JAMCO's 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 JAMCO's supply chain
- Creation of lively workplaces
- Contribution to society and local communities
- Enhancement of organizational resilience

Three values the JAMCO Group will continue to create

Comfortable spaces in transport

Worthwhile environmental performance

Safe operating environments

with the aim of being a company that contributes to the realization of comfort, ease, and peace of mind in society through their provision.

Source of Value Creation

At the JAMCO Group, we continually create new value by responding to societal needs and concerns as they change with the times in pursuit of comfort, ease, and peace of mind for our customers.

Management Philosophy

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.**

Founded as a light aircraft maintenance business on September 1, 1955, we have grown tremendously, expanding our business into manufacturing aircraft parts, equipment, and furnishings. As our maintenance business developed, with a management philosophy of samurai spirit with merchant's business sense, we honed our technical capabilities until we realized our dream of building aircraft in 1965. We fulfilled this through our enthusiasm for aircraft and stubborn hard work. We maintain those technical capabilities to this day, along with our samurai spirit, which means adhering always to the highest ethics and honesty. It incorporates the idea of daring to realize our dreams and striving to contribute to happiness for our customers and employees alike, as well as the natural world and our human society, with this fighting spirit and technology.

The JAMCO Group constantly strives to provide ever better products and services, tackles reform and transformation, and puts its energies into improved technologies and higher quality. What JAMCO provides is safe flights and comfortable air travel, and the proprietary technologies that buttress these are our greatest strength. Our pursuit of new technologies that realize lighter-weight components contributes directly to CO_2 emissions reductions and environmental protection through reduced aircraft fuel consumption. Additionally, our value creation initiatives capable of contributing to sustainable society, including development of products and services that take ergonomics and diversity into consideration, and infection control measures that further improve sanitation, have earned acclaim from customers the world over.

Since our founding, we have continued to grow in personnel and technologies in a spirit of transformation, giving rise to value. What follows are the three values generated by the proprietary technologies that are JAMCO's core.

Three Values JAMCO Provides

The various values that JAMCO provides can be sorted into three main categories: Comfortable spaces in transport, worthwhile environment 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.

Providing Comfortable Spaces in Transport: Furnishings Friendly to People and the Environment

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.

Providing Worthwhile Environment Performance: Advanced Proprietary Technologies

The aerospace development sector demands engineering technologies that meet strict criteria, manufacturing facilities for reliable supply, and quality management systems for ensuring airworthiness. Beginning in 2003, JAMCO has secured JIS Q 9100 quality management system certification, and engages with quality with thorough attention to detail.

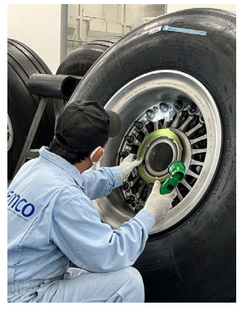
Additionally, we have accumulated such unique processing technologies as welding, heat treatment, brazing, and non-destructive inspection of the special alloys used in aircraft, and have secured certification in non-destructive inspection, composite materials, and laser machining processes from Nadcap, a global accreditation program in aerospace, for unique processes.

In CFRP aircraft structure parts, continuous molding technology from the Advanced Pultrusion (ADP) method that we developed exclusively contributes to reducing aircraft weight.

* Courtesy of Airbus

Providing 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. We contribute to the safety and progress of the aircraft industry by utilizing such accomplishments to further extend our technologies.



JAMCO's Competitive Edge: Research and Development

Our Approach to R&D Management

We strive 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. We endeavor to resolve social concerns relating to Environmental, Society, and Governance (ESG) and Sustainable Development Goals (SDGs) through sustainability and innovation initiatives.

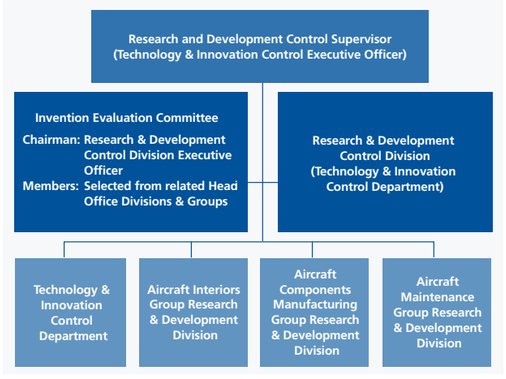
We define "Value Creation Corporate Group" as stated in JAMCO Vision 2030 as "a corporate group that carries out 'provision of comfortable spaces in transport,' 'provision of worthwhile environmental performance,' and 'provision of safe operating environments' in a next-generation mobility market," and we evolve our technologies and innovations and apply them to craftsmanship, as well as promoting research and development for providing worthwhile products and services to our customers.

