

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.

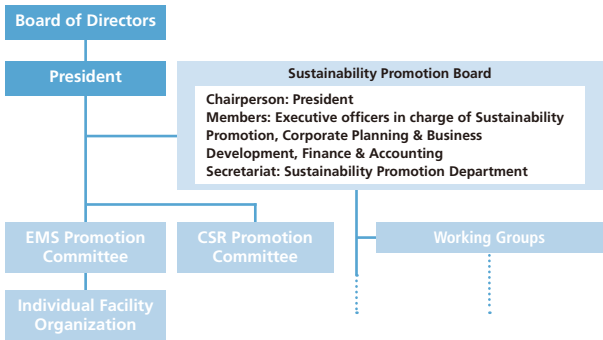
EMS Promotion Committee

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

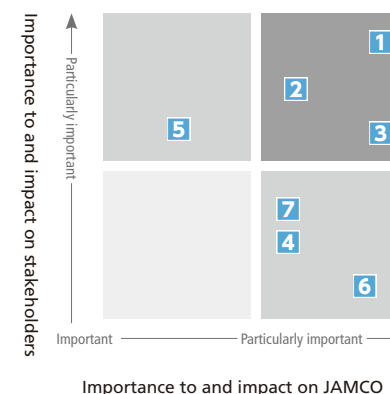
- Based on the evaluation result from STEP 2, a proposal of materiality topics was formulated through discussions involving working groups whose members consisted of representatives from the concerned business units and corporate departments, and reviewed by experts. The proposal was then examined and 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>	<ul style="list-style-type: none"> ① Reduce CO₂ emissions directly involving JAMCO products (carbon footprint, utilization of naturally derived feedstocks, materials, elements, parts, etc.) ② Make JAMCO products lighter in weight to improve the aircraft's fuel efficiency. ③ Provide weight-reduction technology, etc. to other industries. ④ Participate in relevant consortiums and contribute to industry-wide activities.
	<ul style="list-style-type: none"> a. Technological development conducive to carbon neutrality b. Productivity improvement, etc. to reduce GHG emissions and active utilization of renewable energy 			<ul style="list-style-type: none"> ① Reduce JAMCO's own CO₂ emissions by DX-based productivity improvement, implementing energy-saving equipment and facilities, etc. ② Produce renewable energy at JAMCO's in-house facilities. ③ 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. 	<ul style="list-style-type: none"> ① Identify and actively use the suppliers of recycled materials. ② Improve the recycling rate in the disposal phase. ③ 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. 	<ul style="list-style-type: none"> ① Deliver solutions that facilitate the creation of passenger-friendly spaces in air transport. ② Deliver solutions that transform air travel experience from that of passively-spent waiting time to that which evokes deep emotional response. ③ Deliver solutions that improve convenience and user-friendliness in aircraft operations and also reduce harmful effects on the environment. ④ 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. 	<ul style="list-style-type: none"> ① Conduct assessment of supply chain partners, focusing on their human rights, social, and environmental practices, and enhance cooperative relationships with them in these areas. ② Work together to reduce GHG emissions through the lifecycle of products and services. ③ 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. 	<ul style="list-style-type: none"> ① Cultivate and recruit innovation-creating human resources for new technology development and new business facilitation. ② Cultivate human resources that can respect people having different personal values (diversity) and leverage it to create new value. ③ Cultivate human resources that can work autonomously (think and act on their own initiative).
	<ul style="list-style-type: none"> a. Cultivation of human resources capable of pioneering a new future b. Development of a work environment where employees can perform their jobs in a lively manner 			<ul style="list-style-type: none"> ① Create a corporate culture where individual diversity is recognized and respected, and diverse workstyles are promoted. ② Promote the health of employees. ③ 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. 	<ul style="list-style-type: none"> ① Contribute to society by providing a quality work environment. ② 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. 	<ul style="list-style-type: none"> ① Strengthen JAMCO's risk management structure. ② Continuously improve corporate governance. ③ Enhance information disclosure for better engagement.



Ushio Itakura
Executive Officer, Technology & Innovation Center

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

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



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

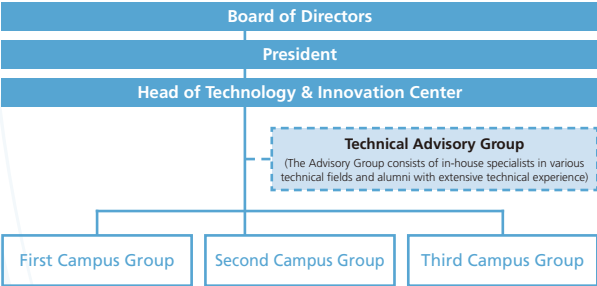
Product application research, product development research, advanced design (application and development of elemental technologies for next-generation products, design and manufacturing process innovation, product design that incorporates JAMCO Group's brand strategy)

