Stock code: 6768
Tokyo Stock Exchange Prime listing

# TAMUR CORPORATION

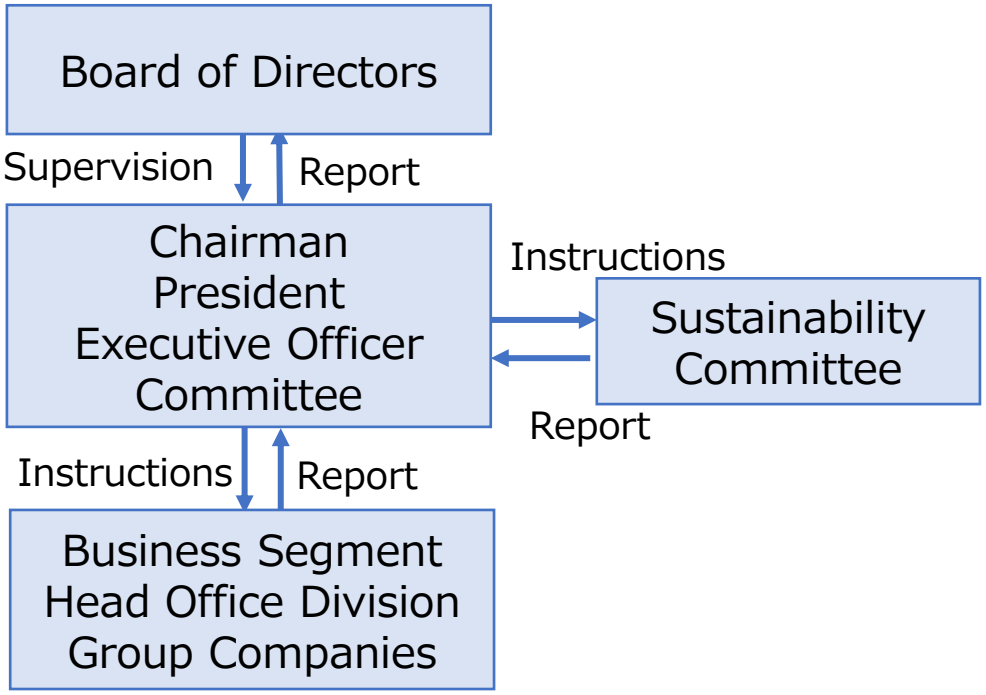
## Information Disclosure Based on TCFD

June 2025

# Governance

- Supervisory Process and Reporting Frequency
  - At the Tamura Group, the Board of Directors is responsible for determining the basic policies and strategies related to sustainability issues, including climate change and human capital, and for overseeing their implementation.
  - The Executive Officer Committee compiles the status of sustainability promotion activities and provides regular reports to the Board of Directors twice a year. In addition, important matters such as the formulation of activity policies are reported and submitted to the Board as needed.

- Role of Management
  - Based on the basic policies and strategies determined by the Board of Directors, the Executive Officer Committee decides on specific measures and initiatives, which are then implemented by each Business Segment and Group Companies.
  - To ensure efficient and effective execution, the Executive Officer Committee established the Sustainability Committee as a subordinate body starting in fiscal year 2024. The Sustainability Committee is composed of members of the Executive Officers' Committee.
  - In principle, the Sustainability Committee meets twice a year to monitor the progress of sustainability strategies, deliberate on related topics, and report or submit proposals to the Executive Officer Committee.



# Strategy 1: Overview and identification process of indicators for risk/opportunity analysis associated with climate change

**[Indicator overview]**

- Time axis: Short-term: 2027 Medium-term: 2030 Long-term: 2050
- Temperature Rise Scenarios:1.5°C Scenario: Net-zero emissions scenario 4°C Scenario: Current policy scenario
  - Note: If specific information is unavailable for a scenario, use the closest available scenario as a substitute.
- Evaluation Criteria: Assess the impact on management and business from the perspective of risks and opportunities.
- Quantify the impact on operating profit using the following scale:
  - 1: Impact of over ¥10 million 2: Impact of over ¥100 million 3: Impact of over ¥500 million

**[Identification process]**

- Through the following steps, we held discussions within the headquarters and each business Segment , taking into account socio-economic scenarios and the unique characteristics of the Tamura Group. As a result, we identified climate-related risks and opportunities, as well as potential countermeasures.
- From a company-wide perspective, we organized the findings according to each socio-economic scenario.

| | |
|---|---|
| **Creating and presenting socio-economic scenarios** | As a premise for analyzing risks and opportunities, we organized and presented scenarios that illustrate possible future socio-economic developments relevant to the Tamura Group. |
| **Inventorying risks and opportunities and identifying their importance** | The headquarters and each business segment (Electronic Components Segment, Electronic Chemicals/FA Systems Segment) held discussions to assess the scope and extent of climate-related risks and opportunities. |
| **Considering countermeasures** | We examined generally applicable countermeasures for the identified risks and opportunities. |

# Strategy 2: Analysis target, reference scenario and evaluation method

| item | | Content | |
|---|---|---|---|
| **Analysis target** | | Company-wide, Electronic Components Segment, Electronic Chemicals/FA Systems Segment | |
| **Time axis** | | Short-term: 2027　Medium-term: 2030　Long-term: 2050 | |
| **Key reference scenarios** | Physical Risks | 1.5℃ | IPCC 6th report SSP1-1.9 |
| | | Below 2°C | IPCC 5th report RCP2.6<br>IPCC 6th report SSP1-2.6 |
| | | 4℃ | IPCC 5th report RCP8.5<br>IPCC 6th report SSP5-8.5 |
| | Transition Risk | 1.5℃ | IEA　Net Zero Emissions by 2050 Scenario<br>※If no scenario corresponding to the 1.5°C pathway is available, we use alternative scenarios such as the below 2°C scenario (IEA Sustainable Development Scenario) or the 3°C scenario (IEA Announced Pledges Scenario). |
| | | 4℃ | IEA　Stated Policy Scenario (STEPS) |
| | | Individual fields, etc. | IEA　Net Zero by 2050 -A Roadmap for the Global Energy Sector<br>IEA　World Energy Outlook 2021、2022、2023、2024<br>IEA　Energy Technology Perspectives　2017、2023<br>NGFS　IIASA Scenario Explorer<br>NGFS　Climate Analytics Climate Impact Explorer |
| **Evaluation method** | | From the perspective of risks and opportunities, we quantitatively assessed the impact on management and business operations using a three-level scale:<br>1: Impact exceeding ¥10 million　2: Impact exceeding ¥100 million<br>3: Impact exceeding ¥500 million　(based on the effect on operating profit) | |

# Strategy 3: Socio-economic scenarios of 1.5°C warming

**Overview of a 1.5°C World**

- Many countries achieve net-zero greenhouse gas emissions by 2050.
- Investment in clean energy increases approximately 7-fold by 2030 and 9.7-fold by 2050.
- By 2030, 60% of global automobile sales are Battery Electric Vehicles (BEVs), Plug-in Hybrid Electric Vehicles (PHEVs), or Fuel Cell Vehicles (FCVs); by 2050, 86% of passenger vehicles are electric.
- Demand for minerals used in clean energy technologies increases sixfold by 2040, raising concerns about potential supply shortages.

## National governments

GHG Emissions: Reduce emissions by approximately 20% by 2025, 40% by 2030, and achieve net-zero by 2050.
Introduction of Carbon Tax:In Japan, a carbon tax of USD 75 per ton of $CO_2$ is introduced. Carbon taxes are also applied to exports to Europe and the U.S., and $CO_2$ emission standards are incorporated into automobile taxation.
Promotion of Decarbonization and Energy Efficiency: Encourage energy efficiency improvements in the commercial sector, GHG reductions in the transportation sector, and promote ZEB (Net Zero Energy Buildings), ZEH (Net Zero Energy Houses), and ZEF (Net Zero Energy Factories).

## Technology /Market

Growing Demand for Products Contributing to GHG Reduction: Demand is increasing for products related to electric vehicles (EVs), clean energy, and energy efficiency, which contribute to greenhouse gas reduction.
Transformation of the Automotive Market: The automotive market is undergoing changes due to the acceleration of EV adoption, public transportation, modal shifts, and car sharing.

## Supplier

### Power Supplier

- Expansion of Clean Energy:
- Increase in electricity prices

### Raw Material Suppliers

- Manufacturing activities powered by clean energy
- Upgrading manufacturing equipment for decarbonization
- Promotion of $CO_2$ capture, separation, and recycling

### Logistics

- Introduction of EVs and FCVs
- Adoption of alternative fuels in aviation and maritime transport
- Shift to returnable packaging
- Efficiency improvements through the use of robots and drones

## Industry/Tamura G

### Sales

- Products related to EVs, clean energy, and energy efficiency are expected to see increased sales.
- Products associated with industries or sectors with high GHG emissions, or those manufactured through high-emission processes, are expected to experience declining sales.

