

NAMICS CORPORATION

CSR REPORT 2025



Mutual prosperity to both nature and mankind through creativity innovation and sensitivity

1. Corporate Philosophy, Fundamental Management Policy, and Activity Guidelines

NAMICS' Management Vector (Corporate Philosophy System)

In an era of rapid change, companies must practice strong and strategic management capable of adapting to evolving social and business environments in order to maintain sound operations and achieve sustainable growth.

At NAMICS, we have defined a universal management foundation that transcends time: our Corporate Philosophy, which states the fundamental purpose of the organization; our Fundamental Management Policy, which captures the direction and long-term goals of the company; and our Values (NAMICS WAY), which emphasize respect for individuality and serve as behavioral and decision-making standards for all employees, and include the Activity Philosophy and the Activity Guidelines, forming our management vector. In addition, we place great importance on corporate management that considers the impact of our operations on society, incorporating our Corporate Social Responsibility (CSR) as a contribution through our business activities.

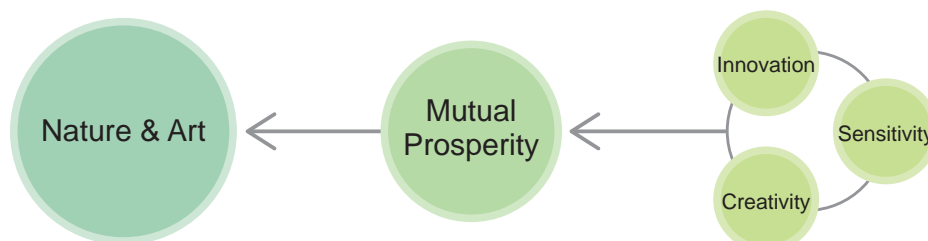


Corporate Philosophy - Our raison d'être -

Mutual Prosperity to Both Nature and Mankind through Creativity, Innovation and Sensitivity.

Mutual prosperity is the basis of our management philosophy; indeed it is our company's raison d'être. Our ultimate goal is art in the service of nature, leading to harmonious and advantageous coexistence between humans and the natural world.

Embedded within the name "NAMICS" is our belief that corporate activities aimed at realizing this goal depend upon the sensitivity, innovation and creativity of our employees.



Fundamental Management Policy - The direction we should aim -

Create Value for the Future

- Only One and Number One Company -

- We use creativity and technology to generate future possibilities.
- We face change with trust from society and the market.
- We take pride in our work and provide true happiness and reasons for living.

Under our fundamental management policy of Create Value for the Future, we aim to become an Only One and Number One Company by creating new value that connects us to the future.

Values (NAMICS WAY) - Guidelines for conduct: How we should act -

Activity Philosophy

“Self-reliance, Self-action, Self-help”

Recognize that “You are the architect of your own life” and strive to lead a life that brings satisfaction.

Activity Guidelines

“Challenge”

Foster curiosity, flexibility, and continually push your limits.

“Growth”

Take initiative to instigate change, driving growth to achieve your goals.

“Respect”

Enhance communication skills and cultivate relationship built on mutual respect.

The shared values (NAMICS WAY) that serve as criteria for our daily actions are articulated as the Activity Philosophy (Self-reliance, Self-action, Self-help) and the Activity Guidelines (Challenge, Growth, Respect). In order to make our life fulfilling, we place importance on acting on our own understanding and conviction, and we strive to act through proactive thinking and communication based on both individual and group decision-making.

Corporate Social Responsibility (CSR) – Management that is conscious of impacts on society –

“Our Commitment to Corporate Social Responsibility”

A core mission of our CSR is to contribute to the development of society through our corporate activities. Given the evolving landscape of technology, including innovations such as IoT, as well as the changing dynamics of societal lifestyles and industries, increasingly higher standards are being continually required. To ensure the ongoing provision of products and services essential to technological innovation, we are committed to maintaining a balanced and stable business in both the mid and long term.

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2. Editorial Policy

In fulfillment of our CSR duty and to foster broad comprehension and facilitate ongoing dialogue with all stakeholders in our society, the NAMICS Group has released this year's CSR report. This report adheres to the GRI Sustainability Reporting Standards (GRI Standards), a recognized international reporting guideline provided by the Global Reporting Initiative.

Reporting Period	FY2024 (April 1, 2024 to March 31, 2025)
Reporting Organization	NAMICS Corporation, all offices and sites in Japan and Overseas
Publication	September 2025 (Next scheduled issue: September 2026)
Referenced Guideline	GRI standards 2021 revised edition

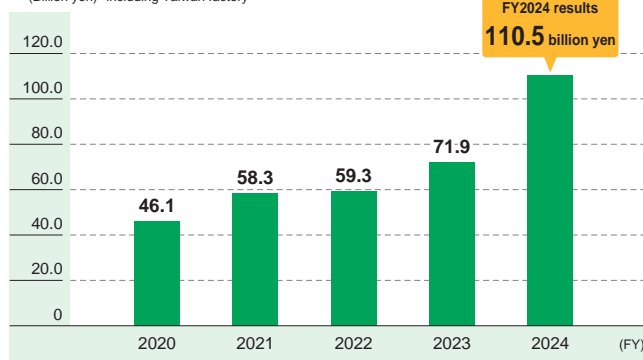
3. Company Profile, Group Companies

Company Profile

Name	NAMICS CORPORATION
Address	3993 Nigorikawa, Kita-ku, Niigata City, Niigata Prefecture 950-3131 Japan
Foundation	February 1947
Capital	80 million yen
Representative	Toshinobu Odajima, President
Business	Research, development, manufacture, and sales of electrochemical materials
Sales	110.5 billion yen (FY2024 results, including Taiwan factory)
Total Employees	773 (As of March 31, 2025, including temporary employees)
R&D Expense Ratio	5% (FY2024 results)
Member Organization	Japan Electronics and Information Technology Industries Association Japan Electronics Packaging and Circuits Association NIIGATA Chamber of Commerce & Industry

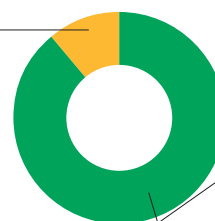
Sales history

(Billion yen) *including Taiwan factory



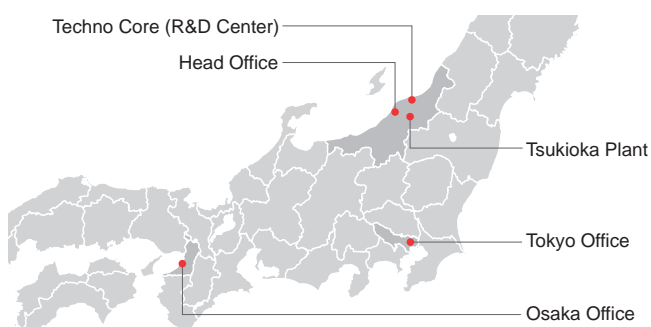
Sales ratio (FY2024)

Japan: 11%



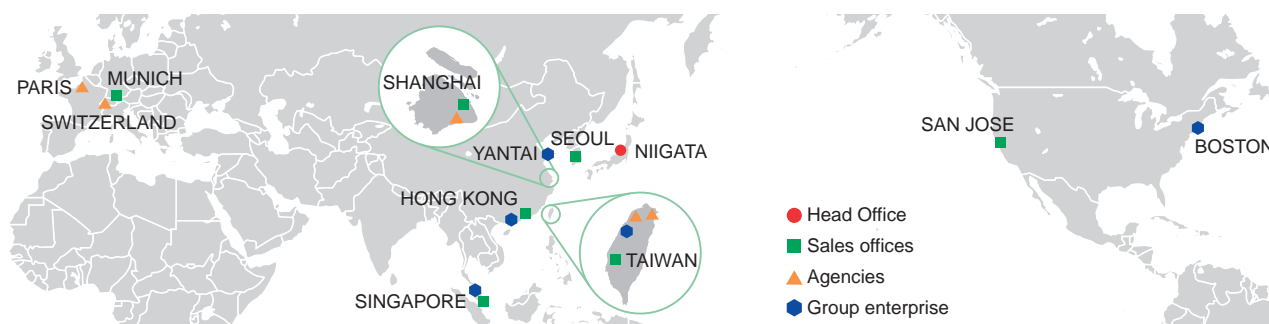
Overseas: 89%
*Including overseas plants for
Japan-based customers

National Network



Head Office

Global Network



Main Products and Services

NAMICS handles both insulating and conductive materials used in semiconductors and passive components.



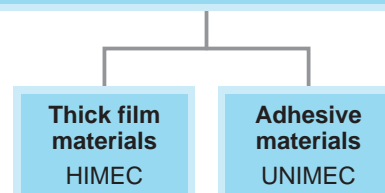
Insulating materials

These materials are used for bonding electronic components and protecting semiconductors against impact and moisture, functioning as electrical insulators.

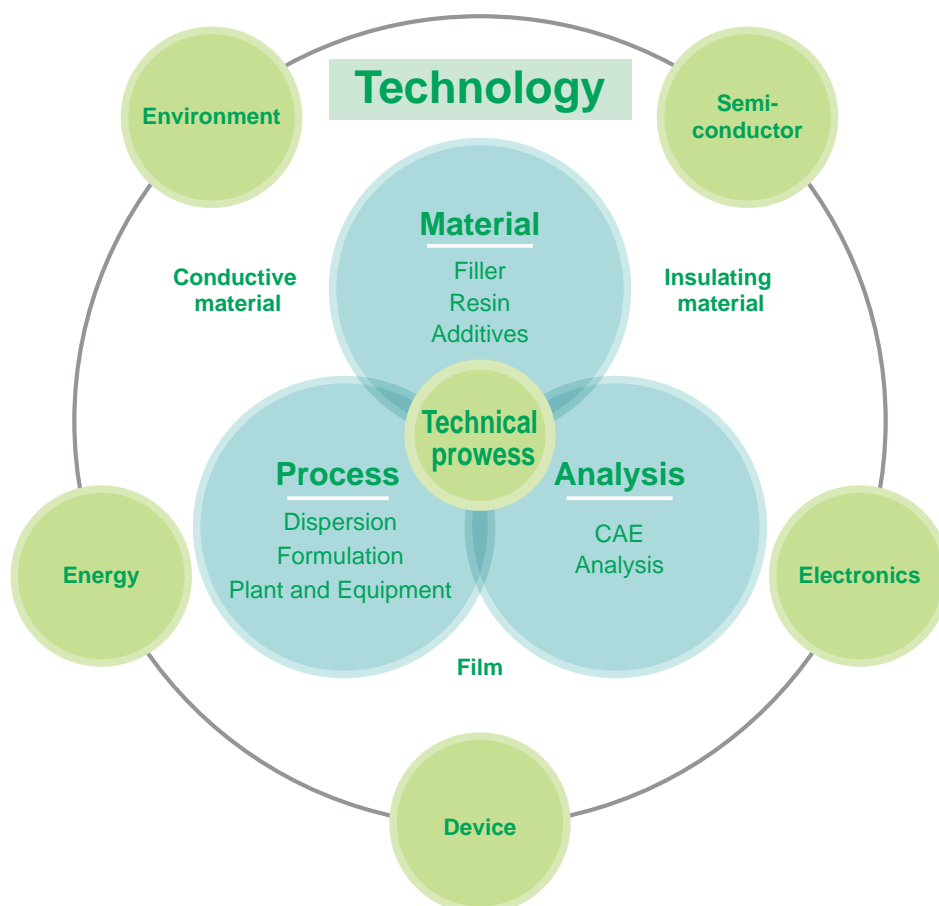


Conductive materials

These materials are applied to electronic components or bonding areas to provide electrical conductivity.



NAMICS Technology



4. Message from the President

Exploration and Challenge: Striving for a prosperous society where people and nature coexist.

NAMICS Corporation
President Toshinobu Odajima

Since its founding, NAMICS Corporation has continuously explored new possibilities and now holds approximately 40% of the global market share in the field of electrochemical materials. We have consistently taken a proactive approach to changes in the business environment, striving to earn the trust of our customers and all stakeholders through our responsibility and commitment.

Contributing to the advancement of society and daily life—Looking ahead to an expanding market

At our founding in 1946, we were a paint manufacturer, providing value-added coatings that met the needs of our customers. Anticipating a major shift toward electronics, we transformed our business to focus on materials used in electronic components. As electronic products became an integral part of society and daily life, customer requests became increasingly diverse, prompting us to develop insulating and conductive materials tailored to these needs. Supporting people's lives through electronics, often in unseen ways, has become NAMICS' mission.

The world of electronics still holds immense potential. As products and applications continue to evolve, customer demands are becoming increasingly diverse. NAMICS focuses on its strength in high-mix, low-volume production rather than mass production, responding flexibly to a wide range of customer needs. As digital society continues to evolve through advances in digital transformation (DX) and AI, semiconductors, among electronic components, will evolve along side it. Development and supply of new chemical materials to support this evolution is our vital mission.



Coexistence of nature and humanity— Exploring and challenging new frontiers

At the foundation of NAMICS lies our corporate philosophy: Mutual Prosperity to Both Nature and Mankind through Creativity, Innovation, and Sensitivity. This principle has been carried forward since before our name was changed to NAMICS in 1996. Long before environmental issues gained global attention, we worked to balance the improvement of living standards with environmental preservation and sustainability.

