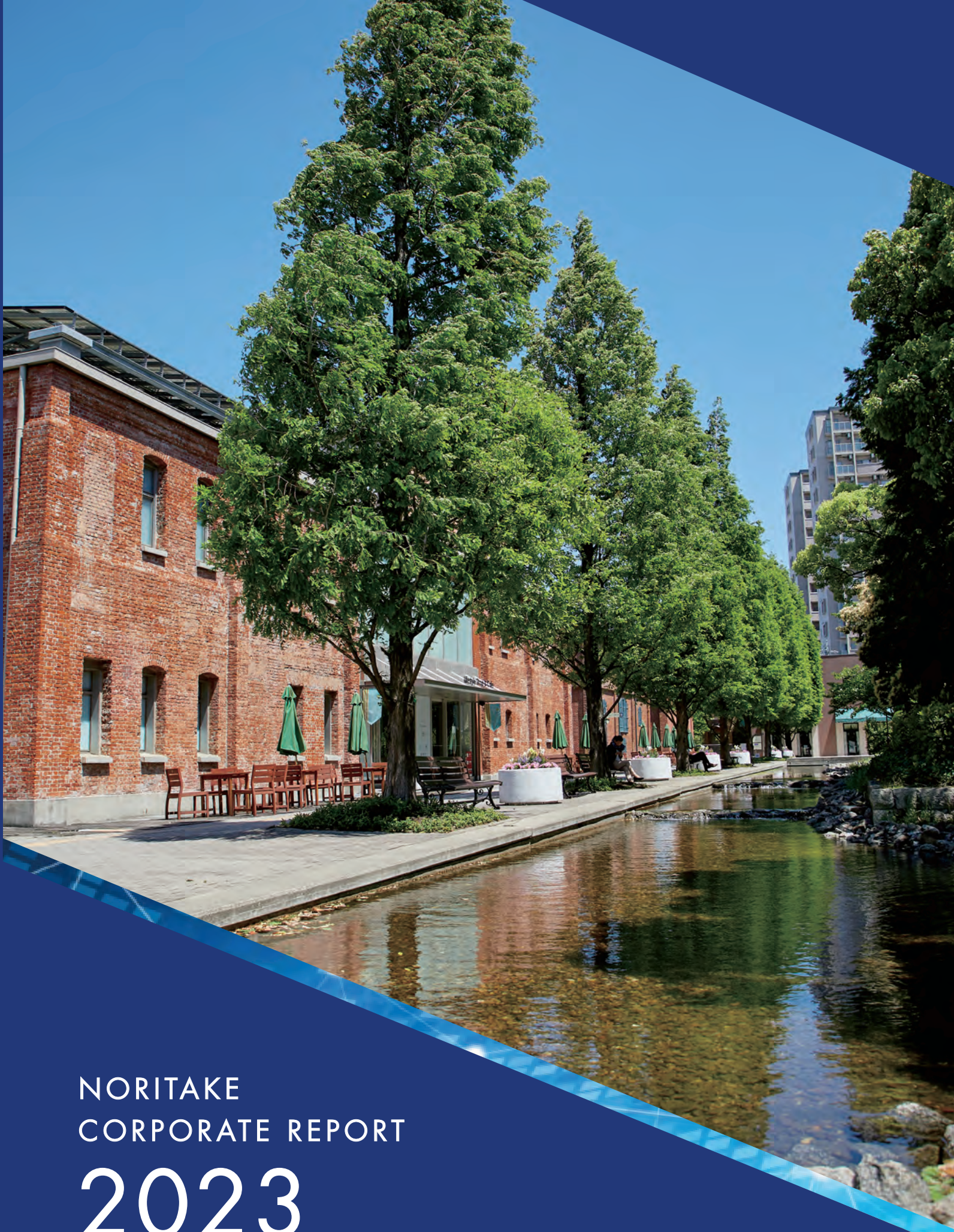


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NORITAKE CORPORATE REPORT 2023



NORITAKE  
CORPORATE REPORT  
2023

EN

Noritake





NORITAKE GARDEN (Chimney Plaza)

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### Editorial policies

Noritake issues this report with the aim of communicating with stakeholders and gain 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 Standards (Global Reporting Initiative), Ministry of Economy, Trade and Industry "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation," "ISO26000"

### 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.

### Organizations covered

**Noritake Group**  
Some non-consolidated information of NORITAKE CO., LIMITED is included in the report.

### Period covered

**Fiscal 2022**  
(April 1, 2022 to March 31, 2023)  
Some fiscal 2023 activities are also included in the report.

### Visit our website

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





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

In the globalization of business, every corporation is strictly demanded to fulfill the social responsibilities as the impacts of its products and services on humans and the environment are constantly increased. Noritake has continued to exhibit and maintain the approach to business and the relationship with society in accordance with "The Noritake Creed" formed when the company was founded.

## 「我力社ノ精神」

- 一、海外貿易ハ四海兄弟人権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、私利ヲ不樂一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ヘサル事
- 一、ウソヲツカズ慢心 イカリ 驕リ 怠り 私欲ヲ慎ム事
- 一、身ヲケガスナカレ朋友ハ肉身ヨリ大切ナリ 和合共力スル時ハ其功德金銭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勇氣昇天ノ如ク遵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.



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



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



# Crafting Noritake's future, keeping in mind the invaluable lessons from Noritake's founders

"The Noritake Creed" formed when the company was founded has been reorganized as our "Corporate Motto" and "Code of Ethics," and these principles are being disseminated throughout the company to all employees of the Noritake Group.

## Corporate Motto

- Good Quality** Making all-out efforts to manufacture the finest quality products
- Export** Pursuing internationalism and contribute 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

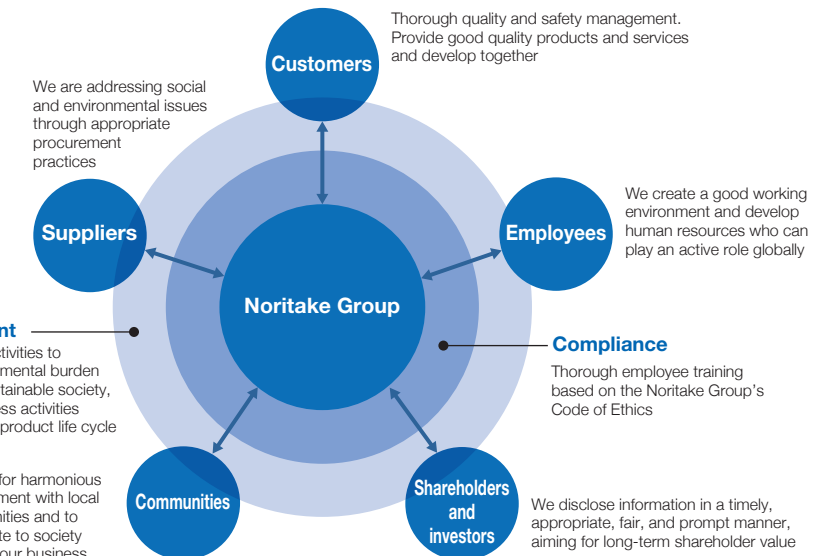
### Ethics Standards

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

### Environment

We practice activities to reduce environmental burden to realize a sustainable society, through business activities involved in the product life cycle

We aim for harmonious development with local communities and to contribute to society through our business

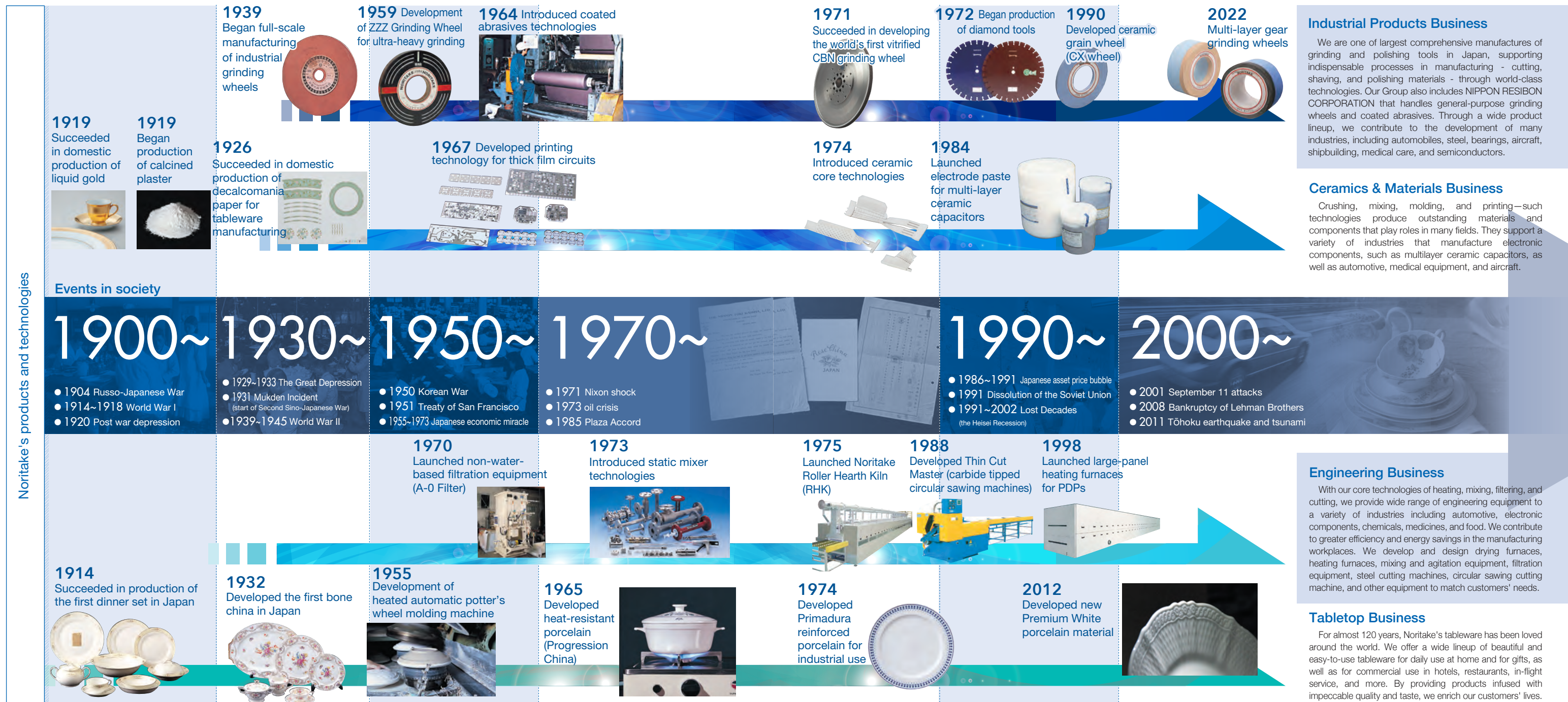


Welcome Center (technology corner)



# 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 domains 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.





## TOP MESSAGE

Representative Director and President

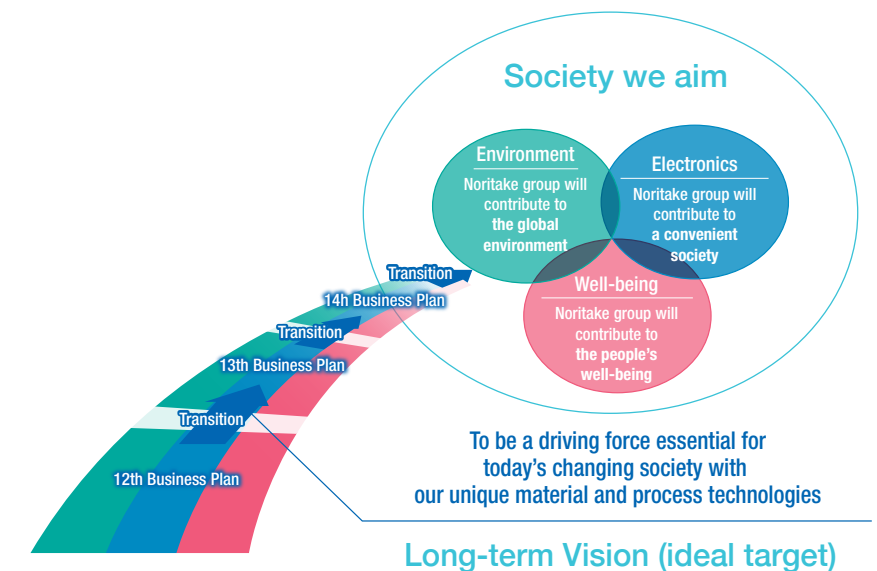
*Hiroshi Kato*

The Noritake Group is moving toward 2030.  
With a virtuous cycle that directs the generated profits to future investment, we will lead the company for stable growth.

The Noritake Group has formulated a Long-term Vision (ideal target) for 2030. The society changes rapidly under heightened geopolitical risks, the advancement of a carbon-neutral society, the acceleration of digitalization, and the diversification of lifestyles. To become the Group that is needed by and is indispensable to society, we will provide values unique to the Noritake Group.

To realize our Long-term Vision (ideal target) "becoming a driving force essential for today's changing society with our unique material and process technologies", we position our 12th Three-year Business Plan as a period for "enhancing the revenue base and preparing for growth areas." In order to enhance the revenue base, we are reorganizing unprofitable products and businesses, improving profitability, and streamlining operations. As for the preparation for growth areas, we are taking actions to increase production and sales as well as to strengthen our management base.

Through our efforts toward 2030, the Noritake Group will contribute to the global environment, a convenient society, and the people's well-being.

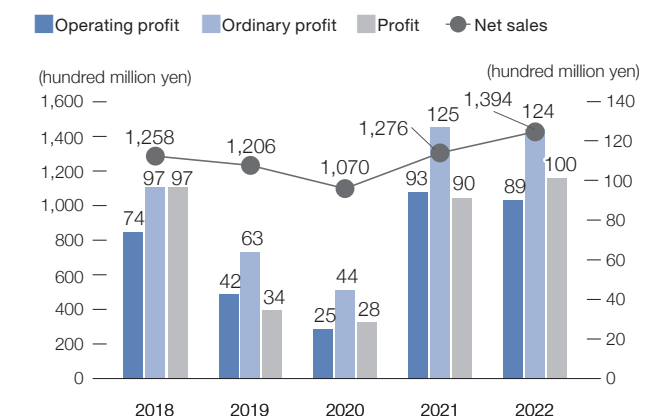


### Review of Fiscal 2022 and Business Overview

In FY2022, the countermeasures against COVID-19 gradually eased in Japan, and economic activities began to normalize. Overseas, however, there were situations that had a major impact on society and the economy, such as the prolonged situation in Ukraine and the blocking of cities due to China's zero-COVID policy. Rising prices for energy and raw materials, shortages of semiconductors, and supply chain disruptions have become a major threat to industries around the world. In the second half of the fiscal year, there was a drastic change in the business environment due to rapid inflation and exchange rate fluctuations in developed countries.

Under these circumstances, in FY2022, the Noritake Group posted consolidated net sales of 139.494 billion yen, up 9.3% year on year. Consolidated operating income was 8.969 billion yen, down 4.1%. Consolidated ordinary income was 12.405 billion yen, down 0.8%, and profit attributable to owners of parent was 10.024 billion yen.

Although consolidated net sales significantly exceeded the level of the same period of the previous fiscal year, operating income and ordinary income fell short of targets. I believe how much we can recover in FY2023 and FY2024 is the key matter.





## Our 12th Three-year Business Plan is the first step toward achieving our Long-term Vision

### Major achievements and challenges during the 12th Three-year Business Plan (FY2022-2024)

We position our 12th Three-year Business Plan as a period for "enhancing the revenue base and preparing for growth areas" in order to achieve our Long-term Vision. For "enhancement of revenue base", we are reorganizing unprofitable products and businesses, improving profitability, and streamlining operations. As "preparing for growth areas", we are taking action to increase production and sales and strengthening our management base.

In FY2022 which is the first year of our 12th Three-year Business Plan, we organized company-wide task forces and undertook initiatives under four themes: "new business creation," "organizational culture reform," "sustainability management," and "promotion of digital transformation." The progress and results of initiatives in FY2022 are shown below.

#### | New Business Creation Task Force

We redefined the role of the Research & Development Center and restructured development processes using the Stage-Gate method, an internationally standard method for managing new product development from idea creation to commercialization in new business development. To accelerate the search for development themes at the company-wide level, we began soliciting new themes from all employees.

From FY2023, the newly established New Business Creation Committee will strengthen and advance these initiatives.

#### | Organizational Culture Reform Task Force

We introduced a job rotation system and a talent management system for employees. The job rotation system has been in operation since FY2022 and the talent management system has been in operation since FY2023. To further make our culture reform widespread and deep-rooted, we hold town hall meetings at which the President and employees engage in direct dialogue. We have also begun reforming our personnel system and compensation system to create a corporate culture that allows failure and fosters a spirit of taking on challenges.

Starting in FY2023, we will change the Personnel Policy Committee into the Human Resources Management Committee to promote active roles by diverse human resources, foster employees' spirit of taking on challenges,

and enhance engagement through means including improvement of our personnel system and promoting work style reform.

#### | Sustainability Management Task Force

We endorsed the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD) and disclosed information in accordance with the recommendations. In January 2023, we established the Sustainability Promotion Office and formulated the basic sustainability policies, identified materialities (important issues), and set key performance indicators (KPIs).

We launched the Sustainability Management Committee in FY2023 to play a central role in operating the PDCA cycle for sustainability management across the company.

#### | Digital Transformation Promotion Task Force

To improve our productivity and technological capabilities and to enhance customer responsiveness, we are improving our digital transformation promotion system and are advancing process reform that utilize digital technologies. When we identified digitalization-related issues throughout the Group, we determined that there is an urgent need for strengthening the manufacturing field. Accordingly, we formulated a trial plan at the Miyoshi Plant of the Industrial Products Group, and are taking initiatives such as visualization of inspection and finishing processes using digital technologies.

Based on the results of the trial, in FY2023, we will proceed with designing a company-wide digital transformation promotion system and will begin developing digital transformation human resources in cooperation with the Human Resources Department.

#### | Initiatives in growth areas

In order to realize our Long-term Vision, the Noritake Group has designated three business fields as growth areas that are expected for their future growth—the environment, electronics, and well-being. We are advancing "concentration in core competence" and shift our business fields from our current fundamental business fields (such as internal combustion engine, ceramic industry) to the noted three growth areas. The progress of our initiatives is as follows.

In the environmental field, we are expanding sales of tools for EV-related parts, building business models related to the circular economy, and developing a new battery-related business. In the electronics field, we are



working to expand into the electronics and semiconductor sectors and to develop next-generation products. In the well-being field, we are developing grinding wheels for hypodermic needles, equipments for the pharmaceuticals and cosmetics sector, and are working to offer tableware that accents dining spaces with new forms and materials.

Though such initiatives, in FY2022, we achieved 109% of our sales target in the environmental sector and 105% in the well-being sector. On the other hand, the achievement rate of our sales target in the electronics sector was 85%, due to the impact of deteriorating market conditions for electronic paste and electronic component materials for multi-layer ceramic capacitors (MLCCs).

In terms of our preparation for growth areas, we will promote management that is conscious of the capital cost and stock price and will actively invest in our three targeted growth areas to achieve sustainable growth for the company from a medium- to long-term perspective.

Specifically, we will invest approximately 13 billion yen to expand production of materials for MLCCs, which are key components in automobiles and communication equipment. We will also invest approximately 2.5 billion yen in expanding production of heating furnaces for lithium-ion batteries.

