

A photograph of a tree-lined path with people walking, overlaid with a large semi-transparent circle containing the word "Social". The path is paved with bricks and covered with fallen yellow leaves. The trees are tall and have dense green foliage. People are walking away from the camera, some in motion blur. The word "Social" is written in a large, orange, serif font inside the circle.

Social

ESG Initiatives

Social

The ENVIPRO Group conducts its business activities in an environmentally safe and clean manner in the aim of contributing to create a sustainable society.

We promote diversity, aim to be a disciplined group of autonomous individuals with emergent abilities, and are actively involved in community revitalization.

Social

Establishing a Brand as a Safe and Clean Company

I. The ENVIPRO Group's Environmental and Safety Activities

To realize a sustainable society, it is essential to have good environmental impact and employee safety management. We work to prevent environmental pollution by introducing measures to prevent potential noise, vibration, dust, and wastewater, mainly at manufacturing plants. In addition to employee safety education, risk prediction activities, and other awareness-raising activities, we regularly patrol our offices and conduct other activities on an ongoing basis to ensure thorough safety management.

Accidents—particularly serious accidents or those at plants or offices involving machinery and plant or heavy equipment—have the potential to affect many stakeholders, including employees and their families, nearby residents, business partners, and investors.

To avoid such impacts, we give topmost priority to managing the surrounding environment, maintaining and improving the work environment, and ensuring the safety of our employees. In this way, we endeavor to ensure stable business activities in accordance with our policies. The ENVIPRO Group is committed to preventing harm to people and the external environment.

II. Positioning the Environmental & Safety Promotion Committee

1. Activities and Role

We have established the Environmental & Safety Promotion Committee, which is responsible for initiatives across the Group companies. The committee's objective is "to establish a brand as a safe and clean company." The committee has established the following three policies, which it is working to fulfill.

Policy 1 Create a Safe and Comfortable Workplace

We conduct hazard protection initiatives before commencing tasks, offer regularly scheduled education and training, run safety competitions, and engage in risk management and other safety activities. We take regular measurements of the working environment, measuring vibration and noise, analyzing water quality, and implementing ongoing improvement activities to create a comfortable workplace.

Policy 2 Share Information

The Environmental & Safety Promotion Committee emphasizes information sharing and empathy. We strive to invigorate committee activities, reporting on individual companies' efforts to roll out their activities horizontally within the Group. The committee also examines causes and shares corrective measures in the event of industrial accidents, other accidents or damage, and environmental abnormalities. We work to prevent recurrence and promote activities in a uniform direction.

Policy 3 Raise the Management Level

The Group's operating companies have acquired certifications under ISO 14001 (environment) and ISO 45001 (occupational health and safety). In addition, each company promotes activities to ensure the safety and health of its employees and to protect the environment through the operation of its management system. Activities of the Environmental & Safety Promotion Committee are reported to full-time directors of ENVIPRO HOLDINGS and the presidents of Group companies at monthly meetings of the Internal Control Committee (chaired by the president of ENVIPRO HOLDINGS). Policies and developments are communicated through the Environmental & Safety Promotion Committee to individual workplaces of each Group company. The Environmental & Safety Promotion Committee consists of members appointed from each Group company, who together with the president actively promote the companies' environmental improvement and safety assurance initiatives.

2. Activities to Date

By sharing the details of individual Group companies' discussions and initiatives, the committee helps each of them efficiently and effectively incorporate the items they need. The Environmental & Safety Promotion Committee has rolled out a number of items horizontally across Group companies. These involve risk prediction activities (operational methods), methods for operating prediction activities, maintenance of flower beds at workplaces, installation of drive recorders on forklifts, and the introduction of fire extinguishers for lithium-ion batteries (LIBs) and other rechargeable batteries.