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)

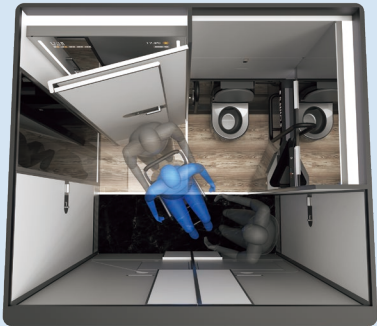
The Virtual Innovation Studio (VIS) has been completed in-house and has recently begun operations. VIS allows users to experience a sense of immersion by viewing images projected in 3D on front, side, and bottom screens through specialized VR glasses, making them feel as if they have entered a virtual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



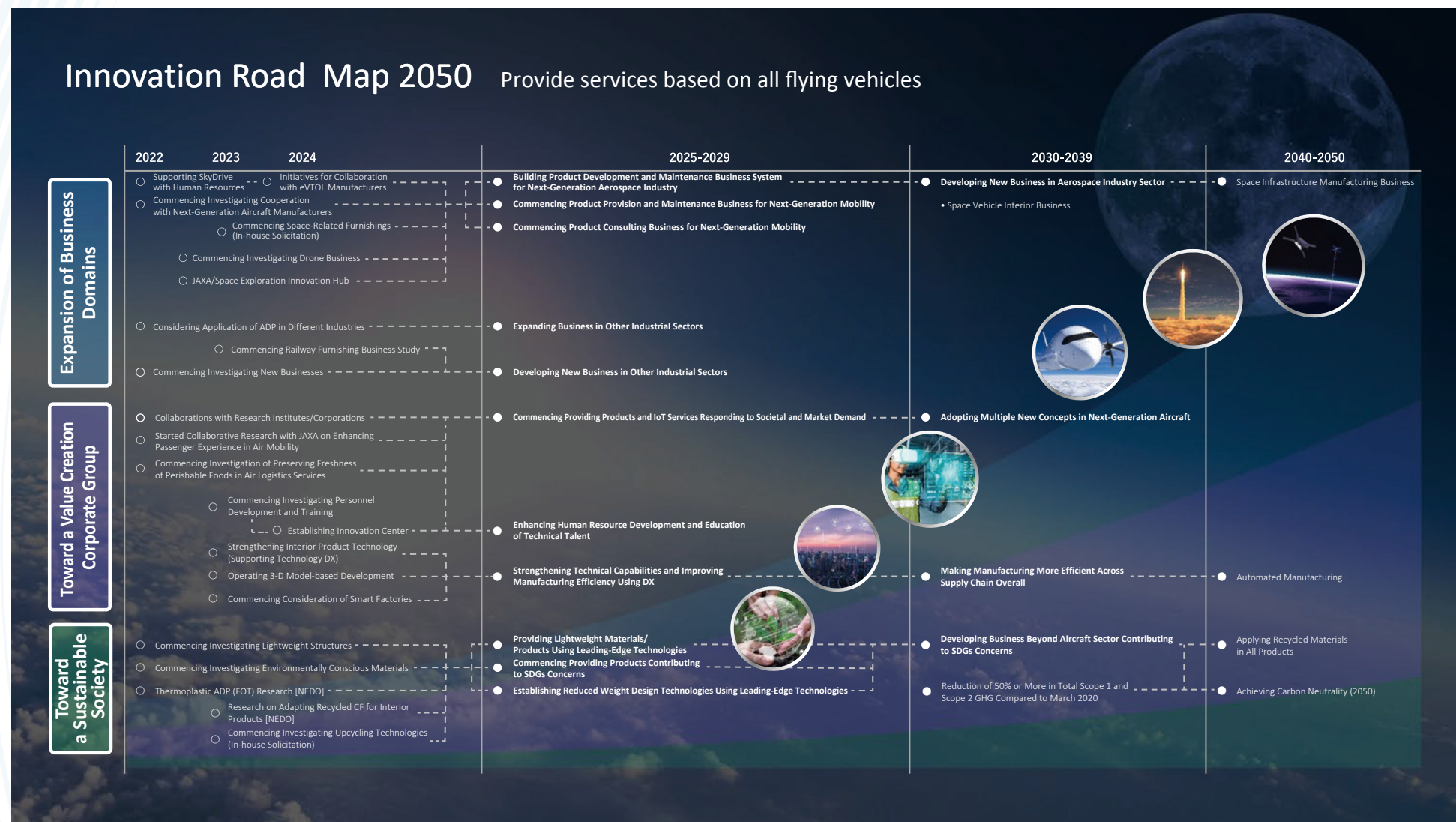
Joint research on accessible lavatories with JAXA

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.