Through the continued concentration of management resources in growth areas, including these investments, we will achieve the target values of our 12th Business Plan and increase our profit margin. We will also steadily move

forward with investments totaling 20 billion yen aimed at the creation of a solid structure for growth under the coming 13th Business Plan.

**Through a virtuous cycle of capital investments and investments in development, generating further profits and growth potential, and directing those profits and growth toward further investments, we will steadily put ourselves on a growth path, which will lead to an increase in our corporate value.**

#### | Initiatives in Each Business

We reorganized the Industrial Products Business into custom-made products and general-purpose products and are working to build an efficient business structure. In the general-purpose products business, the merger of NIPPON RESIBON CORPORATION and NORITAKE COATED ABRASIVE CO., LTD. in October 2022 was a first major M&A within the Noritake Group, and we are highly expecting the outcomes of this merger. We take this merger as an opportunity for a forward-looking restructuring of our manufacturing sites. We will also continue to strengthen the revenue base of the existing businesses and establish a foundation for entering growth areas.

As for the Ceramics & Materials Business, we are working to strengthen its business base and expand its business into cutting-edge sectors.



In the electronics sector, we are expanding our market share through expansion of our product lineup and increasing production capacity and promoting development of new products while focusing on human resource development. In electronic components and materials, we are reinforcing our production capacity for MLCC materials to expand the business and are developing new products in growth areas. We are also working to restructure our business portfolio by further promoting concentration in core competence and by creating new products and new businesses. Regarding the Nagoya port district which is one of our major sites, we are studying the development and restructuring of the area for the future, including the construction of a new building.

In the Engineering Business, we are aiming to expand the scale of our business and to develop new sectors. We are working to grow market share by expanding sales and strengthening our after-sales service structure in the energy and electronics sector. We are also preparing for the construction of a new building to increase production of heating furnaces for lithium-ion batteries. At the same time, we are entering new sectors, such as medical care, pharmaceuticals, and semiconductors, and are strengthening the development of new applications and

new products in the environmental sector.

In the Tabletop Business, our goal is to achieve profitability. In Japan, we are strengthening online sales and expanding sales to hotels and restaurants, while reorganizing distribution sales channels and logistics to reduce expenses. Overseas, we are working to expand sales in key growth markets, such as India, China and Southeast Asia.

## Sustainability Management

### Identification of Materialities

The Noritake Group is developing and strengthening its sustainability management system and accelerating initiatives to resolve social issues and to realize a sustainable society. In FY2022, led by the Sustainability Management Task Force, we assessed the level of importance of issues for our stakeholders and our Group based on our Vision for 2030, and identified materialities that our Group should prioritize.

The six materialities of the Noritake Group are "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".

As an initiative to reduce environmental impacts, the Noritake Group has set long-term goals of reducing CO<sub>2</sub> emissions by 50% by FY2030 (compared to FY2018) and effectively net-zero emissions in FY2050. Based on our foundation of the energy conservation, resource conservation, adoption of reusable energy, and development of environmentally-friendly products that we have pursued to the present, we will further promote our efforts toward the transition to a low-carbon society. In August 2022, Noritake announced its endorsement of the Task Force on Climate-related Financial Disclosure (TCFD) established by the Financial Stability Board (FSB). In May 2023, Noritake participated in the GX League led by the Ministry of Economy, Trade and Industry. In order to fulfill our responsibilities to our customers and other stakeholders, we will continue to identify risks and opportunities and examine countermeasures in accordance with TCFD recommendations and reflect them in our management.

As an initiative to improve employee engagement and utilize diverse human resources, we have conducted a review of the operation of our telecommuting system for achieving work-life balance and have been supporting flexible work styles since April 2023. As a result, a culture of enabling more varied and efficient work and balancing childcare is spreading among employees.

We are also working to create an environment in which women can demonstrate their abilities and play active roles. In FY2022, we hired new graduates and raised the ratio of the female university graduates hired. We also conducted training for female employees on leadership. Regarding to childcare leave, the percentage of female employees taking such leave has already reached 100%. We are now promoting company-wide activities to increase the percentage of male employees taking childcare leave.

We are also studying ways to revise our personnel system based on the keywords "diversity" and "challenge."

To strengthen our corporate governance, in FY2022, we took steps to improve the effectiveness of the Board of Directors. For example, we conducted pre-briefings for outside officers and digitalized handout materials. To strengthen risk management, we analyzed and evaluated climate change risks in line with the TCFD framework and constructed a governance system for risk management.

In June 2023, we transitioned to a company with an Audit and Supervisory Committee. Our goal is to further strengthen the supervisory function of the Board of Directors by making Audit and Supervisory Committee

members, who are responsible for auditing the execution of duties of Directors, constituent members of the Board of Directors, and to accelerate decision-making and enhance deliberations of the Board of Directors by delegating to Directors a portion of the Board of Directors' authority over decisions on the execution of work.

We will continue to strengthen and enhance our corporate governance with the aim of achieving sustainable growth and increasing corporate value over the medium to long term.

The true significance of defining and tackling materialities in this way is to share the same understanding on the Company's materialities with our stakeholders, and to increase the sustainability of our business by advancing concrete initiatives focused on them, while improving our corporate value and contributing to society. We will continue to accelerate and advance initiatives based on the six materialities.

## Message to our stakeholders

The Noritake Group positions the return of profits to shareholders as a key management policy, and its basic policy is to continue to pay stable dividends over a long term. Taking into account the business performance, the future business environment, and our business outlook, the annual dividend for FY2022 was 115 yen per share (an annual dividend of 205 yen per share including the interim dividends).

The Noritake Group has contributed to society by supporting various industries with a wide variety of products, starting with the manufacture of tableware and continuing with grinding wheels, materials for electronic components, drying furnaces, and heating furnaces. In recent years, social uncertainties have increased and the business environment has been changing remarkably. We recognize that it is essential to firmly respond to the speed of social change, review our business portfolio, and undertake fundamental management transformation and organizational culture reform. In addition to advancing sustainability management, we will steadily advance our materialities initiatives as we provide better products and services to our customers.

Our reform of the Noritake Group has only begun. We will continue promoting self-reform while listening sincerely to the opinions of our stakeholders, including our shareholders, customers, employees, and local communities. We would like to ask for your continued support and attention to Noritake.





# Developing ceramics technologies to provide new value to society

We have applied the technology cultivated since our founding in 1904 to create a variety of ceramics technologies and products. Today, these are used in a wide range of fields, from automobiles, steel, and electronic components to food and pharmaceuticals.

## INPUT (FY2022 consolidated basis)

### Financial capital

■ Total assets  
**1,806** hundred million yen

■ Cash and deposits  
**146** hundred million yen

### Manufacturing capital

■ Equipment investment  
**61** hundred million yen

■ Fixed assets  
**920** hundred million yen

### Intellectual capital

■ R&D investment  
**24** hundred million yen

■ Number of patents held  
**662** patents

### Human capital

■ Number of employees  
**4,831** People

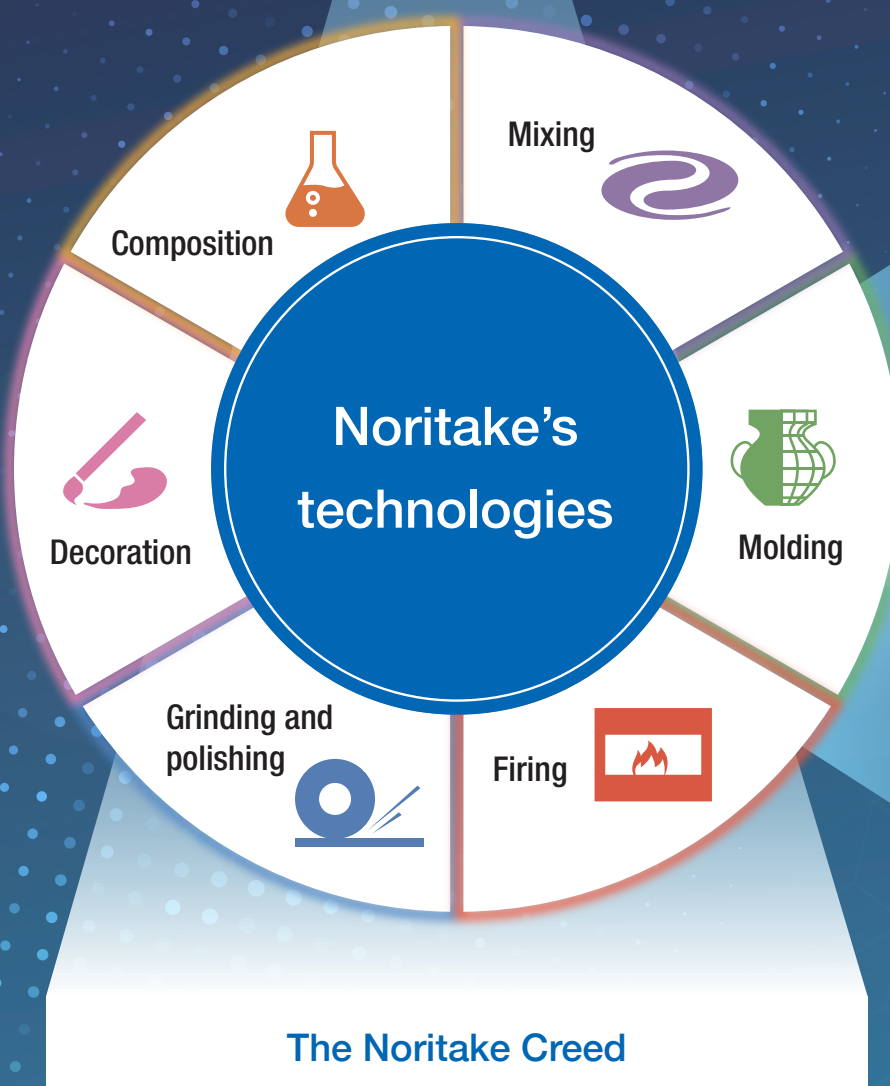
### Societal capital

■ Domestic consolidated subsidiaries  
**10** Companies

■ Overseas consolidated subsidiaries  
**12** Companies

## Value Creation Process

Long-term Vision for 2030 (ideal target)  
To be a driving force essential for today's changing society with our unique **material** and **process** technologies



## Diversified businesses to address social issues

### Industrial Products Business

#### Grinding wheels

Grinding wheels are used to polish and grind materials in the manufacturing processes of many items, from automobile components to syringes. Our company boasts world-class processing precision and efficiency.



### Ceramics & Materials Business

#### Electronic paste

Electronic paste is used as a material in the electronic components mounted in smartphones and other electronic devices. Their stable quality has earned us a high reputation among customers.



#### Electronic component materials

We supply materials characterized by high quality to a wide range of industries that deem them essential, such as materials used for ceramic capacitors and other components in the electronics field.



### Engineering Business

#### Drying furnaces, heating furnaces

Noritake's drying furnaces and heating furnaces began from the firing of painted porcelain. Our furnaces are characterized by accurate atmosphere adjustment and temperature control. They are used in many sectors, including automobiles and electronic components.



### Tabletop Business

#### Tableware

We offer enriched living through products made with the highest quality and elegance. Our technologies cultivated in the manufacture of tableware have now led to a variety of ceramics technologies and products.



## OUTPUT

### OUTPUT 01

#### Net Sales

**1,394** hundred million yen

### OUTPUT 02

#### Ordinary Profit

Profit Attributable to Owners of the Parent

**124** hundred million yen

### OUTPUT 03

#### Return on Equity

**8.1** %

### OUTPUT 04

#### Capital Ratio

**71.0** %

## The Society that Noritake aims

Contributing to the Global Environment

Contributing to a Convenient Society

Contributing to the People's Well-being



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

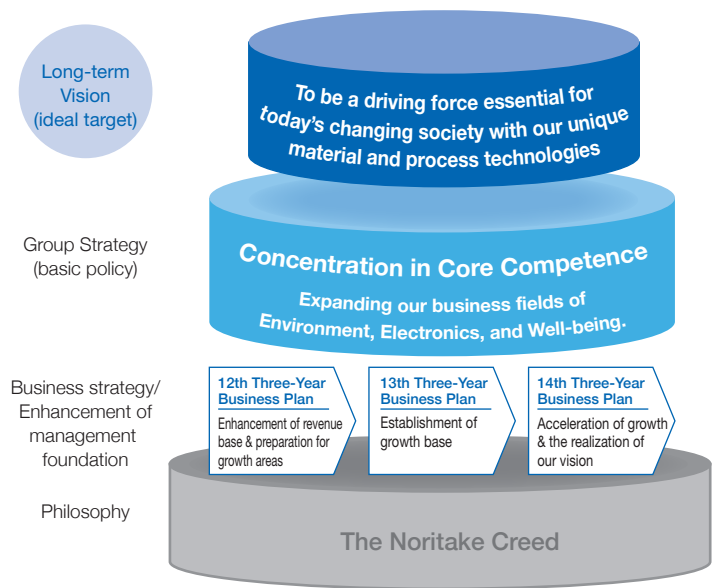
In formulating the 12th Three-year Business Plan, the Noritake Group clarified its Long-term Vision and sets forth the initiatives for achieving them. Noritake will be promoting its business in order to achieve this Long-term Vision and contribute to a better society.

## 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

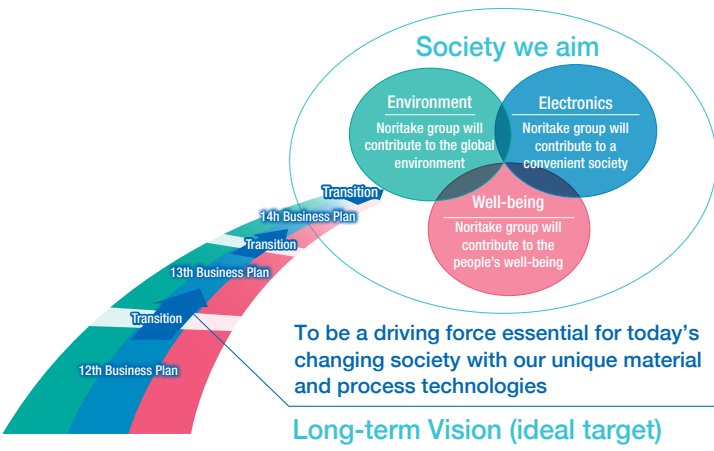
Among our current business areas, we focus on the following areas in the coming years. Through initiatives in these markets, we will promote our business toward the realization of the society that the Group aims to achieve.

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 (FY2022 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

We have restructured the development process, and reorganized development themes and reallocated resources. In order to generate new businesses in the future, we will be developing new products, developing applications and finding new markets for existing technologies, and restructuring existing businesses, while also forging partnerships with other companies through technology, business and capital tie-ups.

#### Organizational culture reform

Initiatives included town hall meetings held by the management team, introduction of a talent management system, and revisions of the personnel system. We will continue to create a personnel system aimed at fostering a spirit of challenge among employees and rolling out workstyle reforms to improve employee engagement.

#### Establishment of sustainability management system

We have formulated the Basic Sustainability Policy and established a Sustainability Management Promotion System. We also assessed what is important for stakeholders and for the company, and determined six areas of materiality (priority issues) that we should be focusing our efforts on. Going forward, we will be implementing initiatives aimed at achieving the set materiality targets.

Furthermore, the Noritake Group has formulated a medium- to long-term CO<sub>2</sub> emission reduction plan in order to promote efforts to achieve carbon neutrality. In August 2022, we agreed to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), and began disclosing information.

#### Promotion of digital transformation (DX)

We have also established a DX promotion structure, began trials at the manufacturing department aimed at enhancing customer responsiveness, visualized processes using digital technologies, and implemented initiatives for improving processes utilizing data. We are also building up past successes at workplaces and implementing them to reform business processes, as well as focusing on training human resources involved in DX.

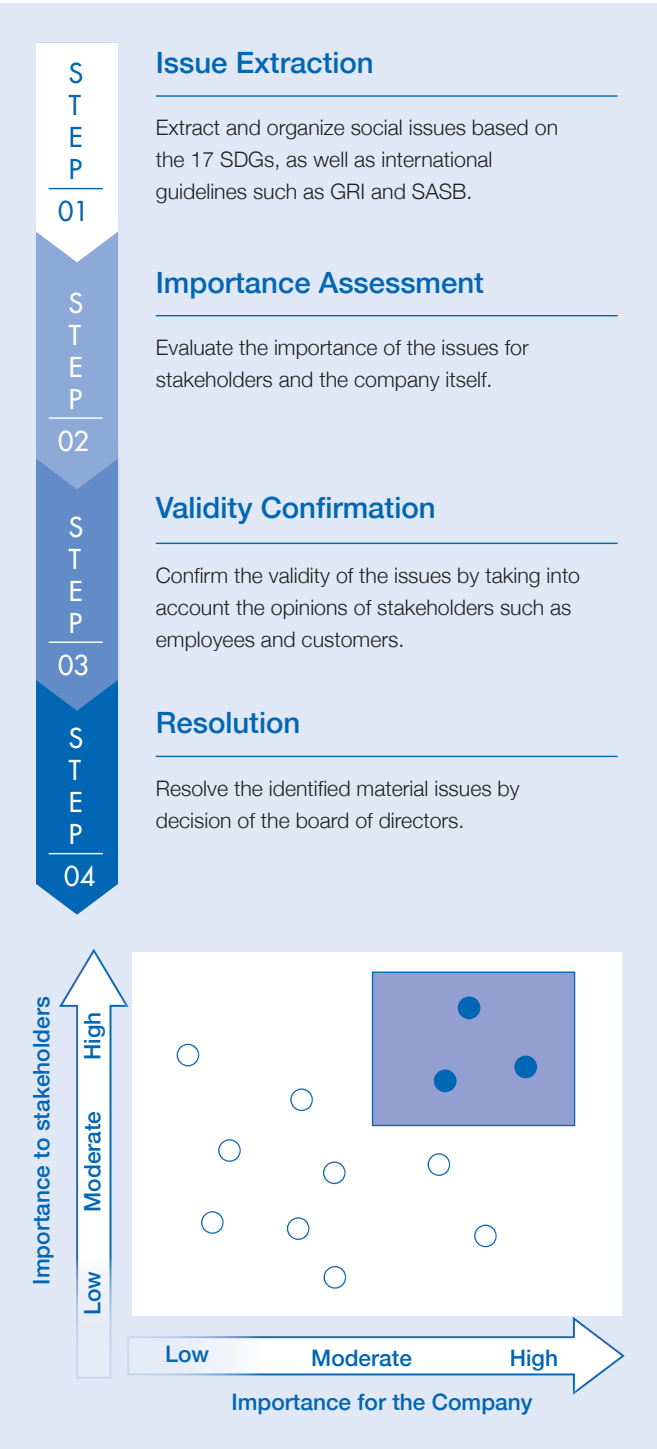


Materiality

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.

In FY2022, we formulated the Sustainability Fundamental Policy and established a Sustainability Management Promotion System. With an eye toward our Long-term Vision for 2030, we also assessed what are important for stakeholders and the company group respectively, and determined six areas of materiality (priority issues) that we should be focusing our efforts on.