Research and Development System

We group research and development into categories of basic research, applied research, and industrialization research according to the theme and its stage, and we sort and conduct these from pursuing basic technologies to research and development for commercialization.

We have established a Technology & Innovation Control Department in our head office, which carries out drafting and management of companywide technical innovation strategies and basic and applied research and development of innovative technologies.

Based on the principle of "Toward a comfortable and sustainable future using technology and quality" as per JAMCO Vision 2030, the Technology & Innovation Control Department makes the technology strategies into specific individual policies and promoting these actions with the JAMCO Group overall as their subject, so that the Group will be reborn as a value provision services corporation through craftsmanship, while evolving JAMCO technologies by innovation.



Research and Development Management

The Technology & Innovation Control Department supervises companywide research and development, and carries out R&D promotion tasks and tasks including management of such as industrial property rights under the Research and Development Control Supervisor, which is filled by the Technology & Innovation Control Executive Officer.

The Technology & Innovation Control Department and the Research & Development Groups located in each Group technology division devise what the products and services we provide should be via our Innovation Road Map 2050, and carry out such work based thereon as experimental manufacturing of new products, research into and development and adoption of new technologies, finding new markets, and basic, applied, and industrialization research as appropriate at each stage of improvement and research into existing technologies. In practical terms, the Technology & Innovation Control Department handles basic and applied research, and each Group carries out industrialization research as development directly connected to commercialization. We are building a system in which the Technology & Innovation Control Department and the Groups collaborate in commercialization from basic development to product development.

By proactively obtaining industrial assets including patents and utility models, pursuing unique technologies and applying these to products, we strive to contribute to a sustainable society.

Human Resources Development that Supports Research and Development

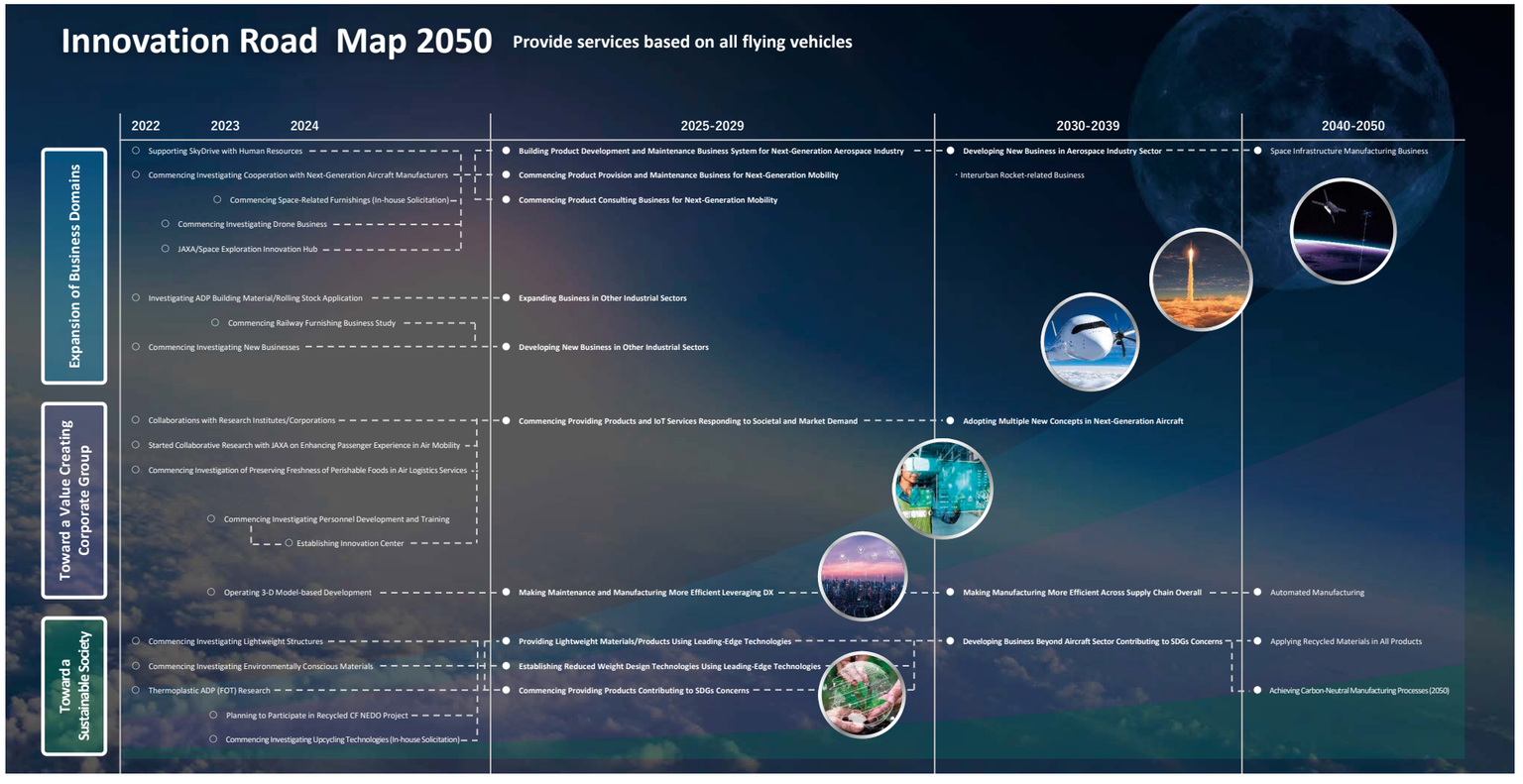
JAMCO strives to carry out securing of electronically competent personnel and reform into an innovative climate and have human resources and organizations exert their capabilities to the utmost, in order that we create products and services suited to a technology-driven world.

