

NORITAKE CO., LIMITED

3-1-36, Noritake-shinmachi, Nishi-ku, Nagoya, Aichi 451-8501, Japan
<https://www.noritake.co.jp/eng/>

Inquiries

GENERAL ADMINISTRATION DEPT.
CORPORATE ADMINISTRATION GROUP,
SUSTAINABILITY PROMOTION OFFICE
TEL: +81-52-561-7110 FAX: +81-52-561-9721



NORITAKE CORPORATE REPORT 2024

EN

Noritake

Contributing to society through our businesses—this is the philosophy to which our company adheres.

Against the backdrop of global climate change, environmental issues, and human rights concerns, the world is facing a variety of challenges. Amid these, the Noritake Group strives to contribute to the global environment, a convenient society, and the people's well-being through its business activities, and contribute to the realization of a sustainable society by addressing these challenges. In order to fulfill our social responsibilities, maintain trust from society, and remain an essential presence, we have reorganized the Noritake Creed, which was formed when the company was founded, as the Corporate Motto and the Noritake Group's Code of Ethics, and we ensure that all employees are familiar with them.

「我力社ノ精神」

一、海外貿易ハ四海兄弟人權拡張共同幸福ヲ得テ永ク世界ノ平和ヲ保チ国家富強ノ元ヲ開キ将来国家ニ志ス者ノ執ルベキ事業ト決心シ創立シタル社中也

一、私利ヲ不樂「身ヲ犠牲トシ後世国民ノ発達スルヲ樂トスルヲ目的トス」

一、至誠ヲ心トシ信実ヲ旨トシ約束ヲ違ハサル事

一、ウソヲツカズ慢心イカリ驕リ怠り私欲ヲ慎ム事

一、身ヲケガサナカレ朋友ハ肉身ヨリ大切ナリ和合共カスル時ハ其功德金錢杯ノ及フ所ニアラズ終生ノ神靈ナリ

一、天ノ道ヲ信スヘシ天ハ人ノ為ニ万物ヲ經營シ寸時モ休ム事ナシ

右ノ條々ヲ鉄石心ヲ以テ勇氣昇天ノ如ク確守スベシ修養シテ怠ラサレハ心神ノ至誠天ニ通スベシ

The Noritake Creed

In 1909, Ichizaemon Morimura, one of Noritake's founders, set down "The Noritake Creed," the philosophy to which our company is to adhere. Outlining concepts such as "Harmonious Coexistence and Co-prosperity," "Social Contribution," "Trust First," and "Integrity and Cooperation," have been upheld to this day, conducted by every member of the company.

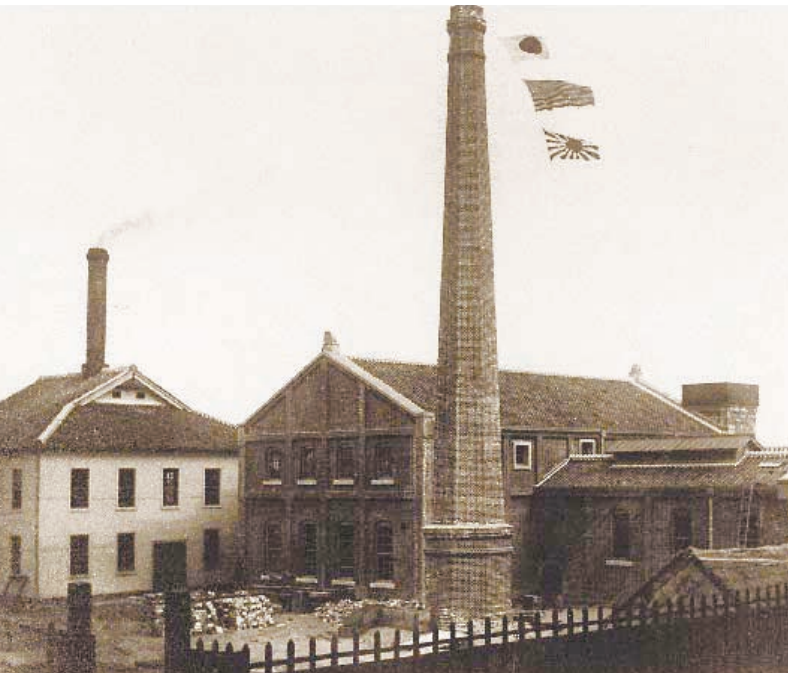
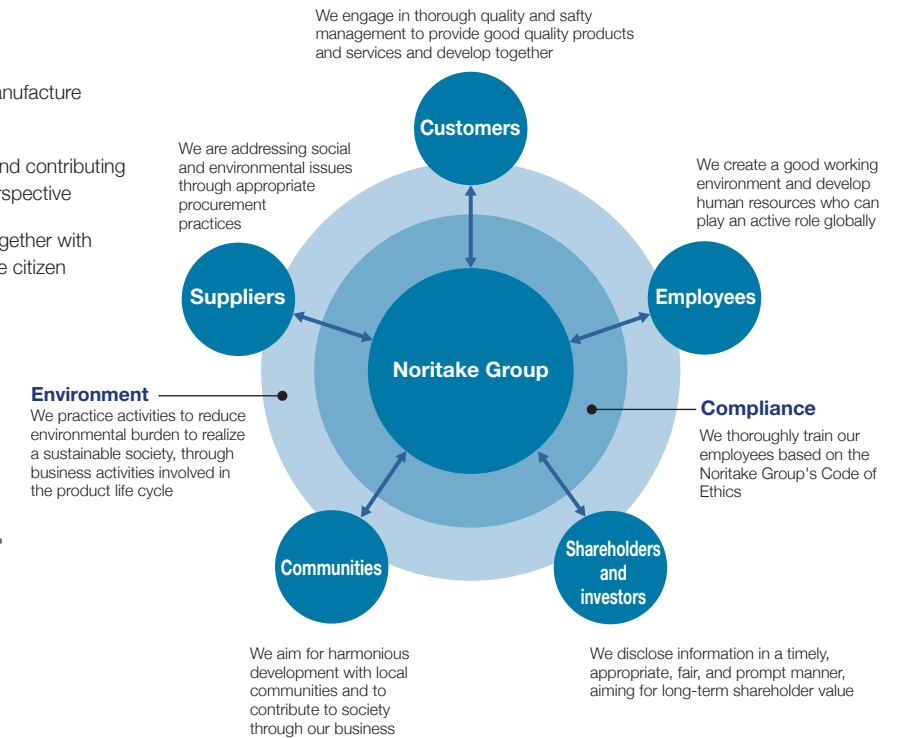
Corporate Motto

- Good Quality** Making all-out efforts to manufacture the finest quality products
- Export** Pursuing internationalism and contributing to society from a global perspective
- Co-prosperity** Growing and developing together with society as a good corporate citizen

Noritake Group's Code of Ethics

Ethics Standards

- Put in practices Noritake's corporate motto of "Good Quality, Export, and Co-prosperity"
- Observe the laws, regulations and social norms
- Respect for human rights
- Preserve the global environment and contribute to affluent and comfortable local communities
- Disclose information to shareholders, customers, and local communities



The Headquarters Plant at the company's founding (1904)



Firing plant for mixed-firing of tableware and grinding wheels (around 1940)



Welcome Center (technology corner)



NORITAKE GARDEN

Contents

01 Creation of Value

- 1. Corporate Philosophy P01
- 2. Message from the President P05
- 3. Strengths Cultivated through History P13
- 4. About the Noritake Group P15
- 5. Performance Highlights P17
- 6. Value Creation at Noritake P19
- 7. Noritake's Management Capital P21
- 8. Materiality P23

02 Noritake's Growth Strategy

- 9. Noritake's Growth Strategy P25
- 10. Human Resource Strategy P28
- 11. Research & Development P31
- 12. Business Overview
 - Industrial Products Business P33
 - Ceramics & Materials Business P35
 - Engineering Business P37
 - Tabletop Business P39

03 Sustainability

- 13. Sustainability P41
- 14. Contribute to the Global Environment P43
- 15. Contribute to a Convenient Society P52
- 16. Contribute to the People's Well-being P57
- 17. Strengthen the Foundation P64
- 18. Management Structure P71

04 Financial and Company Data

- 19. Financial Highlights P73
- 20. Non-Financial Highlights P74
- 21. Financial Summary P75
- 22. Non-Financial Summary P76
- 23. Company Overview P77

Editorial policies

Noritake issues this report with the aim of communicating with stakeholders and gaining their understanding of the company. We actively disclose information on our management plans, our business performances, and our initiatives involving society, environment, and corporate governance.

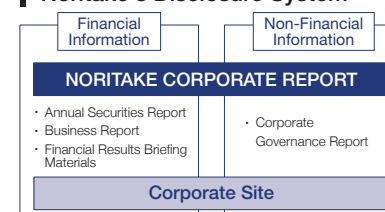
Guidelines referenced

GRI (Global Reporting Initiative) Standards, Ministry of Economy, Trade and Industry "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation," International Organization for Standardization "ISO26000"

Period covered

Fiscal 2023 (April 1, 2023 to March 31, 2024)
Some fiscal 2024 activities are also included in the report.

Noritake's Disclosure System



Forward-looking statements

Performance outlooks and other forward-looking statements contained in this report are prepared on the basis of currently available information and on assumptions considered to be reasonable. Please be aware that actual performance may differ due to various key factors.

Visit our website

The content of this report and more detailed IR information can be viewed on our website.



Organizations covered

Noritake Group
Some non-consolidated information of NORITAKE CO., LIMITED is included in this report. NORITAKE CO., LIMITED underwent a change of Japanese trade name on July 25, 2024.



Top Message

Celebrating its 120th anniversary, the Noritake Group takes a new step forward. We will continue to take on challenges to achieve our vision.

Representative Director and President

A. Higashiyama

Assuming the Presidency

On January 1, 2024, we celebrated our 120th anniversary. I would like to take this opportunity to thank all of our stakeholders, including customers, shareholders, and other stakeholders who have supported the Noritake Group to date.

I assumed the position of president as of April 1, 2024. As the world changes at an extremely rapid pace, the Noritake Group must respond quickly to changes in society and actively pursue reform.

Looking back, when I first joined the company, I was engaged in dealing with equipment such as mixing and stirring machines. Since it was a new business at that time,

I have been responsible for all aspects from manufacturing, sales, and technology while learning on the job. No matter the situation, I always took my job and myself as "I am the one to be responsible here". Coming up new products and cultivating new markets never came without difficulties, but completing such tasks also brought great joy.

This experience of taking on challenges without fear of failure has become the foundation of who I am today. Making the most of what I have cultivated over the years, I am committed to ensuring that the Noritake Group continues to grow and be a company that contributes to society.

Transformation for Further Growth

The Noritake Group has designated three business fields as its growth areas—the environment, electronics, and well-being. We are advancing "concentration in core competence" and is transitioning from our conventional fundamental business fields (internal combustion engines, ceramics, etc.) to advance the reform of our business portfolio. In fiscal 2023, we made significant investments aimed to increase the production of electronic component raw materials for multi-layer ceramic capacitors and heating

furnaces for lithium-ion batteries. We will continue to enhance our corporate value through a virtuous cycle of profits and investments.

We are determined to advance our transformation for further growth of the Noritake Group. To achieve this, we are enhancing our speed and response to change specifically through three initiatives: corporate innovation, cultivating new business, and organizational culture reform.

Three Approaches to Improve Our Speed and Response to Changes

In order to make the Noritake Group sustain and develop for the future, we must transform ourselves in line with changes in the world. While tradition must be valued, I have a strong fear that if we stick to our conventional manner, we may fail to respond timely to changes in the world. For this reason, we will first engage in "corporate innovation." Aiming to be a vibrant Group, we will steadily implement necessary measures for Noritake, including creation of a better working environment through system changes, facility and equipment upgrades, and reorganization of workplaces (Wellness Factories) as a means of creating a comfortable working environment for improving employee engagement.

Our second approach is "cultivating new business." From

the development stage of a business to commercialization, we will work on two axes: creating a cross-organizational structure that brings together the knowledge of the entire Group, and breaking away from self-reliance, such as collaborating with other companies and public institutions.

In the past, development at Noritake has been conducted vertically by each section. If we were trapped in the conventional organizational structures, new innovative products or technologies would be difficult to emerge. To create new products, it is essential that every employee works with their own initiatives and maximizes their capabilities. Therefore, we have gathered the appropriate human resources from across the organization and started

building a system that enables us to create new products through an optimal process, bringing knowledge of manufacturing, sales, and engineering together from the development stage. It can often take five or ten years to bring a new product to market. It requires tenacity to take on a variety of challenges. We need to point out the potential new products and nurture them one by one at its right time. At the same time, the current business climate demands speed above all else.

Thus, we will break with our conventional culture of self-reliance, and advance efforts to accelerate development speed and anticipate the needs of the times by collaborating with external resources.

The third approach is "organizational culture reform." Aiming to be a company that adapts to a changing society, we will create an organizational culture in which challenges are evaluated. Noritake has always been a company with a

mild corporate culture that responds to customer requests with sincerity. While protecting the excellence of Noritake, we believe that developing human resources who take on new challenges and move forward with a sense of speed will contribute to the company's growth. To this end, we have introduced a new personnel system with the keyword: challenge. We aim to create a virtuous cycle in which the company grows by evaluating the attitude of employees who take on challenges even if they experience failures and encourage them to use their experiences as a means for personal growth. We also aim to transform ourselves into a company where every employee can have even greater dreams than they have today.

While the path Noritake will take is by no means flat, we will steadily advance these three approaches as a driving force of our growth.

The 12th Three-year Business Plan (Fiscal 2022 to 2024)

Review of Fiscal 2023 and Business Overview

As economic activities normalized, the domestic economy in fiscal 2023 experienced a moderate recovery, with a gradual increase in consumer spending and steady capital investment while corporate profits improved. Overseas, the U.S. economy expanded as consumer spending remained strong despite a rise in policy interest rates due to high inflation. In China, recovery stalled due to the downturn in the real estate market, while Europe experienced stagnation. Although a gradual recovery is expected to continue in Japan, the global economic outlook remains uncertain due to factors such as global financial tightening, the upcoming U.S. presidential election, the slowdown in the Chinese economy, and heightened geopolitical risks surrounding the situation in Ukraine and the Middle East.

Under these circumstances, despite a decrease in sales compared to the previous year, our Group's performance in fiscal 2023 increased due to an improvement in the profit margin and the effect of the yen's depreciation, resulting in a record high consolidated ordinary profit. Nevertheless, changes in social conditions and other factors that were

unforeseen at the time of formulating the 12th Three-year Business Plan had a significant impact, and there were many areas where progress was not made as planned in each of our businesses. Therefore, we reaffirmed the importance of responding with a sense of urgency to changes in the world.

Progress of the 12th Three-year Business Plan

Looking ahead to fiscal 2030, the 12th Three-year Business Plan, which covers the three years from fiscal 2022 to 2024, is positioned as a period for enhancing the revenue base and preparing for growth areas. To strengthen our revenue base, we will restructure unprofitable products and businesses, improve profitability and rationalize operations. To prepare for growth areas, we are working to increase production, expand sales, and strengthen our management base.

We will strengthen our management base by advancing company-wide initiatives under four themes: creation of new businesses, organizational culture reform, establishment of a sustainability management system, and promotion of digital transformation.

1. Creation of New Businesses

We will search for new business themes on a company-wide basis and establish a commercialization process that will lead to the creation of new businesses.

In fiscal 2023, to accelerate the search for development themes at the company-wide level, we initiated a proposal system that invites development themes from all employees and began operating the Stage-Gate system, a new development process for commercialization. Additionally, we will work firmly to create new businesses, including developing new products, expanding applications of existing technologies, exploring new markets, and establishing a framework for promoting open innovation. Going forward, we will solidify and improve the commercialization processes, including the development theme proposal system, and enhance our open innovation

framework. By strengthening collaborations with public institutions, startups, partner corporations and other companies, we will further accelerate the speed of our efforts towards creating new businesses.

2. Organizational Culture Reform

In order to realize the organizational culture for the long-term vision for fiscal 2030 (ideal target), we are promoting the development of a personnel system and work style reforms to foster a challenging spirit for employees and improve their engagement.

We revised our personnel system in fiscal 2023 and introduced it in April 2024. The three pillars of the new personnel system are: (1) fostering an organizational culture that encourages employees to take on challenges, (2) developing a system that rewards employees for their

contributions, and (3) promoting the active participation of diverse human resources. To achieve these, we revised our evaluation system to encourage employees to take on challenges, enabled the early promotion of talented individuals, and raised the retirement age. In addition, we conducted an engagement survey for all employees, and began using the results to set issues and plan measures. We will now work to establish the new personnel system to foster a challenging spirit for employees and aim to enhance engagement through promoting work style reforms and other measures.

3. Establishment of Sustainability Management System

To resolve social issues to realize a sustainable society, we have established a sustainability management system and promote various initiatives, including achievement of carbon neutrality and response to risks such as climate change.

In April 2023, we established the Sustainability Management Committee and launched a management structure that promotes initiatives oriented towards materiality based on the Sustainability Fundamental Policy. In April 2024, we added a Risk Management Committee under this committee to identify risks of high importance to the Noritake Group and to formulate specific countermeasures.

In fiscal 2024, we will continue our efforts to achieve the targets set with respect to our materialities, while reviewing our materialities and setting new medium- to long-term targets.

4. Promotion of Digital Transformation (DX)

In order to improve productivity and technological capabilities and to enhance customer responsiveness, we will establish a DX promotion system and promote process innovations utilizing digital technologies.

In fiscal 2023, to strengthen the foundation for promoting business process reforms utilizing digital technologies, we initiated process improvement using visual representation of processes and data, along with a development program for "DX Promotion Leaders" who will serve as core personnel. In the future, we will set up a DX Promotion Committee to develop a DX promotion system to solve issues toward realizing our Long-term Vision (ideal target) and will continue to strive to reform business processes using digital technologies and cultivate DX human resources.

Initiatives in Growth Area

We have designated the environment, electronics, and well-being as growth areas and are implementing various strategies for these.

In the environment area, we are expanding sales of tools for EV-related parts, building business models related to the circular economy, and advancing new business development in the battery sector. In the electronics area, we are expanding into the electronics and semiconductor sectors to which we made additional investments in fiscal 2023 and are working on developing next-generation products. In the well-being area, we are developing grinding wheels for syringe needles and equipments for medical and cosmetic fields. We also provide tableware with special shape and texture to light up the dining space.

Enhancement of Human Capital

In pursuit of realizing the Noritake Group's long-term vision, we redefined the human resource profile required for executing business strategies, defined our targeted talent portfolio, and formulated a new human resource strategy. In fiscal 2024, in line with this human resource strategy, we began to plan and implement specific measures in recruitment and human resource development. In addition to developing and strengthening our existing human

resources, we will focus more on securing new human resources to achieve our targeted talent portfolio. Additionally, to improve employee engagement, we took measures to strengthen our human capital and improve our infrastructure. For example, we have revised our personnel system, introduced a talent management system, and taken other steps.



Management with an Awareness of Capital Return

To achieve sustainable growth and enhance corporate value over the medium to long term, it is necessary to practice management with an awareness of capital cost and return.

In our 12th Three-year Business Plan, we have set a target return on equity (ROE) of 9% for fiscal 2024 and have been working to generate profits that exceed the cost of shareholder equity. From fiscal 2024, we will set targets for return on invested capital (ROIC) for each business segment and advance measures to further enhance capital return, while also appropriately allocating management resources by reviewing our business portfolio.

The price-book value ratio (PBR) improved significantly in fiscal 2023, but has remained below one, and we recognize the need for improvement at an early stage. We will proceed with the transition to growth areas determined in the 12th Three-year Business Plan. We are also working to improve capital efficiency through the reduction of cross-shareholdings and strengthening investor relations activities. Furthermore, we work to expand information disclosure, such as publishing the information in English. We will continue to practice management with an awareness of capital costs and stock prices to achieve sustainable growth and increase corporate value.

Strengthening Corporate Governance

In fiscal 2023, we recognized the strengthening of corporate governance as an issue to be addressed to improve the effectiveness of the meeting of the Board of Directors. We worked on the following issues: revision of our business portfolio based on capital costs; investment in human capital based on long-term strategy, and development and execution of a human capital strategy; and strengthening risk management.

With respect to revision of our business portfolio considering capital costs, the progress of the Three-year Business Plan and the transition of the business portfolio are reported regularly to the meeting of the Board of Directors.

Regarding investment in human capital based on long-term strategy and formulation and execution of a human resource strategies, we have quantitatively identified the state of our current talent portfolio considering the image of necessary human resources we require. We are also promoting disclosure of human capital to realize a business strategy for our Long-term Vision for 2030.

For strengthening risk management, we have conducted an

analysis and evaluation of risks surrounding our Group and identified high-priority risks. The Risk Management Committee established in April will formulate specific countermeasures for such high-priority risks.

Regarding executive compensation, we introduced an annual performance-linked stock compensation system from fiscal 2024 with the aim of encouraging stock ownership, motivating Executive Officers to achieve higher performance, and heightening their awareness of their contribution to increased shareholder value.

All these initiatives are reported and discussed at the meeting of the Board of Directors, and we work to implement them appropriately and reliably.

The status of dialogues with shareholders at earnings announcements, IR meetings, and individual interviews is also fed back to the meeting of the Board of Directors on a regular basis to be appropriately reflected in management and to lead to sustainable growth and enhance corporate value over the medium to long term.

To Our Stakeholders

The Noritake Group regards the return of profits to shareholders as a key management policy. From the interim

dividend with a reference date of September 30, 2023, we have added a consolidated dividend payout ratio of 30% or

more for the full year to our existing policy of “stable dividends over the long term.” Based on this dividend policy, the year-end dividend for fiscal 2023 was 130 yen per share (combined with the interim dividend, the annual dividend was 250 yen).

Additionally, to improve the liquidity of our shares and expand our investor base, we implemented a two-for-one stock split of ordinary shares with an effective date of April 1, 2024, to reduce the investment unit price.

To mark the occasion of our 120th anniversary, we changed our Japanese corporate name in July 2024. Since our founding, we have been providing products in a wide range of fields, from automobiles and steel to electronic components and battery materials, with ceramics-related technologies at the core. This name change unifies the widely familiar brand name “Noritake” with our corporate

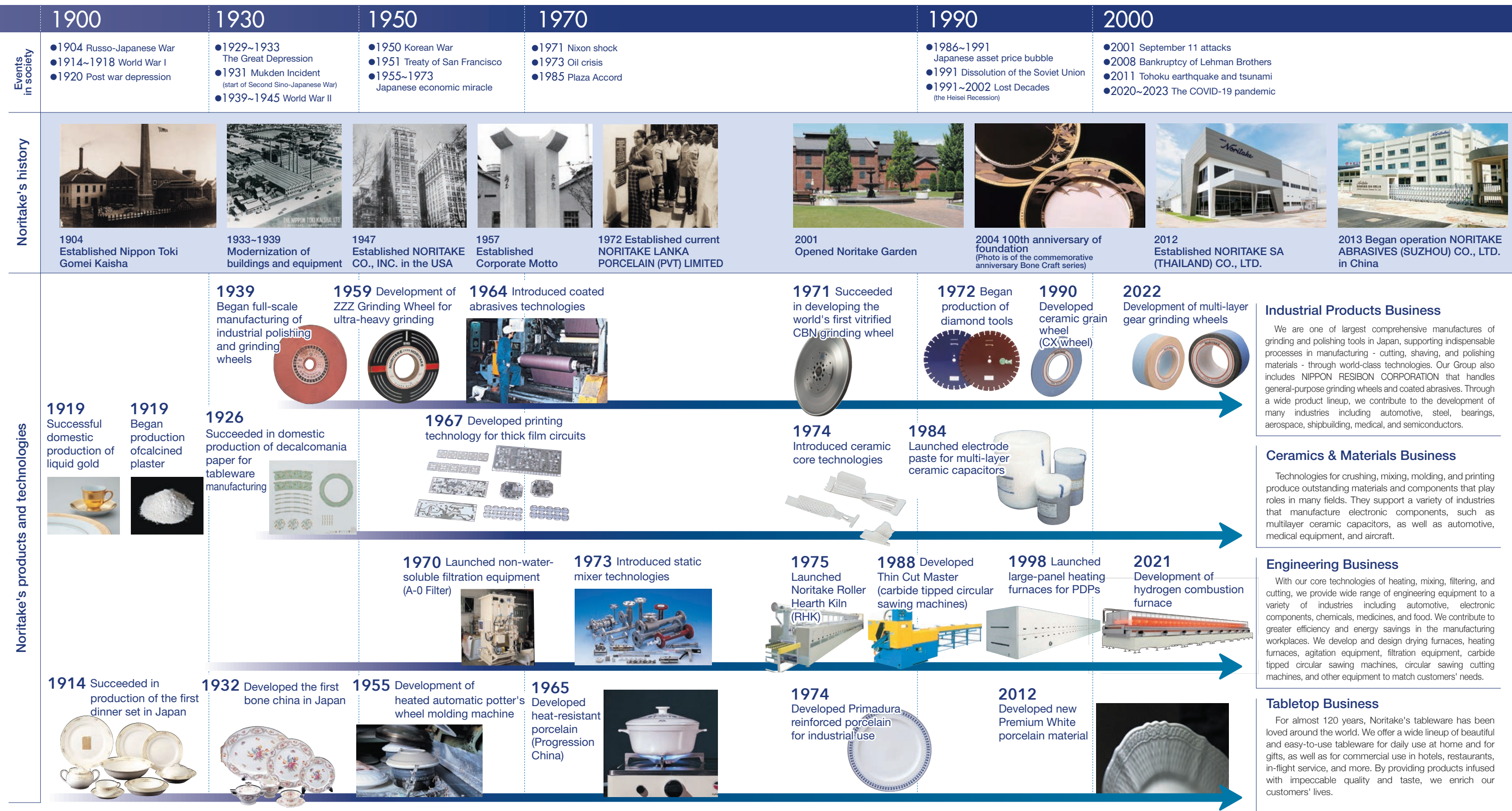
name, aiming to further enhance brand recognition and express our determination to expand business further and increase corporate value towards realizing our Long-term Vision (ideal target). For the purpose of achieving our long-term vision of becoming a driving force essential for today’s changing society, we will steadily advance the three initiatives described at the beginning: corporate innovation, cultivating new business, and organizational culture reform.

The Noritake Group has made a significant step toward the future. We sincerely listen to the opinions of our stakeholders—shareholders, customers, business partners, employees, and local communities—and steadily advance reforms one step at a time by taking on challenges. We look forward to your continued support.



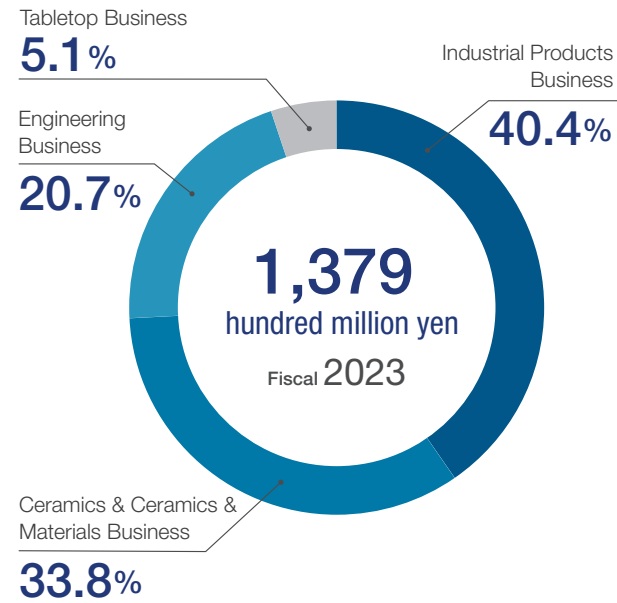
Noritake has been creating new value to meet the diversifying social environment and needs that are evolving with time.

Since its foundation, the Noritake Group has applied and developed a range of proprietary technologies, and currently operates its business in four main areas. We will continue to meet demand for new needs that are ever-evolving with time, and focus on creating new value that further enriches the lifestyles and society of people everywhere.

