



JAMCO SUSTAINABILITY REPORT 2024

Vision to be Realized

Management Philosophy



Our Path

JAMCO Vision 2030

JAMCO, a Technology Oriented Company with Samurai Values:

- Rising to the eternal challenge of realizing our aspirations.
- Bringing joy and satisfaction to our customers and employees.
- Striving for coexistence with nature, contributing to a prosperous and progressive society.

Editorial Policy

JAMCO has been publishing the CSR Report, which introduces the JAMCO Group's approach to corporate social (CSR) and its initiatives, in pursuit of deeper communication with our stakeholders, including customers, shareholders and investors, business partners, employees and others. Starting in 2023, we have further enhanced the content as the Sustainability Report by enriching it with the disclosure of our approach to sustainable management and our efforts to address our material issues, as well as compiling individual initiatives by ESG field.

Period Reported

The report covers the period from April 1, 2023 to March 31, 2024. The data presented reflects information as of March 31, 2024.

Referenced Guidelines

Environmental Reporting Guidelines 2018, GRI Sustainability Reporting Standards

Note Regarding Forward-Looking Statements

This report contains forward-looking statements about the plans, strategy, and financial and non-financial information of the JAMCO Group. Therefore, please be aware that the actual results may differ from the Company's expectations. This document is an English translation of a statement written initially in Japanese. The Japanese original document should be considered as the primary version.

CONTENTS

Introduction

Management Philosophy	1
JAMCO Vision 2030 and Medium-Term Management Plan for FY2024	2
JAMCO's Journey into the Skies	3
Financial and Non-Financial Highlights...	4

Value Creation

Message from the President.....	6
Approach to Sustainability Issues	9
Aiming to Contribute to a Comfortable and Sustainable Society.....	11
Materiality (Important Issues)	12
Special Feature: Establishing the Technology & Innovation Center	
The Source of JAMCO's Future-oriented Value Creation	14
Innovation Road Map 2050	16
Three Values JAMCO Provides	17

ESG Management

Environment

Basic Environmental Philosophy and Environmental Policies	19
Environmental Management System...	19
Climate Action.....	20
Initiatives to Reduce Environmental Impact	23
Column: Biodiversity Initiatives	24

Society

Respect for Human Rights	25
Human Rights Assessment	25
Diversity, Equity and Inclusion.....	26
Human Resources Development.....	28
Occupational Safety and Health	31
Safety and Quality	32
Supply Chain Management	33
Stakeholder Engagement.....	34

Governance

Corporate Governance Structure	35
Compliance	39
Risk Management	40

Corporate Data

Company Outline	41
Stock Information	42

JAMCO Vision 2030 and Medium-Term Management Plan for FY2024

The JAMCO Group announced its medium-to-long-term vision, JAMCO Vision 2030, in fiscal 2021. JAMCO Vision 2030, based on the slogan “Toward a comfortable and sustainable future on the wings of technology and quality,” outlines the direction for growth throughout the entire Group.

We have also established an action plan (AP2030) as a roadmap for achieving this vision.

In May 2024, we announced our Medium-Term Management Plan for FY2024, which aims to steadily implement the action plan while strengthening our management foundation, including our financial structure, to support future growth. The initiatives in our action plan that we have already begun implementing are also having an impact on our newly established Medium-Term Management Plan.

2024

2027

2030

The Medium-Term Management Plan (FY2024 to FY2026)

Business Environment

- Sustained growth in air passenger demand and requests to strengthen capabilities for demand response
- Delayed recovery of supply chains and shortage of human resources
- Soaring labor and material costs
- Uncertainty in the global economy and dollar-yen exchange rate

Improve profitability and strengthen business fundamentals based on “selection and concentration”

- **“Deepening” of the interiors business**
 - Enhancement of the supply chain
 - Improvement of quality
 - Optimization of manufacturing bases
- **Fundamental “review” of the seat business**
 - Stop the bleeding of profits by temporarily suspending new development
 - Ensuring the execution of existing contracts
- **“Integration and growth” in the maintenance business and components businesses**
Aiming at expanding orders and strengthening profitability:
 - Response to the increase in the number of aircraft in operation
 - Automation in wheel maintenance
 - Response to defense-related projects

The results of our initiatives are also impacting the Medium-Term Management Plan

JAMCO Vision 2030

Toward a comfortable and sustainable future on the wings of technology and quality.

A Value Creation Corporate Group

that provides

Comfortable spaces in transport

Worthwhile environmental performance

Safe operating environments

Action Plan (AP2030)

- ① **Execution of JX2024 growth strategy** : Turning the strategies outlined in JAMCO Vision 2030 into concrete individual measures
- ② **Implementation of SX promotion program** : Addressing sustainability issues throughout the company
- ③ **Promotion of HRX program** : Strategic DX human resource development

JAMCO's Journey into the Skies

Since being established in 1955, the JAMCO Group has consistently promoted technical innovation in aviation-related fields.

We support comfortable air travel through high quality and safety in the business areas of aircraft interior manufacturing, aircraft components manufacturing, and aircraft maintenance.

In recent years, we have also been working on lightening materials to address climate change and move towards a decarbonized society.

1955 to 1974 Creating the Foundations for Rapid Progress

Sep. 1955

Established C. Itoh Aircraft Maintenance and Engineering Co., Ltd.

Constructed a hangar at Chofu Airport and commenced operations

Mar. 1958

Completed construction of machine shop and office in Chofu

May 1960

Commenced maintenance of Civil Aviation College flight trainer



N-62

1965: Obtained type certification from the Ministry of Transport for Itochu N-62 Eaglet light plane



727

1970: Received order from ANA for galleys and inserts for Boeing 727-200s and 737s

1975 to 1994 Spreading Our Wings to the World

Sep. 1978

Established factory in the grounds of New Tachikawa Aircraft Co., Ltd. in Tachikawa in line with Boeing plans to increase 747 production

Feb. 1982

Established JAMCO America, INC., a U.S. subsidiary, in Washington, U.S.

1988

Changed corporate name to JAMCO Corporation and listed OTC shares

Apr. 1989

Established Niigata JAMCO Corporation

Mar. 1990

Established Miyazaki JAMCO Corporation

Jan. 1992

Established Tokushima JAMCO Corporation



767

1979: Received order from Boeing for lavatory for 300 Boeing 767s



747-400

1986: Received order from Boeing for lavatory for Boeing 747-400s

1995 to 2014 Leading the World with Unique Technology

Apr. 1997

Established JAMCO Technical Service Corporation (Currently, JAMCO AEROTECH Co., Ltd.)

Dec. 1998

Listed shares on the Second Section of the Tokyo Stock Exchange

Increased capital to 5.36 billion yen following public offering

Sep. 1999

Established Orange JAMCO Corporation

Jun. 2011

Established JAMCO PHILIPPINES, INC.

Jan. 2013

Established JAMCO AEROMANUFACTURING Co., Ltd.



A380

2002: Received order from Airbus S.A.S. for Advanced Pultrusion (ADP) for carbon-fiber-reinforced plastic (CFRP) upper-deck floor cross beams for the A380



787

2005: Delivered greenhouse gas observation equipment for aircraft to the National Institute for Environmental Studies

2005: Received order from Boeing for 787 galleys, lavatory, flight deck interiors, flight deck doors, and bulkhead assemblies

2014: Received order from Boeing for lavatory for Boeing 777-9s

2015 to the present Connecting Society in Comfort and Safety

Mar. 2015

Transferred listing of shares to the First Section of the Tokyo Stock Exchange

Jun. 2015

Established Nakajo JAMCO Corporation

Apr. 2022

Listed on the Prime Market of the Tokyo Stock Exchange

Apr. 2024

Integrated Aircraft Components Manufacturing Group and Aircraft Maintenance Group

Established Technology & Innovation Center

Merged three domestic aircraft interior manufacturing subsidiaries to establish JAMCO Aircraft Interiors Corporation



A350

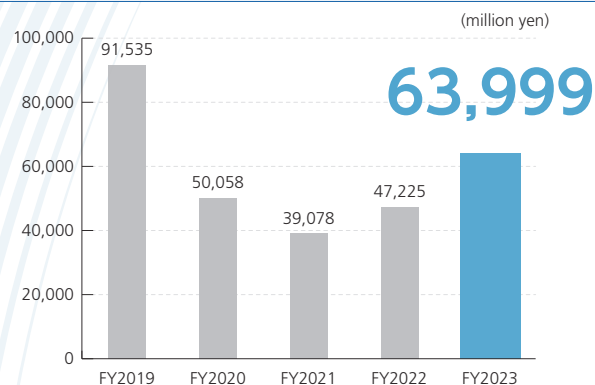
2015: Received order from Airbus S.A.S. for A350 Increased Cabin Efficiency (ICE) Rear Galley

2018: Received order from KLM Royal Dutch Airlines for Venture seats for Boeing 787-10s

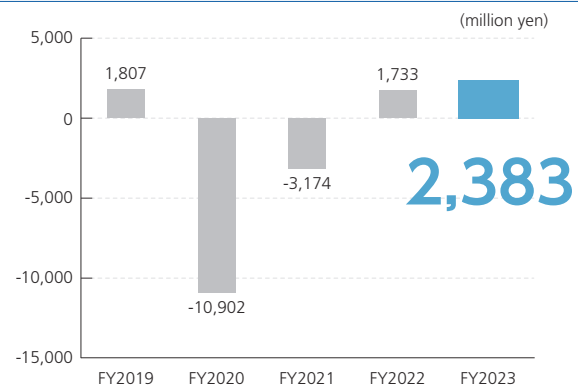
Financial and Non-Financial Highlights

Financial Information (Consolidated)

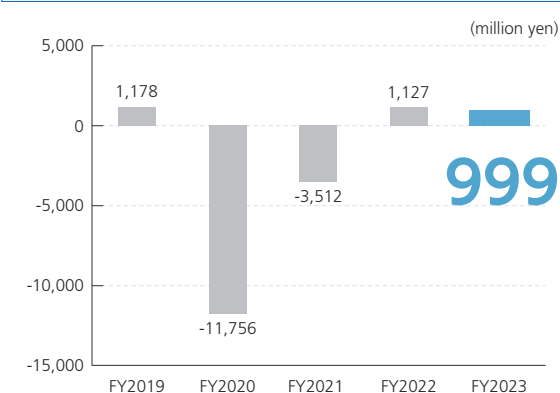
Net sale



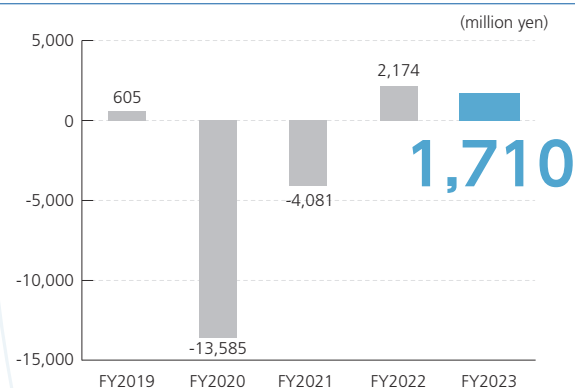
Operating income



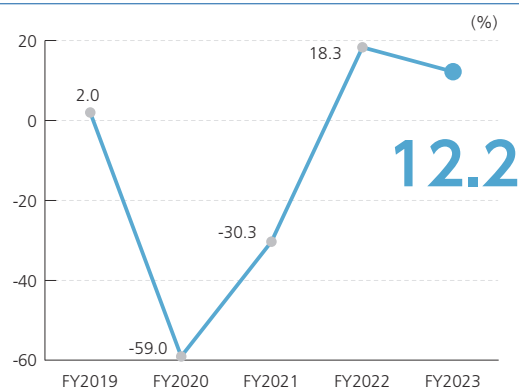
Ordinary income



Net income attributable to shareholders of parent company



ROE



For details on financial information, please see below.

Performance and financial information



<https://www.jamco.co.jp/en/ir/finance.html>

Non-financial Information (Non-consolidated except where noted) *As of March 31, 2024

Number of employees

1,059

* Consolidated: 2,692



Percentage of women supervisory personnel (Target: at least 10% by FY2030)

4.9 %

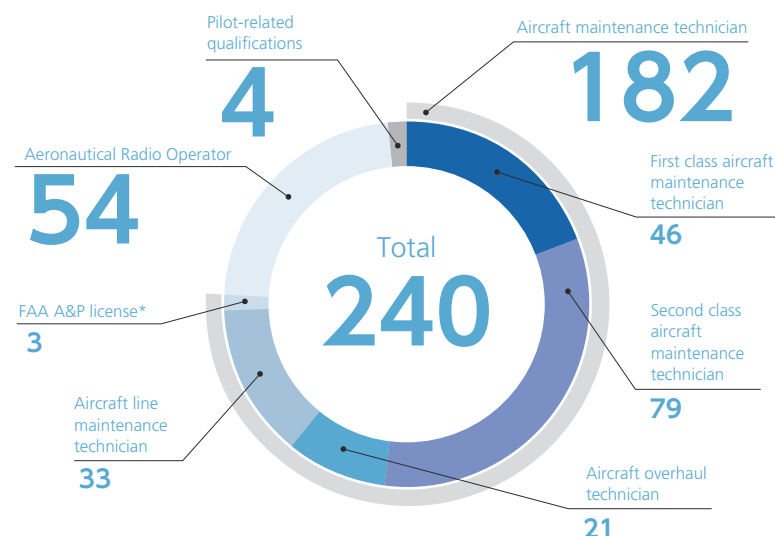


Percentage of male workers taking childcare leave

65.0 %



Number of employees with maintenance-related qualifications



* FAA A&P license: An aircraft maintenance technician license accredited by the U.S. Federal Aviation Administration

Number of employees with qualifications related to certification of airworthiness for interior components



*1 FAA (The U.S. Federal Aviation Administration)

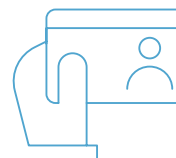
*2 CAAS (Civil Aviation Authority of Singapore)

*3 EASA (Aviation Safety Agency)

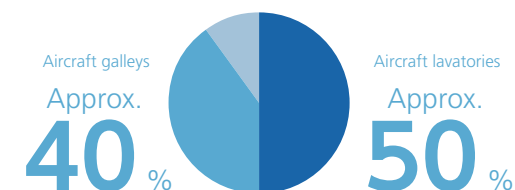
* Includes subsidiaries involved in manufacturing of aircraft interiors

Number of employees with qualifications in non-destructive inspection

132



Global market share of products handled



* Mid-size and wide-body passenger aircraft (Research by JAMCO)

Number of patents

132

Japan	71
Overseas	61



R&D investment

670 million yen



Message from the President

We will contribute to improving sustainability in the aviation industry with JAMCO's strength in advanced technological capabilities.



Koichi Tsunematsu

President and Chief Executive Officer

The Strengths I Realized JAMCO Had after Joining the Company

Establishing our position in the industry, wielding our "three strengths" as our weapon

I joined JAMCO in April 2023 and was appointed as Representative Director and President in June 2024.

