



# CSR Report 2023



**Platinum**  
From catalysts to anticancer agents, a promising star with much hidden potential.



**Gold**  
In addition to being used for jewelry, this multitiered element is used for ultrafine wires in smartphones, etc., playing a hugely important role when conducting electricity.



**Silver**  
Without silver, photographs would not have been invented. Found all around, including your mirrors.



**Palladium**  
Able to absorb large amounts of hydrogen, so perfect for use with high purity hydrogen generators.



**Rhodium**  
When solidified, cannot be melted by anything. Very hard element used for plating to create hard surfaces.



**Iridium**  
Used for vehicle spark plugs because of excellent hardness and corrosion resistance, and for the crucibles used to manufacture sapphire substrates for LEDs because of high heat resistance.



**Ruthenium**  
Used as an optical catalyst to reduce water to hydrogen. Enables increased storage capacity for hard disks.



**Osmium**  
Useful in biotechnology and forensic sciences.



A universal design font is adopted to make the characters easy to read.

## Corporate Philosophy

**The TANAKA group:**  
A leading company in the field of precious metals, With superior creativity and technical excellence,  
We build customer trust through rapid responses that exceed expectations,  
Contribute to the creation of a prosperous society,  
As well as to the future of the planet through sustainable use of precious metals.

## Code of Conduct

1. Greet Everyone
2. Show your Smile
3. Give Thanks
4. Maintain Safety
5. Challenge Yourself

## Domestic bases

### TANAKA Holdings Co., Ltd. (THD)

•Headquarters (Tokyo)

### Tanaka Kikinzoku Kogyo K.K. (TKK)

•Headquarters (Tokyo) •Iwate Plant •Tomioka Plant  
•Ichikawa Plant •Sodegaura Plant •Isehara Plant •Hiratsuka Plant  
•Shonan Plant •Hiratsuka Technical Center  
•Tsukuba Facility / Tsukuba Technical Center •Isehara Technical Center  
•FC Catalyst Development Center •Tanaka Distribution Center  
•Nagoya Branch •Osaka Branch •Fukuoka Branch •Kyoto Sales Office

### Tanaka Denshi Kogyo K.K. (TD)

•Saga Production Headquarters •Tokyo Office •Shonan Satellite Plant

## Overseas bases

### TANAKA Kikinzoku Kogyo K.K. (TKK)

•Taiwan TANAKA Kikinzoku Kogyo Co., Ltd. •Hsinchu Plant •Hukou Plant •Taipei Sales Office •Kaohsiung Sales Office  
•TANAKA Kikinzoku (Ningbo) Co., Ltd. •TANAKA Kikinzoku (Chengdu) Co., Ltd. •TANAKA Kikinzoku Kogyo K.K. Seoul Branch  
•TANAKA Kikinzoku Kogyo K.K. Hong Kong Branch •TANAKA Kikinzoku International (Shanghai) Co., Ltd.  
•TANAKA Kikinzoku International (Shanghai) Co., Ltd. Shenzhen Branch •TANAKA Kikinzoku (Singapore) Private Limited  
•TANAKA Kikinzoku (Singapore) Private Limited Manila Branch •TANAKA Kikinzoku International (Thailand) Co., Ltd.  
•TANAKA Kikinzoku International (America) Inc. •TANAKA Kikinzoku International (America) Inc. San Jose Branch  
•TANAKA Kikinzoku International (Europe) GmbH •TANAKA Kikinzoku (India) Private Limited

### TANAKA Denshi Kogyo K.K. (TD)

•TANAKA Electronics Singapore Pte. Ltd. (TES) •TANAKA Electronics Malaysia Sdn. Bhd. (TEM) •TANAKA Electronics (Hangzhou) Co., Ltd. (TEC)  
•TANAKA Electronics Taiwan Co., Ltd. (TET) •TANAKA Electronics Taiwan Co., Ltd. Branch of Southern Taiwan Science Park (TETK)  
•TANAKA Electronics Taiwan Co., Ltd. Technical Center (TET/TC)

### Metalor Technologies International SA

### LT Metal Co., Ltd. (LT Metal)

### Nippon PGM America, Inc.

### EEJA Ltd. (EEJA)

•Headquarters (Tokyo) •Hiratsuka Office

### Tanaka Kikinzoku Jewelry K.K. (TKJ)

Store: GINZA TANAKA  
•Main Store (Ginza) •Yokohama-Motomachi Store •Sendai Store  
•Nagoya Store •Shinsaibashi Store •Fukuoka Nishitetsu Grand Hotel Store

### Mitomo Semicon Engineering Co., Ltd. (MSE)

•Headquarters and plant (Ibaraki)

### Nippon PGM Co., Ltd. (PGM)

•Headquarters (Tokyo) •Kosaka Plant

### Nippon PGM Europe S.R.O.

### Chengdu Guangming Paite Precious Metal Co., Ltd. (GMPT)

(Data as of May 31, 2023)



TANAKA is accredited as a Good Delivery Referee for gold and silver by the London Bullion Market Association (LBMA)\*1 and also appointed as a Good Delivery Referee by the London Platinum and Palladium Market (LPPM)\*2. Thus, TANAKA is responsible for assessing the precious metals melting technologies and analytical skills of all accredited gold and silver refiners.

\*1 TANAKA is currently one of the five Good Delivery Referees accredited by the LBMA in the world and the only one in Japan.  
\*2 TANAKA is currently one of the six Good Delivery Referees accredited by the LPPM in the world and the only one in Japan.

## Editorial Policy

The TANAKA Precious Metals publishes its CSR Report on the corporate social responsibility (CSR) activities promoted by the Group for making contribution to the realization of a prosperous society and a beautiful future for the Earth supported by precious metals, as well as to enhance communication with stakeholders for the improvement of the Group's initiatives in the future. We would be honored to receive feedback from our stakeholders. As before, your comments and opinions will be used to improve the TANAKA Precious Metals' future initiatives.

## Period

April 1, 2022 to March 31, 2023

In order to provide a general view of activities under each topic covered in the report, some contents may represent activities taken outside this period.

## Scope

TANAKA Holdings Co., Ltd. and consolidated subsidiaries. However, Metalor Technologies International SA is excluded. Indications are made in areas of the report where the scope differs.

## Publication

October 2023

## Reference guidelines

ISO 26000:2010  
Environmental Reporting Guidelines 2018

## Website

This report and past issues are also available on our website:  
<https://www.tanaka.co.jp/english/csr/index.html>

## Publisher

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Photo: Orange daylilies and coastal daylilies protected and cultivated in the houses of employees



# Powered by the individuality of each employee, we aim to create a sustainable future

The TANAKA Precious Metals launched TANAKA Renaissance Plan, which aims to realize a sustainable society and ultra long-term corporate management while looking ahead to 2085, the year when the company will mark its 200th anniversary, in fiscal 2021.

Precious metals are full of potential. The exploration of frontiers such as space, deep sea and human bodies, or the development of devices and products that make people's lives more abundant, is not possible without precious metals. To unlock their potential and create a better future is our mission as a leading company in the field of precious metals and it is essential to collect the knowledge of all employees and develop a corporate culture where innovations can be created easily to accomplish the mission. With the recognition that the individuality of each employee is the driving force of our move to the future, the TANAKA Precious Metals declared that it will promote DE&I (Diversity, Equity & Inclusion) more actively in April 2023. With the newly established DE&I Promotion Office playing a main role, we are promoting the creation of opportunities for each employee to develop and demonstrate their abilities, as well as the establishment of an environment where they can stimulate each other and grow together.

In the TANAKA Renaissance Plan, "sustainability" is also one of the important keywords. The plan sets 2085 in the far-off future as the target year, so it may be said that the plan itself is an act of seeking sustainability. While the TANAKA Precious Metals has explored the recycling of precious metals to establish a material-cycle business for more than 130 years since its foundation, we recognize that we have to be a company that will lead the shift to a low-carbon and recycling-oriented society from a

higher viewpoint and a broader perspective from now on. Under the TANAKA Precious Metals Statement on Carbon Neutrality declared in fiscal 2022, we are currently accelerating various activities to protect the global environment at our plants and facilities so that we can achieve the target of making our CO<sub>2</sub> emissions net zero in 2050. We will continuously work to solve global environmental issues and social problems based on our strength as a company that deals in precious metals, which are rare resources.