### Cost

- Costs associated with decarbonization efforts and carbon tax burdens
- Passing on increased costs from suppliers
- Expenses for countermeasures against wind and flood disasters

### Others

- Concerns over shortages of various raw materials

## Society/Customers/Investors

- Requests for GHG Emission Reductions: Increasing pressure to reduce greenhouse gas emissions.
- Growing Customer Demands and Risk of Business Suspension: Rising customer expectations; failure to meet requirements may result in termination of business relationships.
- Changes in Customer Base: Shift from hardware-oriented customers to those focused on software, sharing services, and other emerging business models.

### Increased and severe climate-related disasters

- For every 1°C increase in global temperature, the intensity of extreme daily precipitation rises by approximately 7%.
- By the end of the 21st century, sea levels are projected to rise by 0.3 to 0.4 meters.

# Strategy 4: Socio-economic scenarios of 4°C temperature rise

**Overview of a 4°C World**

**Climate change becomes more pronounced, leading to a significant increase in physical risks such as floods.**

- **Climate migration surges due to food shortages, natural disasters, and the expansion of regions experiencing extreme heat beyond human survivability.**
- **Global GDP declines by up to 12%, and by 25% by the year 2100.**

**national governments**

**Countries do not make major shifts in the policies they have already announced.**

**Technology /Market**

- High-carbon economy continues, resulting in crude oil prices increasing by 1.7 times and global demand for virgin plastics rising by approximately 2.1 times.
- Global automobile production doubles.
- Grain prices increase by 29%.

**Supplier**

**Power Supplier**

- Reduced power generation efficiency due to heatwaves
- Costs for countermeasures against wind and flood disasters

- **Increased severity of damage caused by wind and flood disasters**
- **Disruption of supply chains**
- **Constraints due to rising water-related risks**

**Industry/Tamura G**

**Cost**

- Cost of measures against wind and flood damage

- **Increased severity of damage caused by wind and flood disasters**
- **Disruption of supply chains**
- **Constraints due to rising water-related risks**

**Society/Customers/Investors**

- **Global food shortages**

**Increasing geopolitical risks**

**Increased and severe climate-related disasters**

- Japan's average temperature rises by approximately 2°C, with the number of extremely hot days increasing by 1.5 times.
- Flood frequency in Japan doubles by 2050.
- Storm surge frequency increases by approximately 2 to 3 times.
- Sea level rises by 0.3 meters.
- Water-related risks increase by 1.5 to 3 times in regions such as Southern Europe, Western Asia, Australia, Northern China, and the Western United States.

# Strategy 5-1: Impact of risks and opportunities toward a decarbonized society on business　Physical Risks

| Classification | Type | Description | Impact on business | Division | Company-Wide | | | | Business Segment | | | | | | | | Countermeasures |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Electronic Components | | | | Electronic Chemicals & FA Systems | | | | |
| | | | | Temperature Rise | 1.5℃ | 4℃ | | | 1.5℃ | 4℃ | | | 1.5℃ | 4℃ | | | |
| | | | | Time Axis | | 27 | 30 | 50 | | 27 | 30 | 50 | | 27 | 30 | 50 | |
| Physical Risks | Acute | Intensifying natural disasters | ・Water use restrictions at our sites hinder production.<br>・Supplier water limits raise procurement costs and cause sourcing issues. | | | 1 | 3 | 3 | | 1 | 3 | 3 | | 1 | 3 | 3 | ・Supply chain water risk assessment and mitigation planning (e.g., production site relocation, supplier changes) |
| | | | Damage to company sites, equipment, and vehicles<br>Suspension of operations at partners and logistics due to disaster impact<br>Reduced or halted solar power generation due to facility damage<br>Capital expenditures and relocation costs incurred for countermeasures | | | 1 | 3 | 3 | | 1 | 3 | 3 | | 1 | 3 | 3 | ・Flood and wind risk assessment across the supply chain, with mitigation planning (e.g., relocation, damage prevention supplier changes, BCP). |
| | Chronic | Market impact | ・Negative impact on the macroeconomy (e.g., GDP) due to the materialization of physical risks | | | 2 | 2 | 3 | | | | | | | | | ・Tracking central bank macroeconomic trends and evaluating business impacts. |
| | | | ・Decrease in land and property values in areas with high risk of wind and flood damage | | | 1 | 2 | 3 | | | | | | | | | ・Assessment of flood and wind hazard risks |
| | | Changing weather patterns | ・Cost of countermeasures for storm surges and rising sea levels<br>・Capital investment, site relocation, and reconfiguration due to sea level rise countermeasures.<br>・Relocation of partners and logistics hubs has led to changes in existing transport and delivery routes. | | | 1 | 2 | 3 | | 1 | 2 | 3 | | 1 | 2 | 3 | ・Sea level rise risk assessment and mitigation planning (e.g., site relocation, damage prevention, supplier changes). |
| | | | ・Increased air conditioning costs due to higher average temperatures | | | 1 | 2 | 3 | | | | | | | | | ・Quantitative assessment of cost increase |
| | | | Heavy snowfall caused damage to solar power facilities and equipment.<br>Solar power generation decreased due to heavy snowfall. | | | 1 | 1 | 1 | | | | | | | | | ・Heavy snow risk assessment including supply chain, with mitigation planning (e.g., site relocation, damage prevention). |
| | | | Decrease in efficiency of solar power generation facilities due to heat waves; replacement with more durable and weather-resistant products and equipment | | | 1 | 1 | 2 | | | | | | | | | ・Monitoring heat resistance and durability of solar equipment; exploring non-solar renewable energy options |

* Impact assessment: Impact on operating profit: 1: Over 10 million yen, 2: Over 100 million yen, 3: Over 500 million yen. Time frame: 27 (2027), 30 (2030), 50 (2050)

# Strategy 5-2: Impact of risks and opportunities toward a decarbonized society on business　Transition Risk 1/2

| Classification | Type | Description | Impact on business | Division | Company-Wide | | | | Business Segment | | | | | | | | Countermeasures |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Electronic Components | | | | Electronic Chemicals & FA Systems | | | | |
| | | | | Temperature Rise | 1.5℃ | | | 4℃ | 1.5℃ | | | 4℃ | 1.5℃ | | | 4℃ | |
| | | | | Time Axis | 27 | 30 | 50 | | 27 | 30 | 50 | | 27 | 30 | 50 | | |
| Transition Risk | Policies and regulations | Strengthening greenhouse gas emission regulations | ・Negative macroeconomic impacts(GDP, stock prices, interest rates) in case a rapid transition to decarbonization is implemented | | 1 | 3 | 2 | | | | | | | | | | ・Monitoring macroeconomic analyses by central banks and assessing potential impacts on our business. |
| | | | ・Carbon tax applied to company operations<br>・Increased costs associated with low-carbon initiatives<br>・Carbon tax on suppliers leading to higher purchasing, procurement, and delivery costs<br>・Compliance with carbon-related regulations and taxes on imports and exports<br>(Effects of increased trade with Europe, etc.) | | 2 | 3 | 2 | | 2 | 2 | 1 | | 2 | 3 | 2 | | ・Monitoring carbon pricing schemes in countries where the company operates<br>・Visualizing $CO_2$ emissions through Scope 1–3 quantification<br>・Setting reduction targets and promoting initiatives based on quantified results<br>・Monitoring climate change responses of business partners<br>・Tracking developments in border carbon tax policies in Europe and the U.S.<br>・Monitoring low-GHG manufacturing technologies, transportation, and delivery methods<br>・Developing business plans in anticipation of supply chain cost increases |
| | | | ・Transition to returnable packaging; changes in packaging and shipping methods | | | | | | 1 | 2 | 2 | | 1 | 2 | 2 | | ・Monitoring changes in packaging methods<br>Developing business plans in anticipation of supply chain cost increases<br>Addressing changes in transportation and delivery methods |
| | | | ・Costs incurred for ZEB/ZEF compliance in new and existing buildings | | 2 | 2 | 3 | | | | | | | | | | ・Visualization of $CO_2$ emissions through Scope 1–3 quantification<br>・Setting reduction targets and promoting initiatives based on quantified results<br>・Monitoring ZEB-related regulations and market trends for environmentally efficient buildings |
| | | | ・Increased operating costs for environmentally-friendly real estate | | 1 | 2 | 3 | | | | | | | | | | ・Trend monitoring of environmentally friendly buildings |
| | | | ・Increased costs associated with replacing gas-powered company-owned vehicles with EVs and FCVs | | 1 | 1 | 1 | | | | | | | | | | ・Monitoring EV and FCV trends and related technologies and understanding their impact on each sector |
| | | | ・Due to regulations on fluorocarbons, there is a shift to natural refrigerant/green refrigerant equipment. | | 1 | 3 | 2 | | | | | | | | | | ・Monitoring regulatory trends and market conditions for alternative fluorocarbons<br>・Consideration of the timing of regular equipment updates |