Structure of the Environmental & Safety Promotion Committee



Firefighting drill



Using a full harness to prevent falls



Using a drive recorder



Conducting first aid training



Measuring the working environment

① Environmental activities at Group companies

- Employee measurement of the working environment
- Improvement of in-plant stormwater drainage
- Installation of oil collection equipment in the plant's oil/water separation tank
- Addition of in-plant lighting, switch to LEDs
- Fire drills (evacuation and rescue drills)

② Safety activities at Group companies

- Use of full harnesses to arrest falls when working at heights
- Operation of forklift drive recorders
- Installation of safety devices, safety barriers, and emergency stop functions at existing facilities
- Appointment of people to take charge of safety management at business sites
- On-site inspections in the event of industrial accidents
- Holding of safety competition

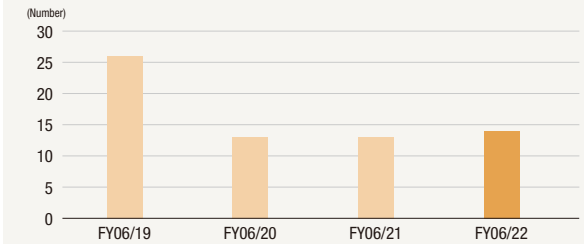
3. Results in the Fiscal Year ended June 2022

The number of accidents at the ENVIPRO Group has been trending downward since the fiscal year ended June 2020, following the strengthening of environmental and safety activities and the establishment of the Environmental & Safety Promotion Committee. In the fiscal year ended June 2022, the Group experienced 14 occupational accidents, one more than in the previous year, and 62 injuries, up five years on year. Over the three years beginning with the fiscal year ended in June 2019, the number of employees at year-end has increased by 80, from 418 to 498. Accordingly, the number of accidents per capital has been generally flat.

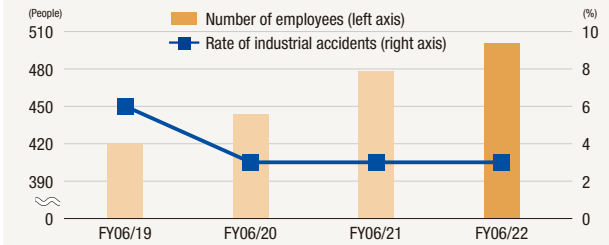
4. Future Initiatives

The Group has established an annual activity plan for each company based on the three policies mentioned above and with the objective of "establishing a brand as a safe and clean company." While the ultimate goal is to achieve zero accidents, the entire ENVIPRO Group is committed to implementing the planned activities and reducing the number of accidents year on year.

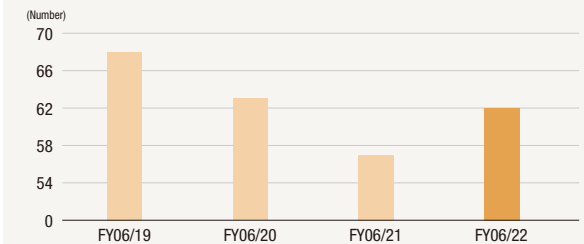
Industrial Accidents



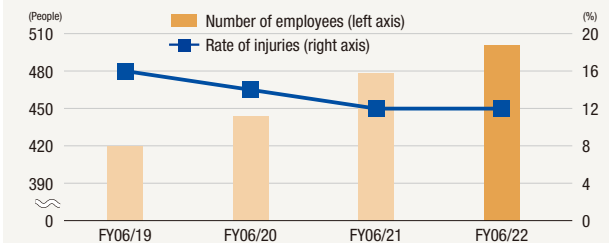
Number of Employees and Industrial Accidents per Employee*1



Accidents



Number of Employees and Accidents per Employee*1



*1 Rates are calculated as (number of cases ÷ number of employees) × 100.

Social

Aiming to Be “A Disciplined Group of Autonomous Individuals with Emergent Abilities”

As stated in the message from top management, one of the keys for achieving the ENVIPRO Group’s strategy is “investment in human resources to promote business activities.”

Over the medium term, we intend to create 100 business promoters. To achieve this goal, we will focus on the three important areas of hiring, training, and retention.



