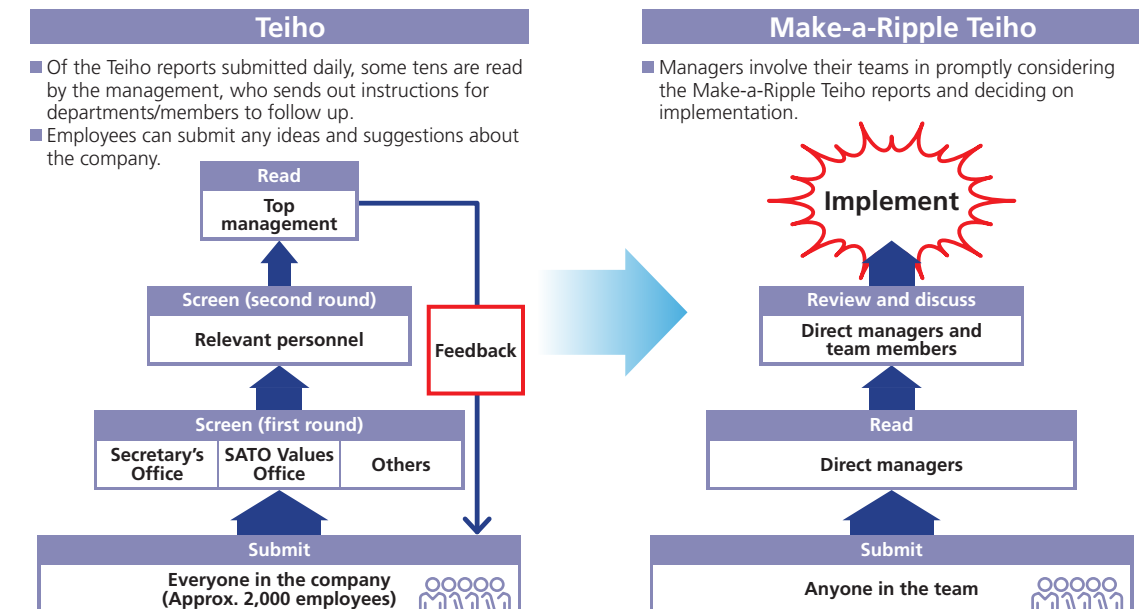
The following are examples of how we drive employee engagement and talent development.

1 Make-a-Ripple Teiho

Started in Japan about 50 years ago, the Teiho system serves to raise employee awareness on detecting areas of improvement and devising creative solutions to initiate changes both big and small, helping our business meet the needs of the times and achieve sustainable growth. In FY 2022, we took a step further by adding a new “Make-a-Ripple” Teiho function to let employees put forward suggestions for improving their own departments and branches directly to their immediate superiors.

With this new function, employees feel encouraged to raise ideas specific to their work/workplace, knowing that their managers will read and act on them. On top of bringing members on the team together to think about what they want to change, Make-a-Ripple Teiho also shows employees that everyone can make a difference and gives them a sense of accomplishment from seeing their ideas turn into reality. We hope to instill a corporate culture that inspires changes and new challenges and make working at SATO fulfilling for all employees.

How Teiho and Make-a-Ripple Teiho work in Japan



- Of the Teiho reports submitted daily, some tens are read by the management, who sends out instructions for departments/members to follow up.
- Employees can submit any ideas and suggestions about the company.

- Managers involve their teams in promptly considering the Make-a-Ripple Teiho reports and deciding on implementation.

2 Our Way to Our 100th Anniversary project




When SATO turns 100 years old in 2040, we want to still be the company that keeps innovating no matter how the world changes. This requires we cultivate a corporate culture where it is the norm for everyone to pursue changes and new challenges proactively.

To this end, we started a culture-building project, which we named “Our Way to Our 100th Anniversary” to illustrate our commitment to building the future SATO through the collective efforts of all employees in the spirit of Ceaseless Creativity. In FY 2022, we put together a dedicated team for this project and will continue to drive bottom-up changes in our corporate culture with speed.

Stakeholder engagement

The SATO Group engages in constructive dialogue with stakeholders in different aspects of our business activities, based on our basic policy for sustainability. Feedback from

stakeholders is regularly reported to the management so that continuous improvements can be made in a positive cycle to enhance corporate value.

| Stakeholders | Examples of stakeholder engagement | Details |
|-----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p>Shareholders/ investors</p> | <ul style="list-style-type: none"> Earnings briefings Institutional investor and analyst meetings Themed briefings for institutional investors and analysts Retail investor meetings | <ul style="list-style-type: none"> On a quarterly basis, by the CEO Information disclosure with consistency and continuity On a regular basis, for specific themes (e.g., ESG, business strategy) Recordings uploaded to company website |
|  <p>Employees</p> | <ul style="list-style-type: none"> Integrated report presentations Internal newsletters and seminars on sustainability Sustainability trainings and workshops Application of sustainability knowledge in daily work Sharing of actionable Teiho ideas and suggestions | <ul style="list-style-type: none"> For employees in and outside Japan Newsletters: On a quarterly basis, in both English and Japanese For overseas subsidiaries, to help them run their own sustainability action plans Provide estimations on how much carbon footprint can be reduced with our products/solutions, to help salespeople promote them in their sales pitches Involve employees in company improvement, with the management giving feedback as necessary |
|  <p>Society</p> | <ul style="list-style-type: none"> Tree planting Community beautification Global warming measures Effective use of resources Support for future generations | <ul style="list-style-type: none"> Contribute to biodiversity conservation Keep our neighborhoods clean and attractive Enable decarbonization across our own operations and for customers Waste and rainwater recycling Book donations, company open house events, etc. |