JAMCO possesses three strengths that I also witnessed in my previous work experience. The first is having the technology and structure to provide consistent in-house support from development to production, sales, and after-sales service. The second is not adopting a low-price strategy, but creating solid, superior products and obtaining appropriate compensation once customers recognize their value. Lastly, our excellent products and services are recognized in the global market and have established a fixed leading position. While there are management challenges, I have the impression that there is also great room for growth.

Sustainability in the Aviation Industry

The most critical issue directly linked to our business

While dealing with internal issues and being in charge of business reform for about a year since joining the company, I have had time to think about sustainability in the aviation industry.

The realization I had was that the aviation industry is particularly sensitive to sustainability. In recent years, as attention has been drawn to carbon dioxide emissions from



jets, passenger interest in this subject has increased, which in turn has made it a concern for airlines as well as a top priority for aircraft manufacturers. Airlines and aircraft manufacturers are our main customers, and I have come to recognize anew that sustainability is now an essential element directly linked to our business.

Contributing to Sustainability Through Our Business

Balancing safety with new technology and the promotion of recycling

In the field of aircraft interiors, our main business, we first need to meet the safety and durability standards that have traditionally been required. On top of that, we believe that refining environmental technologies such as weight reduction and demonstrating our superiority will lead to business expansion and allow us to contribute to sustainability.

One example is our active use of Carbon Fiber-reinforced Plastic (CFRP).^{*1} By providing lighter galleys (kitchen facilities), lavatories, and seats, we can reduce the fuel needed for flights, and by using durable products for longer periods, we can contribute to reductions in carbon dioxide emissions. We are also working on recycling CFRP, and our joint research with Nagoya University and others has been selected as a registered theme for FY2023 by the New Energy and Industrial Technology Development Organization (NEDO). Furthermore, in collaboration with JAXA^{*2}, we are engaged in research and development of inclusive accessible lavatories, with the aim of creating restrooms that can accommodate everyone.

To engage in the development of these kinds of next-generation products and innovative technologies from a medium- to long-term perspective, as well as to nurture human resources that support the foundation of JAMCO's technological development, we expanded and strengthened the functions of the former Technology & Innovation Control Department and reorganized it into the Technology & Innovation Center^{*3} in April 2024. (See P. 14 for details)

Medium-Term Management Plan Measures

Improving profitability and strengthening our financial foundation through selection and concentration

To contribute to sustainability through our business, the Company must be functioning in a sound manner and be able to give due consideration to sustainability, but it must be recognized that we are currently in a challenging business environment. The travel restrictions due to COVID-19 had a massive impact on the aviation industry, and subsequent shortages of engineers and other human resources and delays in financial recovery have made it so that we have yet to achieve a full recovery.

In our Medium-Term Management Plan^{*4}, we have prioritized improving profitability and strengthening our financial foundation through selection and concentration, and we are taking measures to lead the company to a healthy state, such as by freezing new development in the seat business and integrating interior manufacturing subsidiaries and Groups.

We will invest limited resources in areas where steady profits can be expected within our current business to gradually restore our business foundation. Once our foundation is strengthened and we have surplus capacity, we will expand the areas in which we invest resources while leveraging our superiority in environmental technologies to contribute to sustainability. These are the stages through which we intend to shift our management resources.

The President's Role in Sustainable Management

Instilling decision-making, making changes, and a culture of profitability

In corporate management, I believe that the role of executives is threefold: to make decisions, to make changes, and to create a culture of profitability. I communicate this belief throughout the company as well. While I myself demonstrate making decisions and instituting changes, creating a culture of profitability is something that cannot be conveyed with a single word, so I want employees to develop a sense of what this means through various opportunities.

Profitable companies have several behaviors. One of these is "Bad News Fast." This is because bad news is useful information and an opportunity to improve this company. I want to gradually instill a culture of profitability within the company by offering these kinds of concrete examples.

^{*1}: Reducing weight by using CFRP in products ▶ P. 18

^{*2}: Joint research and development with JAXA ▶ P. 15

^{*3}: Establishing the Technology & Innovation Center ▶ P. 14

^{*4}: Medium-Term Management Plan for FY2024 ▶ P. 2

My Perspective on Human Capital

Emphasizing cycles that lead to employee job satisfaction

From the perspective of human resource utilization*5, it is definitely effective to focus on developing their capabilities and areas related to employee welfare. That said, my idea of the relationship between the company and employees is more closely aligned with a more fundamental image. Namely, it comes down to whether the cycle of employees contributing to company growth and being rewarded via wages and so on is functioning properly. In recent discussions, there seems to be little mention of this important aspect, but I think this is an indispensable perspective when thinking about employee job satisfaction.

While our company aims to create an environment wherein employees can focus on their work with peace of mind, as evidenced by our obtaining the Kurumin Certification*6 in FY2024, I personally believe that continuing the positive cycle of returning benefits to employees, as mentioned earlier, is an important element of sustainability,



and I want to keep emphasizing this.

The reason our company has established a solid position in the market thus far is because we have good people who have continued to make good products. When I joined the company, I soon realized that our key asset is that we have good people who make good products. I aim to build a corporate culture that increasingly motivates these employees and provides them with a sense of purpose in life.

To Our Stakeholders

Leveraging our strengths to achieve a comfortable, sustainable society

As I mentioned earlier, our strength lies not in focusing on price, but in making good products and obtaining appropriate compensation by getting customers to understand their value, and this applies to our services as well as our products.

Our interior business has many overseas customers, including many EU companies that are leading in the sustainability field. I think the fact that we have already received a certain level of recognition from clients such as these in terms of performance linked to sustainability, such as weight reduction and durability, is a very important point.

In the sustainability-sensitive aviation industry, we will continue to promote the sustainable management that is our strength to achieve further growth as a company and help achieve a comfortable and sustainable society*7.

We ask for your continued support in these endeavors.



*5: Human capital initiatives ▶ P. 28

*6: Acquisition of Kurumin Certification ▶ P. 26

*7: Aiming to contribute to a comfortable and sustainable society ▶ P. 11

Approach to Sustainability Issues

The JAMCO Group contributes to comfortable, safe, and secure air travel in the business areas of aircraft interior manufacturing, aircraft components manufacturing, and aircraft maintenance.

We are also working to solve various sustainability issues, including global environmental concerns.

Promoting Sustainability Management

“Coexistence with nature and contributing to a prosperous and progressive society.”

This is a part of our management philosophy. To achieve this, we established the Basic Policy on Sustainability in 2022 and have been promoting sustainability management to contribute to society through our business.

The JAMCO Group will continue to work towards creating a prosperous and sustainable society while emphasizing relationships of trust with our stakeholders.

Sustainability Management

In August 2021, we instituted a Sustainability Promotion Board (SPB) to further enhance our solutions initiatives.

The SPB is positioned as an internal control organization relating to sustainability by the management, and is constituted by executive officers in charge of Sustainability Promotion, Corporate Planning & Business Development, and Finance & Accounting, with the President of the company as chairperson. At the SPB, we decide crucial policy and important issues (materialities) regarding sustainability that may have an impact on our corporate vision and management strategy, decide on measures and crucial matters relating to these same sustainability concerns, and conduct monitoring and direction of efficacy of overall sustainability efforts. Additionally, we report to the Board of Directors as appropriate regarding such decisions and progress in efforts.

Additionally, SPB promotes sustainability initiatives over the medium to long-term based on ESG (Environmental-Social-Governance) and Sustainable Development Goals (SDGs) to address environmental issues such as achieving carbon neutrality by 2050.

Basic Policy on Sustainability

The JAMCO Group strives for coexistence with nature, pursuing people's satisfaction and a prosperous society through business activities, and contributing to society's sustainable development.

- To take on various concerns such as global environmental issues that the global community faces
- To recognize global warming as an urgent issue and engage in every possible measure to reduce the environmental impact
- To seize changes in the business environment as new growth opportunities, and aim for the creation of a sustainable society and improved corporate value through the provision of safer and more reliable products and services

Sustainability Efforts Promotion Framework

We have installed a Sustainability Promotion Department in our head office organization, which oversees the Group's overall sustainability efforts as the SPB secretariat, guides the efforts of our working group which carries out the practical work of such as materialities in line with SPB policy, and promotes efforts including climate change initiatives. The Executive Officer in charge of the Sustainability Promotion reports periodically to the Board of Directors on progress on these efforts.

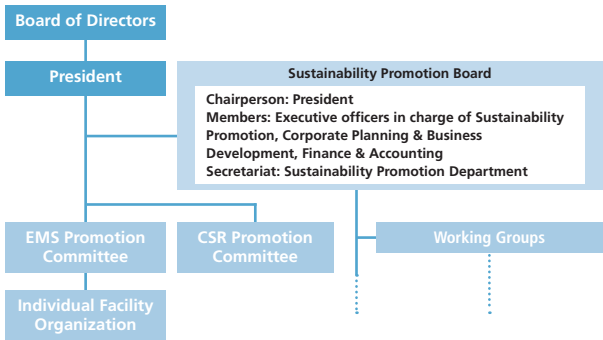
EMS Promotion Committee

The EMS Promotion Committee promotes environmental conservation in line with company regulations and ISO 14001 Environmental Management Systems.

We have installed an EMS Promotion Committee Secretariat in the Sustainability Promotion Department, with the Executive Officer in charge of the Sustainability Promotion (Environmental Control Supervisor) as committee chairperson, and constituted of all Group General Managers, the Sustainability Promotion Department General Manager (also the Environmental Management Supervisor) and all work site ecology leaders as members.

CSR Promotion Committee

The CSR Promotion Committee promotes CSR for responding to social concerns overall, including core ISO 26000 themes. We have installed a CSR Promotion Committee Secretariat in the Sustainability Promotion Department, with the Executive Officer in charge of Sustainability Promotion as committee chairperson, and constituted of members representing the Groups responsible for each such social concern and each head office department.



Message from the Officer with Responsibility



Toshikazu Kimura
 Director, Executive Vice President
 Executive Officer in Charge of
 Sustainability Promotion

Action toward carbon neutrality

Regarding “action toward carbon neutrality,” which we have identified as a materiality, we promoted the calculation and reduction of greenhouse gas (GHG) emissions. We completed the calculation up to Scope 3 for our company and domestic Group companies. We introduced a new system to enable voluntary management at our sites and reduce the burden of calculation work, which not only improved efficiency, but also enhanced data accuracy. As a result of these efforts, we obtained third-party assurances for our greenhouse gas emissions (Scopes 1 and 2) for FY2023. Going forward, we will continue to strive for continuous improvement, such as by further enhancing calculation accuracy and expanding the calculation scope to overseas sites.

In addition, to reduce GHG emissions, some sites are preparing to introduce renewable energy generation facilities using solar power, and we plan to expand this to more sites in the future.

Initiatives in the Social Domain

Based on our human rights policy, we decided to implement human rights due diligence at the Sustainability Promotion Board (SPB), and these efforts have already begun. In FY2023, for the first phase, we analyzed geopolitical risks, local laws and regulations at our Group's overseas sites, and the raw materials we use, and identified areas that require attention and improvement. In FY2024, we plan to expand the target sites, conduct risk assessments and so on, and implement the necessary corrective measures.

Furthermore, securing and developing human resources in the aviation industry has become an important issue, and we recognize that addressing the issue of human capital is an urgent task. We worked towards obtaining the Kurumin Certification recognized by the Minister of

Health, Labour and Welfare, and we managed to acquire it at the beginning of FY2024. The Kurumin Certification is given to companies that have formulated a general business owner action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children, achieved the goals set forth in the plan, and met certain criteria, certifying them as companies that support child-rearing.

In addition, as part of our health management initiative, starting in FY2023, we decided to fully cover the costs of comprehensive medical checkups for employees at designated medical institutions.

Initiatives to Improve Engagement

We regularly conduct CSR surveys for our business partners (subcontractors), and in FY2023, we also conducted company visits and opinion exchanges. This has led to sharing of awareness and issues regarding sustainability, and survey scores have steadily improved. We believe this has been a beneficial initiative that will enhance future dialogue.

Addressing Materiality

For the seven materiality items (important issues) identified at the end of the previous fiscal year, we established systems for implementation in Groups and headquarters in FY2023 to work towards positive solutions. We also launched and promoted a project focusing on materiality related to carbon neutrality, resource circulation, and human capital management. This project delved deeper into how each department is involved with materiality, how they will address it in the future, current situation analysis, and the direction of responses.



Aiming to Contribute to a Comfortable and Sustainable Society

The JAMCO Group identified its materiality in FY2022 and is working to address these issues through its business activities. We are also continuously enhancing our research and development, which forms the foundation of the Group's business activities. These efforts are aimed at achieving the "Value Creation Corporate Group" goal as set forth in JAMCO Vision 2030, and there are also initiatives to continue maximizing the three values that the Group has provided since its founding: comfortable spaces in transport, worthwhile environmental performance, and safe operating environments.

We aim to further promote sustainability activities and business activities to maximize these three values and continue contributing to the creation of a sustainable society as a value creation corporate group.

Addressing Materiality

- Action toward carbon neutrality
- Intensified action to facilitate resource circulation
- Achievement of comfort, ease, and peace of mind in transport spaces
- Enhancement of trusting relationships with our supply chain
- Creation of lively workplaces
- Contribution to society and local communities
- Enhancement of organizational resilience

Selection and concentration

- Deepening of the interiors business
- Fundamental review of the seat business
- Integration and growth in the maintenance business and components businesses

Improve profitability and strengthen business fundamentals

Enhancing Research and Development

- Technology & Innovation Center
- Innovation Road Map 2050

Competitive Advantage

JAMCO Vision 2030

A Value Creation Corporate Group

that Provides

Comfortable spaces in transport

Worthwhile environmental performance

Safe operating environments

Materiality (Important Issues)

Materiality was identified while ensuring consistency with JAMCO Vision 2030 and Action Plan (AP2030), which describe the future state of society that the company will strive to bring about.

To help achieve JAMCO Vision 2030, we have set materiality targets and KPIs that are linked to our management plan.

Materiality Identification Process

The JAMCO Group followed the three-step process as described below in order to determine which materiality topics it should focus on, from among a wide range of sustainability issues.

STEP 1 Identify potential issues that could be selected as materiality topics

- Issues relating to JAMCO's own business activities as well as those being addressed by its customers and supply chain partners were organized to select from which the potential issues that could become JAMCO's materiality topics, based on the international guidelines (GRI and SASB Standards) and the evaluation criteria adopted by the SDGs, ESG evaluation bodies, etc.

STEP 2 Evaluation of issues

- The issues identified and organized in STEP 1 were evaluated from JAMCO's own perspective as well as that of its stakeholders.
- Stakeholders' perspective: Evaluate the issues with emphasis on constant and interactive dialogue in day-to-day activities.
- JAMCO's perspective: Evaluate the issues with emphasis on JAMCO's future vision and how crucial each of the issues would be in realizing the vision.

