Sustainability Initiatives

A&D HOLON Holdings Company, Limited

Nov 27, 2026

TSE Prime Market: 7745

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To Our Stakeholders

"We aim to be a corporate group that contributes to the development of science and technology, the advancement of industry, and the health of people's lives by providing society with the "measurement" technologies we have cultivated over many years. Doing so will contribute to the creation of a prosperous and sustainable society on a global scale." - this is our Group's corporate philosophy. Our unwavering dedication to our policy paves the way for sustainable growth and the generation of shared value. As we work to achieve our objectives, we would like to share our organization's perspective on sustainability and outline our related initiatives within this document.

Central to every technology we develop is the concept of 'Measurement.' This principle is crucial in building a sustainable society. Precise measurement is key to addressing a multitude of social and environmental challenges. In today's world, we confront numerous issues such as climate change, resource depletion, and social inequality. Amidst these rapid changes, our 'measurement' technology serves as a cornerstone supporting emerging industries and fostering innovation.

We will master the "measurement" technology we have been committed to developing since our founding and work together as a group to be a company that contributes to solving challenges faced by society and our customers in the global market.

Representative Director



Sustainability Policy



Our Group aims to realize a prosperous and sustainable society and increase its corporate value over the medium-to-long term by contributing to solving social issues through our business activities in the fields of measuring and weighing, medical and health care, and semiconductors. We will do this by actively promoting environmental conservation and efforts to reduce our environmental impact through cutting-edge and diverse "measurement" technologies.

Contribute to advancement of the environment, society, and stakeholders by promoting materiality initiatives to realize our Sustainability Policy.

1 Enhance management capable of both solving social issues and realizing economic growth

We aim to be a group that is both socially and economically oriented by making the promotion of solutions to social issues, such as the reduction of environmental impact, the source of our growth and development.

Example measures

- ✓ Promote development and sales of eco-products
- ✓ Promote switching to more environmentally friendly production materials
- ✓ Promote efforts to achieve carbon neutrality etc.



2 Strengthen partnerships with local communities and stakeholders to become a sustainable company that enriches the future

By creating new value through the power of collaboration, we aim to be a sustainable company that contributes to the future of the Earth, its countries, regions, and stakeholders.

Example measures

- ✓ Conduct activities that contribute to regional and social development
- ✓ Provide assistance for natural disasters
- ✓ Strengthen partnerships etc.



3 Strengthen management of diverse and sustainable human capital

We aim to become a highly engaged company that is chosen by its employees by accelerating human capital investment that promotes self-improvement of each and every member of our diverse workforce.

Example measures

- ✓ Build a system that fosters talent development, engagement and retention
- ✓ Initiatives to improve employee engagement
- ✓ Provide growth opportunities to optimize employee careers etc.



4 Maximize customer and corporate value by building a strong corporate foundation

By integrating IT technologies into our Group's management systems, we strive to optimize and maximize customer value. At the same time, by further strengthening transparent corporate management, we aim to become a global company that is chosen and trusted by customers and society.

Example measures

- ✓ Streamline and create new added value through DX
- ✓ Strengthen initiatives to maintain transparent corporate management etc.



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Background of Information Disclosure

Our Group recognizes that addressing environmental issues, including climate change, is an important management issue that will also lead to profit-earning opportunities, and is working to develop products that contribute to reducing CO_2 emissions and solving environmental problems.
We assess risks and opportunities based on the framework proposed by the TCFD and disclose climate-related information in accordance with its recommendations.

Governance

The Sustainability Committee was established in April 2023 to support internal and external stakeholders in achieving a sustainable society and environment while increasing our Group's corporate value over the medium to long term. Chaired by the director in charge of the General Affairs Department and composed of internal directors and managers from our business divisions, the Committee sets basic policies for sustainability management, deliberates on measures to address issues, and oversees activities. Additionally, the Sustainability Committee supervises three subcommittees: the Social & Environmental Subcommittee, the Risk Management Subcommittee, and the Governance Subcommittee. These subcommittees implement climate change-related measures. The Sustainability Committee reports its deliberations to the Board of Directors as needed and regularly discloses information on sustainability policies and activities to internal and external stakeholders.

Strategy

Scenario Analysis

We conducted an analysis using two scenarios based on the framework proposed by the TCFD. Qualitative and quantitative risk analyses were conducted for 1.5°C/2°C and 4°C scenarios, referring to the World Energy Outlook (WEO) prepared by the International Energy Agency (IEA) and the Representative Concentration Pathways (RCP) prepared by the Intergovernmental Panel on Climate Change (IPCC). The 1.5°C/2°C scenario refers to a scenario in which the transition to a decarbonized society progresses, and the 4°C scenario refers to a scenario in which current emission regulations, etc., are maintained. By analyzing these scenarios, we have examined how climate-related matters might affect our business, strategy, and financial plans. A summary of each scenario is shown in the following table.

		Less Than 1.5°C/2°C Scenario	4°C Scenario
Overview		The temperature rise in 2030 will be limited to approx. 1.5°C compared to pre-industrial times. Emission regulations such as carbon taxes and emissions trading, as well as energy conservation, have been tightened and business is greatly affected by transition risks.	The temperature rise in 2030 will increase to approx. 4°C compared to pre-industrial times. Emission controls and other regulations are unchanged, and business is greatly affected by the physical risks of extreme weather events and rising temperatures.
Scenario	**Transition**	Net-Zero Emissions by 2050 scenario (NZE) Sustainable Development Scenario (SDS)	Stated Policy Scenario (STEPS)
	Physical	Representative Concentration Pathways (RCP2.6)	Representative Concentration Pathways (RCP8.5)

Strategy

Qualitative Analysis - Risks & Opportunities

Based on a set of scenarios, we have qualitatively analyzed the events that are risks and opportunities for our business among the impacts caused by climate change. The table in the next section shows the events that have a significant impact.

The results of the analysis indicate that the transition risks in the 1.5°C/2°C scenario include financial impacts from policies such as carbon taxes and plastic regulations and reputational impacts from changes in customer and investor attitudes, whereas the physical risks in the 4°C scenario include the impacts from natural disaster response and response to rising temperatures. Our response to these issues is implemented and reviewed by the "Social & Environmental Committee" and the "Risk Management Committee".