The same philosophy guides our business, where we value mutual prosperity, ensuring that our customers, suppliers, and partners all thrive together. We are committed to building win-win relationships and developing a sustainable business model.

In developing and manufacturing electrochemical materials, we continually explore and remain highly attuned to new possibilities. In the semiconductor field, we strive to identify potential customer needs at an early stage, explore new opportunities, and take on new challenges to meet them. This spirit of exploration and challenge has remained unchanged since our founding. It is precisely because we have been able to identify current seeds of innovation and create new needs through R&D that we have evolved from paint manufacturing to the development and production of the latest electrochemical materials.

Working together as one toward the environmental century—Finding solutions to social issues

Changes in the natural environment, such as global warming and climate change, are progressing at an ever-faster pace. NAMICS is intensifying its efforts to mitigate these conditions as much as possible. As part of our measures to reduce environmental impact, we have established an environmental management system to fulfill our social responsibilities continuously throughout the company. From the procurement of raw materials to processing, disposal, and recycling, we are promoting company-wide initiatives that address every stage of our business operations.

When constructing new facilities, we have incorporated the concept of ZEB (Net Zero Energy Building), maximizing natural light, utilizing renewable energy, and maintaining healthy air circulation, to balance environmental sustainability with employee comfort and safety at work. We will continue investing in the environment, striving toward carbon neutrality and a business model that achieves coexistence and co-prosperity with nature.

With global operations and bases worldwide, NAMICS addresses both global social challenges and local issues in Japan. While global expectations demand stricter environmental and social responses, domestic issues such as the declining birthrate and aging population are becoming more pronounced. NAMICS is working to help solve these diverse challenges through social support activities. In Niigata Prefecture, where our headquarters is located, we focus on three key areas: Youth, Culture, and Sports, supporting community initiatives and local professional sports as part of our efforts to energize and strengthen the region for the future.

Optimizing human resource allocation and leveraging youthful strength to sustain and expand our business

To ensure a stable global supply of our products, we continuously update our Business Continuity Plan (BCP), optimizing business continuity management by diversifying our production bases in anticipation of natural disasters, infectious disease outbreaks, and geopolitical risks. In our global operations, we aim to appoint local leaders whenever possible, enabling us to quickly grasp local developments that may not be readily apparent to Japanese staff and thereby maintain stable management.

Looking ahead to global digital transformation (DX), NAMICS actively recruits young talent who possess a strong spirit of challenge and are unbound by conventional thinking. In recent years, there has been increasing attention on materials made without petroleum and those that improve the energy efficiency of semiconductors. In research, development, and related initiatives of these materials, NAMICS' young professionals are playing vital roles in driving innovation.

Empowering individuals to illuminate the future of the community

What supports a company's strength? It's most fundamental resource, its people. At NAMICS, we value the uniqueness of each individual and are committed to developing systems and environments that allow everyone to demonstrate their abilities and fulfill their roles. This includes various training programs that encourage employees, particularly female staff, to take on new challenges and pursue their aspirations. One example is the nursery school we established ten years ago to help balance work and parenting. Today, this initiative has become a recognized contribution to both our employees and the broader community.

Niigata Prefecture is heavily reliant on agriculture and the aging of farmers and increasing number of abandoned farms have become pressing issues. To help address these challenges, NAMICS is experimenting with models for sustainable agriculture, leveraging its digital expertise to advance smart agriculture initiatives. By developing optimized investment plans for smart farming and digitizing agricultural practices that once relied on intuition, we are lowering barriers for new farmers and exploring new approaches to agriculture. We are also developing projects, such as tourist farms, which combine agriculture and tourism, providing new spaces for relaxation for local residents and enhancing the region's appeal.

Looking toward the future of NAMICS, we believe that our employees, each with their own role and responsibility, are the indispensable backbone of our continued growth. We will continue to build systems that enable the company to function efficiently while maintaining a trusted presence within the community. By contributing to making Niigata a more livable and admired place, one that people proudly say, "Niigata is wonderful," we will strengthen our bond with the region. Our journey of exploration and challenge goes on.



September 2025
NAMICS Corporation
President Toshinobu Odajima

5. CSR Basic Policy and Promotion Structure

As NAMICS seeks healthy and continuous growth, we expect each employee to decide a course of action that upholds our corporate social responsibility.

We value and fully implement our CSR strategy in all corporate activities, including environmental conservation, global supply chain management, corporate compliance, and ethical conduct. We are committed to continuing to align our business with CSR and improving our CSR strategy through periodic reviews.

Social Contribution through Our Business

- Stably supplying products and services that provide social benefit with full consideration of quality, safety, and environmental impact.
- Expanding business in a way that leads to community development by respecting local and global business traditions and practices.

Compliance

- Ensuring strict adherence to relevant laws, regulations, and internal rules in all corporate conduct.
- Engaging in fair and free competition and transactions, maintaining sound relationships with political bodies, government agencies, citizens, and various organizations.
- Maintaining corporate transparency through appropriate disclosure of corporate information and lawful management of individual and customer information.

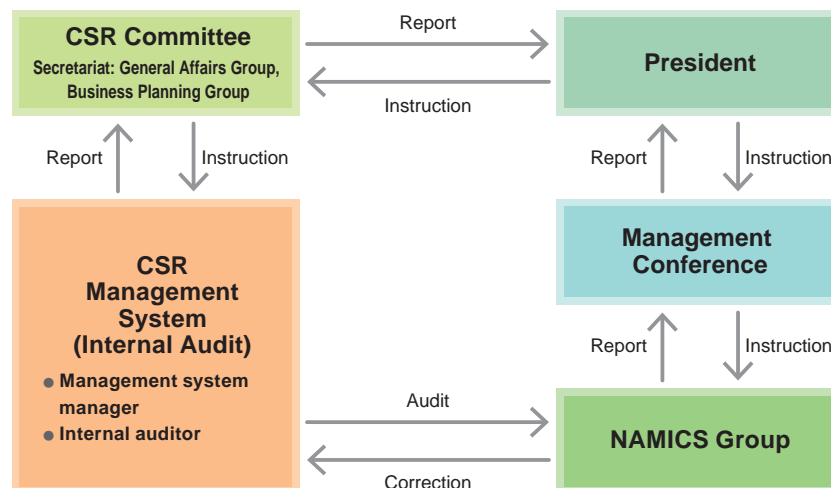
Respect for Human Rights

- Respecting human rights in all human beings and strictly prohibiting any actions and behaviors that damage any human beings' dignity, including discrimination based on one's nationality and gender, and the prohibition of juvenile and forced labor.
- Promoting the creation of a safe and hygienic workplace where employees can fully demonstrate their capabilities.

CSR Promotion Structure

Our CSR is to execute the business based on our corporate philosophy and contributions to stakeholders.

To implement the above, we established our basic CSR policy and related internal standards. To promote CSR activity corporate-wide in our various activities, the CSR Committee is designated under the governance of our President.



6. CSR Material Issues

SDGs Approach

In 1996, to mark the 50th anniversary of its founding, the company changed its name to “NAMICS.” The name embodies our belief that the coexistence and mutual prosperity of nature and humankind, as well as the corporate activities that achieve them, depend on the sensitivity, innovation, and creativity of our employees. (See page 1)

Our corporate philosophy, “Mutual prosperity to both nature and mankind through creativity, innovation and sensitivity,” aligns precisely with the global initiatives of the SDGs, or Sustainable Development Goals. NAMICS will continue to fulfill its responsibility and role in creating a better, long-lasting society for the future.

SUSTAINABLE DEVELOPMENT GOALS



CSR Material Issues

At NAMICS, we analyze and review our key CSR issues annually to ensure their ongoing relevance.

Specifying, Evaluating and Prioritizing of Issues

The CSR Committee identifies key issues based on the corporate philosophy, core themes of the mid-term management plan, and input from customers, employees, and other stakeholders. Each issue is evaluated and prioritized along two axes, business impact and stakeholder importance.

Approval by Senior Management

Our high-priority CSR issues are as follows.

These are deliberated and approved by the Management Conference attended by Directors, Executive Officers, and Senior Group Managers (SGMs).

- **Workplace safety**
- **Initiatives to reduce environmental impact toward a sustainable society**
- **Building a reliable value chain for our customers**
- **Promoting respect for human rights, legal compliance, diversity, and talent development and retention**
- **Investment in social capital**

7. Environmental Management

At NAMICS, our management philosophy is “mutual prosperity” based on the concept of “harmonious coexistence between nature and people.” Our name, “NAMICS,” is an acronym of the first letters of the ideas underlying the corporate activities which contribute to such mutual prosperity.

One method of giving shape to our philosophy was the construction of an environment management system which obtained ISO14001 accreditation in November, 2003. We are also involved in a wide range of other activities.

Environmental Policy

1. NAMICS sets the Environmental Management as one of its most important projects, and takes its expanding social responsibilities through continuous improvements of its Environmental Management System to improve the environmental performance.
2. NAMICS familiarizes all employees with its Environmental Policies and encourages them to be conscious of environmental problems and to contribute to society.
3. NAMICS observes the regulations on Environmental Management. It also strives for the international cooperation based on the guidelines of related organizations, associations or those with which NAMICS has common principles, uses sustainable resource use, mitigate and adapt climate change, and protect biodiversity and ecosystem.
Furthermore it aims at the prevention of pollution and disasters, and safe operation.
4. Regarding the following environmental conservation activities as the focus, NAMICS performs these environmental programs.
 - 4.1 Energy conservation
 - 4.2 Promotion of 3Rs, Reduce, Reuse, and Recycle
5. In order to reduce the environmental impact from NAMICS' products, the following is carried out.
 - 5.1 R&D, and design of products where environmental impact can be limited to as little as possible
 - 5.2 Reduction of environmental controlled chemical substances in products and the replacement of them with alternatives
 - 5.3 To minimize amounts of packing materials
 - 5.4 To strive to use environmentally-friendly materials
6. NAMICS sets medium-term environmental objectives matching with Environmental policy based on the evaluation results on the impact which NAMICS may have caused.
It also plans environmental targets for each fiscal year, makes concrete action programs based on them and performs them.

NAMICS CORPORATION
Toshinobu Odajima, President

NAMICS is located to the Kita Ward of Niigata City, known as the “Water Capital” because of its many waterside areas and its wide rivers which flow into the Japan Sea. Our offices are surrounded by lush fields of rice and other crops.

Since our foundation we have protected the riches of the natural world and on the basis of the SEEDS acronym (S: semiconductor, E: environment, E: energy, D: device, S: system), we have positively carried out R&D on insulating and conductive materials related to electronic products and contributed to enhanced lifestyle culture through the products we supply.



We will continue to work towards harmonious coexistence and mutual prosperity in all relationships including those between society, or art, and nature, by founding our actions on the following environmental policies.

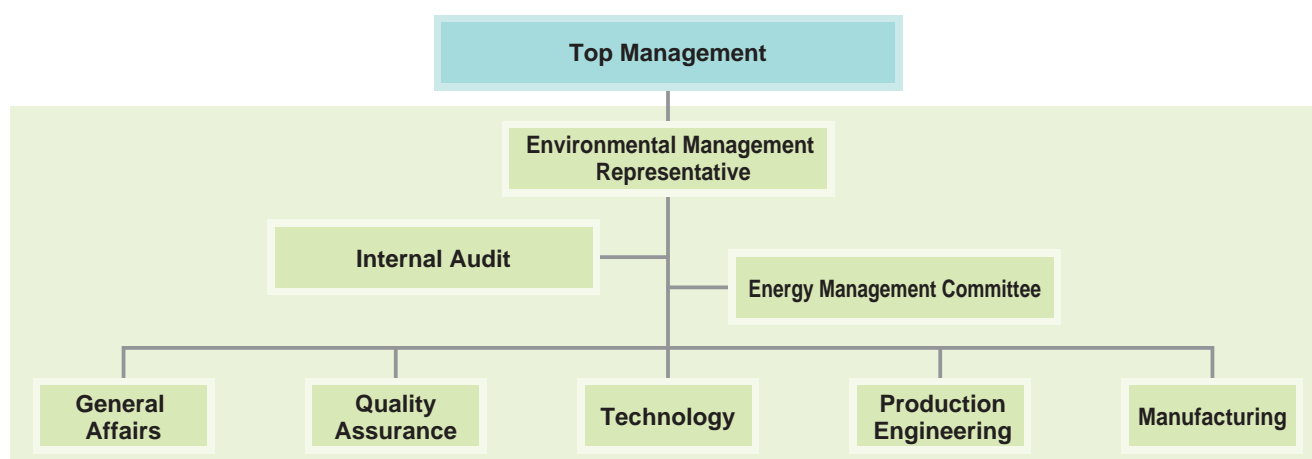
Environmental Management System

NAMICS has introduced an Environmental Management System (EMS) to fulfill its corporate responsibility toward realizing a sustainable society, promoting company-wide initiatives that integrate management and environmental preservation.

Our EMS operates across multiple priority areas, including climate change mitigation, water resource conservation, and waste reduction, with each department utilizing its expertise to actively advance initiatives.