Intellectual property management

The SATO Group, with our corporate motto of Ceaseless Creativity, has grown together with our customers, providing tagging-based solutions to solve their operational pain points. Intellectual property we produce in the process is inseparable from our business and is a valuable asset for our present and future.

Through our Intellectual Property (IP) Department, which reports directly to the CEO, we work to create intellectual assets that help enhance and grow our existing DCS & Labeling business, toward realizing our medium-term management plan. As we make and sell our products, we strive to develop better products to make more advanced solutions that we can sell to our customers. This is what we focus on in our business and in our IP activities as well. We are also eager to produce IP that supports

technological innovations as part of our strategic investment in long-term growth toward our next business model of Tagging for Sustainability. Pertaining to the innovation process, we started performing and providing IP landscapes,* taking actions to strategize how we create intellectual assets for competitive differentiation and grow our IP portfolio both in and outside Japan.

As society changes, our customers' needs change too. In using IP to protect and leverage the value we create today (growing our current business) and tomorrow (for future growth), we believe we can improve our competitiveness and will continue doing so to raise our corporate value over the long term.

* Analysis of patent and market data used by companies to understand their strengths and market positioning and to make informed decisions about their corporate and business strategies.

Environmental responsibility



Climate change, ecological degradation and biodiversity loss all pose serious threats to social stability. We believe environmental protection is a common goal for all of humanity and an indispensable part of our sustainable business activities. This thinking is fundamental to the efforts we take under our environmental policy to reach our goals.

Our environmental policy

The SATO Group recognizes environmental protection as a priority common to humankind, and strives to improve the environment and prevent pollution for a sustainable world by conserving resources and energy, lessening waste and reducing odor/noise pollution. We seek to provide greener products and services, and commit to contributing to the local community and protecting biodiversity.

Greenhouse gas emissions

Reducing carbon dioxide emissions is essential to tackling global warming and contributing to a sustainable world. We understand that we are responsible for the environment, and work to monitor the carbon footprint of our business activities and promote tangible initiatives to stop global warming.

We have set medium- to long-term targets with the aim of halving groupwide carbon dioxide emissions from FY 2016 levels by FY 2030. (Base year set as FY 2016, the year we began gathering emissions data from all our key business sites; previously FY 2013.)

SATO's targets and progress for carbon dioxide emission reduction

(Metric tons of CO₂)

| Area | Key indicators | FY 2016 results | FY 2019 results | FY 2020 results | FY 2021 results | FY 2030 targets |
|-----------|-----------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Groupwide | Scope 1 and 2 CO ₂ emissions | 11,931 | 12,507 | 11,078 | 10,252 | 5,965 |
| | Relative to FY 2016 | — | Up 4.8% | Down 7.1% | Down 14.1% | Cut by 50% |
| Japan | Scope 3 CO ₂ emissions | 299,300 | 305,494 | 307,120 | 332,652 | — |

Scope 1 covers direct emissions from company-owned sources (e.g., emissions associated with fuel combustion or industrial processes).

Scope 2 covers indirect emissions from the consumption of purchased energy including electricity, heat and steam.

Scope 3 refers to emissions indirectly linked to the company through its value chain; it includes all sources not within Scope 1 or 2.

In FY 2021, we were able to reduce Scope 1 and 2 emissions by 14.1 percent from FY 2016 and by 7.5 percent year on year. Although our Scope 2 emissions outside of Japan rose to pre-pandemic levels due to the recovery of economic activities, we managed to cut our Scope 2 emissions in Japan by almost one-third from the previous year to reduce groupwide emissions. This was possible because we switched our electricity-powered factories (such as Kitakami Operations), logistic centers, Tokyo head office and Kansai metropolitan branch to

renewable energy sources. On the other hand, our Scope 3 emissions mainly from purchased products and services have increased as sales recovered.

With our FY 2030 targets in mind, we will further cut Scope 1 and 2 emissions through measures such as transitioning to renewable electricity, installing more solar panels and LED lighting, and shifting to eco-friendly vehicles. We will also cut Scope 3 emissions primarily by collaborating with our material suppliers.

Effective use of resources in our servicing activities

When customers change out their printers in Japan, we collect the old ones at no cost to disassemble them, recovering and sorting the components by material type for recycling. In FY 2021, we recycled 69 percent more printers than we did the previous year.

In FY 2022, we started replacing damaged subcomponents instead of the whole printer component. For example, when the printed circuit board malfunctions beyond repair, we will attempt to identify and replace what is faulty (such as the electrical connector), then test

and reuse the PCB instead of replacing the entire board.