Materiality Identification Process



List of materiality (key issues)

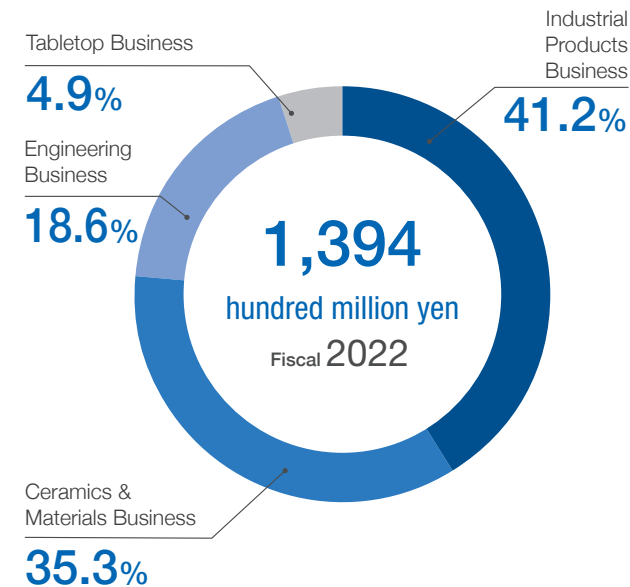
	Materiality	Details of Key Initiatives	FY2024 Targets
Contribute to the global environment	<b>Reducing environmental impacts</b> Applicable SDGs: 7, 9, 12, 13, 15	Reduce CO <sub>2</sub> emissions Reduce of waste Provide environmentally-friendly products	● Reduce to 73k tons or below ● Reduce to 10k tons or below ● Achieve a sales ratio of 10% or more
Contribute to a convenient society	<b>Continuous provision of new value</b> Applicable SDGs: 7, 9	Providing new products Establishing a structure for new business creation Strengthening core-technology development	● Achieve a sales growth rate of 25% or more (compared to FY 2022) ● Promote open innovation ● Increase the number of patents held by 10% (compared to FY2022)
Contribute to the people's well-being	<b>Stable supply of high-quality and safe products</b> Applicable SDGs: 9, 12, 17	Promoting activities for improving quality  Promoting supply-chain management	● Zero product-accidents ● Reduce claim cases by 20% (compared to FY 2022) ● Strengthen the quality assurance system ● Strengthen the system for sustainable procurement ● Achieve a survey response rate of 80% or more for the Purchasing Guideline
	<b>Pursuing a society that values well-being</b> Applicable SDGs: 5, 8, 10, 11, 15	Providing well-being products Respecting human rights Contribution to the local community	● Sales ratio of 8% or more ● Promote human rights due diligence ● Organize events that enrich the dining space ● Provide opportunities for social studies
	<b>Improving employee engagement</b> Applicable SDGs: 4, 5, 8, 10	Improving the physical and mental health of employees  Creating the workplace where employees can work vigorously  Fostering a culture that respects diversity	● Achieve a paid vacation acquisition rate of 70% or more ● Achieve a stress check participation rate of 90% or more ● Revise the personnel system ● Conduct an engagement survey and utilize it for issue setting ● Achieve a male childcare leave acquisition rate of 50% or more ● Increase the ratio of female managers by 20% (compared to FY 2022)
Strengthen the foundation	<b>Continuous reinforcement of governance</b> Applicable SDGs: 12, 16	Strengthening the governance system Improving information security Thorough observance of compliance	● Improve the effectiveness of the Board of Directors ● Strengthen the system for promoting sustainability management ● Strengthen network security ● Conduct literacy education on laws and regulations



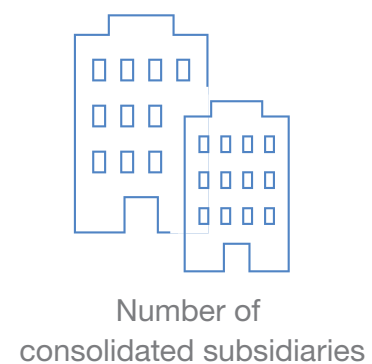
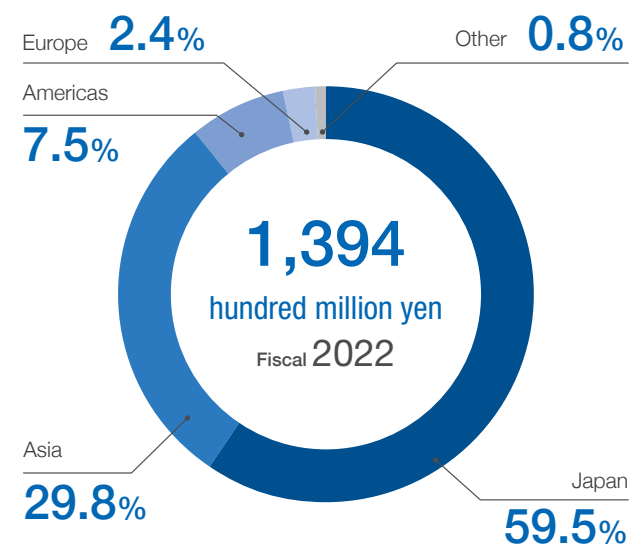
# About the Noritake Group

## Noritake in numbers

### Net sales composition ratio by segment



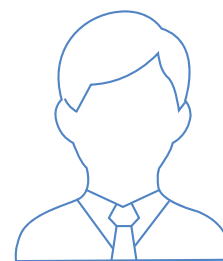
### Net sales composition ratio by area



**22** companies



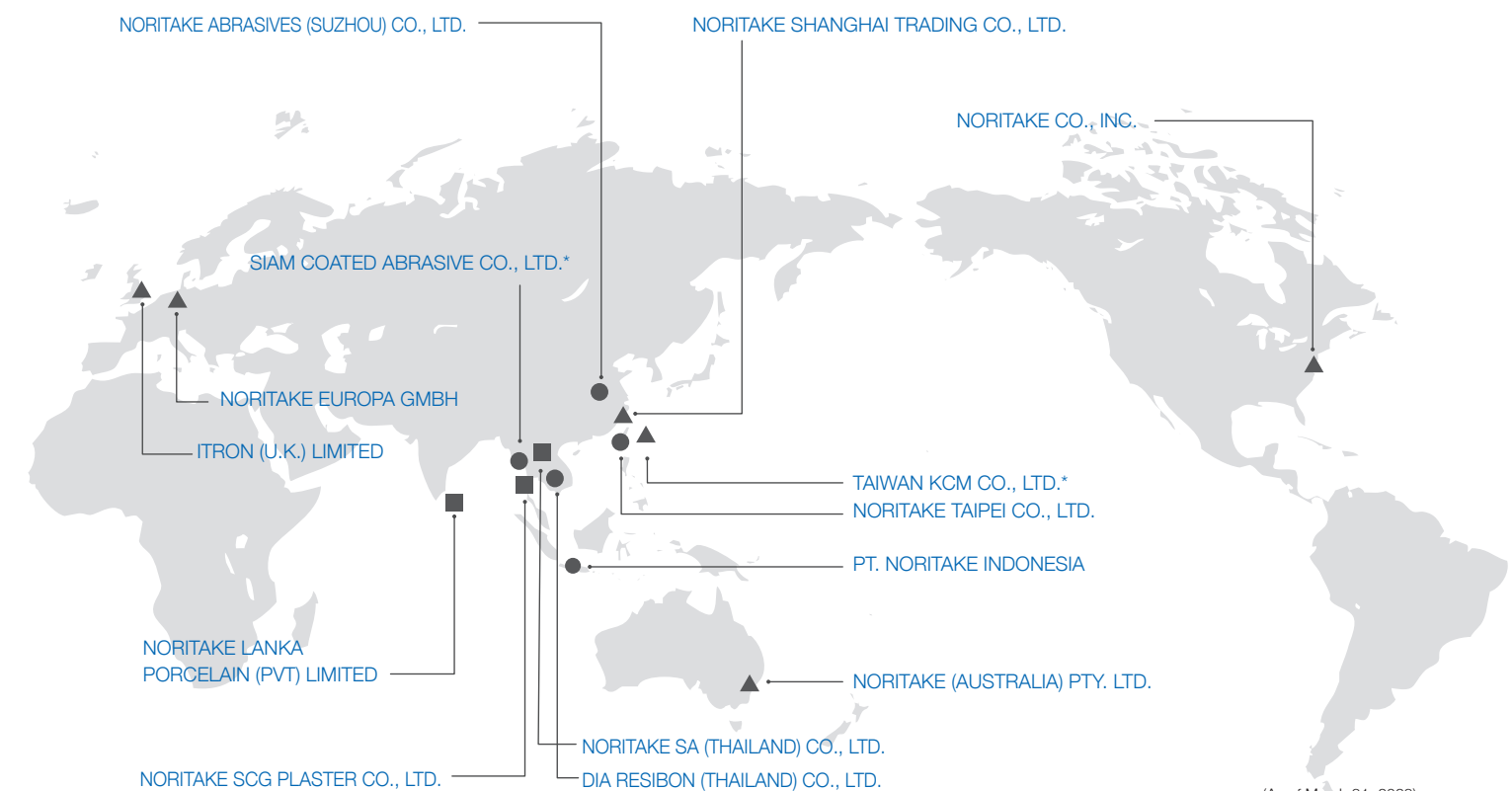
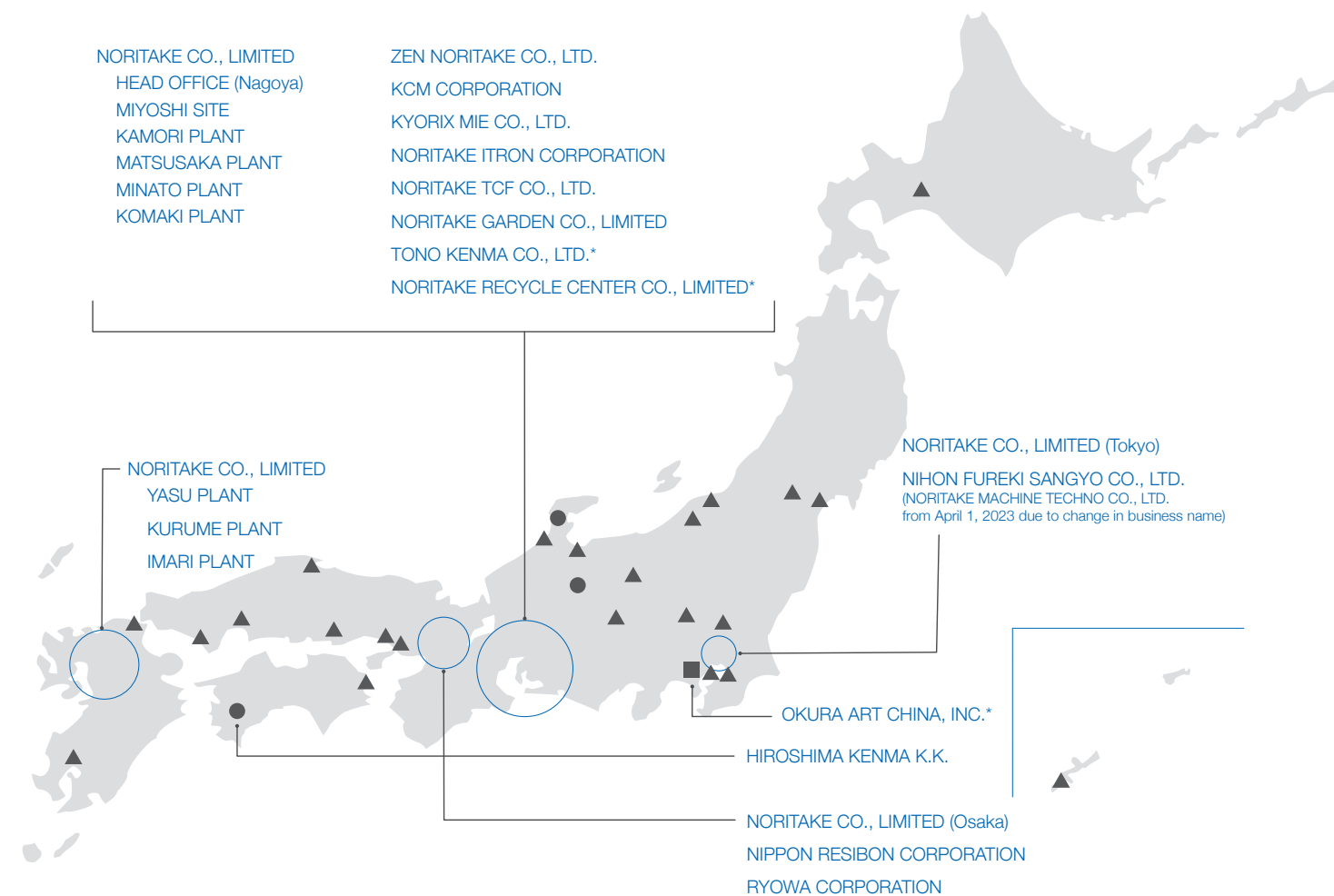
**9** Countries/regions



**4,831** People

● Manufacturing Bases ▲ Sales Bases ■ Manufacturing Bases/Sales Bases

\* Non-consolidated subsidiary or equity-method affiliate



(As of March 31, 2023)



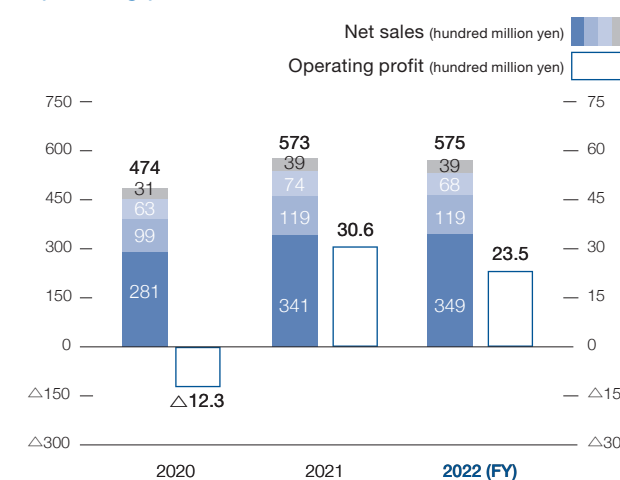
# Performance Highlights

## Industrial Products Business

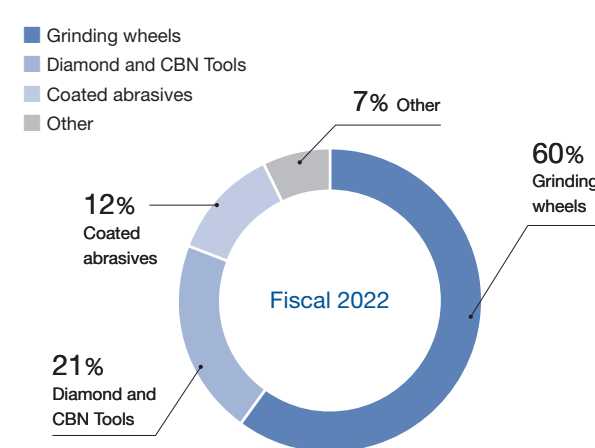
We are one of largest comprehensive manufactures of grinding and polishing tools in Japan, supporting indispensable processes in manufacturing - cutting, shaving, and polishing materials - through world-class technologies. Our Group also includes NIPPON RESIBON CORPORATION that handles general-purpose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

Net sales (hundred million yen)

Operating profit (hundred million yen)



Net sales ratio

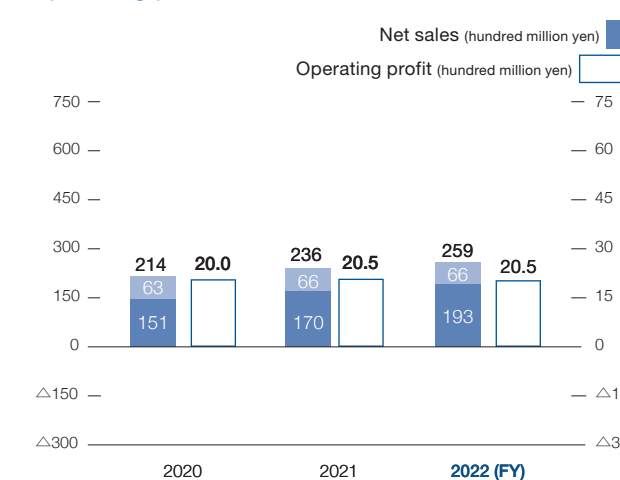


## Engineering Business

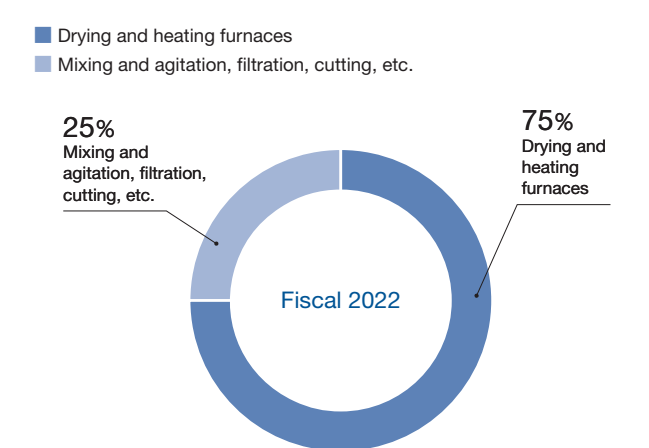
With our core technologies of heating, mixing, filtering, and cutting, we provide wide range of engineering equipment to a variety of industries including automotive, electronic components, chemicals, medicines, and food. We contribute to greater efficiency and energy savings in the manufacturing workplaces.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

Net sales (hundred million yen)

Operating profit (hundred million yen)



Net sales ratio

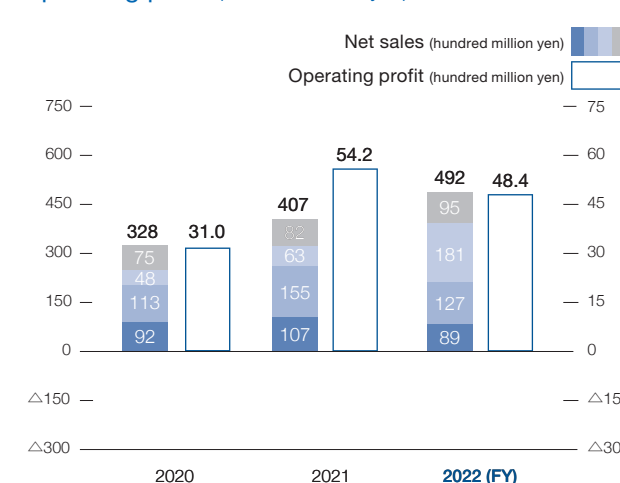


## Ceramics & Materials Business

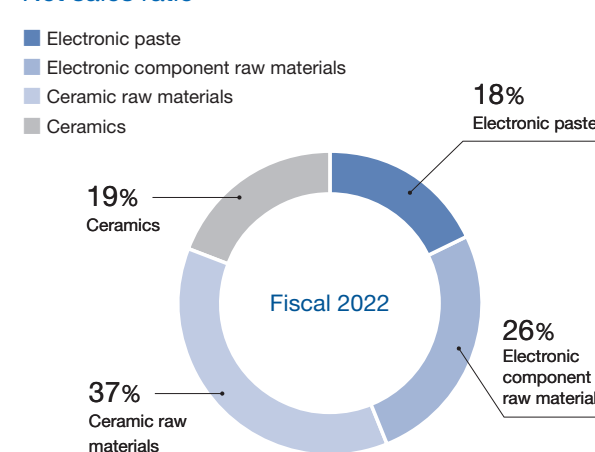
Crushing, mixing, molding, and printing—such technologies produce outstanding materials and components that play roles in many fields. They support a variety of industries that manufacture electronic components, such as multilayer ceramic capacitors, as well as automotive, medical equipment, and aircraft.