Environmental objectives are set annually, and continuous improvement is pursued through the PDCA cycle. In addition, senior executives, including the President, conduct management reviews twice a year to evaluate and monitor EMS performance and target achievement, leading to further improvements.

Furthermore, to advance energy conservation, we are strengthening internal initiatives through the Energy Management Committee.



Status of Environmental ISO* Certifications

NAMICS' EMS symbolizes our corporate stance of harmonizing environmental preservation with business activities and is positioned as a vital pillar of our CSR. Going forward, we will continue to maintain our ISO 14001 certification and strengthen initiatives focused on environmentally conscious product development and corporate activities, thereby contributing to a sustainable future.

The ISO 14001 certification status is as follows:

ISO 14001	Company / Facility	NAMICS Corporation related facilities ・Tsukioka Plant ・NAMICS Techno Core
	Scope of ISO registration	Design, development and manufacture of coatings, pastes and powders for electronic components; encapsulating resins for semiconductor; conductive pastes for electronic components, circuits and batteries; conductive powders and adhesives; conductive and insulating materials for display; film materials for electronic components and electronic devices; marking inks for electronic components.
	Certification date	November 21, 2003
	Registration body	Japan Quality Assurance Organization (JQA)

*ISO: A non-governmental organization headquartered in Switzerland, the International Organization for Standardization, or the international standards it establishes and issues. These standards, covering diverse fields such as manufacturing, agriculture, and healthcare, establish globally consistent benchmarks for product and service quality, as well as management systems. Obtaining ISO certification demonstrates that an organization's quality management meets international standards, thereby enhancing credibility and trust.

*There are two broad categories of ISO standards:

Product Standards: Standards related to physical products, such as products themselves, card dimensions, and screw sizes.

Management System Standards: Standards related to systems for managing quality, environment, information security, and other aspects.

(Examples) ISO 9001 : Quality Management System standard aimed at improving quality and achieving customer satisfaction.

ISO 14001: Environmental Management System standard aimed at reducing environmental impact.

ISO 27001: Information Security Management System standard for protecting information assets.

ISO 45001: Occupational Health and Safety Management System standard for providing safe and healthy workplaces. etc.

*For quality-related ISO certifications, see page 23.

8. Efforts towards Decarbonization

Fulfilling the Corporate Social Responsibility of the Materials Industry and Achieving Carbon Neutrality

As a manufacturer belonging to the materials industry, NAMICS is taking responsible action to reduce CO₂ emissions. According to the report “Current Situation and Issues Surrounding the Manufacturing Industry: Future Policy Directions,” published by the Ministry of Economy, Trade and Industry in May 2023, CO₂ emissions from the manufacturing sector account for 36% of Japan’s total emissions, with approximately 70% of that coming from the materials industry. Recognizing this reality, NAMICS positions the realization of carbon neutrality as a key management issue, both as part of its corporate social responsibility and in response to customer expectations.

In FY2024, the Equipment Management Verification Group led the implementation of multiple equipment investments directly linked to CO₂ emission reductions. These efforts contribute to enhancing corporate value and maintaining competitiveness, and NAMICS will continue to advance them on an ongoing basis.

● CO₂ emissions (Scope: Entire Group)

			FY2023		FY2024	
GHG emissions			t-CO ₂	%	t-CO ₂	%
Scope 1 (Direct emissions such as fuel combustion)			4,558	4.9	4,923	4.7
Scope 2 (Indirect emissions from electricity use, etc.)			13,228	14.3	10,817	10.2
Scope 3 (Other indirect emissions)	Upstream	Category 1: Purchased goods and services	57,872	62.5	69,454	65.8
		Category 2: Capital goods	4,637	5.0	7,387	7.0
		Category 3: Other fuel- and energy-related activities	2,810	3.0	3,077	2.9
		Category 4: Transportation and distribution	8,309	9.0	8,748	8.3
		Category 5: Waste generated in operations	29	0.0	26	0.0
		Category 6: Business travel	315	0.3	319	0.3
		Category 7: Employee commuting	305	0.3	327	0.3
	Downstream	Category 9: Transportation and distribution	15	0.0	13	0.0
		Category 10: Processing of sold products ^{*1}	93	0.1	80	0.1
		Category 11: Use of sold products ^{*1}	309	0.3	274	0.3
		Category 12: End-of-life treatment of sold products ^{*1}	133	0.1	163	0.2
		Total	92,614	100	105,608	100

*1 Reference value

*2 Due to rounding, totals may not exactly match the sum of individual items.

Acquisition of SBT Initiative Certification

NAMICS has obtained SBT1.5°C certification from “SBT (the Science Based Targets) initiative”^{*3} for as its our greenhouse gas emissions reduction targets set up toward 2030.



Certified greenhouse gas emissions reduction targets^{*4}

- Reduce the amount of CO₂ emissions in Scope 1 and Scope 2 by 42% by 2029 (Base year 2019)
- Reduce the amount of CO₂ emissions in Scope 3 by 30% by 2032 (Base year 2022)

*3 The SBT initiative is an international initiative that encourages companies to set science-based greenhouse gas emission reduction targets to achieve the goals of the Paris Agreement. Jointly established in 2015 by four organizations: CDP, an international non-profit organization running an environmental impact disclosure system, the United Nations Global Compact, WRI (World Resources Institute), and WWF (Worldwide Fund for Nature).

*4 Scope 1: Direct emissions from sources owned or controlled by the company
 Scope 2: Indirect emissions from the use of purchased or acquired electricity or other energies.
 Scope 3: All other indirect emissions not included in Scope 2

Introduction of Solar Power Generation System

In FY2024, NAMICS installed a solar power generation system on the rooftop of its Head Office Factory, specifically at Building No. 21. Lightweight, low-profile mounting panels were selected to suit the roof's structure, while back-contact panels capable of utilizing reflected light were also introduced to improve power generation efficiency.

This system is expected to reduce annual CO₂ emissions by 57 tons. A monitoring system has also been implemented to track power generation status and send real-time alerts, allowing us to assess its performance and effectiveness.



Monitoring system display



Solar power generation system, Building No. 21

● Overview of rooftop solar power generation system (Building No. 21)

Item	Specification
Power output	112.66 (kW)
Number of panels	262
Type	Low-profile mounting system
Completion	March 2025

Introduction of Heat Recovery Heat Pump System

NAMICS utilizes chilled and hot water for production air conditioning. To reuse the heat from this process, a heat recovery heat pump system (ultra-high-efficiency high-temperature heat pump chiller) was installed on the rooftop of Building No. 21 in FY2024. By using a fluorocarbon cycle to lower the temperature of chilled water and raise the temperature of hot water, the system reduces the load on the heat source equipment, achieving energy savings.

Operational status is monitored daily through integration with the central monitoring system, which displays and records equipment parameters and heat recovery data. As this system qualifies as a high-pressure gas installation, NAMICS has ensured full legal compliance by filing notifications with the Niigata City Fire Department and completing safety training.

The system is expected to reduce CO₂ emissions by 1,138 tons annually, equivalent to around 20% of the total reduction targeted for 2030. In FY2025, NAMICS plans to confirm actual performance and verify effectiveness based on central monitoring data.



Heat recovery heat pump system

● Overview of heat recovery heat pump system

Item	Specification
Name	Ultra-high-efficiency high-temperature heat pump chiller / Anti-corrosion type
Rated cooling capacity	30.7 × 2 (t)
Cooling capacity	507 (kW)
Heating capacity	707 (kW)
Refrigerant	R134A
Auxiliary equipment	Water tank, heat exchanger, pump, etc.
Completion	March 2025

9. Resource Circulation and Reduction of Environmental Impact

NAMICS strives to utilize resources effectively as raw materials for our products, while minimizing the pollution of water resources used in production and preventing the release of chemical substances through strict monitoring and control measures. By advancing corporate activities at the interface with the natural environment, we aim to achieve prosperous coexistence between people and nature through our business operations.

Initiatives for Waste Control and Resource Recycling

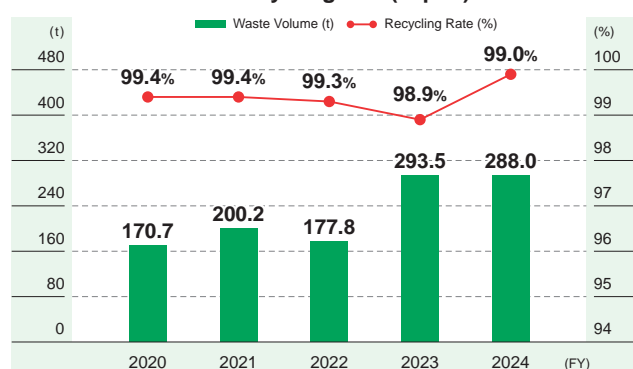
NAMICS recognizes the importance of compliance with environmental laws and regulations, as well as the reduction of environmental impact, as part of our corporate social responsibility. We continuously work to reduce emissions generated during manufacturing and to promote the reuse of resources used in production. In 2022, our headquarters plant generated over 50 tons of specially controlled industrial waste, resulting in its designation as a “large volume generator” under Niigata City regulations. However, by thoroughly examining waste generation processes, reinforcing waste separation, improving operations, and strengthening education for related departments, we successfully reduced this amount to below 50 tons in FY2024.

Waste Volume and Recycling Rate

While waste increases with production volume, we are working to reduce waste by minimizing production losses, promoting solvent reuse, and enhancing employee awareness through waste management education.

In recycling, we focus on material recycling (reusing materials as raw materials) and thermal recycling (using materials as fuel) to reduce landfill disposal.










Waste volume and recycling rate (Japan)



Material Balance

The input of energy and resources in business activities, as well as the resulting products and environmental load substances (output), are maintained at a stable level through resource efficiency and loss reduction. Even with increased production volumes, we aim to minimize our environmental impact through high recycling rates and other sustainable measures.

Environmental impacts overview (including overseas factories)

INPUT		Business operations	OUTPUT	
	Electricity	28,435,850 kWh		CO ₂ 14,363 t-CO ₂
	Gas	1,273,296 m ³		Waste water 24,965 m ³
	Heating oil	421 kl		Waste 327,904 kg
	Heavy oil	14.0 kl		Recycling rate 99.0 %*
	Water	98,594 m ³		

*Domestic factories only. At our Taiwan factory, all waste is incinerated by government-designated contractors.

Waste Management Education Initiatives

NAMICS conducts “waste management education” for employees involved in waste-related operations and those who wish to participate, with the goal of deepening understanding of environmental protection and building a foundation to prevent fines or reputational loss due to legal violations.

About Waste Management Education

The education program consists of six items, followed by a comprehension check.

1. Laws and regulations on waste management: legal framework, such as the Act on Waste Management and Public Cleaning, and penalties
2. Waste classification and disposal flow: types and handling processes for industrial, general, and specially controlled industrial waste
3. Collection and disposal request procedures: request flow using internal systems
4. Disposal status and recycling performance: annual recycling rates and emission trends
5. Waste disposal costs: reporting of disposal cost trends
6. Comprehension check: post-training tests and questionnaires for follow-up

Management of Chemical Substances

NAMICS positions the management of chemical substances contained in products as a highly important activity in fulfilling corporate social responsibility. We have established a management framework, the “Chemicals in Products Management System (CiPMS),” in conformity with “JIS Z 7201:2017 Management of chemicals in products-Principles and guidelines.” Each year, we set goals and actively work toward eliminating hazardous substances while continuously strengthening our management system.

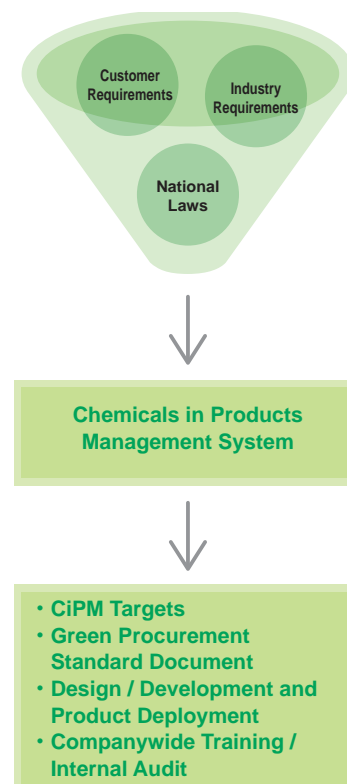
In 2005, we issued the NAMICS Green Procurement Standard Document. In collaboration with suppliers, we verify and assess the risks associated with chemical substances contained in raw materials and auxiliary materials, regularly monitoring developments in global chemical regulations and customer-specific requirements. This information is managed in our proprietary database and applied to design, development, and product deployment, thereby ensuring compliance with laws and regulations and delivering highly reliable products free of hazardous substances.

Additionally, we conduct company-wide training annually to raise awareness among all employees, and we carry out internal audits focusing on chemical substance management to regularly evaluate and improve the effectiveness of CiPMS.

Through these activities, we continue to achieve “zero violations of chemical regulations in destination countries” and “zero nonconformities with customer-specific chemical requirements.”