Risk Management

The Group's Sustainability Committee is responsible for overall management of company-wide risks in accordance with the Risk Management Regulations. The Risk Management Subcommittee has been established under the Sustainability Committee to discuss issues and measures related to risk management. The Social & Environmental Subcommittee identifies climate change-related risks and these are shared with the Sustainability Committee by way of the Risk Management Subcommittee. The deliberations of the Sustainability Committee are reported to the Board of Directors on a case-by-case basis, and are reflected in the Group's strategies based on the deliberations of the Board of Directors.

Main Risks Related to Climate Change

Type	Category	Major Risks	Response Policies
Transition risk	Policy/ Regulation	• Increased manufacturing and procurement costs due to the introduction of a carbon tax that includes the company and its suppliers in the tax base • Costs incurred in switching to alternative materials due to restrictions on the use of disposable plastic materials for packaging materials	• Promotion of electricity reduction through equipment upgrades and other measures • Introduction of renewable energy • Setting of goals and implementation of reduction plans toward carbon neutrality • Promotion of initiatives to reduce plastic consumption
	Technology	• Lost sales opportunities due to delays in responding to customer demands, etc., in response to growing needs for decarbonization, renewable energy, and energy conservation • Decline in demand for hydraulic testing equipment and products for internal combustion engines due to the shift to electrification	• Early collection of information on changing customer requirements in sales regions, and development and sales promotion in response to such requirements • Development and sales promotion of testing equipment for electrification and electric vehicle development
	Reputation	• Decrease in reputation and corporate value among stakeholders when climate change measures and information disclosure are deemed inadequate	• Establishment of interim targets toward carbon neutrality in 2050 and efforts to reduce CO_2 emissions and efforts to reduce CO_2 emissions • Enhancement of information disclosure
Physical risk	Acute	• Damage to the company's sites and impact on the supply chain due to severe extreme weather events	• Formulation and review of Business Continuity Plan (BCP) • Establishment of a framework for stable procurement

Business Opportunities Related to Climate Change

Industry	Business Segment	Main Opportunities	Response Policies
Automobiles	Weighing Equipment/ MCS Equipment*	• Increased demand for materials to increase production of rechargeable batteries and to extend cruising range for EVs • Increased demand for testing equipment, etc., due to accelerated development of environmentally friendly vehicles, such as EVs and FCVs • Increasing demand for new vehicle and tire testing equipment due to increased weight of electric vehicles	• Expansion of supply of high precision weighing sensors used in the production of rechargeable batteries for integration into production lines • Aim for expansion of applications, and promotion of support for testing systems for electric vehicles • Promotion of supply of tire testing machines that utilize high-capacity force sensors
Materials	Measuring Equipment/ Weighing Equipment	• Increased demand due to intensified development activity related to CO_2 Capture, Utilization, and Storage (CCUS) • Growing corporate and individual awareness of the need to curb climate change is driving substitution of renewable natural materials and the development of recycled materials	• Sales promotion of evaluation equipment (material testing machines and property testing machines) and analytical instruments (gas analyzers and analytical balances) for CCUS-related R&D • Sales promotion of evaluation equipment (material testing machines and property testing machines) for containers and packaging materials using recyclable materials
Energy	Measuring Equipment/ MCS Equipment*	• Increased demand for related solutions due to accelerated development in pursuit of more efficient power supply and demand • Demand for related testing machines, etc., is increasing due to the promotion of substitution of alternative fuels, such as hydrogen and ammonia	• Promotion of development and supply of products that factor into efforts to improve the operational efficiency of power systems, etc. (utilizing existing iTest and HILS equipment) • Supply of solutions, such as gas analyzers for alternative fuels, systems to evaluate catalysts, etc.

* MCS equipment refers to products formerly categorized as DSP equipment. (MCS: Measurement Control Simulation)

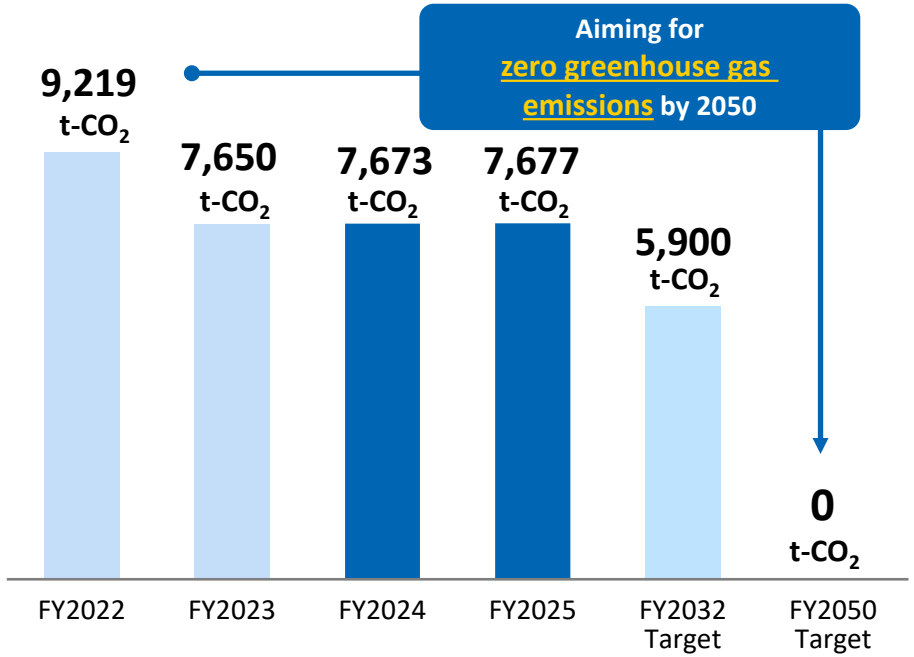
Business Opportunities Related to Climate Change