Net sales (hundred million yen)

Operating profit (hundred million yen)



Net sales ratio

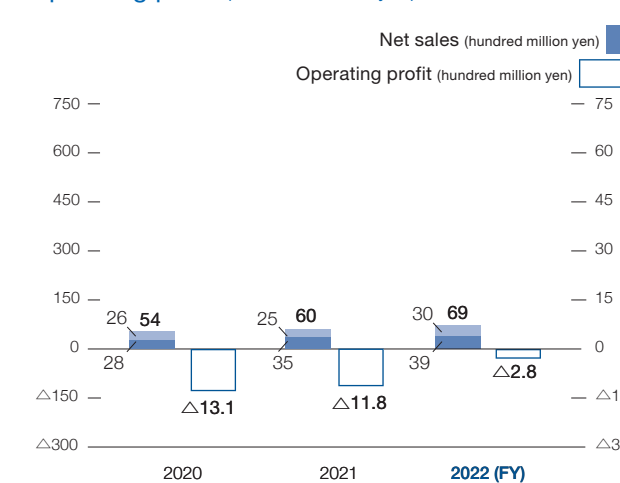


## Tabletop Business

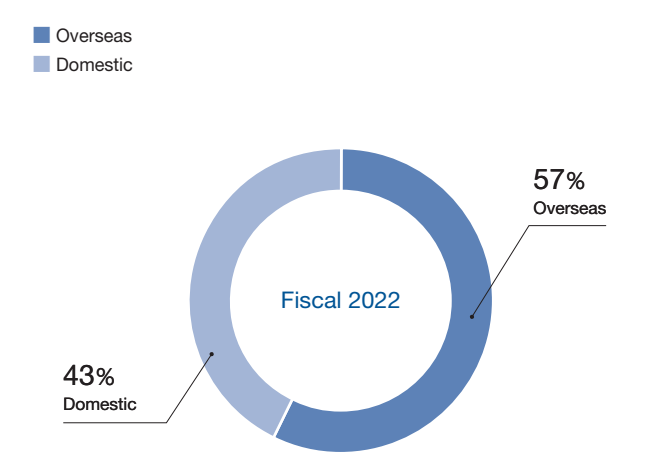
For over 120 years, Noritake's tableware has been loved around the world. We offer a wide lineup of beautiful and easy-to-use tableware for daily use at home and for gifts, as well as for commercial use in hotels, restaurants, in-flight service, and more. By providing products infused with impeccable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

Net sales (hundred million yen)

Operating profit (hundred million yen)



Net sales ratio





# Industrial Products Business

## Main products

- Grinding wheels
- Diamond wheels and tools
- CBN wheels
- Coated abrasives
- Grinding/polishing-related products (grinding oil, etc.)

Group General Manager of Industrial Products Group  
Tomoaki Maeda



## Performance in fiscal 2022

Domestically, production cuts in automobiles were prolonged due to a shortage of semiconductors for automotive applications, and the impact spread to the steel and bearing industries as well. Overseas, sales increased due to the post-COVID market recovery in various countries and the impact of foreign exchange rates. On the other hand, production costs rose due to soaring

raw material and energy prices and the weakening of Japanese yen, which had a significant impact on profitability.

As a result, net sales in the Industrial Products Business were 57.477 billion yen (YoY increase of 0.2%) while operating profit was 2.352 billion yen (YoY decrease of 23.0%).

## Progress of the 12th Three-year Business Plan

The basic strategy for the Industrial Products Business is to strengthen the revenue base of existing businesses and to establish a foundation to advance into growth fields. The first step we have been taking for existing businesses is to thoroughly improve profitability as a way to cope with the increasing price of materials and energy that has been increasing for two years. Improving profits is also a key challenge we have been working on at overseas production sites. In China, we achieved profitability by expanding sales and lowering the unit cost of grinding wheels for large, heavy-duty polishing.

In new businesses, progress in the electronics and semiconductor sectors has been slow due to the impact of stagnating demand for devices, such as smartphones and computers. However, automotive applications, which are increasingly being electrified, are expected to grow over the long term, and we intend to recover by expanding our product lineup.

Among our mainstay product lines, improving profitability of diamond-related product businesses is another major issue. We will quickly reduce costs and advance into the electronics and semiconductor fields.



## Growth Strategy

We will increase our presence in the growth areas of the environment, electronics and well-being.

As for environmental issues, we are expanding sales of EV-related tools and have begun increasing production of gear polishing grinders at the Miyoshi Plant. In the electronics field, we will focus on expanding into electronics and semiconductor fields. In the well-being field, we will focus mainly on grinding wheels for syringes, for which demand is growing.

Amid growing customer interest in carbon neutrality in manufacturing, we have been developing hydrogen combustion furnace that helps to reduce CO<sub>2</sub> emissions through the firing process of grinding wheels. In addition, activities to switch

packaging materials to reinforced cardboard from the wooden boxes were implemented at the Kamori and Miyoshi plants. In FY 2023, these activities will be introduced to the Kurume and Yasu plants. Furthermore, we plan to install solar panels at the Kamori and Yasu plants during this fiscal year to cover a part of the electricity required for production.

In October 2022, NIPPON RESIBON CORPORATION merged with NCA. Through this merger, we intend to quickly build an efficient business structure and reorganize our manufacturing bases for the future. This was a major merger for the Noritake Group, and we will continue our efforts to achieve positive results in the future.

## MESSAGE

### Aiming to Reform Our Organizational Structure and Human Resources from a New Perspective

I was transferred to the position as Group General Manager of this business unit from the Engineering Group in April, 2023. This business, which boasts the top share of the domestic market for grinding and polishing products, has advanced technological capabilities and an excellent product lineup. As a result, distinct operations are performed by each manufacturing and sales division, and it seems that a rational system has been established. However, I also think that a well-separated operational structure could be a weakness in terms of development of new fields and products. Going forward, we must transform ourselves into a structure that enables us to take on new challenges with a sense of speed.

Changing the sense of awareness of human resources is essential for

achieving organizational reform. Last fiscal year, we worked to expand our Long-term Vision and business policies so that each individual can realize that each and every employee is playing an important role in the division. In addition, in order for young employees to deepen specialized knowledges, we have published technical journals that summarize the product knowledge and technical know-how, grinding solution catalogs that support product proposals, booklets that summarize the actual experiences of sales staff both domestically and abroad, and textbooks on quality assurance. I hope that through these studies, everyone will be able to work independently and feel a sense of fulfillment of growth. We will also promote job rotation and other types of career development for our employees to gain experience in multiple workplaces.



# Ceramics & Materials Business

Group General Manager  
of Ceramics & Materials  
Group  
Masahiko Horie

## Main products

- Electronic paste  
Electronic paste, decalcomania paper, and decoration materials
- Electronic ceramic powder
- Ceramic raw materials
- Ceramics  
Thick film circuit substrate, plaster, ceramic cores, porous ceramic materials, vacuum fluorescent display and modules



## Performance in fiscal 2022

Demand in the electronics and communication field seemed to grow until the second quarter, but slowed down over the second half of the year. Against this backdrop, demand for automotive-related products was firm. Regarding the sales results of each product group, figures for electronic paste was negative due to the significant impact of economic conditions. In electronic component materials, sales for automotive applications were firm, but sales in the telecommunications field did not mark as we planned. In the ceramics sector, we reevaluated our strengths and profitability in each market and

implemented business strategies for the four product groups: thick film circuit substrates, plaster, ceramic cores, and porous ceramic materials. The results of these efforts began to show during FY2022, and while plaster decreased, others increased. As for vacuum fluorescent displays, the sales increased despite difficulties in procuring components and rising prices. In addition, sales of ceramic raw materials increased significantly as well.

As a result, net sales for the Ceramics & Materials Business were 49.206 billion yen (YoY increase of 20.8%), while operating profit was 4.844 billion yen (YoY decrease of 10.7%).

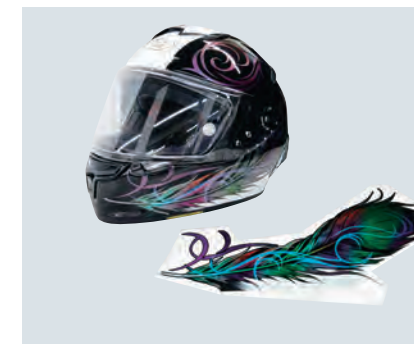
## Progress of the 12th Three-year Business Plan

We are planning to increase production capacity of electronic components and electronic paste in preparation for increase in demand in medium- to long-term.

In regard to plaster, originally, it was mainly used for mold materials and dental materials. However, we are currently establishing a sales system and a manufacturing system in Thailand with the aim of improving profitability for construction materials and other applications. As for ceramic core, we are working to attract customers, improve quality, and reduce costs while working to capture demand from advanced industries. For porous ceramic materials, we are working to acquire new

opportunities. With regard to thick film circuit substrates, demand for automotive-related products continues to slow. Therefore, we are implementing strategies in the 12th Three-year Business Plan for to secure opportunities in the semiconductor and medical fields. Measures which we have been implementing, such as restructuring the manufacturing system, have produced results. We are working to restructure our business portfolio in these four businesses.

In addition, we are considering investing approximately 13 billion yen at the Miyoshi Plant and Minato Plant to increase production of materials for multi-layer ceramic capacitors and other products.



Decalcomania paper



Ceramic raw materials for electronic parts



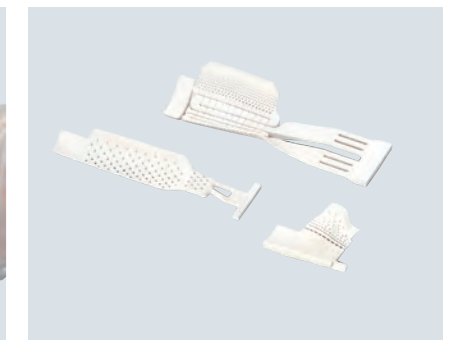
Plaster products



Electrode paste



Vacuum fluorescent display



Ceramic cores

## Growth Strategy

The Ceramics & Materials Business has a Long-term Vision of "contributing to society through materials based on our unique process technologies." The strength of this business is that we have deepened our technology for each product. In response to the demands of individual customers, we have been able to thoroughly deepen our materials and processing processes. On the other hand, the number of customers has been limited, and the expansion of our customer base has been limited. How to realize the keyword of the 12th Plan, "Material and Process", will be the key to solving this issue. The task force for the creation of new businesses was launched as an initiative to cross-divide the organization in order to make use of the elemental technologies

we have accumulated independently in each business and in each product field. We are taking on the challenge of creating new businesses not only in this business, but also in collaboration with Engineering, Tabletop, and Industrial Products. Several projects are already in progress. I think there are many opportunities to extract business tips from members who interact with customers in each business and work together across divisions as one.

In fiscal 2022, we achieved results in collaboration with business groups, and in fiscal 2023, we will enter a stage where we can contribute as a concrete figure.

## MESSAGE

### New Challenges Increase Employee Engagement

With the start of the 12th Plan, the members of this business group have taken on challenges and definitely been inspired toward achieving new growth, for example approaching the customers of other business groups. Particularly, project members are beginning to draw up a new business image and act independently with a high level of motivation. If we further expand this cycle, we greatly expect that we will be able to improve the engagement of all employees.

I feel that the Ceramics & Materials Business has a lot of opportunities in the manufacturing, sales and engineering departments for women to play

a role in. It is predicted that securing human resources will become increasingly difficult in the future. In order to secure the growth potential of the organization, it is important to recruit and promote diverse human resources, including women. Our primary goal is to meet the target ratio of female managers in the business unit, so we will be focusing efforts on the education and training of management positions. In addition, we hope to increase the number of women who wish to join us through showing how women can work positively at Noritake.



# Engineering Business

## Main products

- High-efficiency heating furnace roller hearth kilns
- Far-infrared drying furnace
- Mixing and stirring machines (static mixer, etc.)
- Coolant filtration systems
- Carbide-tipped circular sawing machine
- Circular sawing cutting machine

Group General Manager of Engineering Group  
Yoshiaki Takaba



## Performance in fiscal 2022

Performance of our business has generally remained steady. As for heat business which is our mainstay, both sales and income grew due to the strong performance of lithium-ion battery (LiB) kilns, and both consumables sales and after-sales service grew significantly. Heating furnaces for electronic components also remained steady. Meanwhile, automotive hot stamping decreased due to a slowdown in capital investments by customers, so we began to expand into new fields. Sales of

LiB also increased significantly for NORITAKE TCF. In the fluid machine business, sales of chemical equipments and filtration systems were sluggish, but sales of machinery for the newly established construction materials sector increased.

As a result, net sales in the Engineering Business were 25.905 billion yen (YoY increase of 9.8%) while operating profit was 2.05 billion yen (YoY decrease of 0.2%).

## Progress of the 12th Three-year Business Plan

We are continuing to develop the heat business for energy and electronics, and we appreciate that we have been able to carry out these activities firmly. We also began building a local sales and after-sales service system in line with the expansion of LiB materials manufacturers into North America. In FY2023, we will be establishing sites in North America and promote the development of partner companies.

The fluid machine business will advance into the three growth areas of the environment, electronics and well-being as our next

business development since the automotive and bearing sectors which had been our core sectors are unlikely to grow substantially. In the environment field, we are creating business models related to the circular economy, such as sludge solidification machine and equipment which contribute to reduce food loss. In the well-being field, we established a foothold in various fields, such as the development of equipment for the pharmaceuticals and cosmetics fields.



Static mixer



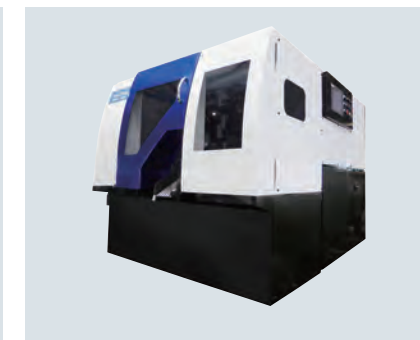
Roller hearth kiln



Coolant filtration system



Rotary kiln



Carbide-tipped circular sawing machine (Thin Cut Master)



Circular sawing cutting machine

## Growth Strategy

In the heat business, which is our core business, we have invested approximately 2.5 billion yen toward construction of a new building at the Komaki Plant. This is to increase production of heating furnaces to meet the immense number of inquiries from LiB-related manufacturers. As noted above, we will also actively invest in the United States. MLCC and film substrates are our mainstay electronic components, and we are aiming to propose and sell high-productivity facilities for next generation products. In addition, we are also working urgently to develop new sectors outside the automotive sector.

We recognize that the biggest challenge for this business is the balance by product. Currently, the heat business accounts for 70-80% of sales, but we intend to expand this business in a

well-balanced manner, including other businesses. To this end, it is essential to reinforce and train personnel. As this business is deeply involved in the manufacturing processes of our customers, there are large amount of knowledge and technologies to be acquired and it takes time to develop. Accordingly, we intend to develop methods to assign and train human resources more efficiently.

On the other hand, one of this division's major strengths is that it has an open atmosphere with low barriers to manufacturing, design, and sales. Moreover, since there are many members in our business group who wish to take on new challenges, we aim to achieve significant growth in our business by creating an environment in which our members can maximize their capabilities.

## MESSAGE

### Creating a Workplace where All Employees Can Exercise Their Strengths

This business employs wide range of employees from new employees to mid-career employees and experienced employees. There are also many mid-career hires. This all bring to our workplace a mix of diverse values. Some employees are highly motivated with their work, while others emphasize work-life balance. While making sure to achieve results, we need to create an organization that allows various working styles and career development to meet such diverse values. Regardless of gender or position, we are providing active support for employees who want to improve their skills so that they can grow further. We also focus on

creating an atmosphere in which employees who want to emphasize work-life balance, including life events, can find it easier to use the employee benefits.

I believe that "people" are the most important factor in the growth of our business. Usually, the time spent in the workplace is about eight hours, one third of a day. We intend to create a work environment where our employees can work comfortably, and lead to improved engagement and productivity so they can demonstrate their full strengths. I think this will become a driving force for business growth.



# Tabletop Business

## Main products

- Porcelain tableware
- Other tableware-related products
- Decorations/works of art, etc.



Group General  
Manager of  
Tabletop Group  
Tomoyuki  
Katada

## Performance in fiscal 2022

Domestic sales to hotels and airlines, which had been falling for a long time due to the COVID-19 pandemic began to recover. There was also an increase in directly managed stores and online sales. In addition, the results were shown in the structural reform that we had been working for and led to significant progress in improving our profitability. In the U.S., the inventory adjustment at our customers continued throughout the year, and orders fell sharply due to poor business performance at one of our major

customers in the second half of the year. As a result, sales fell short of both forecasts and year-on-year changes. Business in Asia grew significantly in our key markets, China, India, Vietnam, and Taiwan. There was also an increase in profits in Australia and other regions.

As a result, net sales in the Tabletop Business were 6.905 billion yen (YoY increase of 15.8%), and an operating loss of 0.277 billion yen (YoY losses improved by 900 million yen).

## Progress of the 12th Three-year Business Plan

In the Tabletop Business, we are working to achieve the Group's Long-term Vision with the first priority setting on achieving profitability. In Japan, in order to expand sales to the hotel and restaurant markets, which had been recovering, we worked to develop a large number of new products. We also continued to reduce costs by simplifying distribution and streamlining operations. As a part of concentration in core competence to improve profitability, we also concentrated resources on online sales that are expected to grow in the future.

In China and India, sales grew significantly due to the conclusion of a general agent contract with a local company. In Vietnam, we opened a new showroom with the aim of expanding future sales. The U.S. market continued to struggle, but we will take measures to recover, such as marketing and cultivating new sales channels, strengthening our online operations, and expanding sales of microwave safe silver tableware that we just released to the market.



Yoshino



Rosa Rossa



Homage Collection



Orige



CLÉMENCE



Trefolio Gold & Platinum

## Growth Strategy

Tableware is indispensable for enjoying delicious meals in a variety of situations, not only at home but also at hotels, restaurants, in airplanes, and at hospitals. We view our business as a business unit that contributes to the people's well-being. This is an important value which Noritake can provide to society, and we always keep this in mind when conducting our business activities.

In recent years, the demand for tableware has diversified. Shapes and materials that were never seen in the market are being demanded. The entire division is pushing ourselves day and night to develop products that can satisfy every customer. We worked vigorously to develop new types of strategic products for business-to-business, focusing on the development and reorganization of our production system.

In FY2023, we plan to release all the items in the "CLÉMENCE" series, which is expected to become our core lineup. In the field

of design decoration, we are expanding the differentiating inkjet decoration technology called "DECORATECT" to domestic corporations.

We also continue to develop products with a theme of sustainability. Tableware made of recycled materials which was launched in 2021 was highly received by the market, and we will increase the product lineup in FY2023. In addition, we will continue development of lightweight tableware for airlines.

Porcelain is made from limited natural resources, and requires a large amount of energy during the firing process. We recognize that advancing more environmentally conscious manufacturing, such as reducing the use of raw materials that may be depleted or shifting to renewable energy sources, is extremely important from the viewpoint of business sustainability, and we will continue to work on these initiatives.

## MESSAGE

### Strengthening Marketing Capabilities to Respond to Market Changes

We will strengthen our marketing activities and enhance dialogue with customers in order to respond to diversifying needs and the changes in markets that have been seen through COVID-19. Particularly in the domestic and U.S. markets, which are the two largest markets, we believe that digital marketing through enhanced online sales could be effective. We have already begun sales promotional activities using marketing automation tools at our domestic online sales and directly managed

stores. In addition, we launched a dedicated Instagram account for hotels and restaurants to conduct sales promotion activities, and will start online orders for hotel and restaurant customers from this fiscal year.