As we advance, NAMICS will continue to enforce strict chemical substance management, ensuring both legal compliance and conformance with customer requirements, promoting responsible corporate activities that contribute to the realization of a sustainable society.

• Our CiPM activities

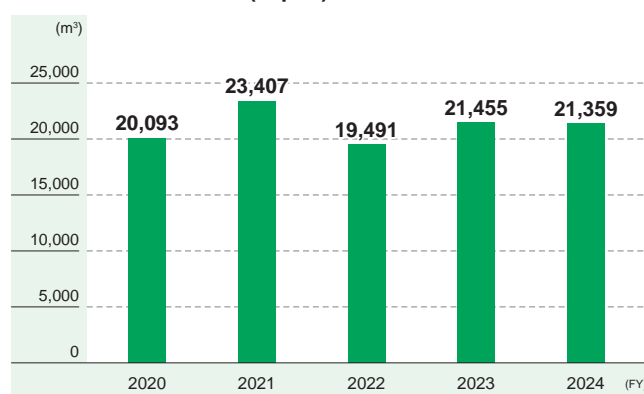


Conservation of Water Resources

NAMICS recognizes the impact of its business activities on local water environments and positions the conservation of water resources as a key CSR priority. In FY2024, we focused on maintaining the stable operation of wastewater treatment facilities and ensuring effective water quality management, working to ensure legal compliance and prevent water pollution. Specifically, NAMICS conducted regular inspections and maintenance of wastewater treatment systems, daily monitoring of water quality, and periodic testing of all parameters to minimize its impact on public water areas.

Regarding the reduction of overall water usage (optimization of intake and discharge volumes), we are preparing our reporting framework to disclose results from FY2025 onward. It has begun analyzing current water use in manufacturing processes and identifying issues, while also studying measures such as the reuse of cooling water, reviewing cleaning processes, and utilizing rainwater. The CSR Committee continues to evaluate and discuss these water resource conservation initiatives as a key ongoing theme.

● Wastewater volume (Japan)



NAMICS (Head Office) engaging in water resource conservation initiatives in harmony with nature

● Water pollution prevention initiatives — Compliance with standards

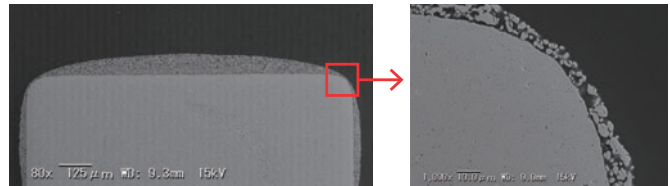
Item		Effluent standards (Japan)	Domestic plants (As of October 2024)	
			Effluent (No. 1)	Effluent (No. 2)
pH		5.8–8.6	8.2	7.2
BOD		< 40 mg/ℓ	3	2
SS		< 50 mg/ℓ	5	4
n-Hexane extracts	Mineral oils	< 5 mg/ℓ	< 1	< 1
	Animal and vegetable oil and fat	< 30 mg/ℓ		
Phenols		< 5 mg/ℓ	< 0.01	< 0.01
Copper		< 3 mg/ℓ	< 0.01	0.03
Zinc		< 2 mg/ℓ	0.03	0.12
Dissolved iron		< 10 mg/ℓ	< 0.04	0.04
Dissolved manganese		< 10 mg/ℓ	< 0.02	< 0.02
Coliform group		< 3,000/mL	< 30	< 30
Nitrogen		< 100 mg/ℓ	< 0.2	8.4
Chromium		< 2 mg/ℓ	< 0.04	< 0.04

10. Environmentally-friendly Product Development

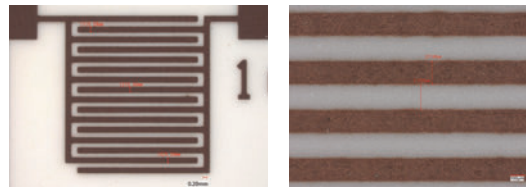
NAMICS is actively promoting product development aimed at reducing environmental impact to help realize a sustainable society.

Product Development for Overcoming a Plethora of Challenges

One example of an environmentally conscious product is our “Air-curable Conductive Copper Paste,” a conductive material that has garnered attention for its lower environmental impact and greater cost stability compared to conventional silver pastes. Additionally, our low-temperature curing products can be cured at lower temperatures compared with conventional products, reducing energy consumption in customers’ manufacturing processes and contributing to a reduction in environmental impact.



Air-curable Conductive Copper Paste (XCH9207 Series)



Air-curable Conductive Copper Paste (XCH9207P Series)

Product Development Considering Raw Materials

We also place importance on consideration for the environment in the raw materials used in our products. We are advancing the development and expansion of products using PFAS-free and lead-free materials.

NAMICS will continue to contribute to the realization of a sustainable society by providing environmentally friendly products.



Product Development and Expansion

Product Development System

Environmentally friendly product development is expanding company-wide through a collaborative framework led by the Technical R&D Division in partnership with Sales and Quality Assurance Divisions and Purchasing Group. The Technical R&D Division conducts design reviews and provides training for developers to ensure environmentally conscious design. The Sales Division identifies customer environmental needs and disseminates them internally, the Quality Assurance Division ensures compliance with environmental regulations, and the Purchasing Group selects suppliers and raw materials based on green procurement standards. Through collaboration with universities and equipment manufacturers, we are focusing on technological development aimed at achieving a carbon-neutral society, promoting innovation for a sustainable future.

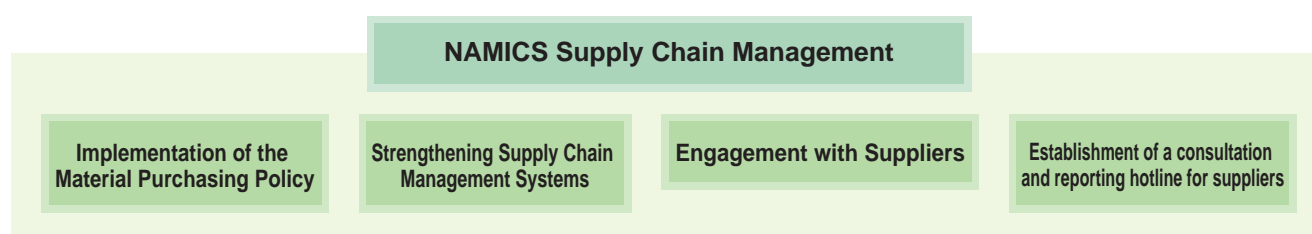


Techno Core (R&D Center)

11. Supply Chain Management

Basic Concept and Policy

NAMICS regards the establishment of a supply chain encompassing purchasing, production, and sales that customers can trust and choose with confidence as an important management issue. Sales offices quickly identify customer needs and utilize NAMICS' global network to share information and carry out sales activities. From a BCP (Business Continuity Plan) perspective, multiple production sites, including overseas plants, have been established, and a global "Material Purchasing Policy" has been defined. In addition to complying with the social norms of the countries in which our business partners operate, NAMICS seeks mutual prosperity through initiatives that fulfill corporate social responsibilities such as environmental conservation.



NAMICS Supply Chain Management

Implementation of the Material Purchasing Policy

1. Procurement of Best Possible Materials

We carefully select our partners and carry out our business with them according to our rational and clear standards regarding quality control, price, stability of supply, company reliability, environmental conservation, and non-use of conflict minerals.

2. Striving for Fair Procurement at the Most Reasonable Price

In principle, we compare and evaluate quotes from multiple partners to ensure fair competition and optimize costs.

3. Promoting Green Procurement

We promote green procurement with consideration for natural resource protection and environmental conservation.

Basic Concept of "Green Procurement"

NAMICS pursues partnerships with business partners with whom it can share activities related to the Chemical in Product Management and environmental preservation activities through the following efforts:

- (1) Promoting procurement from business partners who prioritize environmental measures.
- (2) Promoting the procurement of raw materials and indirect materials with low environmental impact.
- (3) Promoting the procurement from suppliers who implement appropriate Chemical in Product Management.

4. Compliance

We strictly comply with the social standards in our partners' countries.

5. Confidentiality

We strictly maintain the confidentiality of information obtained from our partners in the procurement process.

6. Respect for Human Rights, Occupational Health & Safety

We respect basic human rights in our partners' business and endeavor to ensure occupational health and safety.

Strengthening Supply Chain Management Systems

NAMICS is enhancing its supply chain management framework under the leadership of the Quality Assurance Division. Each year, audits of key suppliers are planned and implemented to verify the management of purchased goods and compliance with relevant laws and regulations. At the same time, NAMICS supports improvements in suppliers' management systems to maintain and enhance product quality.

To ensure stable product supply, NAMICS considers establishing a Business Continuity Plan (BCP) framework a key priority and works closely with suppliers to strengthen their preparedness for natural disasters and emergencies.

Engagement with Suppliers

To build a sustainable supply chain and respond to quality, environmental, and corporate social responsibilities, NAMICS is promoting the following initiatives:

Strengthening Quality Management Systems

NAMICS prepares and distributes a quality management manual based on IATF16949 to help suppliers enhance their quality control systems.

Promoting Green Procurement

The NAMICS Green Procurement Standard Documents are distributed to confirm the procurement status of conflict minerals and ensure compliance with environmentally responsible and ethical sourcing.

Verification Through Audits and Questionnaires

Through on-site audits and questionnaires related to BCP and CSR, NAMICS confirms suppliers' approaches to quality assurance systems, environmental management systems, business continuity, working environments, and respect for human rights.

Promotion of CSR Activities

NAMICS promotes CSR initiatives in line with the RBA (Responsible Business Alliance) Code of Conduct, aiming to build ethical and sustainable business relationships.

Establishment of a Consultation and Reporting Hotline for Suppliers

NAMICS has established a dedicated hotline to receive inquiries and reports from suppliers regarding technical or ethical concerns. This ensures prompt and sincere responses to procurement-related matters. Additionally, contact information for green procurement inquiries is clearly stated in the "Green Procurement Standard Document" and widely communicated to both domestic and international partners.

12. Occupational Health and Safety

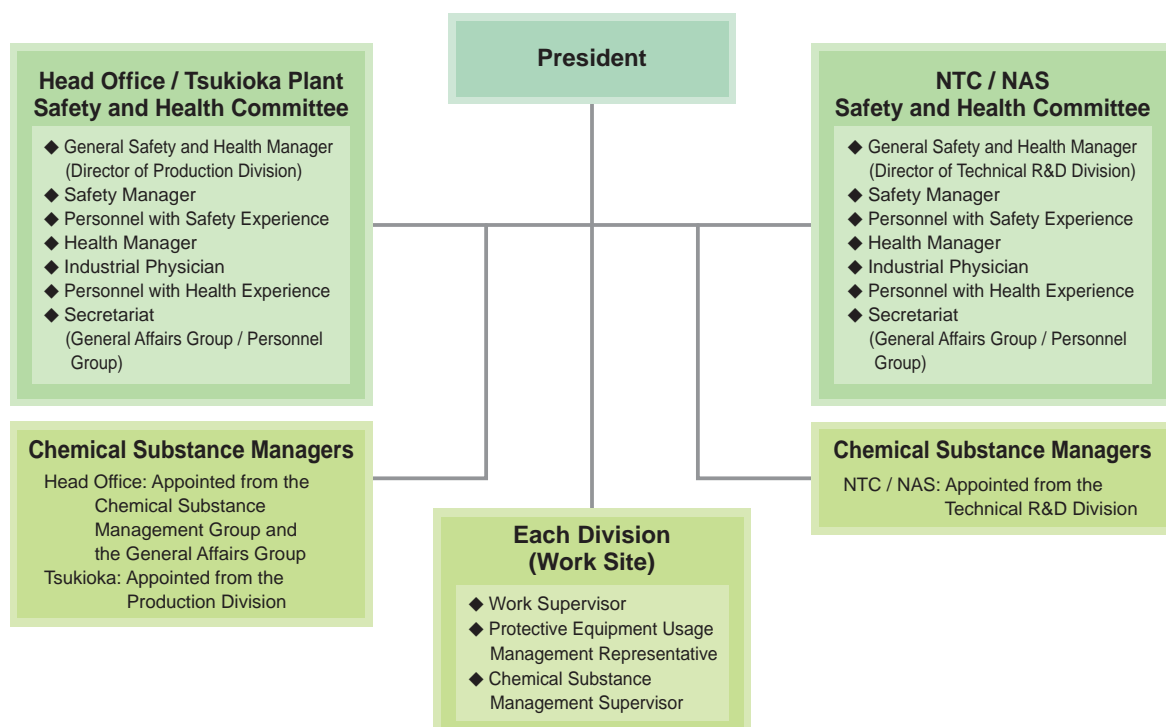
Basic Concept and Policy

As a company engaged in the manufacture of chemical products, NAMICS regards protecting the health and safety of its employees as one of its highest-priority CSR material issues. Based on strict compliance with laws and regulations related to occupational health and safety, we have developed and implemented a management system in line with the international standard ISO 45001, enhancing the effectiveness of our health and safety initiatives.