We devise what the products and services that we provide should be with Innovation Road Map 2050, and utilize internal and external schooling and seminars, working to increase knowledge and expertise, according to each respective short, medium, and long-term research and development area. Additionally, in relation to the technical education that forms the foundation of research and development, we share knowledge and experience, carrying out basic education of all technicians via e-learning and face-to-face education and specialized education in small groups in the Aircraft Interiors Group and Aircraft Components Manufacturing Group, and carrying out flow down education concerning all types of technologies of aircraft manufacturers in the Aircraft Maintenance Group.

For human resources involved in development, the Technology & Innovation Control Department is the core, organizing a structure capable of information exchange, i.e., knowledge accommodation, and discussion among the Groups. We also undertake, with our company at core, to collaborate with research institutions including colleges and universities, research and development institutes, and various corporations, and participate proactively in projects of all kinds aiming to resolve social concerns moving toward decarbonization, thereby working toward ongoing human resources development. We also endeavor to communicate and share our expertise, including stories of failures acquired by research and development, via lectures, etc.

Associations with Social Responsibility

We are proactively engaging toward creating innovation through such efforts as developing human resources who will carry us into the future, creating employment, and developing technologies, including interchanges with local schools, supporting education and scholarship at colleges, universities, etc., and joint research and development, etc., through collaborations with foreign corporations.



Materiality (Important Issues)

Identification of Materiality

Materiality was identified while ensuring consistency with JAMCO Vision 2030 and Action Plan 2030 (“AP2030”), which describe the future state of society that the company will strive to bring about. As such, facilitating the setting and achievement of specific goals and KPIs in a well-coordinated manner with JAMCO’s management plans will lead to successful JAMCO Vision 2030 execution.

On each of the identified materiality topics, specific measures and policy are clearly defined, for each of which the final milestone to be achieved by 2030 is specified along with the milestones that JAMCO aims to accomplish during each of the three-year periods leading up to 2030. Then specific actions are planned and executed based on the business plan for each of the fiscal years involved.

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 social issues. Then, it decided that the seven materiality issues as specified below are of particular importance, as they are linked to value creation. ①. Action toward carbon neutrality (technological development conducive to carbon neutrality; productivity improvement, etc. to reduce GHG emissions; and active utilization of renewable energy) ②. Intensified action to facilitate resource circulation ③. Achievement of comfort, ease, and peace of mind in transport spaces ④. Enhancement of trusting relationships with our supply chain ⑤. Creation of lively workplaces (development of a work environment where employees can perform their jobs in a lively manner). As for the materiality topics that are linked to the construction of JAMCO’s business foundation, the following have been identified. ⑥. Contribution to society and local communities ⑦. Enhancement of organizational resilience.

STEP1 — 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.