We plan to relocate our headquarters from Marunouchi to Kayabacho, Nihonbashi, which is the birthplace of Tanaka Kikinzoku, in April 2024. The new headquarters will set the concept of "Connecting with people, the city and the future" and promote the development of an environment that fosters creative ways of working with an eye to the future while serving as the cockpit of the TANAKA Precious Metals, which is sailing into the distant future of 2085. We will create a sustainable future while cultivating a corporate culture that encourages colleagues to meet, interact, respect different values and exchange opinions freely. From our birthplace, Kayabacho, Nihonbashi, we will sail toward the frontier of the future and further weave a history of challenge and innovation.

Group CEO  
TANAKA Koichiro

田中浩一郎

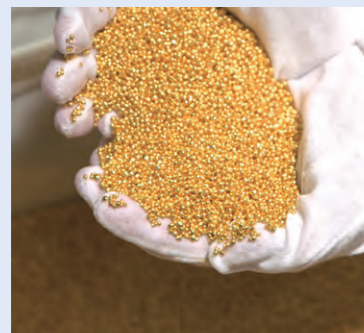


# Businesses of TANAKA

The TANAKA Precious Metals has delivered special values based on precious metals to the world for more than 130 years since its foundation.  
We will continue to try everything we can do with precious metals and develop new fields.

## Industrial products

We provide products that solve problems faced by customers in a very wide variety of fields, ranging from semiconductors and electronic parts to automotive materials and medicine. We underpin the industry in general and the foundation of society through the stable supply of precious metal materials as a leading company in the precious metals industry.



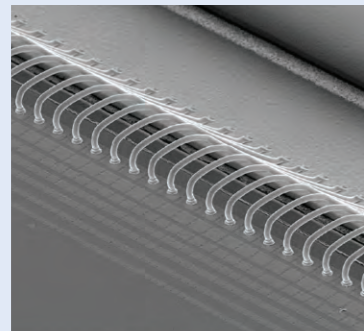
Recycling



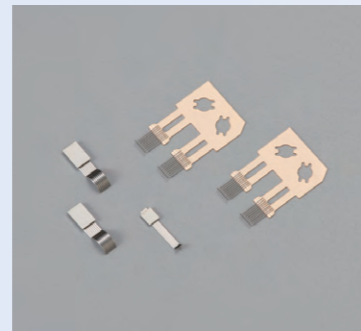
Precious metal materials



Electronic mechanical materials (relays, motors, switches)  
Electronic functional materials



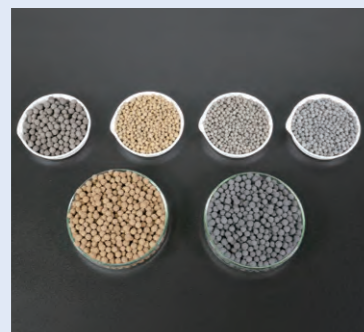
Packages and sealing  
Semiconductor and electronic parts



Sensor materials



Platinum materials for the glass industry



Energy and environment  
Catalysts



Medical  
Test kits



Technology development  
Compounds

## Assets

We offer gold and platinum products to diversify and protect assets in an optimal manner.



### Bullion and coin

Gold is the only element that never lost its value in the past six thousand years and also a global common asset. Also being a Good Delivery Referee accredited by LBMA \*1 and LPPM \*2, we produce gold and platinum bullion with our world-class technology and sell only new bullion to give a sense of security to customers. We also sell gold and platinum coins as the only import and sales agency certified by minting authorities in various countries outside the respective countries where the coins are issued. With beautiful designs, the coins are also popular as gifts.

\*1 LBMA stands for London Bullion Market Association.  
\*2 LPPM stands for London Platinum and Palladium Market.

### Precious Metal Reserve Products

Gold Reserve Plan is a product that allows customers to purchase gold, platinum and silver in a single account with a minimum monthly amount of 3,000 yen. Customers can steadily purchase precious metals for their security in the future.

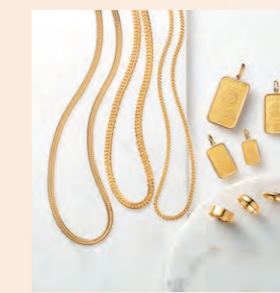


## Jewelry

We deliver jewelry, which shines brightly in various scenes of life, with reliable quality that is worth treasuring for a long time.

### Jewelry and artifacts

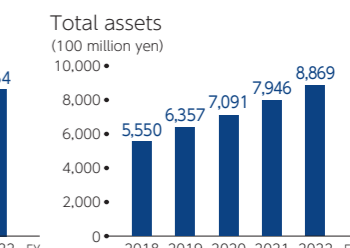
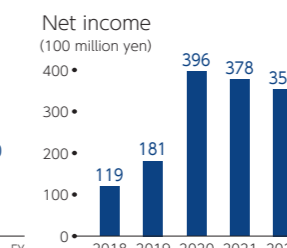
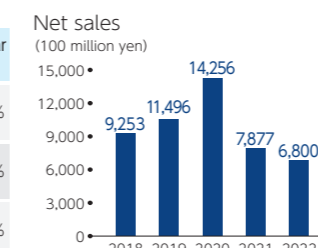
We offer products with reliable quality developed by the history and tradition of TANAKA Kikinzoku to customers.



## Financial Condition of the TANAKA Precious Metals

### Financial results overview

	million yen		
	FY2021	FY2022	Year-on-year change
Net sales	787,728	680,036	86.3%
Net income	37,757	35,436	93.9%
Total assets	794,617	886,948	111.6%



The revenue recognition accounting standard and other standards have been applied since fiscal 2021. Metalor Technologies International SA is included.

# Research and Development

For the TANAKA Precious Metals, research and development is a source of value creation. We will pursue the potential of precious metals with a broad perspective to open the door to a more prosperous society as well as a beautiful future of the Earth in a steady and continuous manner.

**Development of new alloy "TK-FS" for probe pins for semiconductor test equipment**  
 - Allowing the same material to be used in various types of probe pins -

TANAKA Kikinzoku Kogyo K.K. has been manufacturing and selling a large volume of palladium (Pd) materials mainly for pogo pin-type probe pins used in test sockets for final testing (post-processing) of semiconductor packages. The recently announced TK-FS is a material that can be used in various types of probe pins in addition to pogo-pin types, such as cantilever and vertical types for wafer testing (pre-processing) probe cards. This product has three unique attributes: a Vickers hardness of at least 500, specific resistance of at most  $7.0\mu\Omega\cdot\text{cm}$  and durability that can withstand 10 or more times of repeated bending. In the existing products of TANAKA Kikinzoku Kogyo K.K., no material simultaneously achieved these three qualities of high hardness, low specific resistance and high pliability. This product succeeded in addressing all requirements, allowing the same material to be used in various types of probe pins.



TK-FS products

**Establishment of a new ruthenium film deposition process that contributes toward miniaturization and improved durability of semiconductors**

TANAKA Kikinzoku Kogyo K.K. is developing high-purity precious metal precursors TRuST, with a focus on ruthenium, for next-generation semiconductors. While single-stage film deposition using oxygen has been the mainstream process for film deposition, the company has succeeded in a two-stage film deposition process using oxygen and hydrogen. This two-stage film deposition process reduces the risk of surface oxidation of the base caused by hydrogen film deposition and allows high-purity film deposition that maintains ruthenium purity at almost 100% using oxygen film deposition. Furthermore, by forming the base first using hydrogen film deposition, the ruthenium film on top of the base created using oxygen film deposition will be smooth and dense, achieving a lower resistance than before. As semiconductors become even smaller in scale in the future, demand for thinner film deposition with low resistance is also expected for ruthenium films, and a two-stage film deposition allows this issue to be resolved.