Industry	Business Segment	Main Opportunities	Response Policies
Food	**Weighing Equipment**	• Increased demand for inspection equipment to check for foreign objects in food production and processing, reducing food wastage.	• Strengthen supply of line inspection equipment, such as weight checkers, metal detectors, and X-ray inspection machines, and use AI technology to improve inspection accuracy.
Medical	**Medical Equipment**	• Increased demand for new markets due to progress in deregulation of telemedicine • Need for products with reduced environmental impact due to development of low-carbon materials, creating new demand.	• Promotion of development of new products that support healthcare data on the cloud • Promotion of development of lightweight and high-strength medical weighing equipment
Health	**Healthcare Equipment**	• Growing awareness of the need to curb climate change and increasing demand for environmentally friendly products	• Promotion of development of rechargeable batteries and other renewable energy-compatible products • Promotion of development of products that lead to reduction of parts and materials (e.g. hoseless blood pressure monitors)
Semiconductors	**Semiconductor-related**	• Increasing need for higher functionality and faster processing speeds in semiconductor devices due to the advancement of DX • Increased demand for power semiconductors due to growing demand for higher efficiency (energy saving and power saving) mainly in the EV and industrial equipment markets	• Promotion of development of photomask-related measurement equipment to support the miniaturization of semiconductor devices • Expansion of supply of semiconductor-related equipment, such as electron guns, power supplies, and A/D and D/A converters

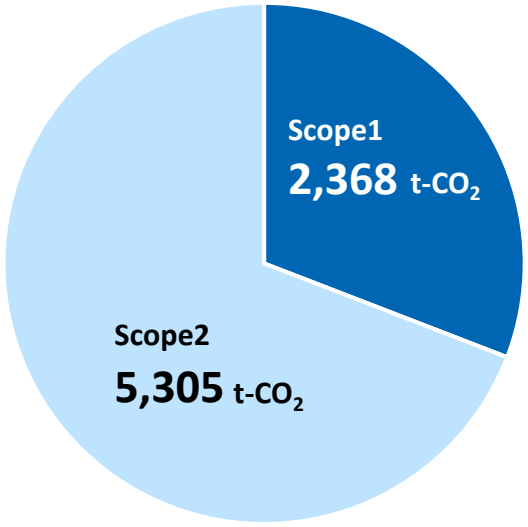
Indicators & Targets

In order to take climate change-related risks into account in our business strategies, we identify, assess, and manage climate change-related risks using greenhouse gas (GHG) emissions, especially carbon dioxide (CO_2) emissions, which are considered a cause of climate change, as an indicator. Our goal is to achieve carbon neutrality by 2050. Furthermore, we have set a quantitative interim target of a 36% reduction by fiscal year 2032 (compared to fiscal year 2022). Specifically, we envision that emissions will be reduced to net zero by promoting the use of renewable energy sources while at the same time working to conserve energy. Fiscal year 2025 emissions result was 7,677 t-CO_2 (+4 t-CO_2 year-on-year). Although Scope 2 emissions increased due to factors such as higher electricity consumption resulting from the start of operations at the new HOLON factory in January 2026, Scope 1 emissions decreased as a result of reduced gasoline consumption achieved through measures such as switching to hybrid vehicles. As a result, total emissions remained at roughly the same level as the previous year. Calculation of Scope 3 emissions will be examined in the future.

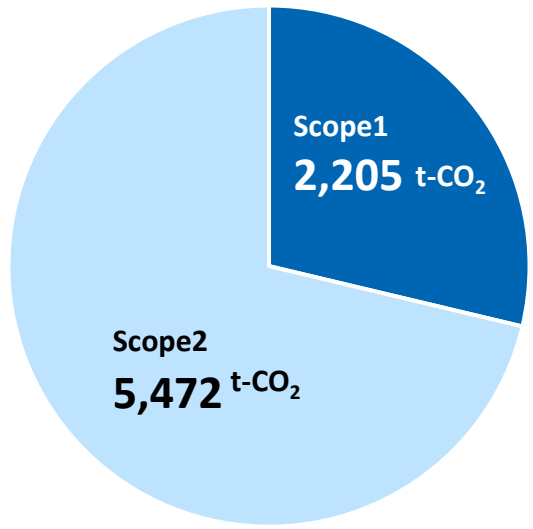
Greenhouse Gas Reduction Targets (Scope 1+2)



Breakdown of Emissions in FY2024



Breakdown of Emissions in FY2025



* Calculation Criteria: Calculated in accordance with GHG Protocol
* Aggregate Scope: 17 domestic and overseas group companies (data coverage: FY2024: 100% of sales, FY2025: 100% of sales)

* Scope 1: Direct emissions (gasoline, kerosene, diesel oil, LPG, city gas)
* Scope 2: Indirect energy-derived emissions (electricity)

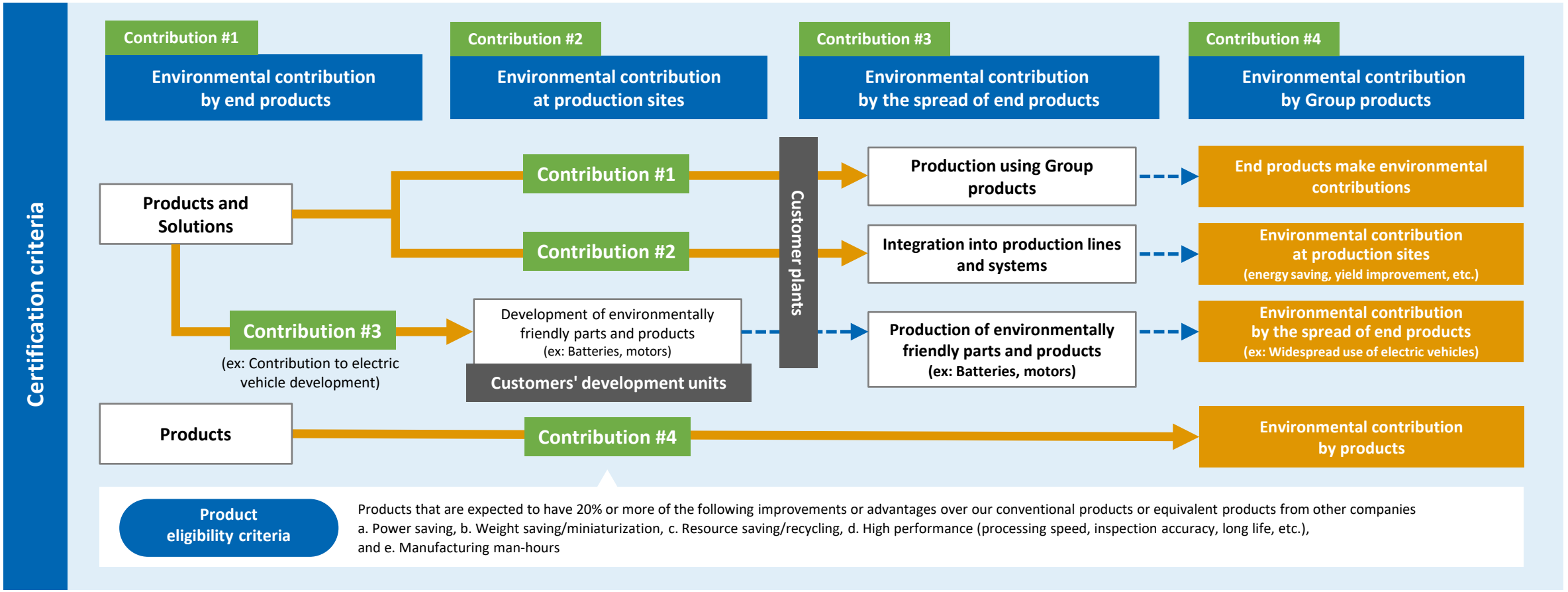
A&D HOLON Eco-Products Certification System