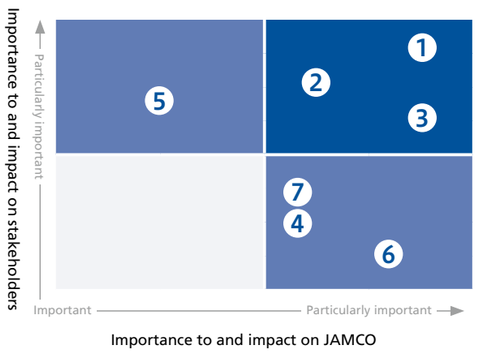
STEP2 — Evaluation of issues

- The issues identified and organized in STEP 1 and were evaluated from JAMCO’s own perspective as well as that of its stakeholders, as described below.
- 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.

STEP3 — 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.

■ Materiality Matrix



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

Policies and Actions for Addressing Materiality

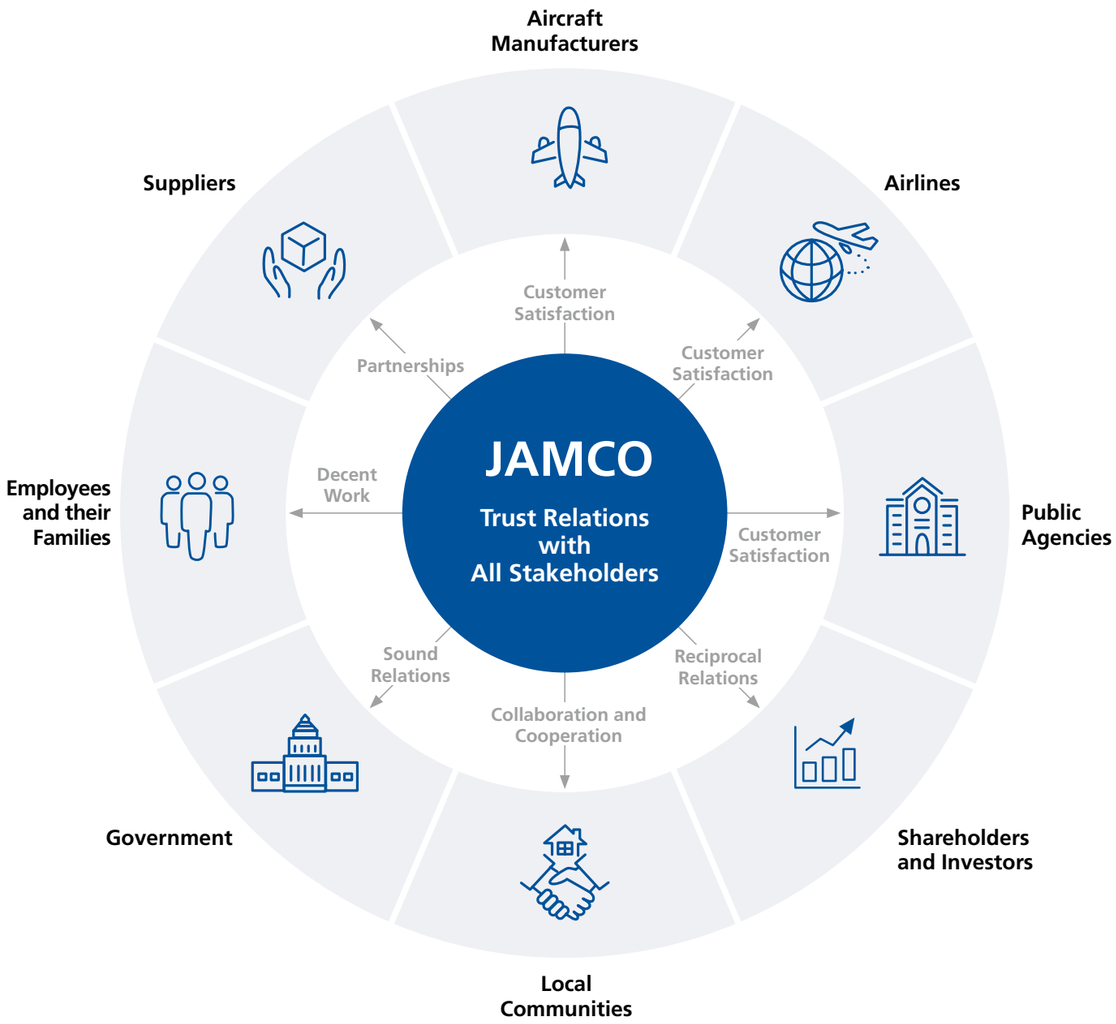
Materiality	1 Action toward carbon neutrality		2 Intensified action to facilitate resource circulation
	1-a. Technological development conducive to carbon neutrality	1-b. Productivity improvement, etc. to reduce GHG emissions and active utilization of renewable energy	
SDGs contributions	7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION; 17 PARTNERSHIPS FOR THE GOALS		9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION; 17 PARTNERSHIPS FOR THE GOALS
Vision to be realized by 2030	• Predicted climate change risks have been averted. Related business opportunities have been successfully seized • CO_2 emission reduction goal has been achieved The JAMCO Group aims to achieve carbon neutrality by 2050. **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.		• 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.
Policies and actions for addressing materiality	① Reduce CO_2 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.	① Reduce JAMCO’s own CO_2 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.	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.