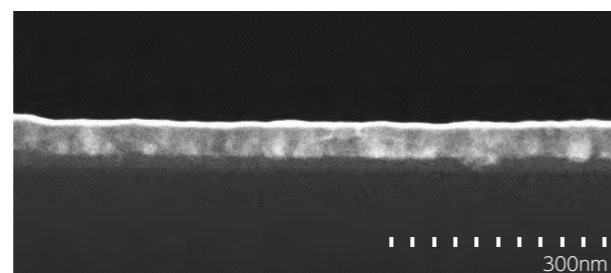
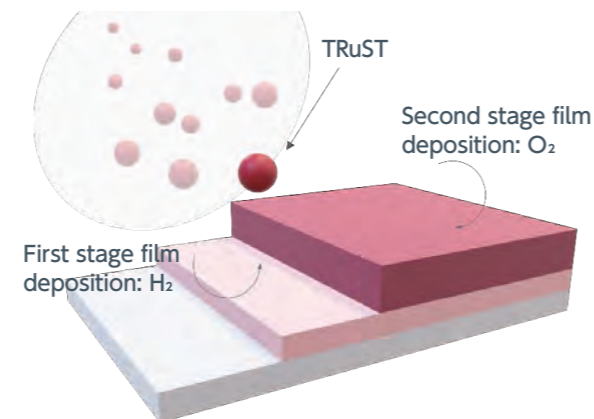


Image of two-stage film deposition using TRuST (upper)  
 Cross-sectional SEM image of two-stage film deposition using TRuST (lower)

## TOPICS

**Launch of the RE Series of recycled precious metal materials, which uses only 100% recycled materials**

The RE Series is composed of gold (Au), platinum (Pt) and other precious metals refined from 100% recycled precious metals. While TANAKA Kikinzoku Kogyo K.K. has been operating a precious metal recycling business since its founding, it has now expanded its RE Series production line to manufacture products that use 100% recycled precious metal materials. The RE series raw material products provided by TANAKA Kikinzoku Kogyo K.K. have already been applied to compounds for plating solutions as the first step. As the second step, we will also introduce the materials into the gold bonding wire products manufactured by TANAKA Denshi Kogyo K.K.



Logo of the RE Series



Bonding wire products

## Creation and Protection of Intellectual Property Rights

Being aware that intellectual properties such as patents, devices, designs, trademarks and literary works, as well as know-how, are important assets for companies, we actively endeavor to develop them. In the research of new technology and the development, production and sales of products and goods, we respect the intellectual property rights of third parties and deal with any infringement activities of other companies on our rights in a strict manner in accordance with the relevant laws of each country. We also provide intellectual property education mainly to staff in technology departments throughout the year to enhance their awareness of intellectual properties.

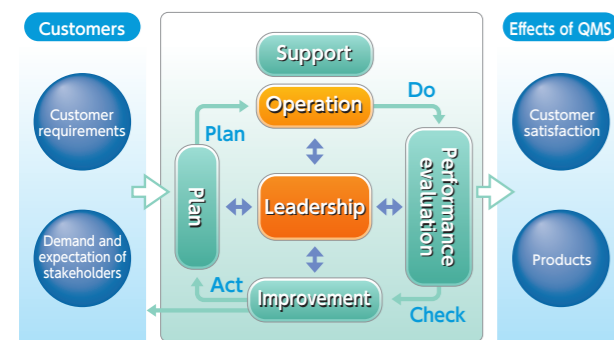
# Quality and Trust

Delivery of "good items" to customers is a principle of the TANAKA Precious Metals. In addition to the quality of products, we also pay attention to human rights, environment, health and safety, ethics and other CSR issues in the process of producing products.

## Establishment of a Quality Management System

We have established and operated a quality management system (QMS) based on ISO 9001 in all factories of the TANAKA Precious Metals. We also review the effectiveness of the QMS and improve the system through, for example, the introduction of requirements of IATF16949, which is a QMS standard for the car industry, so that we can promptly respond to wide-ranging customer demand on quality and continuously supply safe and secure products that satisfy customers.

### Quality Management System Diagram



## Customer Satisfaction Survey

The TANAKA Precious Metals has conducted a customer satisfaction survey since fiscal 2016. This survey aims to understand the real demands and complaints about our company among customers for our industrial product business in Japan and overseas based on their responses to an annual questionnaire survey and use the results for the improvement of various issues. In fiscal 2022, we received responses from 268 customers and the average score was 75.1 (out of 100). While the average score was 61.2 when the survey was launched in fiscal 2016, we have continuously received a score of 75 or higher in recent years. We will continue to promote the improvement of various issues to make our customers more satisfied.

## External CSR Assessments That Satisfy Customers

**RBA\*1 Audit**  
The TANAKA Precious Metals has formulated the TANAKA Precious Metals Code of Conduct and TANAKA Precious Metals Standards of Conduct, which are in line with the RBA Code of Conduct, to stipulate that each officer and employee should fulfill social responsibility for CSR issues including human rights, environment, health and safety and ethics in their daily operations. In fiscal 2022, our domestic and overseas factories were audited by third-party auditors qualified by RBA or were audited directly by customers. Through those audits, our compliance with the RBA Code of Conduct was evaluated.

**EcoVadis\*2 Certification**  
We underwent a company-wide CSR assessment by EcoVadis concerning the environment, labor and human rights, ethics and sustainable procurement of materials and were awarded a silver rating again in fiscal 2022.

\*1 RBA (Responsible Business Alliance): RBA is a CSR promotion organization mainly operated by major global companies in the electronic and electrical industries. It has established the RBA Code of Conduct as specific CSR rules to be followed by companies.

\*2 EcoVadis: EcoVadis is a CSR assessment agency that evaluates more than 90,000 organizations and companies from 200 business sectors and 175 countries throughout the world. It gives clients CSR rating on five scales, that is platinum, gold, silver, bronze or no rating.

### Screening of Counterparties

To deal with the risks associated with the globalization of business, we strictly screen counterparties to prevent any involvement in the infringement of human rights, financing of terrorists, money laundering, unfair dealings, conflicts and environmental destruction and to avoid transactions with those subject to sanctions and antisocial forces.

## Evaluation from Customers

The TANAKA Precious Metals has received awards, etc. from various customers in appreciation for our efforts to support their production activities.

### [FY2022] Major awards given by customers

Company	Customer	Award	Reason for the commendation
AuAg Company	Relay Business Unit, Electromechanical Control Business Division, Panasonic Industry Co., Ltd.	Best Supplier Award	Response to the need for delivery due to a rapid increase in production in the customer through the expansion of the facilities and other measures
	Fuji Electric Co., Ltd.	Excellence Award in the commendation of suppliers at the FY2022 Business Policy Briefing Session	Comprehensive cooperation for transactions on QCD
	Omron Electronic Components (Shenzhen) Ltd.	Excellent Supplier	Excellent performance in the creation of customer value
Chemical & Refining Company	Cataler Corporation	Quality Award	Delivery of no defective products and cooperation on the aspects of safety, supply and technology
	NGK SPARK PLUG CO., LTD.	Grand Prize in the precious metals category	Submission of VA proposal exceeding the target and cooperation in pricing
	MEP Enviro Technology Sdn. Bhd.	Best Strategic Partner Award	Gratitude for the long-term best support for recovery
Semiconductor Company	Advanced Semiconductor Engineering, Inc.	ESG Supply Chain Award	Demonstration of outstanding performance in all aspects of sustainable ESG
	Kaohsiung City Government	2022 Kaohsiung City Excellent Japanese Business Commendation	Gratitude for continuous investment in Kaohsiung City
	Infineon Technologies	Letter of appreciation	Commendation in a presentation at Technology Development Forum 2023
	Powertech Technology (Suzhou) Ltd.	FY2022 Excellent Supplier Award	Continuous and stable supply of high-quality gold wires even during the spread of COVID-19
	Unimos Microelectronics (Shanghai) Co., Ltd.	① FY2022 Cooperating Supplier ② Letter of appreciation for cooperation during the COVID-19 lockdown	Gratitude for wide-ranging cooperation (delivery, service) during the lockdown in fiscal 2022
AP Company	Japan Aviation Electronics Industry, Limited	Best Supplier Award	Commitment to the development of plating solutions to achieve cost reduction and contribute to the business results of the customer
	IBIDEN Philippines, Inc.	Best Supplier Award	Commendation as the best supplier in the overall evaluation of the following items: quality, continuous improvement, delivery time, customer services, the level of accountability

## Supply Chain Management

### Commitment to the Responsible Procurement of Minerals

With the establishment of its Responsible Mineral Sourcing Policy\*1, the TANAKA Precious Metals promotes the elimination of human rights abuses including child labor, financing of terrorists, money laundering, unfair dealings, involvement in conflicts and environmental destruction in the procurement of minerals used as raw materials such as conflict minerals including gold, tantalum, tungsten and tin, as well as cobalt.