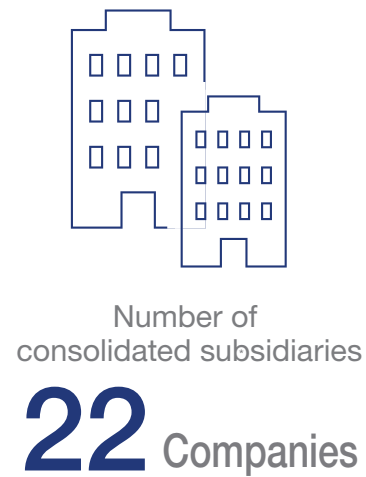
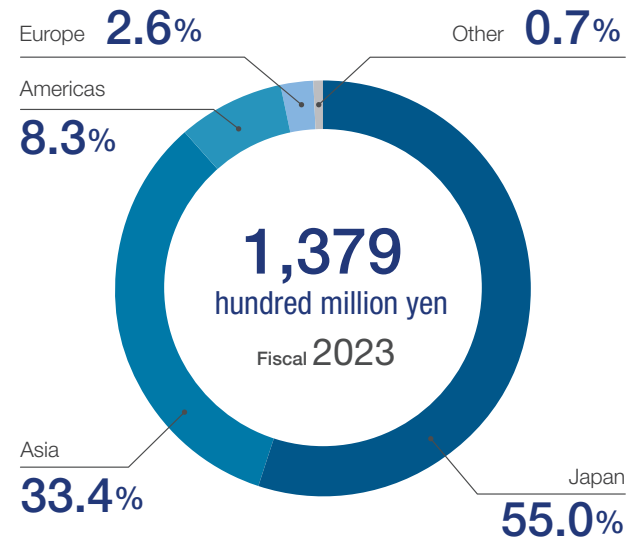


About the Noritake Group

Net sales composition ratio by segment

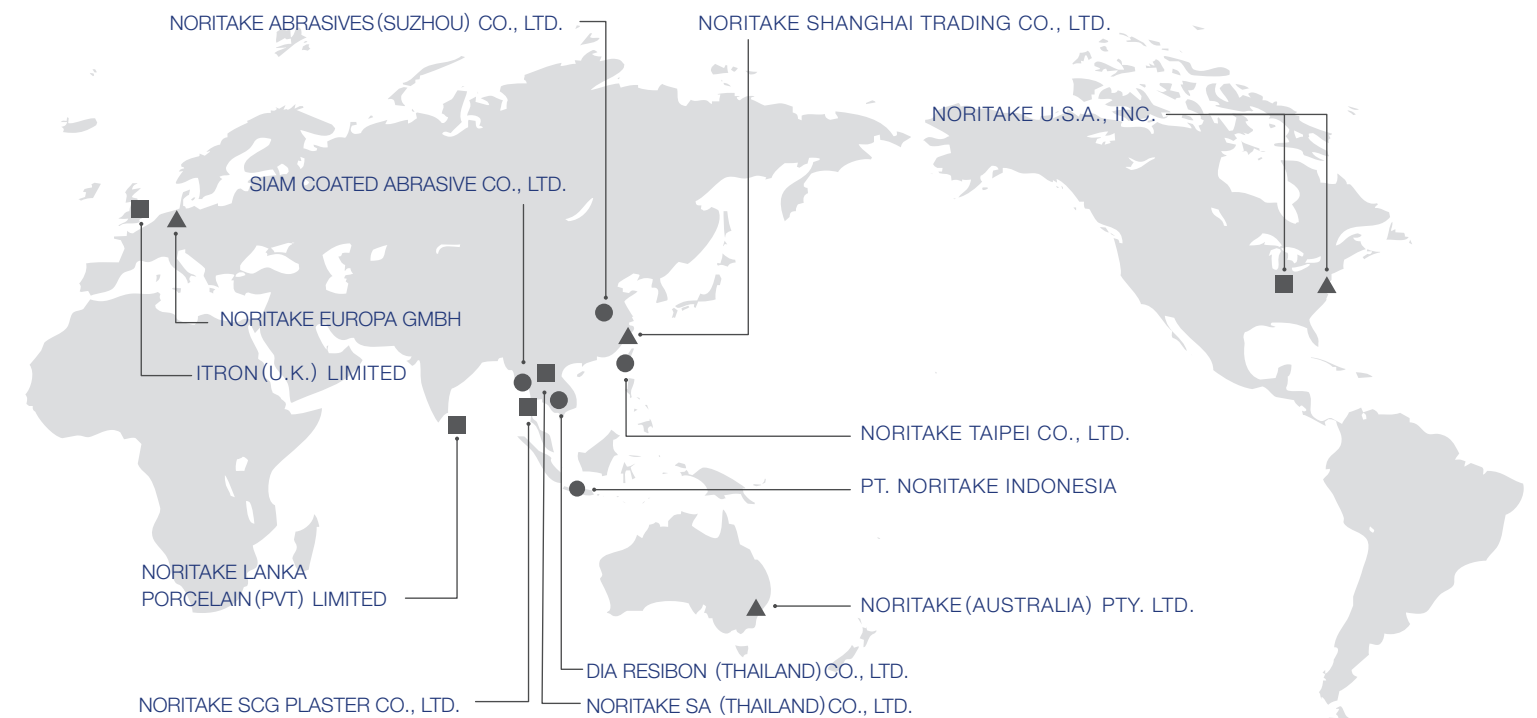
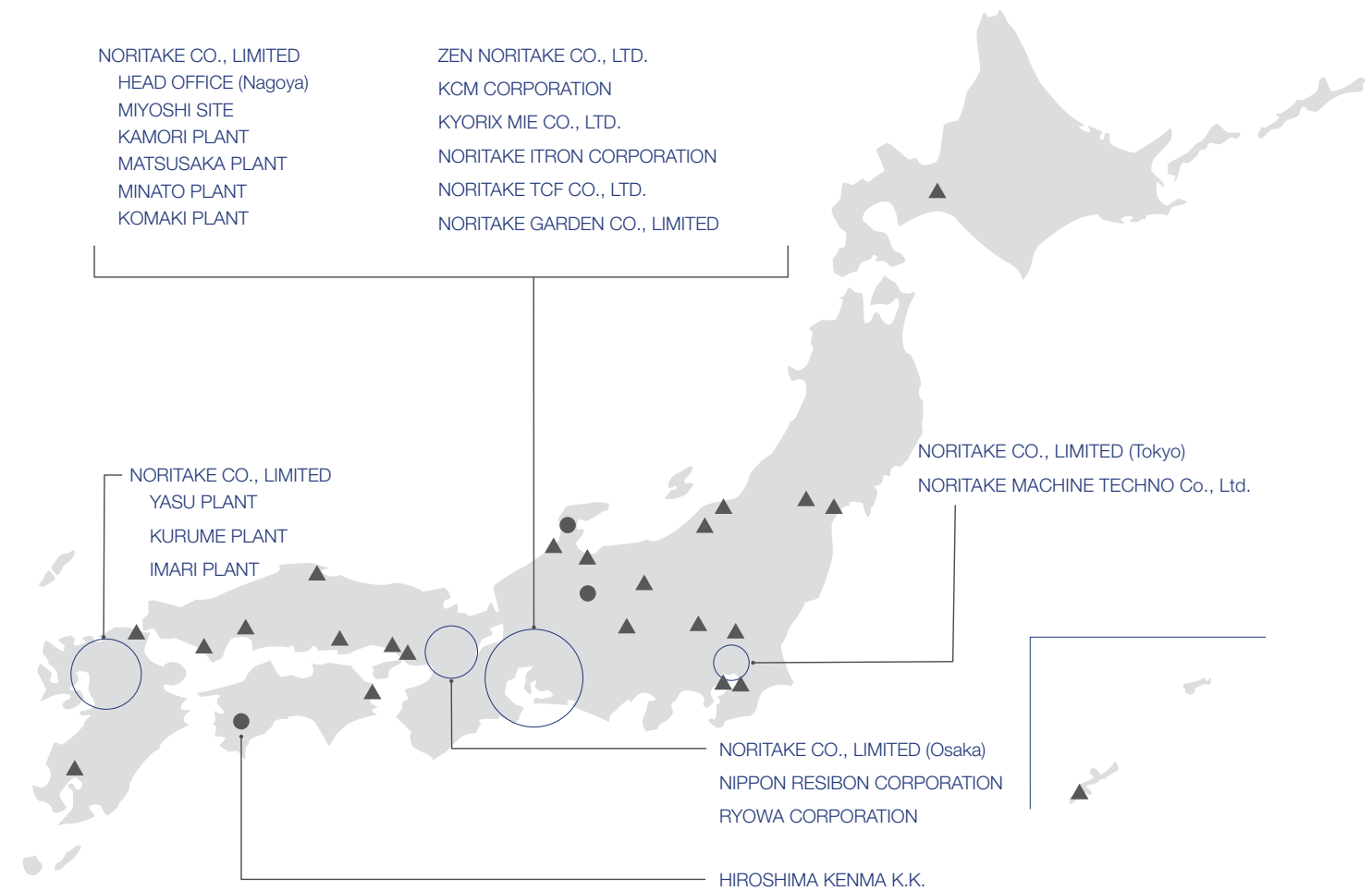
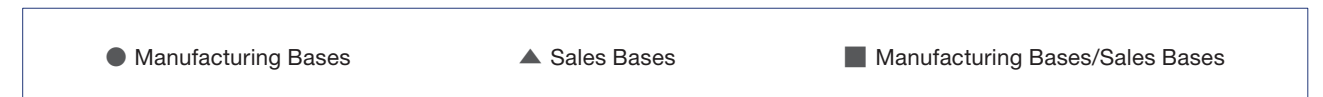


Net sales composition ratio by area



*The number of consolidated subsidiaries increased to 23 from April 18, 2024, due to the acquisition of shares of SIAM COATED ABRASIVE CO., LTD.
(As of March 31, 2024)

(As of July 25, 2024)



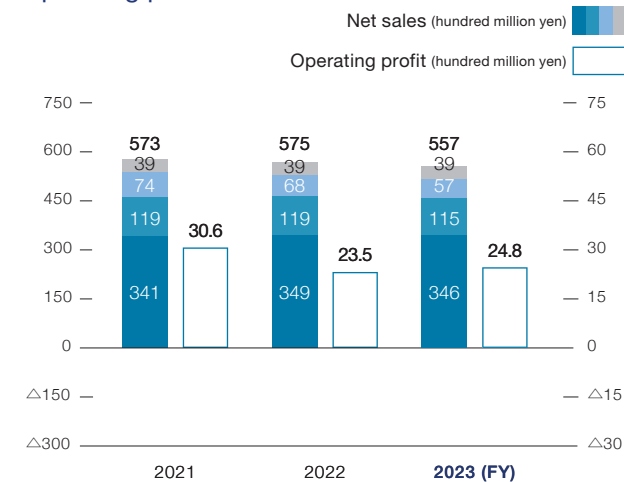
Performance Highlights

Industrial Products Business

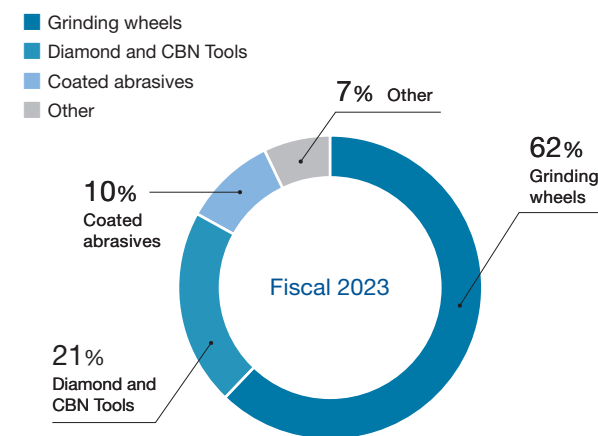
We are one of largest comprehensive manufactures of grinding and polishing tools in Japan, supporting indispensable processes in manufacturing - cutting, shaving, and polishing materials - through world-class technologies. Our Group also includes NIPPON RESIBON CORPORATION that handles general-purpose grinding wheels and coated abrasives. Through a wide product lineup, we contribute to the development of many industries, including automotive, steel, bearings, aerospace, shipbuilding, medical, and semiconductors.

Net sales (hundred million yen)

Operating profit (hundred million yen)



Net sales ratio

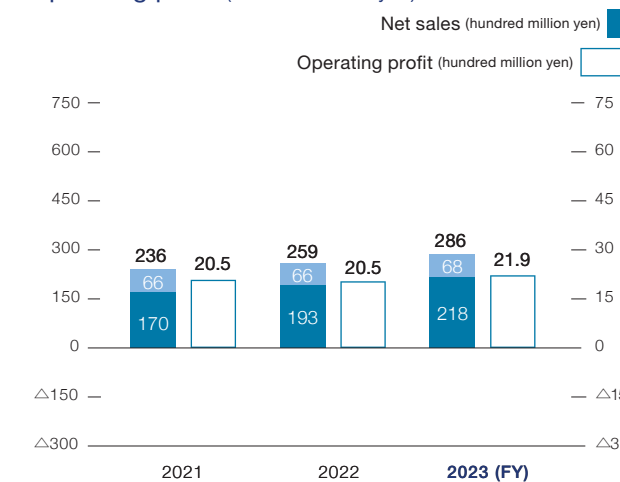


Engineering Business

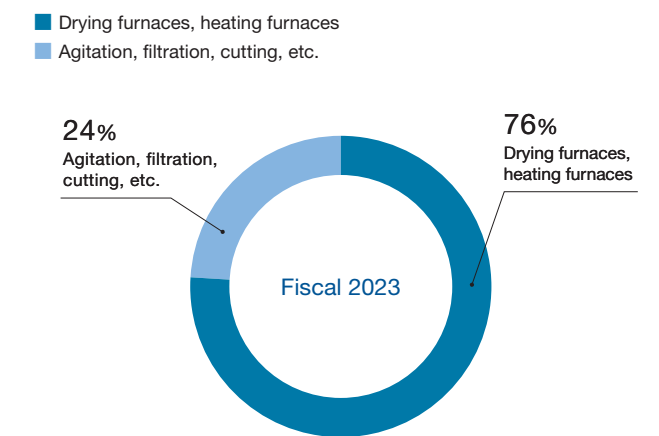
With our core technologies of heating, mixing, filtering, and cutting, we provide wide range of engineering equipment to a variety of industries including automotive, electronic components, chemicals, medicines, and food. We contribute to greater efficiency and energy savings in the manufacturing workplaces. We develop and design drying furnaces, heating furnaces, agitation equipment, filtration equipment, carbide tipped circular sawing machines, circular sawing cutting machines, and other equipment to match customers' needs.

Net sales (hundred million yen)

Operating profit (hundred million yen)



Net sales ratio

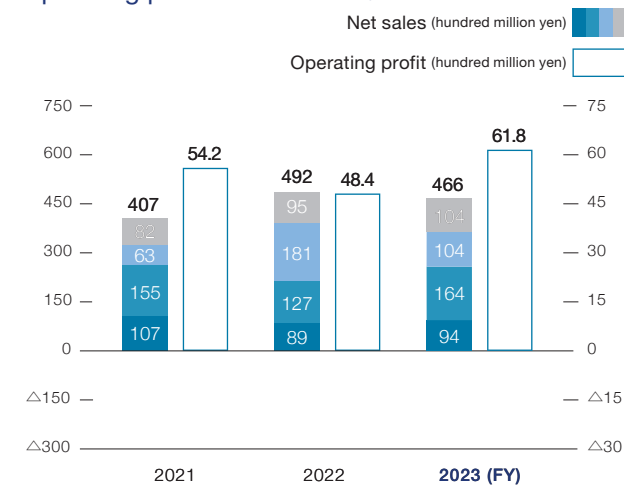


Ceramics & Materials Business

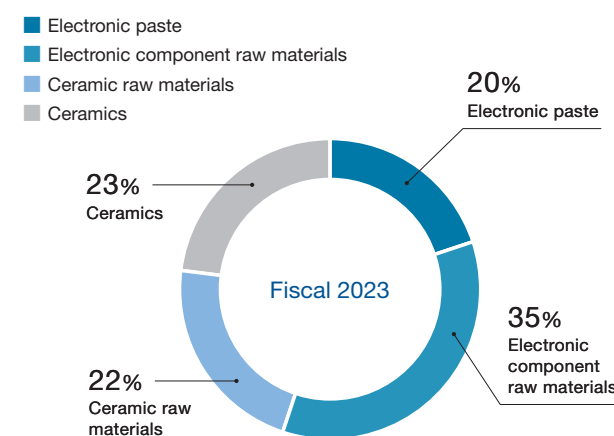
Our technologies for crushing, mixing, molding, and printing produce outstanding materials and components that contribute to a wide variety of fields. They support a variety of industries that manufacture electronic components, such as multilayer ceramic capacitors, as well as automotive, medical equipment, and aircraft.

Net sales (hundred million yen)

Operating profit (hundred million yen)



Net sales ratio

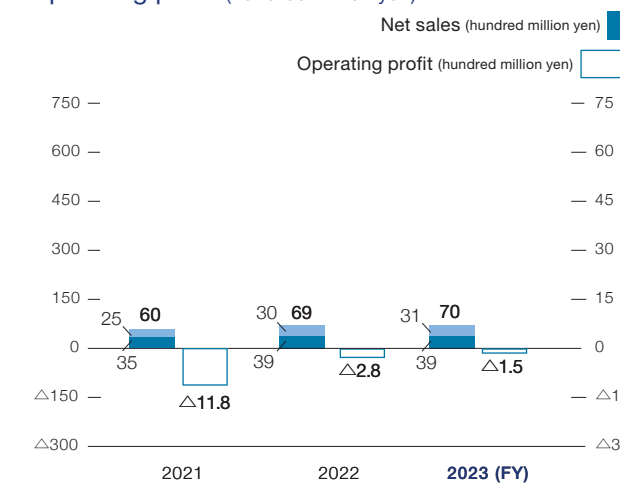


Tabletop Business

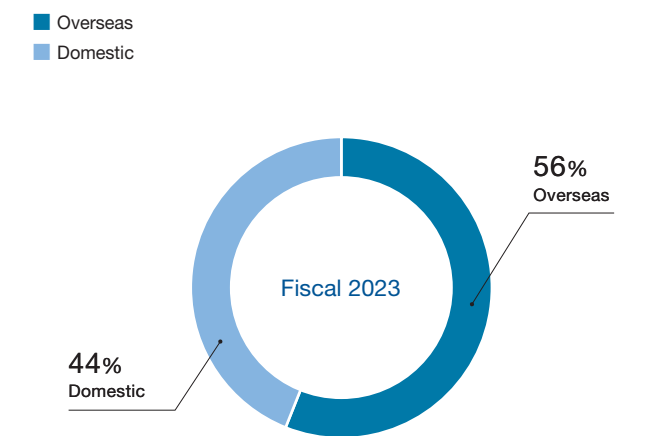
For almost 120 years, Noritake's tableware has been loved around the world. We offer a wide lineup of beautiful and easy-to-use tableware for daily use at home and for gifts, as well as for commercial use in hotels, restaurants, in-flight service, and more. By providing products infused with impeccable quality and taste, we enrich our customers' lives.

Net sales (hundred million yen)

Operating profit (hundred million yen)



Net sales ratio



Developing ceramics technologies to provide new value to society







We have applied and evolved ceramics technologies accumulated since our founding in 1904 to create a variety of technologies and products.

Today, these are used in a wide range of fields, from automobiles, steel, and electronic components to batteries, food and pharmaceuticals.



Noritake's Management Capital

Since its foundation, the Noritake Group has adhered to the management philosophy of "contributing to society through business," accumulating management capital alongside societal development. We aim to utilize this capital to realize a sustainable society and continuously enhance corporate value.

 Financial capital	Strong financial soundness	Operating cash flow 22,036 million yen	Interest-bearing debt 2,970 million yen Equity Ratio 72.8 %
 Manufacturing capital	Diverse products and manufacturing technologies cultivated over a long history	Manufacturing sites in Japan 19 locations Overseas manufacturing sites 12 locations	Amount of capital investment 5,404 million yen Tangible fixed assets 46,415 million yen
 Intellectual capital	Various technologies and know-how built up through ceramic manufacturing	Research and development expenditures 2,306 million yen	Number of patents held 725
 Human capital	Fostering an organizational culture that encourages challenges and promoting the active participation of diverse talent	Consolidated number of employees 4,821	Female managers 23
 Social and relationship capital	Long-standing relationships of trust with local communities and customers	Number of domestic consolidated subsidiaries 10 Number of overseas consolidated subsidiaries 12*	Coexistence with local communities through the Noritake Garden
 Natural capital	Efficient use of resources & energy	Materials consumption 230,000 t Electricity consumption 106 GWh	Water consumption 380,000 m³ Use of chemical substances 1,640 t

*SIAM COATED ABRASIVE CO., LTD. joined the Group as a consolidated subsidiary on April 18, 2024 due to acquisition of shares on March 31, 2024.

Topics

Communication with stakeholders

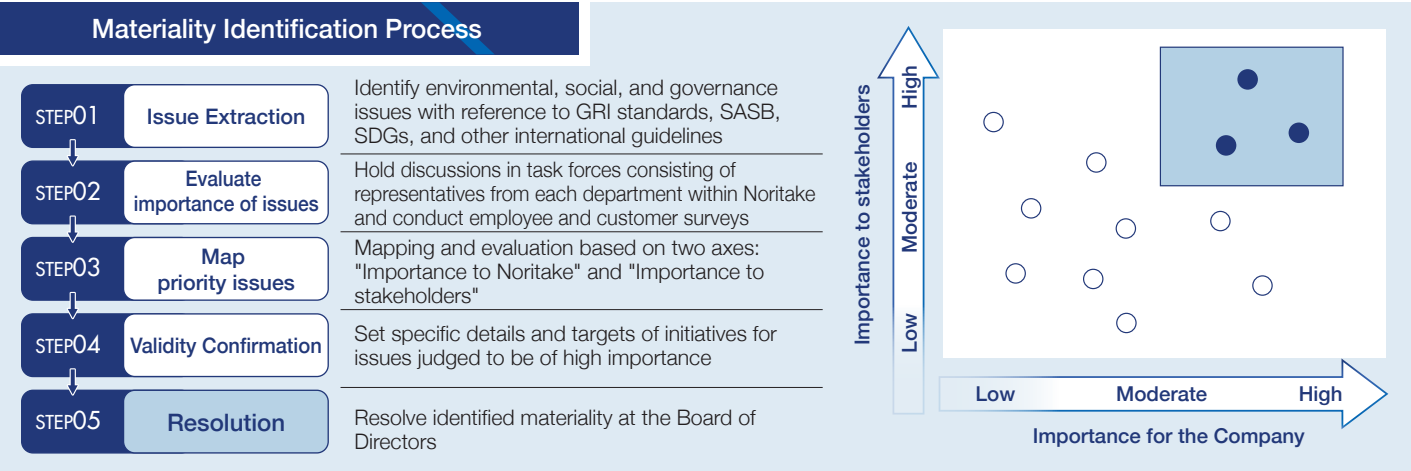
The Noritake Group sincerely listens to the voices of our stakeholders, integrates them into our corporate activities, and works to enhance our corporate value.

Stakeholders	Communication Methods
Customers	<ul style="list-style-type: none"> ● We have set up a customer service center within the Tabletop Group in order to improve our products and services. ● We have a system in place to respond to feedback and inquiries through the "Contact Us" page on our website.
Suppliers	<ul style="list-style-type: none"> ● We share information about the economic environment and trends in the industry and our procurement prospects with our business partners in order to establish and maintain good relationships. ● The Engineering Group holds seminars on a regular basis to prevent occupational accidents.
Shareholders and investors	<ul style="list-style-type: none"> ● We hold the General Meeting of Shareholders at the Noritake headquarters in Nagoya City every year in late June, where we exchange opinions with our shareholders. ● After the announcement of full-year financial results and the second quarter results, we ordinarily hold a financial results briefing for securities analysts. ● We are continually updating our website so that shareholders and investors can easily obtain IR information such as business reports and financial results announcements.
Employees	<ul style="list-style-type: none"> ● To communicate the company policies and provide education to the Noritake Group employees, Noritake publishes both Japanese and global editions of the Noritake Group's internal newsletter "SAKIGAKE." ● A booklet version of this Noritake Corporate Report is distributed among the employees to make them aware of the contents. ● Townhall meetings designed for direct communication between the President and employees are held with the aim of promoting and entrenching corporate culture reform.
Local Communities	<ul style="list-style-type: none"> ● Part of the Noritake headquarters site is open to the public as "Noritake Garden." We cooperate with elementary and junior high schools on their social studies field trips, and have signed an agreement with Nagoya City to provide a temporary evacuation site for people who have difficulty returning home in the event of a large-scale disaster. ● To support students from overseas, we provide accommodation for international students attending universities and graduate schools in Aichi Prefecture.

Materiality

Changes are occurring in so many areas at such a fast pace these days—climate change, technological advances, people's lifestyles, and sense of values. With this in mind, the Noritake Group is working to identify social issues and needs, and continually provide new value in order to help and contribute to the development of a sustainable society.

With our Long-term Vision for 2030 in mind, our Group has identified six materiality items (priority issues) to address: "reduction of environmental impacts", "continuous provision of new value", "stable supply of high-quality and safe products", "pursuit of well-being in society", "improvement of employee engagement", and "continuous reinforcement of governance." We are advancing sustainability management to realize a sustainable society and continuously enhance our corporate value.



List of materiality (key issues)

	Materiality	Details of Key Initiatives	Fiscal 2023 Results (Progress)	FY2024 Targets
Contribute to the global environment	Reducing environmental impact	Reduce CO ₂ emissions	CO ₂ emissions: 51,000 tons (-23% compared to FY2018)	● CO ₂ emissions of 73,000 tons or less; a reduction of 25% or more compared to FY2018
		Reducing waste	Waste disposals: 10,200 tons	● Waste disposals: 10,000 tons or less
		Provide environmentally-friendly products	9% net sales share of environmentally-friendly products	● 10% or more net sales share by environmentally-friendly products
Contribute to a convenient society	Continuous provision of new value	Provide new products	New product sales growth rate of 19% (compared to FY2022)	● Achieve a sales growth rate of 25% or more (compared to FY 2022)
		Establishing a structure for new business creation	• Started operation of a development theme proposal system that solicits proposals from all employees and a development process for commercialization (Stage-Gate system) • Established an open innovation promotion system	● Promote open innovation
		Strengthening core-technology development	Increase number of patents held by 9.5% (compared to FY2022)	● Increase the number of patents held by 10% (compared to FY2022)
	Stable supply of high-quality and safe products	Promote activities for improving quality	Achieve: 0 product incidents Reduce number of complaints by 26% (compared to FY2022) Formulated and deployed quality policies, and strengthened management through internal audits	● Zero product-accidents ● Reduce number of complaints by 20% (compared to FY2022) ● Strengthen the quality assurance system
		Promoting supply-chain management	Identified issues with procurement activities in business departments Collection rate of Purchasing Guideline receipt acknowledgment forms of 96% Conducted questionnaire survey of key business partners	● Strengthen the system for sustainable procurement ● Achieve a survey response rate of 80% or more for the Purchasing Guideline
Contribute to the people's well-being	Pursue a society that values well-being	Respecting human rights	Conducted questionnaire surveys of suppliers and employees	● Promote human rights due diligence
		Providing well-being products	Sales share of well-being products of 8.2%	● Sales share of 8% or more
		Contribution to the local community	Held 9 events that enrich the dining space Accepted social studies field trips from 43 schools	● Organize events that enrich the dining space ● Provide opportunities for social studies
	Improve employee engagement	Improving the physical and mental health of employees	Achieved a paid vacation acquisition rate of 70.6% Achieved a stress check participation rate of 95.1%	● Achieve a paid vacation acquisition rate of 70% or more ● Achieve a stress check participation rate of 90% or more
		Creating the workplace where employees can work vigorously	Created a new personnel system Conducted engagement surveys and established action plans based on the results	● Revise the personnel system ● Conduct an engagement survey and utilize it for issue setting
		Fostering a culture that respects diversity	Achieved a male childcare leave acquisition rate of 95.1% Increase the ratio of female managers to 20% (compared to FY2022)	● Achieve a male childcare leave acquisition rate of 50% or more ● Increase the ratio of female managers by 20% (compared to FY 2022)
	Continuous reinforcement of governance	Strengthening the governance system	Transition to a company structure with an Audit and Supervisory Committee / Implemented improvement measures for issues identified in the results of the Board of Directors' effectiveness evaluation Established the Sustainability Management Committee (April 2023)	● Improve the effectiveness of the Board of Directors ● Strengthen the system for promoting sustainability management
		Improving information security	Deployed multi-factor authentication login and started terminal authentication for the company network	● Strengthen network security
		Thorough observance of compliance	Trained personnel in charge of practical operations related to the Subcontract Act, export control regulations, etc.	● Conduct literacy education on laws and regulations

We will focus on three growth areas to realize the 2030 Long-term Vision (ideal target).