We will be leveraging these new initiatives for product development that enriches our customers' dining experiences to become a business that can contribute to the people's well-being.





Continuing to provide new value

## Research & Development

Akira Higashiyama

Representative Director &  
Vice President

In charge of Research & Development  
Center and Intellectual Property Office  
Assigned to supervise Corporate Divisions

### Basic approach

The roots of Noritake technologies date back to our foundation; the development of techniques for manufacturing tableware. Our passion for "creating beautiful, white, delicate ceramics" at that time has been passed down in different forms from generation to generation, and the Noritake group has introduced the new technologies and products that bring out the diverse characteristics of ceramics to the world. In the 12th Three-year Business Plan, which began in FY2022, 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 and development activities are also in the midst of major changes. Going forward, the entire company, led by the New Business Creation Committee, will be working as one to create new technologies and new products for further growth.

#### 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: Pigments, enamels, and paints that shine with brilliant color and are kind to the environment
- Printing and Decorative Technologies: Screen printing, decorative and circuit printing for industrial inkjet printing

### Research and Development System

Until today, the Research & Development Center was in charge of all development processes at Noritake, from planning to development and mass production. However, the new business creation taskforce established in FY2022 enabled a company-wide approach to reduce the time to bring products to market. The New Business Creation Committee took over the activities and functions of the new business creation taskforce from FY2023. This committee aims to create new businesses together with business groups, group companies,

and others, in cooperation with other committees. In the future, the Research & Development Center and Intellectual Property Office will collaborate together with the Corporate Planning Office to plan development themes. The New Business Creation Committee will lead company-wide initiatives such as calling on proposals from all employees.

To achieve commercialization, we will strengthen cooperation with business groups and Production Engineering Center to build a system that can lead to more results in a shorter period of time.

### Specific initiatives

#### [Planning]

In FY2022, we received many applications from our employees when we sent out a call for new development themes. Members of the New Business Creation Committee conduct a Gate 1 examination and are now proceeding to a Gate 2 examination. In addition, in anticipation of collaboration and M&A with outside parties, we have selected companies that are expected to lead the future. Among these companies, the Committee for the Creation of New Businesses is planning to further narrow down and negotiate with them. At the same time, each development group is focusing on development of core technologies to make way for the future.



New Business Creation Committee

#### [Commercialization]

Development of products and core technologies that the Research & Development Center had been conducting previously had only small-scale sales after commercialization. In order to create even larger scale of businesses in the future, it will be necessary to take a variety of measures at the same time, such as expanding applications of existing technologies, restructuring businesses, M&As, and partnerships. For this reason, members were assigned to each growth area rather than to each product or business group, and the organization was reorganized into a cross-divisional organization of people and technologies.

In addition, engineers from the Research & Development Center and the personnel from Intellectual Property Office were assigned to each business group to create a structure that enables daily cooperation.

### MESSAGE

## Building Various Experiences, Expanding Our Vision, and Creating New Businesses

Our major challenge in research and development was that, for a long period of time, the development themes we worked on could not make contribution to our business. To overcome this situation, during the 12th Three-year Business Plan that began on FY2022, the new business creation taskforce called for development themes from throughout the company while also revising the development process and strengthening collaboration with business groups. From this fiscal year, the New Business Creation Committee further promotes company-wide activities by collaborating with the research and development departments and business groups. The New Business Creation Committee and Research & Development Center are working together to prepare for the creation of new businesses and products.

We are also working to reform the awareness of our research and development divisions. I feel that all employees involved in research and development have excellent knowledge, sincerity, and great potential.

However, we were not able to fully exercise our abilities and knowledge since we were constrained by the organizational framework and the cooperation between teams was weak. As for the first step, we are working to change the form of meetings so that we can exchange opinions more actively and create an open atmosphere for more discussions.

In order to make our current business even larger and to create new ideas, it is essential to develop human resources who can engage with people around, broaden their horizons, and take on challenges without fear of failure. I would like each and every employee to make the most of their individual qualities while expanding their world through experiences in business groups and collaboration with people outside the company. These efforts will help them broadening their perspectives and enhance their capabilities, and I believe this will lead to the growth of the company.



# 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.

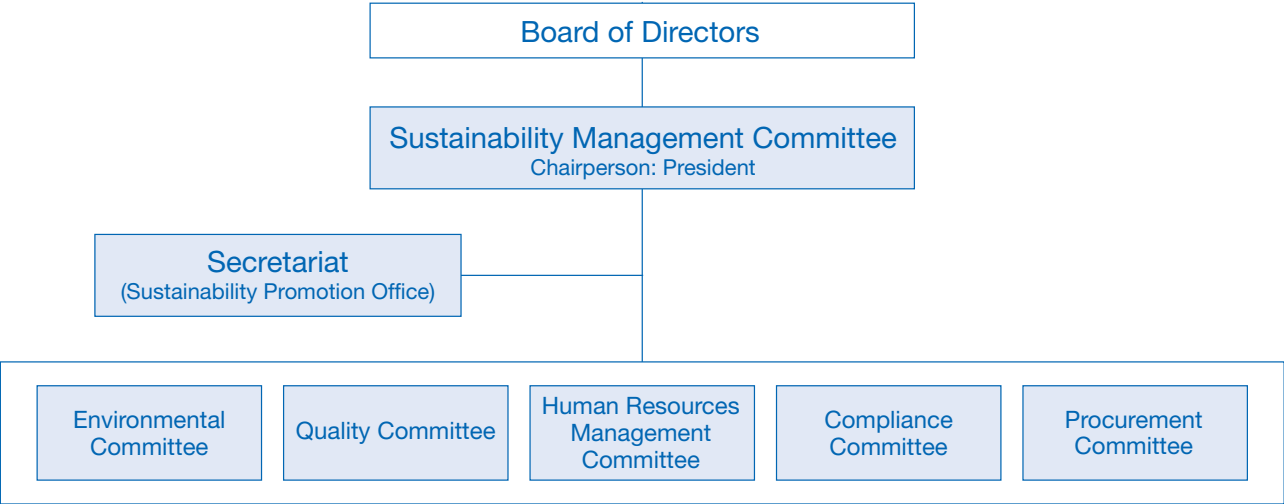
### Sustainability Fundamental Policy

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 key management issues, and established the new “Sustainability Management Committee” in April 2023. The committee, chaired by the president, will establish policies, targets and plans related to sustainability, monitor those initiatives, and provide guidance on required measures. The “Sustainability Management Committee” will promote sustainability management by coordinating efforts with the “Environmental Committee,” “Quality Committee,” “Human Resources Management Committee,” “Compliance Committee,” and “Procurement Committee” that handle more specialized and individual topics. Each committee will comprise executive officers and other management staff as members, to promote initiatives involving relevant personnel from across the company. The “Sustainability Management Committee” meets four times a year, and reports on progress of initiatives and key matters 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 (Chimney 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.

#### Environmental Policies

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 CO<sub>2</sub> 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.

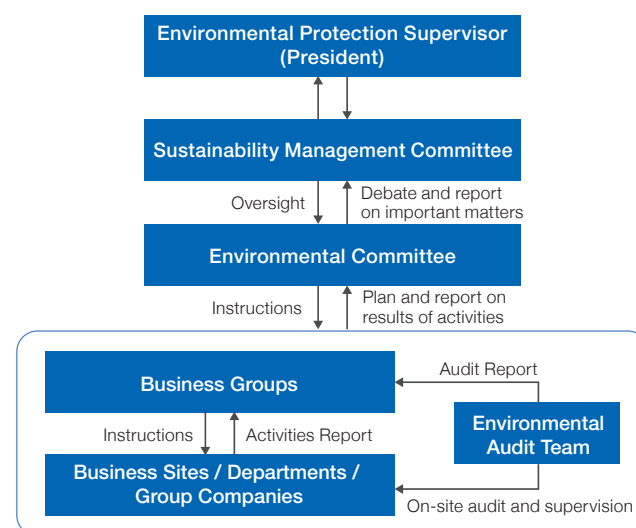
Meanwhile, in order for as many people as possible to understand the Noritake Group's approach to the environment, we disseminate information in this report and on our website.

### 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.

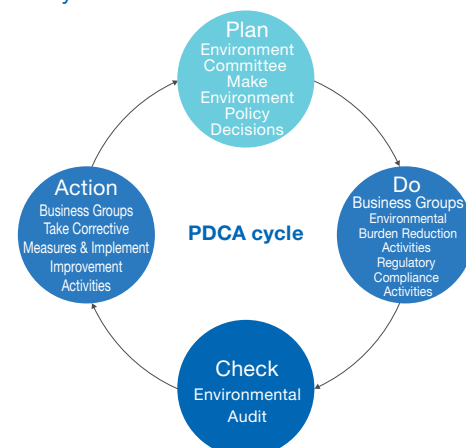
#### Environmental management organization and structure



### 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.

#### PDCA cycle



### ISO14001 certified offices (situation as of March 2023)

#### NORITAKE CO., LIMITED (acquired JQA-E-90071 in 1997)

##### NORITAKE CO., LIMITED

Head Office, Miyoshi Site, Kamimori Plant, Komaki Plant, 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/Ouchiya 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 CO<sub>2</sub> emissions

#### Initiatives to Reduce CO<sub>2</sub> Emissions

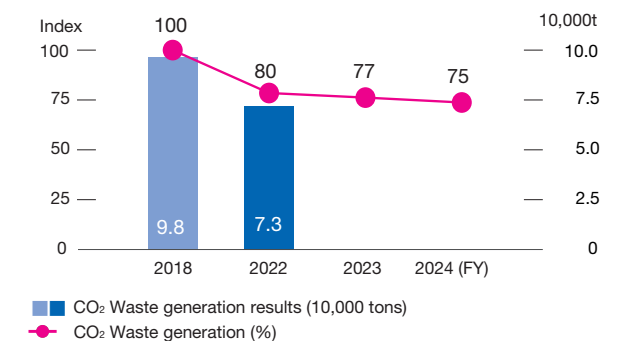
In order to transition to a low-carbon society and achieve net zero CO<sub>2</sub> emissions by 2050, the Group has set long-term targets of reducing CO<sub>2</sub> emissions (Scope1, 2) by 50% by FY2030 (compared to the FY2018 level) and achieving net zero emissions by FY2050. In order to reduce CO<sub>2</sub> emissions toward achieving this targets, 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 six domestic and one overseas business site, making use of their premises in reducing annual CO<sub>2</sub> emissions by 2,000 tons or more.

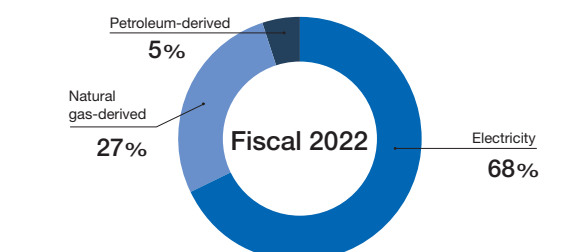
### CO<sub>2</sub> emission results

In FY2022, the first year of our 12th Three-Year Environmental Action Plan, we achieved our target of reducing CO<sub>2</sub> emissions by 25% compared to FY2018 through initiatives like introducing and rationalizing renewable energy.

#### CO<sub>2</sub> Waste generation results (Scope1+2)

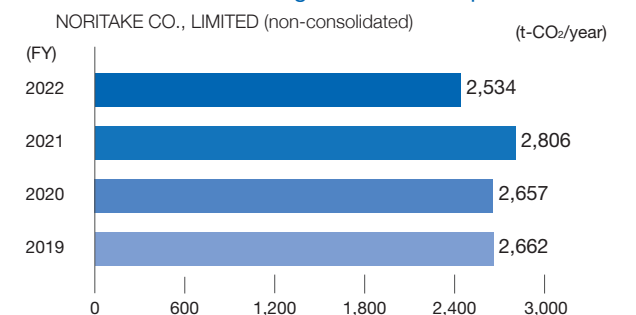


#### CO<sub>2</sub> emissions ratio by energy type



In addition, Noritake continuously monitors the amount of logistics transport in order to achieve efficient logistics. In fiscal 2022, our CO<sub>2</sub> emissions were 2,534 tons with 14.23 million ton-kilometers of logistics transport.

#### CO<sub>2</sub> emissions from logistics and transport



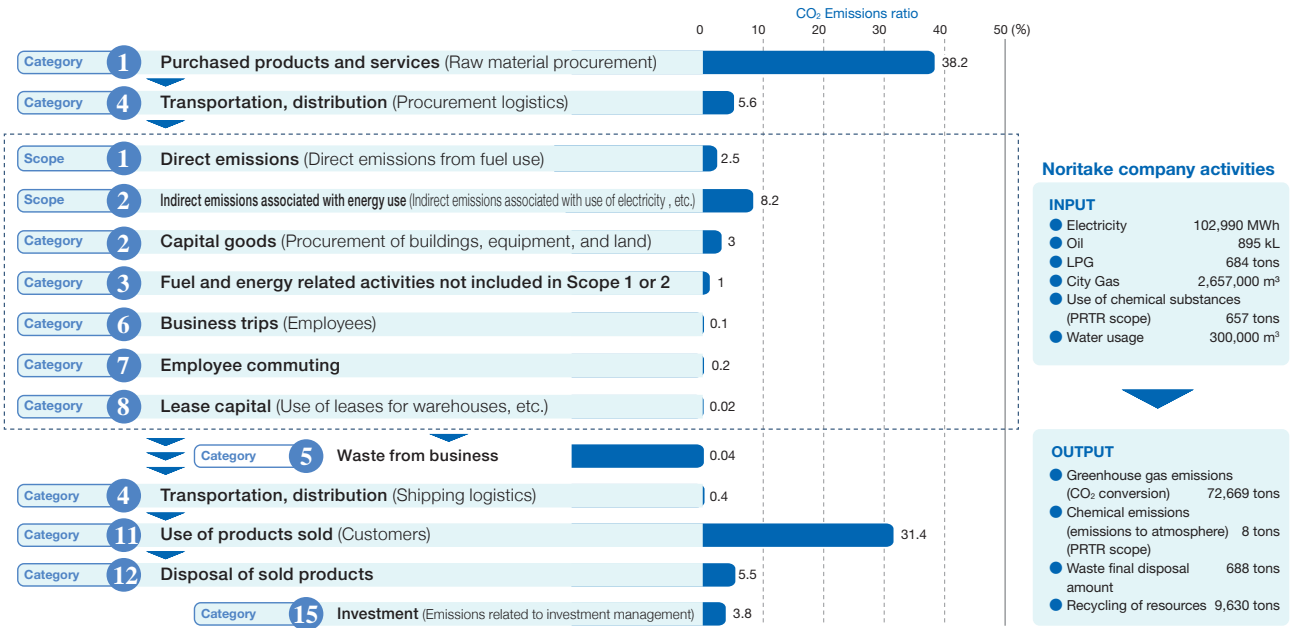


Overall picture of environmental burden

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.



GX League

Established by the Ministry of Economy, Trade and Industry, the GX\* League is a forum for cooperation between a group of like-minded companies and the government, universities, and academic institutions, in order to discuss reforms of the overall socioeconomic system and implement methods of generating new markets, toward achieving of carbon neutrality by 2050.



Noritake began supporting the GX League in May 2023.

\* Green Transformation: A strategy of reforms for utilizing clean energy, and the activities required to achieve those reforms, while shifting away from excessive dependence on fossil fuels

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 in conjunction with our manufacturing enhancement activities and quality improvement.

Noritake Recycling Center initiatives

Industrial grinding wheels, Noritake's main business, are consumable products, and are disposed of in landfills as industrial waste after use. This has been a major issue in terms of the effective use of resources.

In order to recycle the industrial grinding wheels CO<sub>2</sub> that we sell, the Noritake Recycling Center collects about 340 tons of used vitrified grindstones 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

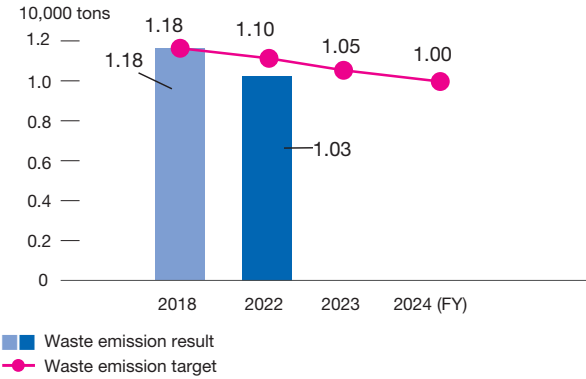


Waste emission result

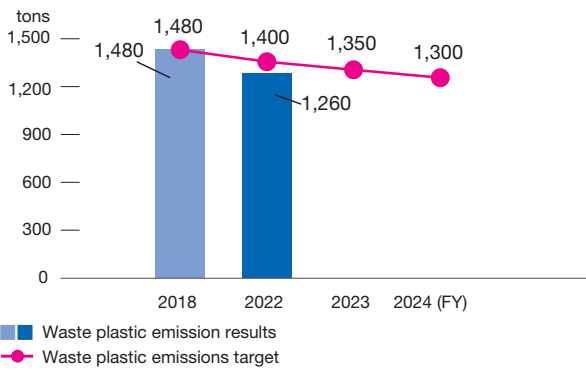
In FY2022, the first year of our 12th Three-year Environmental Action Plan, we achieved the target of 11,000 t or less waste emissions including at overseas, by achieving results of 10,300 t.

In Japan, we also achieved the target of 1,400 t of less waste plastic emissions, by achieving results of 1,260 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.

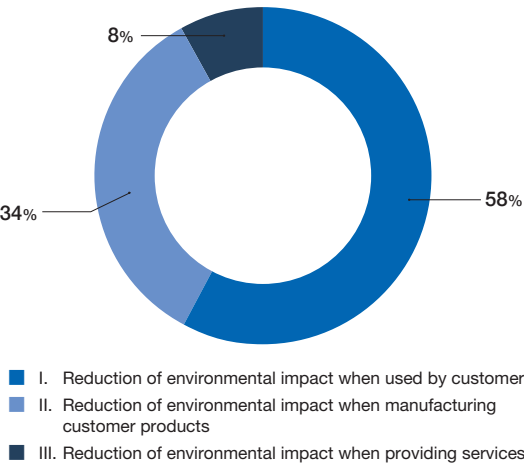
We conduct pollution control activities and chemical substance management to prevent chemicals and other substances from contaminating rivers and soil, and to ensure that there are no adverse health effects on people.

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

Environmentally-friendly products

The target ratio of net sales for FY2022, the first year of our 12th Three-year Environmental Action Plan was 10%, and we achieved 7%.

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 harmful 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 promoting initiative for biodiversity aimed at preserving nature and ecosystems. We are promoting greening activities at our business sites, and in FY2022 we conducted an ecosystem survey at "Noritake Garden" adjacent to our headquarters. We will continue to survey the area regularly in order to provide an environment where wild birds and insects can flourish.



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 process wastewater such as washing water is recycled.