### Acquisition of Certification Based on LBMA\*2 and LPPM\*3 Responsible Guidance

With respect to platinum, gold, silver and palladium, we conduct due diligence based on the LBMA Responsible Guidance and the LPPM Guidance and renew the certification every year after an audit by a designated third-party agency. When procuring materials for precious metals including recycled materials, we carefully conduct detailed checks of suppliers as to whether they have any problems or risks concerning CSR issues (the environment, human rights, society, compliance, ethics, etc.) to ensure responsible sales of precious metal products.

### Approach to Suppliers

While asking principal suppliers to comply with the RBA Code of Conduct, we also ask them to conduct CSR self-assessment. In addition, we visit and survey some suppliers that are considered to have a large impact on our business and be exposed to high risk.

In fiscal 2022, we asked about 160 suppliers to conduct CSR self-assessment and encouraged them to promote improvement voluntarily. No serious problem was identified in any of them.

We have joined the education and enlightenment task force of the CSR Committee of Japan Electronics and Information Technology Industries Association (JEITA), which is an industry group, and were engaged in the preparation of educational materials to make suppliers have a good comprehension of JEITA's "Responsible Business Conduct Guidelines." Following our suggestion, our principal suppliers participated in the briefing session held in October 2022.



LBMA Responsible Gold Certificate  
LBMA Responsible Silver Certificate  
LPPM Responsible Platinum and Palladium Certificate

\*1 [https://www.tanaka.co.jp/english/sourcing\\_policy/](https://www.tanaka.co.jp/english/sourcing_policy/)

\*2 LBMA: London Bullion Market Association

\*3 LPPM: London Platinum & Palladium Market

# Protection of the Global Environment

To hand down the beautiful earth to the future is a task shared by the international community and also a major challenge. The TANAKA Precious Metals is pursuing every possibility to minimize the environmental impact of its business activities.

## 2050 Statement on Carbon Neutrality

In April 2022, we made TANAKA Precious Metals Statement on Carbon Neutrality to declare that we aim to make our CO<sub>2</sub> emissions net zero in 2050. A company-wide project team headed by the CEO has also been launched to take measures to achieve carbon neutrality such as the improvement of energy efficiency in plants and the development of products that contribute to a decarbonized society.

### TANAKA Precious Metals Statement on Carbon Neutrality

The TANAKA Precious Metals will take on the challenge of addressing global warming, a social issue on a global scale, by aiming to achieve carbon neutrality by 2050 and actively introducing technologies that contribute to a decarbonized society within the Group and in society.

To reduce greenhouse gases arising from business activities, we will continuously undertake emission reduction activities, such as increasing energy efficiency, improving manufacturing processes and adopting the use of green energy, at our plants and offices.

At the same time, we will provide products that meet the expectations of customers working toward a decarbonized society, including catalysts that contribute toward greenhouse gas reduction and high-performance materials such as those used in electric vehicles. We will also strengthen our precious metal recycling business to contribute toward a circular economy, thereby creating a prosperous and sustainable future for the Earth with our own hands.

We will consider tree-planting and activities to preserve forest rejuvenation such as the creation of Tanaka Forest.

The TANAKA Precious Metals aims to achieve carbon neutrality through these activities.

In fiscal 2022, we will form a company-wide project team directly controlled by the CEO to consider and implement specific measures. The TANAKA Precious Metals will continue to provide value to customers and society as a whole through products and solutions that apply the unique characteristics of precious metals.



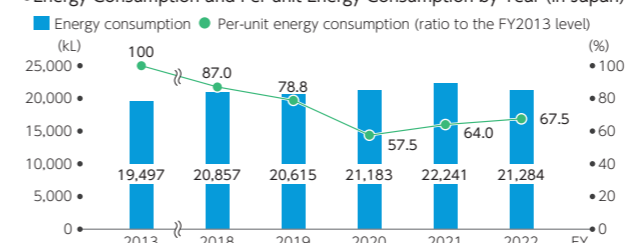
## Commitment to the Prevention of Global Warming

The TANAKA Precious Metals sets a target of reducing per-unit energy consumption in domestic bases by 1% each year to conform to the Act on the Rational Use of Energy of Japan. In fiscal 2022, our global CO<sub>2</sub> emissions decreased by 3.5% from the previous fiscal year. On the other hand, our per-unit energy consumption grew by approximately 3.5% (a decrease of 32.5% from the fiscal 2013 level) from the previous fiscal year.

We will continue to enhance our energy-saving efforts including increases in the efficiency of various devices and the improvement of their operation.

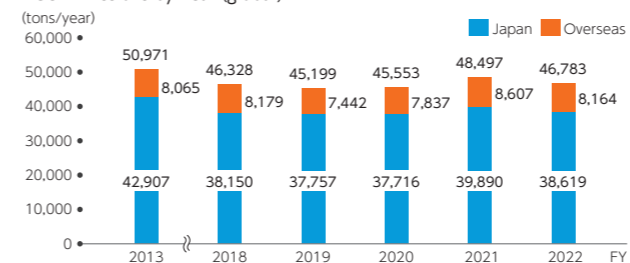
### Company-wide target » Reduction of per-unit energy consumption by 1% each year

#### Energy Consumption and Per-unit Energy Consumption by Year (in Japan)



\* Energy amount is calculated by converting electricity, gas, etc. into crude oil. Per-unit energy consumption is calculated with the gross margin on sales in the profit and loss statement as the denominator.

#### CO<sub>2</sub> Emissions by Year (global)



\* CO<sub>2</sub> emissions are calculated by applying the CO<sub>2</sub> emission factor of each electric power supplier in the region where each of the plants and facilities is located to the amount for each fiscal year. For overseas bases, CO<sub>2</sub> emissions are calculated with the average CO<sub>2</sub> emission factor in each country or region.

#### CO<sub>2</sub> Emissions by Facility (in fiscal 2022)

Plant	CO <sub>2</sub> emissions (tons)
Shonan Plant of Tanaka Kikinzoku Kogyo K.K.	7,878
Tomioka Plant of TANAKA Kikinzoku Kogyo K.K.	6,288
Sodegaura Plant of Tanaka Kikinzoku Kogyo K.K.	4,694
Ichikawa Plant of Tanaka Kikinzoku Kogyo K.K.	4,023
Hiratsuka Plant of Tanaka Kikinzoku Kogyo K.K.	3,876
Tsukuba Facility of Tanaka Kikinzoku Kogyo K.K.	3,672
Isehara Plant of Tanaka Kikinzoku Kogyo K.K.	2,994
Iwate Plant of Tanaka Kikinzoku Kogyo K.K.	2,453
TANAKA Electronics (Hangzhou) Co., Ltd. (TEC)	2,238
TANAKA Electronics Singapore Pte. Ltd. (TES)	1,699
TANAKA Electronics Malaysia Sdn. Bhd. (TEM)	1,589
Saga Production Headquarters of TANAKA Denshi Kogyo K.K.	1,221
Hsinchu Plant of Taiwan TANAKA Kikinzoku Kogyo Co., Ltd.	1,101
Hukou Plant of Taiwan TANAKA Kikinzoku Kogyo Co., Ltd.	877
TANAKA Electronics Taiwan Co., Ltd. (TET)	661
EEJA Ltd.	561
Other	959

## Introduction of Photovoltaic Power Generation

Mitomo Semicon Engineering Co., Ltd. introduced photovoltaic power generation in fiscal 2022. While the operation started in the middle of the fiscal year, the introduction resulted in an 8% reduction of annual energy consumption in the whole plant in fiscal 2022.