Promotion Structure

To ensure the health and safety of employees, NAMICS has established an occupational health and safety framework centered on the Safety and Health Committee, in accordance with legal requirements. Safety and Health Committees have been established at the head office, Tsukioka Plant, NAMICS Techno Core (NTC), and NAMICS ADFLEMA Site (NAS). Legally required officers are appointed appropriately, and these organizations collaborate to enhance workplace environments. In addition to appointing legally required Chemical Substance Managers, NAMICS has also designated its own “Chemical Substance Management Supervisors” at each work site as on-site leaders. These supervisors, together with Chemical Substance Managers, are part of a system for information sharing, reporting, and consultation.

The Safety and Health Committee, attended by the General Safety and Health Manager, Safety Manager, and Health Manager, meets monthly to discuss regular topics such as reports on occupational accidents, health and safety patrol results, and overwork conditions, as well as reports on health checkups, stress tests, and responses to revisions in health and safety laws. An industrial physician also attends the meetings to provide medical advice, ensuring that workplace health and safety measures are implemented effectively.



Occupational Accidents

In the event of an occupational accident, NAMICS prioritizes first aid for the affected employee. The injured employee or witness immediately reports the incident to their departmental manager, who in turn reports it to the General Affairs and Personnel Groups. The General Affairs Group then reports to the General Safety and Health Manager, Safety Manager, Health Manager, and all management-level employees at or above the Group Manager level. Within three business days of the incident, the responsible manager must submit a "Report on Occurrence of Occupational Accident," and within 14 business days, a "Plan for Preventing Recurrence of Occupational Accident" to the General Affairs and Personnel Groups. Based on these reports, the Safety and Health Committee investigates the causes and deliberates on preventive measures.

In FY2024, a total of eight occupational accidents (including one commuting accident) occurred. Of the seven work-related accidents, all resulted in minor injuries that did not require absence from work. NAMICS will continue to strive for a zero-accident workplace.

• Occupational accident status

Items	2022	2023	2024
Total Occupational Accidents	4	7	8
(Breakdown)			
Fatal Accidents	0	0	0
Accidents Requiring Leave of 4 Days or More	0	1	0
Accidents Requiring Leave of 1–3 Days	0	0	0
Non-leave Accidents	4	6	7
Commuting Accidents	0	0	1

*Counting of leave days:

The day the accident occurs is excluded. Counting starts from the following day. Holidays (weekends and public holidays) occurring during the leave period are included in the total number of leave days.

Health and Safety Patrol

NAMICS conducts regular health and safety patrol with the aim of preventing occupational accidents and incidents before they occur. These inspections are conducted from the perspectives of the Safety Work Standards, the Industrial Safety and Health Act, the Fire Service Act, the Poisonous and Deleterious Substances Control Act, and the High Pressure Gas Safety Act. These on-site inspections play a crucial role in enhancing workplace safety and comfort by promptly identifying and addressing potential risks.

In FY2024, the total number of issues identified decreased compared to the previous fiscal year, reflecting ongoing improvements in the area. However, inadequate implementation of 5S in work environments continues to be identified, and ongoing patrol activities remain essential for maintaining safe conditions and further improving workplace organization.

Through these efforts, NAMICS aims to promote creating a workplace where every employee can work safely and securely, while enhancing the level of compliance and safety awareness to strengthen the foundation for sustainable business operations.



Health and safety patrol in progress

• Number of inspection findings (as of July 2025)

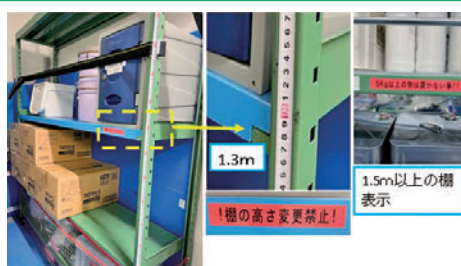
Items	2022	2023	2024
Indicated	87	58	53
Improved	87	58	52

• Improvement example

Before Improvement



After Improvement



The shelf height was adjusted for reorganization, but this led to a violation of the rule that prohibits placing objects weighing more than 5 kg on shelves higher than 1.5 meters. A notice reading "Shelf Height Change Prohibited" was posted to raise awareness among workers.

5S in the Workplace

1. Seiri (Sorting)
2. Seiton (Orderliness)
3. Seisou (Cleaning)
4. Seiketsu (Cleanliness)
5. Shitsuke (Sustaining Discipline)

Education / Training

NAMICS offers education and training encompassing disaster and fire drills, disaster and fire prevention education, and occupational health and safety education.

● Education and training programs and number of participants (persons)

	FY2021	FY2022	FY2023	FY2024
Disaster / Fire drill	607	615	531	584
Disaster / Fire prevention education	228	200	198	687
Occupational health and safety education	487	524	503	551
Total (Cumulative)	1,322	1,339	1,232	1,822

*The number of participants in disaster and fire drills includes voluntary participants from cafeteria kitchen staff, partner companies, and manufacturers.

*Until FY2023, disaster and fire prevention education was limited to members of the in-house firefighting team, but from FY2024 it has been expanded to include all employees.

● Number of target employees and participants in health and safety education (persons)

	FY2021	FY2022	FY2023	FY2024
Number of Target Employees	524	548	554	589
Number of Participants	487	524	503	551
Participation Rate (%)	93%	96%	91%	94%
Average Score	96	96	98	96

Disaster and Fire Drills / Disaster and Fire Prevention Education

Disaster and fire prevention education primarily involves distributing learning materials, conducting self-study, and administering comprehension tests.

In FY2024, the participation rate was 94%, with an average comprehension test score of 96 points. Additionally, practical training sessions, including evacuation drills, emergency reporting drills, and initial fire extinguishing drills, are conducted annually. In evacuation drills, the effectiveness of procedures is enhanced by measuring and reporting evacuation times for individuals or teams. In emergency reporting drills, participants practice making emergency calls (dialing 119) and reporting fire situations via internal broadcasting. In initial fire extinguishing drills, participants learn the proper use of fire extinguishers and hydrants through hands-on experience.

External kitchen staff contracted to operate our company's cafeteria also participate in these drills.



Head office drill scene



Techno Core (R&D Center) drill scene

Occupational Health and Safety Education

Occupational health and safety education, like disaster and fire prevention education, is primarily composed of distributing study materials, self-study, and comprehension tests.

In FY2024, training covered explanations of the Industrial Safety and Health Act, knowledge to prevent occupational accidents and chemical exposure, as well as NAMICS's occupational health and safety framework and initiatives. As a result, the participation rate reached 94%, with an average comprehension test score of 96 points.

Items Defined in the Safety Work Standards*	
Placement of Objects	Placement Locations and Weight Limits
Selection Criteria for Work Platforms	Proper Use of Stepladders
Maintenance of Aisles and Stairways	Maintaining Clear Areas Around Doors
Prevention of Power Strip Fires	Precautions When Using Rotating Equipment
Storage Methods for Gas Cylinders	Precautions for Storage of Poisonous and Deleterious Materials
Precautions When Handling Heavy Objects	Transport Methods for Liquid Chemicals
Procedures for Performing High-risk Tasks	

*Safety Work Standards: Standards established by the Safety and Health Committee to prevent unsafe conditions and unsafe behavior.

13. Quality Management

Basic Concept and Policy

Under our Corporate Philosophy of “Mutual prosperity to both nature and mankind through creativity, innovation and sensitivity,” NAMICS has established its quality policy and objectives, and is implementing various quality improvement measures to deliver products that meet customer satisfaction.

Based on the quality policy outlined below, we establish numerical targets for each fiscal year, develop and implement company-wide improvement measures to achieve these targets, and work to eliminate defective products both internally and externally.

**NAMICS provides quality in a timely manner
with unique and creative technologies to fully satisfy its customers.**

1. NAMICS is continuously interested in its customers' expectations and needs, ensures compliance with product requirements by capturing their needs in advance through active communication, and earns customers' trust and satisfaction.
2. NAMICS shall meet customers' product requirements and conform to statutory and regulatory requirements while continuously improving the effectiveness of its Quality Management System.
3. NAMICS establishes quality objectives every fiscal year, implements them in each division, and consciously makes efforts to improve quality, checking the achievement status every month and taking appropriate actions if necessary.
4. NAMICS's quality policy and annual quality objectives are written on the Annual Management Plan and ensures all staff members are informed.
5. The adequacy of NAMICS's quality policies and quality objectives shall be reviewed at management review meetings held in May and November every year.

Status of Quality-related ISO* Certifications

NAMICS acquired ISO 9001 certification in March 1998 and has maintained it continuously.

In April 2009, we acquired ISO/TS 16949 certification, and in April 2018, this was updated to registration under IATF 16949 for automotive component applications.

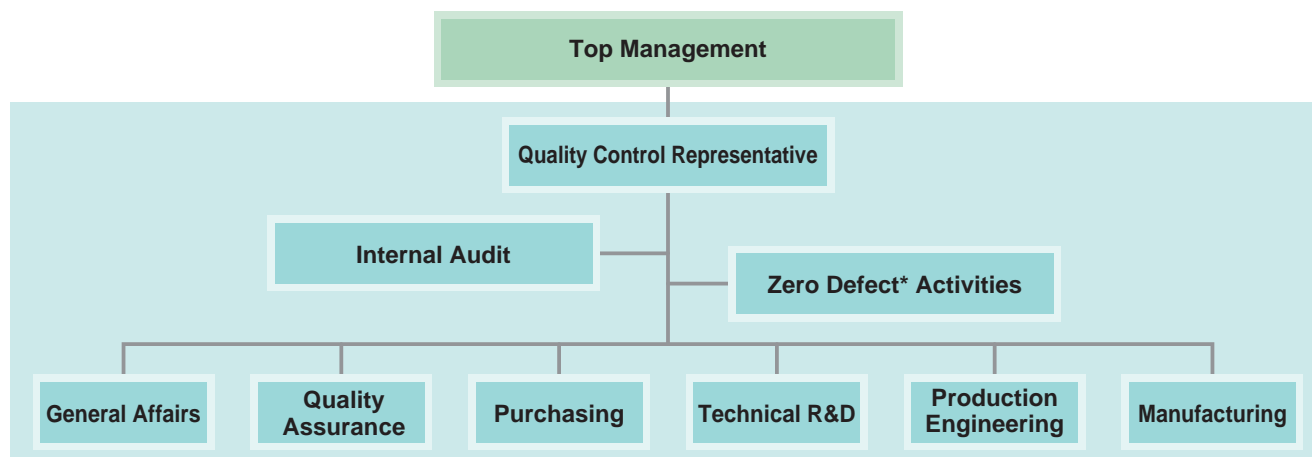
The status of ISO 9001 and IATF 16949 certifications is as follows:

ISO 9001	Company / Facility	NAMICS Corporation
	Scope of ISO registration	Design, development and manufacture of coatings, pastes and powders for electronic components; encapsulating resins for semiconductor; conductive pastes for electronic components, circuits and batteries; conductive powders; conductive adhesives; conductive and insulating materials for display; film materials for electronic components and electronic devices; marking inks for electronic components; insulating pastes for electronic components and circuits; and insulating adhesives.
	Certification date	March 20, 1998
	Registration body	Japan Quality Assurance Organization (JQA)
IATF 16949	Company / Facility	NAMICS Corporation
	Scope of ISO registration	Design and manufacture of encapsulating resins for semiconductor; pastes for electronic components; conductive and insulating pastes for electronic components and circuits; conductive and insulating adhesives; and marking inks for electronic components.
	Certification date	April 24, 2009 (Registration updated on April 5, 2024)
	Registration body	Japan Quality Assurance Organization (JQA)

*For environmental ISO certifications, see page 11.

Promotion Structure

NAMICS has established a company-wide quality management framework led by the Quality Assurance Division in collaboration with the Production and Technical R&D Divisions and Purchasing Group. Through biannual management reviews and regular internal audits, we continually evaluate and improve the validity and effectiveness of our quality management system.



*Zero Defects: Activities aimed at eliminating defects and nonconformities.

Main Initiatives

NAMICS positions ensuring product quality and enhancing customer satisfaction as top priorities, promoting the following initiatives:

Realization of Zero Defects

NAMICS upholds the basic policy of “Zero Quality Abnormalities” and sets medium-term and annual objectives to achieve this goal. Each division establishes individual KPIs, and we work together to enhance quality. In recent years, our company has also focused on preventing human error through digital transformation (DX) and resolving issues via cross-functional projects.

Customer-oriented Approach

NAMICS values a sincere approach to customer feedback and conducts annual customer satisfaction surveys through web-based questionnaires. Based on the survey results, issues are identified and continuous improvements are implemented to achieve higher levels of customer satisfaction. In the event of a quality issue at a customer site, NAMICS ensures prompt and accurate response. Feedback received is used to improve product quality.

Recognition from Customers

The quality and technological excellence of NAMICS products have been highly evaluated by many customers, and we have received numerous awards to date. Building on these achievements, NAMICS remains committed to further enhancing quality, upholding its customer-oriented approach, and pursuing continuous improvement.