* Impact assessment: Impact on operating profit: 1: Over 10 million yen, 2: Over 100 million yen, 3: Over 500 million yen. Time frame: 27 (2027), 30 (2030), 50 (2050)

# Strategy 5-3: Impact of risks and opportunities toward a decarbonized society on business　Transition Risk 2/2

| Classification | Type | Description | Impact on business | Division | Company-Wide | | | | Business Segment | | | | | | | | Countermeasures |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Electronic Components | | | | Electronic Chemicals & FA Systems | | | | |
| | | | | Tempera-ture Rise | 1.5℃ | | | 4℃ | 1.5℃ | | | 4℃ | 1.5℃ | | | 4℃ | |
| | | | | Time Axis | 27 | 30 | 50 | | 27 | 30 | 50 | | 27 | 30 | 50 | | |
| Transition Risk | Market/Technology | Impact on petrochemical products and metal mineral resources | ・Increased costs of raw materials related to rising naphtha price | | | | | | 1 | 2 | 3 | | 1 | 3 | 3 | | ・Monitoring naphtha prices and supply-demand trends, and taking action as needed<br>・Developing business plans in anticipation of rising procurement costs |
| | | | ・Increased raw material costs due to low-carbon Manufacturing processes are passed onto the procurement price<br>・Rising prices and tight supply of raw materials that use styrene-butadiene<br><br>* CCUS, recycling of synthetic resins, use of hydrogen derived from renewable energy, chemical raw materials derived from biomass, ethane cracking | | | | | | 1 | 2 | 2 | | 1 | 2 | 3 | | ・Monitoring relevant technologies and market trends, and taking action as needed<br>・Developing business plans in anticipation of rising procurement costs |
| | | | ・Increased cost of raw materials using mineral resources | | | | | | 2 | 2 | 3 | | 2 | 3 | 3 | | ・Monitoring mineral resource supply-demand trends and taking action as needed<br>・Expanding handling of products with lower mineral resource usage<br>・Developing business plans in anticipation of rising procurement costs |
| | Reputation | Disclosure requirements not met,GHG emissions response delayed | ・Decrease in corporate value due to insufficient disclosure, difficulty in securing human resources, and reduction/ suspension of dealings due to insufficient low-carbon initiatives | | 1 | 2 | 3 | | | | | | | | | | ・Monitor suppliers' climate change initiatives and respond as needed<br>・Identify signs of RE100 and similar requests from key partners, and respond accordingly<br>・Promote concrete actions and ensure timely, appropriate disclosure under the executive leadership<br>・Incorporate climate-related risks into management plans and business strategies |

* Impact assessment: Impact on operating profit: 1: Over 10 million yen, 2: Over 100 million yen, 3: Over 500 million yen. Time frame: 27 (2027), 30 (2030), 50 (2050)

# Strategy 5-4: Impact of risks and opportunities toward a decarbonized society on business　Opportunities　1/2

| Classification | Type | Description | Impact on business | Division | Company-Wide | | | | Business Segment | | | | | | | | | | Countermeasures |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Electronic Components | | | | | | Electronic Chemicals & FA Systems | | | | |
| | | | | Temperature Rise | 1.5℃ | | | 4℃ | 1.5℃ | | | 4℃ | | | 1.5℃ | | | 4℃ | |
| | | | | Time Axis | 27 | 30 | 50 | | 27 | 30 | 50 | 27 | 30 | 50 | 27 | 30 | 50 | | |
| Opportunities | Products/Services | Expanding related markets | ・Contribution to business continuity of affected companies in the event of a natural disaster<br>＊ Replacement of products and equipment, repairs and after-sales service | | | | | | | | | 1 | 3 | 3 | | | | | ・Establish a BCP that enables prompt and appropriate customer response |
| | | | ・Growing demand for solar-related equipment with heat protection<br>・Increasing demand for durable and weather-resistant products and devices | | | | | | | | | 2 | 2 | 3 | | | | | ・Monitoring and promoting heat-resistant and durable products, including panels and related equipment such as PCS |
| | | | ・Growing demand for low-carbon and energy-saving products and equipment<br>・Increasing demand for EV/FCV-related products and equipment<br>・Rising demand for 5G and IoT-related products and equipment | | | | | | 3 | 3 | 3 | | | | 3 | 3 | 3 | | ・Monitoring and promoting related technologies, markets, and products |
| | | | ・Growing demand for automation and labor-saving products and equipment | | | | | | 2 | 3 | 3 | | | | | | | | ・Monitoring and promoting automation and labor-saving technologies, markets, and products |
| | | | ・Rising mineral resource prices and supply shortages are driving demand for products utilizing material recycling | | | | | | 2 | 3 | 3 | | | | 2 | 3 | 3 | | ・Monitoring mineral resource supply-demand trends<br>・Expanding handling of products with lower mineral resource usage<br>・Developing business plans in anticipation of rising procurement costs<br>・Monitoring related technologies and products |
| | | | ・Increasing demand for renewable energy-related products and equipment<br>・Growing demand for ZEB/ZEF-related products and equipment, such as energy-efficient production facilities | | | | | | 2 | 3 | 3 | | | | 3 | 3 | 3 | | ・Monitoring trends in the renewable energy market and power generation costs<br>・Monitoring ZEB-related regulations and technologies<br>・Monitoring and promoting related technologies and products |
| | | | ・Stricter fluorocarbon regulations are driving a shift to natural and green refrigerants, increasing demand for related products and equipment | | | | | | 1 | 3 | 2 | | | | 1 | 3 | 2 | | Monitoring regulatory trends and market conditions for alternative fluorocarbons<br>Reviewing timing for regular equipment updates<br>Monitoring and promoting related technologies and products |

＊ Impact assessment: Impact on operating profit: 1: Over 10 million yen, 2: Over 100 million yen, 3: Over 500 million yen. Time frame: 27 (2027), 30 (2030), 50 (2050)

# Strategy 5-5: Impact of risks and opportunities toward a decarbonized society on business　Opportunities　2/2

| Classification | Type | Description | Impact on business | Division | Company-Wide | | | | Business Segment | | | | | | | | Countermeasures |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Electronic Components | | | | Electronic Chemicals & FA Systems | | | | |
| | | | | Temperature Rise | 1.5℃ | | | 4℃ | 1.5℃ | | | 4℃ | 1.5℃ | | | 4℃ | |
| | | | | Time Axis | 27 | 30 | 50 | | 27 | 30 | 50 | | 27 | 30 | 50 | | |
| Opportunities | Reduction of greenhouse as emissions | Decarbonization of raw material and energy procurement, and sales activities | ・Reducing applicable carbon taxes by procuring raw materials produced with low-carbon manufacturing processes | | | | | | - | 2 | 2 | | - | 2 | 2 | | ・Comparison between increased procurement costs from low-carbon manufacturing and reduced carbon tax burden through lower $CO_2$ emissions during procurement |
| | | | ・Expansion of the renewable energy market is reducing the company's energy procurement costs | | 1 | 1 | 2 | | | | | | | | | | ・Monitoring trends in the renewable energy market, power generation costs, and related technologies and products, and responding accordingly |
| | | | ・Mainstream adoption of 5G and IoT is enabling greater efficiency and decarbonization in company operations | | 2 | 2 | 3 | | | | | | | | | | ・Promoting efficiency and decarbonization in company operations<br>Monitoring and responding to related technologies and products |
| | Enhancement of corporate value/ Securing of human resources | Demands for climate change action | ・Enhancing corporate value through appropriate information disclosure<br>・Enabling stable, long-term talent acquisition | | 1 | 2 | 3 | | | | | | | | | | ・Monitoring and responding to suppliers' climate change initiatives<br>・Identifying sigs of RE100 and similar requests from key partners, and responding accordingly<br>・Promoting concrete actions and ensuring timely, appropriate disclosure under the Sustainability Committee<br>・Incorporating climate-related opportunities into management plans and business strategies |

* Impact assessment: Impact on operating profit: 1: Over 10 million yen, 2: Over 100 million yen, 3: Over 500 million yen. Time frame: 27 (2027), 30 (2030), 50 (2050)

# Strategy 6-1: Examples of Tamura Group's initiatives to address opportunities (business strategies) Initiatives for growth