Solar panels installed in Mitomo Semicon Engineering

### List of the Plants That Have Introduced Photovoltaic Power Generation

Plant	Energy reduction effect
Shonan Plant of Tanaka Kikinzoku Kogyo K.K.	1%
Tomioka Plant of TANAKA Kikinzoku Kogyo K.K.	3%
Hiratsuka Plant of Tanaka Kikinzoku Kogyo K.K.	2%
Tsukuba Facility of Tanaka Kikinzoku Kogyo K.K.	4%
Isehara Plant of Tanaka Kikinzoku Kogyo K.K.	4%
Saga Production Headquarters of TANAKA Denshi Kogyo K.K.	3%
Mitomo Semicon Engineering Co., Ltd.	8%

## TOPICS

Metalor Technologies International SA, a Group company, has introduced photovoltaic power generation at its bases in Switzerland, France, the US, Mexico, China and Hong Kong and reduced CO<sub>2</sub> emissions in the Metalor Group as a whole by 13%.



Cleuville, France



San Luis Potosi, Mexico

# Protection of the Global Environment



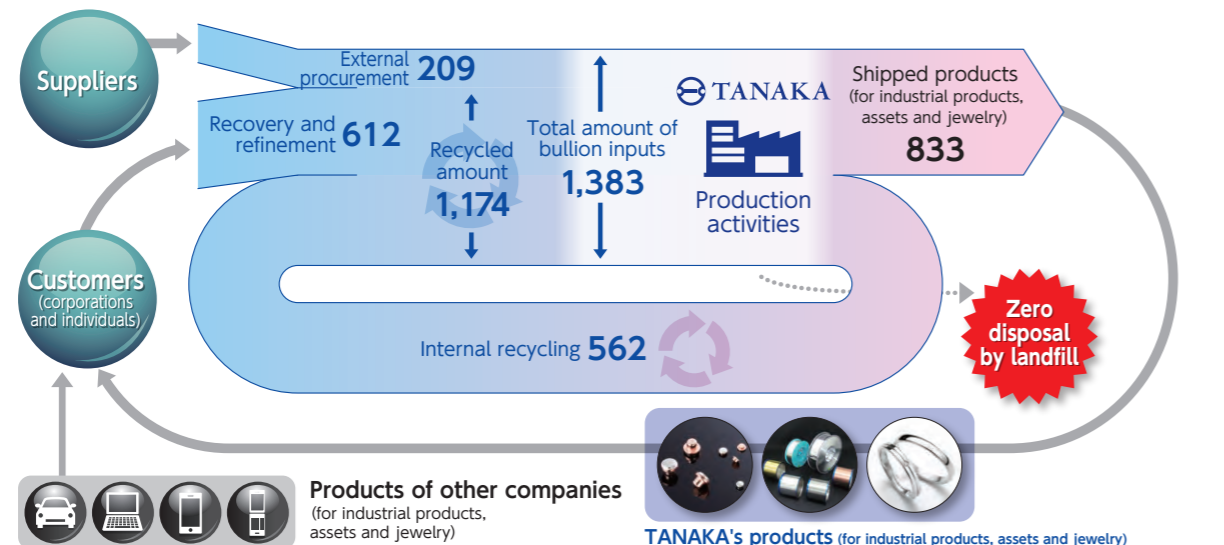
## Aiming to Establish a Sound Material-cycle Society

The TANAKA Precious Metals has continuously recycled precious metals since its founding. Today, all employees engage in the recovery of the bullion under the slogan "Any bullion is Money" and even trace amounts of bullion attached to uniforms, etc., in addition to bullion in production facilities, are carefully recovered. In the TANAKA Renaissance Plan, which is a medium-term plan initiated in fiscal 2021, we reorganized our activities in the three fields of direct materials, indirect materials and industrial waste to enhance our measures to establish a sound material-cycle society and realize a Circular Economy.

Direct materials	Cyclical use of precious metals and improvement of environmental indicators
Indirect materials	Continuous recycling of copies of the CSR Report and consideration of recycling of other indirect materials
Industrial waste	Reduction of industrial waste and promotion of zero emission

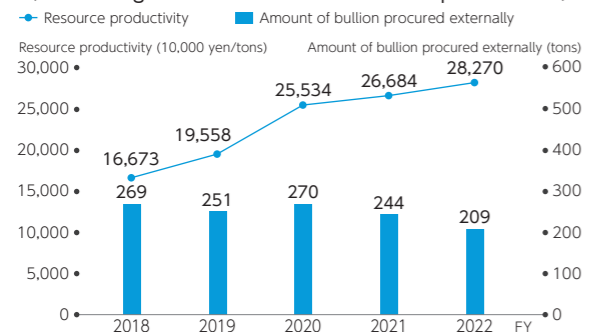
## Direct Materials Cyclical Use of Precious Metals

### ●Bullion Flow Diagram of the TANAKA Precious Metals (fiscal 2022)

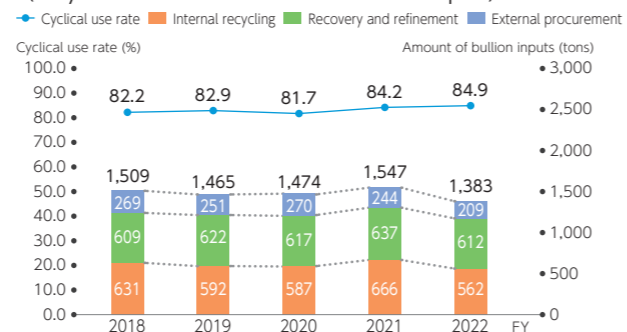


•Kinds of precious metals: Platinum, gold, silver, palladium, etc.  
 •External procurement: Bullion purchased through the market from trading companies, mining companies, etc.  
 •Recovery and refinement: Bullion refined from the items recovered from customers  
 •Internal recycling: Part of bullion generated in the manufacturing process but not used in products. Returned materials.  
 •The weight of the input is not necessarily the same as that of the output because bullion is repeatedly reused.  
 •Shipped products: Bullion shipped as products.

### ●Resource productivity (Gross margin on sales/Amount of external procurement)



### ●Cyclical use rate (Recycled amount/Total amount of bullion inputs)

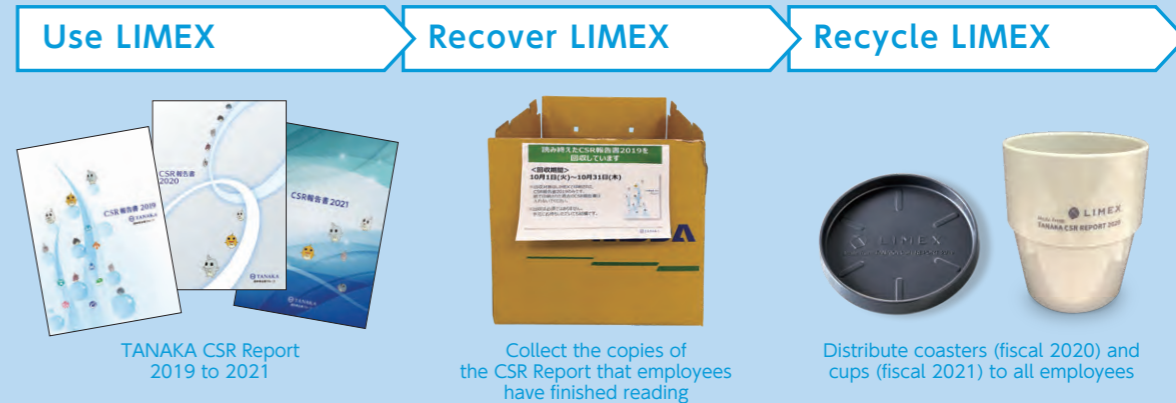


Resource productivity represents the profit per ton of externally procured bullion and can be regarded as the earning power from an environmental perspective. The cyclical use rate indicates the ratio of the amount of bullion recycled internally to the total amount of bullion inputs and has been around 80%. In the future, we will improve those environmental indicators to contribute to the establishment of a sound material-cycle society and the realization of a Circular Economy\*.