Policies and Actions for Addressing Materiality

	3 Achievement of comfort, ease, and peace of mind in transport spaces	4 Enhancement of trusting relationships with our supply chain	5 Creation of lively workplaces		6 Contribution to society and local communities	7 Enhancement of organizational resilience
			5-a. Cultivation of human resources capable of pioneering a new future	5-b. Development of a work environment where employees can perform their jobs in a lively manner		
SDGs contributions						
Vision to be realized by 2030	• 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.	• 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.	• 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.		• 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.	• 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.
Policies and actions for addressing materiality	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.	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.	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).	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.	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.	① Strengthen JAMCO's risk management structure. ② Continuously improve corporate governance. ③ Enhance information disclosure for better engagement.

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, and carries out sustained dialogue with all stakeholders. 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.



Dialogue with Stakeholders

We have created a query form on our corporate site for queries from outside stakeholders, and we share opinions and requests received via this form with concerned divisions and respond promptly.

We consider dialogue with stakeholders to contribute to our sustained growth and improving medium- to long-term corporate value, and conduct such dialogue proactively. Of these, we have created the following opportunities for sites of dialogue with investors.

Sites of Dialogue with Investors

1. We hold scheduled semi-annual Financial Results Briefings and annual Factory Tours for institutional investors. The COVID-19 pandemic affected our FY2022 Financial Results Briefings, with the May briefing held both live and livestreamed, and the November briefing held with infection measures fully implemented. Video was subsequently posted to our corporate site. The Factory Tour was suspended.
2. We respond to requests, etc., from institutional investors with one-on-one meetings *1 and small meetings *2.
3. We hold irregular briefings for individual investors from time to time.
4. We hold Factory Tours for individual shareholders. These activities were suspended in FY2022 owing to the COVID-19 pandemic.
5. Proceedings of ordinary shareholders' meetings are livestreamed. We also have social gatherings with shareholders on meeting days.

*1 One-on-one meetings with institutional investors and analysts.
*2 Small group meetings, distinct from Financial Results Briefings.

Special Feature

Meeting the Challenge of Decarbonization

Contributing to decarbonization, i.e., going carbon neutral, is a crucial concern for society as a whole as well as for the aviation industry. We are drawing on our expertise to-date in having researched, developed, and delivered carbon fiber to the aircraft sector and striving toward a new era of mobility by pursuing lighter-weight aircraft and utilizing renewable energy.

Action Toward Carbon Neutrality Through Business

■ Initiatives in Manufacturing

In advancing the businesses of manufacturing aircraft interiors and instruments, as well as aircraft maintenance, the majority of our facilities are in Japan, and we are aware that converting the energy these domestic facilities use to energy from natural sources is the first step in our decarbonization efforts. Another crucial policy is initiatives to reduce energy usage in facilities and infrastructure relating to our manufacturing and maintenance services.

Beginning FY2023, we are investigating such initiatives as adopting solar power infrastructure in our domestic facilities and refining production technologies in our manufacturing processes, as we undertake to strive for business development in low-energy manufacturing and maintenance processes.

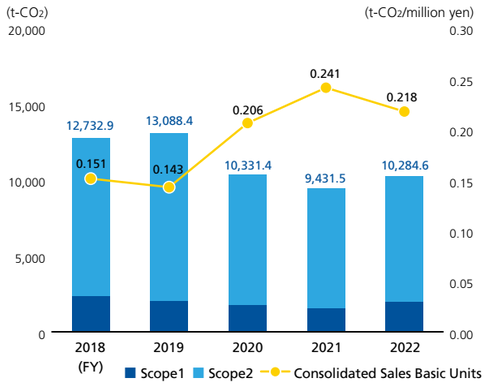
As we proceed by trial and error to realize our customers' demands in product development and research into innovative technologies, we proceed with such initiatives as giving feedback in the form of statements to our customers aimed at utilizing sustainable materials and parts, as well as participating in consortia for such as development of technologies for decarbonization in the aircraft industry overall, continuously devoting ourselves to creating new technologies.