In November 2024, we introduced the A&D HOLON Eco-Products Certification System to certify our own environmentally friendly products.

17 products were certified in fiscal year 2026, bringing the cumulative total since fiscal year 2024 to 40 certified products. Eco-products accounted for 17% of total group product sales in fiscal year 2025.

By encouraging the development and sales of environmentally friendly products, we will work to reduce environmental impact and preserve the global environment.

Certification label



Sustainability Initiatives

Certified Products in FY2026 | **Medical and Healthcare Equipment Business**

Contribution #4 — Upper Arm Blood Pressure Monitor With Bluetooth and Cellular Connectivity



Home upper arm blood pressure monitor equipped with Bluetooth connectivity (domestic and international) and cellular connectivity (international). Measurement results are automatically saved to an app or cloud server, eliminating the need for logbooks and recording sheets, and contributing to resource conservation (paperless operation).

Contribution #4 — Weight Scale / Body Composition Analyzer for Overseas Markets Equipped with Bluetooth and Cellular Connectivity



Home weight scale and body composition analyzer for overseas markets, equipped with Bluetooth and cellular connectivity. Measurement results are automatically saved to an app or cloud server, eliminating the need for recording sheets, and contributing to resource conservation (paperless operation).

Contribution #4 — Upper Arm Blood Pressure Monitor (Entry-Level Model for Overseas Markets)



Affordable entry model made for Europe and North America. By reducing the number of parts and reviewing the design and the internal layout, the main unit was downsized by approximately 21%, cuff weight reduced by approximately 30%, and materials used for the PCB and cuff hose reduced by approximately 30%, contributing to lower environmental impact.

Certification criteria

- **Contribution #1** — Environmental contribution by end products
- **Contribution #2** — Environmental contribution at production sites
- **Contribution #3** — Environmental contribution by the spread of end products
- **Contribution #4** — Environmental contribution by Group products

Sustainability Initiatives

Certified Products in FY2026 — Measuring and Weighing instruments Business

Contribution #4 — Dustproof and Waterproof Analytical/Precision Balance FZ/FX/FZ-WP/FX-WP Series



Standard-level analytical/precision balances. Compact, high-precision, and available in a wide range of models, these products are used in a variety of settings, including production lines, research, and quality control. Power consumption is reduced by 67% compared to conventional products, contributing to energy savings.

Contribution #4 — Compact Balance EK Series



Compact, lightweight, and portable entry-level model. Featuring an easy-to-read, high-contrast backlit LCD and a wide range of communication options, it is suitable for a broad spectrum of applications, from educational settings to research, manufacturing, and inspection environments. With a 37% improvement in response speed compared to previous models, it helps improve the efficiency of weighing operations.

Certified Products in FY2026 — Semiconductor-related Business

Contribution #2 — High-Voltage Power Supply for Semiconductor Manufacturing Equipment



By incorporating our power supplies into semiconductor manufacturing equipment, we enable stable electron beam output, thereby contributing to improved semiconductor manufacturing yield through enhanced equipment performance.

Certification criteria

- **Contribution #1** — Environmental contribution by end products
- **Contribution #2** — Environmental contribution at production sites
- **Contribution #3** — Environmental contribution by the spread of end products
- **Contribution #4** — Environmental contribution by Group products

Medium-Term Targets for Certified Eco-Products

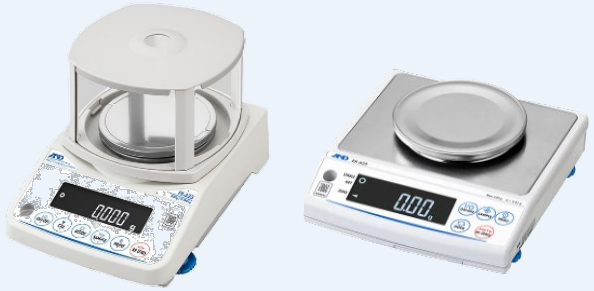
"Increase the sales ratio of eco-products to Group sales from **16%** in FY2024 to at least **20%** in FY2027."

List of Certified product in 2026

Medical and Healthcare Equipment Business



Measuring and Weighing instruments Business



Semiconductor-related Business



Main Initiatives

- Promote R&D of environmentally friendly products and expand certified products
- Strengthen sales overseas and product promotion activities
- Acquire new customers, expand sales channels

Utilization of Natural Energy

Installation of solar power systems at A&D, HOLON and A&D Manufacturing.



▲A&D
(Development and Technology Center)



▲ HOLON (Main Factory)

Solar panels were installed at four sites - A&D (Development and Technology Center), HOLON (Headquarters, Main Factory), and A&D Manufacturing (Tsukuba Office) - to reduce electricity consumption and curb peak power consumption. The total amount of electricity generated in fiscal year 2025 was approximately 518 MWh, resulting in a CO_2 reduction of approximately 219 t-CO_2/year. We will continue to contribute to the realization of a sustainable society by adding solar panels and promoting other energy-saving activities.