\* Concept to concurrently achieve a sound material-cycle society and economic activities. It is required to generate wealth from waste materials and from waste in business activities.

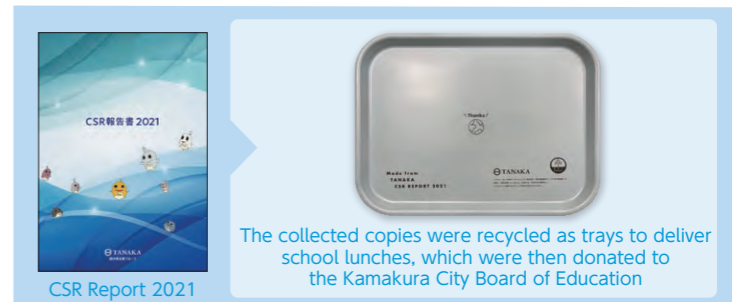
## Indirect Materials Recycling of Copies of the CSR Report

We have set up an upcycling system to print the CSR Report on LIMEX sheet and collect the copies that employees have finished reading to recycle them.



As an initiative to recycle indirect materials, we started to print the CSR Report on LIMEX\* and collect the copies that employees have finished reading to recycle them in fiscal 2019. In our past efforts, the copies were recycled as coasters and cups and then distributed to all employees in our previous activities. This time, as the third measure, we recycled the collected copies to produce trays that will be used to deliver lunches at nine junior high schools in Kamakura, instead of reusing them within the company, to make a social contribution more widely.

\* LIMEX is mainly made from limestone, which can be extracted from the earth almost inexhaustibly. This new environmentally friendly material uses almost no water or wood chips and can substitute paper and plastic. Each copy of the TANAKA Precious Metals CSR Report 2023 saves approximately 15 liters of water.

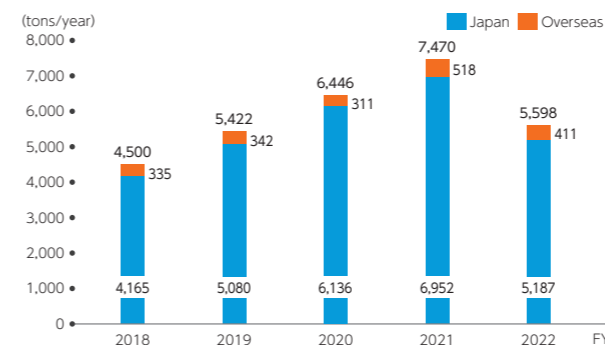


## Industrial Waste Reduction of Industrial Waste

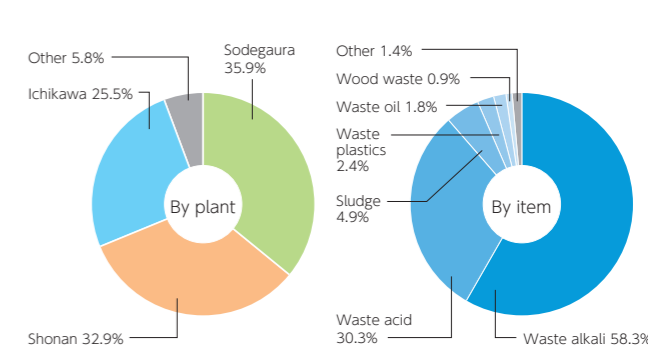
The TANAKA Precious Metals sets a target of reducing industrial waste emissions in domestic bases by 1% each year. In fiscal 2022, we reduced industrial waste emissions by 25% from the previous fiscal year as a result of our new initiative to convert waste liquid into valuable materials. We will promote further measures to ensure that we can control the waste generated in association with the expansion of our business.

### Company-wide target Reduction of industrial waste emissions by 1% each year

#### ●Industrial Waste Emissions by Year (global)



#### ●Breakdown of Industrial Waste Emissions in Fiscal 2022 (in Japan)





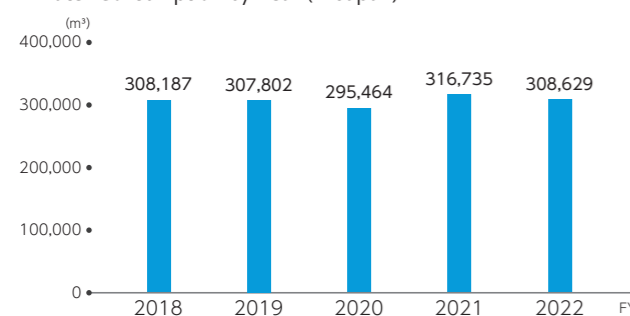
# Protection of the Global Environment

## Reduction of Water Consumption

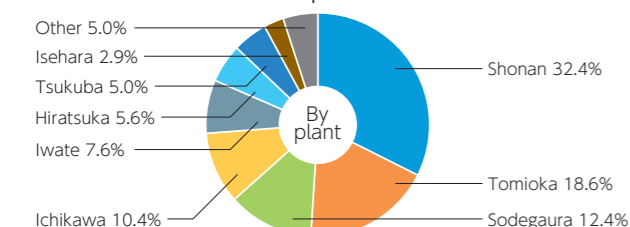
While there is growing concern over water shortage on a global scale, we are making efforts to reduce water consumption in our business activities. In the water use of the TANAKA Precious Metals as a whole by plant, Shonan Plant and Tomioka Plant account for around half of the water consumption.

We will continue to strive for the effective use of water resources through the recycling of water in our plants based on effluent treatment along with the improvement of processes.

### Water Consumption by Year (in Japan)



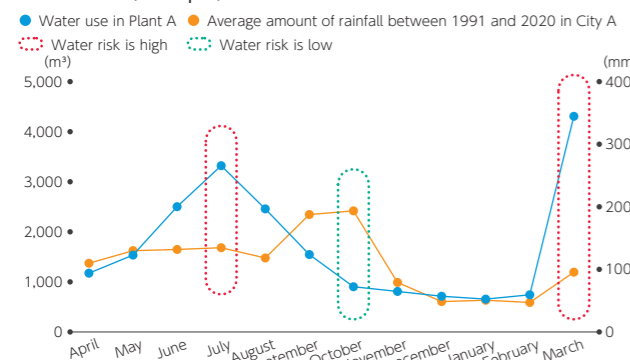
### Breakdown of Water Consumption in Fiscal 2022



### Identification of water risk

We recognize water use in all plants and the average amount of rainfall in the region where each of them is located. Assuming that the plants face higher water risk during a period with low rainfall, we are working to reduce water consumption.

### Correlation Between Water Use and the Average Amount of Rainfall (example)



The average amount of rainfall in the past 30 years is compared with the actual water use by month in the previous fiscal year to identify the periods when water risk is high and the periods when water risk is low.

## Environmental Management System

All of our production bases in Japan have obtained ISO 14001 certification for their environmental management systems and make continuous efforts to perform environmental conservation activities. In particular, we set targets for the Group as a whole to reduce CO<sub>2</sub> emissions (for prevention of global warming) and industrial waste emissions (for the establishment of a recycling-oriented society) and eradicate environmental incidents (for prevention of pollution), and aggressively strive to meet the targets.

To promote environmental conservation activities in a steady and smooth manner, we have set up a Group-wide structure with the Central Environmental Committee, which is composed of plant managers and facility managers, at the top. In addition, SHE\* Promotion Office Manager Council, as well as the Environmental Managers Sub-committee composed of environmental managers, holds a meeting periodically to share information and exchange opinions actively.