■ Promoting Further Greenhouse Gas (GHG) Emissions Reductions

We are taking steps to reduce energy usage by using LED lighting, replacing company vehicles with electric vehicles (EV), and optimizing the settings of compressors, air conditioners, etc.

Turning to further initiatives, we will proceed to further reduce energy use by actions including greater efficiency and automation of our plants through such steps as promoting digitization and DX, and introduction of solar power and other renewable energy, to achieve our GHG emissions reduction target of "50% or greater reduction from FY2019 levels in total Scope 1 and Scope 2 of the Group overall by 2030, and striving to realize being carbon neutral by 2050."

GHG Emissions



■ Supply Chain-wide GHG Emissions Reductions

Beginning FY2022, we are undertaking to compute and comprehend our GHG emissions for disclosures based on the statement framework of the Task Force on Climate-related Financial Disclosures (TCFD).

Having completed building the scheme for computing Groupwide Scope 1 and Scope 2 CO_2 emissions, we have been making these computations continually since FY2022. We are undertaking to build a scheme for computing Scope 3 throughout our supply chain.

Regarding particular CO_2 emissions reduction plans, in addition to our existing Groupwide energy saving activities and proactive upgrades to energy saving infrastructure, we are accelerating initiatives aimed at building systems that convert our manufacturing and maintenance plant production into economical, efficient operating processes and installing solar power infrastructure. Turning to CO_2 emissions reductions across our product lifecycle, we are proactively proceeding with deliberations with our various subcontractor corporations as part of our Scope 3 emissions reduction efforts.

Q&A Contributing to a Future of Decarbonization Throughout the Airline Industry

Ushio Itakura
Senior Advisor, General Manager, Technology & Innovation Control Department

Addressing the Challenges on "Decarbonization" and "Weight Reduction" based on Aviation Safety First Policy

Q Regarding developing business based on the aviation industry, what are you focusing on most in technology research and development on sustainability?

A We are carrying out our research and development with an awareness of how we can contribute to the industry as a whole, including aircraft operation by airlines in addition to merely how much we can contribute to decarbonization through such as the products and services that we provide. For example, by reducing the weight of galleys, lavatories, passenger seats, etc., aircraft weight is reduced, allowing jet fuel saving which enables to reduce GHG emissions. By also recovering materials that are generated through such as manufacturing processes of aircraft parts and products in a recyclable form, and using such materials in other aircraft products, we are able to upcycle members that were previously thrown out, allowing us to contribute to building a material circular ecosystem as well.

Q The social concern of decarbonization (low-carbon) is also difficult in terms of the function of aircraft that use jet fuel. What trials or concerns have there been in terms of contributing to improved fuel consumption through lighter weight furnishings, etc.?

A The most important thing for developing sustainability in the aviation industry is not to sacrifice aircraft safety. For example, however low the impact a material may have on the environment, we are not able to assure aircraft safety if it easily catches fire or cannot bear the required load. Regarding lighter weight cabin interiors as well, aircraft safety comes first, and the question is, with that in mind, to what extent can we reflect the innovations for decarbonization on top of that.

Development and Installation Case Histories

Q Aside from decarbonization research and development, what kinds of product development are you proceeding with in sanitation terms for passenger safety and security in the COVID-19 era?

A While many lavatories are fitted with doors that fold inward for efficient use of space, it is necessary with doors of this type to grab a handle by hand when opening from inside, and thus, there have been passengers who have been concerned about sanitation during the COVID-19 pandemic. To this end, with the cooperation of ALL NIPPON AIRWAYS CO., LTD., we have developed, while considering customer comments as well, a hands-free door handle that can be easily opened with an elbow or other body part so that these doors can be opened without using hands, and it has been adopted by the airline.

Q What other problems would you like to attempt to solve going forward?

A When thinking about a given product's sustainability, it would be ideal if we could think about its lifecycle, from when the product's materials are made to when it is used as part of an aircraft to when the aircraft reaches its full lifespan and is retired from service and dismantled, and then we could take those parts or materials of the products that have fulfilled their purpose, recycle them again, and remake them into products that would be part of an aircraft once more. I would like for us to undertake research and development of technologies that would support thus being able to drive this material circularity in the aviation industry.