STEP 3 Identification of Materiality

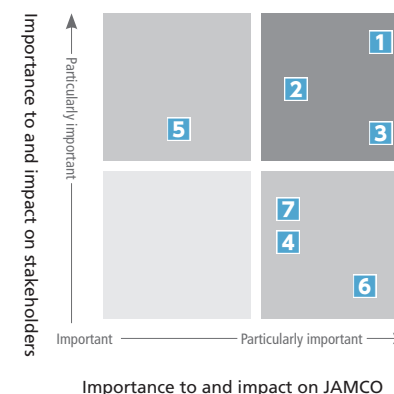
- Based on the evaluation result from STEP 2, a proposal of materiality topics was formulated through discussions involving working groups whose members consisted of representatives from the concerned business units and corporate departments, and reviewed by experts. The proposal was then examined and finalized by the Sustainability Promotion Board and reported to the Board of Directors.

Identified Materiality

We have identified the following seven items as materiality related to value creation:








- | | |
|---|--|
| E | 1 : Action toward carbon neutrality |
| | 2 : Intensified action to facilitate resource circulation |
| | 3 : Achievement of comfort, ease, and peace of mind in transport spaces |
| S | 4 : Enhancement of trusting relationships with our supply chain |
| | 5 : Creation of lively workplaces |
| | 6 : Contribution to society and local communities |
| G | 7 : Enhancement of organizational resilience |

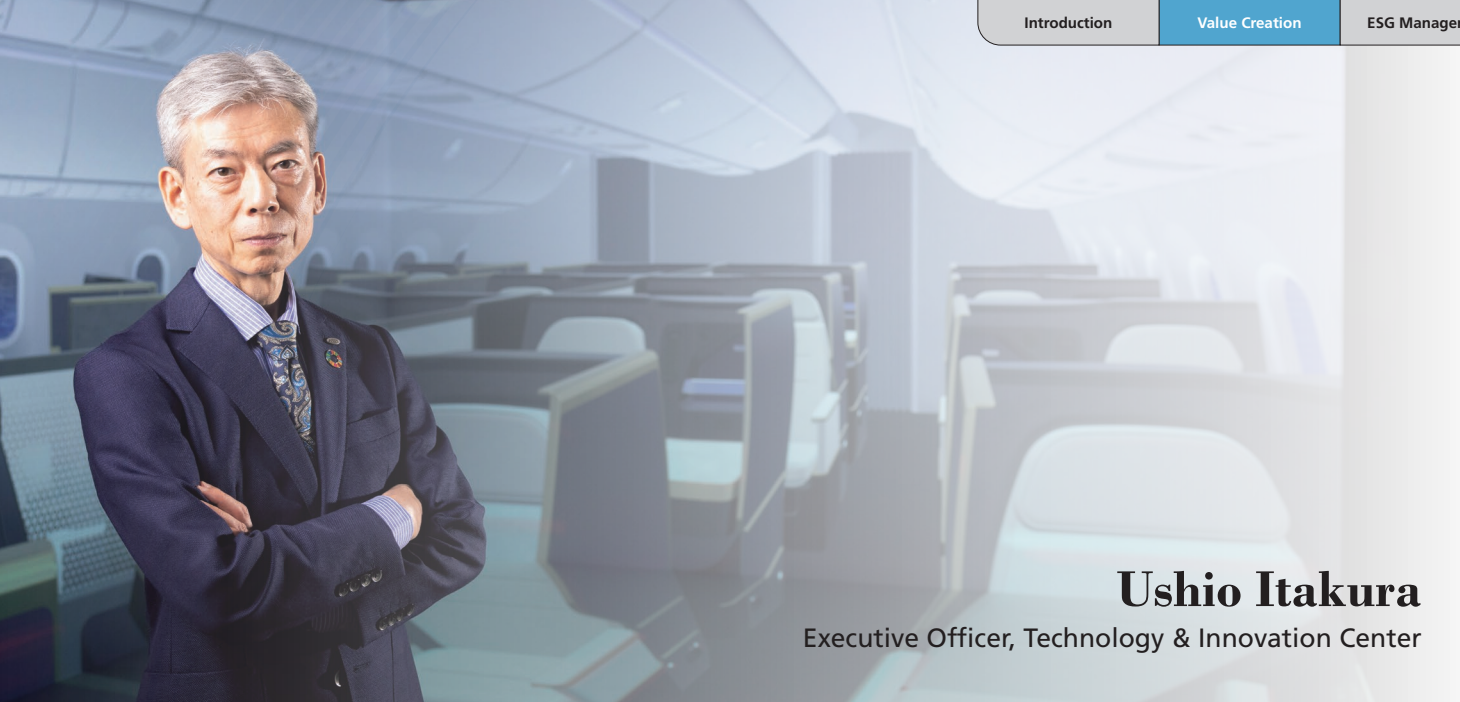
Materiality Matrix



Materiality Initiatives

In FY2023, we advanced our understanding of the current situation and identified issues regarding carbon neutrality (1) and resource circulation (2), discussing company-wide goals and policies as well as measures within Groups based on a common understanding throughout the company. For creation of lively workplaces (5), we proceeded with discussions on the necessary measures, our ideal state, and KPIs as part of human capital management.

Materiality		SDGs contributions	Vision to be realized by 2030	Policies and actions for addressing materiality
1	Action toward carbon neutrality		<ul style="list-style-type: none"> Predicted climate change risks have been averted. Related business opportunities have been successfully seized CO₂ emission reduction goal has been achieved <p>CO₂ emissions reduction goal (announced in 2023)</p> <p>The JAMCO Group aims to achieve carbon neutrality by 2050.</p> <p>2030 goal Goal is to reduce the entire JAMCO Group's carbon emissions - Scopes 1 and 2 combined - by at least 50% from the FY2019 baseline.</p>	<ol style="list-style-type: none"> Reduce CO₂ emissions directly involving JAMCO products (carbon footprint, utilization of naturally derived feedstocks, materials, elements, parts, etc.) Make JAMCO products lighter in weight to improve the aircraft's fuel efficiency. Provide weight-reduction technology, etc. to other industries. Participate in relevant consortiums and contribute to industry-wide activities.
	<p>a. Technological development conducive to carbon neutrality</p> <p>b. Productivity improvement, etc. to reduce GHG emissions and active utilization of renewable energy</p>			<ol style="list-style-type: none"> Reduce JAMCO's own CO₂ emissions by DX-based productivity improvement, implementing energy-saving equipment and facilities, etc. Produce renewable energy at JAMCO's in-house facilities. Participate in relevant consortiums and contribute to industry-wide activities.
2	Intensified action to facilitate resource circulation		<ul style="list-style-type: none"> Industrial waste/loss reduction along with resource recycling is facilitated by JAMCO to shift to circular economy, through the continuous improvement of its technological capability and quality, and the integration and evolution of experience and knowledge. 	<ol style="list-style-type: none"> Identify and actively use the suppliers of recycled materials. Improve the recycling rate in the disposal phase. Reduce waste produced at factories and offices.
3	Achievement of comfort, ease, and peace of mind in transport spaces		<ul style="list-style-type: none"> JAMCO products and services are widely used in the ever-advancing and continuously evolving aerospace industries as well as in innovative next-generation mobility businesses that will come into existence in the future, thereby bringing about a society where comfort, ease, and peace of mind in transport is made accessible to increasing numbers of people. 	<ol style="list-style-type: none"> Deliver solutions that facilitate the creation of passenger-friendly spaces in air transport. Deliver solutions that transform air travel experience from that of passively-spent waiting time to that which evokes deep emotional response. Deliver solutions that improve convenience and user-friendliness in aircraft operations and also reduce harmful effects on the environment. Deliver solutions that become part of the social infrastructure for next-generation mobility.
4	Enhancement of trusting relationships with our supply chain		<ul style="list-style-type: none"> JAMCO has developed fair, sound, and mutually-trusting business relationships with its supply chain partners while thoroughly informing them of its Procurement Policy and respecting the culture and customs of each of the countries involved. 	<ol style="list-style-type: none"> Conduct assessment of supply chain partners, focusing on their human rights, social, and environmental practices, and enhance cooperative relationships with them in these areas. Work together to reduce GHG emissions through the lifecycle of products and services. Facilitate joint development of new materials and engineering methods with research institutes, material manufacturers, and supply chain partners.
5	Creation of lively workplaces		<ul style="list-style-type: none"> JAMCO continues to remain a sincere company that respects employees. JAMCO has created such workplaces that are conducive to the growth of its employees, both domestically and globally throughout the JAMCO Group, and allow each employee to perform its job with a sense of pride and high technical capability and lead a lively professional life. 	<ol style="list-style-type: none"> Cultivate and recruit innovation-creating human resources for new technology development and new business facilitation. Cultivate human resources that can respect people having different personal values (diversity) and leverage it to create new value. Cultivate human resources that can work autonomously (think and act on their own initiative).
	<p>a. Cultivation of human resources capable of pioneering a new future</p> <p>b. Development of a work environment where employees can perform their jobs in a lively manner</p>			<ol style="list-style-type: none"> Create a corporate culture where individual diversity is recognized and respected, and diverse workstyles are promoted. Promote the health of employees. Increase learning opportunities and provide refresher training and development opportunities for employees. Also promote active self-improvement among employees.
6	Contribution to society and local communities		<ul style="list-style-type: none"> JAMCO contributes to community development by providing a quality work environment and conducting social outreach activities while developing a trusting relationship with society at large. 	<ol style="list-style-type: none"> Contribute to society by providing a quality work environment. Cultivate a sense of trust toward JAMCO in society by actively engaging in social outreach activities.
7	Enhancement of organizational resilience		<ul style="list-style-type: none"> In line with its management philosophy that it must remain a Technology Oriented Company with Samurai Values, JAMCO is a perpetually sustainable enterprise capable of providing such products and services to customers that contribute to society and conducting proper risk management. 	<ol style="list-style-type: none"> Strengthen JAMCO's risk management structure. Continuously improve corporate governance. Enhance information disclosure for better engagement.



Ushio Itakura
Executive Officer, Technology & Innovation Center

education of engineers and creating an environment where they can concentrate on developing next-generation technologies.

Organizational Structure and Campus Roles

The Technology & Innovation Center comprises three campus groups. The First Campus Group aims to provide a place for endless potential and learning, operating and managing educational programs to systematically train and nurture the talents who will be responsible for the technology-oriented JAMCO. The Second Campus Group is primarily responsible for applying elemental technologies for next-generation products and advanced design based on Innovation Road Map 2050, and promoting technology development and practical application aimed at productization and commercialization within 10 years. The Third Campus Group will take on the challenge of developing innovative technologies that may not lead to immediate commercialization, such as CFRP recycling and space-related technologies, but could lead us into the next century.

First Campus Group: Nurturing Next-Generation Talent

Technology and Qualification Learning Center (human resource development, training, re-education, reskilling, support for qualification and certification acquisition, improvement of special technical skills)

In addition to entry-level education for new employees assigned to technical departments, we provide basic technical education along with aviation safety and quality education for all employees. Also, in the courses of basic, intermediate, and



advanced educations where basic technologies related to product development, design, and manufacturing are learned and even in meister-class education, we focus on nurturing engineers who can serve as project leaders with not only expertise in

**Special Feature: Establishing the Technology & Innovation Center
The Source of JAMCO's Future-oriented Value Creation**

Purpose of Establishment and Activity Details

In April 2024, we expanded and strengthened the functions of the Technology & Innovation Control Department – a headquarters organization – and reorganized it into the new Technology & Innovation Center.

Our core competence lies in our excellent technological development capabilities in the aerospace industry, centered on the aircraft interiors business. Traditionally, on-the-job training through practical product development and design was mainstream, but with the declining birthrate and the retirement of veteran engineers, along with the reduction in new design opportunities due to design standardization and expanded design reuse, it has become difficult to pass on and develop the valuable asset of our long-cultivated technological capabilities to the younger generation.

Therefore, in addition to overseeing technological development as before, the Technology & Innovation Center

has been given the new function of systematically nurturing engineers befitting JAMCO, a Technology Oriented Company, throughout the entire company.

In addition, next-generation technologies in aircraft are expected to be put into practical use in more than 10 years from now, and even as we work closely with Groups with an eye on productization, there are areas in which further results can be expected by concentrating on research in an environment separate from product development. For this reason, in line with the Innovation Road Map 2050 formulated based on JAMCO Vision 2030, we will work on research and development with a clear path to creating products, while simultaneously engaging in innovative technology development from a long-term perspective, looking even further ahead to the next generation.

Our goal in establishing this center is to further contribute to JAMCO's value creation by promoting the systematic



specific fields, but also broad experience and knowledge.

We also work to raise and improve the skill level of our engineers by supporting the acquisition of national qualifications, engineer certifications, special skill qualifications necessary for job performance, and reskilling.

Second Campus Group: Product Development in 10-Year Units

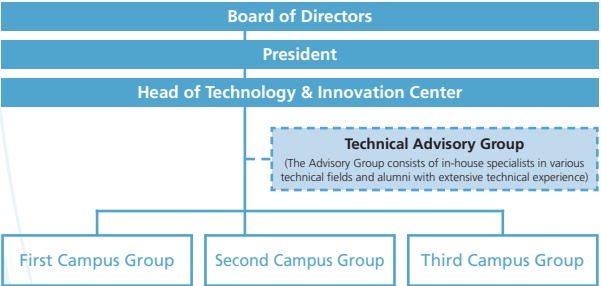
Product application research, product development research, advanced design (application and development of elemental technologies for next-generation products, design and manufacturing process innovation, product design that incorporates JAMCO Group's brand strategy)

In accordance with Innovation Road Map 2050, we promote technology development and practical application of new technologies in aerospace that anticipate customer and market needs for next-generation products. The themes mainly focus on sustainability-related issues, which have become important in the aviation industry. The inclusive accessible lavatories being jointly developed with JAXA are also handled by the Second Campus Group.

Third Campus Group: Technical Research That Looks 100 Years into the Future

Innovative technical research (striving to develop innovative technology)

We are engaged in activities aimed at innovating completely new technologies for the next era, including research related to sustainability such as material recycling in anticipation of the retirement of composite material aircraft, which will begin in earnest from the mid-2030s, and next-generation cabin services, as well as new fields not limited to the current business domains of our Groups.



Utilization of Virtual Innovation Studio (VIS)

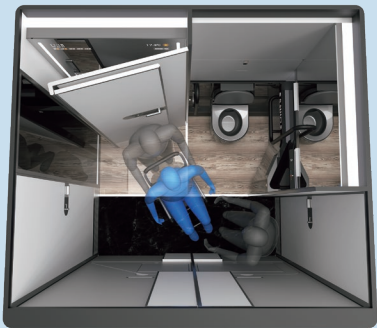
The Virtual Innovation Studio (VIS) has been completed in-house and has recently begun operations. VIS allows users to experience a sense of immersion by viewing images projected in 3D on front, side, and bottom screens through specialized VR glasses, making them feel as if they have entered a virtual world.

While walking through the interior of an aircraft, users can check the color schemes, shapes, and textures of our seats, lavatories, and other products in 3D images, giving them a sensory experience that is very near the real thing. Compared to conventional mockups, costs are reduced, and changes such as adjusting color schemes to match an airline's image colors can instantly be made. This facilitates sharing of the finished product image with customers in advance, helping to prevent miscommunications before delivery. We plan to further enhance the details and use this not only for customer presentations and negotiations, but also for employee training in the future.