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

Activity item			Fiscal 2022 Plan	Fiscal 2023 Plan	Fiscal 2024 Plan
Achieving carbon neutrality • 2030 50% less CO <sub>2</sub> emissions than in FY2018 • 2050 Achieve net zero emissions	Countermeasures for global warming	Embodiment of Scope 1 and Scope 2 measures	CO <sub>2</sub> emissions: 77,000 tons or less At least 20% less than FY2018 level	CO <sub>2</sub> emissions: 75,000 tons or less At least 23% less than FY2018 level	CO <sub>2</sub> emissions: 73,000 tons or less At least 25% less than FY2018 level
		Creation of a foundation for Scope 3	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 Amount of plastic waste at Japan sites: 1,400 ton or less	Waste disposals: 10,500 tons or less Amount of plastic waste at Japan sites: 1,350 ton or less	Waste disposals: 10,000 tons or less Amount of 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

FY2022 Results


Activity item			Fiscal 2022 Results	Evaluation
Achieving carbon neutrality • 2030 50% less CO <sub>2</sub> emissions than in FY2018 • 2050 Achieve net zero emissions	Countermeasures for global warming	Embodiment of Scope 1 and Scope 2 measures	CO <sub>2</sub> emissions: 73,000 tons At least 25% less than FY2018 level	○
		Creation of a foundation for Scope 3	Understand Scope 3 system	○
	Resource recycling measures	Reduce waste	Waste disposals: 10,000 tons Amount of plastic waste at Japan sites: 1,260 t	○
	Product measures	Environmentally-friendly products	Net sales ratio: 7%	△
Strengthen foundation of activities	Strengthening of subcommittee system	Continual improvement of management system	Implement/Improve internal auditing Continue ISO14001 certification	○
	Pollution measures	Chemical substance management	Perform chemical substance management study	○
	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).

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 aims to achieve a “sustainable society” through its business activities. In order to fulfill our responsibilities to our customers and other stakeholders, we will identify risks and opportunities and consider countermeasures in accordance with the TCFD recommendations and reflect them in our management.



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.

Governance

Under the supervision of the “Sustainability Management Committee” chaired by the President, the “Environmental Committee” deliberates activity plans based on results of activities, and provides unified guidelines for environmental protection promotion activities in order to spearhead climate change-related initiatives at the Noritake Group.

Strategy

The outlook for society with a major impact of transitioning policies under a 2°C or 1.5°C scenario is expected to worsen due to greater physical impact such a weather under the 4°C scenario. In light of this, the Noritake Group examined the risks and opportunities based on the two scenarios of the “risks of transitioning to a low-carbon society” under a 2°C or 1.5°C scenario, and the “risks related to the physical impacts of climate change” under a 4°C scenario where global measures to address climate change are not achieved.

		Item	Outline	Results of Business Impact Assessment in 2030	Magnitude of Risks
Risks	Transition Risks	Policies and Regulations	Increase in CO <sub>2</sub> 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 <sub>2</sub> emissions costs are added to operating costs	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	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 <sub>2</sub> emissions, customers may end up leaving if we are unable to reduce CO <sub>2</sub> emissions at our own production plants, or we are late in developing environment-friendly products	High
		Market	Rising energy costs	Increase in energy costs as various other companies procure renewable energy	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	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	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	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	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	Low to Moderate
			2°C or 1.5°C scenario		

		Item	Outline	Results of Business Impact Assessment in 2030	Magnitude of Opportunities
Opportunities	Related to Transition Risks	Energy	Develop a competitive advantage by reducing CO <sub>2</sub> emissions	As taxes are incurred on fuel combustion and electricity use following the introduction of carbon taxes, reducing CO <sub>2</sub> emissions leads to a reduction in 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	Medium to High
		Products/Services	Tap into decarbonization demand by developing and selling environment-friendly products	Increase in demand for products with lower CO <sub>2</sub> emissions than current	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	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	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	High
	Physical risk	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	Medium to High
		Resilience	Supply chain resilience	Create supply chain resilience with appropriate measures and response, despite the increase in disasters	Low to Moderate
	Resilience	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	Low to Moderate
				4°C scenario	

		Risks		Opportunities		Response Measures
Transition Risks	Policies and Regulations	Increase in CO <sub>2</sub> emissions costs due to introduction of carbon taxes and carbon emissions restrictions	Convert to opportunity	Energy	Develop a competitive advantage by reducing CO <sub>2</sub> emissions	• Reduce CO <sub>2</sub> 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
	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
				Market	Tap into decarbonization demand by developing and selling new products in new environment-friendly markets	• Sell electronic components capable of reducing CO <sub>2</sub> emissions when using products, and ceramic cores designed for use with hydrogen-ammonia combustion turbines
	Market	Rising energy costs	Convert to opportunity	Resources/Efficiency/Energy	Limit operating costs by responding to rising energy costs	• Promote sales of energy-saving devices and development of facilities like hydrogen-ammonia combustion furnaces
	Market	Decrease in demand for internal combustion engine-related demand	Occurs simultaneously	Products and Services	Increase in associated products as ZEVs become more widespread	• Promote sales of products that use materials with a low environmental impact, or products capable of reducing CO <sub>2</sub> emissions by increasing grinding efficiency
	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	• Sell tableware made with less virgin material, such as those using recycled materials
	Acute	Suspended operations due to natural disasters	Risk Reduction Measures	Resilience	Supply chain resilience	• Research and development of fuel cell-related materials and hydrogen production-related materials
	Chronic	Suspended operations caused by high tides as sea levels rise	Risk Reduction Measures	Resilience	Increase in health and safety standards	• Research and development of CCUS-related products
	Chronic	Increase in heatstroke	Risk Reduction Measures	Resilience	Increase in health and safety standards	• Promote energy conservation by revising production efficiency

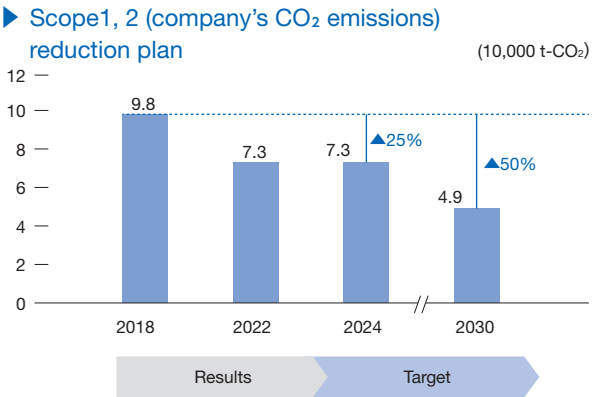


Risk Management

A taskforce established in 2022 analyzes, assesses and reports to the Board of Directors the management of risks related to climate change. The “Sustainability Management Committee” established in April 2023 analyzes and assesses risks surrounding our Group including climate change, with the severe risks identified in FY2023 reported to the Board of Directors.

Indicators and Targets

In order to transition to a low-carbon society and achieve net zero CO<sub>2</sub> emissions by 2050, the Group has set the target of reducing CO<sub>2</sub> emissions (Scope1, 2) to 73,000 t (at least 25% less than FY2018 level) by FY2024, and 49,000 t (50% less than FY2018 level) by FY2030. We will also established a method to calculate CO<sub>2</sub> emissions (Scope 3) from companies in the supply chain other than our group companies, set targets and examine the approach to achieve them.



The details reported in “Contribute to the Global Environment” on P37 to 42 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

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.

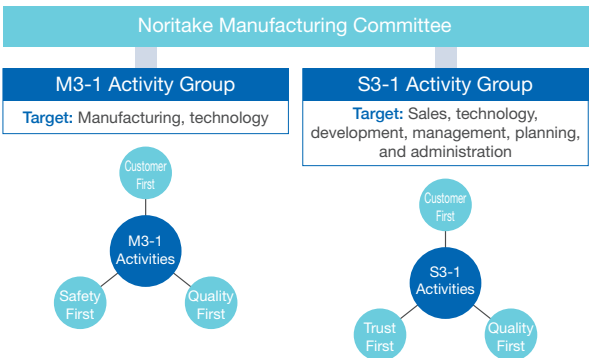
1. We provide safe and secure products and services from customers' viewpoints.
2. Each and every person in all our organizations continues to work on quality improvements.
3. We comply with laws, regulations and requirements related to products and services.
4. We appropriately disclose necessary information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

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” started by the manufacturing department. 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 Group

M3-1 activity (manufacturing and engineering divisions)

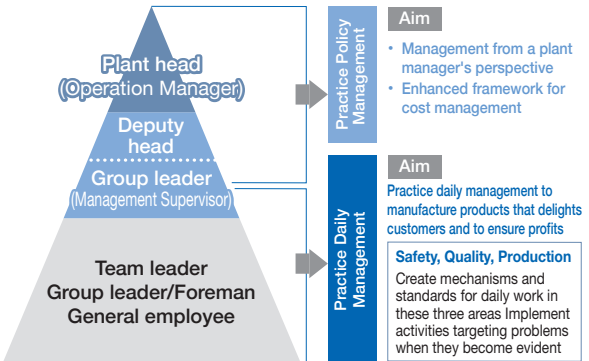
Throughout our M3-1 activities, we stress the concept of “Customer First, Safety First and Quality First” in our manufacturing and engineering departments, and promote activities based on the recognition that achieving these three “Firsts” is important for continuing to contribute to society through our business. In order to further strengthen our manufacturing framework, we advance these efforts based on a two-pronged approach that includes basic enhancement activities and quality activities.

Basic enhancement activities

In our basic enhancement activities, in order to more reliably control Quality (Q), Cost (C), and Delivery (D), we are applying activities to key activities out of the five major missions of our production sites: “Safety,” “Quality,” “Production,” “Cost,” and “Human Resources,” with the aim of improving daily management quality. In FY2020, we added a restructuring of the cost control system. The aim of this will be to operate a plant management system as an ongoing framework, while also promoting existing activities led by department heads (plant managers and manufacturing managers) based on local physical goods.

The Noritake Group’s 12 plants hold activity meetings with real locations and real things, where the activities for the five missions are recognized in the form of mutual study the plant site. At these meetings, participants have discussions and promote good practices across departments.

Plant roles by qualification





Quality activities

From FY2023, the “Quality Committee” was established under the Sustainability Management Committee in order to promptly and reliably provide the “quality products and quality services” that customers demand. This committee develops the quality policy, quality targets and action plans, with the aim of improving quality throughout the entire Group.

Its main activities involve continuing the “Quality Activity Study Group” from FY2021, and promoting “good quality activities” and “production preparation activities.”



Quality Committee

Good quality activities

We share information about how we deal with complaints and useful information about measures against defects in manufacturing processes, and strive to make corrections and improvements with “Obeya” activities. In these “Obeya” activities, top administrators such as plant managers gather with stakeholders from manufacturing, production technology, quality assurance, and 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.

Production preparation activities / Quality Activity Study Group

During the entire process of new product introduction from product planning through to mass production startup, relevant parties conduct a design review at each step to confirm the appropriateness of the output and 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 fiscal 2021, 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 “First”: 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 “First”, 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, as well as the organizational capabilities and competitiveness of the company. All staff divisions are reviewing their operations from the perspective of the “customer” to maintain operations in the way they should be. Small groups are formed to carry out the activities, and by achieving tangible results that enhance precision, quality, and efficiency (customer satisfaction, QCD enhancement, paid leave utilization, work style reform, etc.). We aim to create a workplace that is comfortable to work in while remaining a company that is trusted by customers. 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 Activity Meeting

Promotion of supply chain management

We believe that supply chain management is important for the Noritake Group to reliably continue with business, and established our Purchasing Policy in FY2020 and Purchasing Guidelines in FY2021. The Purchasing Guidelines were distributed to business partners in FY2022 to ensure that they are aware of the basic policy underpinning our purchasing activities. Going forward, we will continue to promote social responsibility throughout the entire supply chain based on the Purchasing Policy and Purchasing Guidelines. The Procurement Committee was established in FY2023 to further enhance this system.

We also proceed to purchase environmentally-friendly raw materials, and pay well attention not to import ores originating in areas of conflict.

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 Environmental Policy of the Noritake Group.

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.

In addition, we regularly conduct seminars on the Subcontract Act within Noritake to ensure that employees are thoroughly informed.

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 strives to ensure that customers can use our products safely. We carefully consider product safety in all our processes from research and development to design, manufacturing, distribution, and sales. To that end, we comply with laws and regulations, as well as with standards that we establish on our own. In addition, we strive to prevent accidents caused by incorrect usage by including easy-to-understand instruction manuals with our products.

In the event that an accident or problem occurs due to a product or service provided by Noritake, we will promptly communicate this information to customers and minimize the spread of damage in a prompt and appropriate manner. We also thoroughly investigate the causes of incidents in order to prevent recurrence.



# Contribute to the People's Well-being

Pursuing a society that values well-being

## Social contribution activities

### | NORITAKE GARDEN

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



At Noritake Garden



Carp streamers



Christmas lights

### | 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 and provide accommodation for international students attending universities and graduate schools. 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 in 1972 as a tableware manufacturer in Sri Lanka. 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.

In December 2022, the fourth tree-planting was jointly held by the Forest Department, University of Peradeniya and representatives of the local community.



Planting trees in December 2022

## Improving employee engagement

## Basic approach

Based on the Ethics Standards and Standards of Conduct set down in Noritake Group's Code of Ethics, the Noritake Group respects human rights and diversity of all our employees. It is our basic policy not to engage in any unjust discrimination in the hiring, assigning, promotion or treatment of employees on the basis of age, gender, origin, nationality, race, disability, religion, political party supported, etc., and we promote participation of diverse human resources.

As part of our human rights education activities, we implement training on themes including human rights in the workplace and in corporate activities.

### | Improving work-life balance

Noritake promotes improvements in the work-life balance of our employees. In supporting diverse work-styles among our employees, we restrict overtime work, encourage use of annual paid leave, and have established a variety of holidays and leave systems adaptable to personal life events. In recent years, we have introduced and increased the use of a system that allows employees to take annual paid leave in units of one hour and a flextime system (shorter working hours or full-time) for employees who provide child care/nursing care. The work-from-home system introduced in 2020 as a measure to tackle the spread of COVID-19 was revised from April 2023 as a system for achieving a work-life balance to support flexible working styles. The result has been the spread among employees of a culture enabling more varied and efficient work, as well as a balance between childrearing and work.

A medical treatment support work system has been introduced to assist employees needing ongoing recurring or ongoing treatment. The system enables flexible work shifts to be designed based on the employee’s treatment plan. From April 2023, infertility treatment has also been included in this system.

As the percentage of female employees taking childcare leave has already reached 100%, we will focus on conducting company-wide activities aimed at increasing the percentage of male employees taking childcare leave.

### ▶ Ratio and average number of days of Annual paid leave taken at Noritake

Fiscal Year	2018	2019	2020	2021	2022
Number of days of leave taken	11.1	12.4	10.8	11.8	12.8
Ratio of leave taken	57.5%	64.8%	57.1%	61.1%	66.0%

### | 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 company President serves as Group General Manager of the

Corporate Administration Group and the officer in charge of the Human Resource Department serves as Promotion Manager in partnership with health insurance associations, labor unions and occupational physicians led by the Human Resource Department. In recognition of these efforts, we were jointly certified by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi as an “Health and Productivity Management Outstanding Organization (large enterprise category).”

“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.



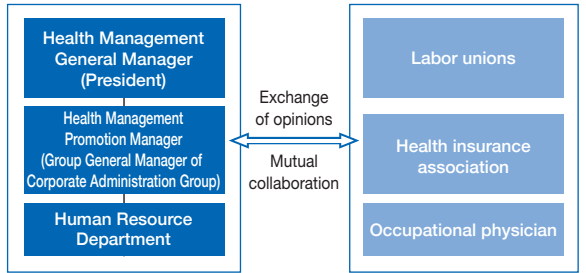
2023  
健康経営優良法人  
Health and productivity

### 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





Health improvement initiatives

The proportion of employees who have received the regular general health checkups at Noritake was 100% and the prevalence rate was 62.3% (FY2022). Occupations physicians check the results and provide health guidance and recommendations for medical examinations. The rate for detailed examinations was 76.5% (FY2021), leading to early detection and treatment. From FY2021, we increased the subsidy for screening for breast cancer, which has a large number of patients and has a low screening rate, and added it to the standard items of comprehensive medical checkups. As a result, the participation rate increased significantly from 13.5% in FY2020 to 44.4% (FY2022).

A live health seminar designed for employees and their families was held, and leaflet on health was distributed to raise awareness about health. In addition, a total of 950 people watched the live seminar, and the satisfaction rate was well received at 84% with feedback like “this led to an improvement in my health awareness” and “it provided useful information.”

The statistics on employee health habits are as follows.

Statistics on employee health habits

Fiscal Year	2018	2019	2020	2021	2022
Percentage of employees who exercise regularly	19.5	20.7	20.8	22.1	22.7
Percentage of smokers	28.2	28.0	27.2	27.2	26.9
Percentage of habitual drinkers	-	14.6	12.2	11.9	11.8
Rate of people of normal weight	67.0	66.7	67.0	67.6	66.9
Ratio of employees being treated for high-blood pressure	10.7	13.1	12.5	12.6	13.5
Ratio of employees with health concerns	55.4	58.7	62.7	61.2	62.3

We organize questionnaires for employees to verify their sense of awareness regarding health. For the absenteeism index\*1 question on the number of days off taken due to illness or injury, 78% of employees responded “less than 2 days.” For the presenteeism index\*2 question on their level of performance at work, 45% of employees responded “100% or better performance.” For the engagement index\*3 question on the overall level of satisfaction as an employee of the Noritake Group, 49% of employees responded “Satisfied, somewhat satisfied.” We will continue to promote health management with the aim of increasing employee satisfaction.

\*1 Absent due to health problems

\*2 Decline in productivity at work due to health problems

\*3 A measure of the strength of relationship of trust between employees and the company

Reduction in health risks

The insurance benefit expenses per member of the Noritake Group health insurance association have changed as shown below.

Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
129,818 yen	121,614 yen	114,957 yen	133,953 yen	148,742 yen

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 FY2020, due to the impact of the COVID-19 pandemic, the number of people receiving medical examinations dropped to 43.2%. However, in FY2021, the number exceed 59.2% due to the use of the Internet to improve efficiency.

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

Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
22.0%	39.1%	47.9%	43.2%	59.2%

\* 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 CO., LIMITED)

Fiscal Year	2018	2019	2020	2021	2022
Stress check receiving rate (%)	84.4	81.7	86.2	84.3	88.4
Overall stress risk score found*	104	103	100	99	100

\* Value when the average is 100

Human resource development

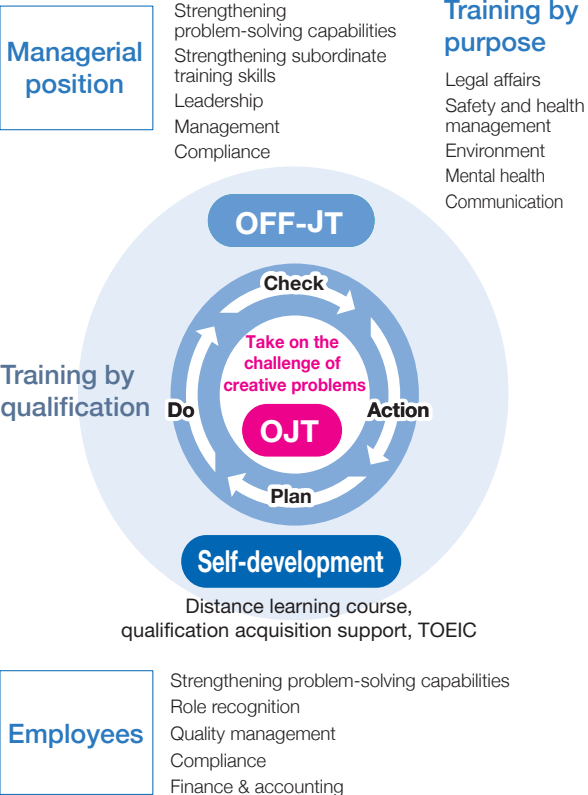
The Noritake Group is promoting human resource development centered on on-the-job training (OJT) at each workplace. To support this OJT effort, we conduct "training by qualification" where employees can learn more about the roles required of them as well as the way to approach work in order to resolve issues and problems.