We will continue to improve our resource efficiency by seeking more ways to curb waste and boost recycling.



A printed circuit board for a printer

TOPIC Eco-friendly production of RFID consumables

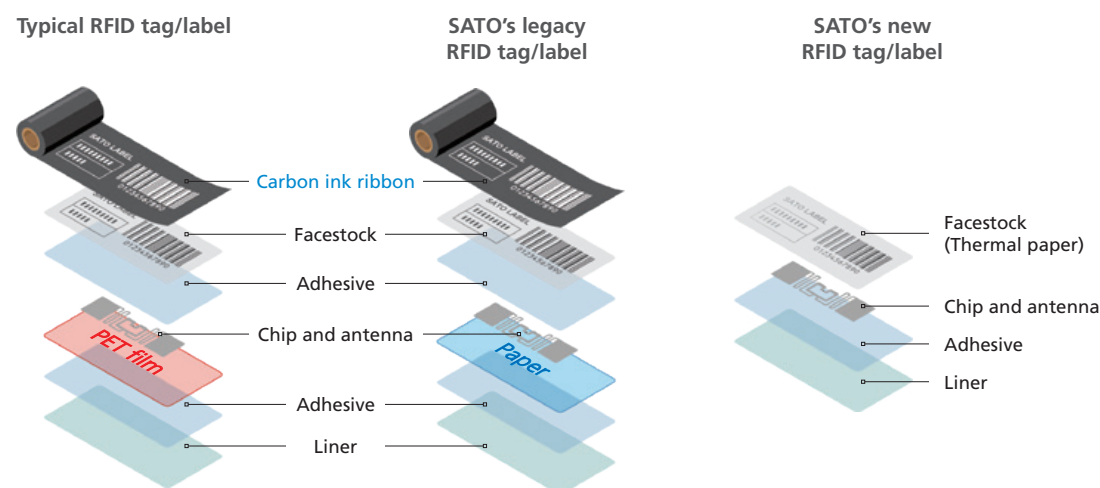
Our proprietary manufacturing processes are environmentally friendly.

- We do not use chemical etching for our RFID antennas because it generates waste solvents.
- We recycle waste aluminum left over from antenna production.
- We use paper rather than plastic substrates for our antenna liner.

In 2022, we also put our proprietary chip bonding machine into operation, further reducing our impact on the environment.

- We use less energy during production with high-speed, non-heating chip bonding.
- We bond chips directly to heat-sensitive paper to make direct thermal RFID tags/labels that can be printed without using carbon ink ribbons.
- We use fewer raw materials as our RFID tags/labels now require one less layer.

Now that we are capable of not only manufacturing antennas but also converting them to tags/labels and performing quality inspections of finished products all at the same plant, we hope to be less reliant on cross-regional supply chains to reduce associated logistics costs and environmental impacts.



Climate-related disclosure, guided by TCFD recommendations

At the SATO Group, we recognize that climate change profoundly impacts our world and that it is critical for us to act on climate issues when managing our business. In 2021, we declared our support for the Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board and started applying TCFD recommendations to our climate actions.

We began by conducting a climate scenario analysis in the same year to assess the impact of climate-related risks and opportunities and identify actions to manage these risks and opportunities. To better drive actions for addressing climate change and other sustainability priorities

across the SATO Group, we strengthened governance by placing our Sustainability Promotion Committee under the direction of our Senior Executive Management Meeting and the oversight of our board of directors. We also included members from corporate planning and key business divisions into this committee to ensure we infuse sustainability into our business growth efforts.

We made our climate disclosure available on our website, and will continue to address climate change through our operations while helping our customers and society in their climate contributions with our solutions.

www.sato-global.com/sustainability/tcfcd/

Our assessment of climate-related risks and opportunities, with potential actions identified