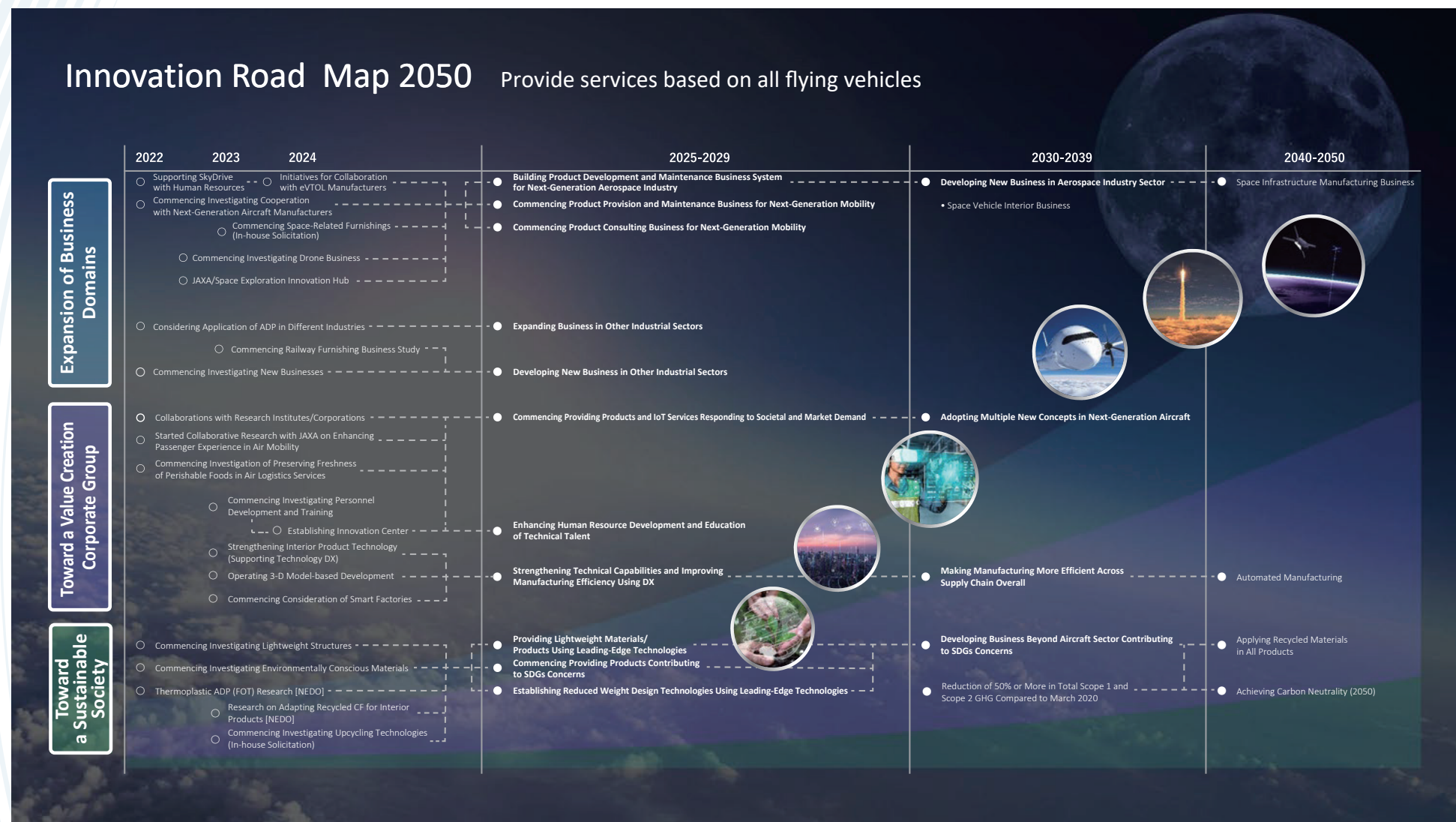
Joint research on accessible lavatories with JAXA

In January 2024, the Japan Aerospace Exploration Agency (JAXA) announced on its website a joint research theme with the Company, "Proposal for an Innovative, Accessible Lavatory to Enhance Comfort in Air Travel for All." This joint research project proposes a concept for social innovation to address the issue of lavatories (in-flight toilets) during air travel, which has been a longstanding challenge for passengers with reduced mobility.



Innovation Road Map 2050

The research and development groups positioned in our Technology & Innovation Center and in each Group's technical department have formulated the ideal forms for the products and services that our company will provide in Innovation Road Map 2050. We are conducting research and development and technical development in accordance with this roadmap, and also promoting the education of personnel involved in these activities.



Three Values JAMCO Provides

Driven by Personnel and Technology since Our Founding, We Are Committed to Providing Three Values

The JAMCO Group has continued to nurture its personnel and technology, generating value while constantly striving to provide better products and services and take on reforms and innovations.

The various values that JAMCO provides can be sorted into three main categories: Comfortable spaces in transport, worthwhile environmental performance, and safe operating environments. These values are the marshaling of our proprietary technologies, with which we have built trust relations with our customers through aircraft-based manufacturing and maintenance. Going forward, we will achieve sustainable growth together with our customers by continually creating new value with personnel and technology as core competencies.

Three Values JAMCO Provides

Comfortable spaces in transport
Worthwhile environmental performance
Safe operating environments

Comfortable spaces in transport

Aircraft Interiors that Strive for Comfort and Ease of Mind

The aircraft galleys and lavatories that we manufacture are installed in many mid-body and wide-body passenger aircraft operated by airlines the world over. Our own surveys show that we have approximately 40% global market share in galleys and 50% in lavatories. The components that configure these galleys, lavatories, and other furnishings must meet strict airworthiness criteria. For example, the honeycomb panels that are the primary structural materials thereof are made of particular substances, namely carbon fiber and aramid fiber, realizing high strength and durability while being both lightweight and fire-resistant. Additionally, we pursue passenger amenity with our seats, not only in safety but also ranging from design, materials, comfort in sitting, and ease of use, to how to shift gathers in leather seat covers, providing products allowing full enjoyment of air travel.

In product design and development, we consider accessibility and hygiene as well as durability and functionality and respond flexibly to even minute demands from aircraft manufacturers and airlines, thereby continually striving to maximize the value we provide to our customers.

Galley global market share*:

Approximately **40%**

Lavatory global market share*:

Approximately **50%**

*Mid-size and wide-body passenger aircraft (Research by JAMCO)



Worthwhile environmental performance

Making Eco-friendly Aircraft a Reality through Quality Control and Proprietary Technology

For airworthiness certification, which is essential for aircraft to operate, three standards must be met: 1) standards for strength, structure, and performance, 2) noise standards, and 3) engine emission standards. Standard 1) is for ensuring aircraft safety, while standards 2) and 3) are for environmental compatibility. Guaranteeing airworthiness contributes not only to safety assurance, but also to environmental conservation.

JAMCO has obtained the JIS Q 9100 quality management system certification required in the aerospace field and thoroughly implements quality control to ensure airworthiness.

As for the environmental performance required for aircraft, reductions made to the weight of the airframe contribute to reduced fuel consumption, leading to reduced CO₂ emissions. While the main raw materials for conventional aircraft are metals such as aluminum and steel, there is a growing trend of replacing these with carbon fiber-reinforced plastics (CFRP), which are lighter and feature similar strength and safety. JAMCO has independently developed a continuous molding technology using the ADP (Advanced Pultrusion) method for processing this CFRP. Since the 1990s, we have steadily built up a delivery record, promoting aircraft weight reduction while meeting airworthiness standards, thus making worthwhile environmental performance a reality.

Weight of a medium-sized passenger aircraft:

About **60 tons**



When CFRP is applied to 50% of the airframe:

About **48 tons**

A 20% weight reduction

Source: Japan Chemical Industry Association



Safe operating environments

The Largest Maintenance Specialists in Japan

Since our founding in 1955, we have met our customers' wide-ranging demands as a maintenance center for small and medium-sized aircraft, in maintenance and modification businesses as well as component manufacturing. In recent times, domestic airlines have seen increasing demand for smaller passenger planes of the more fuel-efficient regional aircraft class. We are establishing systems capable of drawing on our accumulated maintenance and modification technologies to respond to such demands as periodic maintenance and modification even in the small passenger plane sector.

Additionally, we have carried out such work as modifications for heavy equipment or special operations on special-purpose airframes for such Japanese public agencies as the Ministry of Defense, Japan Coast Guard, Civil Aviation College, and police departments, leveraging technical partnerships with airframe manufacturers and our own proprietary technology knowhow. The wheels of domestic airlines' passenger aircraft are crucial components that support safety during takeoff and landing. Our wheel maintenance business has one of the largest wheel overhaul centers in Japan, introducing the latest eco-friendly equipment and contributing to safe operations while promoting automation. We contribute to the safety and progress of the aircraft industry by utilizing such accomplishments to further extend our technologies.



Environment

The JAMCO Group is working on environmental protection, including energy and resource conservation, contributing to a sustainable society both environmentally and economically, including research and development toward providing products and services with low environmental impact.



Basic Environmental Philosophy and Environmental Policies

Basic Environmental Philosophy and Environmental Policies



<https://www.jamco.co.jp/en/csr/environment.html>

Basic Policy

JAMCO proactively engages in conservation activities to preserve the global environment through business activities. Accordingly, we have established the Basic Environmental Philosophy and Environmental Policies based on our management philosophy and basic policy on sustainability.

Environmental Management System

Environmental Conservation Activities Promotion System

We are building an environmental protection activities promotion system to realize our Basic Environmental Philosophy and Environmental Policies. Our environmental protection initiatives are conducted primarily on the basis of internal regulations in compliance with ISO14001 (Environmental Management System (EMS)), and we have secured ISO14001 certification for our head office, Component Manufacturing Center, and JAMCO AEROMANUFACTURING Co. Ltd.

Our President defines our Basic Environmental Philosophy, and the Executive Officer in charge of Sustainability Promotion

supervises companywide environmental protection initiatives and conducts management reviews in accordance with said Philosophy as Chairperson of the EMS Promotion Committee. We have established specific facilities within each district to perform environmental conservation activities as an integrated unit, with the facilities' Environmental Committees promoting these activities in an organized manner. Each facility sets individual environmental targets for every fiscal year as objectives to achieve during the financial year. The facilities work on continuous improvements related to the targets by systematically promoting environmental conservation activities and checking their progress through internal environmental audits. Facilities that have received ISO14001 certification undergo conformity assessments through periodic reviews by a certification body.

Environmental Conservation System



Environmental Audit System

In order to improve environmental conservation activities, internal and external audits are carried out periodically to

confirm whether the activities are being performed appropriately in conformance with associated requirements, and if they are being maintained in an effective manner.

The internal environmental auditing team is made up of internal auditors who fulfill qualification requirements that are determined by internal regulations. Internal environmental audits follow an audit plan and check sheet. We focus on onsite audits that verify the consistency between administrative procedures and how activities are being performed. We link this to improvements in activities by gathering together the results of each audit into individual reports and requesting that corrective action be taken for non-compliant items. Every financial year we summarize the results of the internal audits and reflect them in the management review.

ISO14001 certified facilities maintain the certifications through annual examinations by external auditors for compliance with the standard's requirements.

Environmental Action Plans

■ Carrying Out Environmental Protection Activities Continuity Plans

Environmental conservation activities throughout the year are summarized by management review, and issues are reviewed for improvement. For the important action items decided through the review, each facility continuously performs the PDCA cycle: Planning of environmental targets/implementation plans/measures (Plan), implementation of measures (Do), confirmation and implementation result reports on the achievement of environmental targets (Check), and management review (Action). Through such continuous efforts, in response to various movements and changes in the environment, we are encouraging environmental awareness among officers and employees throughout the company.

Plan	Making Visible Corporate Environmental Risks and Impacts
Do	Carrying Out Initiatives to Manage Visible Risks
Check	Assess Measures Undertaken
Action	Attend as Appropriate to Areas in need of Improvement

■ Management of Environmental Impact Assessment and Regulatory Compliance

We extract the aspects of our business activities that affect the environment, and in particular those items requiring improvements or special control under environmental laws and regulations are deemed to be significant environmental aspects. Areas which require adherence to laws and regulations, such as “emergency situations” and “wastewater,” independent standards are established and periodic checks are made to strengthen control measures.

Climate Action

Climate Action as Management Strategy

The JAMCO Group’s basic principles of management mandates that we contribute to society through businesses operated according to our management philosophy of “striving for coexistence with nature and contributing to a prosperous and progressive society.” Responding to climate change is crucial in terms of creating a sustainable society and protecting the global environment, and we are promoting initiatives based on analyses and assessments of the risks and opportunities that climate change affords our businesses.

Announcement of Acceptance and Disclosures Regarding TCFD Recommendations

In November 2022, we proclaimed our agreement with recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD), which was established by the Financial Stability Board (FSB). We are endeavoring for full disclosure of information relating to climate-associated concerns pursuant to the TCFD Framework.

Refer to our corporate site for further information about our responses to climate change. (Japanese text only.)



Governance

Our Board of Directors is involved, through key decision-making and direction of management, including management policies and plans, in decision-making on such matters as key policies and responses to concerns, as well as resource allocation including human resources plans and infrastructure investments relating to sustainability, including such climate-associated concerns as responses to climate change risks and opportunities.

We have also established a Sustainability Promotion Board (SPB), which promotes overall sustainability efforts including climate change problems and reports as appropriate to the Board of Directors chiefly on the progress of such efforts.

▶ See P. 9 for SPB organizational structure and initiatives.

Risk Management

We are aware that the quality of our risk management capabilities and risk response, enabling prompt and accurate handling in line with management environment changes, is directly linked to corporate survival and corporate value assessment. Turning to risk, the Sustainability Promotion Department ascertains various environment-related data including climate change initiatives and stakeholder demands in countries the world over in identifying and evaluating climate-associated risks. Working Groups and concerned divisions collaborate in undertaking to turn opportunities into new businesses and enterprises oriented toward creating new value.

▶ See P. 40 for our risk management structure.

Strategy

Risks and Opportunities based on Scenario Analysis

We identified risks to our company and its businesses from climate change on the basis of 1.5°C and 4°C scenario analyses. To investigate strategies for preparing for long-term risks among these, we conducted impact analyses with reference to such materials as global warming scenarios from the United Nations' Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA) World Energy Outlook.

We also examined the impact of these scenarios on the aviation industry, creating societal concepts and analyzing risks and opportunities envisioning the 1.5°C and 4°C scenarios.

Scenario Analysis Results

The aviation industry is accelerating moves to become carbon neutral industrywide by 2050. On the basis of the 1.5°C and 4°C scenarios, the JAMCO Group, as part of this industry, is aware of the necessity to further promote CO₂ emissions reduction efforts throughout its supply chain and to proceed with new initiatives as well.

There are demands for contributions to operating fuel efficiency improvements chiefly through weight reductions in the aircraft furnishings that are our primary products, etc., and the possibility of so responding is both a risk and an opportunity affecting future orders and transactions.