Hiring

The first area of focus is hiring. We are looking for people who share our corporate philosophy, agree with our corporate culture, and are willing to work toward high goals, persevere, and think hard.



Training

The next focus area is training. Each of our businesses are working on a variety of projects. Each of these projects offer numerous employees opportunities to participate in training through practice and experience.



Retention

The final category is retention. Taking a long-term perspective, we promote job rotation and are flexible about changing positions to help employees gain a variety of experience. We constantly seek to improve compensation through base salary increases, bonuses, and equity compensation.

To implement these measures, we will disseminate the strong message that we expect our employees to foster mutual trust, independent learning, a shared vision, a spirit of challenge, honest effort and respect for others, and the ability to think and act as a concerned party. **(Emergent capabilities)**

It is also important to clarify The Envipro group’s significance in the world (purpose) and to foster a bright and open corporate culture and a culture of joy. To cultivate this corporate culture within the Group, we share the organization’s rules and regulations to be followed, as well as our desired corporate culture, in a Management Plan upheld by all employees. **(A disciplined group)**

Hiring

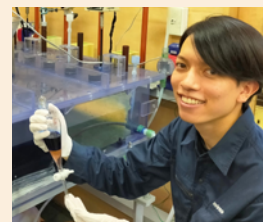
Kana Miyamoto
Recycling Raw Materials Department
Non Ferrous Raw Materials Section
NEWSCON Inc.

Joined April 1, 2022



I majored in sustainability at university.

I came across ENVIPRO when I focused my job search on the recycling industry. I decided to join the company because of its sustainable business of transforming the world’s ever-increasing amount of waste into commercial products, and also because of the appeal of being able to work overseas. It has been six months since I joined the company. Although every day surprises me with the dizzying pace of change in the global situation and fluctuations in exchange rates and the precious and nonferrous metals markets, I enjoy my work and feel a sense of fulfillment. I hope to keep learning, gain substantial knowledge, and grow every day so that I can become like my respected boss.



Yohei Matsunaga
Laboratory
ENVIPRO HOLDINGS Inc.

Joined April 1, 2022

In my job search I was looking for a company that was committed to realizing a sustainable society. I was attracted by ENVIPRO because it handles a wide variety of products through several Group companies, has a consulting business, and is taking on new challenges such as the reuse of plastics and LIB recycling. The business itself contributes to society. In graduate school, I studied technologies involving the genetic modification of plants to help address food-related problems. Since I joined the company, I have been working on LIB research, and I am motivated by the fact that I can learn new things from scratch. I hope to learn more, improve, and become better able to speak up at meetings. I am also motivated by the fact that I am in charge of a machine makes up a key component of my research.



New graduates who joined in fiscal 2021

Hiroki Naka
Production Section
SYN ECO Inc.

Joined August 1, 2022 (Scrum hiring)



My wife has worked for SYN ECO for 10 years since graduating from junior college, and I wanted to be involved in the Resource Circulation Business, which I think will be of increasing importance in the future. I am also part of SYN ECO, which aims to be a “community-integrated recycling company.” When I joined the company and actually got involved in the work, I was surprised at how much waste from our daily lives can be recycled. At the same time, I often feel that Japanese sense of “mottainai,” meaning I am dispirited by how much we waste. I am still learning about this industry, but I am motivated by my desire to understand the importance of resource recycling better than anyone else and to contribute to the local community on the front lines. I believe that if we can recycle all the waste the world produces, we can better preserve our limited resources for future generations with more care, and we will make the Earth a cleaner place to live. It is very rewarding for me to be involved in such efforts through our business, and to know that I am contributing to society.