- Expand the sales of core business focus products in the clean energy-related market, mainly in Europe and the Americas
- Seize business opportunities in the evolution of next-generation power semiconductors, aiming to create differentiated magnetic passive devices from materials in various businesses

## Key Markets

Clean Energy-related Markets

| | |
|---|---|
| Power Infrastructure | Wind, Solar, and Hydrogen |
| Heavy Industry | Power Transmission & Distribution<br>Inverters<br>Data Centers |
| Next-generation Communications | Devices & IoT Equipment |
| Mobility | EV / V2H<br>Traction |

Advancing to next-generation power semiconductors and expanding efforts to support a decarbonized society

## Key Products

Next-generation Power Electronics-related Products

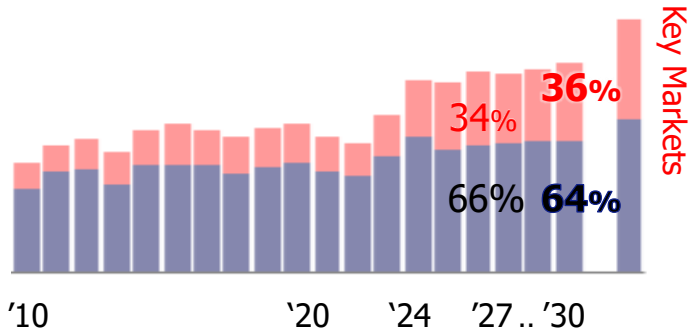
- Large Transformers & Reactors
- High-frequency Transformers & Reactors
- High-voltage Gate Drivers
- High-capacity Current Sensors
- Power Electronics-related Chemicals
- Advanced Semiconductor Chemicals

Magnetic Passive Components for Next-generation Power Semiconductors

## Core Business* Objectives

| | FY2024 Actual | FY2027 Target |
|---|---|---|
| Sales (JPY) | Approx. 100bn | ≧100bn |
| Operating Profit (JPY) | Approx. 6bn | ≧8bn |
| Operating Profit % | Approx. 6% | ≧8% |

Sales ratio of key markets within core businesses



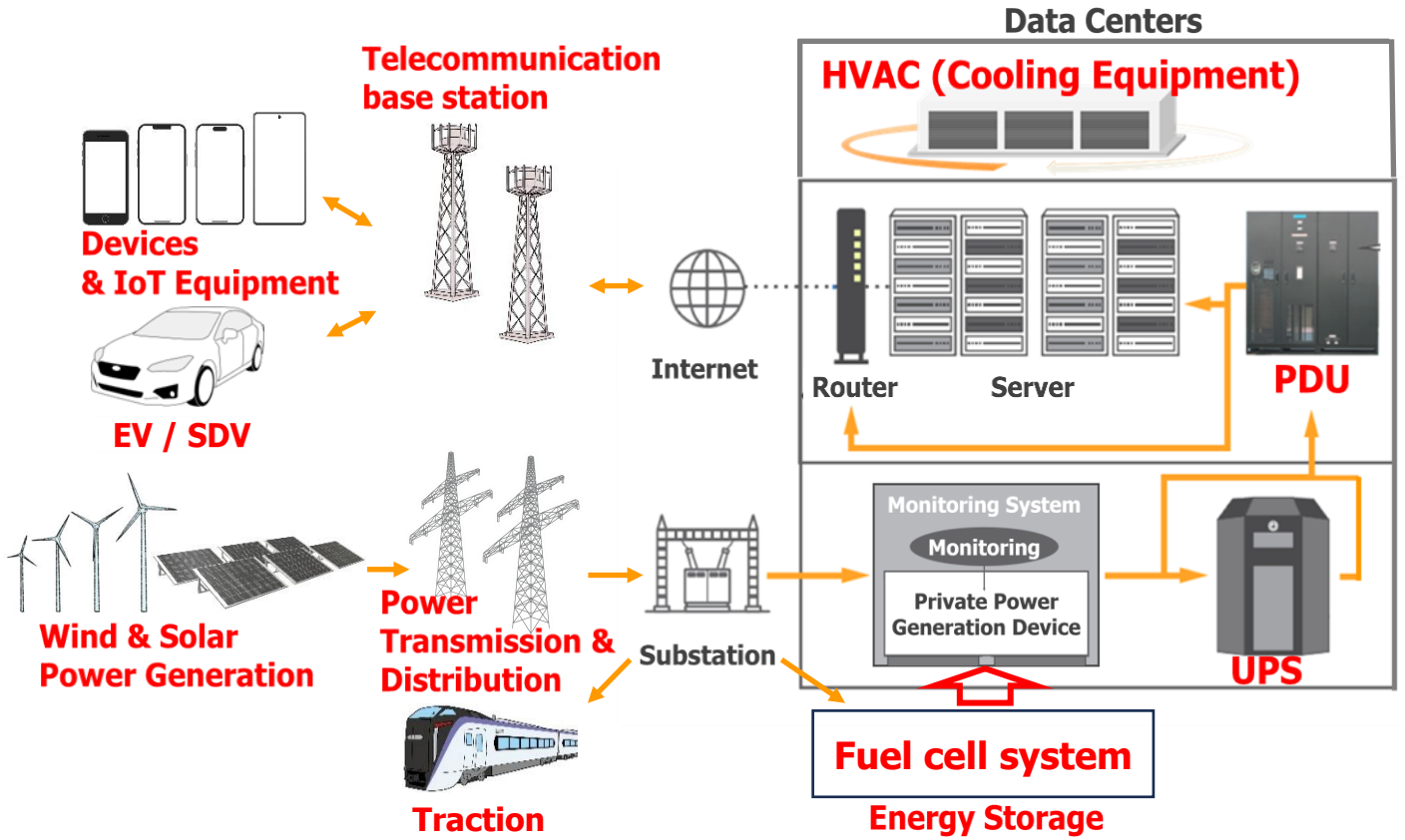

Increase in ratio through the introduction of next-gen power electronics products

*Electronic Components + Electronic Chemicals

# Strategy 6-2: Examples of Tamura Group's initiatives to address opportunities (business strategies)  Tamura's Strength in Key Markets

- Offering a wide range of products, from chemical materials to electronic components, to the expanding clean energy market toward a decarbonized society

**Providing advanced high-frequency, high-voltage products for the clean energy market, supporting the shift to a decarbonized society**



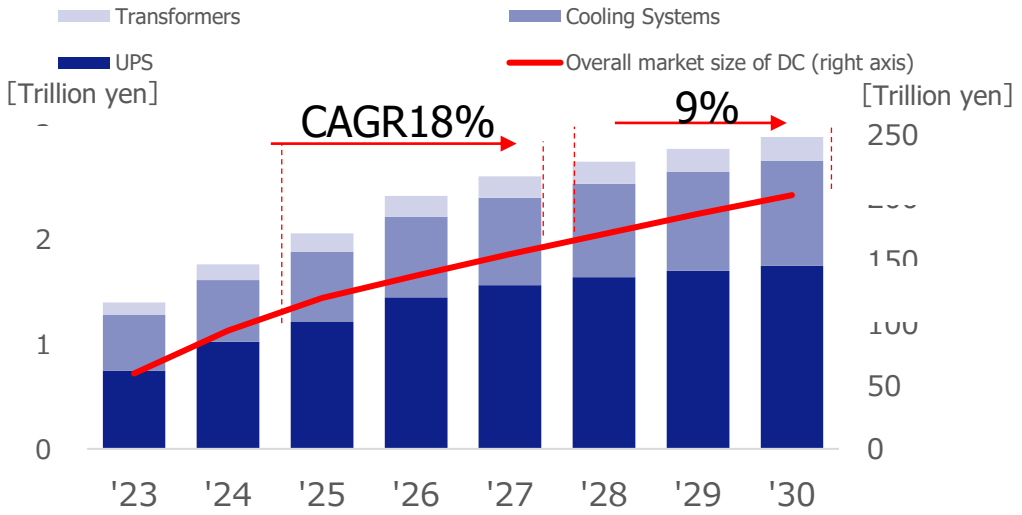

| Key Markets | Core Business Products |
|---|---|
| • Devices & IoT Equipment<br>• Telecommunication base station<br>• EV･SDV | • Solder Paste<br>• Solder Resist<br>• Power Electronics-related Chemicals<br>• Advanced Semiconductor Chemicals |
| • HVAC (Cooling Equipment) | • Transformers & Reactors |
| • PDU | • Large Transformers |
| • UPS | • Large Reactors<br>• Gate Driver Modules<br>• Current Sensors |
| • Fuel cell system<br>• Power Transmission & Distribution<br>• Traction<br>• Wind & Solar<br>• Power Generation | • Large Transformers & Reactors<br>• Gate Driver Modules<br>• Current Sensors<br>• Power Electronics-related Chemicals |

# Strategy 6-3: Examples of Tamura Group's initiatives to address opportunities (business strategies)

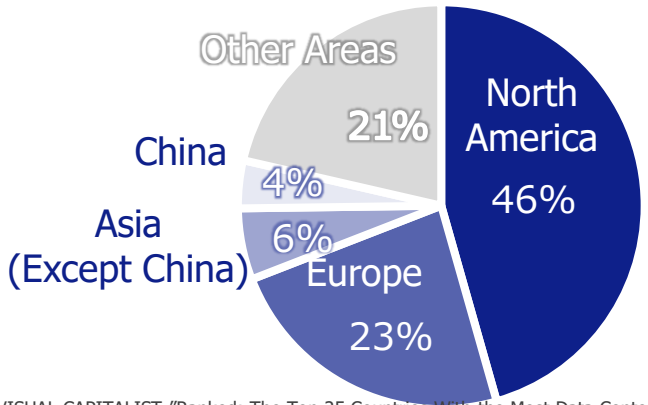
# Expansion of Electronic Components Sales in the Data Center Market

- Focusing on the North American market, where demand for data centers is concentrated, while also strengthening sales expansion in the ASEAN and Japanese markets.