Going forward, we believe that proceeding with development of low-carbon, high-strength lightweight products that we manufacture and sell will enable us to make offerings that take advantage of our corporate strengths in narrow-body planes that are forecast to expand in market scale as well as the widebody planes that are our main targets, representing an opportunity for increased net sales.

Indices and Targets Based on Scenario Analysis

We are specifying materialities (important issues) to undertake to resolve environmental and societal concerns through business activities on the basis of JAMCO Vision 2030, and conducting progress management through executing measures and operation of non-financial KPIs.

We are carrying out such initiatives with the New Energy and Industrial Technology Development Organization (NEDO) project as promoting research and development into CFRP manufacturing technologies and next-generation lightweight carbon honeycomb panels, promoting product recycling, and proactively utilizing recycled materials, thereby proceeding with research and development capable of contributing to product decarbonization through these efforts, with a target of contributing to becoming carbon neutral.

Participation in the CONTRAIL Project

The CONTRAIL Project*, which conducts atmospheric observations using aircraft, utilizes appropriate equipment that JAMCO is involved in developing. Greenhouse gas observations are conducted on aircraft, and the analysis results are distributed worldwide as valuable data for global warming research.

*Subsidized by a project commissioned by the Ministry of the Environment



Greenhouse Gas Emissions Results and Reductions Targets

Results

(t-CO₂)

	March 2021 Period	March 2022 Period	March 2023 Period	March 2024 Period
Scope 1	1,718	1,515	1,947	2,003
Scope 2 (Market-based)	8,612	7,916	8,337	8,208
Total	10,330	9,431	10,284	10,211

*JAMCO PHILIPPINES, INC. and JADE ENGINEERING PTE LTD. are Location-based

Third-Party Assurance

The JAMCO Group has conducted third-party verification in accordance with the international standard ISO 14064-3:2019 for greenhouse gas (GHG) emissions data (Scopes 1 and 2) for FY2023 (April 2023 to the end of March 2024), and it has obtained an assurance report (limited assurance level) from the verification body Socotec Certification Japan.



Response to CDP

Our company responds to the analysis of corporate initiatives by the non-profit organization CDP in the areas of climate change and water security.



●GHG Types to Be Aggregated

GHG Types aggregated in this report are CO₂, methane, N₂O, HFCs, PFCs, SF₆, and NF₃.

●Scope 1 Emissions

GHG emissions in Japan, including those not resulting from energy, are computed using calorie conversion coefficients and carbon emission coefficients defined by the Act on Promotion of Global Warming Countermeasures.

●Scope 2 Emissions

GHGs associated with use of power purchased in Japan are computed using emissions coefficients of each electric company as defined by the Act on Promotion of Global Warming Countermeasures.

●Scope 3 Emissions

In FY2023, we provisionally calculated our Scope 3 emissions, excluding some overseas sites.

In the future, we plan to establish calculation procedures to improve accuracy and expand the scope of our calculations.

■Emissions Target

As targets conforming to being carbon neutral by 2050, the Japanese government has expressed that it will strive for a 46% reduction in GHGs from FY2013 levels by FY2030, and that it will continue to endeavor to increase this reduction to 50%. In response, we have set targets of being carbon neutral by 2050, and reducing total Scope 1 and Scope 2 to at least 50% of FY2019 levels by 2030.

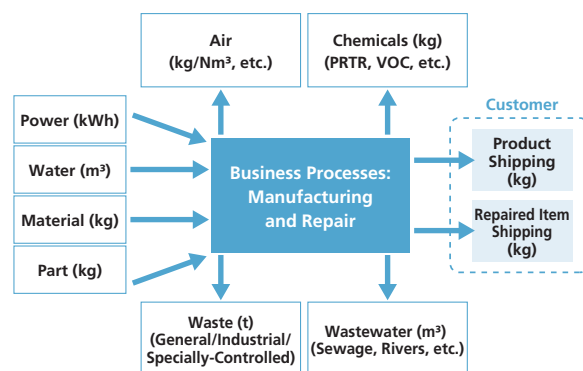
Initiatives to Reduce Environmental Impact

Initiatives to Reduce Environmental Impact in Business Activities

JAMCO specializes in the aircraft sector and is engaged in the manufacture and repair of aircraft interior products and components, and the maintenance and modification of aircraft and aircraft equipment. The figure below shows the overall picture of energy and resource inputs into our business activities and products and environmental impact outputs resulting from these activities as a material balance. In conducting our business, we consume many resources and discharge various substances. We strive to quantitatively grasp our environmental burden in order to reduce it in inputs and outputs alike.

As it becomes increasingly important to address global environmental issues, we are working hard to further reduce our environmental impact.

Material Balance



Energy-saving Initiatives

We are working to reduce our energy consumption by driving energy conservation and efficiency in our production processes, and by reducing fuel consumption through such means as using inverters in our production equipment, air conditioning systems, lighting fixtures, and air compressors.

In FY2023, our sites promoted efficient operation of air conditioning systems and proceeded with updates and installations of more efficient equipment. In addition, we replaced our lighting equipment with LED lighting and worked on reducing energy consumption.

Water Resources Initiatives

Water conservation efforts have been implemented throughout the company with the goal of reduce the water usage in business activities.

Waste Reduction Initiatives

We are undertaking to reduce and recycle waste.

Thorough Separation Control

We thoroughly sort and collect waste by type of material, convert metals and paper (copy paper, cardboard, newspaper, etc.) to valuable resources, thereby working on promoting recycling and reducing waste.

Recycle Rate Improvement

We are undertaking to increase the types of items which can be recycled, via material and thermal recycling, by investigating and consulting with waste disposal subcontractors.

Proper Waste Management

JAMCO continues to implement initiatives to reduce waste based on the 3R (reduce, reuse, recycle) concept.

Additionally, the company conducts frequent on-site surveys of and collects information from waste disposal subcontractors to confirm that the disposal of waste products is being carried out appropriately. The information includes ascertaining disposal processes, control of manifests and other records, and certification renewal.

- Energy-saving Initiatives
- Water Resources Initiatives
- Waste Reduction Initiatives

The above reduction results for each usage/emission amount are published under Data Collection.

Environment-related Data (Data Collection)



https://www.jamco.co.jp/en/csr/environmental_report/main/03/teaserItems2/04/linkList/0/link/08_DataCollection.pdf

Management of Chemical Substances

Chemical substances used in our business activities are regulated by laws and regulations depending on their properties, risk, hazard, etc. Regarding particularly high-risk substances, we set up management procedures in our internal regulations and control them appropriately, to ensure stability of contents and accurate inventory. In addition, workers actually handling chemical substances possess the necessary qualifications and are working properly in accordance with management procedures.

Promotion of Green Procurement

In order to continuously address environmental concerns in all corporate activities and reduce environmental burdens in the life cycle of products being produced and sold, JAMCO has promoted green procurement under which we procure materials and products with minimal environmental impact.

Proper CFC Management

We perform proper management of fluorocarbons based on the Act on Rational Use and Proper Management of Fluorocarbons*.

Fluorocarbons used in air conditioners, refrigerators, freezers and so on contain substances that cause global warming, and we maintain registers and conduct regular inspections of these devices.

We are also registered as a Class 1 Fluorocarbon Filling and Recovery Operator and properly perform the filling and recovery of fluorocarbons for equipment such as refrigeration and air conditioners installed in aircraft.

*Act on Rational Use and Appropriate Management of Fluorocarbons

Column

Biodiversity Initiatives

We are aware that such environmental changes as climate change and global warming have a tremendous impact on humans, animals, and plants too. We are engaging with concerns about environmental protection and biodiversity. We are profoundly interested in the Taskforce on Nature-related Financial Disclosures (TNFD), a framework for disclosures relating to overall environmental protection.

Since its launch in June 2021, TNFD has proceeded to build a framework for private corporations and financial institutions to appropriately assess and disclose risks and opportunities relating to natural capital and biodiversity. Following on the International Sustainability Standards Board (ISSB), part of the International

Financial Reporting Standards (IFRS) Foundation, announcing that it was commencing a new standards setting project relating to biodiversity, ecosystems, and ecosystem services, we too believe that efforts are necessary in disclosures on the basis of the TNFD framework. We commenced research in FY2023, and will proceed to investigate concrete initiatives in the future.

In biodiversity protection, we are participating in local initiatives, including Tokyo Greenship Action, a Tokyo-led environmental protection group that acts in collaboration with corporations, NPOs, etc. We are cooperating to build an environment in which various plants may survive through such activities as cutting undergrowth and planting seedlings to preserve village forest environments.



Village forest conservation activities

Society

The JAMCO Group constantly undertakes to respect the human rights of all persons in its business. In order to continue to be “a sincere company that respects people,” JAMCO will support the growth of all employees supporting the Group, and promote a workplace environment where everyone can actively work.



Respect for Human Rights

Human Rights Policy, etc.



<https://www.jamco.co.jp/en/csr/society.html>

Basic Policy

Per our Compliance Code, JAMCO Group pledges to observe applicable laws, international rules, internal regulations, and other regulations, and behave properly in accordance with firm ethical standards and a sincere social conscience. On the basis of this code, we observe Japanese laws and ordinances in accordance with our respect for the rights denoted in the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, prohibiting any and all discrimination on ethnicity, religion, sex, age, sexual orientation, disability, nationality, etc., as well as child labor, forced or excessive labor, and harassment. We also respect the fundamental rights of employees, including freedom of association, collective bargaining, and a minimum wage. We also call on these matters to be observed throughout our supply chain.

Promotion Structure

The CSR Promotion Committee centrally supervises matters relating to labor and human rights for the Group. With the Executive Officer in charge of Sustainability Promotion as Chairperson, the CSR Promotion Committee convenes periodically and otherwise as required to promote overall activities relating to human rights, including training and responses to risks to such rights.

Whistleblowing and Inquiries Regarding Human Rights

The JAMCO Group operates reporting points appropriately and undertakes continually to build efficacious policies to allow prompt discovery and correction of human rights violations.

We have established internal and external compliance hotlines (contact points for whistleblowing and consultation and inquiries concerning harassment, etc.), which accept anonymous inquiries. Staffers with a strict duty to uphold confidentiality, for consultation both internally and externally, strive to respond to whistleblowing and inquiries as sincerely and promptly as possible in cooperation with relevant internal departments and external consultants and attorneys. Our internal regulations, which stipulate specific operating procedures, mandate the protection of whistleblowers to prevent unfavorable treatment toward them, as well as periodic training and other methods to ensure accurate understanding and widespread awareness of the whistleblowing and consultation hotlines and how to contact them. They also require that efforts be made to improve operation.

Human Rights Assessment

Human Rights Due Diligence

The JAMCO Group has begun conducting human rights due diligence in accordance with the United Nations Guiding Principles on Business and Human Rights.

In FY2023, we initiated a human rights risk assessment. Going forward, we will conduct human rights risk assessments on the JAMCO Group and our supply chain to gain an

understanding of the current situation and actual conditions, with a focus on key human rights issues. In addition, we conduct annual CSR surveys of those we do business with, including a risk assessment relating to human rights.

▶ See P. 33 for FY2023 CSR Survey Findings.

Human Rights Instruction Efforts

In its efforts at instruction relating to human rights, JAMCO Group distributes its Compliance Handbook to all officers and employees. It presents Guidelines for Action relating to respect for basic human rights as follows.

- We respect the basic human rights of persons whom we come in contact with in any and all situations.
- We do not discriminate on the basis of ethnicity, nationality, creed, sex, age, socioeconomic status, place of origin, sickness, disability, etc. Nor do we discriminate on the basis of gender or against sexual minorities.

In addition to regular training for officers and employees, in FY2023 we conducted training for management and executives at our overseas Group companies. Awareness of human rights among officers and employees is improving annually.

In our regular business activities, there are opportunities for contact with persons having various outlooks and values, including customers, business associates, and persons in our local communities, as well as our coworkers on the job. As a foundation of social responsibility, we instruct our employees to meet with all persons with mutual understanding and respect and dignity, rather than rejection.

Diversity, Equity and Inclusion

The JAMCO Group will contribute to the Group's sustainable growth and creation of a better society by promoting diversity, equity, and inclusion of human resources, setting up a workplace environment where employees with various backgrounds can play an active role.

Promotion of Work-Life Balance

JAMCO Group has established various systems to promote the work-life balance of our employees in order to create a workplace environment where our diverse human resources can work vigorously and rewardingly, and maximize their abilities.

We have devised a General Employer Action Plan, promoting balancing work with raising children, thereby responding to such matters as questions of returning to work after childcare leave and children on daycare waiting lists. We are establishing an environment at our Tachikawa primary business facility allowing preferential use of the corporate-run daycare center run by tenant owners. We are also adopting telecommuting to respond to employees' needs regarding childcare, which is widely used by male as well as female employees.

JAMCO will continue to evaluate and enhance the creation of a comfortable work environment together with its employees.

Obtained Kurumin Certification as a Company that Supports Child-rearing

On May 13, 2024, we were notified by the Director of the Tokyo Labor Bureau of our qualification as a general employer that satisfies the standards of Kurumin certification. Kurumin is a certification granted by the Minister of Health, Labour and Welfare that recognizes companies supporting childcare. It is granted to companies that have formulated a general employer action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children, have achieved the goals set in their plan and met certain criteria.



Introduction of GLTD (Group Long-Term Disability) System

We introduced a GLTD system starting in FY2022, creating an environment where employees can enjoy peace of mind as they focus on their recovery if they had become unable to work, helping them to return to work as soon as possible.

General Employer Action Plan

To create an environment where all employees can manage both work and childcare, and can demonstrate their abilities to the fullest. Also, to support the development of the next generation, and to promote activities by female employees, we have formulated the following action plan:

1. Next Generation Development Support

(Planned period: April 1, 2023– March 31, 2026)

Goal 1: Introduction of hourly paid leave system

<Implementation details>

- April 2023 onwards - Discussions with labor union, determination of operations and system.

Goal 2: Provide work experience opportunities to develop human resources for the aviation industry

<Implementation details>

- April 2023 onwards - Holding factory tours, internships, etc.

2. Women's Activity Promotion Plan

(Planned period: April 1, 2023– March 31, 2026)

Goal 1: Increase the percentage of women assistant managers to 10% or more. (9.22% as of March 1, 2023)

<Implementation details>

- April 2023 onwards - Create an environment in which women can work more easily through support for the formation of networks among women, and through initiatives in femtech. Provide opportunities and training to make women aspire to managerial positions through education, workshops, etc.

Goal 2: During the plan period, maintain a 100% childcare leave acquisition rate for female employees, while aiming to maintain and improve the childcare leave acquisition rate for male employees (50% or higher) to promote male participation in childcare.

<Implementation details>

- April 2023 onwards - Thoroughly inform employees about the childcare leave system. Support a smooth return to work for employees taking childcare leave.

Reducing Total Actual Hours Worked

■ Motivating Employees to Take Annual Paid Vacation

We aim for all employees, including managers, to take 8 or more days of annual paid leave, and the achievement rate as of March 2024 is 100%.

■ Reducing Overtime

We regularly hold meetings of an Overtime Reduction Council, with participation from both labor and management, aimed at reducing overtime hours. We continue to hold discussions based on the actual situation regarding various issues faced by each organization.