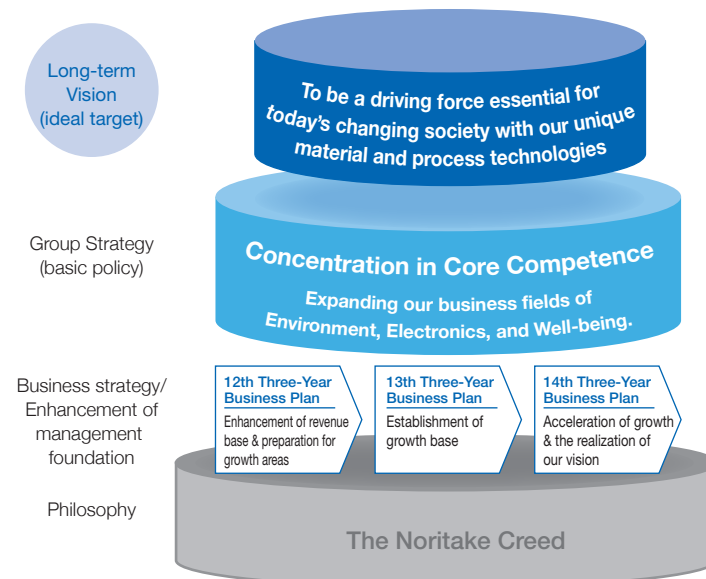
In formulating the 12th Three-year Business Plan, the Noritake Group clarified its Long-term Vision and sets forth the initiatives for achieving them. Noritake will be promoting its business in order to achieve this Long-term Vision and contribute to a better society.

Long-term Vision for 2030 (ideal target)

The Noritake Group's management philosophy is centered on "contributing to society through business" as stated by one of the founders in the Noritake Creed.

We recognize that business conditions surrounding the Noritake Group will continue to be uncertain and difficult to predict in the future due to increasing geopolitical risks, the development of a carbon-neutral society, accelerating digitalization, and diversifying lifestyles. In formulating the 12th Three-year Business Plan under these conditions, we have created a Long-term Vision (ideal target) focusing on fiscal 2030, have provided direction for our strategies to realize that vision, and then clarified the positioning of the three years of the 12th Three-year Business Plan and defined specific strategies to be addressed.

The Group will strengthen its management base and focus on growth areas to contribute to society as "a driving force essential for today's changing society with our unique material and process technologies."



Business strategy

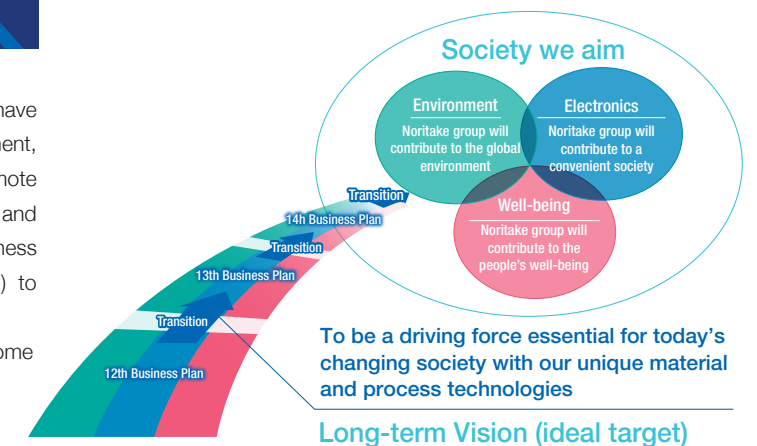
Among our current business areas, we focus on the following areas in the coming years. Through initiatives in these markets, we will promote our business toward the realization of the society that the Group aims to achieve.

Future growth markets		Environment	Electronics	Life Science	Old Tech
Business Fields of Each Group	Industrial Products	Environmental products (improvement of fuel efficiency, EV)	Electronics / Semiconductors	Medical	Internal combustion engines
	Ceramics & Materials	Environmental products	Electronic materials	Medical	Ceramics / Casting
	Engineering	Environmental products (batteries / high efficiency)	Electronic components (MLCC)	Food / Pharmaceutical	Industrial
	Tabletop				Tableware
Growth areas		Environment Noritake group will contribute to the global environment	Electronics Noritake group will contribute to a convenient society	Well-being Noritake group will contribute to the people's well-being	

Group Strategy (basic policy)

In order to realize the Long-term Vision for 2030, we have designated the following three business fields, environment, electronics, and well-being as growth areas. We will promote "Concentration in Core Competence" in these three areas and shift our business fields from the current fundamental business fields (internal combustion engine, ceramic industry, etc.) to growth areas (environment, electronics, and well-being).

Through our efforts in those growth areas, we aim to become a Group that contributes to "the global environment," "a convenient society," and "the people's well-being."



About the 12th Three-year Business Plan (FY2023 initiatives)

Looking ahead to fiscal 2030, the 12th Business Plan is positioned as a period for "enhancing the revenue base and

preparing for growth areas." In order to enhance the revenue base, we will reorganize unprofitable products and businesses, and improve and rationalize profitability. In particular, in order to enhance the management base, we worked on the following themes across the company.

Company-wide initiatives to enhance the management foundation

Creation of new businesses

- Started operation of a development theme proposal system targeting all employees and the Stage-Gate system for commercialization
- Development of new products
- Development of new applications and markets for existing technologies
- Establishment of an open innovation promotion system

[Future initiatives]

- Entrenchment and improvement of the commercialization processes, including the development theme proposal system
- Establishment of an open innovation promotion system
- Acceleration of development through strengthened collaboration with other companies (startups and partner companies, etc.)

Organizational culture reform

- Introduction of new personnel system (April 2024)
- Revision of the evaluation system to encourage a higher level of challenges
- Early promotion of talented human resources
- Raising the retirement age from 60 to 65
- Recognition of issues by conducting engagement surveys and implementation of measures

[Future initiatives]

- Entrenchment of the new personnel system
- Promotion of work style reform

Establishment of sustainability management system

- Establishment of the Sustainability Management Committee (April 2023)
- Participation in the GX League* (May 2023)
- Establishment and disclosure of the Noritake Group Human Rights Policy (October 2023)
- New establishment of the Risk Management Committee (April 2024)
- Promotion of efforts toward achieving carbon neutrality, including energy-saving initiatives for facilities and the use of renewable energy

[Future initiatives]

- Review of materiality items
- Setting of new medium- and long-term targets

* GX League: Led by the Ministry of Economy, Trade and Industry, the GX (Green Transformation) League is a platform for companies working toward achievement of carbon neutrality by 2050 to collaborate with other companies, the government, universities, and academic institutions engaged in similar initiatives to discuss transformation of the entire socioeconomic system, and engage in creating new markets.

Promotion of digital transformation (DX)

- Promotion of visual representation of processes and data-driven process improvements to strengthen the foundation for business process reforms using digital technology
- Launch of "DX Promotion Leader" training programs

[Future initiatives]

- Launch of DX Promotion Committee (scheduled for October 2024)
- Business process reform using digital technologies
- Development of DX human resources

Human Capital Strategy

Product introduction

The Noritake Group is aiming for a virtuous cycle of investment and profit generation in growth areas for 2030 to achieve our Long-term Vision to be “a driving force essential for today's changing society with our unique material and process technologies”. We have identified the three areas of environment, electronics, and well-being as growth areas and are advancing the strategy of concentration in core competence, transitioning from our existing core business fields (internal combustion engines, ceramics, etc.) to new domains. Here, we introduce some of our products and initiatives in these growth areas.

Environment

Li-ion battery heating furnaces

With the shift to electric vehicles, Noritake's heating furnaces are playing a vital role in the lithium-ion battery sector.

Heating sterilization equipment

We contribute to reducing food waste by providing heat sterilization equipment that transforms out-of-specification produce into puree.

Multi-layer gear grinding wheels

These grinding wheels can help improve the quietness of gears and reduce energy transmission loss in electric vehicles, etc.

Smart Briquetter

This equipment compresses and solidifies sludge* generated from metal processing into briquettes, and recovers grinding fluid. The briquettes can be recycled, and the grinding fluid can be filtered for reuse.

* Sludge: A mud-like substance containing metal scraps and grinding fluid.

Electronics

LHA Pad®

The LHA Pad® is a tool with embedded abrasive grains for polishing power semiconductor wafers. Since it does not use abrasive slurry, it also contributes to reduction of industrial waste.

Wafer surface grinding wheels

Wheels used for surface grinding to adjust the thickness of wafers made from silicon, SiC, etc.

Multi-layer ceramic capacitor (MLCC) materials

The semiconductor market is expected to expand in areas such as telecommunications equipment, automobiles, and industrial machinery, and demand for MLCC will grow accordingly.

Well-being

CLÉMENCE

We have developed tableware primarily for hotels and restaurants, with a focus on shapes that allow diners to enjoy food through all five senses.

Polishing grinders for syringe needles

This is a grinding wheel to polish syringe needle tips. These are well-evaluated for the smooth finish with minimal burs.

Cerapor

This is a fine bubble generator using micropore technology based on porous ceramics. We are expanding its applications to the pharmaceutical and cosmetics industries.

Basic approach

We have formulated a new human resource strategy to achieve the Noritake Group's Long-term Vision. This strategy redefines the human resource profile required for executing business strategies and sets out our desired human resource portfolio. This serves as a benchmark for setting specific tasks and formulating and executing measures in recruitment and human resources development. At the same time, we are strengthening our efforts to improve employee engagement*, aiming to enhance and strengthen the company's human capital by cultivating both professional skills and spirit as the two essential elements for working people.

* See page 58 for specific initiatives to improve employee engagement

MESSAGE

Aiming to be a diverse company, we will promote the creation of a system that enables human resources with diverse values to play an active role.



with long service history over years of operation. We felt that a stronger message was needed to evoke a spirit of challenge among our employees, and we created a system that evaluates the very attitude of taking on difficult challenges, with the aim of fostering a corporate culture that tolerates failure.

The second pillar is the establishment of a system that rewards contribution (roles and performance), which primarily refers to evaluation and compensation. By weakening the seniority element and more closely reflecting employees' contributions (roles and achievements) at given points in their compensation, we have created a system that aligns contributions with rewards.

The third pillar is encouraging the participation of diverse human resources. In addition to promoting active participation by women, it is increasingly necessary for a wide range of human resources to develop and utilize their strengths in order to respond to changes in society and the market. The new system is designed to enable employees to chart career paths based on their individual strengths, supported by a new grading and evaluation system.

By steadily advancing these efforts and fostering a culture that embraces, nurtures, and leverages diversity, and by promoting human resources from a variety of backgrounds, we hope to create a diverse company that creates a wide range of possibilities. By strengthening our human capital, we aim to achieve our Long-term Vision and, ultimately, further growth for the Noritake Group.

Noritake has formulated a new human resource strategy aimed at achieving the Long-term Vision for 2030. This strategy was created with a focus on balancing business continuity with adaptability to change, redefining Noritake's human resource identity, and contrasting the established human resource portfolio with the current situation.

Our human resource portfolio consists of three categories: those who optimize market needs into seeds, those who discover and create seeds in response to societal needs, and those who manage the outcomes of these efforts to maximize them. Based on this human resource portfolio, we will implement talent management, actively invest in human resources, promote internal environmental improvements, and strengthen our human capital base.

We also determined that our personnel system should be fundamentally reformed to advance our human resource strategy in line with our management vision. The new personnel system, introduced in April 2024, is built on three main pillars.

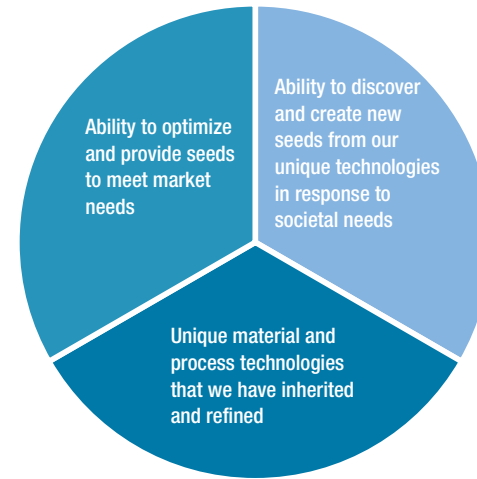
The first pillar is organizational culture reform. Our former personnel system had become biased toward employees

Director and Senior Managing Executive Officer,
Human Resources Dept.
Makoto Okabe

Identity of human resources at Noritake

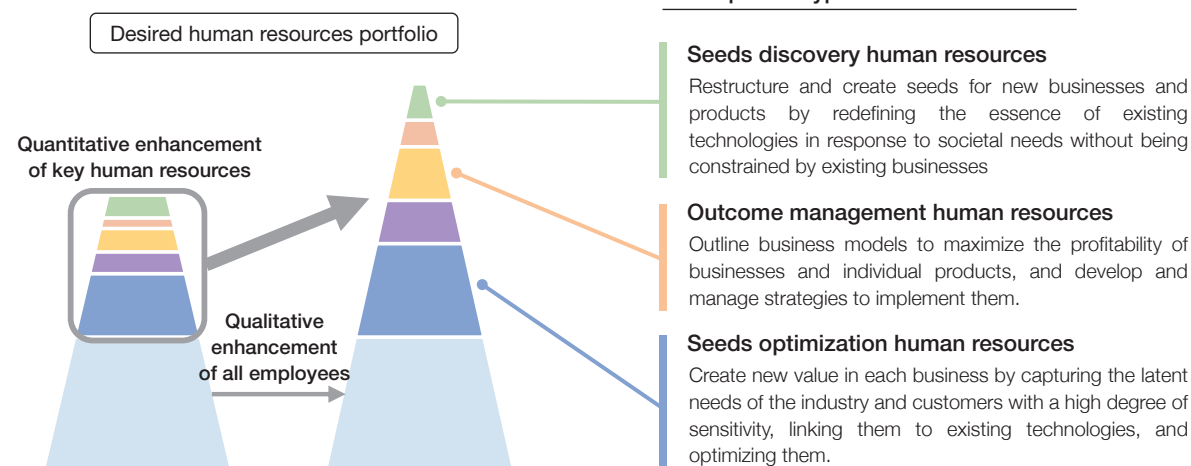
Noritake has applied and developed its ceramics technologies, cultivated through tableware production, in various ways, and has consistently created new value as society changes with the times and demands diversify.

Our unique material and process technologies, which we have inherited and refined, serve as the source of value—or seeds—that we offer to society. We believe the identity of our human resources lies in the ability to optimize and provide seeds to meet market needs and the ability to discover and create new seeds from our unique technologies in response to societal needs.



Human capital strategy linked to business strategy

When formulating our human capital strategy, we first classified the human resources needed to execute our business strategy into several types and established our desired human resources portfolio.



Through a gap analysis comparing the current human resource portfolio (“As is”) with the desired state (“To be”), we established the following human resource strategy:

Human capital strategy

- (1) **Enhancement of human resource investment** to achieve the target human resources portfolio
- (2) **Implementation of talent management system** to secure and foster diverse human resources
- (3) **Revision of personnel system** based on the roles and achievements of diverse human resources*
- (4) **Internal environment improvement** to increase employee engagement and maximize return on human capital investment

* See page 60 for details on the revision of the personnel system

To measure the progress of our human capital strategy, we primarily monitor the following three indicators:

1. Number of personnel with cross-boundary experience

At Noritake, we believe that it is important to gain experience across multiple fields throughout one's career in order to develop the ability to manage results and profits. Therefore, we monitor the number of employees with this multi-disciplinary experience, which we refer to as "cross-boundary experience." This career path is particularly encouraged for department heads and future leadership candidates, and we manage human resources intentionally to provide such cross-boundary experiences.

2. Sufficiency of human resource types

We continuously monitor how well the various human resource types defined in the human resources portfolio are represented in each business, using this as a guide for recruitment and human resource development.

3. Engagement score

To maximize the effectiveness of our investments in human capital, we monitor engagement scores and use them to address organizational issues.

Strengthening human resources investment

In addition to developing and strengthening our existing human resources, we will focus more on securing new human resources in order to achieve our desired human resource portfolio as outlined in our human resource strategy. To incorporate knowledge and specialized skills Noritake does not have, we will strengthen our organizational functions in strategic areas including organic and biotechnology, electronics and semiconductors, and specialized areas such as DX, marketing, finance and legal, by not only hiring but also utilizing outside organizations and personnel.

At the same time, we will invest more aggressively in personnel system reforms and operations, as well as in the talent management system operations, to promote the strengthening of our human capital base.

Revision of the Personnel System

In April 2024, Noritake revised its personnel system.

Under the key themes of diversity, growth, challenge, leadership, and creating new value, the new system reiterates the expected work styles of employees, redefines job grades, and renews the evaluation criteria and standards.

(See page 60 for an overview of the system)

Talent management practices

Design and entrenchment of career path models

We support career design through career education and interviews with supervisors by presenting model career paths so that each employee can develop his or her career in a highly motivated and autonomous manner, while keeping in mind the type of human resources required as the goal.

Active rotation

Since fiscal 2023, Noritake has fully implemented an internal rotation system. To enable employees to achieve the aforementioned career paths, we actively conduct rotations based on each individual's preferences and aptitudes.

Research & Development

—Initiatives to Support Growth

Basic approach

Since its establishment, Noritake has brought the various technologies and products it has developed through ceramics manufacturing to the global market.

The Noritake Group promotes research and development that leads to next-generation businesses, and will contribute to society in a wide range of areas by pursuing the new possibilities held by our unique material and process technologies.

Technologies of Our Strength

- Fusion Technologies for Fine-particle: Techniques to fusion metal or ceramic fine-particle from the size of nanometer to micron
- Coating Technologies for Fine-particle: Coating technologies to improve the quality and the functionality of the metal and ceramic fine-particle
- Dispersion Technologies: Monodispersion technologies for micro-granules such as those made of metals or ceramics
- Forming Technologies: Techniques to form various ceramics parts with less cost and with greater stability
- Technologies for Porous Materials: Core technologies for porous ceramics materials, such as grinding wheels
- Fusion Technologies: Low-melting point glass technology for joining materials with different coefficients of thermal expansion, such as between dissimilar materials
- Environment-friendly Decorative Material Technologies: Environmentally-friendly pigments, enamels, and paints that shine with brilliant color
- Printing and Decorative Technologies: Screen printing, decorative and circuit printing for industrial inkjet printing

TOPICS

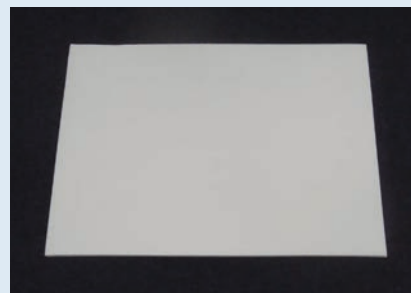
Development of SUPCA®, porous material for DAC

Noritake has developed a porous material called SUPCA®, which directly captures CO₂ from the atmosphere (direct air capture; DAC).

SUPCA® is a product developed using Noritake's unique technology that combines organic materials with inorganic particles (microsized adsorbents) in a special structure. By retaining CO₂ absorption liquid within the internal adsorbent, it functions to absorb, desorb, and capture CO₂.

SUPCA is flexible, making it easy to process into various shapes. By shaping it to allow for efficient gas flow, energy consumption can be reduced when bringing SUPCA® into contact with the atmosphere.

Additionally, some of the raw materials used in SUPCA® are biomass materials produced with reduced CO₂ emissions. Moving forward, we will also adopt recycled materials and advance development for environmental sustainability.



MESSAGE

We discover the new seeds of growth for our Group by exploring every possibility and embracing challenges in the pursuit of new business creation.

Representative Director and President
In charge of Research & Development Center and
Intellectual Property Planning Department

Akira Higashiyama



In order for the Noritake Group to continue to grow and contribute to society, it is necessary to create new businesses. In the 12th Three-year Business Plan, which began in fiscal 2022, we formulated a Long-term Vision for 2030 (ideal target) "to become a driving force essential for today's changing society with our unique material and process technologies." Our Research & Development Center is now undergoing significant transformation to realize this vision.

For many years, Noritake has focused on four main business areas: industrial products, ceramics & materials, engineering, and tabletop. However, we have not successfully developed any major new businesses beyond these for quite some time. To break out of this stagnation, we established the New Business Creation Committee last year. Traditionally, development at Noritake has been siloed within each business and research department, but working solely within this framework does not foster the creation of innovative new products or technologies. Most importantly, creating new products requires the initiative of every employee and maximization of their potential.

This Committee is advancing cross-company efforts to bring together the insights of employees with various ideas and experiences from across the organization, from the stage of business development to commercialization.

Creating new products and businesses cannot be achieved overnight. It requires patience—the selection of ideas with promise and growth potential, nurturing them step by step. At the same time, speed is crucial in today's world. Therefore, we are working to move beyond our conventional policy of self-reliance and collaborate with external resources to accelerate development.

By exploring every possibility and embracing challenges, we aim to discover the new seeds of growth for our Group, and cultivate them to bloom into great success.



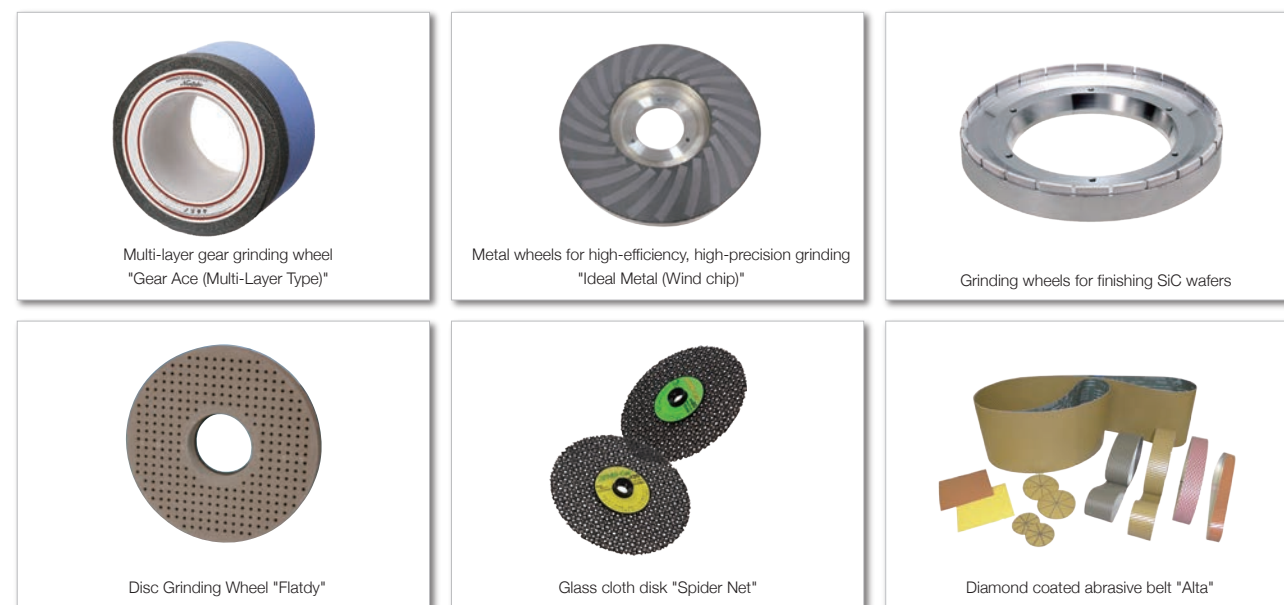
New Business Creation Committee

Industrial Products Business



Group General Manager of
Industrial Products Group
Tomoaki Maeda

Main products | Grinding wheels, diamond wheels and tools, CBN wheels, cutting & offset wheels, coated abrasives, grinding & polishing-related products (grinding oil, etc.)



Performance in Fiscal 2023

In the custom-made products business, the semiconductor shortage in the Japanese automotive sector has gradually been resolved, leading to a recovery in production. However, production in the steel and bearings sectors has not yet recovered, leaving net sales at similar levels to the previous year. Overseas, automobile production increased compared to the previous year in North America, resulting in a high level of sales in the automotive parts and bearings sectors. In contrast, industrial machinery production in China declined due to the economic slowdown, and automobile production in Southeast Asia also

decreased, leading to an overall drop in sales. In the general-purpose products business, sales of general-purpose grinding wheels, such as offset wheels, remained steady year-on-year, while sales of coated abrasives declined both in Japan and overseas. Regarding profits, we aggressively pursued efforts to improve revenue, including expanding sales, optimizing prices, and reducing costs. As a result, net sales in the industrial products business were 55.737 billion yen (a decrease of 3.0% from the previous year) while operating profit was 2.483 billion yen (an increase of 5.5% from the previous year).

Progress of the 12th Three-year Business Plan

In fiscal 2024, the final year of the Three-year Business Plan, we are accelerating efforts to enhance the revenue base of existing businesses and establish a foundation to advance into growth fields. Regarding market conditions, industries such as automotive, steel, bearings, and industrial machinery have been performing weaker than expected. Amid these circumstances, we are working to strengthen our revenue base by improving our production sites. In Japan, we have introduced the latest finishing machines at the Miyoshi Plant to automate and reduce manpower in the finishing process. At the same time, we are

improving machining accuracy to strengthen the production system for products that can meet the growing demand for precision forms.

Overseas, we are reorganizing our products to capture the expanding market as the shift to electric vehicles (EVs) progresses. To optimize the production locations in Japan and overseas, NORITAKE SA (THAILAND) CO., LTD. (NSAT) has started manufacturing products previously produced at the Miyoshi and Yasu Plants and has started manufacturing products for NORITAKE U.S.A., INC. (NUSA) to improve profitability.

Growth Strategy

To enhance our presence in the growth areas of environment, electronics, and well-being, we are expanding the sales of various products: grinding wheels for EV gears in the environmental sector, grinding wheels for syringe needles in the well-being sector, grinding wheels for linear guide rails in the industrial machinery sector, and BG wheels and the LHA Pad® for semiconductor wafer grinding in the electronics sector.

Since fiscal 2023, the Kamori Plant has been updating its presses to expand the environment and well-being sectors. The Miyoshi Plant is formulating business concepts for new ventures and advancing the development of new products that support carbon neutrality, with the aim of introducing these products at the JIMTOF 2024 exhibition. In the electronics sector, we are expanding production capacity and investing in R&D, primarily

for electronic and semiconductor-related products. In fiscal 2024, we will work together with equipment manufacturers to establish application technology for double-sided wafer polishing with the LHA Pad® and will also work to develop larger pads. We will continue to work with the Research & Development Center to expand our product lineup for semiconductors.

Additionally, to achieve our target of a 50% reduction in CO2 emissions by fiscal 2030 (compared to fiscal 2018), we will conduct tests in fiscal 2024 to switch gas furnaces to electric furnaces at the Miyoshi Plant with a focus on reducing CO2 emissions from city gas. The Miyoshi Plant will play a central role in studying tasks for the reduction of energy consumption for the future and will expand their measures to other plants.

MESSAGE

We are taking on the challenge of transformation to lead the industrial products business to the next generation.