## Market Size & Regional Distribution




Source: Fuji Chimera Research Institute, Inc. "2024 Data Center, AI/Key Device Market Survey"
Market size trends by category (overall, power systems, cooling systems) based data created & translated by Tamura Corporation




Source: VISUAL CAPITALIST "Ranked: The Top 25 Countries With the Most Data Centers" based data created by Tamura Corporation

## Sales Expansion Strategy for Electronic Components

### Increase share with existing customers and acquire new projects

Strength

- **Technology** Supporting high-frequency, high-capacity, and high-voltage requirements
- **Global Supply Capabilities** 8 production site for large transformers & reactors
- **Total Solution** Combining modules with large transformers & reactors
- **High Market Share** Gaining share among major customers' PDUs

Approx. 20% share of PDU transformers in the North American data center market *based on our research

### Strengthen Production & Sales Framework in Europe and the Americas

Initiatives

- **Mexico** Second plant to begin operation in Feb. 2025; enhancing production of large transformers & reactors
- **Japan** Establishing production systems for module products
- **Midwestern U.S.** Considering new sales office to expand coverage

### FY2027 Target

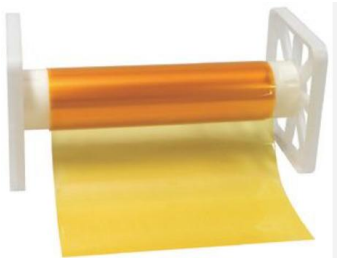
| | | | |
|---|---|---|---|
| Data Center Market Sales | vs. FY2024 Approx. **30%** UP | Electronic components sales ratio in Europe and the Americas | Approx. **40%** |

# Strategy 6-4: Examples of Tamura Group's initiatives to address opportunities (business strategies)
# Photo Imageable Coverlay Coat (PICC) for Flexible PCBs Sales Expansion

◆ Expanding PICC sales for high-density, high-functionality, and thinner flexible PCBs

## Features of Photo Imageable Coverlay Coat (PICC)

PICC = Photo Imageable Coverlay Coat



| | Conventional Products (Coverlay) | PICC | Competing Products |
|---|---|---|---|
| Fine Processing Capability (Compatible with Photolithography) | × | ○ | ○ |
| High-density component mounting | × | ○ | △ |
| Bendability | ○ | ○ | ○ |
| Low Rebound | △ | ○ | ○ |
| Repeated Bending | ○ | △ | × |

*Based on our research

## Sales Opportunities from Technological Advancements

AI-equipped Smartphone

Expansion of battery space

↓

Demand for space efficiency

↓

High-density, high-functionality, and thinness of circuit boards

**Progress in the adoption of Photo Imageable Coverlay Coat (PICC)**

SDV Sensors / Displays

**Further expansion into various applications**

Healthcare / Wearables


AI Server Peripheral Sensor PCBs, etc.

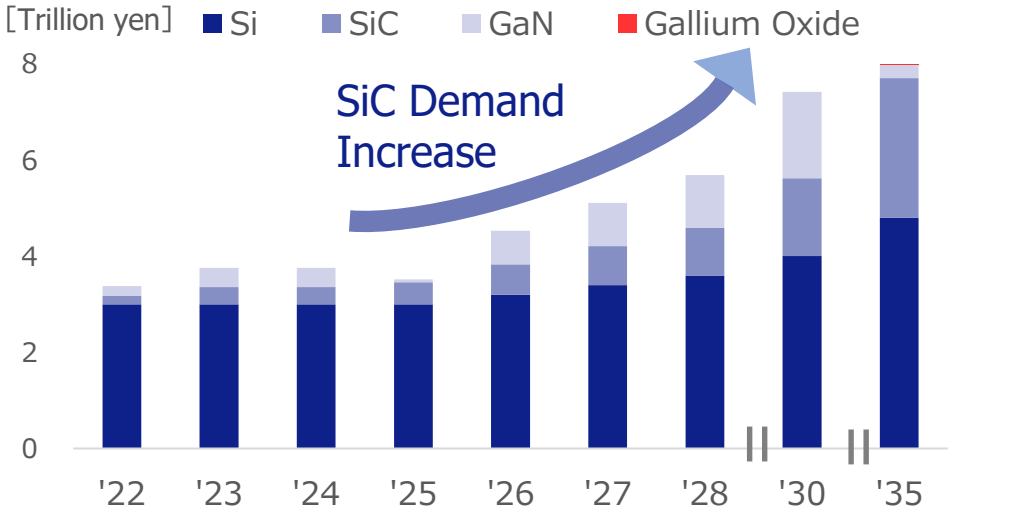
**Promote the development of low dielectric materials to further reduce transmission energy loss**

# Strategy 6-5: Examples of Tamura Group's initiatives to address opportunities (business strategies)

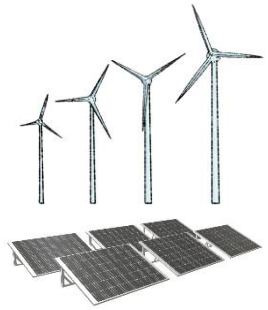
## Development of High Heat Resistant Materials for Power Electronics

◆ Promoting the development of soldering materials that combine metal bonding technology and paste technology for SiC power devices, which are becoming smaller and more highly integrated

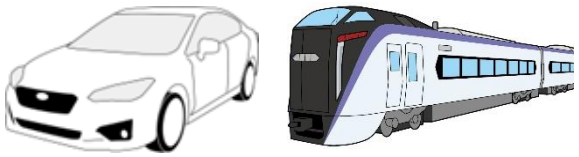
### Global Market for Power Semiconductors and Expanding Areas




Source: Fuji Keizai, '2025 Edition - Current Status and Future Outlook of the Next-Generation Power Device Market' the global power semiconductor market, based data created by Tamura Corporation

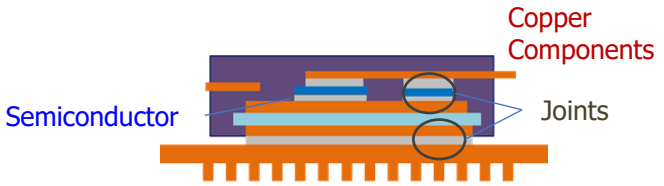


Renewable Energy



Mobility

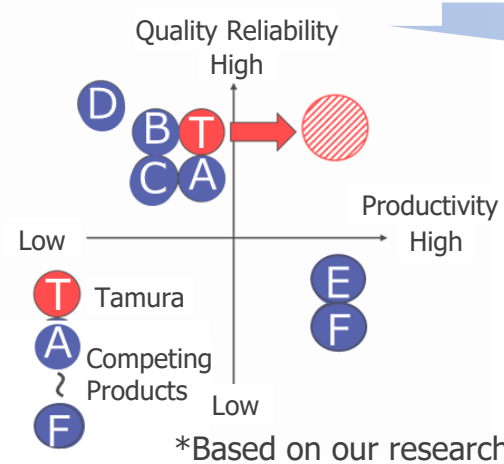
### Device structures expected to be applied




Demand for increased power supply

Demand for improved heat dissipation

- Small device structure
- Structure that cannot be pressurized during joining
- Measures for copper material joining strength
- Stable continuous supply with printing / dispensing
- Power cycle support over 200°C
- Lead-free for environmental compliance