■ Strict Adherence to Overtime Management based on Plans

We are able to prevent overwork and other problems by simplifying overtime management by employees and managers alike by such attendance system functions as alerts.

Providing Flexible Styles of Work

■ Labor-Management Relations

In addition to undertaking toward making better workplaces on the basis of coordination between labor and management, we secure work agreements with the JAMCO Labor Union, having sincere discussions on concerns to be resolved and directions for the company to take, including wages, hours, health and safety, and employee welfare and benefits, thereby building a positive trust relationship.

We also periodically convene meetings of the Central Labor-Management Council, where opinions and information are exchanged on various subjects to improve the contents of programs and policies on the basis of attendance by the President and CEO and the rest of core management.

As of the end of FY2023, 698 employees were JAMCO Labor Union members, accounting for 100% of eligible employees.

■ Establishing Internal Satellite Offices

As part of our policies for realizing flexible styles of work for our employees, we set a target of establishing internal satellite offices in our General Employer Action Plan for April 1, 2021–March 31, 2023, and established our first internal satellite office in our Aircraft Maintenance and Manufacturing Group in Chofu.

Employment of Those with Disabilities

The JAMCO Group is continuously working to create employment opportunities and promote the active participation of people with disabilities.

Each Group company strives to create a work environment in which people with disabilities can work together in comfort. We are also actively promoting employment at Orange JAMCO Corporation (100% owned by our company; 32 employees as of March 2024), a special subsidiary established in 1999 that is entrusted with auxiliary work within factories. The employment rate of people with disabilities is 3.2% (as of March 2024), well above the legally required rate of 2.3%.

We will continue our efforts to promote the abilities of those with disabilities and increase their motivation to work.

Main Work-Life Balance Support Systems and Usage Results (2023)

Program	Summary	Male	Female
Maternity Leave	6 weeks prior to and 8 weeks after childbirth for a total of 14 weeks.	—	4
Time of Birth Leave	4 days leave available for use.	18	—
Childcare Leave	Until the child is 1 year and 6 months old (up to a maximum of the first March 31 when the child is 2 years old).	13	4
Reduced Working Hours for Childcare	Until the first March 31 when the child is 12 years old working hours can be reduced by two hours per day.	4	18
Childcare Leave	5 days leave available per child per year for the school events, etc. of children up to 12 years old. (10 days for 2 children, 15 days for 3 children)	139	33
Family Care Leave	5 days available per year for family care.	5	0
Family Care Leave	A maximum of 93 days available per year for family care.	0	0
Telecommuting	Telecommuting for Employees Raising Children, Engaged in Caregiving, or Suffering from a Personal Illness/Injury.	24	19

* Other work-life balance support programs such as Childcare Flexible Work Hours, Overtime Duty Exemption, Late-Night Overtime Exemption, Childcare Leave Returnee Program, Family Care Assistance Leave, etc. are also available.

* Available to full-time employees, part-time employees and contract employees.



Human Resources Development

Basic Human Resources Development Policy

We consider human resources development the foundation that contributes to realizing our Management Philosophy and sustainable corporate growth, and we are setting down implementation structures, descriptions, etc., for the education and training that are the key policies for said development in our internal regulations and methodically carry out same.

Having made “work through the aviation industry to supply high value-added products and services harnessing rich technical expertise” one of our basic principles of management, JAMCO provides products and services that meet customers’ needs while making ensuring flight safety and enhancing quality our top priority. Honest and fair ethics, specialized and sophisticated knowledge, skill, and ability, and extensive experience are required of human resources that support and realize this. In recent times, there have been concerns such as responding to new risks and creating new business opportunities through such as alterations in industrial structures and advances in digital technologies, and a need has also arisen for human resources capable of responding to such concerns as well. To systematically and continually develop such human resources as these, we are establishing and operating education and training systems, promoting human resource development while reevaluating the substance of such systems as required and as appropriate.

Human Resources Development Program

We have set down implementation programs, educational systems, etc., relating to education and training in our internal regulations for education and training. The educational system consists of the following items. The positioning of each training program is shown in the educational system diagram on the next page.

a. Hierarchical Training

Hierarchical training is configured of entry-level training for newly promoted employees and follow-up training. Its objective is comprehension of the roles expected of these positions, improvement of corresponding abilities, and acquisition of thoughts, techniques, etc., of solving problems confronting them at work.

b. Training by Selection

This is training for selecting candidates for future management and developing them at early opportunities. It imparts realization while making such employees recognize business environments and motivating self-awareness and changes in actions, and aims to improve management abilities.

Another crucial management concern is promoting women’s activity, and we are carrying out training through training programs for female leaders and leadership candidates that motivates them to comprehend and have self-awareness of leadership roles and improves their business skills.

c. Linguistic Training

We conduct various curricula toward improving corporate international competitiveness including overseas dispatch programs, training programs at language schools, e-learning and online English conversation.

d. Specialist Skills Education

We are systematically conducting specialist education by each Group to acquire internal and official qualifications and specialist knowledge, skills, techniques, etc., as required for work.



e. Subject-specific Training

We conduct training as called for with the objective of cultivating general and specialist knowledge in such areas as compliance and information security according to changes in various laws and ordinances, changes in societal conditions and business environments, etc.

f. Self-improvement

We are building programs for self-directed learning in self-improvement, including various types of remote education and e-learning contributing to individual career enhancement and skills improvement.

Educational System Diagram

Category		Purpose	Job Grade						
			B4	B3	B2 (Chief)	B1 (Assistant Manager)	A3 (Manager)	A2 (Deputy General Manager)	A1 (General Manager)
Hierarchical Entry Training	Internal/ External Training	Education for employees promoted to a new job grade to improve their skills required for that grade. Through this, employees understand the role of their job grade and the expected level of job performance, and they acquire the knowledge, techniques, and skills necessary to improve their abilities.	New Employee Entry Education		B2 Entry Education	B1 Entry Education	A3 Entry Education	A2 Entry Education	A1 Entry Education
Hierarchical Follow-up Training		Education for employees to reaffirm and maintain/improve the skills required in their current job grade. It involves exercises with themes based on problems faced in the workplace, through which employees learn problem-solving approaches and techniques that can be practiced and utilized in the workplace.	New Employee Follow-up Education		B2 Follow-up Education	B1 Follow-up Education	Multi-faceted Evaluation + Group Coaching		Multi-faceted Evaluation + Group Coaching
				Third-year Education (Career Education)					
Selective Training	Internal/ External Dispatch Training	This educational program is aimed at selecting and developing potential future executives at an early stage. Its goal is to promote self-awareness and changes in behavior in view of the business environment, as well as to improve management skills.				Executive Candidate Development Seminar			Senior Executive Candidate Development Seminar
					Female Leadership Training				
Language Training	Overseas Courses	A language training system for developing global human resources that offers various curricula, including overseas dispatch programs, language school training programs, e-learning, and online English conversation classes. In addition to improving language skills, overseas dispatch programs aim to cultivate global thinking.	Overseas Dispatch Programs/Language Schools						
	Domestic Courses			Short-term Intensive Courses/Self-development Materials *E-learning, online English conversation classes, etc.					
Specialized Skill Education		Acquire the specialized knowledge, techniques, and skills necessary for job duties.							
			Specialist Education by Each Group						
Theme-based Training (Knowledge Training)	Internal/ External Training	Employees learning various laws and essential knowledge aim to improve their knowledge as required by social conditions and the business environment.							
			Labor management, financial accounting, compliance, risk management, information security, safety and quality, environment/sustainability, etc.						
Self-development Support		Provides opportunities to help individual career advancement and skill improvement.	DX Promotion						
	Business Skills								
			IT Literacy						

In recent years, we have been focusing on promoting the following two points in human resource development:

■ Development of Globally Oriented Human Resources

A crucial concern for our company is the development of globally-oriented human resources capable of exercising leadership on the international stage, such as in business with major US and European aircraft manufacturers and airlines the world over, or in overseas Group facilities.

We are conducting such programs as dispatches to language training programs at US colleges and universities and short-term study abroad at language schools in the Philippines, with the objective of absorbing different cultures and customs, improving language utilization abilities in environments near areas of business, and building a platform as globally-oriented human resources, rather than merely becoming more proficient at languages.

■ Assistant in Development of DX Human Resources

Citing HRX, or Strategic DX Human Resource Development, as a primary concern in JAMCO Vision 2030, we are striving to build an organization that creates innovation through human resources development and accelerating initiatives.

We have also formed an HRX Working Group and have designed and implemented a human resources development program that will adapt all company officers and employees to the DX era. The program commenced operations as of FY2023.

Human Resources Development and Creating Attractive Workplaces

We believe that each and every one of our employees are the most important management resource, and that employee growth drives JAMCO's sustained progress. We are undertaking the human resources development that forms the basis thereof and promoting creating an attractive workplace environment where employees can work energetically. We are also instituting a fair and equitable evaluation program whereby employees can work in a highly motivated manner.

We survey employee awareness every two years unless otherwise indicated, and communicate findings companywide, including to management. Turning to annual stress checks, we work to elevate employee satisfaction and engagement, through such as distributing detailed feedback reports to concerned parties and giving guidance on specific measures for improving workplace environments.

Efforts at Human Resources Acquisition and Development

For sustainable growth, we are working to acquire human resources that meet our desired image of having a globally-oriented viewpoint and mindset, being strong-willed and able to think and act on their own, able to cooperate with their surroundings and generate greater power, and striving to the utmost with a sense of responsibility.

We impart our particular image of working at JAMCO in the hiring process through such efforts as symposia, interviews, and keeping in touch with probable recruits, thereby avoiding mismatches after hiring.

Turning to keeping human resources in place, we conduct such policies as new employee support programs and new employee supplemental education to drive improved post-hiring ease of working and job satisfaction.

We also have career development programs in place and operate career rotation programs and succession plans to keep each and every employee's motivation up and allow them to exercise their abilities.

In terms of benefits, we are establishing such initiatives as providing full-fledged leave programs for work-life balance and services for finding carer support, as well as telecommuting and reduced hours programs, to effect a balance between childcare and caregiving on the one hand and work on the other.

Occupational Safety and Health

Basic Policy on Occupational Safety and Health

Ensuring occupational safety is the most important foundation of our business and a duty to society. JAMCO's basic policy is to raise awareness of health and safety and create a workplace environment where anyone can work safely and with confidence in good mental and physical health. As organizations that promote health and safety activities, JAMCO has established the Occupational Safety and Health Central Committee, which is chaired by the executive officer in charge of Corporate Administration & Human Resource, as well as an Occupational Safety and Health District Committee for each district, and these organizations work in a methodical manner.

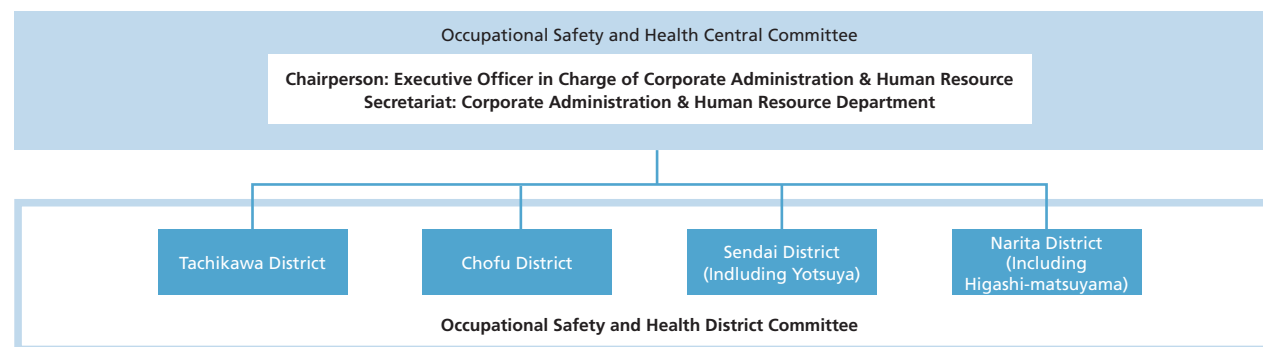
■ Initiatives on Occupational Safety and Health Priorities

In FY2023, JAMCO strived to create a "safe and secure" working environment and worked on the following priorities.

FY2023 Priorities

1. Provision of health and safety education in order to raise the level of health and safety
2. Strengthening of the employee health management system
3. Mental health care initiatives
4. Raising employee awareness about health
5. Requests to temporary staffing agencies for support and cooperation with health and safety activities

Occupational Safety and Health Management Structure



* In JAMCO, the people in charge of safety and health in each district (supervisors of safety and health managers, safety managers, health managers, safety and health promoters and industrial physicians) are all assigned according to the number of employees.

* JAMCO assigns a dedicated operations chief as stipulated in the Industrial Safety and Health Act of each district.

To protect the health of employees, JAMCO has set in place an environment for maintaining health. This includes providing all employees with education on mental health in addition to mandatory stress checks. We have also made it compulsory for all employees to have physical health examinations, provide support for employees who are over a certain age to have a comprehensive medical checkup, and have established an external helpline that accepts health consultations 24-hours a day.

■ Responding in a Disaster

We are working to raise employee safety awareness every day, such as by informing employees about how to respond to occupational accidents and earthquake disasters, implementing safety and health education for employees at factory sites, and conducting employee safety confirmation drills.

Safety and Quality

Responsibility to Our Customers

JAMCO contributes to society by providing high quality products and services that meet customer satisfaction, all while prioritizing safety and quality.

■ Ensure Flight Safety

As the top priority in its Basic Principles of Management, JAMCO spares no effort in working to “Ensure flight safety and strengthen our quality.” Anchored in the aviation industry, we devote infinite consideration to the safety and quality indispensable to expand our business, supplying high added-value products and services positioned to harness our rich technical expertise. This is our bold aspiration to excel as a sustainable corporate entity, thereby contributing to the creation of an equally sound and sustainable social fabric.

■ Initiatives to Foster a Culture of Safety and to Elevate Our Quality

JAMCO directly contributes to safe operations by manufacturing and maintaining aircraft and aircraft equipment. We strive to improve the quality of our products and services, guarantee safety, and build customer trust by creating a solid framework for the safety and quality management systems of the JAMCO Group, working to foster a culture of safety and to improve quality across the Group, and reliably implement the PDCA cycle.

Our Safety Vision

Principle of Safety First

“Ensuring aviation safety is our Company’s most important foundation and its responsibility to customers and society.”

Principle of Legal Compliance

“We comply with relevant laws and regulations and work together in pursuit of aviation safety.”

Principle of Continuous Improvement of Our Safety Management System

“In order to ensure aviation safety, all personnel will continue making concerted efforts to administer and improve our safety management system.”

■ Our Safety Management System

JAMCO works with Group companies to promote aviation safety together. Departments with responsibility for promoting aviation safety take a comprehensive and integrated approach to hazards, risks, and unsafe incidents while all personnel work together to ensure customer safety and drive progress in aviation.

Our Quality Vision

The JAMCO Group will work with a sense of pride and responsibility to deliver high-quality aviation products and services to our customers that instill trust and confidence.