| Category | Description | Impact on SATO's business/finance | | Actions (Blue: In progress. Black: Planned) | |
|---------------|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | 1.5°C | 4.0°C | | |
| Risks | Carbon pricing | ■ Production costs increase due to countries starting carbon taxes, carbon trading and carbon border adjustments | ↗ | ↗ | <ul style="list-style-type: none"> ■ Create road map and announce our 2050 goal for carbon neutrality ■ Refine and promote measures to meet Scope 1 and 2 targets ■ Set Scope 3 targets and drive actions for achieving them |
| | Raw materials | <ul style="list-style-type: none"> ■ Raw material costs rise, because of heightened demand for rare minerals/metals driven by electrification and emission regulations ■ Costs increase, from the purchasing of circular materials ■ Costs increase, due to scarce forest resources | ↗ | ↗ | <ul style="list-style-type: none"> ■ Establish socially responsible procurement system with suppliers ■ Expand procurement of sustainable forest resources ■ Expand product recycling |
| | Energy source | <ul style="list-style-type: none"> ■ Costs increase, from the procurement of renewable energies and implementation of energy-saving measures ■ Air-conditioning costs increase with rising temperatures | ↗ | ↗ | <ul style="list-style-type: none"> ■ Install more solar power systems to boost energy self-sufficiency ■ Drive energy efficiency in manufacturing processes ■ Accelerate shift to renewable energy |
| | Physical risks | <ul style="list-style-type: none"> ■ Increased costs associated with repairing/restoring facilities damaged by extreme weather events and natural disasters ■ Water costs increase due to droughts | ↗ | ↗ | <ul style="list-style-type: none"> ■ Strengthen business continuity planning for our supply chain |
| Opportunities | Products | ■ Demand for eco-friendly products increases, driven by more stringent emission regulations and energy efficiency standards | ↗ | ↗ | <ul style="list-style-type: none"> ■ Develop and promote products using fewer materials and components ■ Develop and promote products using materials and components with lower environmental impact |
| | Solutions | <ul style="list-style-type: none"> ■ Demand for solutions designed to increase productivity and save energy at factories heightens, driven by energy conservation policies and rising temperatures ■ Demand for solutions designed to trace origins of raw materials and visualize greenhouse gas emissions heightens due to recycling laws and changes in consumer behavior | ↗ | ↗ | <ul style="list-style-type: none"> ■ Develop and promote solutions that help reduce waste ■ Develop and promote solutions that help lower carbon emissions ■ Develop and promote solutions that help recycling of resources |
| | Data | ■ Demand for data collected from operational sites increases because of higher needs for AI and big data | ↗ | ↗ | <ul style="list-style-type: none"> ■ Advance tagging technology and expand our business in data collection and utilization |
| | After-sale services | ■ Demand for maintenance services increases after a disaster or for reinforcing disaster resilience | ↗ | ↗ | <ul style="list-style-type: none"> ■ Offer more advanced maintenance services to support customers in running their operations smoothly |

Business and financial impact (negative for risks, positive for opportunities) ↗ Significant ↗ Moderate ↗ Small

