

MEC Style

Established the Basic Policy on Sustainability in order to contribute to the realization of a sustainable society.

In the midst of a major trend of social reform, including the progression of digitalization, the SDGs, and efforts to resolve environmental issues, we established the Basic Policy on Sustainability in order to contribute to the realization of a sustainable society by developing and operating management foundations that recognize our corporate responsibility from an ESG perspective, working to resolve social issues through fair and honest business activities, and continuously creating social value while growing ourselves as a company.

As a citizen of Earth, we will cooperate with each stakeholder and strive to increase our corporate value through repeated efforts to do what we can for the development and future of our industry through our business activities for the world.

Basic Policy on Sustainability

At the MEC Group, we will contribute to the realization of a sustainable society, by developing and operating management foundations that recognize our corporate responsibility from an ESG perspective, working to resolve social issues through fair and honest business activities, and continuously creating social value while growing ourselves as a company, based on the principles of "Unique Technology", "Reliable Quality", and "Meticulous Service".

We will strive to create new business opportunities while addressing and resolving sustainability issues through our business activities

We will foster a mutually energizing working environment and culture where everyone respects each other and can make the most of their diverse range of abilities and expertise

We will strive to reduce our environmental impact in consideration of climate change and limited resources

MEC's Philosophy Machinery + Electronics + Chemistry

The origin of the Company name MEC is "Machinery"+"Electronics"+"Chemistry".

The idea was to create new goods, services and experiences and challenge the electronic substrate industry with the integrated technology that fuses these elements. The development concept is "Creating and Fostering Value at Various Interfaces". Based on the principles of "Visionary Technology", "Reliable Quality", and "Meticulous Service", we have done what we could for the development of industries and for the future by freely conceiving and creating new value at interfaces that exist between various goods. In addition to chemicals for electronic substrates and electronic components, which have supported the development of the electronics industry since its foundation, we will continue to provide various types of value to the world.

Based on the Vision for 2030, under the guiding principle of "Create and Transform", we at the MEC Group have identified six material issues (Materiality) to be addressed by management in order to contribute to the creation of a prosperous and affluent society and environment by creating and fostering value at various interfaces through our business activities.

In the future, we will link SDGs and these material issues in detail, aiming to contribute to the achievement of SDGs and the realization of a sustainable society.

Referenced guidelines

- The RBA Code of Conduct version 8.0
- ISO26000: 2012
- Environmental Reporting Guidelines 2018
- SASB (Chemicals_Standard_2023-12)

Reporting period

Period reported: Our activities from January to December 2023. Some reports include activities since January 2024.

Scope of this report

MEC Co., Ltd. Amagasaki HQ. (Concerning the Head Office / R&D Center / the Amagasaki Factory), Higashi-hatsushima HQ. , Nagaoka Factory and Tokyo Sales Office. Contains some information about overseas subsidiaries.

Since publishing the Environmental Report in 2006, we have changed the format to a CSR Report (2021) and a Sustainability Report (2022), and have expanded the content of the report.

In this year's edition, we have further enhanced information on our various sustainability initiatives related to the sustainable development of society and the Company (sustainability), including the establishment of our Sustainability Policy, human capital management, and the disclosure of our greenhouse gas reduction targets.

About MEC COMPANY



Basic Information

Company Motto

"Enjoy your work"

Capital

594 million yen

Equity Ratio

86.4%

Stock Exchange Listings

Tokyo Stock Exchange
Prime Market
(Securities code: 4971)

Company Rules

- Let's always aim to achieve new targets without fear of failure. Repeatedly try new ideas and improvements with unyielding curiosity.
- Let's make improvements with an insatiable curiosity.
- Let's carry out work with our combined power and a feeling of gratitude and cooperation.
- Let's make a fun workplace where people pay attention to health and safety.
- Let's contribute to society.

Kind of Business

R&D, production and sales of chemicals, equipment and related materials used in the production of PCB.

→ <https://www.mec-co.com/en/product/>

ISO Certification

All MEC Group bases have acquired **ISO9001** and **ISO14001**.

PBR **3.32x**

MEC's Strength

Our strength is "Creating and Fostering Value at Various Interfaces". We have done this while placing **at the core the copper surface treatment technology** cultivated over many years in the chemicals business for electronic substrate parts. With "Creating and Fostering Value at Various Interfaces" as our development concept, through the evolution and advancement of electronics products, we **contribute to the realization of a sustainable society** against the backdrop of social trends such as communication infrastructure represented by 5G, PCs, smartphones, self-driving cars, etc., as well as the development of DX and GX and other trends.

R&D expenses

1,219 million yen

we invest **about 10%** of our consolidated sales

Percentage of Human Resources Involved in 1 Research

About 30%



Non-Financial Data

Employee

263
(non-consolidated)
454 (consolidated)

Years of Service

Male **12.6** Female **13.6**

Percentage of Female in Managerial Positions

30.0%

Number of Outside Directors

4 out of 7 Directors

Percentage of Female among Directors and Operating Officers

33.3%

Number of Patents Held

Japan **55** Overseas **190**

Amount of CO₂ Emissions (Volume of GHG emission)

FY2022

Scope1,2 **2,371t-CO₂**^{*1}
Scope3 **332t-CO₂**^{*2}

FY2023

Scope1,2 **1,676t-CO₂**^{*1}
Scope3 **292t-CO₂**^{*2}

^{*1} MEC Group as a whole, including overseas operations
^{*2} We calculated Scope 3 CO₂ emissions for categories 5, 6, and 7 in Japan, which are our own emissions.

Average Age

Male **42.5** years old
Female **43.5** years old

Number of Employees Turn Over (Within 3 years after joining the company)

Male **4.0%** Female **5.2%**

Percentage of Employees Returning to Work after Taking a Child-rearing Leave

100%
Employees who have taken baby-care leave_Male **44.4%**

Industrial Accidents Involving Lost time injuries

0 case
Number of occupational accidents not involving lost time **0 case**

Expression of Support for the TCFD Recommendations

February 2023

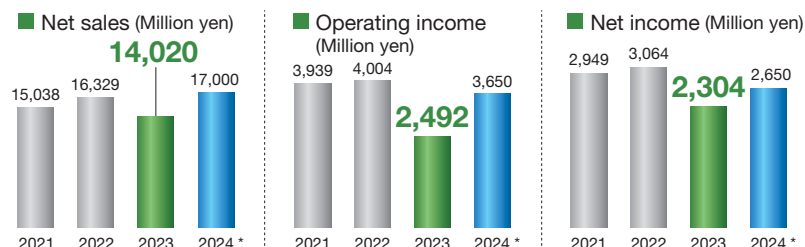
In February 2024, we increased the scope of information disclosed concerning the assumed impact, timing of occurrence, and other factors, and posted this information on our website
→ <https://www.mec-co.com/en/sustainability/esg/environment/tcfd/tcfd.pdf>



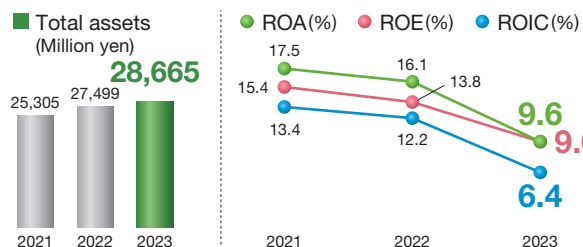
Consolidated Financial Data

Net Sales/ Operating Income/ Net Income

<sup>*Performance forecasts
(Published on May 10, 2024)</sup>



Total Assets/ ROA/ ROE/ ROIC



Sales by Region/ Amount of Sales