Amid significant changes in market conditions such as the electrification of automobiles, the industrial products business is sometimes perceived as an area with limited growth potential. However, I believe there is still room for significant growth in this sector. A forward-looking and proactive management strategy is critical for further growth. Since fiscal 2024, I have started visiting production and sales bases to engage in dialogue with employees. Through these conversations, I found that some employees are not familiar with the applications of the products they handle, or the end products involved, and have limited knowledge of the market. If we do not

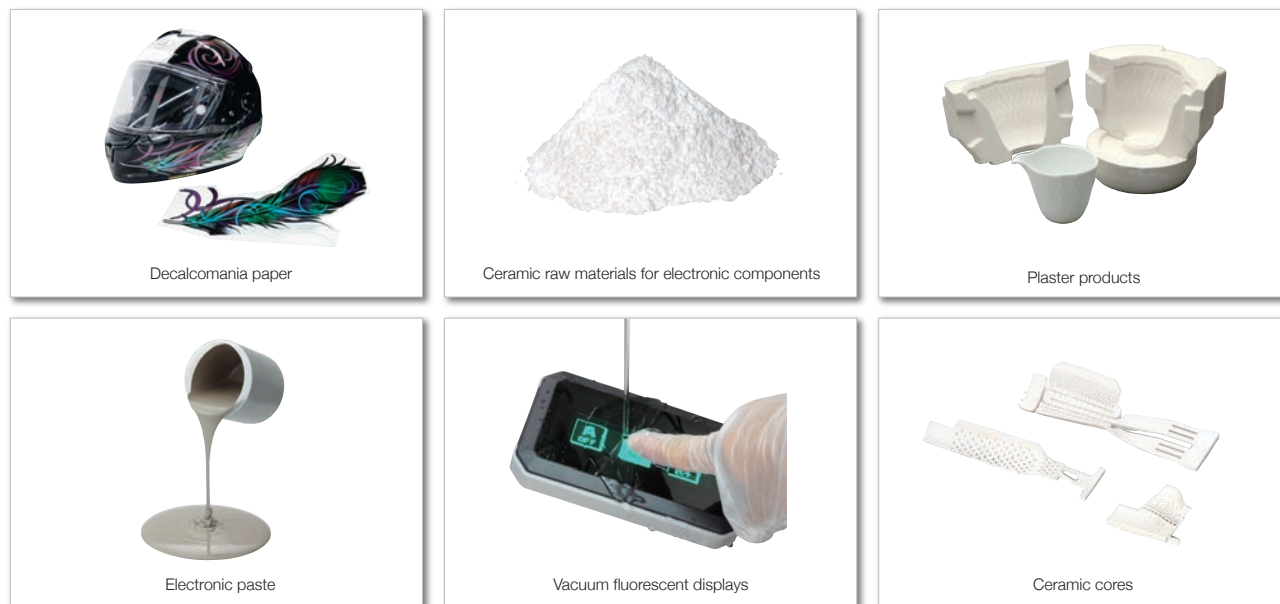
work on these issues, it will be difficult to foster a mindset of transformation to our employees or to expect innovation. Therefore, we will start with clarifying to the members of our group to understand what we manufacture at Japanese and overseas production sites, where these products are used, and how we will grow within that market. Looking ahead not 10 years, but 20 or 30 years and beyond, I urge all members of the Group to share a sense of urgency and take on the challenge of driving transformation with a sense of speed under the theme of "connecting our business to the next generation."

Ceramics & Materials Business



Group General Manager of
Ceramics & Materials Group
Shinji Kato

- Main products**
- Electronic paste (electronic paste, decalcomania paper, decoration materials)
 - Electronic component raw materials
 - Ceramic raw materials
 - Ceramics (thick film circuit substrate, plaster, ceramic cores, porous ceramic materials, vacuum fluorescent displays and modules)



Performance in Fiscal 2023

Sales of electronic paste and electronic component raw materials increased, supported by steady demand for multi-layer ceramic capacitor (MLCC) materials for automotive applications, as well as a recovery in demand for use in telecommunications equipment. Despite steady demand for sensor-related application, sales of thick film circuit substrates declined due to the termination of some products. Sales of plaster saw a slight increase. Sales of ceramic cores increased due to recovery in

both replacement demand and new demand, while vacuum fluorescent displays performed well in both the Japanese and overseas markets, with favorable exchange rates contributing to sales growth. Sales of ceramic raw materials for heat-resistant glass declined significantly. As a result, net sales for the ceramics & materials business were 46.647 billion yen (a 5.2% decrease from the previous year) while operating profit was 6.179 billion yen (a 27.6% increase from the previous year).

Progress of the 12th Three-year Business Plan

In comparison with the time of drafting the Three-year Business Plan, the negative impact of external factors such as soaring energy, raw material, and logistics costs, as well as the depreciation of the yen, have increased. On the other hand, some businesses have seen improved earnings due to the weaker yen.

In the electronic paste sector, we will continue price revisions in response to the rising cost of materials and improve profitability. Additionally, we will promote “concentration in core competence” of our businesses, expand our product lineup, and develop new products. In the electronic component raw materials sector, we have increased production capacity and

established logistics warehouses to meet the growing demand for MLCC. Going forward, we will continue to make capital investments in line with market expansion and develop new products in growth areas.

Meanwhile, in the ceramics business, demand is firm for many products that support industrial infrastructure. Among these, ceramic cores are indispensable for manufacturing turbine blades for aircraft engines and gas turbines for power generation. These are designated as an important item for economic security by the Ministry of Economy, Trade and Industry in 2024, which means we will play an even more important role in the field.

Growth Strategy

Alongside the restructuring of existing businesses and improving profitability, we are advancing investments in growth fields. Currently, we are making large-scale investments at the Miyoshi and Minato Plants, and progressing with the reorganization of plants and the construction of new facilities.

The major objective of these efforts is for the Noritake Group as a whole to grow further in the environment, electronics, and well-being fields. Under the 12th Three-year Business Plan, we are also working to create new businesses by leveraging the elemental technologies we have independently accumulated in each business and product field. Instead of our conventional vertical development, we are taking on the challenge of creating new value from the technologies we have cultivated to date, collaborating with multiple business units as well as with the Research & Development Center and the Production Engineering Center. In addition, we have also started cross-business unit development themes and collaboration with

other companies. In fiscal 2024, we expect to further utilize and expand the systems we have established, moving into a phase where various new products will be in production.

Among the three growth areas, our business unit is particularly focused on the electronics sector, which we recognize as a market with significant future growth potential. With the increasing adoption of artificial intelligence (AI), the number of data servers is on the rise, and technologies such as advanced driver assistance systems (ADAS) and electric vehicles (EVs) are also progressing in the automotive market. Against this background, demand for semiconductors and other power devices is steadily increasing.

MLCC, our flagship product, is an essential component for these applications. We aim to capture this growing demand, link this to the growth of our business unit, and ultimately contribute to the further growth of the Noritake Group.

MESSAGE

Work is a team effort: focusing on team building

I took over the role of Group General Manager of Ceramics & Materials Group in April 2024. Needless to say, each of our businesses has grown to where it is today thanks to the cooperation and support of many people.

In a time of great social change and diversification of values, it is more important than ever to cherish the principle of working hard together—or teamwork. At Noritake, we need a workplace environment where every individual feels free to share their candid opinions. By sharing policies and strategies, we can align everyone

toward the same goals. We know that a team that achieves this can demonstrate strength beyond imagination. Moreover, it is the leaders, the central figures, who play the role of bringing out the full potential of the team.

There is no one-size-fits-all approach to solving business challenges. This is especially true in times of change like today. Therefore, rather than struggling alone, I would like to ask our members to help one another, regardless of position or rank, and overcome challenges together as one cheerful and united team.

Engineering Business



Group General Manager of
Engineering Group
Yoshiaki Takaba

Main products | Heating Furnaces, drying furnaces, agitation equipment, filtration equipment, Carbide-tipped circular sawing machines, circular sawing cutting machines, etc.



Performance in Fiscal 2023

Sales of our mainstay heating and drying furnaces increased, driven by steady demand for LiB (lithium-ion batteries). Sales of agitation equipment were strong, particularly in our major field of chemicals. Filtration equipment saw a slight decline in sales, as the recovery in demand from the automotive and machine tool sectors was offset by weak sales in the bearings sector. Sales of

carbide round saw cutting machines for automotive parts declined, while sales of concrete cutter fell below the previous year due to decline in public works projects. As a result, net sales in the engineering business were 28.558 billion yen (an increase of 10.2% from the previous year) while operating profit was 2.194 billion yen (an increase of 7.0% from the previous year).

Progress of the 12th Three-year Business Plan

Fiscal 2023 was a year of significant growth with record sales of agitation equipment in the fluid business, and we are now within reach of the ambitious target of 30 billion yen in sales for the engineering business. In fiscal 2024, the final year of the 12th Three-year Business Plan, we are committed to achieving our budget target and securing profits to move to the next stage. Under these circumstances, we will strive on recovery for products that remained sluggish due to market conditions. Heating and drying furnaces for LiB show continuous growth,

and we expect that customers will continue to invest actively in the future as EV (electric vehicles) become more advanced. To expand production capacity for these products, we are constructing a new building at the Komaki Plant, continuing reorganization, and strengthening collaboration with overseas vendors.

Furthermore, we will continue to develop next-generation products in the electronics field, while also exploring new areas such as functional materials, new batteries, and catalysts.

Growth Strategy

In the heating business, which handles heating and drying furnaces, orders for LiB post-process drying equipment have been growing in the environment field. We will continue expanding these sales in Japan and overseas in fiscal 2024. In addition to our mainstay LiB pre-process heating furnaces, we intend to develop it into a second pillar for our business. In the fluids business, which mainly handles agitation and filtration equipment, we have made progress in the environmental and electronics fields. In the environmental field, we began deliveries in fiscal 2023 of the Smart Briquetter, a system that solidifies and compresses sludge produced in filtration processes, separates and recycles the grinding oil, allowing reuse of both sludge and oil. In addition, from the perspective of reducing food waste, we are also promoting the commercialization of heat sterilization

equipment that can utilize out-of-specification produce such as fruits and vegetables. In the electronics field, we are collaborating with a semiconductor equipment manufacturer to develop an exhaust gas removal system for the semiconductor manufacturing process. In the area of wellbeing, we are focusing on the development of a column less continuous purification system for pharmaceuticals. This is the industry's first initiative to sequentialize process of refining processes of biopharmaceuticals, and we are participating in exhibitions and other events.

While the heating business accounts for 70% of total sales in our business portfolio, we are now increasing the number of new products in the fluid business and accelerating development to optimize the balance between our businesses.

MESSAGE

Fostering a culture of challenges and enhancing opportunities for self-improvement to drive the growth of our business

In March 2024, we installed a hydrogen-fired heating furnace at our test center and began pilot operation. This allows us to observe the effects on products when switching from electricity or gas to hydrogen fuel for firing. Although we have only received a few requests for testing so far, we expect this to attract interest in the future.

“Challenge” is indispensable in the grows fields we are targeting, such as carbon neutrality, advanced medical care, and semiconductor manufacturing. It is therefore essential to foster a culture where employees from all generations—new hires, mid-level employees, and veterans alike—can take on new challenges. We aim to

create an atmosphere where everyone feels free to express their opinions, regardless of hierarchical relationships, with a focus on employees actively pursuing their skill development and career paths through acquisition of qualifications and expertise. Fiscal 2023 was a busy year throughout. While it is positive for our performance, it made it difficult for employees to dedicate time to their studies, which may be a risk to future growth. We will implement strong labor management to ensure that all employees have time for self-improvement, which will lead to further growth of our company.

Tabletop Business



Group General Manager of
Tabletop Group
Tomoyuki Katada

Main products | Porcelain tableware, other tableware-related products, decorations/works of art, etc.



Performance in Fiscal 2023

Domestically, while online sales declined due to a slowdown in stay-home demand, sales at our directly operated stores increased thanks to a rise in inbound tourism and domestic tourism. Sales for hotels also recovered and there were large-scale orders. As a result, sales were about the same level as the previous year. Overseas, sales in the US increased due to a recovery in sales to department store, and online sales remained strong. In Asia, while sales to China were affected by

the economic slowdown, sales to other Asian countries remained the same as the previous year. Combined with the favorable exchange rate, overseas sales saw a slight increase overall. As a result, net sales in the tabletop business were 6.968 billion yen (a 0.9% increase from the previous year), with an operating loss of 147 million yen (an operating loss of 277 million yen compared to the previous year).

Progress of the 12th Three-year Business Plan

Working to achieve the Group's Long-term Vision, our top priority has been achieving profitability. For many years, our Japanese business has been operating at a loss, but we have been steadily working on improving profitability in line with a restructuring plan that started one year before the current mid-term plan. This includes cost reductions and the streamlining of our sales network, and we are beginning to see positive results. In the US, we worked to improve profits by cultivating new customers and expanding sales to existing customers, but we did not achieve profitability. In fiscal 2024, we

aim to further improve profits by reducing expenses, including labor and warehousing costs, cultivating new customers, strengthening online sales and revising prices in line with rising raw material costs.

In our key markets in China and India, inventory adjustments led to stagnation in fiscal 2023. However, because we have built a profitable structure through the implementation of a distributor system and that there is a significant potential in the market, we expect to grow in the future.

Growth Strategy

Based on the 12th Three-year Business Plan, we are developing a growth strategy and allocating resources with a focus on high-growth potential markets such as China and India. Our product strategy focuses on hotels and restaurants, and we are developing well over a hundred product designs tailored to the needs of individual establishments. In fiscal 2023, we introduced over a hundred new product models to the market. These have been well received, and we have received large-scale orders. These results include the effects of enhanced marketing efforts. In fiscal 2023, we implemented several marketing automation tools. For example, it was extremely

effective for sales staff to increase communication opportunities by delivering information about new products and other information tailored to each customer online, rather than physically visiting each individual restaurant. In line with this era where online sales and digital marketing are the norm, we launched a new sales structure in fiscal 2024. The two sales departments, which used to be divided domestically and overseas, were integrated into the Marketing Department to strengthen both sales and marketing capabilities. The launch of borderless activities at home and abroad has had a very positive effect on sales to customers of global hotel chains.

MESSAGE

Creating positive momentum among employees through organizational reforms

Our business has its largest manufacturing base, NORITAKE LANKA PORCELAIN (PVT) LIMITED (NLPL), in Sri Lanka. While we have been working to improve profitability, we have faced challenges in maintaining profitability when orders in Asia were sluggish due to our high production volume. In response, NLPL has begun its own OEM and other sales activities. Previously, we had separate marketing and sales departments in Sri Lanka, the U.S., and Australia, working in collaboration with headquarters. Now, we have integrated these into a single global team, and provided opportunities for mutual communication on a regular basis. One of the aims of this unified approach is to propose optimized product

strategies from a global perspective and streamline product development.

In this business, where we have put profitability as our top priority, it is a major issue that a mindset of refraining investment has become prevalent at manufacturing sites and that there are less opportunities where we can actively utilize the proposals of young employees. The recent major reorganization of the Sales Department has already generated positive moves, and in fiscal 2024, the Manufacturing Department will also work to renew its work environment, and we will strive to increase employee engagement and motivation.

Sustainability Initiatives

Sustainability at Noritake

The Noritake Group is developing and reinforcing its sustainability management structure, and accelerating efforts in order to resolve social issues to move toward the realization of a sustainable society. The following “Sustainability Fundamental Policy” was established in April 2023.

Sustainability Fundamental Policy

The Noritake group’s management philosophy has been based on the founder’s spirit - “contributing to society through our business operations”, and we have been expanding our business under the corporate motto “Good Quality, Export and Co-prosperity”. We continue to aim to make a sustainable society into practice and at the same time enhance the corporate value.

- (1) We engage in business activities that contribute to the reduction of impact on the global environment.
- (2) We develop and provide products and services that contribute to a convenient society and people’s well-being.
- (3) We conduct appropriate information disclosure and engage in dialogue with stakeholders.
- (4) We strengthen governance and build a firmer management foundation.

Sustainability Promotion System

We recognize that initiatives aimed at addressing issues related to sustainability are our key management issues, and have established and operate a Sustainability Management Committee chaired by the President. The Committee develops policies, targets, and plans related to sustainability, monitors those initiatives, and provides guidance on required measures. Under the Sustainability Management Committee, Noritake’s sustainability management is advanced through collaboration between the Environmental Committee, Quality Committee, Human Resources Management Committee, Compliance Committee, and Procurement Committee that deal with more specialized and individual themes and the Risk Management Committee, newly established in April 2024. Each Committee comprises executive officers and other management staff as members to promote initiatives together with relevant personnel from across the company. The Sustainability Management Committee meets four times a year. Progress of initiatives and key matters are reported to the Board of Directors. The Board of Directors also deliberates on those key matters and supervises the state of progress of initiatives.



Noritake Garden (Fountain Plaza)

Contribute to the Global Environment

~Reducing environmental impact~

Basic approach

In order to achieve a "sustainable society," the Noritake Group actively works to reduce the environmental impacts and risks that occur from our business activities. In addition, we will strive for co-prosperity with our stakeholders by implementing management that balances reducing environmental impacts and generating business profits.

Noritake Group Environment Policy

The Noritake Group, as a company that manufactures products based on its founding spirit of "Good Quality, Export and Co-prosperity," positions the preservation of the global environment as an important management issue, and is contributing to the achievement of a "sustainable society" through its business activities.

- 1. We will strive to develop and provide environmentally-friendly products and services.
- 2. We will endeavor to reduce environmental burden in all processes of our business activities. In particular, we will strive to achieve the goals set for the reduction of CO₂ generation, resource saving, waste reduction, and recycling, and to manage hazardous substances appropriately.
- 3. We will build Environmental Management System from a global perspective and strive to reduce environmental burdens continually.
- 4. We will comply with environmental laws, regulations, and other requirements.
- 5. We will disclose information about our environmental activities and enhance our communication activities with stakeholders.

Disseminating information inside and outside the company

In order to promote the reduction of environmental impacts throughout the company, it is important for each person, from management to new employees, to correctly recognize environmental issues and to raise awareness. Therefore, in addition to providing environmental education by qualification, we regularly disseminate information on environmental activities through our in-house newsletter. We also provide specialized education for personnel who require specialized knowledge such as laws and regulations.

Meanwhile, in order for as many people as possible to understand the Noritake Group's approach to the environment, we disseminate information in this report and on our website.

Environmental Management System organizational structure

Under the supervision of the "Sustainability Management Committee" chaired by the President, the "Environment Committee" deliberates activity plans and state of progress, and provides unified guidelines for environmental protection promotion activities.

The "Environment Committee" also selects members for each group and business unit, to plan initiatives and manage progress in line with business activities.

Operation of Environmental Management System

The Noritake Group has established an Environmental Management System based on the international standard ISO14001 and is continuously promoting environmental protection activities.

ISO14001 certified offices (situation as of March 2024)

NORITAKE (acquired JQA-E-90071 in 1997)

- NORITAKE**
Head Office, Miyoshi Site, Kamori Plant, Komaki Test & Shipment Center, Minato Plant, Matsusaka Plant, Yasu Plant, Kurume Plant, Imari Plant
- ZEN NORITAKE CO., LTD.**
Head Office
- HIROSHIMA KENMA K.K.**
- NORITAKE RECYCLE CENTER CO., LIMITED**
- NORITAKE TCF CO., LTD.**
- NORITAKE GARDEN CO., LIMITED**
- NORITAKE ITRON CORPORATION**
Omiya Office/ Ouchiyama Office
- NIPPON RESIBON CORPORATION**
Miyoshi Plant, Noto Plant

KCM CORPORATION (acquired JSAE393 in 2001)

- KCM CORPORATION**
Head Office/Head Office Plant
- KYORIX MIE CO., LTD.**
Mie Plant

NORITAKE SCG PLASTER CO., LTD. (acquired TH13/7360 in 2006)

NORITAKE LANKA PORCELAIN (PVT) LIMITED (acquired ESC-01183 in 2015)

Overseas offices are also establishing Environmental Management Systems to promote environmental protection activities in the same way as in Japan. They are setting up environmental protection systems considering the laws and regulations of each country.

Reduction of CO₂ emission

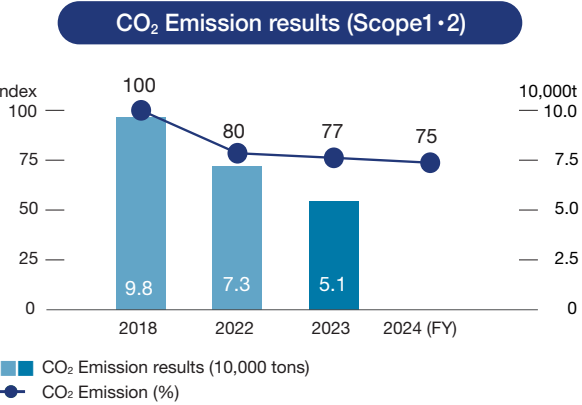
Initiatives to Reduce CO₂ Emissions

In order to transition to a low-carbon society and achieve net zero CO₂ emissions, the Group has set long-term targets of reducing CO₂ emissions (Scope1, 2) by 50% by FY2030 (compared to the FY2018 level) and achieving net zero emissions by FY2050. In order to reduce CO₂ emissions toward achieving this target, we are actively promoting the utilization of renewable energy by adopting energy-saving facilities while working to increase productivity.

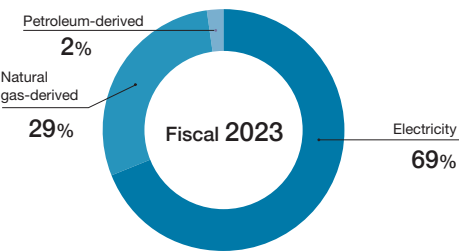
We also operate solar power generation facilities at seven domestic and three overseas business sites, making use of their premises in reducing annual CO₂ emissions by 3,000 tons or more. We will continue to promote the introduction of solar power generation facilities in order to achieve net-zero CO₂ emissions by 2050.

CO₂ emissions results

In FY2023, the second year of our 12th Three-Year Environmental Action Plan, we achieved our target of reducing CO₂ emissions by 48% compared to FY2018 through initiatives like introducing renewable energy and rationalizing production process.



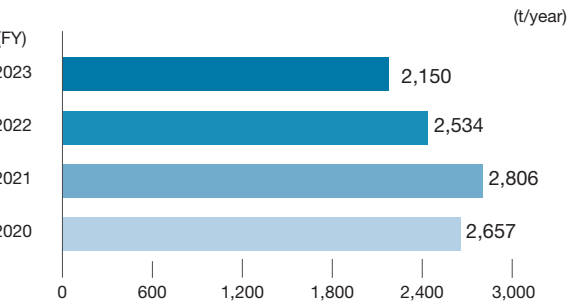
CO₂ emissions ratio by energy type



In addition, Noritake continuously monitors the amount of logistics transport in order to achieve efficient logistics. In fiscal 2023, our CO₂ emissions were 2,150 tons with 12.08 million ton-kilometers of logistics transport.

CO₂ emissions from logistics and transport

NORITAKE CO., LIMITED (non-consolidated)

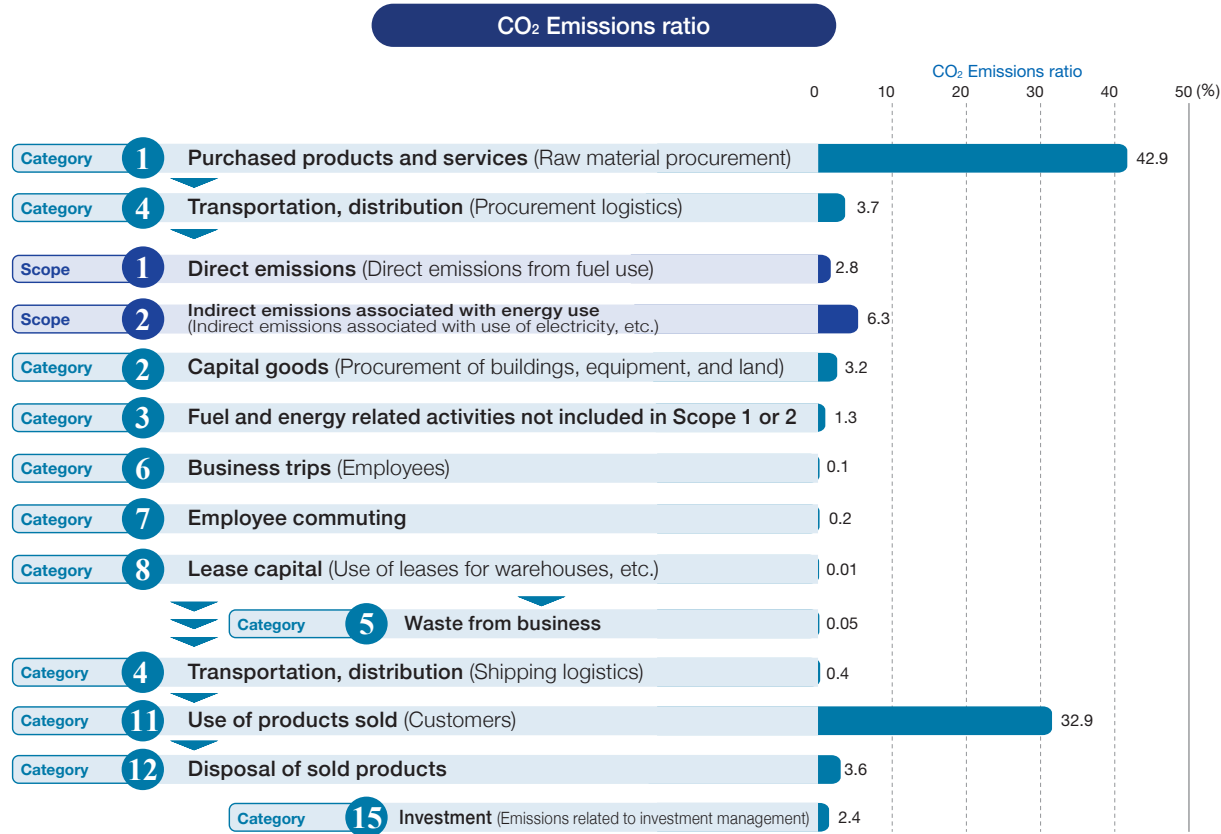


Overall picture of environmental burden

We are working to reduce environmental burden more effectively by monitoring the overall environmental burden of the entire product life cycle from raw material procurement to disposal after product use.

The Noritake Group calculates greenhouse gas emissions in line with international standards Scope 1 to 3, and uses them as an activity indicator.

* Calculation method
* Calculated in accordance with the Ministry of the Environment and Ministry of Economy, Trade and Industry's "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain Ver 2.0."
* Categories 9, 10, 13, and 14 out of the 15 categories of Scope 3 were excluded from the calculation because they are not applicable.



CO₂ emissions throughout the supply chain

Total of Scope 1 to 3

560 kilotons

Scope 1: Direct company emissions

Scope 2: Indirect emissions associated with energy use (use of purchased electricity and heat)

Scope 3: Other indirect emissions (categories 1 to 8, 11, 12 and 15)

Reducing waste

We understand that doing our utmost to reduce the generation of waste in our business activities is critical to making effective use of limited resources. At the Noritake Group, we undertake to reduce waste by quality improvement in conjunction with our manufacturing enhancement activities.

Noritake Recycling Center initiatives

Industrial grinding wheels are one of Noritake's core products, many of which are disposed of in landfills as industrial waste after use.

To address this, Noritake has been working on initiatives to effectively utilize and recycle these used grinding wheels.

The Noritake Recycle Center collects approximately 250 tons of used vitrified grinding wheels annually.

The collected grinding wheels are crushed, classified, and then reborn as products such as abrasive materials and heat-resistant materials.