Corporate governance

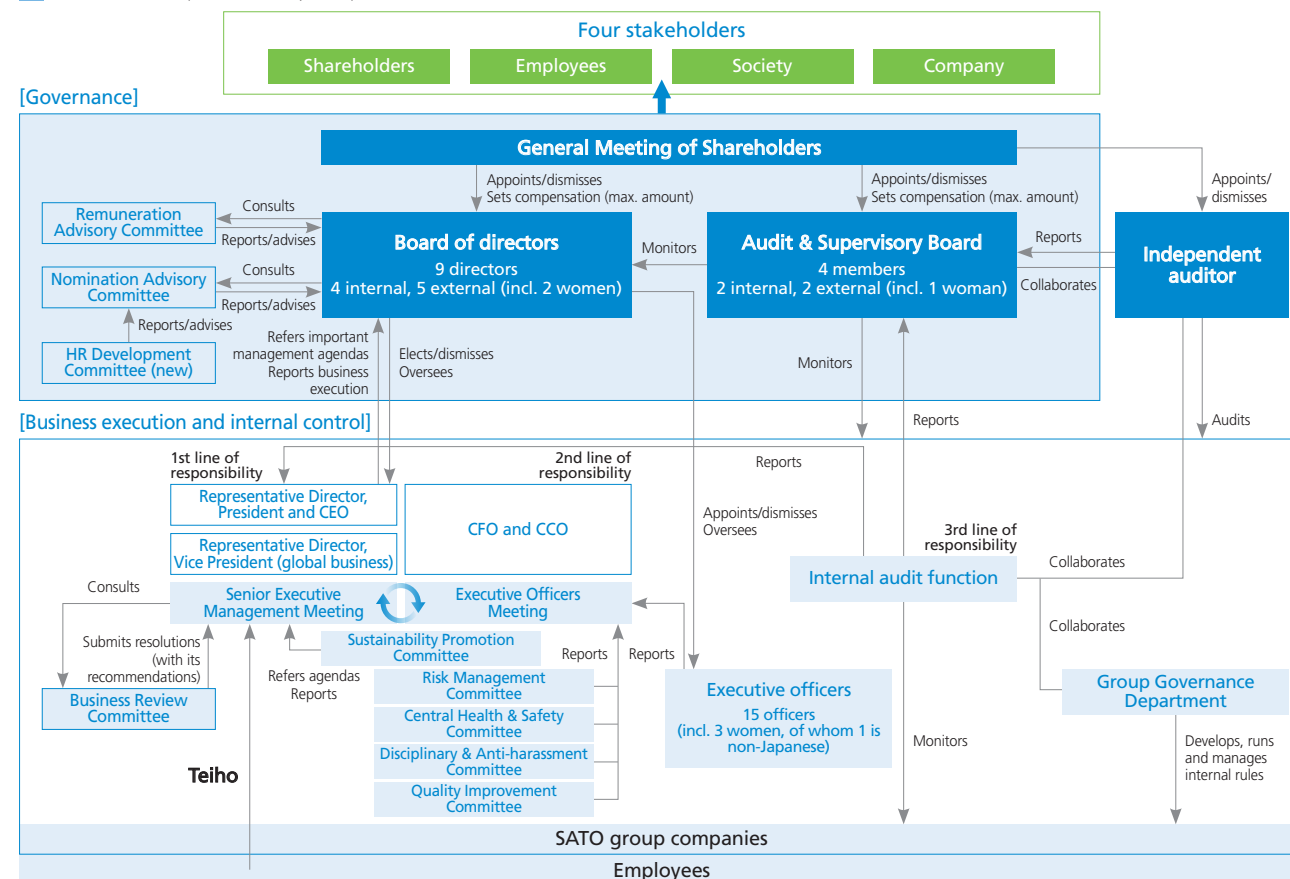
1. Basic concept

We aim to realize sustainable growth and higher corporate value on a medium- to long-term basis under our vision of being “the customer’s most trusted partner for mutual growth, and always essential in an ever-changing world.” We believe that building and continuously strengthening corporate governance to support these aims is critical to sound, transparent and efficient management. Besides

enhancing audit and control functions through our Audit & Supervisory Board, we also appoint independent external directors of diverse backgrounds to constitute the majority of our board of directors for strong and transparent management oversight, in our efforts to lay the necessary groundwork for effective governance to protect shareholders and other stakeholders.

2. SATO’s corporate governance

1 Framework (As of June 30, 2022)



2 Board of directors

Our management consists of a board system with an Audit & Supervisory Board to provide stronger audit and controls. We also have an executive officer system in place to separate our operational function from our managerial decision-making and oversight functions to enable quicker decisions.

As of June 30, 2022, we have nine directors on our board, complying with our Articles of Incorporation, which limits the number of directors to no more than 12. Out of these nine, three are concurrently serving as executive officers, one as non-executive internal director, and the remaining five as

external directors. External directors make up the majority of our board and help ensure proper oversight of the management team with their independent perspectives. The board of directors meets once a month in principle; it convened 13 times in FY 2021. Besides board meetings, sessions have also been held since FY 2018 to explain important agenda points and industry-specific sales measures to ensure external directors can take part in various discussions and deepen their understanding of the company’s operations. This aims to aid in their duties and make board meetings more effective.

Board of directors

| | Non-executive directors | Executive directors | Audit & Supervisory Board | |
|----------------------|-------------------------|-----------------------------------------|---------------------------|---|
| Independent/external | Chair 3 | — | Independent/external | 2 |
| Internal | 1 | (incl. 2 representative directors) 3 | Internal/full-time | 2 |

For the board to oversee the decision-making of critical business matters and the execution of duties by each director/member of senior management, matters stipulated by laws/regulations and the Articles of Incorporation, and important matters concerning business strategies and management plans, are clearly specified as matters for discussion in the board for which board regulations apply.

In January 2020, we changed how the board is chaired, electing a non-executive internal director familiar with internal issues, replacing a rotating chairmanship. The intent of this change was for the board chair to set relevant and timely meeting agendas and drive collaboration between executives and external directors to help the board function more competently and responsibly in making major business decisions and providing management oversight. From April 2021, we elected an external director to chair the board to further enhance its oversight function and strengthen governance.

To adhere to revisions made to Japan’s Corporate Governance Code (CGC) in FY 2021, our board now focuses more on deliberating important business matters and exercising oversight. This is why we now delegate more authority to the executive team, enabling decision-making on whether to take various actions and how to do so through our Senior Executive Management Meeting (chaired by a non-executive internal director) and Executive Officers Meeting. This improves our risk management capability even as we accelerate the business.

In line with the above changes, we established a Business Review Committee in April 2021 under the Senior Executive Management Meeting. This committee examines and analyzes risks the company takes in conducting business (when making investments and loans, acquiring and disposing of stock and fixed assets, entering into business partnerships or important agreements, and selling or buying businesses) to improve the quality of deliberations for top-level decision-making.

The Senior Executive Management Meeting also placed the Sustainability Promotion Committee (established in 2019) under its direct report effective April 2022, seeing the importance of addressing climate change and other sustainability priorities in not only reducing risks but also generating revenue, and that it would raise medium- to

long-term corporate value. The committee promotes our efforts in contributing to society with our business offerings (for supply chain optimization, etc.), supporting the circular economy and decarbonization in our operations, protecting human capital and preserving natural capital.

Following our transition to the Tokyo Stock Exchange’s new Prime Market segment in April 2022, we have made additional disclosures about our governance practices in relation to the following CGC principles that include specific rules for prime-listed companies.

[Supplementary Principle 2.4.1 Ensuring diversity in core human resources]

In April 2021, the company established a Nomination Advisory Committee, appointing an external director to its chair. This committee looks into increasing diversity as a top priority when discussing appointment of core managerial personnel and other nomination matters. Currently, we have three women among our external directors and Audit & Supervisory Board members, and three female executive officers (including two new appointments in April 2022) on the management team, of whom one is non-Japanese. Noting the need to speed up some of our actions for diversifying core personnel who support the board and senior management, we newly established an HR Development Committee to pursue in-depth discussions on training and necessary strategies. This committee will also work on establishing basic policies to sustain diversity and setting voluntary goals to be disclosed by the end of FY 2022.