*Based on our research

**Metal Bonding Technology x Paste Technology**

**Development of high heat-resistant bonding materials for SiC power devices**

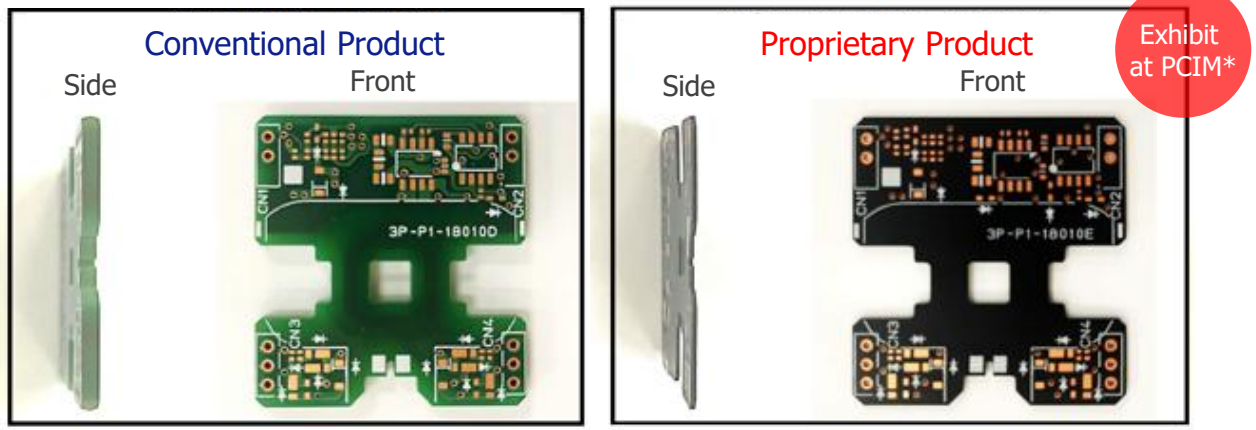
# Strategy 6-6: Examples of Tamura Group's initiatives to address opportunities (business strategies)

# Development of Composite Multilayer Substrates for Next-Generation Power Modules

- Integrating Electronic Component and Electronic Chemical technologies to uniquely develop high-precision, high-reliability composite multilayer substrates

## Prototype example of proprietary composite multilayer substrate

### When used in gate driver module substrates



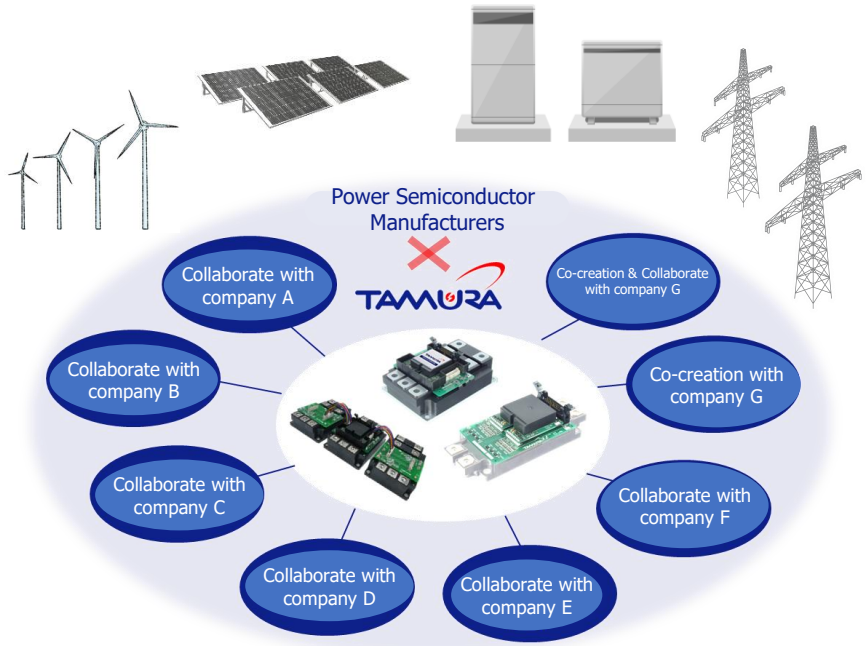

| | | |
|---|---|---|
| Thickness（2.4mm） | ⇒ | **Less than half** |
| Dielectric strength performance | ⇒ | **Equivalent** |
| Dielectric constant | ⇒ | **Reduced by more than 30%** |
| ⇒Parasitic capacitance | | **⇒Significant reduction possible** |

**Driving power modules operating at high voltage and high frequency while ensuring high precision and reliability**

**Establishing the 'Advanced Power Electronics Technology Research Institute' in July 2025 to accelerate next-generation product development by integrating Chemicals and Electronic Components**

*PCIM:PCIM Europe held in Germany in May 2025

## Gate Driver Module Expansion Strategy




With the evolution of next-generation power semiconductors, market and business opportunities are expanding (e.g., wind power, solar power, energy storage, and power transmission & distribution)

Entered the market through collaboration and co-creation with multiple domestic and international power semiconductor manufacturers (e.g., technical collaboration during product development, joint development of inverter stacks for sales expansion)

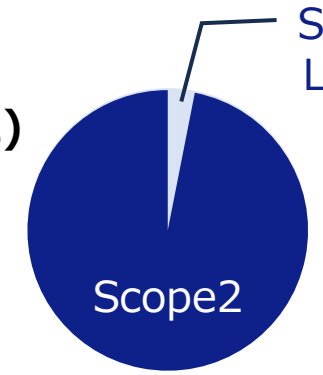
# Strategy 7-1: Examples of Tamura Group's efforts to address risks (decarbonization-related)

## Review of goals and measures

### Tamura Group Greenhouse Gas Reduction Targets until March 2025 (Scope 1 and 2)

| base year | Final year of the 13th Medium-term Management Plan (FY2024) | FY2030 |
|---|---|---|
| 2013 | 33%(Reduced by 3% per year) | More than 51% reduction |

*1. Emissions related to the new factory should be added to past fiscal years including the base year, in order to appropriately evaluate reduction efforts after the start of operations.
*2. As a general rule, the emission factor should be based on the emission factor of the electricity purchased under contract (which fluctuates annually).



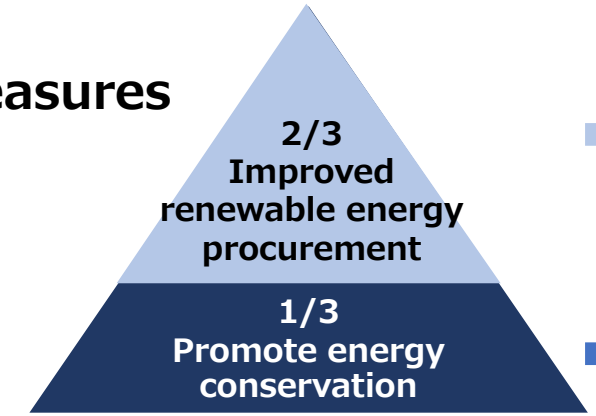

Tamura Group
Scope1、2
breakdown

### Tamura Group Greenhouse Gas Reduction Targets (New) from April 2025 (Scope 1 and 2)

| base year | Final year of the 14th Medium-term Management Plan (FY2027) | FY2030 | FY2050 |
|---|---|---|---|
| 2021 | 25%(Reduced by 4.2% per year) | More than 38% reduction | Carbon Neutral |

* 1 The emission factor is, in principle, the emission factor for electricity purchased based on a contract (which varies annually).