Recycling Rate

● A&D (Development and Technology Center)

	2023	2024	2025
Total waste (kg)	130,353	136,414	182,682
Recycling rate (%)*	91.8	92.7	89.5

* FY2025: Total amount of recycled waste 163,462 kg ÷ Total amount of waste 182,682 kg × 100 = 89.5 %
Total amount of non-recycled waste = 19,220 kg

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Product Training Seminar for Distributors and Dealers

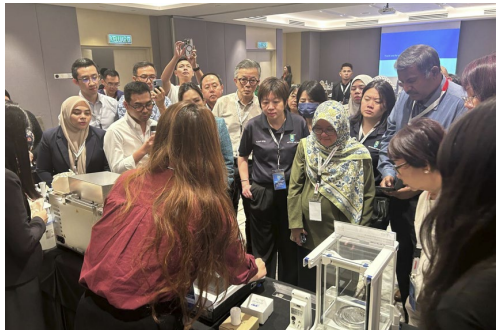
A&D

Study sessions on products and technologies are held annually to strengthen partnerships with distributors and dealers in Japan and overseas. These sessions provide opportunities for sharing knowledge and understanding market needs and customer challenges through discussions. Such initiatives play a key role in strengthening partnerships and creating greater value for customers.

We will continue to deepen our relationships of trust through ongoing communication and strive to achieve sustainable business growth and strengthen our global partnerships.



▲Japan, November 2026
Medical and Healthcare Equipment
(Hospital Digital Transformation Solutions)



▲Malaysia, October 2026
Measuring and Weighing Equipment
(Moisture Analyzer / Analytical Balance)

Contribution to Society

HOLON

In August 2026, as part of our community outreach efforts, we provided a special lecture for elementary school students at Kitamoto City Cultural Center. We conducted experiments to illustrate sound and electromagnetic principles and gave hands-on demonstrations using A&D balances and scales to introduce the fun of science and the function of measurement technology. Participating children deepened their understanding of science as they observed the differences in experimental results and learned about how measurements work.

Through this activity, we were able to foster intellectual curiosity among the next generation and spur interest in science, technology, and manufacturing.



▲ Venue



▲Experiment Demonstration

Human Resource and Workplace Environment Policies

Our group's core management policy is to contribute to society through "measurement." We believe that human resources are the source of our competitiveness and our most valuable asset in providing "measurement" tools that meet the needs of an ever-changing society and are chosen by our customers.

Human Resource Development Policy

We believe that diversifying and developing human resources will lead to medium- and long-term improvements in corporate value. We will actively recruit women, foreigners, and mid-career employees, and provide systematic and effective education and training. Additionally, since sustainable corporate growth requires quick and flexible responses to environmental changes, we aim to develop human resources who can "flexibly respond to change" and "think and act on their own initiative."

Workplace Environment Improvement Policy

With a corporate culture based on respecting human rights, we will promote activities for health and safety and create a work environment where employees can work with peace of mind. Additionally, we will take measures to ensure that employees are highly motivated and provide an environment where each and every employee can maximize their potential and feel fulfilled in their work.

Diversity & Inclusion

We are committed to creating a workplace environment where a diverse workforce can perform to the best of their abilities.

Promotion of Senior Employees

A&D

We have created an environment where employees can continue to contribute by leveraging their extensive expertise and experience even after retirement. We certify "Meisters" in technical fields and "Executives" in management fields, passing on their knowledge and experience to the next generation while ensuring that their contributions are appropriately recognized and reflected in their compensation and benefits. As of November 2026, we have certified five Meisters and one Executive.

Promoting the Active Participation of a Diverse Workforce

We are strengthening the recruitment of women and foreign nationals among both new graduates and mid-career hires to increase future management diversity.

	A&D			HOLON		
	FY23/24	FY24/25	FY25/26	FY23/24	FY24/25	FY25/26
Percentage of female employees (%)	9.9	11.1	12.9	12.7	14.2	14.3
Percentage of female managers (%)	0.5	0.6	0.6	4.7	5.5	6.6
Percentage of foreign employees (%)	1.4	1.5	2.1	16.3	19.6	17.8

Personnel System

A&D

Fair Evaluation and Human Resource Development

To foster the growth of each employee and ensure the organization's sustainable development, we have established a fair evaluation system and a systematic employee development program. Performance is evaluated through goal management and competency-based assessments, with review meetings ensuring fairness and consistency.

Respect for autonomy

We for the right job. We respect the independence of our employees from the viewpoint of aligning the right person have established a personnel system that enables our employees to realize their full potential.

System	Description
Internal recruitment system	Widely recruit the necessary personnel from employees in other departments. Personnel transfer system for selected applicants
Self-assessment system	Express opinions on work, the workplace, skill development, etc., respect the independence and autonomy of the individual, and motivate human resources to revitalize and develop their skills through appropriate placement.

Education System

A&D

With the goal of developing employees who can adapt flexibly to change and who can think and act independently, we systematically implement training programs tailored to different management levels and job roles, as well as support for self-development. We provide continuous learning opportunities for employees at all levels, from new hires to managers, and support their proactive professional development through programs such as a correspondence education assistance scheme and e-learning.

Type		
Tiered training	Description	Training to improve knowledge and abilities commonly required at all levels within the company.
	Training	New employee training, mid-level employee training, new section manager training, new manager training, senior manager training
Job-specific training	Description	Training for the purpose of acquiring the skills and knowledge necessary to perform the work for which one is responsible, and for the purpose of improving one's skills.
	Training	OJT, in-house group training, in-house individual training, external training
Self-development training	Description	Supporting self-directed learning, career development, and professional skill enhancement.
	Training	Correspondence education assistance, e-learning, language training programs, and introductions/referrals to training courses and educational materials.

* Competency: Actions that lead to consistently demonstrated results.

Work-style Reforms

We strive to improve work-life balance and engagement to create an environment where every employee can maximize their abilities.

A&D

■ Improvement in Childcare Leave Acquisition Rate

- Set improved uptake of childcare leave by male employees as an action plan goal in accordance with the Act on the Promotion of Women's Active Engagement in Professional Life. Explain the system to eligible employees and provide the environment for them to take leave.