To us, ensuring diversity ultimately means we can tap into the different competencies of diverse human resources to lead activities for value creation and build a more vibrant and competitive company. This belief in the importance of diverse perspectives and values is the same in essence as our corporate motto of Ceaseless Creativity. It is also what underpins Teiho, our very own system for employees to submit their ideas or suggestions to better the company directly to top management. In FY 2022, we launched a new category of Teiho reports in Japan that are escalated to the employee’s direct managers for their immediate consideration as our way of entrenching daily activities for on-site improvements/innovations and shaping a more proactive corporate culture.

[Supplementary Principle 3.1.3 Sustainability initiatives]

(1) Strengths underpinning business strategies

Our domain is in tagging, the act of physically attaching media to extract information such as ID and temperature status to things and people at worksites using barcodes, RFID, sensors and other technologies. Through tagging, we digitize and collect on-site data so that it can be fed to and processed by core IT systems for producing analyses and insights on which item is where in what quantity or

condition within or across individual sites that constitute supply chains. This allows us to identify and solve operational bottlenecks for businesses and contribute to society. Our current medium-term management plan (for fiscal years 2021 through 2023) articulates our focus on tagging solutions targeting individual worksites. We are also working to advance tagging, eyeing its long-term potential, to grow our solutions to cover entire supply chains and deliver greater value for society. By collaborating with customers and other market players, we believe we can expand our reach and provide better solutions toward realizing a more sustainable world.

Every industry and company has different supply chains and fields of operation. For example, automobile and chemical may both be in the manufacturing industry but they operate by different workflows in different environments, handling different things. Through our years of business working with and understanding each industry, we have honed our core competency we call genbaryoku to consistently provide optimal solutions to each worksite.

In addition, we have strengths in engineering and manufacturing to invent and produce label printers and labels/tags that are used in our solutions. We have also built up strong partner networks by collaborating with business partners who offer products, services and technologies different from ours.

The nature of our tagging business creates interaction and touch points with diverse customers. And in delivering solutions that exceed their expectations, we transform these touch points into trust points. This strong trust is also what underpins our business strategies and drives our sustainable growth.

(2) Investment in human capital

Our R&D, production and sales personnel practice genbaryoku to generate value for customers and society and win trust. Employees are, therefore, our most important strategic assets. To address the individual needs of diverse customers/industries and exceed their expectations in our value propositions, we must be diverse ourselves at the organizational level and bring out the best in each individual employee. We also focus efforts on helping employees outside of Japan practice genbaryoku increasingly and in the same way as those in Japan do.

Our corporate motto of Ceaseless Creativity and corporate values unite our diverse workforce and maximize our value creation. Under our motto, we put in place sets of beliefs and principles that empower employees to innovate and create new value ceaselessly. These beliefs and principles form our SATO Values which guide employees toward our mission to "create new value for our customers through products and services of superior quality, and to contribute towards a better and more sustainable world."

We foster talent who can live up to our corporate motto. Our aim is that they become self-supportive and self-determining to think and act autonomously to constantly initiate changes on their own. In FY 2021, we established SATO Campus, a platform that helps employees realize their career goals in this direction. We have also conducted employee engagement surveys since FY 2020, and are using the results toward spurring employees' individual professional growth and work satisfaction. We will keep monitoring and initiating improvements to create a vibrant and more engaging workplace for everyone.

(3) Investment in intellectual property

Patents, designs, trademarks, technical know-how and other intellectual assets created in the course of developing our solutions are important business resources. Through our Intellectual Property (IP) Department, which reports directly to the CEO, we develop intellectual assets that enhance legacy tagging solutions and support their growth, working with an IP medium-term plan that is in line with the company's medium-term business objectives and strategies.

We also make active efforts to develop intellectual assets that support technological innovation for strategic investments geared toward the next stage of advanced tagging, which we envision for the long term. And by safeguarding and utilizing such assets that deliver new values for society and contribute to a more sustainable world, we aim to achieve long-term growth and greater corporate value for our business.

Pertaining to our innovation generation process, we started performing and providing IP landscape analyses while strategizing how to create intellectual assets for competitive differentiation and grow our IP portfolio both in and outside Japan.

We also established a basic policy, setting out our commitment to (i) creating and making use of IP, (ii) respecting the valid IP rights of third parties, and (iii) providing IP training and education to increase employee awareness. In recognition of our IP management, we were honored with the Commissioner of the Japan Patent Office Award in the 2019 Intellectual Property Achievement Awards, presented by Japan's Ministry of Economy, Trade and Industry and the Japan Patent Office.

(4) Addressing climate change

We recognize that climate change profoundly impacts our world and that it is critical for us to act on climate issues when managing our business. In 2021, we declared our support for the Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board and started applying TCFD recommendations to our climate actions.

Based on TCFD recommendations, we conducted a climate scenario analysis in FY 2021 to assess the impact of

climate-related risks and opportunities and identify actions to manage these risks and opportunities. To better drive actions for addressing climate change and other sustainability priorities across the SATO Group, we strengthened governance by placing our Sustainability Promotion Committee under the direction of our Senior Executive Management Meeting and the oversight of our board of directors. We also included members from corporate planning and key business divisions into this committee to ensure we infuse sustainability into our business growth efforts.