We also provide “training by purpose” and training for newly-appointed managers as OFF-JT to teach employees specialized knowledge and skills across a broad range of topics including sales, engineering, purchasing, legal affairs, and quality.

Correspondence 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 (people)

Fiscal Year	2018	2019	2020	2021	2022
Recipients of official qualifications	131	115	78	138	198
Correspondence course participants	576	605	671	755	737



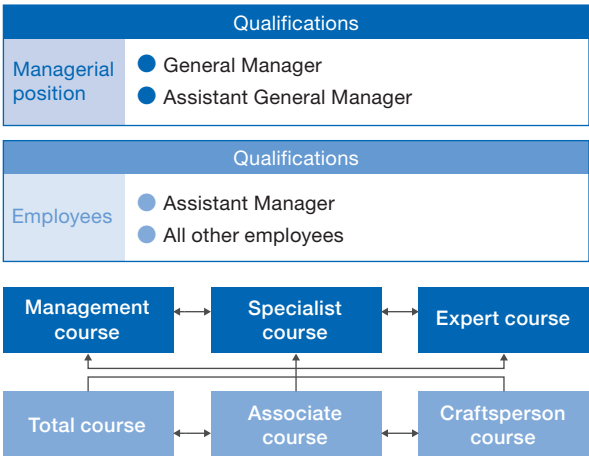
Training by qualification (online)



New employee training

Personnel System

The Noritake Company offers multiple personnel courses so that each employee can fully harness their individuality in their work. Employees can change from the course they selected via reviews.



Noritake is seeking to reform the personnel system based on the keywords of “diversity” and “challenge.” We are aiming to create a workplace environment where all employees with a broad range of backgrounds like gender, nationality, race, and level of expertise are able to apply their individual perspectives, experiences and skills to achieve more rational and organic collaboration.



Promotion of action plans based on the Act on Promotion of Women's Participation and Advancement in the Workplace

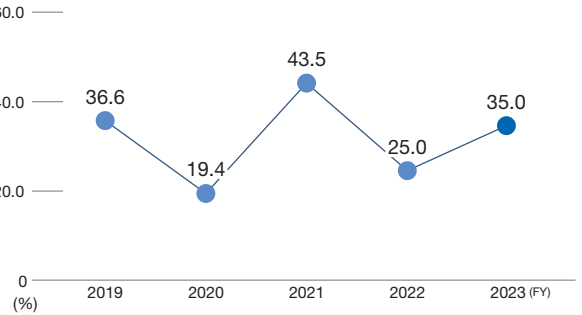
Based on the Act on Promotion of Women's Participation and Advancement in the Workplace, we have developed and promoted a "General Employers Action Plan." The aim of the plan is to advance diversity by promoting the active participation of women and contribute to securing excellent human resources and business growth.

General Employers Action Plan  
Plan duration: April 1, 2022 to March 31, 2025

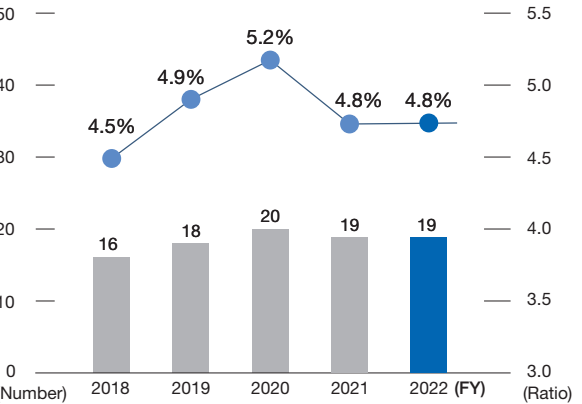
Under the action plan formulated so that women can demonstrate their abilities and play an active role, the number of female executives will be increased by 25% from the FY2021 level by the end of FY2024, and the ratio of male employees taking childcare leave will be increased to 50% or more. Initiatives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

In FY2022, we held briefing sessions and internships limited to female new hires, to increase the ratio of female university graduates recruited. We also revised the guidebook on the childcare leave system published for male employees in order to raise awareness. We also aimed to reform awareness by holding leadership-related training for female employees without any experience working in management positions. In addition to running follow-up training in FY2023, training will also be run for nurturing managers with the aim of increasing the number of female executives.

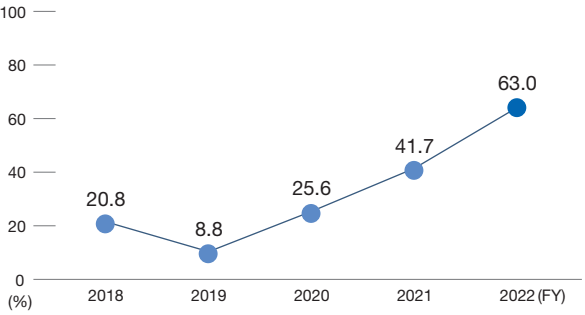
Trend in the ratio of females as new graduate recruits (university or higher education)



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 the global edition four times each year. In addition, the Noritake Corporate Report, is distributed once a year. In addition, this Noritake Corporate Report was also distributed.

In FY2022, town hall meetings designed for direct communication between the President and employees were held a total of eight times with the aim of establishing and promoting corporate culture reform.



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.

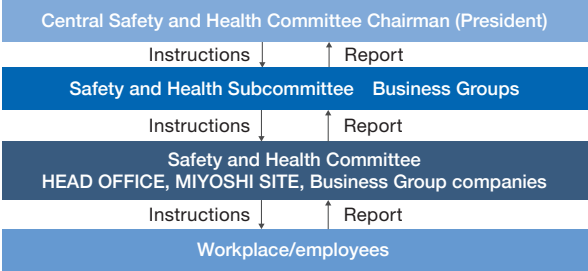
Noritake Groups Basic Policy of Safety and Health

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. We also distributed a handbook on occupational safety and health outlining the basics of safety and health, and preparations required for work and operations, to focus on creating a workplace that is safe for secure for all employees to take part in.

Health and Safety Management System diagram



Central Safety and Health Committee

Initiatives for preventive measures for occupational accidents

In FY2022, 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.

We implemented daily management with safety observations and residual risk management based on risk assessments at the workplace to prevent occupational accidents, and also concentrated on measures to mitigate risks involving "pinching and entanglement," "falls" and "over-exertion" that occur with a particularly high frequency.

In fiscal 2023, 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 Miyoshi Plant, NIPPON RESIBON



Central safety and health patrol at Yasu Plant



Noritake Group Health and Safety Promotion Conference



## Continuous reinforcement of governance

## Basic approach and basic policies toward corporate governance

The basic policies concerning our corporate governance are as follows.

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.

**General Meeting of Shareholders**

- Appointment/dismissal: **Board of Directors** (Director (excluding Audit & Supervisory Committee members)), **Audit and Supervisory Committee** (Director (Audit & Supervisory Committee member)), **Accounting Auditor**
- Nomination & Compensation Committee**: Inquiries, Reporting to Board of Directors; Appointment/dismissal, Supervision and auditing of Executive Officers
- Board of Directors**: Deliberation and reporting to President; Selection/dismissal oversight of President
- Audit and Supervisory Committee**: Audit, Supervision of Internal Audit Division; Assist, Orders to Audit & Supervisory Committee Office
- Audit & Supervisory Committee Office**: Assist, Orders from Audit and Supervisory Committee
- Accounting Auditor**: Mutual collaboration with Internal Audit Division; Accounting audits of Executive Officers
- Internal Audit Division**: Instructions, Report to Audit and Supervisory Committee; Internal auditing of Executive Officers
- President**: Oversight of Executive Officers and various committees (Management Committee, Sustainability Management Committee, Compliance Committee, Environmental Committee, Human Resources Management Committee, Noritake Manufacturing Committee, Procurement Committee, Quality Committee, Central Safety and Health Committee, New Business Creation Committee)
- Executive Officers**: Instructions to Business divisions, management divisions, domestic & overseas Group companies
- Business divisions, management divisions, domestic & overseas Group companies**: Execution of operations

- Progress of the Three-year Business Plan
- Ownership of investment securities
- State of activities of each committee
- Results of Board of Directors effectiveness evaluation



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 is conducted for Directors and Audit & Supervisory Board members, and the results will be analyzed and evaluated by an external organization before being reported to the Board of Directors.

In fiscal 2022, 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. The analysis and evaluation results of the effectiveness of the Board of Directors is as follows.

- The Board of Directors is composed appropriately with the required knowledge, skills, experience, and diversity to carry out their roles and responsibilities.
- The Board of Directors conducts appropriate monitoring and supervision to ensure that a corporate culture that emphasizes corporate ethics is disseminated throughout the company.
- The Board of Directors verifies that the Internal Whistleblower Contact Points is functioning properly. It also 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.

Of the areas of effectiveness that were identified as needing improvement addressed in the FY2021 survey, "Strengthening risk management" was addressed by analyzing and assessing climate change risks in line with the TCFD (Task Force on Climate-related Financial Disclosures) framework while creating a governance system for risk management; "Human resources development and improvement of the internal environment" was addressed by the management team holding town hall meetings and introducing work-from-home systems, and these efforts were reported to the Board of Directors. Improvements were observed for each issue in the FY2022 effectiveness survey for "Prior distribution and explanation of materials," based on efforts to provide prior explanations and simplify distributed materials. We will continue making efforts toward "Strengthening risk management" as there is room for improvement in the future.

In addition, new items derived from these survey results indicating areas in which the effectiveness of the Board of Directors may be improved include "Revising business portfolios factoring in capital costs" and "Formulating and implementing an investment and human resource strategy for human capital based on long-term strategies." Moving forward, 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 Directors who are Audit & Supervisory Committee members.

Directors (Outside) (excluding Directors who are Audit & Supervisory Committee members) Masanao Tomozoe and Ryoichi Yamamoto, and Directors (Outside) who are Audit & Supervisory Committee members Tatsuhiko Saruwatari and Takashi Morisaki have no person, 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.

Policies concerning the determination of compensation for Directors, etc.

To decide on the individual compensation of 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" and "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 performance-linked stock compensation

Performance-linked stock compensation is determined in accordance with degree of achievement of corporate performance targets (consolidated sales, consolidated operating profit, etc.) set in accordance with the Three-year Business Plan for the fiscal year based on regulations for the granting of stock, as an incentive for management that takes into account medium- to long-term improvement in corporate value and shareholder value. 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 compensation standard was 100% for the target indicator (consolidated sales of 139.4 billion yen, consolidated operating profit of 8.9 billion yen) related to performance-linked compensation during this fiscal year.

c. Policies concerning the ratio of compensation, etc.

The ratio of "monthly fixed compensation" to "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.

► Expertise and Experience of Directors (Skills Matrix) (as of June 30, 2023)

		Expertise and experience						
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 President	○			○	○	○	○
Akira Higashiyama	Representative Director and Vice President	○	○	○				
Makoto Okabe	Director and Senior Managing Executive Officer		○					○
Yuko Fuma	Director and Managing Executive Officer	○				○	○	○
Masanao Tomozoe	Director (Outside)	○	○					○
Ryoichi Yamamoto	Director (Outside)	○	○					
Yoshimasa Nakamura	Director and Audit & Supervisory Committee member				○			
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.

► Reason for Appointment and Attendance Rate

	Name	Reason for Appointment	FY2022 attendance
Director (Outside)	Masanao Tomozoe	With his extensive experience and global 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 13/13 Audit & Supervisory Board —
	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 13/13 Audit & Supervisory Board —
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 & 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 13/13 Audit & Supervisory Board 12/12
	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 & 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 13/13 Audit & Supervisory Board 12/12



► Total amount of compensation, etc., of Directors and Audit & Supervisory Board Members (Fiscal 2022)

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.	
Directors (excluding Directors (Outside))	232	182	50	4
Audit & Supervisory Board Members (excluding Audit & Supervisory Board Members (Outside))	40	40	—	2
Outside officers	38	38	—	4

1. The limit of fixed compensation for Directors was resolved to be within 40 million yen per month at the 109th Annual General Meeting of Shareholders (held on June 28, 1990).  
Note that at the 135th Annual General Meeting of Shareholders (held on June 29, 2016), the amount of performance-linked stock compensation was resolved to be paid separately to fixed compensation, where the maximum limit of trust money is to be 600 million yen for applicable Directors other than Directors (Outside), and Executive Officers who meet specific requirements, for each 3-fiscal year period in which the system is applicable.

2. The limit of fixed compensation for Audit & Supervisory Board Members was resolved to be within 6 million yen per month at the 109th Annual General Meeting of Shareholders (held on June 28, 1990).

3. The amount of performance-linked stock compensation is listed as the provision for share-based remuneration for directors posted as expenses in FY2023.

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, and, in fiscal 2022, we held four sessions on themes such as governance.

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

Noritake conducts 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 Company headquarters in Nagoya City every year in late June. In June 2023, 41 shareholders attended the 142nd 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 FY2023

Preparation of a risk management system

We have set out risk management rules so that, when faced with the risk of a loss of corporate value due to problems in management, accident or disaster, we can mitigate losses to the extent and continue with our business. Safety is taken on the highest priority, especially to secure human life. In the case of an emergency, we set up a task force immediately to respond to the risks. We have also set forth “accidents management regulations,” and strive to establish a disaster prevention management system by raising the awareness of all employees on a daily basis so that they can respond quickly and appropriately in the event of any possible disaster.

The Sustainability Management Committee chaired by the President identifies risks that could have a significant impact on the company, and determines response measures to prevent them from occurring.

Disaster readiness and disaster mitigation initiatives

Disaster Prevention  
Committee meetings are held twice every year company-wide, 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.

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



Fire drill

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/](https://www.noritake.co.jp/utility/privacy_policy/)

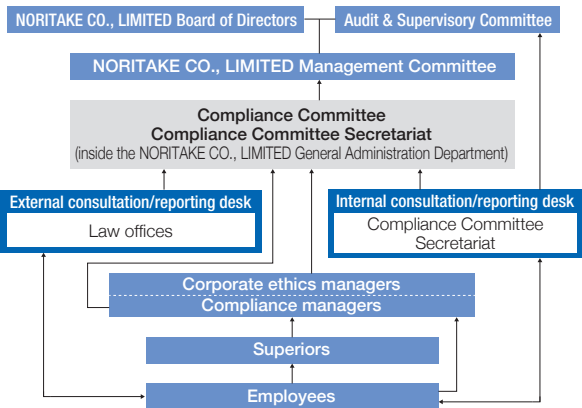
Enforcement of compliance

In the Noritake Group’s Code of Ethics, the Noritake Group set forth ethics standards for the execution of duties and compliance with laws and regulations, and ensures that these standards are met by all employees while also focusing on preventive measures.

With its Compliance Committee, the Noritake Group focuses on ongoing compliance activities throughout the entire organization, and even appoints compliance managers on a workplace level as its compliance system. The Compliance Committee, comprising executive officers in charge of the business divisions and corporate divisions and legal counsels, meets twice a year, and the Compliance Meeting comprising division managers meets four times a year, to share information on incidents, examine measures to prevent recurrence, and implement policies across departments.

Ongoing compliance education is also included in training by qualification, training by organization, training by purpose, and training for staff appointed overseas. We also provide easily understood explanations of laws and ordinances in every issue of our internal newsletter with case examples that relate to our everyday work to spread awareness amongst all employees.

► Compliance Structure



Preparation of an internal reporting system

We have established contact points both inside and outside the company so that any employee of the Noritake Group can consult and report directly, without going through superiors, in the event that a violation of laws or ordinances, company rules, or standards of conduct in the “Noritake Group’s Code of Ethics,” etc. is discovered or suspected. The confidentiality of persons reporting and the content of reports is strictly protected. Following the Amendment of the Whistleblower Protection Act, we revised the “Hotline/internal reporting system” in April 2023 in response to the additional obligations required by business operators. A total of 11 reports were made during fiscal 2022.



Message from Directors (Outside)

We have high expectations for Noritake's growth, which clearly indicated the Long-term Vision and materiality and shared the direction we aim for throughout the company.

In FY2022, the Noritake Group launched its 12th Three-year Business Plan. In the first year of this plan, profits declined as customers' industries have been significantly affected by changes in global environment, such as soaring resource prices and semiconductor shortages. However, we appreciate that we achieved an increase in sales.

What is more important than the business performance of a single year is the establishment of a foundation such as investment and human resource development toward the goals of the Three-year Business Plan or the Long-term Vision. Since we are generally advancing as planned, we believe that we are taking positive steps to achieve these goals. Management is a process of accumulation, and the content or the background of the figures and the factors are the most important. Focusing too much on the figures alone can result in conflicts between areas of the organization and lead to a loss of balance. As an outside director, I recognize that it is also important to look at the growth of the organization before results appear as figures.

Noritake identified the Long-term Vision and six materiality issues, clarified our goal, and linked each business group with this vision and materiality. More specifically, four taskforces have been established across business groups to advance this, and each business group would have understood the direction which it should take to reach the goals. I believe that this will lead to organizational reforms and the creation of sustainability management in the true sense of the term.

I am particularly monitoring the activities of the taskforce, which is working on organizational culture reform. We need a firm foundation to ensure the speedy progress of the 12th Three-year Business Plan. The key to this is people. We will train people to acquire experiences, to achieve decision-making skills, and to have wide perspectives. Then, we will assign them to various departments within the company to accelerate the plans for the next year and beyond. The corporate culture will become evident as a result of building up initiatives like these, and will have a significant impact on the power for the company to grow.

Now that expectations to companies from society and stakeholders grow increasingly, the company is not merely expected to raise earnings, but are also expected how it will impact and contribute to the society. That is the key to the sustainable growth of the time. It is difficult for each division to create such social value on its own, without working as a whole company. I have great expectations for the future growth of the Noritake Group, for the entire company is moving toward its Long-term Vision as one.

Director (Outside)  
**Masanao Tomozoe**



I hope that the Company will steadily achieve the targets of the 12th Three-year Business Plan and lead to the growth of the Company.

In June 2023, Noritake transitioned to a company with an Audit and Supervisory Committee. This decision was made through thorough discussion at the Board of Directors meetings, and I highly appreciate that we embarked on a new organizational design. However, the appointment of Audit and Supervisory Committee members and the establishment of the Committee will not simply leads to the strengthening of Noritake's governance. How to operate this organizational structure in the future is very important. This means the Group is shifting to monitoring-type governance that oversees execution. We should appoint several outside officers who do not execute business by themselves to separate the execution of business and supervision within the Board of Directors. The Audit and Supervisory Committee, which is centered by outside directors, has to act as a monitoring function for the execution of business while fulfilling the audit function.

On the other hand, it is also important how quickly internal directors, who are also executives, can perform their tasks. It is important for the Board of Directors to thoroughly examine the contents of the process and evaluate whether there are any unnecessary risks being taken, how valid the actions are, and whether the actions are generating profits to decide on investments and to implement policies. Directors will then monitor to verify whether the results of expeditious action by the executive side are contributing to the achievement of management goals and whether they are leading to enhance the corporate value. I believe that if such a good cycle is completed, Noritake's corporate value will improve and will grow sustainably.