■ Reduction Of Overtime Hours

- No-overtime days on Wednesdays and Fridays to encourage employees to leave the office on time.
- Alert superiors of employees who exceed a certain number of work hours and hold meetings.

■ Promotion of Use of Annual Paid Leave

- Leave utilization is ensured through company-wide and systematic leave allocation.
- Improved convenience by introducing an hourly paid leave system.

Item	FY2023/24	FY2024/25	FY2025/26
Childcare leave acquisition rate(total) (%)	73.7	60.6	88.2
Childcare leave acquisition rate(male) (%)	73.7	56.3	87.5
Average monthly overtime (hours)	18.6	18.0	19.0
Annual paid leave taken (days)	18.2	16.9	16.3

■ Increased Employee Engagement

To understand our employees' sense of fulfillment at work, we conduct a work engagement survey focused on energy, enthusiasm, and engagement. Starting in fiscal year 2025, we launched a comprehensive engagement survey designed to assess not only employees' motivation and sense of fulfillment at work but also their sense of connection to and trust in the organization, as well as the workplace environment.

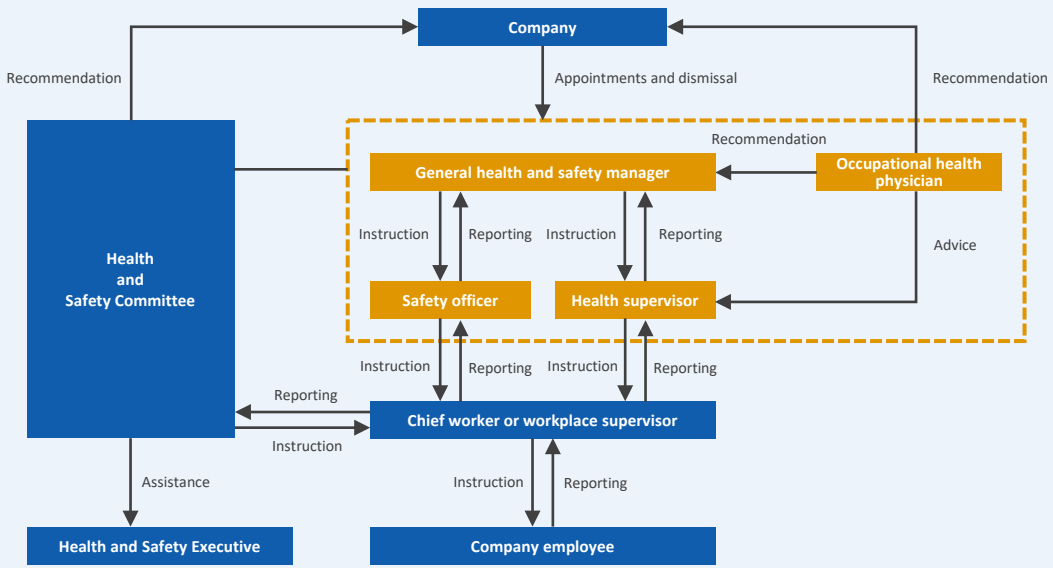
Item	FY2023/24	FY2024/25	FY2025/26
Work engagement (maximum score: 6 points)	3.20	3.22	3.09
Overall engagement (maximum score: 4 points)	-	-	2.78

Occupational Health & Safety

We promote occupational health and safety activities to ensure the "safety" and "health" of our employees. We will establish an occupational health and safety management system to prevent injuries and illnesses among our employees. We work to prevent occupational accidents through continuous improvement of health and safety management by creating an environment where employees recognize the importance of health and safety and are aware of their own occupational health and safety obligations. This results in employees that can take initiatives and participate in activities to improve health and safety.

Health and Safety Management Organizational Chart

A&D



Health Management*1

2026 健康経営優良法人 KENKO Investment for Health 大規模法人部門

A&D has established a Health Management Declaration to realize its management philosophy, focusing on "mental health," "physical health," and "work environment creation," and has been certified as "Excellent Corporation for Health Management (Large Corporation Division)" 2026.

Health Management Declaration

A&D works to realize its management philosophy that will create a work environment in which each and every employee is healthy in mind and body and can maximize his or her potential by actively supporting employee health and activities that promote organized health promotion measures.

Promotion Structure

To promote health management, we have established the Health Management Declaration with top management in charge of implementing various initiatives. In charge: Representative Director, Executive Officer, President. Responsible department: Health Promotion Division, General Affairs Department

Specific Initiatives

A&D

- Mental health consultations and women's health consultations by occupational physicians and public health nurses.
- Healthy meal menus provided daily at the staff cafeteria.
  - We obtained the Smart Meal "Healthy Meal and Food Environment" certification. *2 *3
  - We were certified an Excellent Shokuiku (Food and Nutrition Education) Practice Organization 2026. *4

Smart Meal スマートミール

2026 食育実践優良法人

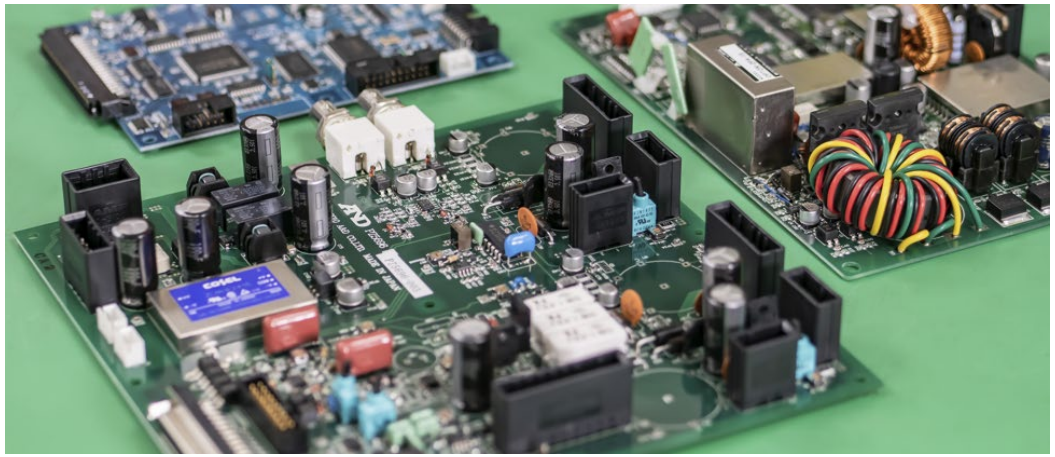
*1 "Health Management" is a registered trademark of the NPO Kenkokeiei research society. *2 "Smart Meal" is a registered trademark of the Consortium for Healthy Meal and Food Environment.
*3 The "Consortium for Healthy Meal and Food Environment" certification system recognizes the efforts of stores and offices that continually offer a healthy meal menu (Smart Meal) in a healthy environment.
*4 "Excellent Shokuiku (Food and Nutrition Education) Practice Organization 2026" is a certification under the Ministry of Agriculture, Forestry and Fisheries' commendation program.