Scrum Hiring

This phrase refers to “employee-led hiring.” We have adopted this hiring system, in which all employees work together as one. In fiscal 2021, four people joined the Group as a result of scrum hiring of friends, spouses, and family members. To date, this type of hiring has resulted in the hiring of **17 pairs (38 people) and 30 people who were re-hired following retirement.**

Training Retention

Corporate Philosophy Briefing Sessions

Peter Drucker once famously said that “Culture eats strategy for breakfast.” We believe in creating a good corporate culture by instilling the most important ideas; we are convinced that this foundation will drive our growth. In “A deep attachment to instill our corporate philosophy”, the president himself briefs small groups on our corporate philosophy about three times a month. We plan and implement these sessions both for new employees and for people who have attended these briefings in the past.



Corporate philosophy briefings are also available on video.

Number and Percentage of Directly Hired Employees Attending

Fiscal year	Participants	Directly hired employees	Percentage attending
2020	22	562	4%
2021	48	583	8%
2022	235	617	38%

Business School

One-on-One Training (Held Seven Times)

Lecturer: Fumihiko Shimpo, Industrial Counselor, Advisor
ASTOCO Inc.

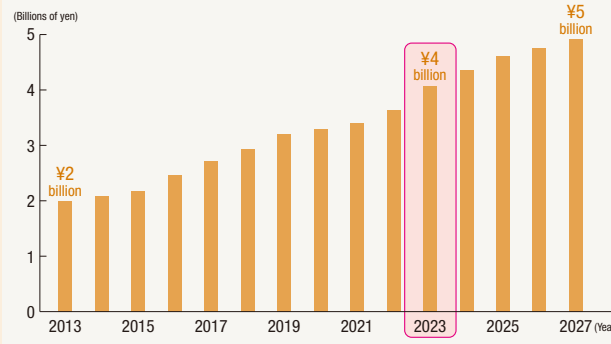
For companies to continue producing results over the medium to long term, they must first build a foundation of trust. The role of managers is to support the growth of each individual; this is the purpose of one-on-one training. Through one-on-one training, we are working to improve the psychological safety of our employees, foster a culture of retention and build an environment that encourages challenge. In other words, we are looking to build a culture that embraces the will to take on challenges and permits failure. We will continue to conduct one-on-one training in fiscal 2022.

Evaluation System Study Session

Lecturer: Naoki Takekawa, Director, HR department
ENVIPRO HOLDINGS Inc.

Given our increases in the number of Group companies and personnel, we held a study session to go back to the basics and cultivate a deeper understanding of how the evaluation system works. We have introduced an evaluation system that clearly differentiates between different types of employees. This evaluation system drives higher motivation and employee retention, which in turn leads to the growth of the company as employees work together with enthusiasm.

Group Personnel Expenses



Personnel expenses have doubled over the past decade, rising ¥2 billion.

Organizing Problems and Issues

Lecturer: Yukimi Tsuchiya, Advisor, ASTOCO Inc.

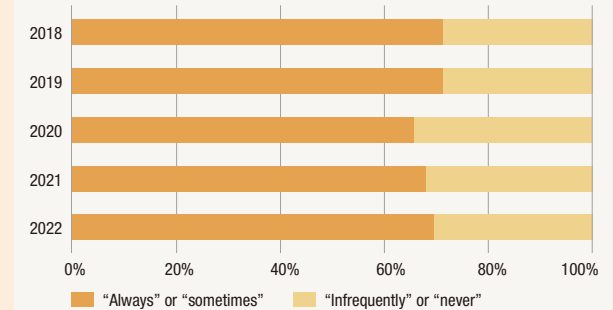
We held a study session themed on “methods of structuring and leading to the solution of various problems by combining common causes and backgrounds.” Every fiscal year, each department within the Group prepares its own action plan. Participants learn how to identify, recognize, and share problems within their departments, clarify what issues need to be addressed to make improvements and find solutions, and how to take concrete actions and incorporate them into action plans. The implementation plan, which includes a time line and is shared in a tangible form, also contributes to a shared awareness and a sense of participation.

In fiscal 2022, the Business School will continue to plan and hold monthly meetings, mainly for managers, with the goal of “enhancing the level of managers.”