## Measures




**Renewable energy procurement**
**※ : Responding to customer requests and compensating for the inability to achieve the overall plan through energy conservation**
**→ Installation of solar power equipment, procurement of renewable energy, purchase of certificates, etc.**

*Renewable energy procurement ratio target: 35% or more in fiscal 2027

**Promoting energy conservation: Improve energy (electricity consumption) intensity by an average of 1% or more per year**
**→Visualize energy, introduce and update energy-saving equipment, utilize energy-saving diagnostics, etc.**

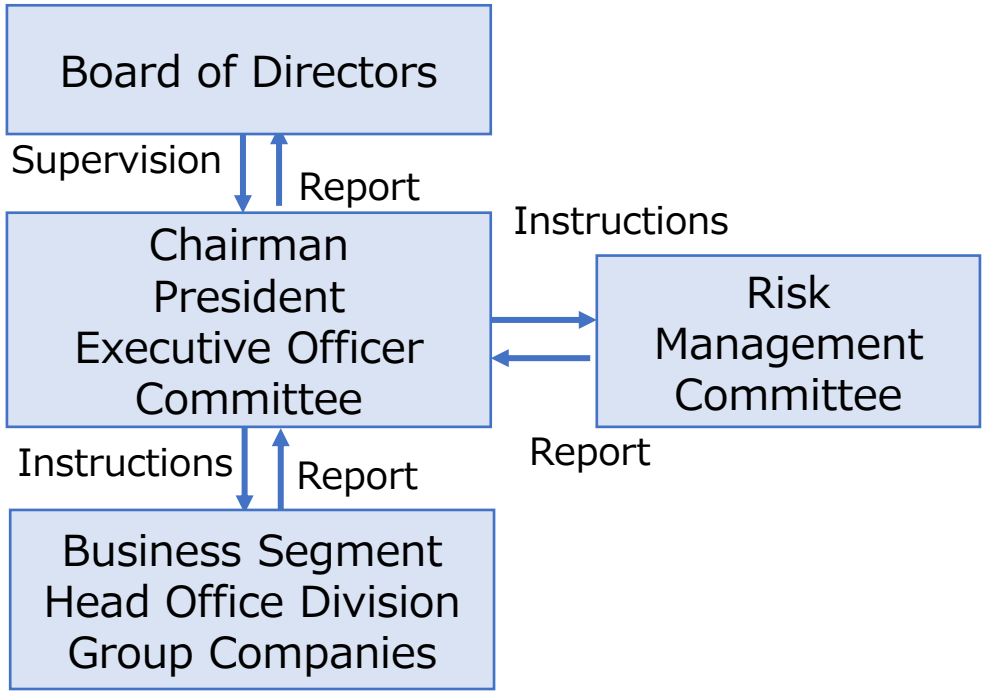
# Strategy 7-2: Examples of Tamura Group's efforts to address risks (decarbonization-related)

| Item | Measures | Progress up to fiscal 2024 | Future plans |
|---|---|---|---|
| **Energy Conservation Promotion**<br><br>Set a target of improving energy (electricity usage) intensity by more than 1% at all sites. | Energy Efficiency Diagnosis and Implementation of Energy-Saving Measures | ・SAKADO FACTORY（2022）<br>・WAKAYANAGI TAMURA CORPORATION (2022)<br>・TAMURA CORPORATION / TOKYO FACTORY（2023）<br>・IRUMA FACTORY（2023） | Introduction of Energy-Efficient Equipment |
| | ZEB/ZEF Implementation at Business Sites | ・SAKADO FACTORY<br>Building A: Nearly ZEB Office Building (2019) | To Be Considered During the Construction of New Sites |
| **Renewable Energy Procurement**<br><br>Respond to customer requirements and compensate for the portion of the overall plan that cannot be achieved through energy conservation alone. | Utilization of Solar Power Generation | ・SAKADO FACTORY<br>Building A & B: Solar Power System Installed (2019)<br>Building C: Solar Power System Installed via PPA (2022)<br>・TAMURA ELECTRONICS (SUZHOU) CO., LTD.（China） (2021)<br>・TAMURA ELECTRONICS (M) SDN. BHD.（2023）<br>・TAMURA EUROPE LIMITED O.S. (CZECH BRANCH)(2023) | Confirm Stakeholder Requirements and Consider Installation of Solar Power Systems at Feasible Sites |
| | Renewable Energy Power Contracts and Purchase of Green Certificates | ・100% Renewable Energy Usage at Five Business Sites in the Tokyo Metropolitan Area (2022)<br>・TAMURA ELSOLD GMBH（Germany） : 35%（2022）<br>・AIZU TAMURA CORPORATION : 30%（2022）→50%(2024) | Confirm Stakeholder Requirements and Gradually Consider Implementation |
| **Strengthening Management** | Integration of EMS (Environmental Management System) | Integration of Environmental Management Systems Across Group Consolidated Sites<br>(Total of 28 sites as of March 2025) | Ongoing Integration of New Sites |

# Risk Management 1: Risk Management Framework

- Identification, Assessment, and Management of Climate Change Risks and Enterprise Risk Management
  - Tamura Group has established internal regulations such as the Risk Management and Crisis Management Rules, Whistleblower Rules, and Information Management Rules to promptly and appropriately respond to risks that may directly or indirectly affect its management or business operations. Based on these regulations, the Group conducts risk management activities. In fiscal year 2023, Tamura Group restructured its Enterprise Risk Management (ERM) system, recognizing and evaluating climate-related risks as one of the key areas of management. These risks are managed and promoted under the governance framework shown in the diagram below.

- The Risk Management Committee identifies potential risks, evaluates each risk item based on its potential impact, likelihood of occurrence, and current response status, and selects key risks to formulate countermeasures.
- The proposed key risks and countermeasures are reviewed by the Executive Officer Committee and approved by the Board of Directors.
- The Executive Officer Committee receives reports on the status of countermeasures for each key risk through the Risk Management Committee, monitors progress and manages implementation.
- The results are reported to the Board of Directors twice a year by the Executive Officer Committee.

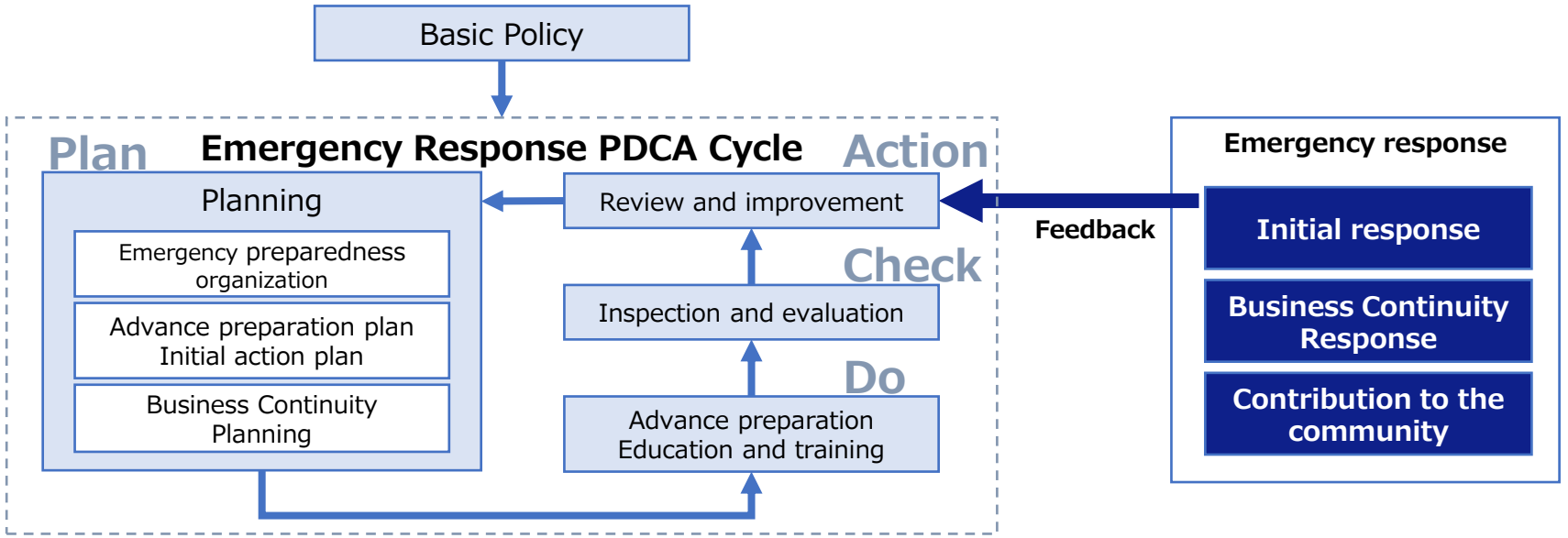


# Risk Management 2: Risk Management Framework
## Preparing for physical risks due to climate change

- **Management Based on Tamura Group Emergency Response Guidelines**
  - Each business division and site formulates emergency response plans (BCPs) based on the Tamura Group Emergency Response Guidelines and accompanying checklists.
  - Progress of these plans is regularly monitored, and Business Continuity Management (BCM) is implemented to ensure they remain in optimal condition.
  - Additionally, through risk assessments conducted by the Risk Management Committee, delays in formulating business continuity plans due to disasters and other events are identified as critical risks and are subject to focused management.

◆ Business Continuity Management (BCM)

Regularly run the PDCA cycle for emergency preparedness measures



# Risk Management 3: Crisis Management Framework
## Responses when physical risks due to climate change emerge

- Under the Risk and Crisis Management Regulations, Tamura Group has established procedures for reporting, responding to, and documenting events that may impact management.
  - Reporting Subject: Incidents that have caused or may potentially cause a management crisis.
  - Reporting Method: Mass notification via web-based system*, and any other available means.
  - Timing: Immediate reporting upon recognition of the relevant incident.
  - Reporting Recipients: President, Directors, Executive Management, and other relevant parties.
  - Response: The severity and scope of each incident are assessed to determine the risk level.