■ Enhancing Quality Assurance and Inspection Systems

In order to fully ensure quality control, JAMCO is focused on strengthening the quality management system by establishing a good cooperation between the manufacturing, quality assurance, quality audit, and inspection divisions.

■ Our Quality Management System

JAMCO is actively committed to providing high quality products and services that satisfy customers by establishing, implementing, and maintaining quality policies that align with the business of each organization in accordance with the requirements of JIS Q 9100 and the quality policy established by the top management.

■ Maintaining and Updating Management System Certification

Our business requires an advanced quality assurance system that is specific to the aerospace industry. So, we have acquired JIS Q 9100 “Quality Management System” and ISO 27001 “Information Security Management Systems” certification, as well as certification from aviation bureaus in Japan and other countries, and are building quality assurance and other systems that are suited to the various demands of our business.

Please see our corporate site for more details on acquisition of certifications.

Acquisition of certifications



<https://www.jamco.co.jp/en/company/certification.html>

Supply Chain Management

The JAMCO Group strives to build fair and sound relationships with our business partners by always conducting business honestly so that we can develop together with them.

JAMCO has been promoting procurement that adheres to social norms in accordance with the laws and ordinances of each country and region. However, in response to growing social demands in recent years, we think that it is necessary to work with our business partners on CSR and to fulfill our responsibilities to society more actively.

We share procurement policies with our Group companies and are cooperating with our business partners to promote initiatives throughout the supply chain.

Procurement Policy

The JAMCO Group has established a procurement policy, requires business partners to comply with it, and promotes CSR activities throughout the entire supply chain.

Procurement Policy

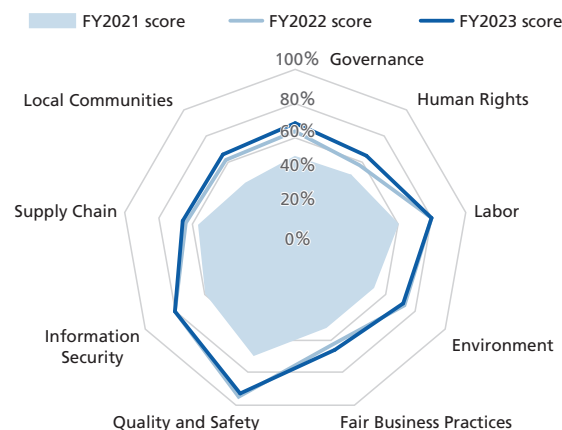


<https://www.jamco.co.jp/en/csr/society/partner.html>

Assessment

We conduct CSR surveys to assess the current state of CSR at our Group companies and subcontractors. As we did in FY2021 and FY2022, in FY2023, we conducted surveys using a questionnaire created with reference to the CSR/Sustainable Procurement Self-Assessment Questionnaire (Common SAQ)* formulated by the Global Compact Network Japan (GCNJ). We surveyed 56 companies (15 business partners of the Aircraft Maintenance and Manufacturing Group and 37 business partners of the Aircraft Interiors Group, and four Group companies). The survey results are shown in the figure on the top right.

SAQ Response Results for FY2023 (average of all 56 companies)



* The CSR/Sustainable Procurement Self-Assessment Questionnaire (Common SAQ) deepens mutual understanding among all companies involved in the supply chain, and enables them to practice CSR procurement on a global level, by having them answer SAQ questions. It was designed to be consistent with international standards such as the ten principles of the United Nations Global Compact (UNGC), ISO 26000, and the GRI.

The average score across all items increased by two points, from 71 points in FY2022 to 73 points in FY2023. We will continue working to support subcontractors who we determine need to improve, by mutually confirming issues together and aiding them in making improvements.

Responding to Conflict Minerals

Tantalum, tin, tungsten and gold are four minerals (conflict minerals) produced by the Democratic Republic of the Congo and surrounding countries, and the funding of armed insurgents causing atrocities in these countries through the sale of these minerals has become an international problem. So as to not facilitate conflicts in those areas, JAMCO declares we do not use materials recognized as conflict minerals, and we are responding appropriately to requests for reviews and reports on conflict mineral regulations from customers.

We are also requesting suppliers of raw materials related to these four kinds of minerals to submit a pledge that the materials we purchase not to contain conflict minerals.

Contribution to Local Communities

Community Volunteering

As member of local communities, the JAMCO Group values its relationships with everyone in those communities. JAMCO promotes volunteering and other social contribution activities such as interaction with local residents, education/academic support, and joint research and development through collaboration with overseas companies.

Social contribution activities



WEB









<https://www.jamco.co.jp/en/csr/feature/contribution.html>



Food donations to the Tachikawa City Council of Social Welfare

Stakeholder Engagement

In carrying out its business activities, JAMCO strives to be a sincere corporation trusted by all stakeholders, including customers, clients, shareholders, local communities, and employees. We consider dialogue with stakeholders to contribute to our sustained growth and improving medium- to long-term corporate value, and conduct such dialogue proactively. We precisely ascertain opinions and expectations for our Group, and take them into account in our business activities, thereby working toward positive engagement with our stakeholders.

	Areas of Stakeholder Interest	Main Communication Methods
 Customers	High-quality products, prompt response to inquiries, high-value-added products, comprehensive support	Customer support, regular meetings, customer satisfaction surveys, factory tours, exhibitions
 Business partners	Procurement policy, requirements for resolving social issues, business trends and transaction analysis, product and technology trends, streamlining of chemical substance information-sharing schemes, GHG emission calculation requirements	CSR questionnaires, on-site explanations, procurement policy briefings
 Shareholders and investors	Medium- to long-term management strategies for sustainable growth, progress with business portfolio transformation, financial condition, business activity trends and results, ESG initiatives	General shareholders' meetings, financial results briefings, factory tours, One-on-One meetings, Small Meetings, briefings for individual investors, factory tours for individual shareholders, publications for shareholders and investors, IR content (official website)
 Local communities	Participation in local communities, fulfilling responsibilities as a corporate citizen, contributing to local communities through business activities, donations	Corporate version of hometown tax donation, environmental conservation activities around business sites
 Employees	Improving work environments, enhancing welfare programs, elevating evaluation and HR systems, boosting corporate culture, management policies, embellishing human resource development programs, establishing occupational safety systems, internal newsletters	Labor-management council, information dissemination from management (Viva Engage), human resource development programs, compliance hotlines, Safety and Health Committee
 NGOs/NPOs	Local environmental conservation, ecosystem conservation, disaster area support, supply chain risks	Participation in environmental conservation activities, volunteer activities
 Educational and research institutions	Industry-academia collaboration (utilizing corporate knowledge in joint research, etc.)	Company tours for students, joint research
 Government agencies and local governments	Proactive support for solving social issues	Exchanging opinions with government agencies, dialogue with economic organizations and industry associations, cooperation in various surveys and questionnaires

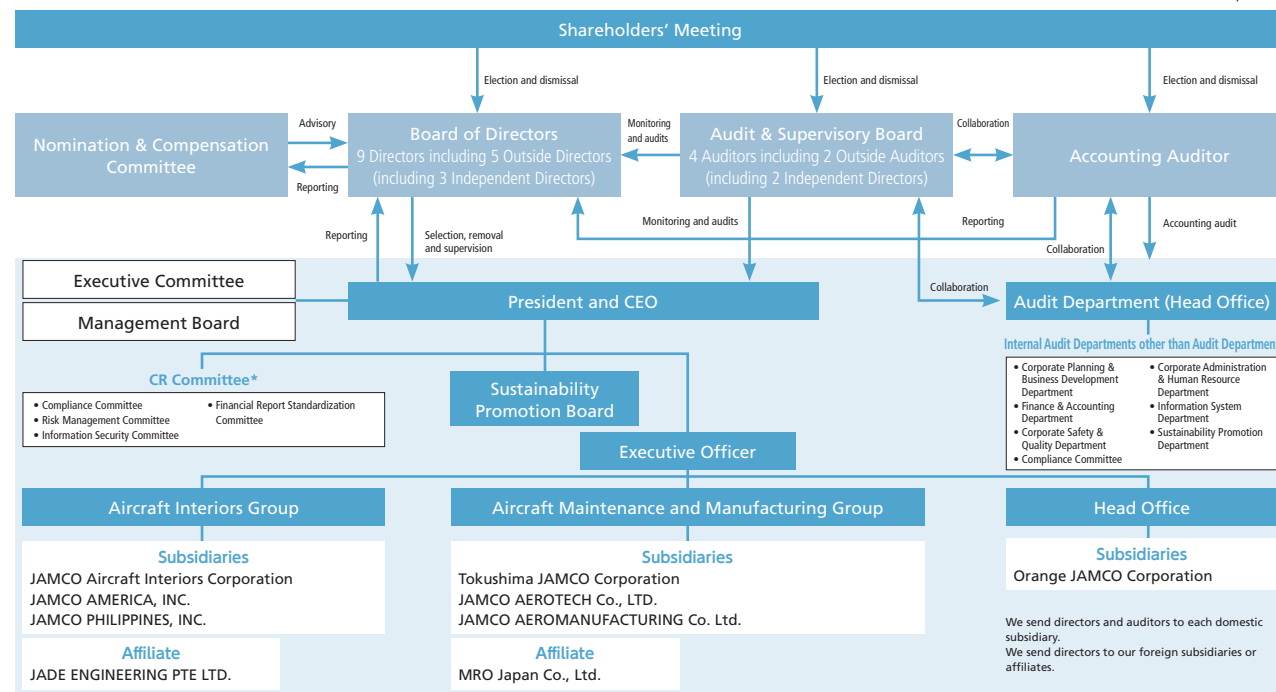
Governance

JAMCO has positioned contributing to society and continuing to operate as a company by providing products and services to customers as its most important management policy. To put this policy into practice, we recognize that the fundamentals of corporate governance are improving corporate value, at the same time as ensuring the transparency of management and enhancing accountability.

Corporate Governance Structure

JAMCO's Board of Directors consists of nine Directors, five of whom are part-time Outside Directors (including three independent officers). With its authority delegated by shareholders, the meetings of the Board of Directors are held regularly once a month and on an ad hoc basis as appropriate with the attendance of the full-time and part-time Auditors in order to ensure management responsibility and supervision of business execution. The Board of Directors adequately fulfills its functions, which include setting basic management policies and decision making, making resolutions on important business matters, and receiving reports on such matters.

As of June 30, 2024



* Compliance & Risk Committee: Organization overseeing internal control

Policy and Procedure for the Election of Officers

Regarding the election of Directors, we believe that it is vital to achieve a balanced composition of the Board to facilitate more appropriate decisions and better supervision of the execution of operations. This entails selecting Directors who are familiar with our internal operations and who can make appropriate decisions and supervise the execution of business, Outside Directors who are familiar with management and the aviation industry, and Independent Outside Directors who possess knowledge of corporate management and corporate law.

The President and CEO formulates proposals for the election of candidates for Directors, giving comprehensive consideration to the criteria set out by the Company. The proposals for election are explained to major shareholders prior to the meeting of the Board of Directors and deliberated by the Nomination & Compensation Committee, a majority of which is comprised of independent officers, before being decided upon by the Board of Directors. Proposals for the election of candidates for Auditors are also formulated by the President and CEO, giving comprehensive consideration to the election criteria set out by the Company, and after obtaining the agreement of the Audit & Supervisory Board with proposals being decided upon by the Board of Directors.

JAMCO has established criteria for determining the independence of independent officers that satisfy the criteria for independence prescribed by the Tokyo Stock Exchange in Guidelines Concerning Listed Company Compliance, etc., and verifies that there is no risk of conflict of interest with ordinary shareholders in light of these criteria when appointing independent officers. In terms of the qualifications of candidates, JAMCO appoints candidates who are familiar with corporate management and have specialized knowledge aligned with the management of the Company.

Directors and Executive Officers / Skill Matrix

													
Name	Toshiyuki Abe	Koichi Tsunematsu	Takashi Yonekura	Toshikazu Kimura	Yu Takahashi	Shigeru Harada	Shinichi Suzuki	Juichi Watanabe	Yuki Tsuru	Noboru Kaburaki	Toshihisa Kasuya	Hitoshi Takahashi	Takayuki Ikenoue
Position	Director	Director	Director	Director	Outside Director	Outside Director	Outside Director (independent)	Outside Director (independent)	Outside Director (independent)	Audit & Supervisory Board Member	Audit & Supervisory Board Member	Outside Audit & Supervisory Board (independent)	Outside Audit & Supervisory Board (independent)
Corporate management	●	●	●		●		●				●		
Industry knowledge			●		●	●	●			●			
Overseas experience	●	●			●	●		●				●	●
Manufacturing/ maintenance/ technology/ quality			●	●		●	●			●	●		
Finance/ accounting								●		●			●
Human resources/ labor relations/ human resources development				●									
Legal affairs/ compliance				●					●			●	
Risk Management	●	●						●	●		●	●	

* Shows up to three areas in which the Company has particularly high expectations of each officer. The above table does not show the full range of knowledge and experience of each officer.

Corporate Governance Enhancement Over the Years

<u>FY2009</u>	<ul style="list-style-type: none"> • Internal control regulations enacted • CR Committee established, five subordinate committees established (Compliance, Risk Management, Information Security, Regulations, Financial Reporting Standardization) • CCO, CRO, CIO appointed • Risk management regulations enacted • Internal control regulations related to financial reporting enacted • Compliance regulations enacted • Compliance Code established
<u>FY2013</u>	<ul style="list-style-type: none"> • Executive officer regulations enacted • Disaster response and business continuity management regulations enacted • Basic policy on business continuity established
<u>FY2014</u>	<ul style="list-style-type: none"> • Management board regulations enacted
<u>FY2021</u>	<ul style="list-style-type: none"> • Nomination & Compensation Committee regulations enacted
<u>FY2022</u>	<ul style="list-style-type: none"> • First female outside director appointed
<u>FY2023</u>	<ul style="list-style-type: none"> • Restricted stock compensation system introduced

Audit & Supervisory Board

The Audit & Supervisory Board consists of four Auditors, two of whom are Outside Auditors (including two independent officers). The Audit & Supervisory Board formulates the policy and plan for audits by the Auditors each fiscal year, and carries out overall and priority audits in collaboration with the Accounting Auditor and the internal audit departments, providing suggestions, advice, and recommendations as necessary. In terms of the criteria for the appointment of Outside Auditors, JAMCO has established certain requirements in regulations related to the Audit & Supervisory Board and also applies the criteria for independence of Tokyo Stock Exchange, Inc.

Nomination & Compensation Committee

The Nomination & Compensation Committee has seven members, consisting of three full-time Directors, three Independent Outside Directors, and one Independent Outside Auditor. As an advisory body to the Board of Directors, the Nomination & Compensation Committee deliberates on proposals related to the nomination and compensation of Directors and Executive Officers and reports to the Board of Directors.

Compliance & Risk Committee

We have established the Compliance & Risk Committee (chaired by the Representative Director and President) as an organization for overseeing internal control as a whole, and we have formulated basic policies on internal control. In addition, we have appointed a Chief Compliance Officer (CCO) as the person in charge of compliance, a Chief Information Officer (CIO) for information systems and information security, a Chief Risk Management Officer (CRO) for risk management, and a Chief Financial Officer (CFO) for the standardization of financial reporting from among Directors or Executive Officers. Each oversees, manages, and supervises initiatives related to internal control in their respective areas.