Recycling process of used industrial grinding wheels

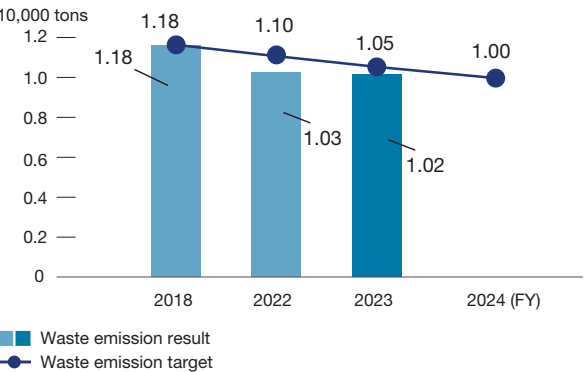


Waste emission result

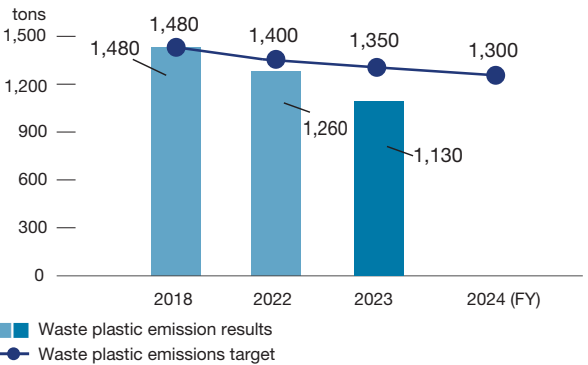
In FY2023, the second year of our 12th Three-year Environmental Action Plan, we achieved an actual output of 10,200 tons with respect to the target of 10,500 tons or less waste emissions including at overseas sites.

In Japan, we also achieved the target of 1,350 t of less waste plastic emissions, by achieving results of 1,130 t.

Waste emission result



Waste plastic emission results (Japan)



Environmentally Conscious Initiatives

The Noritake Group is focusing on manufacturing activities for environmentally friendly products and services.

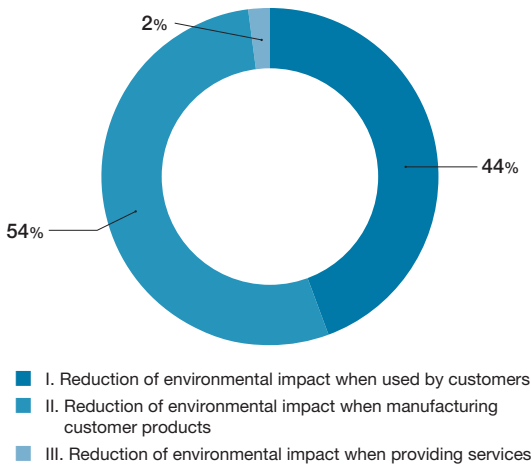
We conduct pollution control activities and chemical substance management to prevent chemicals and other substances from contaminating rivers and soil, and to ensure that there are no adverse health effects on people.

We are developing products and services with the aim of achieving a 10% or higher ratio of net sales of environmentally-friendly products in FY2024.

Environmentally-friendly products

The target ratio of net sales for FY2023, the second year of our 12th Three-year Environmental Action Plan was 10%, and we achieved 9%.

Breakdown of ratio of environmentally-friendly products



Chemical substance management

We conduct chemical substance management that meets environmental-related laws for the Noritake Group. Chemical substance management consists of two parts: Screening and approval rules to control new use of hazardous chemical substances, and monitoring the amount of chemical substances used and transferred. In this way, we are visualizing the conditions of chemical substances used and working to reduce the use and emission of hazardous substances.

We also issue and operate the "Chemical Contamination Prevention Control Standard" that uniquely defines the structural standards and inspection standards of related facilities for the storage and use of harmful chemical substances, and we are striving to prevent the dispersal and leakage of chemical substances.

Initiative for biodiversity

In order to realize the "sustainable society" that the Noritake Group is aiming for, we are advancing the greening of our business sites as part of our efforts to promote biodiversity and aim for the preservation of nature and ecosystems. In addition, at Noritake Garden, adjacent to our headquarters, we are creating an environment conducive to birds, insects, and other wildlife, and conducting regular surveys to monitor the ecosystem.



Noritake Garden (Biotope)

Water resource conservation

In order to conserve important water resources, the Noritake Group strives to prevent pollution of rivers and other areas properly managing wastewater from its production processes. In factories that generate a large amount of waste liquid, wastewater from the process is collected so that hazardous substances do not spread into rivers and other areas, and some wastewater is recycled as washing water.

12th Three-year Environmental Action Plan (FY2022 to FY2024 plan)

Activity item			Fiscal 2022 Plan	Fiscal 2023 Plan	Fiscal 2024 Plan
Reducing environmental impact	Countermeasures for global warming	Scope1&2: Embodiment of measures	CO ₂ emissions: 77,000 tons or less At least 20% less than FY2018 level	CO ₂ emissions: 75,000 tons or less At least 23% less than FY2018 level	CO ₂ emissions: 73,000 tons or less At least 25% less than FY2018 level
		Scope 3: Creation of a foundation	Understand Scope 3 system	Examine Scope 3 system	Establish calculation method for Scope 3 emissions
	Resource recycling measures	Reduce waste	Waste disposals: 11,000 tons or less Plastic waste at Japan sites: 1,400 ton or less	Waste disposals: 10,500 tons or less Plastic waste at Japan sites: 1,350 ton or less	Waste disposals: 10,000 tons or less Plastic waste at Japan sites: 1,300 ton or less
Strengthen foundation of activities	Product measures	Environmentally-friendly products	Net sales ratio: 10% or more	Net sales ratio: 10% or more	Net sales ratio: 10% or more
	Strengthening of subcommittee system	Continual improvement of management system	Implement/ Improve internal auditing Continue ISO14001 certification	Implement/ Improve internal auditing Continue ISO14001 certification	Implement/ Improve internal auditing Continue ISO14001 certification
	Pollution measures	Chemical substance management	Perform chemical substance management study	Examine chemical substance management system	Create chemical substance management system
	Strengthen human resource development	Fostering promoters of environmental initiatives	Introduce management training/CN training	Introduce management training/CN training	Introduce management training/CN training

FY 2023 Results

Activity item			Fiscal 2023 Results	Evaluation
Reducing environmental impact	Countermeasures for global warming	Scope1&2: Embodiment of measures	CO ₂ emissions 51,000 tons 48% reduction (compared to FY 2018)	○
		Scope 3: Creation of a foundation	Scope 3 aggregate review	○
	Resource recycling measures	Reduce waste	Waste disposals: 10,200 tons Plastic waste at Japan sites: 1,130 tons	○ ○
Strengthen foundation of activities	Product measures	Environmentally-friendly products	Net sales ratio: 9%	△
	Strengthening of subcommittee system	Continual improvement of management system	Implement/Improve internal auditing Continue ISO14001 certification	○ ○
	Pollution measures	Chemical substance management	Understanding the history of chemical substance use	○
	Strengthen human resource development	Fostering promoters of environmental initiatives	Introduce management training/ CN training	○

Disclosure based on TCFD Recommendations

In August 2022, Noritake announced its endorsement of the Task Force on Climate-Related Financial Disclosures (TCFD*) recommendations established by the Financial Stability Board (FSB).

Since its founding, Noritake has operated its business under the basic philosophy of “contributing to society through business.” We recognize the protection of the global environment, a major issue for society, to be one of our most important management issues. In line with TCFD recommendations, we identify risks and opportunities, consider countermeasures, and incorporate them into our management strategies.

Governance

Under the Sustainability Management Committee, chaired by the President, the Environmental Committee leads the Noritake Group’s initiatives related to climate change. The Committee formulates unified guidelines for environmental protection activities, promotes these initiatives, manages progress, and implements corrective measures as necessary.



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

<Disclosure based on TCFD Recommendations>
<https://www.noritake.co.jp/company/csr/esg/environment/tcfd/>

TCFD

TCFD stands for Task Force on Climate-Related Financial Disclosures and was established in December 2015 by the Financial Stability Board (FSB) at the request of the G20. In June 2017, the TCFD released a report recommending the disclosure of information on risks and opportunities related to climate change, and companies and institutions around the world have endorsed the recommendations.

Strategy

In 2030, it is assumed that in the 2°C or 1.5°C scenarios, there will be a significant impact on societal changes due to policy transitions, while in the 4°C scenario, there will be a greater focus on physical impacts such as weather-related events. In light of this, our Group has examined risks and opportunities based on two scenarios: the “risks related to the transition towards a low-carbon society” which would occur during the progression to the 2°C or 1.5°C scenario, and the “risks related to the physical impacts associated with climate change” which would arise if the global fails to achieve adequate climate change mitigation measures and reaches the 4°C scenario.

		Item	Outline	Results of Business Impact Assessment in 2030	Magnitude of Risks
Risks	Transition Risks				
	Policies and Regulations	Increase in CO ₂ emissions costs due to introduction of carbon taxes and carbon emissions restrictions	As taxes are incurred on fuel combustion and electricity use following the introduction of carbon taxes, CO ₂ emissions costs are added to operating costs	Increase in operating costs due to the introduction of carbon tax or rising tax rates	Medium to High
	Technology/Market	Respond decarbonization upstream in the supply chain and materials shortages	In addition to the increasing need for selecting materials with a lower environmental impact, the emergence of new demand associated with decarbonization causes supply shortages for existing applications of materials	Increase in procurement costs due to revising materials and suppliers	High
	Technology/Market	Decrease in product market due to decarbonization downstream in the supply chain/Late development of environment-friendly products	With customers demanding further reductions in CO ₂ emissions, customers may end up leaving if we are unable to reduce CO ₂ emissions at our own production plants, or we are late in developing environment-friendly products	Customers leaving due to slow response is directly related to decreasing product sales	High
	Market	Rising energy costs	Increase in energy costs as various other companies procure renewable energy	Increase in operating cost due to rising renewable energy unit costs	Low to Moderate
	Market	Decrease in demand for internal combustion engine-related demand	Decrease in demand for internal combustion engines-related products with customers finding alternatives to ICE vehicles as ZEVs become more widespread	Decrease in sales of internal combustion engine-related products due to ZEVs becoming increasingly widespread	High
	Reputation	Impact on the "Noritake" brand due to a late environmental response	Stakeholders evaluate the company based on the state of environmental response, as with increased pressure from society to adapt to decarbonization	Responding too late as all of society focuses on addressing decarbonization will lead to a decline in reputation	Medium to High
	Physical Risks				
	Acute	Suspended operations due to natural disasters	Suspended operations at sites impacted significantly by rain and strong wind in particular	The extent of damage at Noritake Group sites is expected to be limited due to their locations. On the other hand, there is the risk that stoppages at suppliers may impact business	Low to Moderate
	Chronic	Suspended operations caused by high tides as sea levels rise	Suspended operations at sites where high tides in particular may easily cause stoppages	The extent of damage at sites is expected to be limited due to high tides, even at sites located closest to the coast	Low to Moderate
Chronic	Increase in heatstroke	Increase in operating costs due to the drop in health and safety standards following the increase in heatstroke at plants	The probability of significant increases in heatstroke at plants is expected to be low	Low to Moderate	

Opportunities				Results of Business Impact Assessment in 2030		Magnitude of Opportunities
Related to Transition Risks	Energy	Develop a competitive advantage by reducing CO ₂ emissions	As taxes are incurred on fuel combustion and electricity use following the introduction of carbon taxes, reducing CO ₂ emissions leads to a reduction in operating costs	2°C or 1.5°C scenario	Responding leads to a competitive advantage over competitor companies by limiting operating costs	Medium to High
	Resilience	Create competitive advantage with appropriate management of materials or suppliers	Create supply chain resilience by considering switching to materials with a low environmental impact, and appropriately managing the diversity of suppliers		Responding directly leads to a reduction in procurement costs or differentiation from competitors	Medium to High
	Products/Services	Tap into decarbonization demand by developing and selling environment-friendly products	Increase in demand for products with lower CO ₂ emissions than current		Increase sales by selling low environmental impact products to customers	High
	Market	Tap into decarbonization demand by developing and selling new products in new environment-friendly markets	Increase opportunities to provide new products with a higher demand in a low-carbon society		Increase sales with product development and sales as new environment-related markets open up	High
	Resources Efficiency/Energy	Limit operating costs by responding to rising energy costs	Limit operating costs with resource-saving and energy-saving initiatives, and effective use of renewable energy, despite rising energy costs		Responding leads to a competitive advantage over other companies by limiting operating costs by a certain amount	Low to Moderate
	Products and Services	Increase in associated products as ZEVs become more widespread	Increase in the market related to semiconductors, electronic components and batteries		Growth in sales following increased demand in products as ZEVs become widespread	High
	Products and Services	Enhance "Noritake" brand power based on environmentally conscious image	Increase in evaluation by stakeholders and brand power as a company through development and sales of environment-friendly products		Increase in corporate value with more environmentally conscious image	Medium to High
	Physical risk	Resilience	Supply chain resilience		Create supply chain resilience with appropriate measures and response, despite the increase in disasters	Responding leads to a competitive advantage over competitor companies by limiting losses in the event of disasters
		Resilience	Increase in health and safety standards	With temperatures continuing to rise, health and safety standards are increasing by advancing measures and responses for employees such as treatment for heatstroke	Responding leads to a competitive advantage over competitor companies by limiting the drop in health and safety standards	Low to Moderate

		Risks		Opportunities		Response Measures
Transition Risks	Policies and Regulations	Increase in CO ₂ emissions costs due to introduction of carbon taxes and carbon emissions restrictions	Convert to opportunity	Energy	Develop a competitive advantage by reducing CO ₂ emissions	• Reduce CO ₂ emissions by further promoting energy-saving and resource-saving efforts, introducing renewable energy, and implementing fuel conversion that are already in place
	Technology/Market	Respond decarbonization upstream in the supply chain and materials shortages	Risk Reduction Measures	Resilience	Create competitive advantage with appropriate management of materials or suppliers	• Develop framework and systems for supplier management, such as creating Purchasing Guidelines • Promote efficient use of resources with resource recycling measures that are already in place
	Technology/Market	Decrease in product market due to decarbonization downstream in the supply chain/Late development of environment-friendly products	Convert to opportunity	Products/Services	Tap into decarbonization demand by developing and selling environment-friendly products	• Accelerate development and sales of environment-friendly products and new products • Sell electronic components capable of reducing CO ₂ emissions when using products, and ceramic cores designed for use with hydrogen-ammonia combustion turbines • Promote sales of energy-saving devices and development of facilities like hydrogen-ammonia combustion furnaces
	Technology/Market	Decrease in product market due to decarbonization downstream in the supply chain/Late development of environment-friendly products	Convert to opportunity	Market	Tap into decarbonization demand by developing and selling new products in new environment-friendly markets	• Promote sales of products that use materials with a low environmental impact, or products capable of reducing CO ₂ emissions by increasing grinding efficiency • Sell tableware made with less virgin material, such as those using recycled materials • Research and development of fuel cell-related materials and hydrogen production-related materials • Research and development of CCUS-related products
	Market	Rising energy costs	Convert to opportunity	Resources Efficiency/Energy	Limit operating costs by responding to rising energy costs	• Promote energy conservation by revising production efficiency • In addition to increasing the use of existing solar power generation equipment, accelerate the use of renewable energy sources by installing more solar power generation equipment
	Market	Decrease in demand for internal combustion engine-related demand	Occurs simultaneously	Products and Services	Increase in associated products as ZEVs become more widespread	• Expand businesses related to semiconductors, electronic components and batteries, as the market for associated products increases as ZEVs become more widespread
Physical Risks	Reputation	Impact on the "Noritake" brand due to a late environmental response	Convert to opportunity	Products and Services	Enhance "Noritake" brand power based on environmentally conscious image	• Set environmental targets and clarify initiatives that are easy-to-understand for investors and the market, such as disclosing information based on TCFD Recommendations or developing and selling environment-friendly products
	Acute	Suspended operations due to natural disasters	Risk Reduction Measures	Resilience	Supply chain resilience	• Hold training for safety verifications and evacuations as necessary, as the extent of damage at Noritake Group sites is expected to be limited due to their locations • Continue to enhance the Risk Management System throughout the Noritake Group
	Chronic	Suspended operations caused by high tides as sea levels rise	Risk Reduction Measures	Resilience	Increase in health and safety standards	• Promote risk management throughout the entire Noritake Group, such as controlling office temperatures or encouraging rehydration efforts from the perspective of health and safety
	Chronic	Increase in heatstroke	Risk Reduction Measures	Resilience	Increase in health and safety standards	

Risk Management

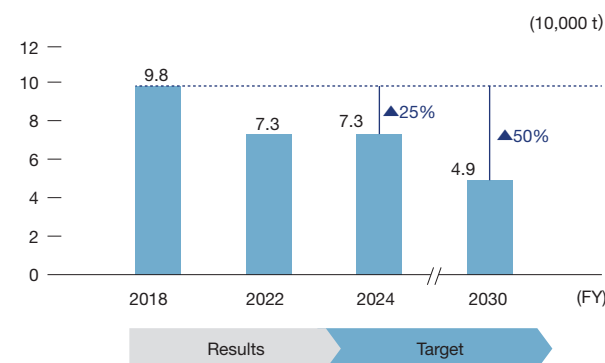
In regard to risks related climate change, a taskforce established in 2022 analyzed, assessed and reported to the Board of Directors.

The Risk Management Committee, newly established in 2024, will analyze and evaluate climate change and all other risks surrounding our Group, identify key risks, and manage efforts to avoid or mitigate them.

Indicators and Targets

In order to transition to a low-carbon society and to achieve net-zero CO₂ emissions by 2050, the Noritake Group has set targets to reduce its CO₂ emissions (Scope 1 and 2) to 73,000 tons by FY2024 (25% reduction from FY2018) and to 49,000 tons by FY2030 (50% reduction from FY2018). We will also review the method to calculate CO₂ emissions from companies in the supply chain other than our Group companies (Scope 3), and set targets and examine the approach to achieve them.

Scope1, 2 (company's CO₂ emissions) reduction plan



The details reported in "Contribute to the Global Environment" on P43 to 48 were created using data from the following group companies.

- NORITAKE CO., LIMITED
- NIPPON RESIBON CORPORATION
- ZEN NORITAKE CO., LTD.
- HIROSHIMA KENMA K.K.
- KCM CORPORATION
- KYORIX MIE CO., LTD.
- NORITAKE ITRON CORPORATION
- NORITAKE TCF CO., LTD.
- NORITAKE GARDEN CO., LIMITED
- NORITAKE RECYCLE CENTER CO., LIMITED
- NORITAKE ABRASIVES(SUZHOU) CO., LTD.
- NORITAKE SA (THAILAND) CO., LTD.
- DIA RESIBON (THAILAND) CO., LTD.
- NORITAKE SCG PLASTER CO., LTD.
- PT. NORITAKE INDONESIA
- NORITAKE TAIPEI CO., LTD.
- NORITAKE LANKA PORCELAIN(PVT) LIMITED

Contribute to a Convenient Society

~Continuous provision of new value~

Provision of new products

We have begun mass production of the LHA Pad[®] polishing tool for silicon carbide (SiC) semiconductors, an organic-inorganic hybrid structure product we have developed.

In addition, as a further development of our organic-inorganic hybrid products, we are varying the materials and properties of the organic and inorganic components, enabling expansion into a wide range of other applications.



LHA Pad[®]

In addition, Noritake has developed a fine bubble generator using the technology to uniformly control the pores of porous ceramics, which we have cultivated over many years in the production of grinding wheels. This generator creates fine bubbles without applying large force to the liquid, ensuring that the generation of bubbles does not lead to increase in liquid temperature or alteration of its properties. As a result, damage to components or cells contained in the liquid is minimized. Leveraging these advantages, we are expanding its sales focusing on applications such as the cultivation of microorganisms and algae in the development of pharmaceuticals and food products.



Fine bubble generator

Establish framework for creating new businesses

In fiscal 2023, we launched a development theme proposal system, which solicits ideas widely from all employees, and the Stage-Gate System, a new development process aimed at

commercialization.

Ideas are solicited internally and reviewed through the Stage-Gate System along with the revision or elimination of ongoing development themes. We categorize themes by growth field, and engage in development by reallocation of resources—suspending stagnant themes while allocating personnel to growing themes or those that pass the review process.



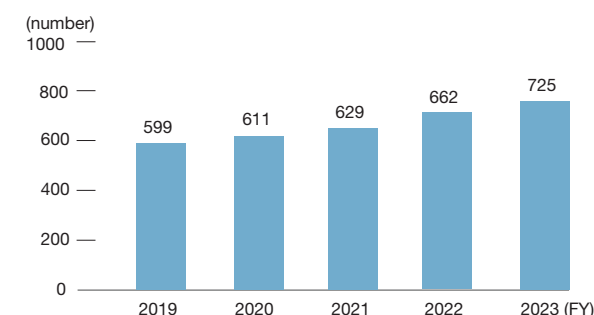
New Business Creation Committee

Enhance core technology development capability

Noritake regards intellectual property (patents, trademarks, designs, copyrights, etc.) as an important asset in the development of business that contributes to society. We have formulated and implemented strategic intellectual property activities optimized to each business environment, and continually strive to generate, acquire, and utilize intellectual property that activates business growth. As a result, as of the end of FY2023, we held 725 patents.

In FY2024, we merged the Intellectual Property Department and the Planning Department to form the Intellectual Property Planning Department, further enhancing and advancing these activities. Moreover, we respect the intellectual property of other companies as an asset equally important to our own, and take great care to avoid any infringement.

Number of patents held



Contribute to a Convenient Society

~Stable supply of high-quality and safe products~

Promote activities for improving quality

Quality Policy

The Noritake Group has established a Quality Policy for providing quality products and services that satisfy our customers.

Noritake Group Quality Policy

Based on the corporate motto of "Good Quality, Export and Co-prosperity", the Noritake Group will continue to respond to the trust and the expectations of customers around the world by providing quality products and services that satisfy our customers.

1. We provide safe and secure products and services from customers' viewpoints.
2. Each and every person in all our organizations continues to work on quality improvements.
3. We comply with laws, regulations and requirements related to products and services.
4. We appropriately disclose necessary information for our customers.

Quality improvement promotion system

From fiscal 2023, the "Quality Committee" was established under the Sustainability Management Committee in order to maintain and continue to improve the structure by which we promptly and reliably provide the "quality products and quality services" that customers demand. The Quality Committee develops the quality policy, quality targets and action plans, with the aim of improving quality throughout the entire Group.

Key activities in fiscal 2023 include internal quality audits on the heads of business units to check the internal dissemination of the quality policy and the progress of activities aimed at achieving materiality goals, thereby strengthening management capabilities in the process.



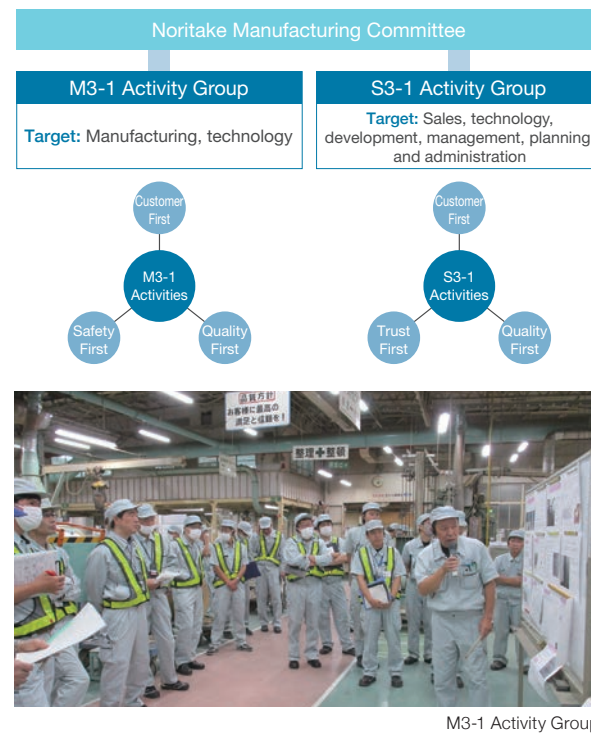
Quality Committee

Activities to enhance manufacturing

Noritake is a manufacturer that was born from the passionate desires of the founders to "make porcelain with exquisite craftsmanship and impeccable whiteness." Based on this spirit, the Noritake Manufacturing Committee was established in 2011 to improve the quality of our products and services.

In 2011, we started basic development activities under the "Manufacturing 3-1 (M3-1) Activities" for manufacturing departments. To ensure stable production, we have implemented a system that is the foundation for safety (2S and standardization). In addition, we have integrated "quality activities" for the engineering division and we are evolving them into activities that promote manufacturing and technology together. Since 2016, as basic enhancement activities, we have expanded our activities to develop management standards and systems that control the five major missions of our production sites: Safety, Quality, Production, Cost, and Human Resources.

We have expanded our manufacturing activities for sales, engineering, development, management, planning, and administration as "S3-1 activities," and are currently promoting activities based on the two pillars of "M3-1 activities" and "S3-1 activities."



M3-1 activity (manufacturing and engineering divisions)

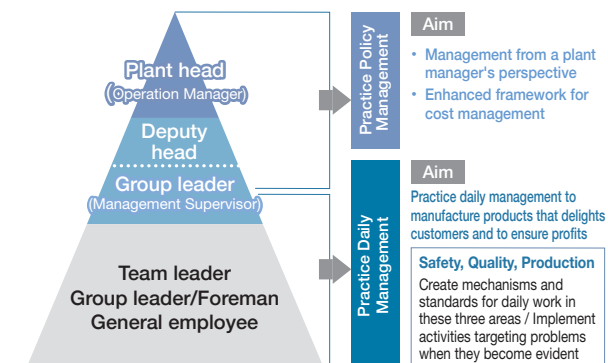
Throughout our M3-1 activities, we stress the concept of "Customer First, Safety First and Quality First" in our manufacturing and engineering departments, and promote basic enhancement activities based on the recognition that achieving these three "Firsts" is important for continuing to contribute to society through our business.

Basic enhancement activities

In our basic enhancement activities, we are focusing on the control of Quality, Cost, and Delivery. Among the five major missions of the production site, we have identified Safety, Quality, Production, and Cost as priority areas for action. We are implementing initiatives to enhance these areas, aiming to improve the quality of daily management. Plant managers have been leading basic enhancement activities based on the principle of local physical goods. These have now been integrated into the management system as a continuous framework, and operations have commenced.

The Noritake Group's 12 plants hold activity meetings for local physical goods, where the activities for the five major missions are recognized in the form of mutual study of the plant sites. Furthermore, starting in FY2024, each business unit will independently promote management capability enhancement and on-site operational capability enhancement. We will also hold activity report meetings where participants will engage in discussions and share best practices for wider implementation across the Group.

Plant roles by qualification



Quality activities

As part of our efforts to improve quality, we are promoting "Obeya" activities and production preparation activities, and have continued the Quality Activity Study Group FY2021.

Obeya

In Obeya, or common room, activities, site administrators such as plant general managers gather with relevant personnel from manufacturing, production technology, quality assurance, product development, etc., to hold cross-departmental meetings to promptly carry out activities for making corrections and improvements through factor analysis and discussion of countermeasures. To address complaints and defects in the production process, we implement quality improvement activities, utilizing visual representation of information as a key method, and strive to make corrections and improvements with "Obeya" activities.

Production preparation activities / Quality Activity Study Group

During the entire process of new product introduction from product planning through to mass production, relevant parties conduct a design review at each step to confirm that the output is appropriate and to prevent defects from occurring during mass production. These activities are called "production preparation activities." We determine what needs to be done at each step, what needs to be confirmed, and who will be responsible for each activity, and establish a standard process through continuous improvement.

In FY2021, we launched the Quality Activity Study Group to make our production preparation activities more effective. The Study Group investigates defects associated with the production preparation process and promotes efforts for resolving fundamental problems by reviewing the conventional process and going back to production preparation activities, while holding discussions between the parties involved in the actual on-site production process.



Quality Activity Study Group

S3-1 Activities (Sales, technology, development, management, planning, and administration divisions)

The Noritake Group's manufacturing enhancement activities are not limited to the plants at which we manufacture our products. In the pursuit of customer satisfaction, both the departments that directly face the customers such as Sales and Engineering and the administration and development departments that support these departments are involved in the making of products in one way or another. These manufacturing-enhancement activities carried out by our non-factory staff divisions are "S3-1" activities. S represents the S of service, and 3-1 represents the three "Firsts": Customer First, Quality First and Trust First, which our staff must always observe conscientiously as they carry out their work duties.