Procurement Policy

A&D

We will develop analog-to-digital conversion technology to contribute to the development of various industries and aid people in leading healthier lives. We shall support the creation of new customer value by providing tools that make full use of measurement and control technology.

In developing our businesses globally, we will emphasize compliance with laws and social norms and consideration for human rights, labor, and the environment throughout the supply chain, strive to build relationships of trust based on mutual understanding with our suppliers, and respect fair and free competition in our procurement activities.



Environmental Conservation

A&D

A&D HOLON Holdings will improve its environmental conservation system in accordance with the "A&D Green Procurement Guidelines" and "A&D Green Procurement Guidelines Related Documents."

This guideline contains information on our management practices to promote procurement of products (units, materials, parts, packaging materials, etc.) with low environmental impact.

We would appreciate our business partners' cooperation.



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Corporate Governance Structure

Fundamental View

We recognize that enhancing corporate governance is one of the most important tasks for management, and we are working to improve this by establishing a management organizational structure and mechanisms to realize our management philosophy.

Sustainability Promotion Structure

The Sustainability Committee, chaired by the director in charge of the General Affairs Department and composed of internal directors and managers of divisions in charge, determines basic policies for implementing sustainability management, discusses measures to address issues, and manages and supervises activities.

Sustainability Committee

Social & Environmental Subcommittee

- **Crisis management response**
  - Natural disaster response, etc.
- **Climate change response**
  - Greenhouse gas reduction, etc.
- **Business contribution**
  - Cope with profit-earning opportunities

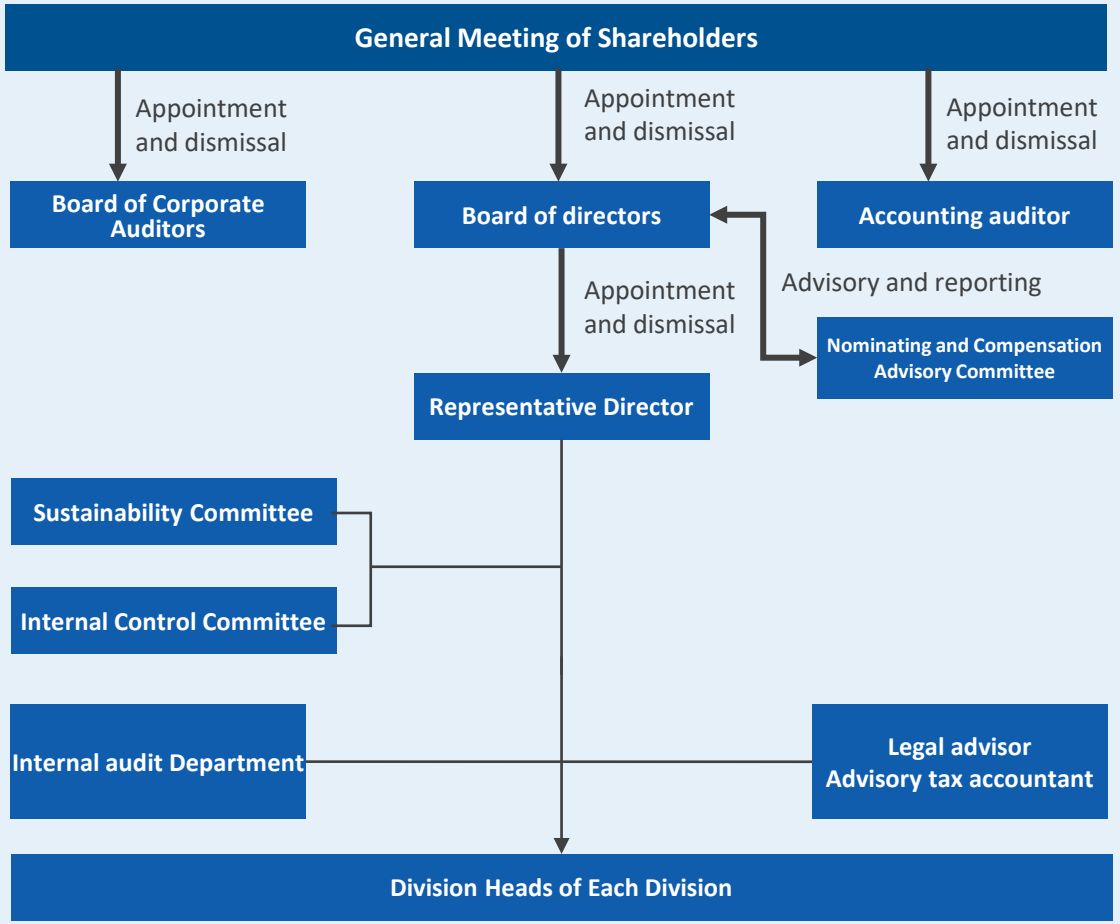
Risk Management Subcommittee

- **Geopolitical risks**
  - Diversification of supply chains, etc.
- **Financial risks**
  - Foreign exchange risk, etc.
- **Operational risks**
  - Legal and compliance risk, etc.

Governance Subcommittee

- **Human capital assessment**
  - Fair evaluation and human resource development, etc.
- **Promote diversity and inclusion**
  - Promotion of active participation of a diverse workforce, etc.