2024 TSMC Excellent Performance Award Ceremony



14. Human Capital Management

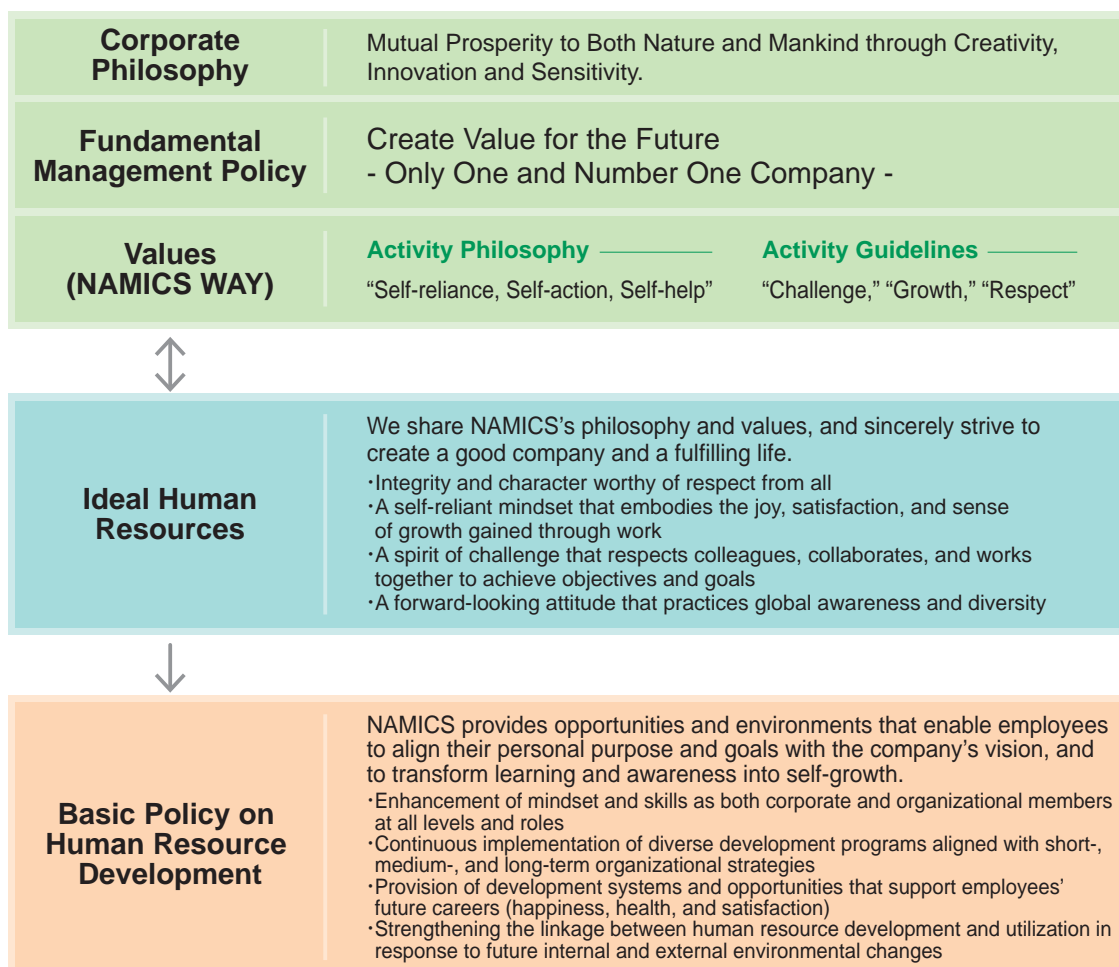
Basic Concept and Policy

As Japan faces increasingly serious social challenges such as population decline, low birthrates and aging population, a shrinking labor force, stagnant economic growth, climate change, and large-scale natural disasters, NAMICS aims for both employees and the company to grow continuously together in order to respond appropriately and promptly to these issues.

In the field of human capital, urgent transformation and action are required to promote diversified work styles, work-life balance, diversity, equity & inclusion (DE&I). NAMICS encourages each employee to act as a responsible member of society with a strong sense of corporate social responsibility.

The foundation of these efforts lies in respect for humanity and the creation of fulfilling workplaces and facilities that foster motivation and purpose. We are committed to human resource development that values individual character and promotes a safe and hygienic workplace that eliminates discrimination and unfair labor practices, respects all human rights, and enables each person to fully realize their potential. Through these initiatives, we are advancing sustainable management that prioritizes people.

Basic Policy on Human Resource Development and Ideal Human Resources (from the Education & Training Standards)



Respect for Human Rights

Human Rights Training

As part of our efforts to promote respect for human rights, NAMICS has established institutionalized training programs that focus on human rights and humanity improvement. The status of participation is as follows:

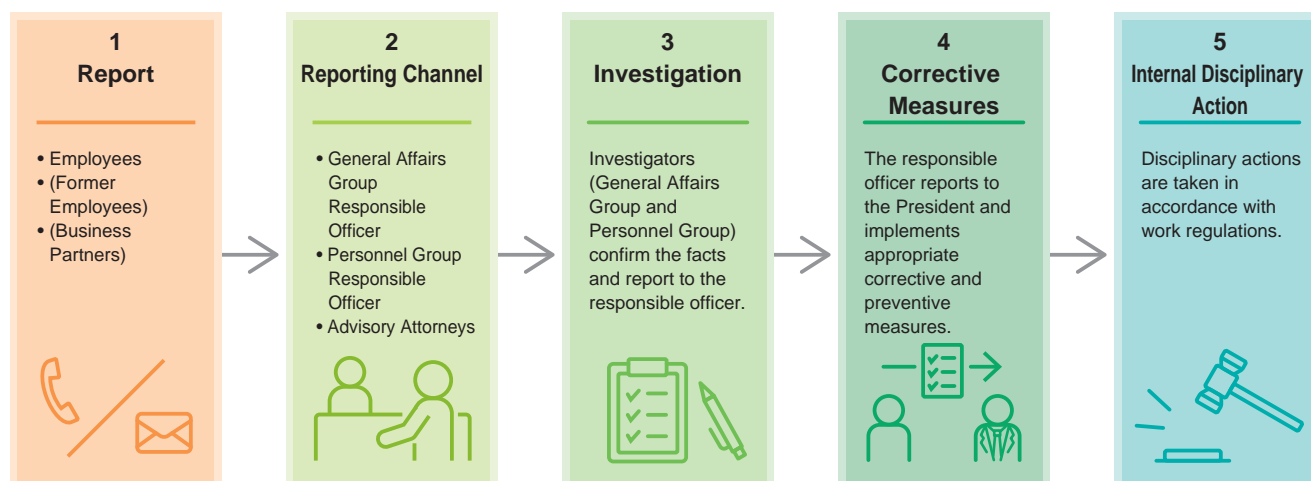
- Total time and participation ratio of human rights and humanity improvement training

Category	Item	FY2022	FY2023	FY2024	Notes
Total time	Total participants	276	306	479	
	Total hours (NAMICS Group)	3,395	2,529	2,867	
Participation ratio	Total employees	710	728	773	Including temporary employees
	Participation ratio	39%	42%	62%	
Reference index	Training satisfaction rating (point)	4.5	4.4	4.5	5 grade survey

Permanent Hotline for Reporting and Consultation

We have established a hotline to connect with the Personnel and General Affairs Groups, as well as our legal counsel, to identify and resolve issues, and provide guidance on a wide range of workplace matters, including human rights concerns.

- Flow based on internal reporting regulations



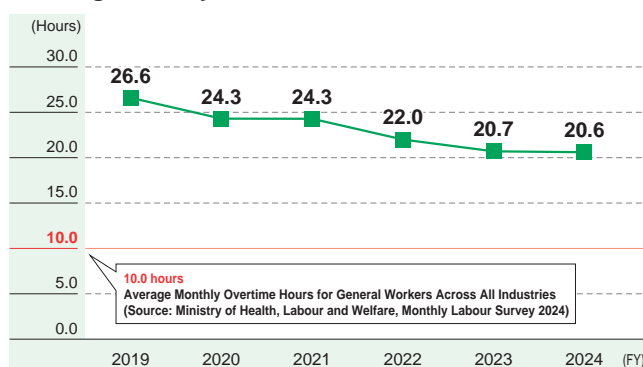
*Methods for contacting the Hotline: Email, telephone, or in-person consultation

Creating a Comfortable Work Environment

Overtime

NAMICS has been promoting workstyle reforms since the onset of the COVID-19 pandemic. The use of online tools has made it easier to communicate both within and outside the company, leading to the introduction of a work-from-home system and improvements to operational efficiency. As a result, overtime has been reduced by about six hours over the past five years.

● Average monthly overtime hours



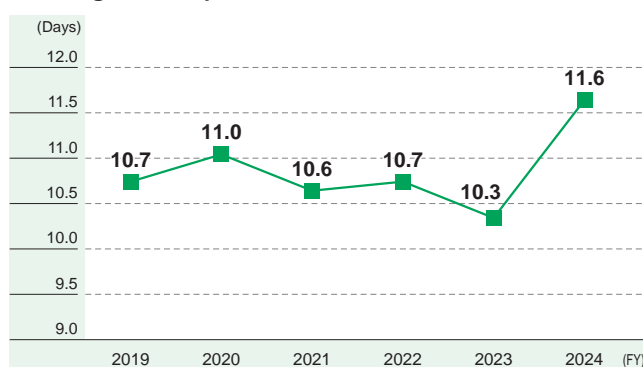
(Excluding temporary employees and executives)

Paid Holiday

Since the amendment to the Labor Standards Act in April 2019 made it mandatory for companies to ensure that employees take at least five days of paid holidays per year, the average number of days taken has remained around 11 days per year. We will continue promoting the use of paid leave to maintain employee health and optimize work-life balance.

In principle, our company holidays are set at 120 days per year, based on NAMICS's original annual calendar.

● Average annual paid leave taken



(Excluding temporary employees and executives)

In-house Nursery School Establishment

As part of its efforts to support employees raising children and to enhance employee retention, NAMICS opened Ebigase Nursery School Amic (Ebigase Higashi-ku, Niigata City) in 2016. We operate a commuting bus between the head office and Amic, provide childcare allowances, and supply bedding and diapers at the nursery to reduce the burden on parents. The nursery also accepts local children in addition to those of NAMICS employees, contributing to the local community. As of the end of FY2024, the nursery had 106 children enrolled (57 children of employees and 49 from the local community).



Ebigase Nursery School Amic

Promotion of Internal Communication

Since 2020, NAMICS has been promoting the “NAMICS Activation Project” (nicknamed “Nami-katsu”) with the goal of deepening connections among employees and enhancing engagement.

This project brings together members across departments and positions under the theme “NAMICS Family—Creating More Smiles: Happiness at Work for Everyone.” Sharing the desire to further enhance the company’s culture and atmosphere, we are creating a workplace where every employee can truly experience the joy of working.

We develop unique and approachable initiatives, such as the “NAMICS “Relatable Moments” Haiku Contest,” publication of the internal newsletter “Namics-Member-News,” and sales of LINE stamps featuring the company’s official character “NAMMY.”

In FY2024, NAMMY made appearances at internal and external events and visited various departments, with articles introducing these visits published to encourage interdepartmental understanding and communication. Through “Nami-katsu,” employees have become closer, contributing to create a more open and warm corporate culture.

NAMICS will continue to foster a corporate culture where every employee can feel the value of “connection” and spread happiness in the workplace.



NAMMY was selected through a public design contest, with the name chosen by an internal vote.

● Enhancing external awareness through SNS



● Examples of activities (Introduction of the R&D Team, Agricultural Business Planning Group)



Well-being

In an employment environment where diverse workstyles are becoming increasingly common, NAMICS strives to be a “good company” where each employee can find happiness in their work. To this end, we have developed a range of benefit programs that enable employees to achieve work-life balance.

● Refresh Leave System

*A special paid leave program designed to reward employees' continuous service and support employees' mental and physical refreshment

● Accumulated Leave System

*A system that allows employees to accumulate unused annual paid leave and use it as special paid leave

● Employee Cafeteria and Lunch Subsidy

● Work-from-home System

● Various Insurance Programs, including Cancer and Income Protection Insurance

● Refresh Leave System utilization

	FY2022	FY2023	FY2024
Number of Target Employees	14	27	37
Number of Employees Who Took Leave	13	26	33
Utilization Rate	93%	96%	89%

● Accumulated Leave System utilization

	FY2024
Number of Employees (as of March 31, 2025)	732
Employees with Accumulated Leave	397
Employees Who Used Accumulated Leave	14
Accumulated Leave Ownership Rate (Employees with Accumulated Leave / Total Employees)	54.2%
Accumulated Leave Utilization Rate (Employees Who Used Accumulated Leave / Employees with Accumulated Leave)	3.5%
Total Number of Leave Days Taken	113.5 days
Average Number of Leave Days Taken	8.1 days



Employee cafeteria 1



Employee cafeteria 2



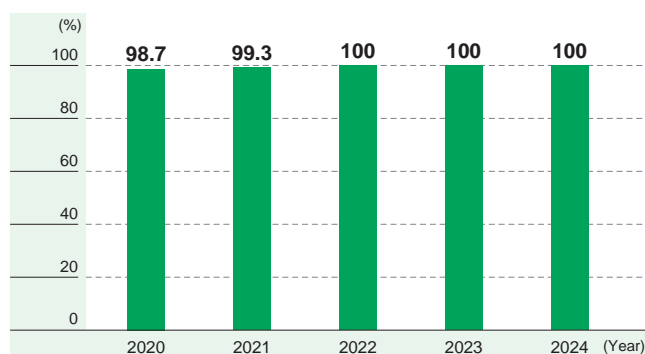
A breakout space next to the office

Health Management and Mental Health

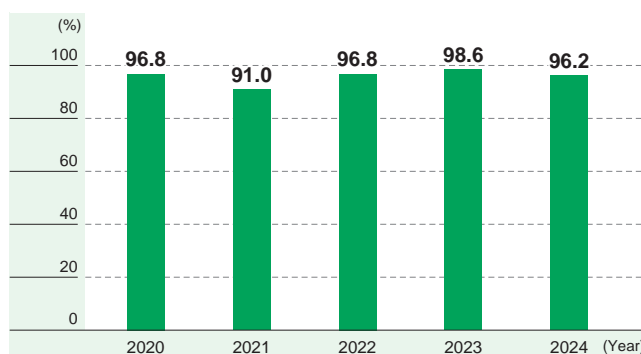
In 2021, NAMICS raised the mandatory retirement age from 60 to 65 years old. Our company is also considering extending employment to age 70. However, simply extending the retirement age is not meaningful unless employees can remain healthy and able to work until the age of 70. NAMICS, therefore, aims to develop health management systems that enable employees to work in good health until the age of 70.