S3-1 activities are performed based on the awareness of these "Firsts", and are designed to elevate the quality of work.

The aim of S3-1 activities is to be able to "resolve problems and issues related to work autonomously and independently, with an awareness of customer satisfaction," and thereby increase the individual's problem-solving skills, and competitiveness of the company. All staff divisions are reviewing their operations from a customer perspective, aiming to improve operations in alignment with the ideal state. We place particular emphasis on reviewing operations through the "C" (check and review) aspect of the process. Through management reviews, feedback is provided from senior personnel to enhance the accuracy, quality, and efficiency of operations. This approach not only helps us maintain trust from our customers but enables us to create a more comfortable working environment. Engagement in these activities is also intended to improve employee awareness, leading to human resource development and building stronger organizational structures.



S3-1 Activity Group



S3-1 Activities Meeting

Communication with customers

In order to reflect customer feedback in our products and services, and to ensure that customers can use our products safely, we have set up a customer service center within the Tabletop Group to share customers' opinions and inquiries with relevant departments in order to improve our products and services.

Product safety

The Noritake Group is committed to providing products and services that are safe and reliable from a customer's standpoint. To ensure product safety, we observe relevant laws, regulations, standards, and/or voluntary standards throughout the product lifecycle, such as development, design, procurement, production, sales, and logistics. We shall also provide easily comprehensible labeling and user manuals to prevent potential accidents during the lifecycle, including disposing stage.

Promotion of supply chain management

The Noritake Group recognizes the importance of supply chain management for ensuring stable business operations. We established a purchasing policy in FY2020, followed by purchasing guidelines in FY2021. In FY2023, we further strengthened our framework for sustainable procurement by launching the Procurement Committee under the Sustainability Management Committee.

Noritake Group Purchasing Policy

Based on Noritake's corporate motto of "Good Quality, Export, and Co-prosperity", we will engage in purchasing activities aimed at continually providing our customers with good products and services deemed satisfactory to them. Furthermore, by building trusting relationships aimed at co-prosperity with our suppliers, we will proactively fulfill our corporate social responsibility in cooperation with our suppliers, that is:

1. We will keep our doors open impartially and globally to all suppliers and conduct fair transactions in good faith.
2. When selecting suppliers, we will do so by making an overall judgment that includes reviews on not only quality, price, and delivery time, but also their stance towards corporate social responsibility.
3. We will deepen mutual trust with suppliers we deem reliable in order to achieve co-prosperity.
4. We will comply with the laws and regulations as well as social norms of each country and region while conducting business based on highly ethical standards.
5. We will perform environmentally friendly purchasing in line with the Environmental Policy of the Noritake Group.

The Procurement Committee is composed primarily of heads of the procurement departments within business units and main Group companies. In FY2023, the Committee undertook activities to gain the agreement of suppliers on our purchasing

policy and guidelines, as well as reviews of standard business transaction contracts.

Additionally, significant efforts were made in internal education. In FY2023, we held two seminars on the Subcontract Act, targeting Noritake Group procurement personnel and employees indirectly involved in procurement, such as developers. We also held a seminar on the purchasing guidelines for procurement managers across various business units.

Communication with business partners

The Noritake Group shares information such as information about the economic environment and trends in the industry and our procurement prospects with our business partners in order to establish and maintain good relationships. We are also making efforts to ensure safety and health. In particular, the Engineering Group, which receives cooperation from many business partners in manufacturing and construction, regularly holds seminars to prevent occupational accidents.

Contribute to the People's Well-being

~Pursuing a society that values well-being~

Respect for human rights

Respect for human rights

The Noritake Group understands that the human rights of all people must be respected and is committed to ensuring the dignity of everyone affected by its business activities is protected. In fiscal 2023, the Noritake Group publicly released its Human Rights Policy. We will continue to strengthen our efforts by conducting human rights due diligence and training our employees on human rights, thereby contributing to the realization of a sustainable society.

Noritake Group Human Rights Policy (excerpt)

The Noritake group's management philosophy has been based on the founder's spirit - "contributing to society through our business operations", and we have been conducting business activities with the aim of becoming a company that promotes the well-being of people and communities. We recognize that human rights of all people must be respected, and will continue to strive to uphold the dignity of anyone affected by our business operations, based on the "International Bill of Human Rights," the "Core Labour Standards" of the International Labour Organization (ILO), and the United Nations "Guiding Principles on Business and Human Rights".

[Action Guidelines]

- Prohibition of discrimination
- Prohibition of harassment
- Education
- Prohibition of forced labor
- Prohibition of child labor
- Fair wages
- Work hours
- Safety and health
- Freedom of association and collective bargaining
- Human Rights Due Diligence
- Relief
- Dialogue and consultation with stakeholders

Noritake Group Human Rights Policy

https://www.noritake.co.jp/pdf/ja/company/about/human_rights_policy_ja.pdf

returning home in the event of a large-scale disaster. In this way the facility provides peace of mind to local residents.



Carp streamers



Christmas lights



Social studies field trip

Support for international students

To support students from overseas, we participate in the "International Student Acceptance Program for Employees Dormitories" organized by the Foundation of Corporate Friendship Network for Foreign Students. Since 1994, the company has provided accommodation for 26 international students attending universities and graduate schools in Aichi Prefecture. This provides low cost accommodation for international students, and for the employees who live in the employee dormitories, it serves as an opportunity to communicate with foreigners.

Regional contribution at Noritake Sri Lanka

Noritake established Noritake Sri Lanka, a tableware manufacturer, in 1972. Since then, the company has continued to interact with the community in various ways, including making donations to hospitals and schools, and carrying out environmental activities.

Noritake is conducting a tree-planting program in collaboration with the University of Peradeniya, the Forest Department, and local communities. The program includes studying a reforestation plan until 2030, preparation of land for planting, and vegetation mapping. In fiscal 2024, we plan to plant approximately 1,000 trees.

~Improving employee engagement~

Basic approach

Noritake considers employees to be a valuable asset. Centered around the philosophy of "People thrive through inspiration, and perish through complacency", we value and encourage a proactive attitude toward taking on creative challenges. Noritake is committed to creating a workplace where employees can work with joy, which forms the foundation of our approach to improving the work environment and supporting employee career development. In addition to promoting a healthy work-life balance, Noritake seeks to improve employee engagement through human resource measures that foster autonomous growth of employees while staying attuned to employee needs. By doing so, the Noritake Group aims to achieve sustainable growth through improved productivity.

Enhance employees' physical and mental health

Improving work-life balance

Noritake is committed to improving the work-life balance of our employees. In addition to encouraging the use of paid leave, we expanded our special paid leave system in April 2023, which can be used in unexpected situations, such as contracting an infectious disease, to create a more supportive environment for employees to take paid leave with peace of mind. For life events such as childcare and caregiving, Noritake has not only established leave and absence systems but also implemented a system for taking annual leave in hourly unit and a flexible work system for childcare and caregiving (either part-time or full-time), which are utilized by our employees. Telecommuting continues to be offered as part of Noritake's work-life balance initiatives, helping reduce the burden of commuting and enabling more efficient use of time.

Additionally, Noritake has introduced a medical treatment support work system to support employees who require ongoing or repeated treatment, which was expanded in April 2023 to include fertility treatment. We will continue to support employees through flexible work schedules tailored to their treatment needs.

Ratio and average number of days of annual paid leave taken at Noritake

Fiscal Year	2019	2020	2021	2022	2023
Average number of days of leave taken	12.9	11.2	12.1	13.3	13.7
Ratio of leave taken	67.8%	59.4%	63.0%	68.3%	70.6%

Promote health management

Understanding the vitality of employees to be the source of corporate vitality, the Noritake Group adopted a Health Management Declaration on April 1, 2020. We actively work to improve the health of our employees and their families under our promotional structure, in which the President serves as General Manager, the officer in charge of the Human Resource Department serves as Promotion Manager, and Human Resources Department is in charge of operating the activity, in partnership with health insurance associations, labor unions and occupational physicians. Following the recognition in 2023, we were certified as a 2024 "Health and Productivity Management Outstanding Organization (large enterprise category)", a joint certificate by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi. "Health and Productivity Management Outstanding Organization" is a program that highlights outstanding large enterprises and SMEs with excellent health management, based on initiatives aimed at addressing health issues in communities, and efforts in line with health and productivity management promoted by Nippon Kenko Kaigi.

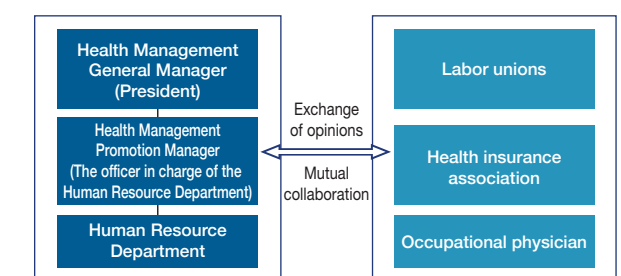


Health Management Declaration

The Noritake Group understands the vitality of employees to be the source of corporate vitality, and we actively promote improvements in health for employees and their families.

- ▶ We work to improve health awareness.
Strengthen health education
Foster a mindset that treasures health
- ▶ We work to enhance physical and mental health.
Promote early detection & early treatment
Help improve meals, exercise, sleep and other lifestyle habits
Promote refreshment of body and mind
- ▶ We maintain the work environment.
Maintain an environment in which everyone can work enthusiastically

System diagram



Contribute to local communities

NORITAKE GARDEN

Part of the Noritake headquarters site is open to the public as "Noritake Garden." The garden complex was opened as part of the 100th anniversary since the company's foundation based on feelings of gratitude for local people and the desire to protect the environment, and features more than 6,000 trees planted over approximately 34,000 m². Today it has become a popular place for urban relaxation and has established itself as a representative industrial tourism facility in Nagoya.

Also, we have signed an agreement with Nagoya City to act as a temporary evacuation site for people who have difficulty

Health improvement initiatives

The proportion of employees who have received the regular general health checkups at Noritake was 100% (FY2023) and the rate of employees required follow-up checks was 61.6% (FY2023). Occupational physicians check the results and provide health guidance and recommendations for medical examinations. The rate for detailed examinations was 79.5% (FY2022), leading to early detection and treatment. Screenings for breast cancer, which has a high number of cases and a low screening uptake rate, saw a significant improvement in fiscal 2023 after the subsidy was increased in fiscal 2021 and the screenings were added as a standard item in health checkups. The screening rate rose to 41.7% in fiscal 2023, up from 13.5% in fiscal 2020. Additionally, live health seminars were held for employees and their families, and a leaflet on health was distributed to raise health awareness. The live seminars had a total of 1,301 participants and viewers. New initiatives in fiscal 2023 included providing a smartphone app aimed at improving lifestyle habits and offering a simplified test for sleep apnea syndrome (SAS) to those interested in taking it. These efforts have been well received by the workforce.

Statistics on employee health habits

Fiscal Year	2019	2020	2021	2022	2023
Percentage of employees who exercise regularly	20.7	20.8	22.1	22.7	23.9
Percentage of smokers	28.0	27.2	27.2	26.9	26.2
Percentage of habitual drinkers	14.6	12.2	11.9	11.8	12.7
Rate of people of normal weight	66.7	67.0	67.6	66.9	66.4
Ratio of employees being treated for high-blood pressure	13.1	12.5	12.6	13.5	13.4
Ratio of employees with health concerns	58.7	62.7	61.2	62.3	61.6

We conducted a health awareness survey along with a stress check.* Regarding the absenteeism indicator*¹ question, which asked about the number of days absent due to illness or injury over the past year, 45.6% of respondents answered "0 days." Regarding the presenteeism indicator*², which asked about job performance, 24.4% of respondents said they were able to "perform at 100%." Additionally, in the work engagement indicator*³ questions, 33% of respondents gave positive answers regarding vitality, and 56.3% gave positive answers regarding enthusiasm. We will continue to promote health management, aiming to enhance employee satisfaction and improve both individual and organizational performance.

*1 Absent due to health problems

*2 Decline in productivity at work due to health problems

*3 Refers to a positive and fulfilling psychological state characterized by vitality and enthusiasm toward work

Reduction in health risks

The Noritake Group works with the health insurance association to reduce health risks. In particular, we consider the prevention of lifestyle-related diseases that can interfere with work if they become more severe, and we are working to improve the rate of receiving specific health guidance. In fiscal 2020, the health checkup participation rate dropped to 43.2% due to the COVID-19 pandemic, but it improved for two consecutive years, reaching 62.2% in fiscal 2022.

Insurance benefit costs
(Per individual Noritake Group health insurance association member)

Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
121,000 yen	114,000 yen	133,000 yen	148,000 yen	156,000 yen

Specific health guidance implementation rate
(all Noritake Group health insurance association members)

Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
39.1%	47.9%	43.2%	59.2%	62.2%

* Based on report to Ministry of Health, Labour and Welfare (in October of following year)

We will continue to work to further improve the health of our employees and their families over the long term.

Mental healthcare

We work to improve mental health by conducting mental health education tailored to each employee seniority ranking level, from newly hired employees to managers.

Workplace improvement and analysis are conducted in light of the results of organizational analysis, as we work to reduce our overall risk.

Stress check receiving rate and overall risk score (Noritake)

Fiscal Year	2019	2020	2021	2022	2023
Stress check receiving rate (%)	81.7	86.2	84.3	88.4	95.1
Overall stress risk score found*	103	100	99	100	98

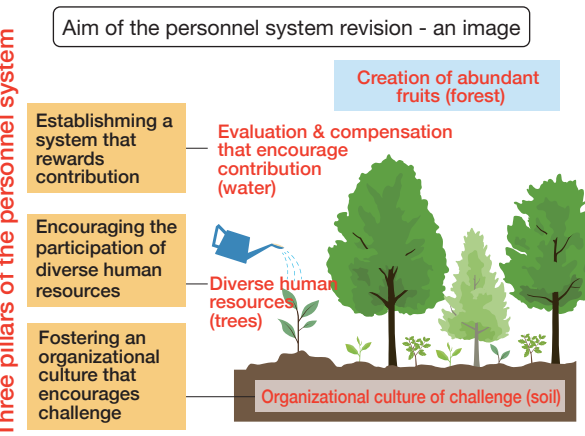
* Relative risk level when the average is set at 100 (the higher the number, the greater the risk)

Create a workplace where employees can work in a lively manner

Personnel System

In April 2024, Noritake renewed its personnel system. As one of the initiatives to reform the organizational culture aimed at realizing the Long-term Vision, the new system was designed to foster a spirit of challenge and enhance employee engagement.

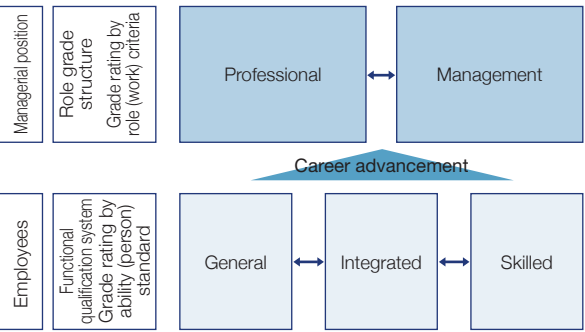
The new system is built on three pillars: Fostering an organizational culture that encourages challenge, encouraging the participation of diverse human resources, and establishing a system that rewards contribution.



From the perspective of the Long-term Vision, we have drawn an image of our expected human resources with the keywords: diversity, growth, challenge, leadership, and new value creation. They are closely linked to personnel evaluation criteria.

For managerial positions, the system is based on a role-grade structure that strengthens the link between work (role) and reward (compensation). The role-grade structure comprises two categories: "Management" for organizational managers, and "Professional" for those contributing with advanced expertise. This aims to accommodate diverse career perspectives by clearly defining career paths that go beyond promotion to organizational management, and to enhance organizational resilience.

Additionally, the minimum age for promotion to managerial positions has been lowered from 35 to 30, enabling early promotion of outstanding employees and motivating young staff to take on work and pursue personal growth.



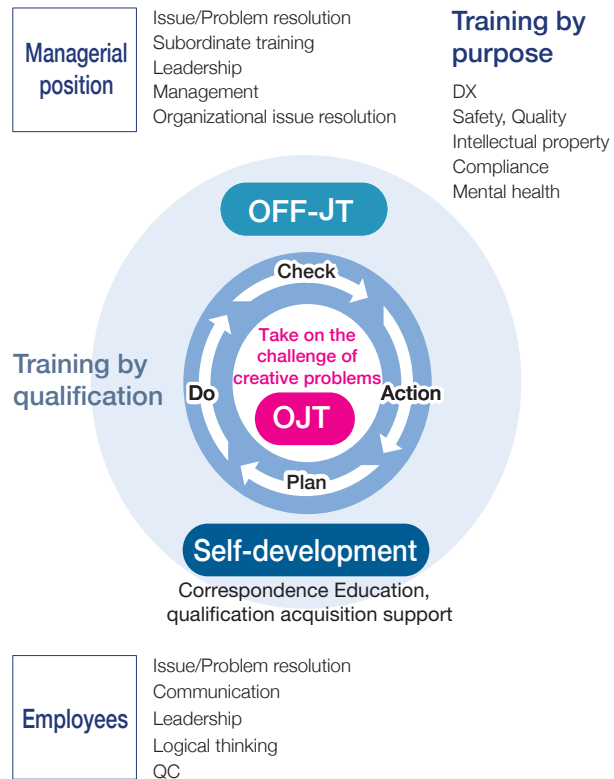
With the introduction of the new system, we have extended the retirement age. We plan to incrementally raise the retirement age to 65, in order to encourage a broader range of age groups to play an active role.

Human resource development

The Noritake Group is promoting human resource development centered on on-the-job training (OJT) at each workplace. To support OJT, we conduct "training by qualification" programs tailored to each employee grade. These programs focus on teaching the roles, work approaches, and problem-solving skills required for each level. We also provide "training by purpose" and training for newly-appointed managers and selective training for the next generation of leaders as OFF-JT to help employees acquire specialized knowledge and skills, tailored to different job categories (sales, engineering, manufacturing) and foundational education (DX, safety, quality, intellectual property, compliance, export management, contract review). Correspondence education courses are also provided for self-development, and there is a system that subsidizes full tuition fees for courses particularly recommended by the company. Many employees use this system to improve their language skills and acquire official qualifications.

Number of employees receiving official qualifications and taking correspondence courses (persons)

Fiscal Year	2019	2020	2021	2022	2023
Recipients of official qualifications	115	78	138	198	228
Correspondence Education participants	605	671	755	737	628



Training by qualification (online)



New employee training

— Job rotation system and career path support —

Since FY2022, Noritake has implemented a job rotation system aimed at developing individual skills and revitalizing the organization. Through multiple job experiences, we expect employees to develop skills and foster a spirit of challenge. In addition, we conduct career interviews to enable employees to share their strengths and future aspirations with their managers, supporting their growth. In FY2024, we plan to introduce a career consultation service and conduct career design training by age group to further encourage self-directed career development.

In FY2024, we plan to expand the target to include manufacturing sites, starting with an event at the Miyoshi Plant in May, followed by visits to other plants sequentially.



Workplace tour (Miyoshi Plant)

— Engagement survey —

Noritake has been conducting engagement surveys since FY2023. The results are analyzed at a workplace level and used to consider various initiatives for organizational improvement. Improvement of employee engagement is positioned as a key component of Noritake's human capital strategy, and we will continue to monitor engagement scores as part of continuous improvement efforts. A summary of the survey results, along with a message from the officers in charge, is shared with employees to emphasize its importance.

Foster a corporate culture that respects diversity

To adapt to changes in social needs driven by technological advancements and diversification of values, the Noritake Group believes that it is necessary to proactively incorporate diversity within its own organization. We strive to create a comfortable work environment where employees with diverse backgrounds can fully express their individuality, and actively promote diversity, equity, and inclusion (DE&I).

— Promote active participation by women —

At Noritake, the active participation of women is considered a priority in ensuring workforce diversity. In accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace, Noritake has established the following General Employers Action Plan and is actively promoting it:

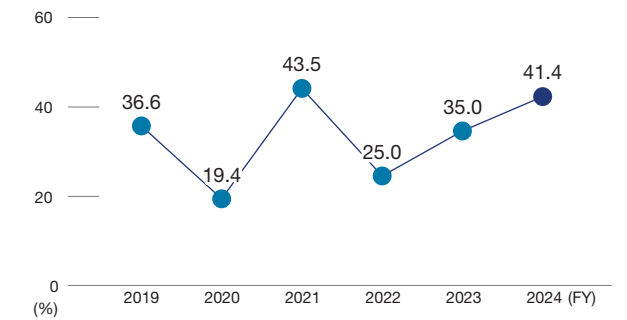
General Employers Action Plan

Plan duration: April 1, 2022 to March 31, 2025

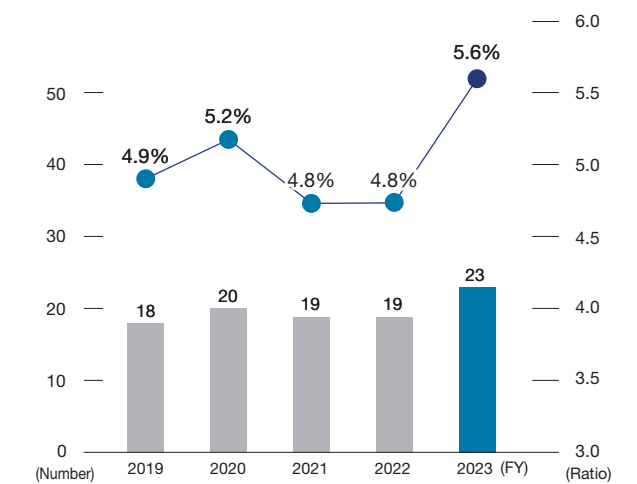
Under the action plan formulated so that women can demonstrate their abilities and play an active role, our targets are; increasing the number of female executives by 25% from the FY2021 level by the end of FY2024, and achieving the ratio of male employees taking childcare of 50% or more. Initiatives are being implemented to encourage development of the environment to achieve this targets.

In FY2023, we held briefing sessions and internships limited to female new hires, to increase the ratio of female university graduates recruited. As a measure to increase the number of female executives, we have implemented a new training program designed for new female leaders, resulting in three managerial personnel from the participants. Additionally, we hold an event called the Work and Childcare Balance Support Network, where employees preparing for parenthood can exchange information with colleagues balancing work and childcare, regardless of gender. This event was highly rated by participants.

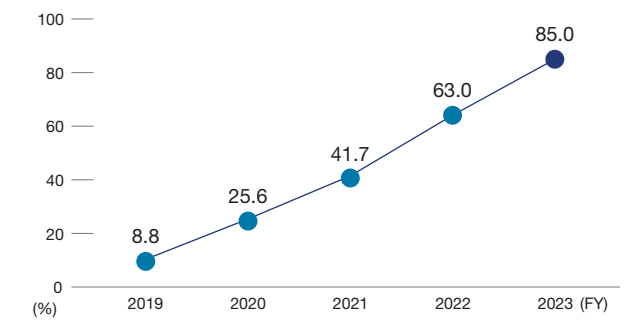
Trend in the ratio of females as new graduate recruits (university or higher education)



Ratio and number of female managers (manager or higher)



Ratio of male employees taking childcare leave



— Communication with employees —

In order to provide Noritake Group employees with awareness regarding company policies as well as education, Noritake publishes the Japanese edition of the Noritake Group internal newsletter "SAKIGAKE" 12 times each year, and distributes its global edition four times each year. Additionally, in fiscal 2023, a booklet version, the Noritake Corporate Report, was distributed to employees for wider awareness.

Also, from fiscal 2022, townhall meetings designed for direct communication with the top management have been held with the aim of establishing and promoting organizational culture reform. In fiscal 2023, around 140 employees, mainly from the section manager and team leader levels as well as young employees in their 30s, participated. The meetings form a venue for active exchange of opinions on the business environment, future prospects, and workplace environment.



Town hall meeting

Safety Initiatives

Safety and Health Management System

The Noritake Group believes that the foundation of our business activities is a comfortable work environment that is safe, hygienic, and allows employees to work in a healthy manner both physically and mentally. We also believe that it is our responsibility to undertake continual improvements.

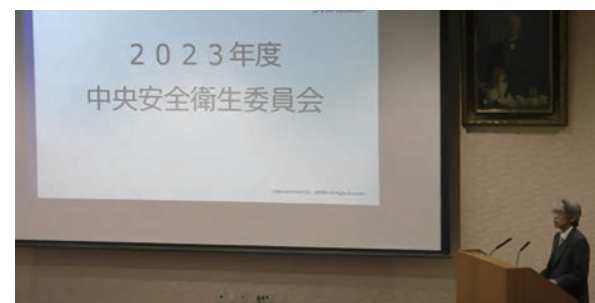
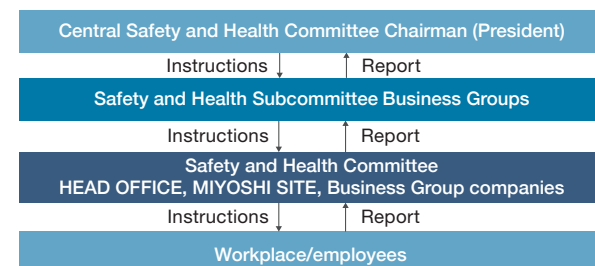
Noritake Groups Basic Policy of Safety and Health

The Noritake Group actively works to create safe and comfortable working environments where employees gain satisfaction from their work with the recognition that protecting the safety and health of all our employees is the most important foundation of our corporate activities.

1. We prioritize safety and health over everything else.
2. We observe laws and company rules regarding safety and health and work to improve the standard of safety and health management.
3. We strive to maintain and improve good communication and ensure the participation of all employees.

The Central Safety and Health Committee chaired by the President set the annual safety and health management targets based on the Group's Basic Policy of Safety and Health, in order to prevent occupational accidents and maintain the health of our employees. The Safety and Health Committee is held monthly at each business site and workplace to share examples of occupational accidents and countermeasures to prevent similar accidents. Additionally, we conduct management training for newly appointed section managers and above, aimed at raising awareness of their duty of care regarding safety. In this way, we are working to strengthen our Safety and Health Management System.

Health and Safety Management System diagram



Central Safety and Health Committee

Initiatives for preventive measures for occupational accidents

In FY2023, top management took the initiative in promoting health and safety activities, and conducted central health and safety patrols, to increase standards for safety and health management at the workplace. The Group Health and Safety Promotion Conference was also held with the aim of raising safety and hygiene awareness throughout the Group.

At the workplaces, in order to prevent occupational accidents, we promoted residual risk management based on risk assessments and daily management with safety observations, and also concentrated on measures to mitigate risks involving "pinching and entanglement," "falls" and "over-exertion" that occur with a particularly high frequency.

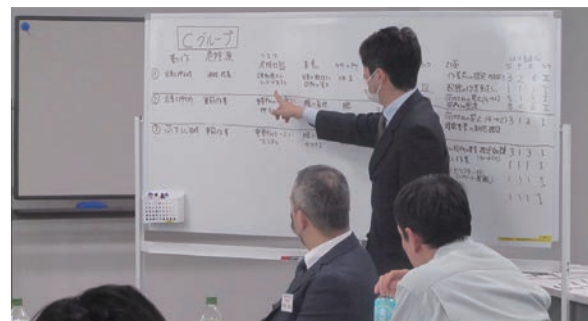
In FY2024, we will continue to work to prevent occupational accidents with the participation of all employees, aiming to achieve zero occupational accidents.