Corporate Governance Structure Chart



Communication with Shareholders and Investors

Financial Results Briefing for Institutional Investors

A&D HOLON Holdings holds financial results briefings for institutional investors and securities analysts twice a year.

We explain our business performance and the progress of our mid-term business plan.

In addition, the company discloses briefing materials of financial results every quarter. We will continue to expand the contents so readers can have a better picture of our company's situation.

New HOLON Factory Tour for Institutional Investors

In September 2026, we held a tour for institutional investors of HOLON's new factory. We explained our business areas and technical strengths in the semiconductor manufacturing process and, through a tour of the manufacturing facilities and discussions with management, sought to deepen understanding of our business strategy and research and development activities.

We will continue to strive to enhance our corporate value over the medium to long term through constructive dialogue with our shareholders and investors.



Individual Investor Relations Meetings

We hold individual meetings and small meetings with institutional investors on a quarterly basis.

In addition to in-person meetings, we also make use of web conferencing and teleconferencing. In fiscal year 2025/26, we held 98 meetings in total.



Shareholder Communication

As part of our efforts to provide our shareholders information, we publish shareholder communications on our website biannually. We work hard to communicate the various initiatives our company is taking in an easy-to-understand manner.



The Group is committed to strengthening partnerships with stakeholders through consistent communication in order to establish good relationships of trust.

Stakeholders	Main communication opportunities
Customers	Sales activities / Product operation briefings for distributors / Various exhibitions, Web seminars / Customer Service Center / A&D mail magazine, WAY information magazine / APS inventory search site
Shareholders and Investors	General Meeting of Shareholders / Financial Results Briefing for Institutional Investors / Company and Factory Tours / Individual Meetings with Institutional Investors / Web Shareholders' Newsletter
Employees	Labor-management conferences / Training by job level and job function / Business improvement suggestion system / In-house e-mail magazine "HEAT UP!"
Business Partners	Procurement activities / A&D cooperation meetings (new product briefings, business policy briefings, etc.) / Supplier visits / Cooperative factory audits
Community, Government, Local Government	Support for the local community (participation in local events, loan of company facilities, etc.)/ Company and factory tours

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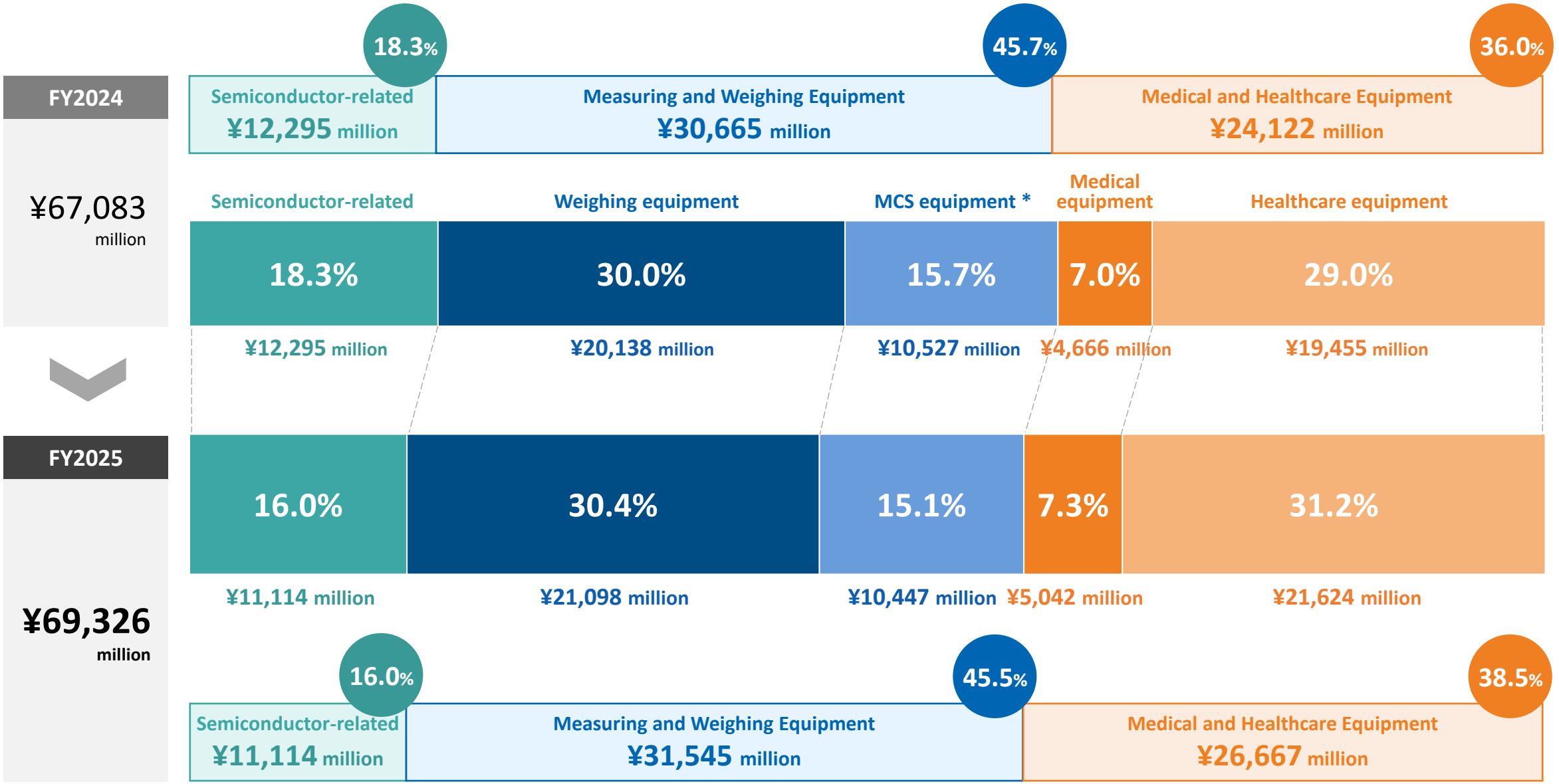
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7. Reference Information

Net Sales Composition by Business Segment



* MCS equipment refers to products formerly categorized as DSP equipment. (MCS: Measurement Control Simulation)

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