    Designated responsible personnel respond according to the risk level and report progress to the President. Depending on the seriousness of the crisis, a Crisis Management Headquarters may be established.
  - Status Reporting: President reports the response progress to the Board of Directors.

＊Mass Notification via Web System: Alarm Escalation Web Reporting System
- This system allows users to input incident details via a web interface, which are then instantly transmitted to executive management.
- Its purpose is to enable early response and minimize potential losses.

# Indicators and Goals 1: Business Strategy

To enhance profitability and achieve sustainable growth, the business portfolio is being restructured, and key products from core businesses are being introduced into strategic markets.

| | | |
|---|---|---|
| • Core Business | Carbon neutral related business | Electronic Components and Electronic Chemical Materials |
| • Key Markets | Clean Energy-related Markets | ・Power Infrastructure<br>・Heavy Industry<br>・Next-generation Communications<br>・Mobility |

- Indicators and Goals

| Core Business Key Markets | Index | FY2027 target |
|---|---|---|
| Carbon neutral related business | Sales<br>Operating profit<br>Operating profit margin | ≧100 billion yen<br>≧8 billion yen<br>≧8% |
| Clean Energy-related Markets | Percentage of sales in key markets in core business | 36% |

# Indicators and targets 2: Greenhouse gas emissions reduction targets and results until FY2024

The Tamura Group has established three common goals in its environmental policy:

1. Increasing the sales ratio of environmentally friendly products
2. Reducing environmentally hazardous substances
3. Reducing greenhouse gas emissions

- Furthermore, in its sustainability strategy, the Group identifies “Contributing to Global Environmental Conservation and the Realization of a Decarbonized Company” as one of its material issues. To this end, it actively engages in environmental conservation activities such as energy-saving measures and the use of renewable energy.

- In May 2021, the Tamura Group set its fiscal 2030 target for reducing greenhouse gas emissions (Scope 1 and Scope 2) to a reduction of 51% or more compared to fiscal 2013 levels, with implementation beginning in fiscal 2022. Additionally, by the final year of the 13th Medium-Term Management Plan (fiscal 2024), the Group aimed for a 33% reduction compared to fiscal 2013.
- In fiscal 2024, the Group exceeded its target, achieving a reduction of approximately 38% compared to fiscal 2013.

| Base year | FY2024 Goals | FY2024 Results | Initiatives taken |
|---|---|---|---|
| 2013 | 33% reduction | About 38% reduction | ・Reduction of Electricity Consumption through Energy-Saving Initiatives in In-House Processes<br>・Installation of solar power generation systems<br>・Procurement of renewable energy |

- Looking ahead, in addition to reducing Scope 1 and Scope 2 emissions, the Tamura Group will work to identify and refine Scope 3 emissions across the entire supply chain and consider setting reduction targets.

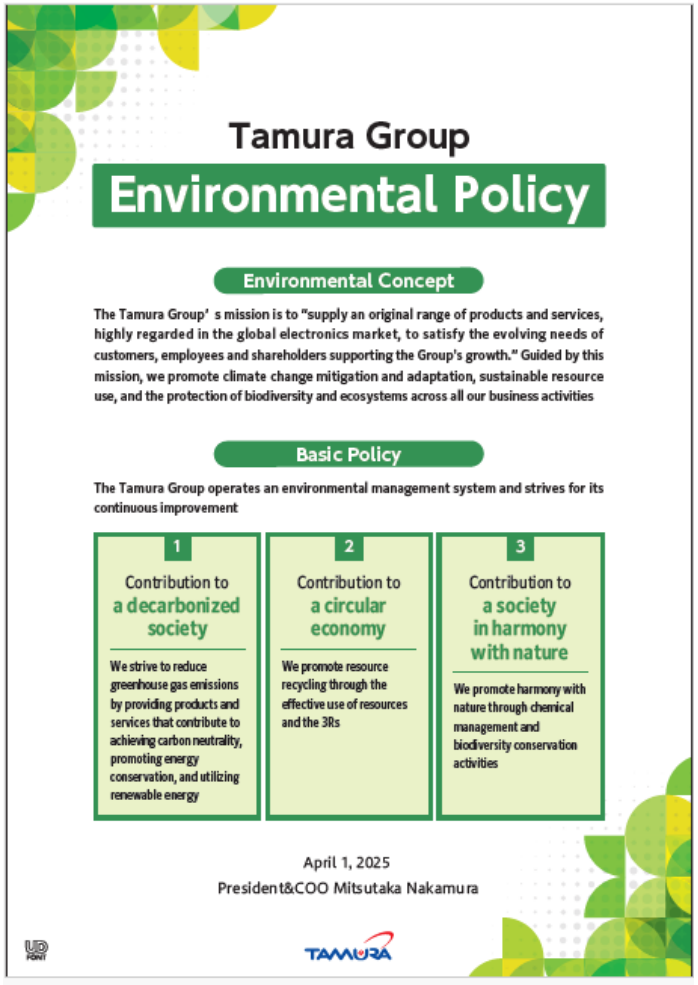
Environment | TAMURA CORPORATION

# Indicators and Goals 3: Environmental Policy and Greenhouse Gas Emissions Reduction Goals from FY2025

- In April 2025, the Tamura Group revised its environmental policy.
  - Based on its corporate philosophy, the Group established an environmental principle to promote climate change mitigation, climate change adaptation, sustainable resource use, and the protection of biodiversity and ecosystems through all corporate activities.
  - The Group also defined its basic policies as the continuous improvement of its Environmental Management System (EMS), and contributions to a decarbonized society, a resource-circulating society, and a nature-symbiotic society.

- In April 2025, the Tamura Group revised its greenhouse gas emissions reduction targets.
  - Scope: Scope 1 and Scope 2
  - Base Year: Fiscal Year 2021
  - Reduction Rate: 4.2% or more annually (aligned with the SBT 1.5°C target)
  - Long-Term Goal: Achieve carbon neutrality by fiscal year 2050
  - Renewable Energy Procurement Target: 35% or more by fiscal year 2027

| Base year | FY2027 Goals | FY2030 target | FY2050 target |
|---|---|---|---|
| 2021年 | 25% reduction | More than 38% reduction | Carbon Neutral |



Tamura Group

Environmental Policy

Environmental Concept

The Tamura Group' s mission is to "supply an original range of products and services, highly regarded in the global electronics market, to satisfy the evolving needs of customers, employees and shareholders supporting the Group's growth." Guided by this mission, we promote climate change mitigation and adaptation, sustainable resource use, and the protection of biodiversity and ecosystems across all our business activities

Basic Policy

The Tamura Group operates an environmental management system and strives for its continuous improvement

1 Contribution to a decarbonized society

We strive to reduce greenhouse gas emissions by providing products and services that contribute to achieving carbon neutrality, promoting energy conservation, and utilizing renewable energy

2 Contribution to a circular economy

We promote resource recycling through the effective use of resources and the 3Rs

3 Contribution to a society in harmony with nature

We promote harmony with nature through chemical management and biodiversity conservation activities

April 1, 2025

President&COO Mitsutaka Nakamura

TAMURA

[Environment | TAMURA CORPORATION]

# Overview of Tamura Group's response to climate change

- **Climate Change**
- To limit global temperature rise to below 1.5°C, efforts toward achieving net-zero greenhouse gas emissions by 2050 are expected to accelerate.

- **Risk**
- Based on this assumption, the Tamura Group considers that transition risks associated with the shift to a decarbonized society are likely to increase more significantly than physical risks. However, the changes brought about by this transition are viewed not only as risks but also as major business opportunities for the Tamura Group.

- **Opportunity**
- To capitalize on these opportunities, the Tamura Group has designated the clean energy-related market as a strategic focus area. The Group aims to expand sales of core and high-value-added products in this market, while also pursuing the development of differentiated magnetic passive components tailored to next-generation power semiconductors. Through these efforts, the Group contributes to the realization of a decarbonized society.

- **Risk Mitigation Measures**
- To address rising costs associated with the transition to a decarbonized society, the Tamura Group will improve capital efficiency and enhance profitability. In response to stakeholder expectations regarding decarbonization, the Group is promoting energy-saving measures for production equipment and the adoption of renewable energy.
- Additionally, the Group will continue to plan and evaluate initiatives that contribute to decarbonization across the entire supply chain.
- To minimize the impact of increasing physical risks, the Group will maintain and improve effective business continuity plans.

# Disclaimer

The analysis of risks and opportunities, their impacts, and related strategies presented in this document are based on assumptions derived from current forecasts of future environmental conditions.

This document does not constitute a guarantee of the Tamura Group’s future performance.