Central safety and health patrol at the Miyoshi Plant of Industrial Products Business



Noritake Group Health and Safety Promotion Conference



Safety and health training for new managers

Strengthen the Foundation

~Continuous reinforcement of governance~

Basic approach and basic policies toward corporate governance

At the Noritake Group, every officer and employee inherits the founding spirit of our company, and, by observing and practicing the Noritake Group's Code of Ethics formulated on the basis of that founding spirit, works toward ensuring that Noritake Group keeps to higher corporate ethics. In addition, by providing financial information and non-financial information through our website, we will strive to actively and fairly disclose information and heighten the transparency of our management.

The basic policies concerning our corporate governance are as follows.

Basic policies

1. Strive to ensure the rights of shareholders and fairness.
2. Strive for appropriate cooperation with stakeholders other than shareholders (customers, suppliers, creditors, local communities, employees, etc.).
3. Strive to ensure appropriate information disclosure and transparency.
4. Strive to appropriately carry out the roles and responsibilities of the Board of Directors to enhance sustainable growth of the company and medium-to-long term corporate value.
5. Strive for constructive dialog with shareholders.

Corporate Governance System

Noritake is further enhancing its corporate governance by strengthening the monitoring function of the Board of Directors, and is choosing a company structure with an Audit and Supervisory Committee, and creating the following system under the company structure with an Audit and Supervisory Committee member with the aim of accelerating decision-making processes for management.

Board of Directors

Members: 9 Directors

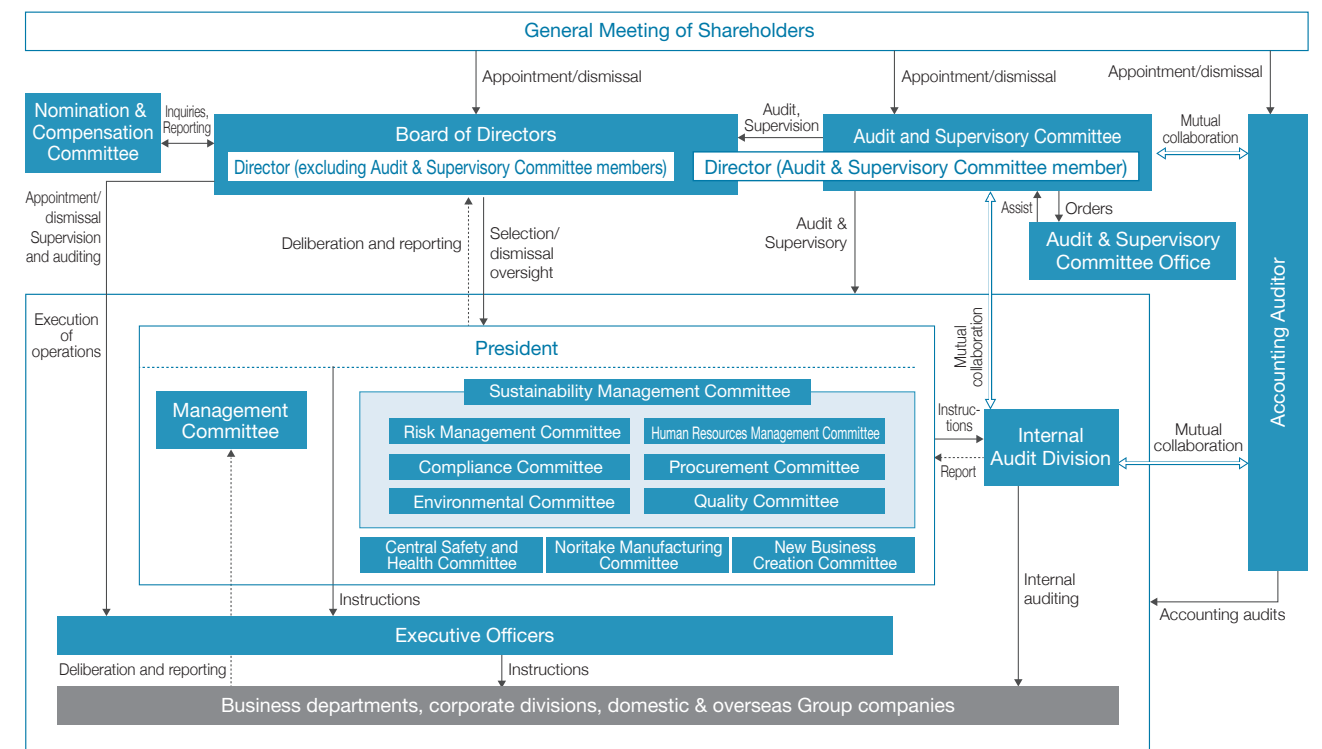
(5 internal Directors (including 1 female), 4 Directors (Outside))

Chairman: Hiroshi Kato, Chairman of the Board of the Board of Directors

The Board of Directors comprises nine Directors (including 4 Directors (Outside)) makes decisions on key matters like management basic policies and matters stipulated by laws and regulations, and monitors the execution of duties. The Board generally convenes once a month. In accordance with the regulations and deliberation standard of the Board of Directors, deliberations are held to decide items regarding General Meetings of Shareholders, human resources and organizational matters, and financial reporting. The Board of Directors also appoint two Directors (Outside) as part of a system to strengthen oversight functions and ensure transparency in decision-making. The Representative Director is appointed to make decisions for certain matters, who receives reports from the Representative Director and other Executive Directors to supervise the status of execution of operations.

In FY2023, the Board of Directors convened 14 times with a Director attendance rate of 100%.

Corporate Governance Structure (as of June 30, 2024)



Key topics of the Board of Directors

During FY2023, deliberations covered the following key issues.

Resolutions	Reported Matters
<ul style="list-style-type: none">● Approval of budget and financial results● Forecast of operating results, amendment of expected dividend amounts● Change in dividend policy● Change of Japanese trade name● Stock split● Sale of investment securities● Construction of a new plant	<ul style="list-style-type: none">● Progress of the Three-year Business Plan● Ownership of investment securities● Results of Board of Directors effectiveness evaluation● Management with an awareness of capital costs and stock price● Investment in affiliated companies● Revision of the personnel system● Establishment of the Human Rights Policy● Establishment of the Risk Management Committee● State of activities of the Sustainability Management Committee● State of activities of each committee

Nomination & Compensation Committee

Members: 6 Directors (2 Representative Director, 4 Directors (Outside))

We established the Nomination & Compensation Committee in order to ensure reasonable and transparent decision-making regarding Board of Directors membership and compensation. With independent Directors comprising a majority of its members, the committee serves as an advisory body to the Board of Directors and is generally held twice a year. Based on inquiries from the Board of Directors, the committee discusses personnel matters, assignments and compensation concerning Directors and Executive Officers, then reports to the Board of Directors on the results of its deliberations.

Skills matrix and composition of the Board of Directors

We believe it is important for our Board of Directors to be composed of Directors with diverse perspectives, diverse experiences, and diverse and advanced skills in order to oversee business execution and make important decisions. We ensure the balance and diversity of knowledge, experience, and abilities of the Board of Directors by having, as its members, internal Directors who are familiar with each business and have diverse knowledge and experience, and Directors (Outside) who have abundant experience and deep insight into corporate management.

		Expertise and experience (as of June 30, 2024)						
Name	Position in the Company	Corporate management	Sales	Manufacturing, technology, and R&D	Finance & accounting	Human resources and labor	Legal affairs and Risk management	Global
Hiroshi Kato	Representative Director and Chairman	○			○	○	○	○
Akira Higashiyama	Representative Director and President Executive Officer	○	○	○		○	○	
Makoto Okabe	Director and Senior Managing Executive Officer	○	○			○		○
Yuko Fuma	Director and Managing Executive Officer	○				○	○	○
Ryoichi Yamamoto	Director (Outside)	○	○					
Takahiro Fujioka	Director (Outside)	○		○				○
Yoshimasa Nakamura	Director and Audit & Supervisory Committee member (Full-time)	○			○			
Tatsuhiko Saruwatari	Director (Outside) and Audit & Supervisory Committee member	○		○			○	
Takashi Morisaki	Director (Outside) and Audit & Supervisory Committee member	○			○			○

Note: The above list is not a full representation of all the expertise and experience that each Director has.

Key Issues for the Nomination & Compensation Committee

During FY2023, deliberations covered the following key issues.

- Matters concerning appointment of Executive Officers and work entrusted to Executive Officers
- Matters concerning remuneration for Executive Officers such as performance-linked stock compensation

Audit and Supervisory Committee

Members: 3 Directors (1 Standing Audit and Supervisory Committee Member, 2 Audit & Supervisory Board Members (Outside))

The Audit and Supervisory Committee comprises three Audit & Supervisory Board Members (of which 2 are Audit & Supervisory Board Members (Outside)), and audits and monitors the status of execution of duties by Directors. The Audit and Supervisory Committee selects a full-time committee member to ensure effective auditing and monitoring functions by collecting information on a daily basis and by working for smooth coordination between the Accounting Auditors and Internal Audit Department.

Management Committee

Members: 8 Directors

Directors and Executive Officers designated by the President

Regarding key matters for management that involve prosecution of work, we conduct full deliberations in a Management committee, convened once a week regularly and composed of Directors and Executive Officers designated by the Representative Director & President and approved by the Board of Directors, as part of a system for precise and prompt management decision-making.

Evaluations of the effectiveness of Board of Directors

We perform evaluations of the effectiveness of the Board of Directors for the purpose of heightening its effectiveness and increasing corporate value. At the end of each fiscal year, a survey of the Directors is conducted, and the results are analyzed and evaluated by an external organization before being reported to the Board of Directors.

Methodology of the fiscal 2023 effectiveness evaluation and summary of evaluation results

In FY2023, a questionnaire survey was administered to the Board of Directors and Audit & Supervisory Board regarding their evaluation of Board of Directors composition and operation, management and business strategies, corporate ethics and risk management, business performance monitoring, managerial evaluation/compensation, and dialog with shareholders. In addition to the questionnaire, interviews were conducted with non-executive directors. The analysis and evaluation results of the effectiveness of the Board of Directors are as follows.

- The Board of Directors is appropriately structured to fulfill its roles and functions.
- The selection of agenda items for Board meetings is appropriate. Additionally, briefings are provided before the Board of Directors meetings, ensuring that Directors (Outside) fully understand the relevant information, and active discussions on decision-making take place.
- Issues identified in the effectiveness evaluation of the Board of Directors are addressed appropriately.
- Active efforts are made to address issues surrounding sustainability, such as the development of a system in response to TCFD recommendations.
- The Board of Directors appropriately verifies the propriety of holding cross-shareholdings
- The Board of Directors performs appropriate supervision regarding the construction and application of internal control systems.

From the above information, we have confirmed that our company's Board of Directors is operated appropriately, and that its effectiveness is assured.

Response to the issues identified in the fiscal 2022 effectiveness evaluation

Among items listed as issues identified in FY2022 effectiveness evaluation, regarding "revising business portfolios factoring in capital costs", regular reports on the progress of the Three-year Business Plan and the change of business portfolio were submitted to the Board of Directors. Additionally, to achieve the target of 9% ROE set in the 12th Three-year Business Plan, return on invested capital (ROIC) was introduced. Regarding "formulating and implementing an investment and human resource strategy for human capital based on long-term strategies", the current human resources portfolio necessary to realize the business strategy for the 2030 Long-term Vision, was quantitatively assessed and reported to the Board of Directors, and disclosure of human capital was also promoted. Furthermore, a new personnel system was introduced in April 2024 to foster a spirit of challenge and enhance employee engagement. Regarding "strengthening risk management", an ongoing effort since the previous fiscal year, the Sustainability Management Committee analyzed and evaluated risks surrounding the Group, and identified risks of high importance. A risk management system was also established.

Efforts to further improve effectiveness in fiscal 2024

Items derived from the results of the survey and interview indicating areas in which the effectiveness of the Board of Directors may be improved continue to include "revising business portfolios

factoring in capital costs" and "formulating and implementing an investment and human capital strategy based on long-term strategies", "strengthening risk management", and the new item of "utilization of dialogue with shareholders for enhancing corporate value". We will address these items as we continue to work to maintain and improve the effectiveness of the Board of Directors.

Status of Directors (Outside)

Noritake has four Directors (Outside), of which two are Audit & Supervisory Committee members.

Director (excluding Audit & Supervisory Committee members) Ryoichi Yamamoto and Takahiro Fujioka, and Directors (Outside) who are Audit & Supervisory Committee members Tatsuhiko Saruwatari and Takashi Morisaki have no personal, capital, or business relationships or other conflicts of interest with our company.

While Noritake does not have any particular standards or policies concerning independence for the selection of Directors (Outside) (excluding Directors who are Audit & Supervisory Committee members) and Directors who are Audit & Supervisory Committee members, they are expected to fulfill their functions and roles of providing objective and appropriate audits and supervision based on their expertise and insight, and are appointed based on the underlying policy that there is no possibility of a conflict of interest with general shareholders.

Reason for Appointment and Attendance Rate

	Name	Reason for Appointment	FY2023 attendance [*]
Director (Outside)	Ryoichi Yamamoto	With his extensive experience and high-level insight regarding business management, he was appointed as a Director (Outside) where he is expected to contribute to strengthening monitoring functions of the Board of Directors and providing advice from his broad perspective of management.	Board of Directors 14 meetings / 14 meetings Nomination & Compensation Committee 2 meetings / 2 meetings
	Takahiro Fujioka	With his extensive experience and high-level insight regarding business management, he was appointed as a Director (Outside) where he is expected to contribute to strengthening monitoring functions of the Board of Directors and providing advice from his broad perspective of management.	Board of Directors — Nomination & Compensation Committee —
Director (Outside) and Audit & Supervisory Committee Member	Tatsuhiko Saruwatari	With his extensive experience and broad insight regarding business management, he was appointed as a Director (Outside) who is an Audit and Supervisory Committee member where he is expected to contribute to strengthening the auditing and monitoring functions of the execution of operations and providing advice from his broad perspective of management.	Board of Directors 14 meetings / 14 meetings Audit & Supervisory Board 2 meetings / 2 meetings Audit and Supervisory Committee 10 meetings / 10 meetings Nomination & Compensation Committee 2 meetings / 2 meetings
	Takashi Morisaki	Through his extensive experience and broad-ranging insight as a financial institution executive, he was appointed as a Director (Outside) who is an Audit and Supervisory Committee member where he is expected to contribute to strengthening the auditing and monitoring functions of the execution of operations and providing advice from his broad perspective of management.	Board of Directors 14 meetings / 14 meetings Audit & Supervisory Board 2 meetings / 2 meetings Audit and Supervisory Committee 10 meetings / 10 meetings Nomination & Compensation Committee 2 meetings / 2 meetings

^{*} At the 142nd Annual General Meeting of Shareholders held on June 23, 2023, Noritake transitioned to a Company structure with an Audit and Supervisory Committee following a resolution to amend the Articles of Incorporation. In fiscal 2023, the Audit & Supervisory Board held two meetings prior to the transition, and the Audit and Supervisory Committee held 10 meetings after the transition.

Policies concerning the determination of compensation for Directors, etc.

To decide on individual compensation for Directors (excluding Directors who are Audit and Supervisory Committee members), these matters are deliberated at the Nomination and Compensation Committee comprising a majority of Independent Directors, with the findings reported to the Board of Directors to make a decision.

The decision-making policies for individual compensation of Directors (excluding Directors who are Audit and Supervisory Committee members) are as follows.

a. Policies concerning fixed monthly compensation

Compensation for Directors (excluding Directors who are Audit and Supervisory Committee members) is composed of "fixed monthly compensation," "annual performance-linked stock compensation," and "retirement performance-linked stock compensation." "Fixed monthly compensation" is determined by the Board of Directors within the scope approved by the Shareholders Meeting. Reasonable and transparent decision-making is ensured by a process in which the Nomination and Compensation Committee deliberates and reports its findings to the Board of Directors regarding the appropriateness of compensation amounts for each Directorship position as appropriate to its roles and duties in keeping with the basic policies pertinent to the compensation system.

Compensation for Directors (Outside) (excluding Directors who are Audit and Supervisory Committee members) is only "fixed monthly compensation," taking into account their role in supervising management from an independent standpoint.

Compensation for Directors who are Audit and Supervisory Committee members is only "fixed monthly compensation," which is decided within the scope approved by the Shareholders based on deliberation by Directors who are Audit and Supervisory Committee members.

b. Policies concerning annual performance-linked stock compensation

"Annual performance-linked stock compensation" is provided to Directors (excluding Directors who are Audit and Supervisory Committee members and Directors (Outside)) based on stock compensation regulations to promote early stock ownership and provide incentives for management that takes into account medium- to long-term improvement in corporate value and shareholder value.

For each business year, points are awarded based on the achievement of corporate performance targets (ROIC up to the fiscal year ending March 31, 2025). Directors are granted Company stock in proportion to the points received each year, and receive a cash payment equivalent to the value of their Company stock.

c. Policies concerning retirement performance-linked stock compensation

"Retirement performance-linked stock compensation" is provided to Directors (excluding Directors who are Audit and Supervisory Committee members and Directors (Outside)) based on stock compensation regulations to provide incentives for management that take into account medium- to long-term improvement in corporate value and shareholder value.

Points are awarded based on the achievement of corporate performance targets set for each business year in line with the

Three-year Business Plan (consolidated sales, consolidated operating profit, etc.). Directors are granted Company stock in proportion to the points they hold at the time of retirement, and at the time of retirement, receive a cash payment equivalent to the value of their Company stock.

The standard for compensation varies between the range from 0% to 150%, with 100% being the degree of achievement of the baseline corporate performance targets (consolidated sales, consolidated operating profit, etc.). The performance-linked compensation indicators for the fiscal year were consolidated sales of 137.9 billion yen and consolidated operating profit of 10.7 billion yen, with the compensation standard corresponding to 100% based on the achievement of these targets. Additionally, Noritake has set the corporate performance targets for the final year of the 12th Three-year Business Plan (fiscal 2022 to 2024) to include consolidated sales of 147 billion yen and a consolidated operating profit of 13 billion yen.

d. Policies concerning the ratio of compensation, etc.

The ratio of "monthly fixed compensation" to "annual performance-linked stock compensation" and "retirement performance-linked stock compensation" is set with an emphasis on stability of medium- to long-term performance and improvement of corporate value and shareholder value, avoiding an excess ratio of "performance-linked stock compensation" linked to business performance.

● Clawback system, etc.

Regarding the annual performance-linked stock compensation, in the event of serious misconduct or violation by Directors or other officers, Noritake reserves the right to revoke the rights of said directors or officers to receive Company stock or equivalent (malus), or to demand the return of the monetary equivalent of stock already granted (clawback).

Total amount of compensation by officer category, total amount by type of compensation, and number of officers eligible (Fiscal 2023)

Board members category	Total amount of compensation, etc. (million yen)	Total amount of compensation, etc., by type (million yen)		Number of eligible members (persons)
		Monetary compensation	Non-monetary compensation, etc.	
		Fixed compensation	Performance-linked compensation	
Directors (Excluding Directors who are Audit and Supervisory Committee members and Directors (Outside))	205	164	41	5
Directors who are Audit & Supervisory Committee members (excluding Directors (Outside))	17	17	—	1
Audit & Supervisory Board Members (excluding Audit & Supervisory Board Members (Outside))	10	10	—	2
Outside officers	38	38	—	4

- On June 23, 2023, Noritake transitioned from a Company with an Audit & Supervisory Board to a Company structure with an Audit and Supervisory Committee.
- Compensation for Directors (excluding Directors who are Audit and Supervisory Committee members and Directors (Outside)) includes compensation for one Director who retired upon the conclusion of the General Meeting of Shareholders held on June 23, 2023.
- Compensation for Audit & Supervisory Board Members (excluding Audit & Supervisory Board members (Outside)) refers to compensation during the term of office for two members who retired upon the conclusion of the General Meeting of Shareholders held on June 23, 2023.
- The amount of performance-linked stock compensation is listed as the provision for share-based remuneration for directors posted as expenses in FY2024.

Training for board members

When we appoint Internal Directors, we conduct appropriate explanations about their legal duties and responsibilities to be observed and make use of external training bodies as necessary. We also offer seminars to the members, to acquire higher skills and new knowledge required for them to perform better. In addition, we regularly conduct in-house training for Officers. In FY2023, we held four sessions on themes including legal affairs in M&A and diversity and inclusion.

For External Directors, we also create individual opportunities to provide them with information about our Group management strategy, the content of our business and work, financial information, and more. In addition, they deepen their understanding of the Group through factory tours and regular interviews with internal officers.

Internal Control

We conduct reviews of our structures to ensure the properness of duties in accordance with revisions to laws and the current state of our Group, and our current Basic Principles on Internal Control Systems were revised through resolution by the Board of Directors on June 23, 2023.

The Internal Audit Division governs internal control regulations for financial reporting, and performs continuous monitoring of work procedures to ensure the reliability of financial reporting. We have also established internal auditing regulations and conduct work audits involving the legal compliance of the business activities of our business divisions and Group companies. Key matters discovered through these initiatives are reported to the Board of Directors or the Management Committee.

Communication with shareholders and investors

We hold the General Meeting of Shareholders at the Noritake headquarters in Nagoya City every year in late June. In June 2024, 40 shareholders attended the 143rd Annual General Meeting of Shareholder and provided open opinions.

In addition, after the announcement of these financial results and the second quarter results, we ordinarily hold a financial results briefing for securities analysts.

Additionally, we are continually improving the website so that shareholders and investors can easily obtain various types of information such as business reports and financial results announcements.



Financial results announced for FY2024

Strengthening of Risk Management

Uncertainty surrounding the impact of global climate change, complex political and economic conditions, and shifting market needs on business continues to increase.

At Noritake, we comprehensively identify and analyze changes in the business environment, conducting risk management from the perspectives of both the risks the company needs to prepare for and the opportunities for further growth in order to control potential risks and create revenue-generating opportunities.

In April 2024, we newly established the Risk Management Committee comprising executive officers, under the Sustainability Management Committee chaired by the President. The Committee meets twice a year to make decisions on risk management measures, monitor progress, and provide instructions to relevant departments and committees.

Disaster readiness and disaster mitigation initiatives

Disaster Prevention Committee meetings are held twice every year companywide, evacuation drills and confirmation of emergency contact networks are regularly conducted in preparation for the occurrence of a large-scale disaster at each business site.



Fire drill

Business groups and business sites have also started developing and formulating business continuity plans (BCPs).

Strengthening of information security

With regard to the protection of personal information and other information assets, we have information security management rules in order to eliminate risks and safely carry out business activities. These rules indicate a code of conduct concerning information security for all officers and employees. We create and employ countermeasure standards and implementation manuals based on this code.

We also have a promotional division under the officer in charge, and are working to strengthen security. To guard against unauthorized access and cyber attacks, we perform strict ID management, logging of PC access, 24-hour monitoring at our Security Operation Center. Drills for targeted e-mail are taken place periodically.

Policies for the protection of personal information

The Noritake Group fully recognizes the importance of the protection of personal information. We comply with Japan's Act on the Protection of Personal Information and heed the laws of other countries as well, and properly manage the personal information provided by customers. The "Rules Regarding the Protection of Personal Information" was revised in January 2023 following revisions enacted for the Personal Information Protection Law, with revisions made to some items and new items added that need to be adhered to.

Reference URL (Protection of Personal Information)

https://www.noritake.co.jp/utility/privacy_policy/

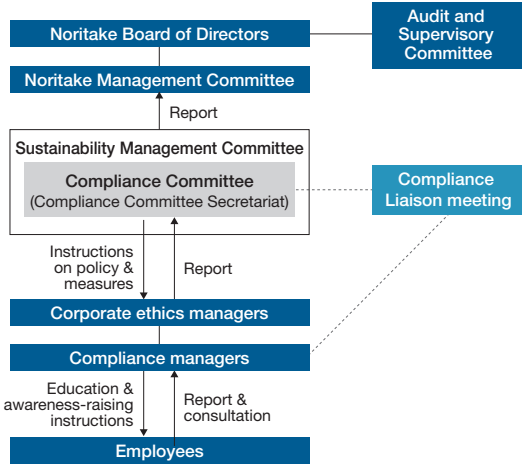
Ensure commitment to compliance

The Noritake Group has established the Noritake Group's Code of Ethics, setting forth ethical standards for the execution of duties, and ensures that these standards are known by all officers and employees while also focusing on strengthening of compliance and preventive measures.

Under the Sustainability Management Committee, we have established a Compliance Committee and its subordinate body Compliance Liaison Meeting. The members of the Compliance Committee are directors in charge of business departments, corporate departments, and main Group companies, as well as legal counsel. All officers serve as corporate ethics managers, and all department heads are in charge of compliance, systematically and continuously promoting compliance activities. The Compliance Committee meets twice a year to decide on compliance measures and check their progress, while the Compliance Liaison Meeting assembles quarterly to share challenges related to compliance promotion, develop measures to prevent compliance violations, and implement various initiatives.

In FY2023, we expanded compliance education through training by qualification, training by organization, training by purpose, and training for staff appointed overseas. We also had a compliance awareness survey. The results are used to formulate and implement strategies to further enhance awareness. Furthermore, we raise awareness of compliance among all officers and employees by providing clear explanations using real-world cases through internal communication channels such as internal newsletters and the intranet.

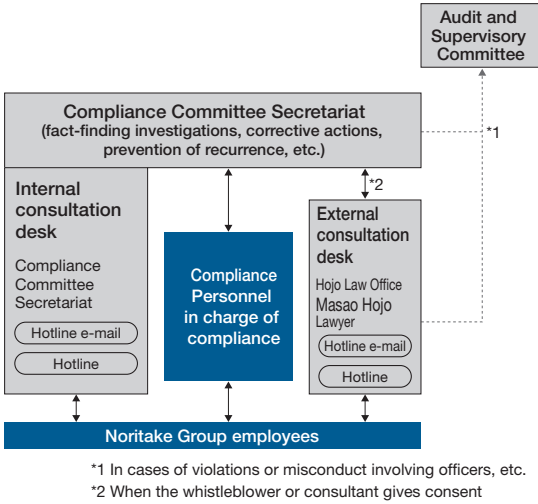
Promotion structure diagram



Preparation of an internal reporting system

The Noritake Group has established internal and external points of contact where employees can directly consult or report any compliance violations or suspected misconduct, without having to go through their managers. A total of 19 reports were made during fiscal 2023.

Noritake Group reporting and consultation route



Initiatives to prevent corruption

The Noritake Group's Code of Ethics sets forth ethical standards for the prosecution of work and the observance of laws and ordinances concerning the prevention of bribery and other improprieties, and we ensure that these standards are known among all employees.

Message from Directors (Outside)

Time to review issues revealed by the progress of the 12th Three-year Business Plan and to chart the next plan and roadmap

In the 12th Three-year Business Plan, the Noritake Group has identified three growth areas—Environment, Electronics, and Well-being—and is moving forward with business domain transformation to align with these promising fields. In 2023, the second year of the Plan, both development and sales have shown a positive attitude, and various initiatives are progressing steadily. However, I also see significant challenges. Due to the wide range of products and areas we have, it is still difficult to capture overall progress and there is a lack of speed.

The Noritake Group is now at a stage where it should have a clearer picture of its business portfolio and draw up a plan that includes production and human resources to drive the transformation toward that portfolio. For example, in terms of production, planning for production capacity and resource allocation should be carried out, and the necessary investments should be made for production facility enhancement and reorganization of locations to meet the targets.

Similarly, for human resources, it is important to plan placements, reinforcements, and training with a view to achieving targets—essentially to practice human capital management. First, firmly advise that we proceed with initiatives based on the human resource strategy formulated this fiscal year to further increase the value of its human capital.

Regarding DX investment, it appears while various initiatives seem to be progressing on the ground, simply improving operational efficiency may not yield returns commensurate to the investments made. I believe that we need to take a broader, company-wide view and make decisions on large-scale investments with a long-term perspective.

Plans should be reviewed and adapted in response to environmental changes, but without a plan, it is impossible to evaluate or supervise progress. I would like Noritake to maintain the firm intent to execute its strategies with a clear overall perspective and a sense of speed.

In this context, I commend that we have introduced "ROIC by business" and started evaluating and analyzing the investments and returns per business unit and product group, aiming for management with an awareness of capital costs. Going forward, we must carefully verify whether the goals we set can be achieved.