\* SHE: Safety, Health and the Environment

### Structure to promote environmental conservation activities



### List of the Facilities That Have Obtained ISO 14001 Certification (Date of acquisition)

TANAKA Kikinzoku Kogyo K.K.			
Shonan Plant	October 2000	Iwate Plant	January 2005
Ichikawa Plant	May 2002	Isehara Plant	March 2005
Technical Center	May 2002	Tomioka Plant	March 2005
Hiratsuka Plant	October 2002	Tsukuba Plant	December 2013
Taiwan TANAKA Kikinzoku Kogyo Co., Ltd.			
May 2010			
TANAKA Kikinzoku (Ningbo) Co., Ltd.			
January 2019			
Saga Production Headquarters of TANAKA Denshi Kogyo K.K.			
August 1999			
TANAKA Electronics Malaysia Sdn. Bhd.			
June 1999			
TANAKA Electronics Singapore Pte. Ltd.			
December 1999			
TANAKA Electronics (Hangzhou) Co., Ltd.			
February 2005			
TANAKA Electronics Taiwan Co., Ltd.			
March 2013			
EEJA Ltd.			
November 2000			

## Environmental Incident Eradication Activities

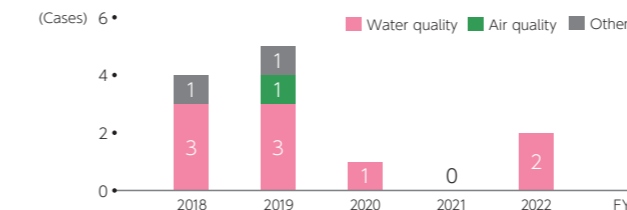
To prevent water pollution, air pollution, etc., we have voluntarily set internal standard values that are even stricter than the levels required by laws and regulations. Defining the cases where the voluntary standard values are exceeded as environmental incidents, we promote various measures to prevent the occurrence and recurrence of them.

### Major Internal Rules

Item	Description
Ordinary management	Management of voluntary standard values Voluntary standard values are set to be 50% of the legal standards
Response to incidents	Flash reports on environmental incidents Quick communication of information in the event of an environmental incident (The Environmental Managers Sub-committee checks cause analysis and actions to address it)
	Reporting and notification standards Standards concerning reporting and notification to relevant government bodies in case of an environmental incident

\* Definition of an environmental incident : Non-compliance with laws and regulations, excess of voluntary standard values, complaints from neighbors, minor accidents resolved within the site, etc.

### Number of Environmental Incidents



## Conservation of Biodiversity

In fiscal 2020, we launched an initiative to grow orange daylilies and coastal daylilies in the houses of the employees who applied for it, as well as the premises of our plants, and return the increased plants to a river bed of Tsurumi River in Yokohama, Kanagawa and Koajiro no Mori (Koajiro Forest) in Miura, Kanagawa, which are original habitats of the flowers. Now, beautiful flowers of orange daylilies and coastal daylilies bloom every summer.

### Purpose of this initiative

Hybrid ryegrass, which is known to cause hay fever, grows in river beds and parks and is difficult to eliminate by weeding. Therefore, we plan to plant indigenous species that are endangered in the region such as orange daylilies and coastal daylilies to cover the ground with them and control the growth of the community of hybrid ryegrass. We protect coastal daylilies, which are sometimes targeted by robbers, by growing them in safe places such as the houses of employees and the premises of our plants and offices.



\* Photos of orange daylilies and coastal daylilies grown in the houses of employees are posted at the bottom of Page 01 (company information and contents).

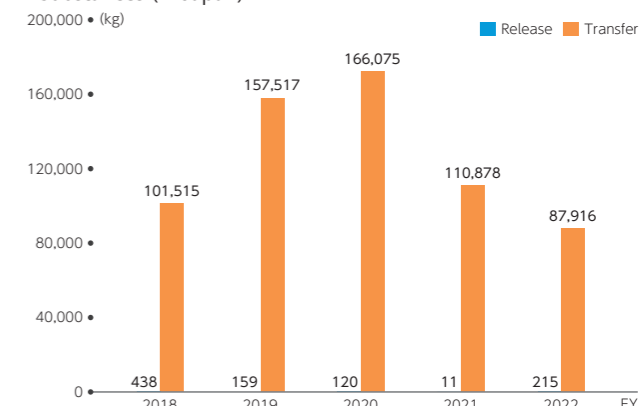
## Prevention of Environmental Pollution

As to the substances specified under the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (PRTR\* Act), we notify the national government of the amounts released in the environment and the amounts transferred to outside the facilities.

We will continue to be committed to the proper management of chemical substances in business activities to prevent environmental pollution.

\* PRTR: Pollutant Release and Transfer Register

### Total Release and Transfer Amounts of PRTR-designated Substances (in Japan)



In May 2023, we organized an eco-tour for volunteers in Koajiro Forest for the first time in four years. A total of 40 employees and their family members joined the tour and worked for the conservation of coastal daylilies. They also strolled through the forest and around a tidal flat.

### Purpose of this initiative

When the Great East Japan Earthquake occurred in March 2011, a tsunami also hit Koajiro Bay several times and destroyed almost all of the community of coastal daylilies in Koajiro Forest that lived along the coast. The remaining 28 coastal daylilies were protected by Non-Profit Organization Koajiro Outdoor Activity Organizing Committee, which has worked to restore the community since then. While this initiative is supported by several companies, the TANAKA Precious Metals also joined them in fiscal 2018.



Employees and their families transplanted coastal daylilies

# Contribution to Local Communities and Society

The TANAKA Precious Metals aims to develop activities that can contribute to the local communities and countries with which we are linked through our business activities so that they can be more healthy and prosperous. We are developing support activities as corporate efforts, as well as volunteer activities of the employees, in various places with focus on continuity.

## ◆ Promotion of Sports

### Certification as a Tokyo Sports Promotion Company

TANAKA Holdings Co., Ltd. promotes sports activities to encourage employees to improve their health and activate internal communication.

In addition, we have been an official partner of the Japanese Para-Sports Association (JPSA) since 2012 and have co-sponsored the Japan Blind Football Association (JBFA) and the Japanese women's blind football team since 2017. Through these initiatives, we support sports for people with disabilities, as well as Para athletes, and promote the understanding of sports for people with disabilities.

In recognition of those activities, TANAKA Holdings was certified as a Tokyo Sports Promotion Company by the Tokyo Municipal Government for eight consecutive years from fiscal 2015.



### Support of and Participation in Sports for People with Disabilities

We co-sponsored LIGA.i Blind Soccer Top League 2022 (organized by the Japan Blind Football Association), the first top league for blind football that was newly established in 2022, as a category sponsor (awards and ceremonies). By contributing to the further development of blind football in Japan and around the world, as well as providing league cups, medals and souvenirs awarded to teams and players, we supported the organization of the awards and ceremonies.



Saitama T.Wings won the title



The winning silver plate was awarded to Saitama T.Wings, who won the title



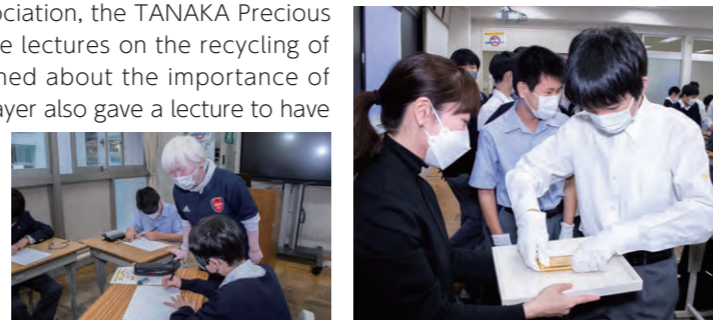
Medal awarding

©H.Wanibe/JBFA

## ◆ Human Resource Development

### On-site Lectures on the Recycling of Precious Metals and Diversity

In collaboration with the Japan Blind Football Association, the TANAKA Precious Metals visited a junior high school in Tokyo to give lectures on the recycling of precious metals and diversity. The students learned about the importance of precious metals and urban mines. A blind football player also gave a lecture to have them deepen their understanding of diversity through group work. We received a good review from the school that the lessons gave valuable experience, as well as comments from students that they enhanced their awareness of the environment and their understanding of diversity.



### Tanaka Kikinzoku Memorial Foundation

#### ○ Grants for Research on Precious Metals

This grant program has been carried out every year since fiscal 1999 to support research and development on new technologies to which precious metals can contribute. We received a total of 159 applications for this 24th invitation and provided grants of 16.2 million yen in total to 24 research projects.