We will continue to address climate change through our operations and help our customers and society in their climate contributions with our solutions.

See our web page for more about our actions in response to TCFD recommendations.

[WEB www.sato-global.com/sustainability/tcfd/](http://www.sato-global.com/sustainability/tcfd/)

3 Audit & Supervisory Board

The company has an Audit & Supervisory Board, which consists of four members (including two external members).

Audit & Supervisory Board members attend board of directors meetings to check business decisions and internal controls for their appropriateness and legal compliance. Full-time members attend the Senior Executive Management Meeting and other important in-house meetings, where they audit/supervise different decision-making processes and resolutions reached. At both meetings, members express their opinions when necessary. Members undertake a wide range of other activities, including verifying the readiness/operation of internal controls, examining the financial reporting system, reviewing various report materials, and checking the independence and audit quality of the company's audit firm. In addition, they work with the audit firm to receive quarterly audit/review reports, exchange opinions and gather information as required to create an environment conducive to proper auditing. They also work with our internal audit function (comprising Japan and global audit departments) to regularly receive audit results and internal control evaluations concerning financial reporting to perform assessments across multiple dimensions.

At Audit & Supervisory Board meetings, deliberations primarily focus on the Japan headquarters' governance of its overseas subsidiaries or merged/acquired businesses with

regard to their post-launch operations or level of integration with corporate strategies. In these instances, the Audit & Supervisory Board analyzes quantitative and qualitative information that it receives from overseas headquarters and finance & accounting departments to check for proper handling of issues. If there are areas for improvement, the board provides feedback to the management team and requests the company's executives to take actions accordingly.

Full-time Audit & Supervisory Board members help the board function effectively by conducting audit activities on subjects with accurate, on-site information and sharing necessary reports with external members on the same board for them to provide opinions for discussion based on their respective professional knowledge and objective perspectives. They contribute to the sound and sustainable development of the company in partnership with our independent auditor and internal audit departments.

4 Evaluation of the board's effectiveness

The company conducts yearly surveys to analyze and evaluate the effectiveness of our board of directors to check our corporate governance and take appropriate measures to sustainably increase corporate value. See our corporate governance web page for our FY 2021 evaluation approach and results.

[WEB www.sato-global.com/about/governance/governance.html](http://www.sato-global.com/about/governance/governance.html)

5 Appointment and dismissal of directors and representative directors

We select, via a transparent process, candidates who are able to actively contribute to the board's decision-making and managerial oversight functions with their extensive experience/expertise and excellent character/discernment.

Our Nomination Advisory Committee, comprised in majority of external directors, functions to not only propose appointment and dismissal of individual candidates, but also look into the board's composition and overall operation (including decision-making on appointment policies or standards/processes and succession planning) to provide reports and recommendations.

See our corporate governance web page for our appointment and dismissal criteria.

[WEB www.sato-global.com/about/governance/governance.html](http://www.sato-global.com/about/governance/governance.html)

3. Policy and activities to ensure proper company operations

As a business, we aspire to solve challenges and create new value for customers operating in various types of worksites, industries and markets around the world. We believe it is important that proper internal control systems are established and consistently implemented for both frontline operations and organizational-level leadership so as to realize our corporate social responsibility and grow sustainably.

1 Internal control policy

See corresponding section in our corporate governance report for details.

[WEB www.sato-global.com/about/governance/governance.html#anc_08](http://www.sato-global.com/about/governance/governance.html#anc_08)

2 Internal control activities

See corresponding section in our corporate governance report for details.

[WEB www.sato-global.com/about/governance/governance.html#anc_08](http://www.sato-global.com/about/governance/governance.html#anc_08)

4. Cooperation among Audit & Supervisory Board members, independent auditor and internal audit departments

See corresponding section in our corporate governance report for details.

[WEB www.sato-global.com/about/governance/governance.html#anc_08](http://www.sato-global.com/about/governance/governance.html#anc_08)

5. Audit checks by independent auditor

See corresponding section in our corporate governance report for details.

[WEB www.sato-global.com/about/governance/governance.html#anc_08](http://www.sato-global.com/about/governance/governance.html#anc_08)

6. Remuneration for board members

Established in April 2021, our Remuneration Advisory Committee (whose chair and majority of members are external directors) functions to not only support the board in drafting performance evaluations for directors, executive officers and senior officers with their proposed remuneration, but also look into all remuneration matters (including remuneration policies or standards/procedures and information disclosure) to provide reports and recommendations.

1 Remuneration policy

The remuneration structure for board members is an extremely important element of corporate governance. The company adopts the following policy, which is based on recommendations from our Remuneration Advisory Committee and has been approved at a board meeting in March 2022.

- 1) Remuneration amount shall be set at a level capable of securing and retaining board members to make important management decisions and supervise business execution.
- 2) The company shall establish a remuneration structure that contributes toward sustainable growth and greater medium- to long-term corporate value and resonates with the values of shareholders and other stakeholders.
- 3) The board shall set out and follow a logical, fair and transparent procedure for determining remuneration.