Beginning in 2021, the Board of Directors devoted a great deal of time to discussions related to the formulation of the Long-term Vision and the 12th Three-year Business Plan. I recognize that the direction presented here reflects the consensus of the directors and is extremely important. Accordingly, it is vital to achieve the targets of the 12th Business Plan which have been defined as the initial step of the company reform. As a result of the first year, we will make a severe judgment of the results and set a new path to achieving the targets, and support the executives in a flexible manner.

There are many excellent engineers at Noritake, and I have always admired their abilities. If they can grasp social trends more quickly and respond immediately to changes in the market, I expect that we will get closer to achieving the goals. Management also needs to be active in deciding on investments for human capital and digital transformation to meet the proposed profit targets and leverage the skills of their human resources as much as possible. By achieving them, I think the company will be able to accomplish its 12th Business Plan targets and lead to the company's growth.

Director (Outside)  
**Ryoichi Yamamoto**





Management Structure



Directors

1 Hiroshi Kato

Representative Director and President

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 (incumbent)

2 Akira Higashiyama

Representative Director and Vice President

In charge of Research & Development Center and Intellectual Property Office  
Assigned to supervise Corporate Divisions  
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 (incumbent)  
April 2023 In charge of Research & Development Center and Intellectual Property Office  
Assigned to supervise Corporate Departments of the Company (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 CO., 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 CO., 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 Office, 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 2023 In charge of General Administration Department, Legal Office, Secretary Office, and Auditing Office (incumbent)

5 Masanao Tomozoe

Director (Outside)

April 1977 Joined Toyota Motor Sales Co., Ltd.(currently TOYOTA MOTOR CORPORATION)  
January 2001 Transferred to Toyota Motor Sales, USA, Inc.  
June 2005 Managing Officer, TOYOTA MOTOR CORPORATION  
April 2011 Senior Managing Officer, TOYOTA MOTOR CORPORATION  
Senior Vice President, Toyota Motor North America, Inc.  
June 2012 Representative Director and President, Toyota Motor Sales & Marketing Corporation  
June 2015 Representative Director and President, CENTRAL JAPAN INTERNATIONAL AIRPORT COMPANY, LIMITED  
June 2019 Audit & Supervisory Board Member (Outside), Toyota Industries Corporation (incumbent)  
June 2019 Audit & Supervisory Board Member (Outside), Daihatsu Motor Co., Ltd. (incumbent)  
June 2019 Director of the Company (incumbent)  
March 2020 Director (Outside), HOSHIZAKI CORPORATION (incumbent)

6 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 (incumbent)  
June 2021 Director (Outside), Daido Steel Co., Ltd. (incumbent)  
June 2021 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

Shuji Shite

Senior Managing Executive Officer

President of KCM CORPORATION

Masahiko Horie

Managing Executive Officer

Group General Manager of Ceramics & Materials Group, General Manager of Quality Assurance Department

Hiroshi Yorita

Managing Executive Officer

In charge of Production Engineering Center and Sustainability Promotion Office

Hiroyuki Murai

Managing Executive Officer

President of NIPPON RESIBON CORPORATION

Tomoaki Maeda

Managing Executive Officer

Group General Manager of Industrial Products Group

Shinji Kato

Executive Officer

Group General Manager of Ceramics Group, Ceramics & Materials Group

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

Tomoharu Kondo

Executive Officer

General Manager of Engineering Division, Industrial Products Group

Takahiro Morishita

Executive Officer

Group General Manager of Electronic Materials Group and General Manager of Sales Department, Ceramics & Materials Group

Tomoyuki Katada

Executive Officer

Group General Manager of Tabletop Group and General Manager of Product Development 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

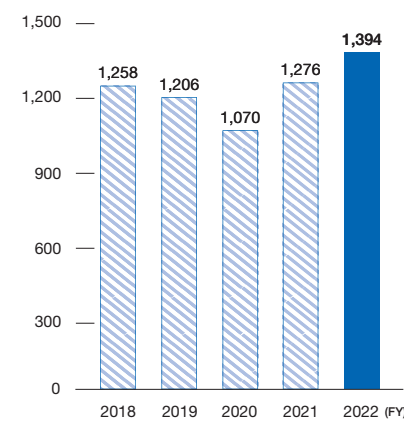
General Manager of Manufacturing Division, Industrial Products Group



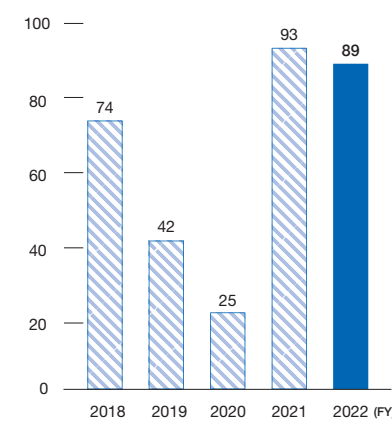
## Financial Highlights

FY2022 consolidated basis

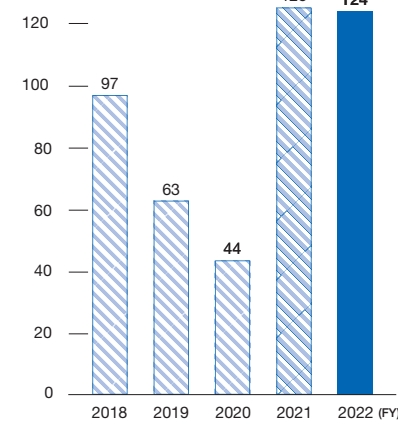
Net sales (hundred million yen)



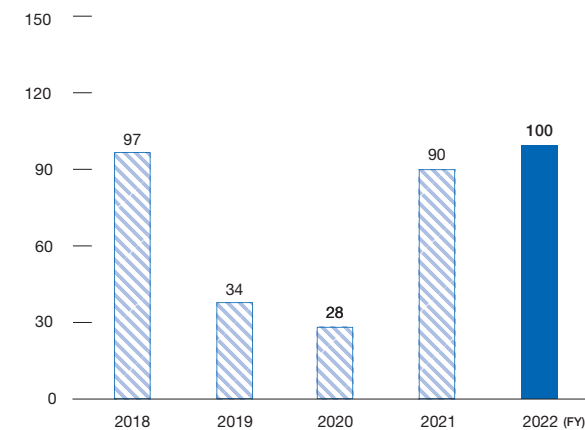
Operating profit (hundred million yen)



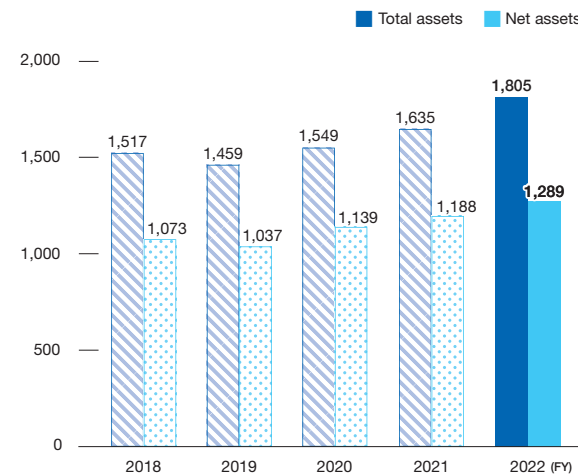
Ordinary profit (hundred million yen)



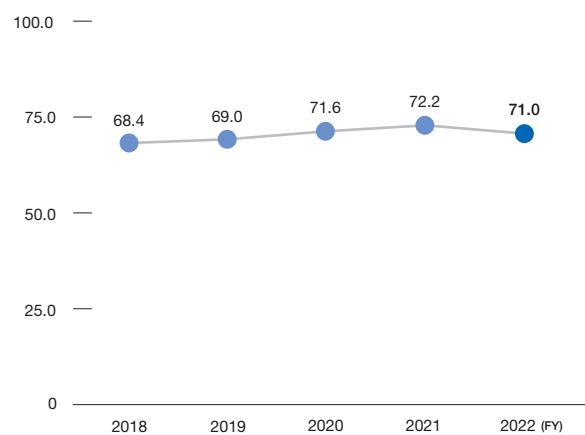
Profit attributable to owners of parent (hundred million yen)



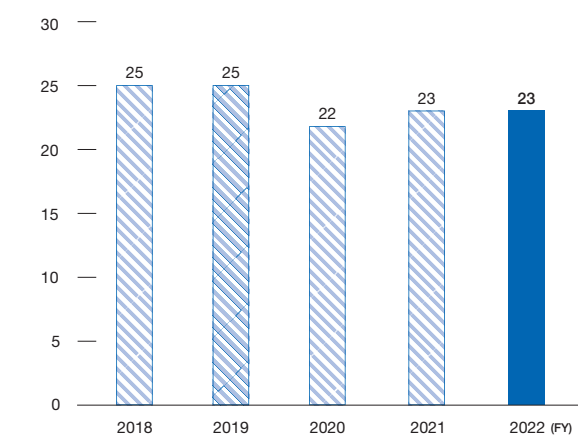
Total assets, net assets (hundred million yen)



Capital ratio (%)

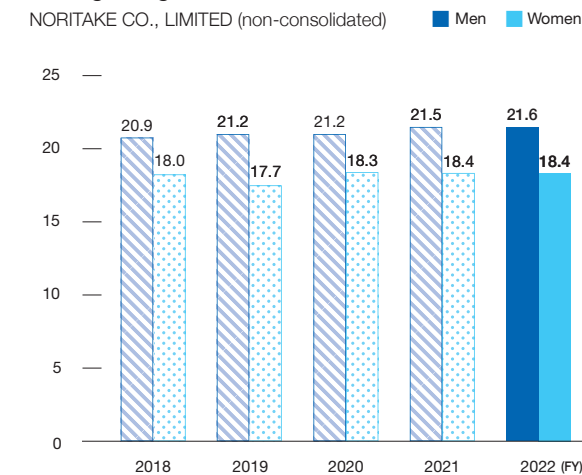


Research and development expenditures (hundred million yen)

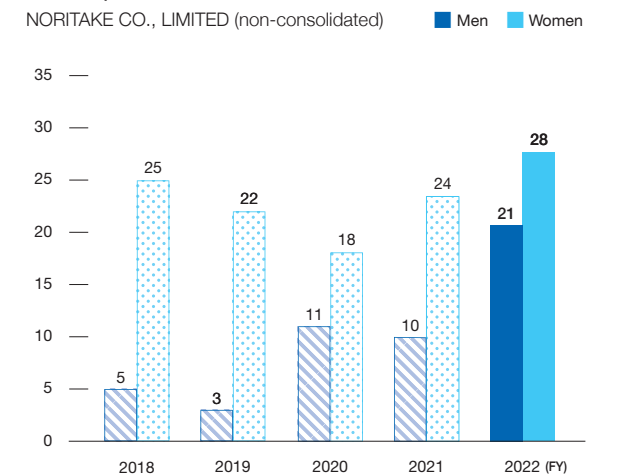


## Non-Financial Highlights

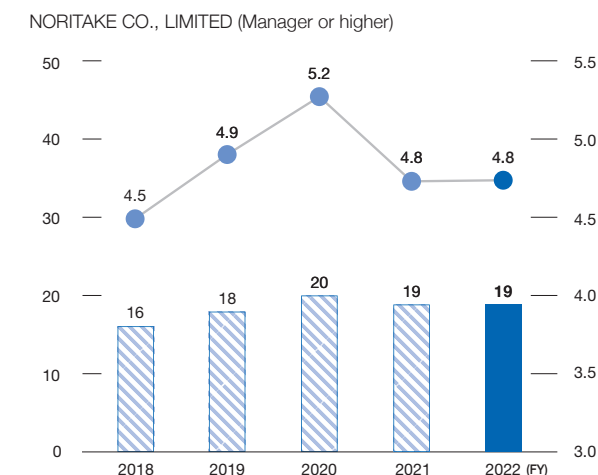
Average length of service (by gender; years)



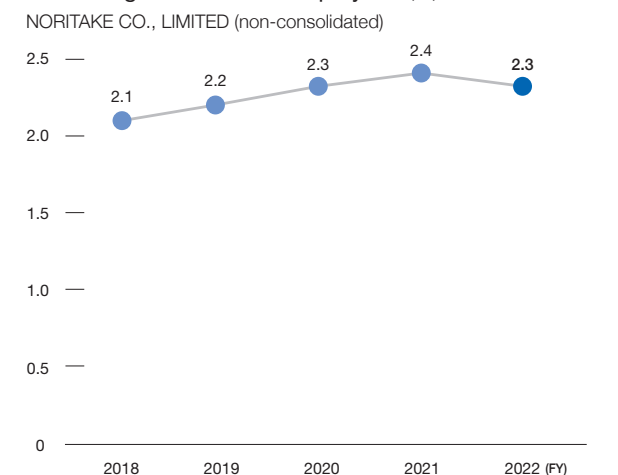
Use of parental leave (by gender; persons)



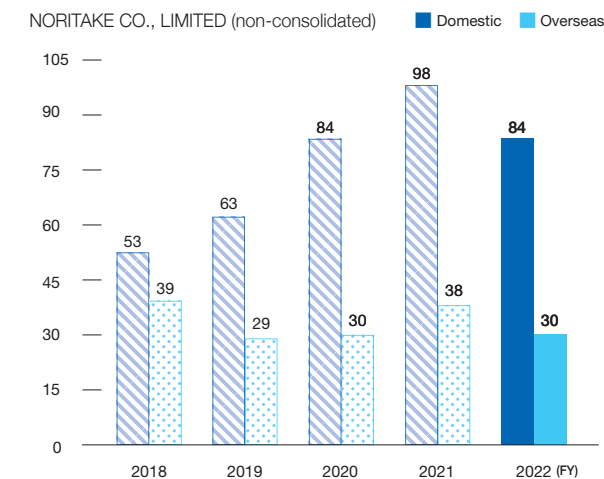
Ratio of female managers (%), number of female managers (persons)



Percentage of disabled employees (%)



Number of patent applications (number)



Number of employees by business (persons)

Consolidated

Fiscal Year	2018	2019	2020	2021	2022
Industrial Products	2,620	2,617	2,566	2,551	2,430
Ceramics & Materials	887	895	875	866	830
Engineering	241	245	254	314	313
Tabletop	1,135	1,141	1,085	1,017	1,003
Corporate	208	222	249	259	255
Total	5,091	5,120	5,029	5,007	4,831

## Trends in major consolidated management indicators

Fiscal year	2018	2019	2020	2021	2022
Net sales (million yen)	125,802	120,611	107,000	127,641	139,494
Cost of sales (million yen)	91,852	90,045	80,327	92,571	104,138
Gross profit (million yen)	33,949	30,566	26,673	35,069	35,356
Gross profit margin (%)	27.0	25.3	24.9	27.5	25.3
Selling, general and administrative expenses (million yen)	26,465	26,358	24,115	25,715	26,386
Operating profit (million yen)	7,484	4,207	2,557	9,353	8,969
Operating profit margin (%)	5.9	3.5	2.4	7.3	6.4
Ordinary profit (million yen)	9,764	6,312	4,480	12,509	12,405
Ordinary profit margin (%)	7.8	5.2	4.2	9.8	8.9
Profit attributable to owners of the parent (million yen)	9,707	3,415	2,806	9,068	10,024
Current net profit margin (%)	7.7	2.8	2.6	7.1	7.2
Amount of capital investment (million yen)	5,299	8,965	4,553	4,899	6,110
Depreciation (million yen)	4,057	4,442	4,784	4,704	4,773
Research and development expenditure (million yen)	2,554	2,571	2,294	2,324	2,375
Cash flows from operating activities (million yen)	8,237	8,232	5,903	12,835	-213
Cash flows from investing activities (million yen)	-2,408	-7,473	-7,601	-5,823	-3,524
Cash flows from financing activities (million yen)	-10,348	-2,210	1,597	-5,389	3,306
Cash and cash equivalents at the end of the fiscal year (million yen)	11,395	9,939	9,741	11,733	12,008
Total assets (million yen)	151,773	145,923	154,905	163,562	180,585
Interest-bearing debt (million yen)	4,875	5,335	8,180	6,752	12,788
Total shareholders' equity (million yen)	103,747	100,668	110,926	118,120	128,189
Total net assets (million yen)	107,349	103,757	113,988	118,800	128,961
Net income per share (yen)	675.77	237.22	194.54	628.27	694.56
Dividend per share (yen)	90.00	100.00	60.00	150.00	205.00
Return on equity (ROE) (%)	9.5	3.3	2.7	7.9	8.1
Capital ratio (%)	68.4	69.0	71.6	72.2	71.0
Total capital turnover (%)	82.9	82.7	69.1	78.0	77.2
Price earnings ratio (PER) (times)	7.8	14.5	18.2	7.1	6.6
Price-book value ratio (PBR) (times)	0.73	0.49	0.46	0.54	0.52
Stock price at the end of the fiscal year (yen)	5,300	3,440	3,550	4,460	4,590
Number of employees at the end of the fiscal year (persons)*	5,091	5,120	5,029	5,007	4,831

\*Accounting Standard for Revenue Recognition\* (Corporate Accounting Standard No. 29, March 31, 2020), etc. has been applied from the beginning of FY2021. Key management indicators related to FY2021 and on are those after retroactive application of the accounting standard.

\* Regular employees only

Company name	NORITAKE CO., LIMITED
Establishment	January 1, 1904
Headquarters	3-1-36, Noritake-shinmachi, Nishi-ku, Nagoya, Aichi 451-8501, Japan
Website	<a href="https://www.noritake.co.jp/eng/">https://www.noritake.co.jp/eng/</a>
Representative	Hiroshi Kato Representative Director and President
Capital	15,632 million yen
Main Business	<ul style="list-style-type: none"> <li>■ Industrial Products Business Grinding and polishing tools, etc.</li> <li>■ Ceramics &amp; Materials Business Electronic components, ceramic raw materials, plaster products, vacuum fluorescent displays, etc.</li> <li>■ Engineering Business Heating furnaces, filtration equipment, mixing equipment, cutting machines, circular sawing cutting machines, etc.</li> <li>■ Tabletop Business Porcelain ware, etc.</li> </ul>

## Subsidiaries

NIPPON RESIBON CORPORATION

RYOWA CORPORATION

ZEN NORITAKE CO., LTD.

HIROSHIMA KENMA K.K.

KCM CORPORATION

KYORIX MIE CO., LTD.

NORITAKE ITRON CORPORATION

NORITAKE TCF CO., LTD.

NIHON FUREKI SANGYO CO., LTD.\*1

NORITAKE GARDEN CO., LIMITED

NORITAKE RECYCLE CENTER CO., LIMITED\*2

\*1 NORITAKE MACHINE TECHNO CO., LTD.  
from April 1, 2023 due to change in business name

\*2 Non-consolidated subsidiaries

NORITAKE CO., INC.

NORITAKE SHANGHAI TRADING CO., LTD.

NORITAKE EUROPA GMBH

NORITAKE ABRASIVES (SUZHOU) CO., LTD.

NORITAKE SA (THAILAND) CO., LTD.

DIA RESIBON (THAILAND) CO., LTD.

NORITAKE SCG PLASTER CO., LTD.

PT. NORITAKE INDONESIA

ITRON (U.K.) LIMITED

NORITAKE TAIPEI CO., LTD.

NORITAKE LANKA PORCELAIN (PVT) LIMITED

NORITAKE (AUSTRALIA) PTY. LTD.

TAIWAN KCM CO., LTD.\*2

## Equity-method affiliates

TONO KENMA CO., LTD.

KURARAY NORITAKE DENTAL INC.

OKURA ART CHINA, INC.

SIAM COATED ABRASIVE CO., LTD.

(As of March 31, 2023)