Currently, we are assessing its health management practices, identifying key issues, and taking action through mental health training focused on line care and self-care, financial support for optional items and secondary examinations in annual health checkups, and strengthening collaboration with industrial physicians and public health nurses.

● Rate of regular health checkup participation



● Rate of stress check participation



Promoting Diversity

Based on international labor standards established by the International Labour Organization (ILO) and the labor laws and regulations of each country, we respect the human rights of our employees and strictly comply with all applicable laws and regulations.

Employee Diversity

With overseas sales accounting for approximately 89% of total sales, and sales and production bases located abroad, the Group fosters respect for national and cultural differences, cultivating a corporate culture that embraces diverse values through interaction with local staff at its overseas companies.

We will continue to promote “corporate diversity” that respects and accepts individuality regardless of gender, age, or other attributes.

● Number of employees in FY2024

Employee number	Japan		Taiwan factory		Other overseas bases		Total	
	Male	Female	Male	Female	Male	Female	Male	Female
Full-time	421	112	57	35	67	46	545	193
Contract	96	77	0	0	0	0	96	77
Long term part-time	1	23	0	0	0	0	1	23
Short term part-time	2	0	0	0	0	0	2	0
Temporary	6	35	0	0	0	0	6	35
Subtotal	526	247	57	35	67	46	650	328
Ratio	68%	32%	62%	38%	59%	41%	66%	34%
Total	773		92		113		978	

*Average age in FY2024: 41.0 years (excluding executives)

Promotion of Women's Active Engagement in Professional Life

NAMICS aims to create an environment where female employees can find fulfillment in their work, supporting career development through initiatives such as programs that help balance work with childcare or nursing care, as well as cross-industry exchange training sessions. In FY2024, we hosted a joint workshop with two local food manufacturing companies on “Adapting to Environmental Change and Career Design” to learn about mindsets necessary for success and to design their own career paths for further growth.



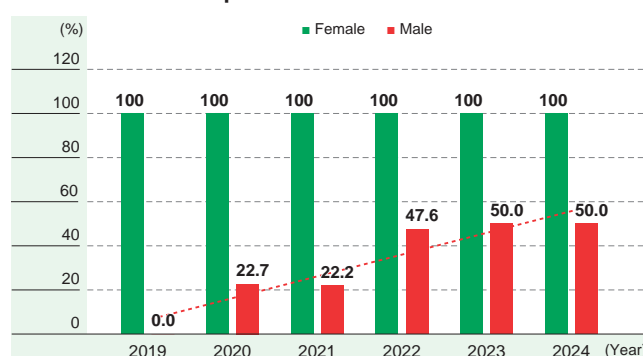
Cross-industry exchange training session

Returning to Work after Maternity or Childcare Leave

In March 2022, we received the “Kurumin Certification” from the Ministry of Health, Labour and Welfare for our efforts to support employees in balancing work and child-rearing.

Over the past five years, the return-to-work and retention rates for both men and women after maternity and childcare leave have been 100%. Additionally, the rate of employees taking childcare leave has increased year by year.

● Parental leave acquisition rate



Human Resource Development

As the concepts of “diversity” and “sustainability” have gained prominence, the demands for human resource development have advanced. NAMICS is committed to enhancing employee work engagement by placing a strong emphasis on fostering organizational development and a corporate culture that encourages employee engagement. This involves cultivating individual skills and mindsets essential for their respective roles.

At the core of our company’s human resources development policy is the commitment to “Being a good company and fulfilling the lives of employees.” Under this policy, NAMICS systematically implements company-wide training programs each year, including hierarchical training tailored to various positions and roles, department-specific training to enhance expertise and technical skills, and international programs designed to foster global awareness. Respecting individual diversity, NAMICS provides sustainable opportunities for growth.



Language training

Human Resource Retention

As a company dealing with specialized products, we consider it an important task to retain employees as well as providing education for personnel.

• New hires (persons)

Category	FY2020	FY2021	FY2022	FY2023	FY2024
Full-time	20	22	21	25	38
Contract	33	22	17	27	37
Long term part-time	1	1	1	3	1
Short term part-time	2	0	0	0	0
Total	56	45	39	55	76

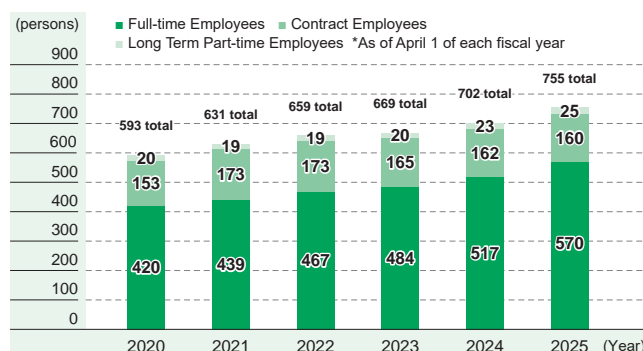
*Average length of service in FY2024: 12.9 years (excluding executives)

• Employee turnover (persons)

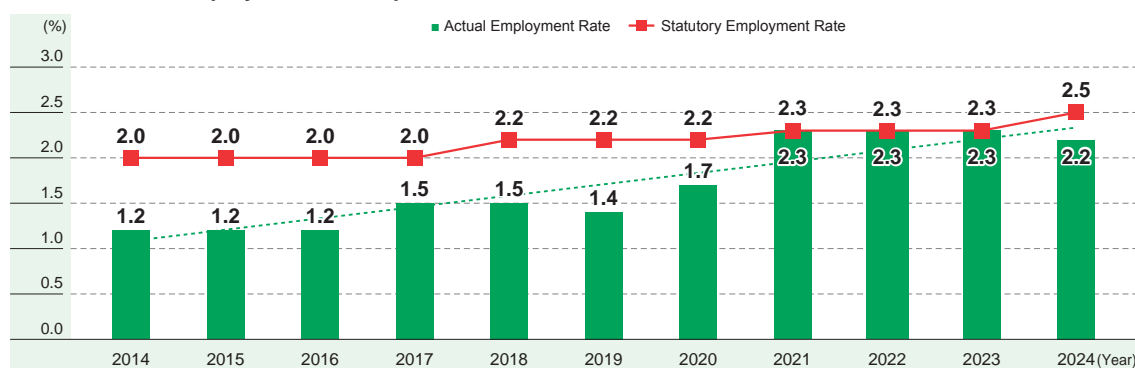
Category	FY2020	FY2021	FY2022	FY2023	FY2024
Full-time	8	6	6	7	4
Contract	12	9	15	26	21
Long term part-time	1	1	0	0	0
Short term part-time	0	0	0	0	0
Total	21	16	21	33	25

*Includes retirement at the mandatory age and completion of the contract period

• Trends in the number of full-time, contract, and long term part-time employees



• Trends in the employment rate of persons with disabilities



15. Contributions to the Local Community

Under the corporate philosophy of “Mutual prosperity to both nature and mankind through creativity, innovation and sensitivity,” NAMICS is engaged in addressing issues faced by local communities to help realize a sustainable society. In Niigata City, where our head office is located, we focus on three key areas, “Youth,” “Culture,” and “Sports,” and strengthen our connection with the local community through various initiatives such as “Initiatives for the Next Generation,” “Support for Cultural Activities,” and “Support for Community-based Professional Sports.”

- Youth → Initiatives for the Next Generation
- Culture → Support for Cultural Activities
- Sports → Support for Community-based Professional Sports

Initiatives for the Next Generation

NAMICS believes in the potential of every child and works to create an environment that nurtures creativity, curiosity, and compassion through experiences in science, nature, and society.

Sponsorship of the “Iki-iki Waku-waku Science Award”

NAMICS sponsors the “Iki-iki Waku-waku Science Award,” a science research contest for elementary and junior high school students in Niigata Prefecture, presenting the “NAMICS Award.” Through this award, which celebrates children's efforts and passion as they engage in observation, experimentation, and research on their own, we aim to be a bridge that conveys the joy and possibilities of science while fostering scientific thinking and curiosity.



Scene from the award ceremony

SDGs Guest Lecture at Niigata Meikun Junior High School

In December 2024, NAMICS delivered a lecture on its SDG initiatives, based on its corporate philosophy, at the “SDGs Guest Lecture” held at Niigata Meikun Junior High School. The lecture provided an opportunity for students to deepen their understanding of the SDGs and develop a greater interest in building a sustainable society.



Scene from the lecture



Materials from the lecture

Support for Cultural Activities

NAMICS actively creates opportunities for children and local communities to experience and appreciate the arts, helping to nurture creativity and sensitivity for the future.

Support for “The Orchestra Is Your Friend”

NAMICS supports “The Orchestra Is Your Friend,” an event organized by Niigata City that provides children with valuable opportunities to experience the joy of music and the beauty of the performing arts. Through continuous support for this program, NAMICS hopes to inspire children and enrich their future through the emotions and discoveries that music brings.



Scene from the performance

Sponsorship of “Art Mix Japan”

NAMICS sponsors “Art Mix Japan,” a major art event held in Niigata City that brings together Japan’s traditional performing and fine arts. We also support the “Free for Under 15,” which allows children under 15 to attend performances free of charge, providing opportunities for younger generations to experience Japanese culture.



“Art Mix Japan” pamphlet

Participation in the Niigata Festival’s Minyo Nagashi Folk Dance

NAMICS supports the annual Niigata Festival held each summer in Niigata City. In its main event, the Minyo Nagashi Folk Dance, NAMICS not only provides financial support but also encourages employee participation. Many members of our retirees’ association also join, creating a valuable opportunity to deepen connections between current and former employees while preserving corporate culture and strengthening community ties.



Scene from the Minyo Nagashi Folk Dance

Supporting Community-based Professional Sports

NAMICS recognizes the power of sports in the community and believes that supporting sports can contribute to revitalizing local communities, nurturing the next generation, and fostering regional cultural development.

Supporting Niigata's Multi-sports Club

NAMICS strongly supports the philosophy of Albirex Niigata, a community-based multi-sports club, and continues to serve as a uniform and apparel partner for its teams, including Men's Basketball (Niigata Albirex BB), Baseball (Oisix Niigata Albirex Baseball Club), Men's Soccer (Albirex Niigata), and Women's Soccer (Albirex Niigata Ladies). These efforts go beyond corporate publicity; they represent important social contribution activities that deepen NAMICS's connection with the community.



Albirex Niigata



Albirex Niigata Ladies



Oisix Niigata Albirex Baseball Club

Multifaceted Community Contributions through Sports

NAMICS's involvement with Albirex Niigata, a multi-sports club, extends beyond supporting its teams. For basketball (Niigata Albirex BB), NAMICS hosts title-sponsored games and provides NAMICS Thanks Day home game tickets to employees, their families, and friends, promoting participation in local sports culture and encouraging interaction within the regional community.

Through its support of Niigata Albirex BB's initiatives, NAMICS also sponsors the basketball school "Basketball class with English," where English is used as the language of instruction. Additionally, the third-floor seating area of Niigata Albirex BB's home arena, City Hall Plaza-Aore Nagaoka, is designated as "NAMICS Seats," offering free admission to elementary school students and younger children. Through sports, NAMICS is committed to fostering both "people" and "communities" and aims to help realize a sustainable local society.