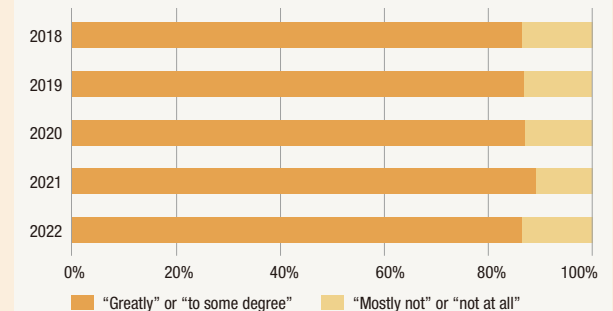
Employee Satisfaction Survey

Different people define “satisfaction” in different ways. Nevertheless, we conduct this survey each year in the spirit of “sharing benefits and joy with the people who we spend time with.” We believe the president and other members of the management team need to maintain a keen interest in the daily thoughts and feelings of our employees through questionnaires and interviews in order to recognize that there are many things we are unaware of and gaps in awareness between our employees and the people we ask for help from on a daily basis.

Do you feel the joy of personal growth?



To what extent do you share the corporate philosophy?



Social

Promoting Diversity

The ENVIPRO Group aims to create a psychologically safe organization by embracing and recognizing individual diversity.

By promoting diversity, we strive to build a “platform” filled with good quality energy where all employees work energetically and provide opportunities for each employee to maximize his or her abilities, which will lead to “increased productivity” and “retention”.

We grow in an environment where we can share the same goals, see things from multiple perspectives, and voice different opinions.

The Group will promote diversity in order to expand solutions to social issues. This is the very essence of the Group’s business.

Director Hiroko Nomura Holds Two Diversity Promotion Seminars

The Group held a seminar on diversity promotion for managers, with Hiroko Nomura, director, as the lecturer. The Gender Gap Index released by the World Economic Forum in March 2021 ranked Japan 120th out of 156 countries. Although the country is rising in some categories, its overall ranking is declining. This result demonstrates the slow pace of change in Japan, while other countries are accelerating their efforts toward gender equality. The same is true at the ENVIPRO Group. All employees need to be given opportunities to grow and build confidence by breaking out of their shell and accumulating experience, regardless of gender, while monitoring and recognizing their life events (such as growing children).

This seminar provided an opportunity for each participant to rethink about unconscious biases in individuals, in daily work, and in organizations.

In response, we launched a new initiative. For the first time, we conducted a one-month on-site training program for new-graduate female employees at one of the Group’s operating companies. We will continue to promote diversity in the aim of creating a working environment that is comfortable for everyone.



Hiroko Nomura
(Appointed director
September 28, 2022)

Non-Japanese Employees

In a new initiative, ECONECOL Inc. has welcomed three Vietnamese technical intern trainees.

Non-Japanese employees : **26**



Vietnamese trainees Nam, Hoan, and Thi

Employment of People with Disabilities

The Group has received a special exception for affiliated subsidiaries. Group company SYN ECO Inc. promotes the employment of people with disabilities throughout the Group. This includes making some tasks more conducive to handling by people with disabilities.

Employees with disabilities : **20**

Employment ratio : **3.84%**

Number and Percentage of Employees Taking Childcare Leave

Men : **2** (17%) Percentage of female employees returning to work after taking childcare leave : **80%**

Women : **3** (100%) Number of employees using the shorter working hour system for childcare : **100%**

*As of end-June 2022

In the Group, 17% of eligible men were taking childcare leave at the end of June 2022, below the percentage for women. We are working to encourage male employees to take childcare leave.

Rewarding Work That I Can Do with My Own Discretion

Naoko Horikawa
Manager, Legal Section
ENVIPRO HOLDINGS Inc.