In terms of governance, I believe the transition to a company structure with an Audit and Supervisory Committee in June 2023 has steadily enhanced the effectiveness of the meeting of the Board of Directors. Specifically, the function of the Audit and Supervisory Committee has been demonstrated, allowing the meeting of the Board of Directors to prioritize agenda items, leading to more in-depth discussions and deliberations. On the other hand, there is still some room for improvement in the activities of the Nomination & Compensation Committee. I expect Noritake to continue to strengthen the activities and functions of the meeting of the Board of Directors and each committee, raising the level of operations and building a governance structure that contributes to enhancing the Group's corporate value.

Many challenges have surfaced in the course of our efforts, but I see this as evidence of the active new initiatives being undertaken within the organization and its businesses as they work to achieve the 2030 vision.

FY2024 is the final year of the 12th Three-year Business Plan, and the Board of Directors are conducting active discussions to outline plans and roadmaps for the next Three-year Business Plan. To achieve a PBR in excess of 1, it is essential to complete our business portfolio transformation. It is also necessary to elevate the level of execution, make appropriate investments in facilities and human resources, and carefully evaluate and supervise these activities.

I am convinced that these initiatives will lead to an enhancement of the Noritake Group's corporate value.

Noritake has many assets, such as the technologies and materials we have cultivated over the years. I believe that our ability to skillfully utilize these core competencies in developing new businesses and products, is the reason why we were able to celebrate our 120th anniversary. The focus on environment, electronics, and well-being, which we are currently prioritizing, is well-aligned with the current trends. I have high expectations that the Noritake Group will be able to make even greater strides by leveraging our current assets and linking them to new businesses and products in these three areas reliably with a sense of speed.



Director (Outside)
Ryoichi Yamamoto

Management structure



Directors

1 Hiroshi Kato

Representative Director and Chairman

April 1979 Joined the Company
April 2010 General Manager of Finance & Accounting Department
June 2010 Executive Officer
June 2011 Director and Executive Officer
June 2014 Director and Managing Executive Officer
June 2017 Representative Director and Vice President, Executive Officer
June 2018 Representative Director and President, Executive Officer
April 2024 Representative Director and Chairman (incumbent)

2 Akira Higashiyama

Representative Director and President

In charge of Research & Development Center and Intellectual Property Planning Department
April 1986 Joined the Company
June 2014 Executive Officer
June 2014 Group General Manager of Engineering Group
June 2017 Managing Executive Officer
June 2018 Director and Managing Executive Officer
June 2019 Director and Senior Managing Executive Officer
June 2022 Representative Director and Vice President, Executive Officer
April 2024 Representative Director and President, Executive Officer (incumbent)
In charge of Research & Development Center and Intellectual Property Planning Department (incumbent)

3 Makoto Okabe

Director and Senior Managing Executive Officer

In charge of Human Resources Department and Corporate Planning Office
Assigned to supervise Tabletop Group
President of NORITAKE U.S.A., INC.
Chairman of NORITAKE LANKA PORCELAIN (PRIVATE) LIMITED
April 1983 Joined Mitsubishi Corporation
June 2020 Managing Executive Officer
June 2020 Deputy General Manager of Sales Division, Industrial Products Group
April 2023 In charge of Human Resources Department and Corporate Planning Office
Assigned to supervise Tabletop Group
President of NORITAKE U.S.A., INC.
Chairman of NORITAKE LANKA PORCELAIN (PRIVATE) LIMITED (incumbent)
June 2023 Director and Senior Managing Executive Officer (incumbent)

4 Yuko Fuma

Director and Managing Executive Officer

In charge of General Administration Department, Legal Department, Secretary Office, and Auditing Office
April 1986 Joined the Company
February 2015 General Manager of Corporate Planning Office
June 2018 Executive Officer
June 2019 Director and Executive Officer
June 2022 Director and Managing Executive Officer (incumbent)
April 2024 In charge of General Administration Department, Legal Department, Secretary Office, and Auditing Office (incumbent)

5 Ryoichi Yamamoto

Director (Outside)

April 1973 Joined The Daimaru, Inc. (currently Daimaru Matsuzakaya Department Stores Co., Ltd.)
May 2003 Representative Director and President, Chief Operating Officer, and General Manager of Department Store Operations of Group Headquarters, The Daimaru, Inc.
September 2007 Director, J. Front Retailing Co., Ltd.
Director, Matsuzakaya Co., Ltd. (currently Daimaru Matsuzakaya Department Stores Co., Ltd.)
March 2010 Representative Director and President, Daimaru Matsuzakaya Department Stores Co., Ltd.
April 2013 Representative Director and President, J. Front Retailing Co., Ltd.
May 2017 Director and Representative Executive President, J. Front Retailing Co., Ltd.
May 2020 Director and Chairman of the Board of Directors
June 2021 Director (Outside), Daido Steel Co., Ltd.
June 2021 Director of the Company (incumbent)

6 Takahiro Fujioka

Director (Outside)

April 1979 Joined Toyota Motor Co., Ltd. (current TOYOTA MOTOR CORPORATION)
June 2006 Managing Officer, TOYOTA MOTOR CORPORATION
May 2011 Senior Advisor, Aichi Steel Corporation
June 2011 Representative Director and President, Aichi Steel Corporation
June 2023 Representative Director and Chairman, Aichi Steel Corporation (incumbent)
June 2024 Director of the Company (incumbent)

7 Yoshimasa Nakamura

Director and Audit & Supervisory Committee Member

April 1989 Joined the Company
February 2015 General Manager of Finance & Accounting Department
April 2019 Executive Officer
June 2021 Executive Officer
June 2023 Director (Audit & Supervisory Committee Member) (incumbent)

8 Tatsuhiko Saruwatari

Director (Outside) and Audit & Supervisory Committee Member

April 1976 Joined TOTO KIKI LTD. (currently TOTO LTD.)
June 2000 Executive Officer, TOTO LTD.
June 2001 Director and Executive Officer, TOTO LTD.
June 2002 Director and Managing Executive Officer, TOTO LTD.
June 2006 Director and Senior Managing Executive Officer, TOTO LTD.
May 2013 Audit & Supervisory Board Member (Outside), IZUTSUYA Co., Ltd.
June 2013 Representative Director and Vice President, Executive Officer, TOTO LTD.
April 2016 Director, TOTO LTD.
June 2016 Advisor, TOTO LTD.
June 2016 Audit & Supervisory Board Member of the Company
June 2020 Director (Outside), Japan Cash Machine Co., Ltd. (incumbent)
June 2023 Director (Audit & Supervisory Committee Member) (incumbent)

9 Takashi Morisaki

Director (Outside) and Audit & Supervisory Committee Member

April 1978 Joined The Mitsubishi Bank, Limited (currently MUFG Bank, Ltd.)
April 2008 Managing Officer, Mitsubishi UFJ Financial Group, Inc.
April 2008 Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)
May 2010 Managing Executive Officer and Chief Executive Officer, Headquarters for Aisa, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
May 2012 Senior Managing Executive Officer and Chief Executive, Global Markets Unit, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
June 2012 Senior Managing Director and Chief Executive, Global Market Unit, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
July 2012 Managing Officer and Group Head, Integrated Global Markets Business Group, Mitsubishi UFJ Financial Group, Inc.
May 2014 Deputy President, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
June 2016 Corporate Advisor, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
September 2016 Senior Counselor, Mitsubishi Research Institute, Ltd.
October 2016 Executive Vice President and Executive Officer, Mitsubishi Research Institute, Ltd.
December 2016 Representative Director and President, Mitsubishi Research Institute, Ltd.
June 2021 Audit & Supervisory Board Member of the Company
December 2021 Chairman of the Board, Mitsubishi Research Institute, Ltd. (incumbent)
June 2023 Director (Outside), INES Corporation (incumbent)
June 2023 Director (Audit & Supervisory Committee Member) (incumbent)

Executive Officer

Hiroshi Yorita

Managing Executive Officer
In charge of Production Engineering Center and Sustainability Promotion Office

Tomoaki Maeda

Managing Executive Officer
Group General Manager of Industrial Products Group

Shinji Kato

Executive Officer
Group General Manager of Ceramics & Materials Group and Division General Manager of Electronic Materials Division

Yoshiaki Takaba

Executive Officer
Group General Manager of Engineering Group

Munenari Mizukuchi

Executive Officer
In charge of Finance & Accounting Department and Information Planning Office
General Manager of Finance & Accounting Department

Yoshiya Tanimura

Executive Officer
President of KCM CORPORATION

Takashi Yamasaki

Executive Officer
President of NIPPON RESIBON CORPORATION

Tomoharu Kondo

Executive Officer
General Manager of Engineering Division, Industrial Products Group

Takahiro Morishita

Executive Officer
Division General Manager of Ceramics Division, Ceramics & Materials Group

Tomoyuki Katada

Executive Officer
Group General Manager of Tabletop Group and General Manager of Sales & Marketing Department

Hideyuki Shibata

Executive Officer
General Manager of Sales Division, Industrial Products Group

Hidetaka Shimizu

Executive Officer
General Manager of Production Engineering Center

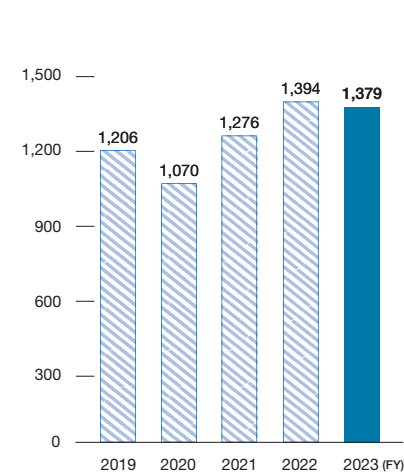
Takema Wada

Executive Officer
General Manager of Manufacturing Division, Industrial Products Group

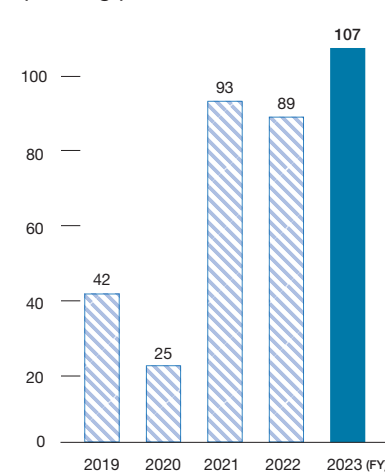
(As of June 24, 2024)

Financial Highlights (FY2023 consolidated basis)

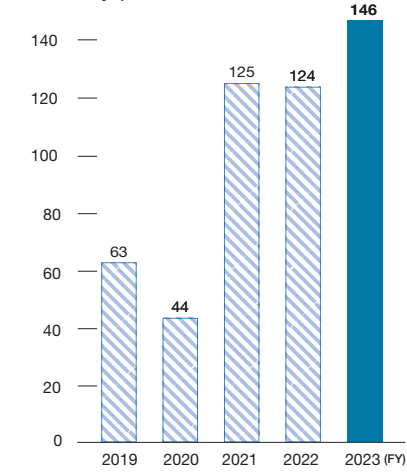
Net sales (hundred million yen)



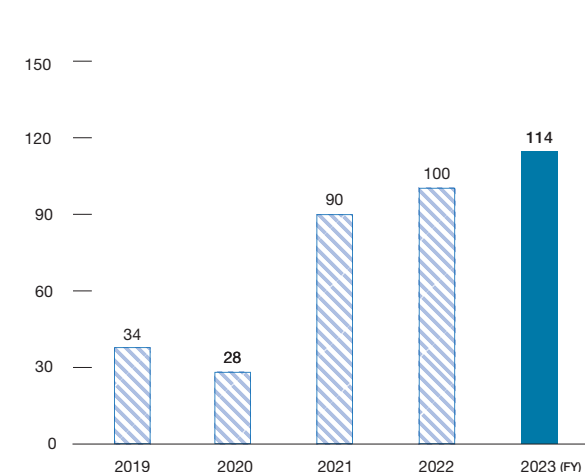
Operating profit (hundred million yen)



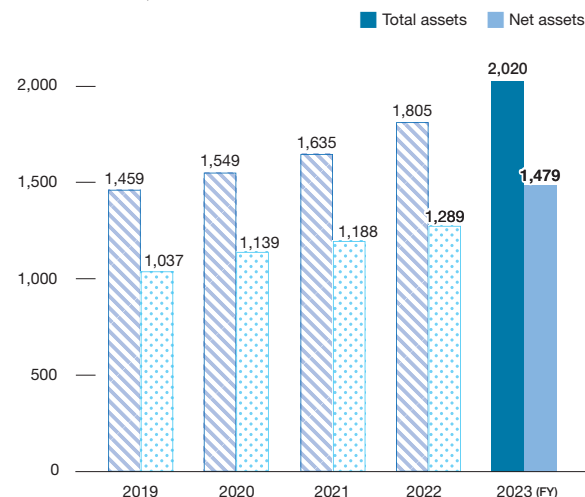
Ordinary profit (hundred million yen)



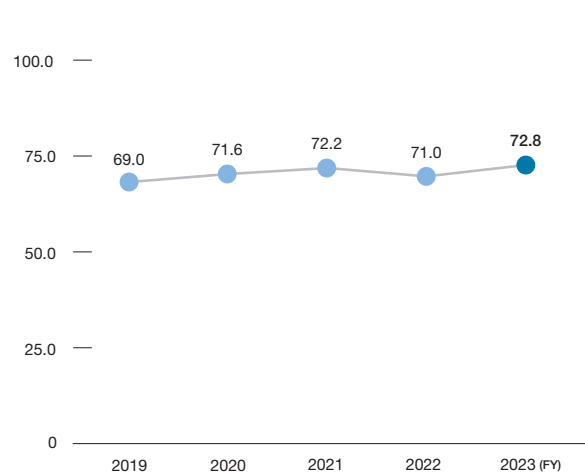
Profit attributable to owners of parent (hundred million yen)



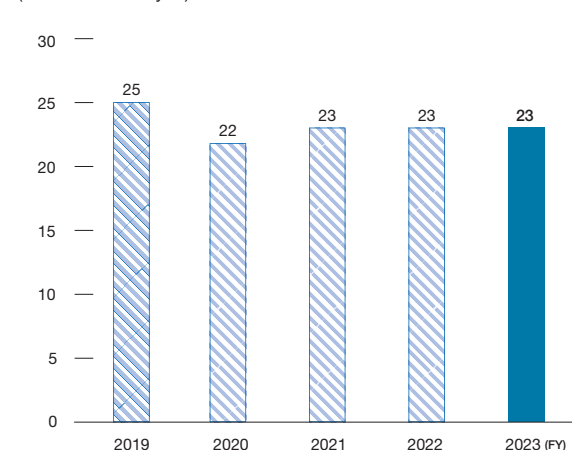
Total assets, net assets (hundred million yen)



Equity Ratio (%)

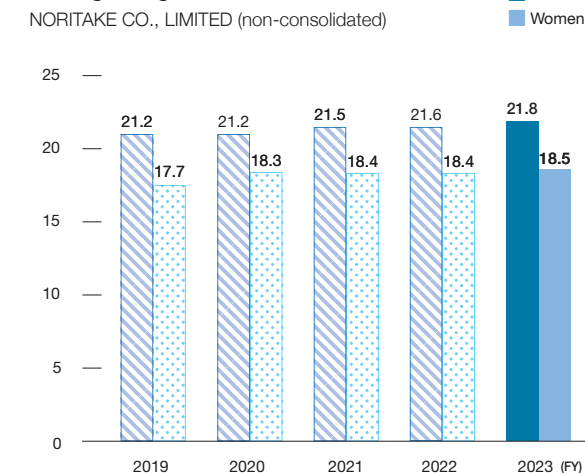


Research and development expenditures (hundred million yen)

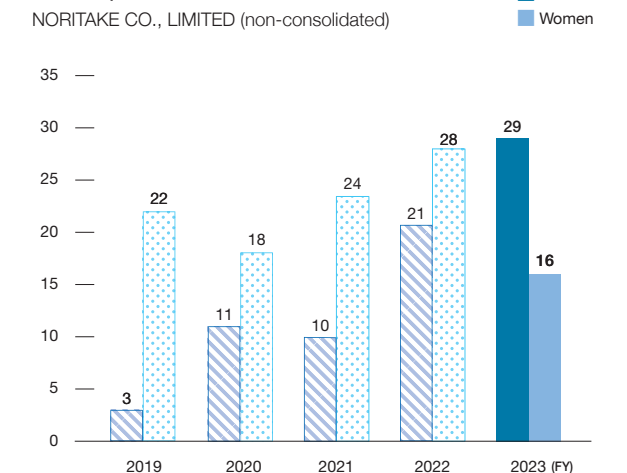
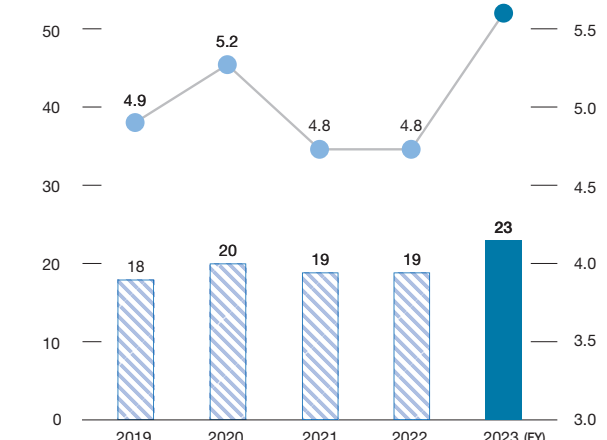
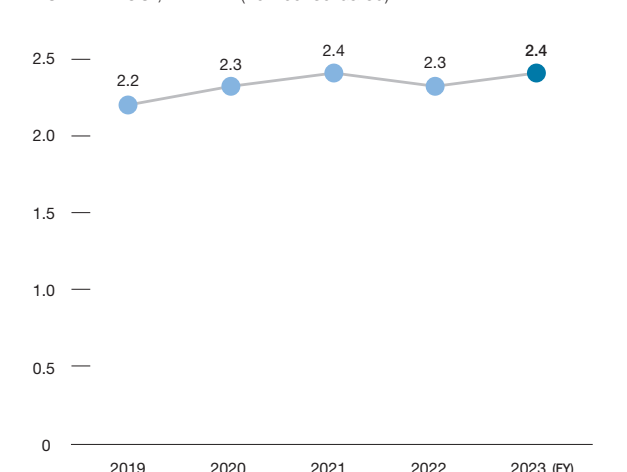


Non-Financial Highlights

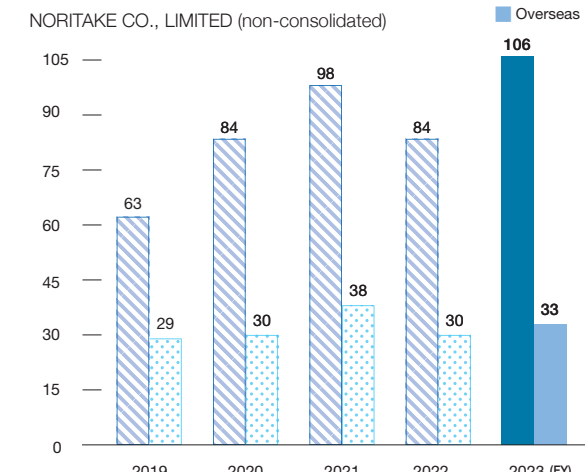
Average length of service (by gender; years)



Use of parental leave (by gender; persons)

Ratio of female managers (%), number of female managers (persons)
NORITAKE CO., LIMITED (manager or higher)Percentage of disabled employees (%)
NORITAKE CO., LIMITED (non-consolidated)

Number of patent applications (number)



Number of employees by business (persons)

Consolidated

Fiscal Year	2019	2020	2021	2022	2023
Industrial Products	2,617	2,566	2,551	2,430	2,393
Ceramics & Materials	895	875	866	830	824
Engineering	245	254	314	313	322
Tabletop	1,141	1,085	1,017	1,003	1,009
Corporate	222	249	259	255	273
Total	5,120	5,029	5,007	4,831	4,821

(As of March 31, 2024)

Trends in major consolidated management indicators

Fiscal year	2019	2020	2021	2022	2023
Net sales (million yen)	120,611	107,000	127,641	139,494	137,912
Cost of sales (million yen)	90,045	80,327	92,571	104,138	100,075
Gross profit (million yen)	30,566	26,673	35,069	35,356	37,837
Gross profit margin (%)	25.3	24.9	27.5	25.3	27.4
Selling, general and administrative expenses (million yen)	26,358	24,115	25,715	26,386	27,127
Operating profit (million yen)	4,207	2,557	9,353	8,969	10,709
Operating profit margin (%)	3.5	2.4	7.3	6.4	7.8
Ordinary profit (million yen)	6,312	4,480	12,509	12,405	14,643
Ordinary profit margin (%)	5.2	4.2	9.8	8.9	10.6
Profit attributable to owners of parent (million yen)	3,415	2,806	9,068	10,024	11,480
Net profit margin (%)	2.8	2.6	7.1	7.2	8.3
Amount of capital investment (million yen)	8,965	4,553	4,899	6,110	5,404
Depreciation (million yen)	4,442	4,784	4,704	4,773	4,809
Research and development expenditure (million yen)	2,571	2,294	2,324	2,375	2,306
Cash flows from operating activities (million yen)	8,232	5,903	12,835	△213	22,036
Cash flows from investing activities (million yen)	△7,473	△7,601	△5,823	△3,524	△3,240
Cash flows from financing activities (million yen)	△2,210	1,597	△5,389	3,306	△13,494
Cash and cash equivalents at the end of the fiscal year (million yen)	9,939	9,741	11,733	12,008	17,991
Total assets (million yen)	145,923	154,905	163,562	180,585	202,069
Interest-bearing debt (million yen)	5,335	8,180	6,752	12,788	2,970
Equity (million yen)	100,668	110,926	118,120	128,189	147,100
Total net assets (million yen)	103,757	113,988	118,800	128,961	147,970
Basic earnings per share (yen)	118.61	97.27	314.13	347.28	396.46
Dividend per share (yen)	100.00	60.00	150.00	205.00	250.00
Return on equity (ROE) (%)	3.3	2.7	7.9	8.1	8.3
Equity ratio (%)	69.0	71.6	72.2	71.0	72.8
Total capital turnover (%)	82.7	69.1	78.0	77.2	68.2
Price earnings ratio (PER) (times)	14.5	18.2	7.1	6.6	10.8
Price-book value ratio (PBR) (times)	0.49	0.46	0.54	0.52	0.85
Stock price at the end of the fiscal year (yen)	1,720	1,775	2,230	2,295	4,290
Number of employees at the end of the fiscal year (persons)	5,120	5,029	5,007	4,831	4,821

1. A stock split was conducted at a ratio of 2 shares for every 1 ordinary share on April 1, 2024. The profit per share and stock price at the end of the fiscal year are calculated assuming this stock split took place at the beginning of fiscal 2019.

2. A stock split was conducted at a ratio of 2 shares for every 1 ordinary share on April 1, 2024. Dividends per share are stated as the actual amount of dividends before this stock split.

3. "Accounting Standard for Revenue Recognition" (ASBJ Standard No. 29, March 31, 2020) and other standards have been applied since the beginning of fiscal 2021, and the main consolidated management indicators for fiscal 2021 and beyond are based on these accounting standards.

4. Number of employees at the end of the fiscal year represents the number of regular employees at that time.

Trends in Major Non-financial Indicators

Fiscal year		2021	2022	2023
Average length of service [years]	Men	21.5	21.6	21.8
	Women	18.4	18.4	18.5
Number of female managers [persons]		19	19	23
Percentage of women in management [%]		4.8	4.8	5.6
Number of new graduates hired [persons]	Men	32	26	25
	Women	13	8	9
Percentage of female new graduates hired (regular positions) [%]		43.5	25.0	35.0
Number of mid-career hires [persons]		9	13	18
Percentage of disabled employees [%]		2.4	2.3	2.4
Voluntary turnover rate [%]		1.1	2.1	1.5
Training time [hr/person]		11	13	21
Training cost [10,000 yen/person]		2.3	2.7	4.1
Number of correspondence course participants [persons]		755	737	628
Number of recipients of official qualifications [persons]		138	198	228
Employee health habits	Percentage of employees who exercise regularly [%]	22.1	22.7	23.9
	Percentage of smokers [%]	27.2	26.9	26.2
	Percentage of habitual drinkers [%]	11.9	11.8	12.7
	Rate of people of normal weight [%]	67.6	66.9	66.4
	Ratio of employees being treated for high-blood pressure [%]	12.6	13.5	13.4
	Ratio of employees with health concerns [%]	61.2	62.3	61.6
Insurance benefit expenses [10,000 yen/person]		13.3	14.8	15.6
Specific health guidance implementation rate [%]		59.2	62.2	-
Stress check completion rate [%]		84.3	88.4	95.1
Overall stress risk score found		99	100	98
Ratio of days of annual leave taken [%]		63.0	68.3	70.6
Use of parental leave [persons]	Men	10	21	29
	Women	24	28	16
Ratio of men taking childcare leave [%]		41.7	63.0	85.0
Number of employees by business* [persons]	Industrial Products	2,551	2,430	2,393
	Ceramics & Materials	866	830	824
	Engineering	314	313	322
	Tabletop	1,017	1,003	1,009
	Corporate, etc.	259	255	273
	Total	5,007	4,831	4,821
Number of patent applications [number]	Domestic	98	84	106
	Overseas	38	30	33

*Consolidated base

(As of March 31, 2024)

Company name	NORITAKE CO., LIMITED
Establishment	January 1, 1904
Headquarters	3-1-36, Noritake-shinmachi, Nishi-ku, Nagoya, Aichi 451-8501, Japan
Website	https://www.noritake.co.jp/eng/
Representative	Akira Higashiyama, Representative Director & President
Capital	15,632 million yen
Main Business	<div><div>■ Industrial Products Business</div>Grinding and polishing tools, etc.</div> <div><div>■ Ceramics & Materials Business</div>Electronic components, ceramic raw materials, plaster products, vacuum fluorescent displays, etc.</div> <div><div>■ Engineering Business</div>Heating furnaces, filtration equipment, agitation equipment, carbide tipped circular sawing machines, circular sawing cutting machines, etc.</div> <div><div>■ Tabletop Business</div>Porcelain ware, etc.</div>

NORITAKE CO., LIMITED underwent a change of Japanese trade name on July 25, 2024.

(As of July 25, 2024)

Subsidiaries

NIPPON RESIBON CORPORATION	NORITAKE CO., INC.*1
RYOWA CORPORATION	NORITAKE SHANGHAI TRADING CO., LTD.
ZEN NORITAKE CO., LTD.	NORITAKE EUROPA GMBH
HIROSHIMA KENMA K.K.	NORITAKE ABRASIVES (SUZHOU) CO., LTD.
KCM CORPORATION	NORITAKE SA (THAILAND) CO., LTD.
KYORIX MIE CO., LTD.	DIA RESIBON (THAILAND) CO., LTD.
NORITAKE ITRON CORPORATION	NORITAKE SCG PLASTER CO., LTD.
NORITAKE TCF CO., LTD.	PT. NORITAKE INDONESIA
NORITAKE MACHINE TECHNO Co., Ltd.	ITRON (U.K.) LIMITED
NORITAKE GARDEN CO., LIMITED	NORITAKE TAIPEI CO., LTD.
NORITAKE RECYCLE CENTER CO., LIMITED*2	NORITAKE LANKA PORCELAIN (PVT) LIMITED
	NORITAKE (AUSTRALIA) PTY. LTD.
	TAIWAN KCM CO., LTD.*2

*1 Changed the trade name to NORITAKE U.S.A., INC. on July 25, 2024

*2 Non-consolidated subsidiaries

(As of March 31, 2024)

Equity-method affiliates

TONO KENMA CO., LTD.	SIAM COATED ABRASIVE CO., LTD.*3
KURARAY NORITAKE DENTAL INC.	
OKURA ART CHINA, INC.	

*3 Became a consolidated subsidiary from April 18, 2024, due to acquisition of shares

(As of March 31, 2024)