System of Business Execution

JAMCO has clearly demarcated between the management decision making function and the business execution function and has adopted an Executive Officer system to enhance prompt decision making and strengthen the management foundation. The Executive Officers execute the duties delegated to them based on the decisions of the Board of Directors and other bodies.

The organizations that execute business consist of the two business groups, which are the Aircraft Interiors Group and the Aircraft Maintenance and Manufacturing Group, and the Head Office. The structure of Head Office maintains independence through the Audit Department which conducts internal audits as an organization under the direct supervision of the President and CEO, and Executive Officers are assigned to be in charge of the functions of each department, thereby granting responsibility and authority to each organization. Increasing the independence of each organization in this way enables prompt execution of business as well as mutual checks and supervision.

Evaluation of the Effectiveness of the Board of Directors

JAMCO places importance on the maintenance and development of corporate governance in order to enhance corporate value. To further upgrade the level of corporate governance, we conduct a questionnaire every year to evaluate the effectiveness of the Board of Directors. An external organization is used for the design, analysis, and evaluation of the questionnaire to ensure objectivity and transparency. An external organization is used for the design, analysis, and evaluation of the questionnaire to ensure objectivity and transparency.

Policy on Training for Directors and Executive Officers

When Directors and Executive Officers assume office, they attend external seminars on subjects such as the legal obligations they must comply with and their duties as officers. When Outside Directors assume office, we provide orientation sessions in which the President, CFO, and officers with other responsibilities provide individual briefings on the Company's management strategy, details about business and finance, and other subjects. Briefings are also conducted as necessary from time to time during the term of office of Outside Directors.

Officer Compensation

Officer compensation at our company is determined within the bounds of the total amount of compensation decided at the General Meeting of Shareholders, taking into account compensation levels based on objective data from listed companies of similar size in the same industry. The regulations that stipulate specific payment methods and amounts of compensation are determined by the Board of Directors based on the report from the Nomination & Compensation Committee, an advisory body to the Board of Directors, where independent officers comprise a majority of the members.

Please see the Corporate Governance Report for more details on corporate governance. (Japanese text only)

Corporate Governance Report



https://www.jamco.co.jp/a/ir/governance/governance/main/00/teaserItems2/0/linkList/0/link/CG_20240626.pdf
(Japanese)



Compliance

Basic Policy

We have published a Compliance Code for the company and its officers and employees.

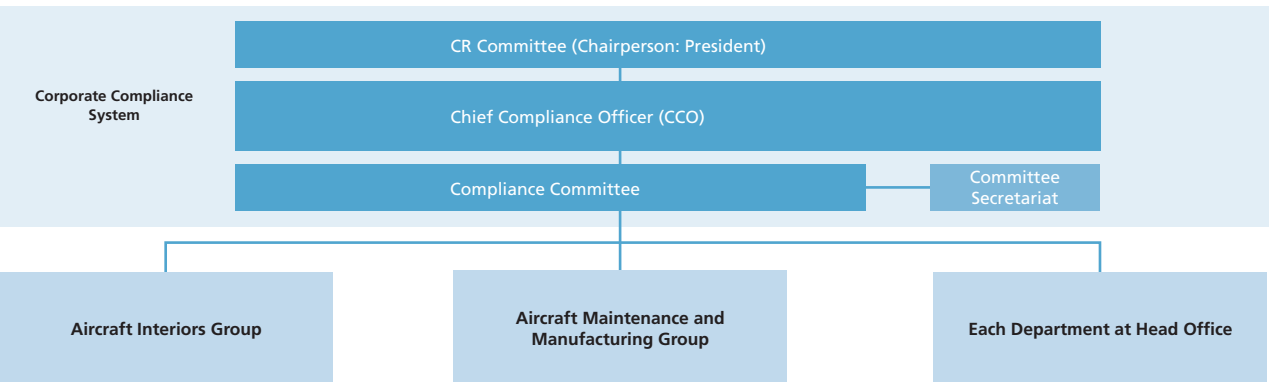
Compliance Code

We at JAMCO Corporation aim to form an enterprise that fulfills its corporate social responsibilities and lives up to the trust of society.

The officers and employees of JAMCO Corporation follow the principles enumerated below at every level and in every function. Together we observe applicable laws, international rules, office routines, and other regulations, and behave properly in accordance with firm ethical standards and a sincere social conscience.

1. To develop and supply products and services with due consideration to safety and quality, and to build a relationship of higher trust with every customer.
2. To actively address environmental issues on our own initiative in accordance with the goals of an independently established basic environmental policy and corporate action plan.
3. To respect the individuality and personality of every employee and to secure a safe and comfortable work environment free from any discrimination, harassment, or other undesirable behaviors.
4. To never commit insider trading (unfair trading of a corporation's stock or other securities) by taking advantage of our access to inside information that we learn with respect to matters handled in the course of assigned work.
5. To aim at bona fide and fair trading and to maintain a sensible and sound relationship with politicians and governmental agencies.
6. To respond to anti-social forces with a resolute stance and to abstain from forming any connections with such forces.
7. To respect the established practices and cultures of individual nations and to maintain cooperative relations with these nations as members of a global corporation.

Compliance Structure



Compliance System

As an organization subordinate to the CR Committee, we have established a Compliance Committee chaired by the CCO to promote compliance activities for the Group. We established the Compliance Committee Secretariat in the Corporate Administration & Human Resource Department at the Head Office. It formulates a plan for overall compliance activities each fiscal year and leads the entire Group. In addition, the CCO regularly reports on the activities of the Compliance Committee to the Board of Directors.

Initiatives Supporting Compliance

In addition to regular initiatives by the Compliance Committee, we have established Compliance Hotlines aimed at early self-correction of compliance issues, and officers and employees are required to report problems as soon as they are discovered. We also stipulate that when each department enters into contracts with external parties, it must undergo review by the legal department.

Regarding our response to anti-social forces, we have established policies and procedures to ensure that relationships are completely severed, including response policies, cooperation with external specialist organizations, and procedures to be implemented by departments in their daily operations.

Regarding our response to the Anti-Monopoly Act, we have stipulated prohibited acts and matters to be observed with the aim of preventing violations.

We also inform about these initiatives through in-house training, company newsletters, and other measures, and we strive for their reliable implementation.

Risk Management

Basic Risk Management Policy

It is essential for JAMCO to have the capability to address rapid changes in the business environment quickly and accurately, and we work on risk management with the awareness that the quality of our responses will directly affect the survival of the company and the perception of its corporate value. We also recognize that risk management is not only about preventing or minimizing losses, but is also a strategic tool for management to improve corporate value.

Risk Management System

The Risk Management Committee chaired by the CRO has been established to promote risk management as an organization subordinate to the CR Committee.

We have identified approximately 160 risks ranging across the areas of disaster, society, politics, economics, strategies, operations, governance, and corporate culture in various departments. Department-specific risks are evaluated and analyzed in those departments, which take measures on an ongoing basis. Meanwhile, for major risks affecting the entire company, each department reports to the Risk Management Committee, and the Risk Management Committee formulates plans for measures to counter risks, and makes the measures known companywide after approval by the CR Committee.

In addition, departments working directly with Group companies recognize that risks may materialize in those companies and maintain systems to work with these companies on daily risk management.

In FY2023, the Risk Management Committee selected high-priority risks with significant impact on business from among the major risks, made recommendations to the CR Committee, and instructed relevant departments to formulate countermeasures and corrective action plans.

Risk Management Structure



Information Security Initiatives

At the JAMCO Group, our vision for the future is to continue to contribute to a comfortable, sustainable world leveraging the technology and quality we have built up through the aviation industry. Since maintaining information security is vital to achieving this goal, we are working to ensure the reliable operation, monitoring, and continuous improvement of our information security management system in accordance with our Basic Information Security Policy.

Specific measures to strengthen security include preventing unauthorized access from outside the company, protecting against computer viruses, managing devices such as USB flash drives, spam prevention, training for handling targeted attack e-mails, and regular internal information security audits.

Please see our corporate site for more details on information security.

Privacy Policy (Protection of Personal Information)

Basic Information Security Policy



<https://www.jamco.co.jp/en/ir/governance/isms.html>

Establishing a Privacy Policy

The JAMCO Group has established the Privacy Policy in the belief that it is our social responsibility to properly treat every piece of personal information (including specific personal information) about customers, and we work on fully protecting this information as a Group.

Please see our corporate site for more details on our Privacy Policy.

Privacy Policy



<https://www.jamco.co.jp/en/privacy.html>

Company Outline (As of March 31, 2024)

Company name JAMCO Corporation

Head Office 1-100 Takamatsu-cho, Tachikawa, Tokyo, Japan

Established September 1, 1955: C. Itoh Aircraft Maintenance and Engineering Co., Ltd. established
June 16, 1970: Corporate name changed to New Japan Aircraft Maintenance Co., Ltd.
June 29, 1988: Corporate name changed to JAMCO Corporation

Capital 5,359,893 thousand yen

Main shareholders ITOCHU Corporation
ANA HOLDINGS INC.
Showa Aircraft Industry Co., Ltd.

Employees 2,692 (JAMCO Corporation: 1,059)



JAMCO Aircraft Interiors Corporation Niigata Factory



JAMCO PHILIPPINES, INC.

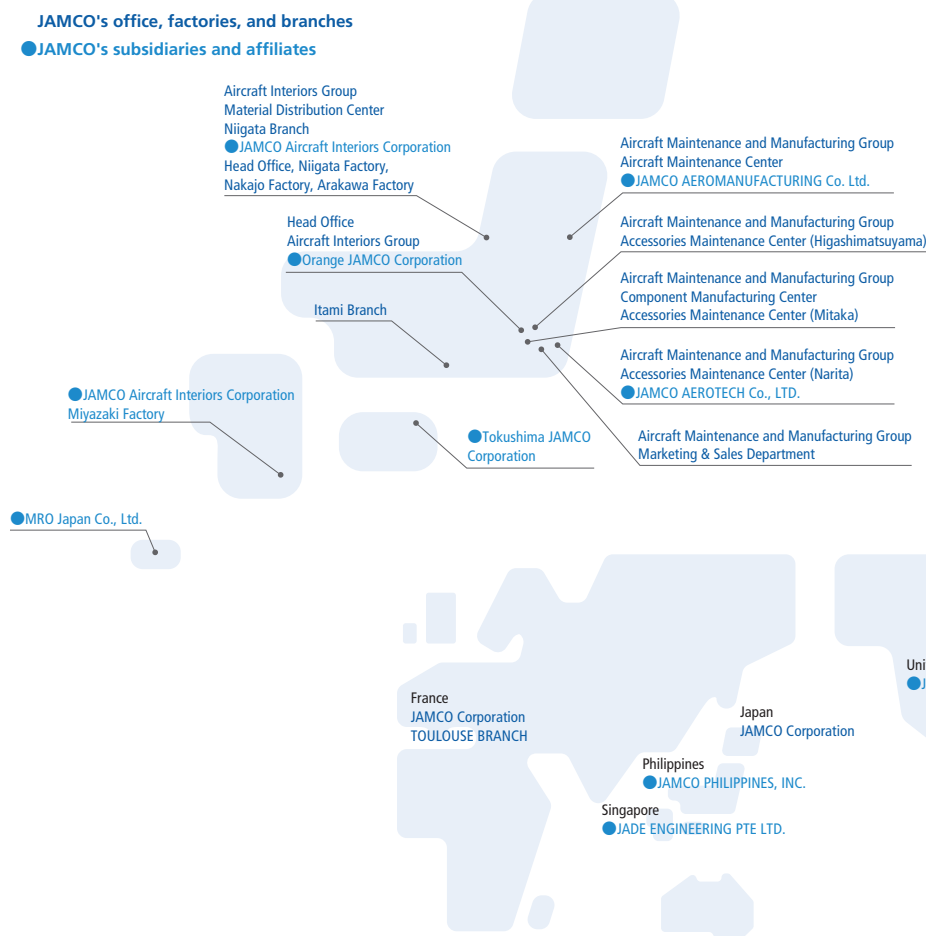


JADE ENGINEERING PTE LTD.



JAMCO AMERICA, INC.

JAMCO Group sites



Stock Information

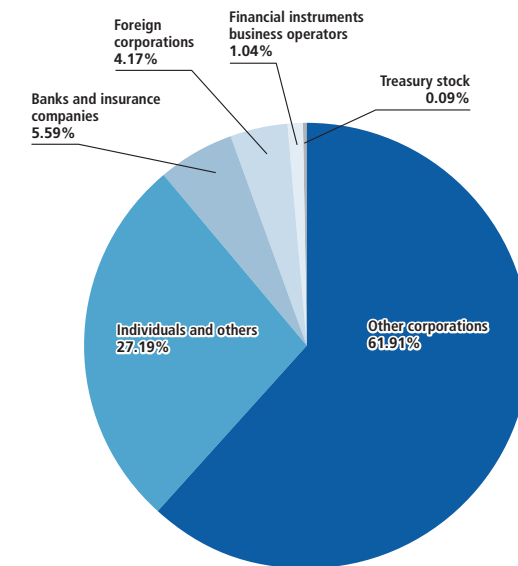
Listed Stock exchanges	Tokyo Stock Exchange Prime Market	
Securities Identification Code	7408	
Shares and Number of Shareholders	Total Number of Authorized Shares	80,000,000 shares
	Total Number of Shares Issued	26,863,974 shares
	Number of Shareholders	7,494 (Of which 6,877 are unit shareholders)

List of Major Shareholders (Top 10)

Name of shareholder	Shares held (thousands)	Ratio of Shareholding (%)
ITOCHU Corporation	8,956	33.37
ANA HOLDINGS INC.	5,373	20.02
Showa Aircraft Industry Co., Ltd.	2,003	7.46
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,117	4.16
JAMCO Employee Share Ownership Plan	407	1.51
Custody Bank of Japan, Ltd. (Trust Account)	267	0.99
NOMURA PB NOMINEES LIMITED OMNIBUS—MARGIN (CASHPB)	241	0.89
J. P. MORGAN SECURITIES PLC FOR AND ON BEHALF OF ITS CLIENTS JPMSP RE CLIENT ASSETS—SETT ACCT	190	0.70
MSIP CLIENT SECURITIES	171	0.63
GOLDMAN SACHS INTERNATIONAL	116	0.43

* The percentage of shares is calculated after deducting treasury stock (24,852 shares).

Distribution of Shareholders by Ownership



Name of shareholder	Shares held (thousands)	Percentage (%)
Other corporations	16,632	61.91
Individuals and others	7,305	27.19
Banks and insurance companies	1,501	5.59
Foreign corporations	1,120	4.17
Financial instruments business operators	279	1.04
Treasury stock	24	0.09

For inquiries regarding this report: 1-100 Takamatsu-cho, Tachikawa, Tokyo, Japan 190-0011; Tel: +81-42-503-6523 (Sustainability Promotion Department)