



## Foundation for Value Creation Continuing to be a company that values the obvious

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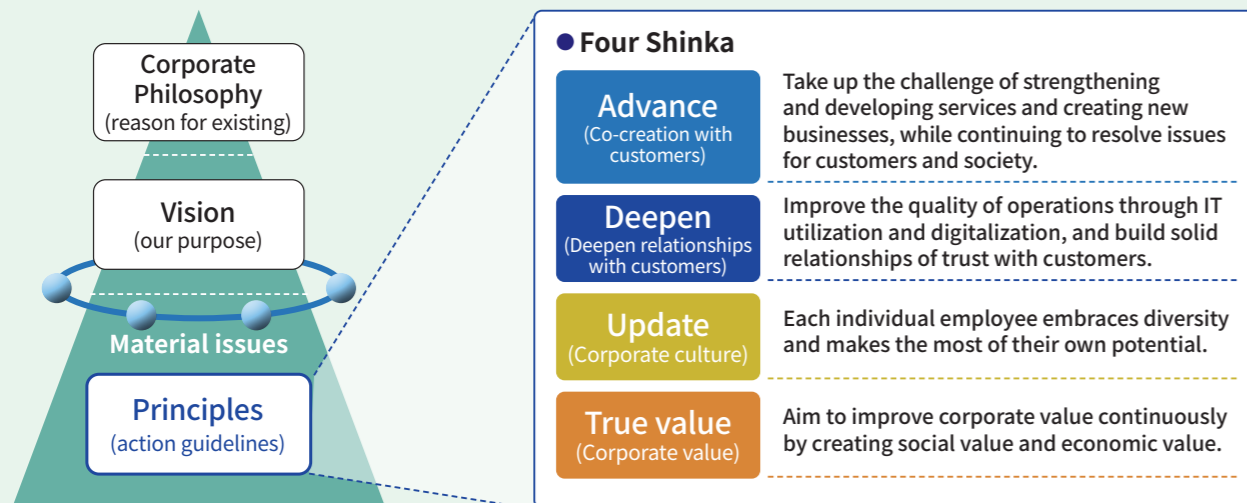
### Each and every employee is a key player in our Group Vision 2030

It took approximately one year to formulate the Group Vision 2030, which was announced in April 2023. We held various discussions with a healthy sense of both danger and positivity, asking questions such as what are our strengths, what is our culture, where do we stand in the industry, and what do we want to be in the future? The biggest issue we discussed was whether the Company was generating revenues appropriate for a company listed on the Prime Market of the Tokyo Stock Exchange. In order to face and overcome these issues, we determined that our new Group Vision requires “innovation and challenges.”

Each and every employee is a key player in our Group Vision. The word “company” in the phrase “Be a solution company leading the next-generation circular economy” includes, in addition to the meaning of a corporation, the meaning of colleagues who share values. In other words,

it expresses how each and every employee contributes to society through the company. There are a number of actions a company should take to ensure that its key players can take on innovation and challenges, and fulfill their roles to the fullest. The theme here deals with understanding the Group Vision, empathizing with it, sharing its common values, and finally, putting it into action.

Because the Group Vision expresses what we want to become in a written form, it can seem abstract and difficult to visualize in a familiar way. Therefore, by formulating “Principles (action guidelines)” that clarify the actions that will lead to the realization of the Group Vision, we have enabled our employees to take on “innovation and challenges” in their daily work. These are actions that we want each individual employee to undertake, and we have summarized them in a short and easy-to-remember phrase, the Four Shinka (advance, deepen, update, true value).



### Material issues that connect the vision and Principles

In addition, in formulating the Group Vision 2030, we re-identified material issues. As the previous Group Vision aimed to realize CSV management that creates both economic and social value, it had a strong focus on business strategies as important issues for the realization of CSV management. A decade has passed, and we have now entered a phase of evolving CSV management. Accordingly, we have re-identified social issues, such as a decarbonized society and human capital, as material issues from the perspective of sustainability. Material issues play an important role in connecting the Group Vision and Principles, and we incorporate the issues identified in material issues into the measures of our Medium-term Plan. Management indicators and KPIs (Key Performance Indicators) based on these material issues are linked to the performance goals of each and every employee, including directors.

### Dialogue sessions for all employees

Up to this point, I have explained the underlying belief of the Group Vision, but the new Group Vision will truly begin only when all employees have understood it. To foster understanding within the Company, four directors worked to hold dialogue sessions at all our offices from May to early July 2023. These dialogue sessions allowed us to not only foster understanding of the Group Vision but also to share our values. We took time to have in-depth discussions with 20 to 30 staff from each office, and for offices located outside the headquarters area, where the four directors do not visit very often, we combined the event with a social gathering. I hope that by spending time together in this way, our ways of thinking and decision-making criteria were shared with employees, and that when faced with issues going forward, they will ask themselves, “How would Mr. Kasaki approach this?” The sharing of values cannot be achieved overnight, but we will continue working toward it, such as by monitoring the results of engagement surveys conducted once a quarter.

We would like to share with our employees the simple value of being a “company that values the obvious.” The goals for our Group Vision are set for 2030, which is the same year as the SDGs goals, and one could say that the SDGs goals and targets are all “obvious.” I want to be a company that values such “obvious” things.



Dialogue session

### Carbon neutrality commitment for a next-generation circular economy

As of the current Medium-term Plan, we have included non-financial indicators in the plan to integrate our sustainability initiatives with our business strategies. In addition, we have declared our intention to become carbon neutral by the fiscal year ending March 31, 2041. Enhancing our sustainability initiatives is in line with the goals of our Group Vision 2030. In our Medium-term Plan, we have set a goal to further improve profitability, but rather than pursuing immediate profits, our aim is to improve profitability that can be sustained over the medium- to long-term. I believe that each of these things leads to the rise of values that place emphasis on the “obvious.”

We are ready to take on innovation and challenges toward the creation of the next-generation circular economy for 2030. If we can highlight the Company’s uniqueness and solidify our position within the industry, we will be able to lead the next-generation circular economy. Going forward, it is likely that movements related to natural capital, such as biodiversity, will accelerate as global issues. We would like to respond to these movements by providing our own unique “circular economy-oriented” services.

Previous material issues	
<b>Business activity</b>	
Expanding the revenue base	<ul style="list-style-type: none"> <li>Strengthen the partnership with NEC</li> <li>Reinforce our base for funding</li> <li>Expand our customer base</li> <li>Expand our global business</li> <li>Create new businesses</li> </ul>
<b>Management foundation</b>	
Corporate culture transformation	<ul style="list-style-type: none"> <li>Improve employee satisfaction</li> </ul>
Strengthening management foundation	<ul style="list-style-type: none"> <li>Improve operational quality</li> <li>Ensure compliance</li> </ul>

New material issues	
<b>Business activity</b>	
Promotion of decarbonized society and circular economy	
Promotion of establishment of social and ICT infrastructure	
Creation of new services and businesses to resolve social issues	
<b>Management foundation</b>	
Investment in human capital	
Pursuit of corporate governance that supports improved corporate value	