I am excited to be assigned to managerial position and to have a much wider range of tasks. Of course, the more discretion I am given, the more responsibility I have, but I am able to make more of my own decisions and proceed with work based on my own initiative, which makes my job more enjoyable. I believe in the importance of autonomy and openness in team-building within my division. The legal department must use its expertise to support the company, and each member of the department needs to take responsibility for the matters entrusted to them. That being said, there is a limit to what an individual can do, so we need to create teams that benefit from active communication, which in turn generates better ideas. Being in a managerial position has brought my work closer to the core of the company, putting me in closer contact with the management team and departmental managers. I find it very rewarding to use my expertise and experience to provide support in important matters such as business partner contracts, disputes, and new business.

Percentage of Female Managers

	Men	Women	Targets
Permanent employees	393 (79%)	105 (21%)	Fiscal year ending June 2024 Female managers : 1.5 times (Compared with end-June 2021)
Managers	74 (93%)	6 (7%)	Fiscal year ending June 2026 Female managers : 2.0 times (Compared with end-June 2021)

*As of end-June 2022

Social

Working Actively to Contribute to the Community

Mamafes Matsumoto

SYN ECO Inc. supports the activities of the Mamafes Matsumoto Executive Committee. This committee is a voluntary organization consisting of people in the city of Matsumoto who are working and raising children. At the company's head office and SYN ECO Plaza Azumino, we collect used picture books, books on childcare, and children's books from members of the public and distribute them to people who need them at a Mamafes event called the Picture Book Giveaway. In fiscal 2021, we collected and gave away more than 2,200 books during the event period. In fiscal 2022, the collection period will not be limited; we will be collecting books on an ongoing basis.



Mottainai BOX and Giving Back to the Community

SYN ECO Inc. is working with the Yamaga Supporters' Association on the YELL Project. YELL stands for Yamaga Eco-Logy Link and the idea of yelling encouragement to the Matsumoto Yamaga Football Club and to the people in the hometown area through environmental conservation activities, mainly resource collection. On match days, we collect waste paper from the stadium, as well as waste paper brought in by supporters. On other days,



we collect waste from boxes set up by our corporate sponsors and at Mottainai BOX stations in Nagano Prefecture. Some of the profits are returned to the community and Matsumoto Yamaga FC. The company also donates some of the proceeds from the Mottainai BOX in Azumino, Nagano Prefecture. For each specified home appliance (refrigerator, washing machine, air conditioner, or TV) brought to SYN ECO Plaza Azumino, we donate ¥50 to the Nagano Prefectural Children's Hospital every December.

Creating an Environment to Provide Local Employment of People with Disabilities and Training People with Disabilities. Providing a Cooperative Structure to Contribute to Local Communities

Local residents with disabilities sort resources collected in SYN ECO's Mottainai BOX. ASTOCO Inc.'s pre-employment transition support program facility is located on the same site. By offering training that closely resembles the actual work performed at the company, we provide an environment that allows people with disabilities to understand what employment would be like. This approach helps them to go about their training and work with peace of mind. By collaborating with local people who are in second careers, as well as lecturers, we foster local awareness of and support for people with disabilities.

Sponsoring the Shimizu S-Pulse Elementary School Children's Invitational Program

As part of its sports promotion efforts, ENVIPRO HOLDINGS Inc. has become the top partner of the Shimizu S-Pulse Elementary School Invitation Program in Eastern Shizuoka Prefecture. This program led to the invitation of five hundred pairs of children attending elementary school and their parents (1,000 people) in the eastern part of Shizuoka Prefecture, as well as one parent or guardian per pair, to a Shimizu S-Pulse home match. We will continue to support the activities of Shimizu S-Pulse, thereby encouraging the dreams of local children and contributing to community development in the region.

Interviews with Students from Fujinomiya Higashi High School

As part of Shizuoka Prefectural Fujinomiya Higashi High School's cultural festival, students from the school interviewed Fujinomiya-based ENVIPRO HOLDINGS Inc., ECONECOL Inc. and VOLTA Inc. about our business and community relations. In addition to the interview, we provided plant and office tours.