Niigata Albirex BB
Thanks Day Green Uniform



Basketball School "Basketball class with English"

16. Corporate Governance

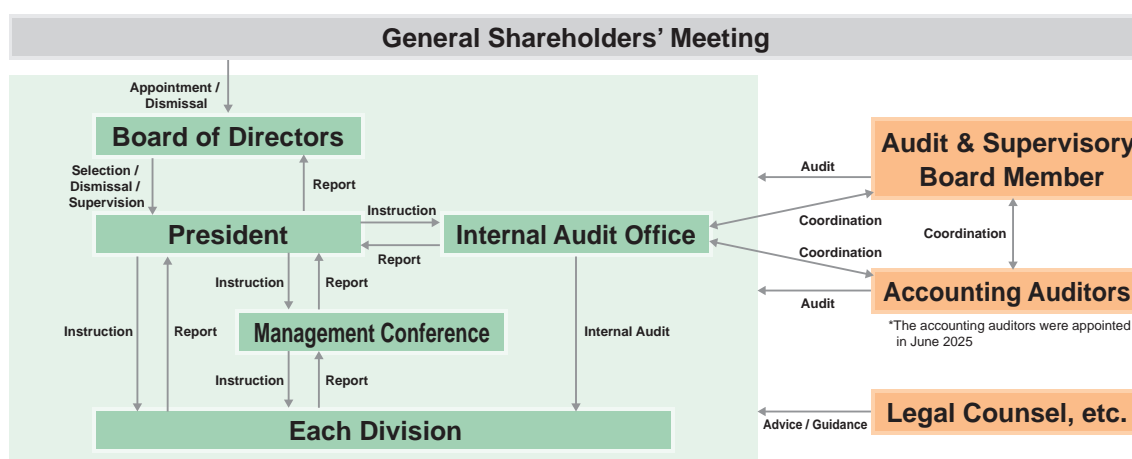
Basic Concept and Policy

With the expansion of our workforce and business scale, our stakeholders in Japan and overseas have become increasingly diverse, making corporate social responsibility and accountability more important than ever.

To respond to these environmental changes, NAMICS positions corporate governance as the “foundation supporting sustainable corporate growth.” We have established a decision-making framework centered on the Board of Directors to ensure management transparency and soundness, and we continue to work on enhancing the effectiveness of our governance.

Corporate Governance Structure

The Board of Directors serves as the highest decision-making body, responsible for determining fundamental management policies and other key matters. In June 2025, we appointed an outside audit & supervisory board member and accounting auditors to enhance our oversight functions by incorporating external perspectives, with the goal of further improving the reliability of financial reporting and the effectiveness of internal controls.



Board of Directors / Management Conference

At NAMICS, the Board of Directors and the Management Conference collaborate closely, each fulfilling distinct roles as the core mechanisms supporting decision-making of key matters and strategic execution. The Board of Directors continually deliberates key matters that determine the company's direction, such as the formulation of medium- to long-term strategies, risk management, and human resource strategies, reflecting the increasing sophistication of our business and the acceleration of global expansion.

Meanwhile, the Management Conference serves as a forum for discussing agenda items submitted by Division Heads or matters proposed to the Board of Directors and the President. Executive Directors and heads of each department meet regularly to share progress, challenges, and improvement measures, ensuring swift decision-making and flexible responses. This meeting body serves as a vital channel for reflecting on-site perspectives in management, strengthening organizational unity and execution capabilities.

By clearly dividing their respective functions while maintaining close coordination, the Board of Directors and the Management Conference enhance the effectiveness of corporate governance from both strategic and operational perspectives. NAMICS will continue to reinforce this structure to achieve sustainable and trustworthy management even as the organization continues to grow rapidly.

Compliance

Basic Policy on Compliance

Based on the CSR Basic Policy, NAMICS ensures that each employee not only complies with laws and regulations but also acts with a strong sense of ethics and responsibility, promoting corporate activities that emphasize respect for human rights and transparency.

<Basic Policy on Compliance>

- Establishing corporate governance in full compliance with the relevant regulations and company policies.
- Maintaining sound and good relationships with political and municipal authorities, the public, and other concerned organizations through equal, free competition, and business activities.
- Maintaining corporate transparency through appropriate disclosure of corporate information and lawful management of individual and customer information.

Ethics and Compliance Code of Conduct

NAMICS places great importance on corporate ethics and has established a Code of Conduct to fulfill its social responsibilities and promote sustainable business activities. This Code is thoroughly communicated to all executives and employees.

<Main Principles of the Code of Conduct>

- Integrity in Business Activities: Prohibition of bribery, corruption, extortion, embezzlement, and other misconduct.
- Elimination of Improper Benefits: Prohibition of acts intended to offer or obtain bribes or undue advantages. Complete rejection of relationships with antisocial forces and elimination of illegal or unjust demands.
- Proper Disclosure of Information: Accurate disclosure of information on finance, performance, environment, and labor. Prohibition of falsification and misrepresentation.
- Protection of Intellectual Property: Strict protection of technology, know-how, and customer information.
- Protection of Privacy: Compliance with laws and regulations concerning the collection, management, and sharing of personal information.

● Elements of compliance



Compliance Activities

NAMICS regards compliance as a fundamental element of corporate management. By ensuring adherence to relevant laws and internal regulations and promoting ethical behavior, we aim to foster a culture of compliance awareness among all employees and ensure fair and sound business operations.

<Main Initiatives and Framework>

- Employee Education: Conduct company-wide training programs for all employees to ensure proper understanding of corporate ethics and applicable laws and regulations.
- Internal Reporting System: Establish a Compliance Hotline to detect and correct violations at an early stage. Ensure anonymity, confidentiality, and protection of whistleblowers while strictly prohibiting any form of retaliation.
- Response to Violations: In the event of a violation, conduct impartial investigations involving external experts as necessary, and take strict disciplinary action in accordance with internal regulations.

Risk Management

Basic Concept and Policy

NAMICS positions its Business Continuity Plan (BCP) as a key measure for preserving management resources and ensuring early recovery. We identify a wide range of risks that could impact business operations, including natural disasters, infectious diseases, cyberattacks, and equipment failures, and work to enhance our preparedness for these risks.

In times of emergency, our top priorities are to maintain continuity of critical operations and to achieve rapid recovery, minimizing damage to human and physical resources. In particular, we focus on maintaining product supply systems and minimizing customer impact to ensure reliable business operations.

BCP Standard

Based on the above policy, we have established the “Business Continuity Plan (BCP) Standard.” These regulations are designed to ensure early resumption of operations, including product supply, in the event of large-scale emergencies such as major earthquakes or infectious disease outbreaks, while reducing damage to management resources and systematically implementing preventive and recovery measures. Each site and plant develops its own business continuity plan in accordance with these standards to enhance preparedness for disasters and accidents.

Risk Response Structure

- Director-general of the Response Headquarters: President (In his absence, an officer of the next order or a deputy of the President)
- Headquarters member: The Members of the Management Conference and the Group Managers of each division.
- Secretariat: Business Planning Group, General Affairs Group

Category	Role
Affected Office	Establish the Local Emergency Response Office with employees who are available to come to the office. They grasp the impact of the emergency, confirm the safety of employees, contact the Support Office, and initiate restoration activities as much as possible.
1st Support Office	Collect the Affected Office information and establish the Emergency Response Office. Communicate with the 2nd Support Office and start support. In the event that the Affected Office suffers serious damage and is unable to function, or if it receives a request from the Head Office, it implements an emergency activity instead of the Affected Office.
2nd Support Office	In case that 1st Support Office is unable to act or they received a request from the 1st Support Office or the Head Office, they will start the support activity.

FY2024 Initiatives

In FY2024, NAMICS conducted a BCP training assuming the occurrence of a large-scale earthquake. The exercise, held in a combined reading and workshop format for managers in the Production Division, was designed to verify the effectiveness of procedures covering initial response through business resumption in the event of a disaster.

During the reading exercise, participants assumed a scenario involving damage caused by an earthquake of intensity 6 lower on the Japanese seismic scale and confirmed actions and role awareness based on the BCP. The subsequent workshop simulated a situation in which recovery would take more than a month, discussing the feasibility and challenges of transferring production to overseas factories. While the results confirmed the effectiveness of basic response procedures, several issues were identified, including the need for seismic reinforcement of facilities, restoration of essential infrastructure, and prior preparations for overseas transfer.

To further enhance the effectiveness of the BCP, NAMICS will use the insights gained from the exercise to deepen employee understanding and responsiveness, continuously review and improve the BCP, and strengthen the framework going forward.



BCP training

Emphasis on Intellectual Property and Use of Intellectual Property Rights

Basic Concept

The technologies generated daily through R&D activities, our intellectual property, are the source of NAMICS's growth. Protecting and utilizing these assets through legal systems such as intellectual property rights is fundamental to business continuity. NAMICS promotes product development through the patent system, safeguarding its own R&D results while respecting the rights of others, and protects technologies that are not suitable for public disclosure through systems such as trade secret management.

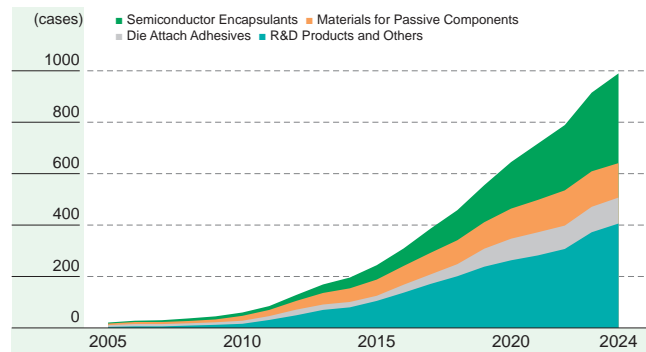
Accumulation of NAMICS Technologies

The number of patents held serves as an indicator of the technological assets accumulated by NAMICS over the years.

As shown in the accompanying chart, the number of patents held has increased in parallel with NAMICS's growth.

The data also reflects active technological development in semiconductor encapsulants, an area of particular focus in recent years.

Number of patents held



Protection of Intellectual Property

NAMICS protects its intellectual property in accordance with the following principles:

● Patents

Inventions that have tangible manifestation, such as product formulations, or those that competitors may potentially file or implement, are, in principle, protected by patents.

● Prior Use / Public Implementation

For inventions that are difficult to detect when infringed by others, such as manufacturing processes or minor customizations of existing products, NAMICS obtains time stamps for records from the invention proposal through product order, production, shipment, and payment to prove prior commercialization.

● Trade Secrets

Information to be managed as confidential information, such as technical or customer information, is handled in accordance with the company's Information Security Policy and Information Management Regulations. Additionally, measures are implemented on both the information system and educational levels to prevent unintentional leaks.

● Contracts

To prevent the leakage of proprietary technologies and ensure the proper handling of information obtained from others, NAMICS concludes agreements that contain confidentiality obligations as necessary.

Respect for Others' Rights

To ensure a stable product supply to customers, NAMICS designs its products to avoid infringing upon others' rights. To achieve this, the company has established systems, including FTO (Freedom to Operate) investigations prior to product design, monthly SDI reviews by product field, and the compilation of patent reference lists derived from these reviews. This process considers not only registered patents but also pending applications, designing products to avoid potential patent claims.

When NAMICS wishes to use intellectual property owned by others, it seeks appropriate licensing or transfer agreements that set fair compensation beneficial to the rights holder.

Operation of Overseas Subsidiaries

Governance of Overseas Sales Companies by Headquarters

Since the establishment of overseas sales offices in 2006, we have held an international meeting once a year in Japan and invited the general managers for each overseas subsidiary.

The international meeting is held at the end of March before the start of the next fiscal year. At the meeting we give presentations regarding company policy, Sales Division policy and the plan for each overseas subsidiary in order to improve business activity transparency.

Since FY2014, we have also conducted monthly remote meetings with its seven overseas sales offices and the Annual International Meeting to review and discuss the following, aiming to enhance head office management functions and strengthen the sales capabilities of overseas sales offices:

1. Sales plan progress
2. Organizational issues of each sales company
3. Sales strategy of each sales company
4. Tasks / Improvement areas identified in each region

Internal Control Audits of Overseas Subsidiaries

Since 2014, NAMICS has worked with each responsible headquarters and administrative division to establish structures and rules governing operations at overseas subsidiaries. Thereafter, regular on-site audits and follow-up visits have been conducted.

Beginning in FY2024, NAMICS has undertaken structured internal control audits to further strengthen global governance, consolidating previous efforts into a systematic approach. Based on the results of these audits, subsidiaries are guided to develop internal systems, establish rules, and prepare regulations and manuals.

These audits are conducted based on the J-SOX framework, focusing on approximately 20 key items deemed essential to the NAMICS Group, with continuous improvement efforts underway.

● Internal control audit details

Audit points	Purpose	Evaluation average
Control environment	Establishment of structures for authority and responsibility, and stabilization of management	Good
Risk assessment	Minimization of impacts arising from issue exposure or whistleblowing	Fair
Control activities	Standardization and visualization of operations	Fair
Information and communication	Proper management of information and clarification of performance reporting	Good
Monitoring	Establishment of monitoring and control systems through operational management structures	Good
IT controls	Prevention of information leaks and IT incidents	Fair
Financial control and management	Proper fund management and compliance with accounting and tax regulations	Fair
Human resource and labor management	Ensuring compliance with labor laws and regulations and maintaining appropriate working environments in line with business practices	Fair

*Good: Appropriate condition; Fair: Appropriate but with room for improvement; Poor: Nonconforming

Going forward, NAMICS plans to continue implementing periodic audits to promote improvements based on audit results, while reviewing audit items themselves to further strengthen strategic governance and organizational structures.



www.namics.co.jp/en/

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