2 Procedure to determining remuneration

The following steps are taken by the board to ensure fair and transparent deliberations of remuneration.

- 1) Board of directors revises basic/performance-based remuneration amount (tied to position) and payment coefficient.
- 2) Representative directors and internal directors draft performance evaluation for officers based on business and individual achievements in the fiscal year.
- 3) Board of directors approves evaluation and decides performance-based remuneration amount for each member.

3 Composition of remuneration

Remuneration for the company's directors consists of basic compensation (fixed monetary sum), performance-based monetary compensation and performance-based stock compensation. The weighting of each component is decided by considering balance with overall remuneration amount and position of officer, whereby those in higher positions receive a larger ratio of performance-based compensation. The above does not apply to non-executive directors and Audit & Supervisory Board members, who shall only receive basic/fixed compensation.

Breakdown of remuneration for board members

| | Total remuneration (Millions of JPY) | Remuneration components (Millions of JPY) | | | | No. of eligible board members |
|----------------------------------|--------------------------------------|-------------------------------------------|-----------------------------------------|--------------------------------------|--------------------|-------------------------------|
| | | Fixed compensation | Performance-based monetary compensation | Performance-based stock compensation | Stock compensation | |
| Director | 256 | 196 | 29 | 25 | 6 | 9 |
| (i) External | 64 | 59 | 0 | 0 | 5 | 5 |
| (ii) Internal | 192 | 137 | 29 | 25 | 1 | 4 |
| Audit & Supervisory Board member | 57 | 57 | 0 | 0 | 0 | 5 |
| (i) External | 16 | 16 | 0 | 0 | 0 | 3 |
| (ii) Internal | 41 | 41 | 0 | 0 | 0 | 2 |

Ratios of the various remuneration components for board members derived from FY 2021 actuals are as follows.

| Position | Fixed compensation | Performance-based monetary compensation | Performance-based stock compensation | Stock compensation | Evaluation weight | |
|----------------------------------------------|--------------------|-----------------------------------------|--------------------------------------|--------------------|----------------------|------------------------|
| | | | | | Business achievement | Individual achievement |
| Representative Director and President | 56.2% | 22.5% | 21.2% | 0.0% | 100% | — |
| Representative Director and Vice President | 75.5% | 14.3% | 10.2% | 0.0% | 50% | 50% |
| Director and Vice President | 74.0% | 14.9% | 11.2% | 0.0% | 50% | 50% |
| Non-executive internal director | 96.5% | 0.0% | 0.0% | 3.5% | — | — |
| External director | 92.2% | 0.0% | 0.0% | 7.8% | — | — |
| Internal member of Audit & Supervisory Board | 100% | — | — | — | — | — |
| External member of Audit & Supervisory Board | 100% | — | — | — | — | — |

7. Skills matrix for directors and Audit & Supervisory Board members

The following table shows skills/competencies of our directors and Audit & Supervisory Board members mapped against what is expected of their roles.

| | Executive | Independent | Name | Knowledge and experience to lead management and business appropriately | | | Knowledge and experience to establish and maintain an appropriate management foundation | | | Panoramic perspectives to ensure sustainability | | |
|-----------------------------------|-----------|-------------|---------------------|------------------------------------------------------------------------|---|---|-----------------------------------------------------------------------------------------|---|---|-------------------------------------------------|---|---|
| | | | | a | b | c | d | e | f | g | h | i |
| Directors | ● | — | Ryutarō Kotaki | ● | ● | | | | | ● | ● | |
| | ● | — | Yoichi Abe | ● | | ● | ● | ● | | ● | ● | ● |
| | ● | — | Hiroyuki Konuma | ● | ● | | | | | ● | | ● |
| | — | — | Tatsuo Narumi | ● | | | | ● | ● | ● | | ● |
| | — | ● | Yuko Tanaka | ● | | | | | ● | ● | ● | ● |
| | — | ● | Ryoji Itoh | ● | | ● | ● | | | ● | ● | ● |
| | — | ● | Hideo Yamada | ● | | | | ● | ● | ● | ● | ● |
| | — | ● | Sadayoshi Fujishige | ● | | ● | ● | | | ● | ● | ● |
| Audit & Supervisory Board members | — | — | Junichi Nagakura | | | | ● | ● | | ● | ● | |
| | — | — | Kiyohiko Yoshii | | | ● | ● | ● | | ● | ● | ● |
| | — | ● | Noriko Yao | | | ● | | ● | ● | ● | ● | ● |
| | — | ● | Naoki Kubo | | | | ● | ● | | ● | ● | ● |

1 Knowledge and experience to lead management and business appropriately

a Business/organizational management b Industry knowledge (sales/technology) c International business

2 Knowledge and experience to establish and maintain an appropriate management foundation

d Finance and accounting e Legal and compliance f Human resource and labor relations

3 Panoramic perspectives to ensure sustainability

g Governance and sustainability h Risk management i Diversity