#### ● Gold Award: 2 recipients, 2 million yen each

Modeling of precious metal extraction and separation using Moessbauer spectroscopy parameters and computational chemistry

Dr. Masashi Kaneko,  
a researcher at the Japan Atomic Energy Agency

Experiments to achieve microstructure control of precious metal-based high-entropy alloys

Professor Seiji Miura, Hokkaido University

#### ○ Activities to Support Students

FY2018 to FY2021

Granting of scholarships (at Tohoku University)

FY2021

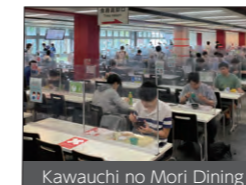
"100 yen breakfast"

FY2022

"Support with 100 yen breakfast," "50 yen melon bread plan"

The 61st National Seven Universities Athletic Meet

(Presentation of the winning trophy and pin badges of the competition)



Kawauchi no Mori Dining



Custard-filled melon bread



Pin badge

- ◆ 100 yen breakfast: approximately 19,000 meals in total over 28 days
- ◆ 50 yen melon bread: approximately 10,000 pieces over 33 days

### Co-sponsorship of Robot Contest for Technical College Students (Kosen-Robocon)

Competition of ideas - Robot Contest of National Colleges of Technology (Kosen-Robocon) is a nationwide event where young people think outside the box and create robots by themselves to experience the joy of manufacturing and share the importance of generating ideas and the greatness of manufacturing. Technical college students all over Japan apply various ideas and produce robots according to the theme for the competition, which is different every year, to win the regional competition and advance to the national tournament.

The TANAKA Precious Metals has co-sponsored the Robocon for technical college students since 2012 to support the future engineers of Japan.



### Main Activities

#### Sports Promotion Activities

We provided pure gold, pure silver and pure bronze medals for the Tokyo Legacy Half Marathon, which was held for the first time in 2022. TANAKA Holdings Co., Ltd.

#### Donation and Fund-raising Activities

We donated welfare vehicles to two corporations that operate welfare facilities (a nursing home and an institution for children with disabilities) EEJA Ltd.

#### Donation and Fund-raising Activities

Our plants and facilities implement various donation and fund-raising activities.

- TANAKA Holdings Co., Ltd. (Tokyo) • Plants and facilities of TANAKA Kikinzoku Kogyo K.K.
- Saga Production Headquarters of Tanaka Denshi Kogyo K.K. • Hiratsuka Office of EEJA Ltd.
- Tanaka Kikinzoku Jewelry K.K. • Tanaka Electronics Singapore Pte. Ltd. • Tanaka Electronics Malaysia Sdn. Bhd.
- Tanaka Electronics (Hangzhou) Co., Ltd. • Tanaka Electronics Taiwan Co., Ltd.

#### Local Cleaning Activities

The following plants and facilities implement activities to clean plants, their neighborhood and other areas in a regular manner.

- Tomioka Plant of TANAKA Kikinzoku Kogyo K.K. • Isehara Plant of TANAKA Kikinzoku Kogyo K.K.
- Shonan Plant of TANAKA Kikinzoku Kogyo K.K. • Tsukuba Facility (Tsukuba Technical Center) of TANAKA Kikinzoku Kogyo K.K.
- Saga Production Headquarters of Tanaka Denshi Kogyo K.K. • Main Store (Ginza) of Tanaka Kikinzoku Jewelry K.K.
- TANAKA Kikinzoku International (Europe) GmbH • Tanaka Electronics (Hangzhou) Co., Ltd.



For other activities, see our website: <https://www.tanaka.co.jp/about/csr/communication.html>

# Active Role of Each Employee

While employees are being diversified, the creation of a workplace environment where each of them can fulfill their potential is essential for the future of the TANAKA Precious Metals. We are working to improve the workplace environment from various aspects to ensure that diverse employees can play an active role.

## Work Style and Vacation Style Reforms and Active Roles of Diverse Employees

The TANAKA Precious Metals aims to create a workplace environment where all diverse employees can work vividly. As part of our commitment to it, we review work styles and vacation styles for their improvement through a composite approach.

## Annual Paid Holidays

We work to comply with the Act on the Arrangement of Related Acts to Promote Work Style Reform, which was enforced in April 2019, across the Group. "To have our employees take five or more annual paid holidays in a year" was set as a target in fiscal 2018 and all offices achieved it.

In Japan	2021	2022
Annual paid holiday (5 or more days) utilization rate	100 %	100 %
Average number of annual paid holidays taken (Manufacturing units)	12.8 days	15.0 days
(Indirect units)	12.5 days	14.5 days
Average overtime hours	14.49 hours	12.38 hours
Average service years: male	14.4 years	15.1 years
Average service years: female	13.2 years	13.8 years
Nursing care leave	4 person	4 person
Reduced working hours for nursing care	1 person	2 person

## Support for Employees to Achieve a Balance between Nursing Care and Work

We take various initiatives to develop a workplace environment where employees can balance nursing care and work.

### 1. Systems that exceed the legal requirements

#### 【Nursing care leave】

Employees can take nursing care leave for 365 days for each member in need of nursing care.

#### 【Reduced working hours for nursing care】

The working hours can be reduced to six hours in principle or five hours at the request of the employee.

### 2. Establishment of consultation services

Consultation services are available in and outside the company to give employees advice about nursing care.

### 3. Provision of information to employees

To help employees obtain information on nursing care before they face the issue, we distribute a relevant booklet in age-based training and provide information via the corporate intranet.



## TOPICS

### Acquisition of Kurumin Certification (\* 4 Group companies were certified in fiscal 2022)

Companies of the TANAKA Precious Metals Group have been certified as childcare support companies by the Minister of Health, Labor and Welfare.

The certification is granted when a company that has developed an action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children achieves the goals set under the plan and satisfies certain criteria. We will continue to work for the maintenance of the Kurumin Certification.

Certified companies: TANAKA Holdings Co., Ltd., TANAKA Kikinzoku Kogyo K.K., EEJA Ltd., TANAKA Kikinzoku Jewelry K.K.  
\* TANAKA Kikinzoku Kogyo K.K. was certified for the first time.  
TANAKA Denshi Kogyo K.K. works to be certified in 2025.



## Support for Employees to Achieve a Balance between Child Care and Work

We operate various programs to develop a workplace environment where employees can achieve a balance between child care and work, including those which exceed the legal requirements. We will continue to help employees achieve a balance between child care and work from the perspectives of work style reforms and work-life balance.

### 1. Systems that exceed the legal requirements

#### 【Special paid holidays for employees whose spouses gave birth】

Employees whose spouses gave birth can take three special paid holidays to spend time for hospitalization, discharge and notification.

#### 【Child care leave】

Child care leave can be taken until the child reaches 18 months in principle (or up to 2 years when the criteria are met).

#### 【Reduced working hours for child care】

This program is applicable until April 15 of the year when the child is a fifth-grade elementary school student. The working hours can be reduced to six hours in principle or five hours at the request of the employee.

#### 【Sick/injured child care leave】

This leave can be taken until April 15 of the year when the child is a second-grade elementary school student.

### 2. Encouragement of male employees to take child care leave, etc.

We strive to inform employees of the internal systems related to child care and create an environment where employees can use them easily through the distribution of a leaflet to the employees whose spouses gave birth, as well as their superiors, and the distribution of a booklet at manager training sessions.

In addition, we take initiatives to help male workers have a concrete image of taking child care leave. For example, we hold discussion meetings for working fathers to listen to the comments of male workers who have taken child care leave and publish reports on the meetings internally.

The number of male employees who take child care leave has been on an upward trend since fiscal 2016.

With 27 male employees taking child care leave in fiscal 2022, which was a record high, the effects of our efforts are gradually becoming apparent (see Page 29). We will continue to expand the programs to help employees achieve a balance between child care and work.

【Report on a discussion meeting for working fathers】



## Wage gap between men and women (TANAKA Kikinzoku Kogyo K.K.)

Regular workers	79.8%
Non-regular workers	67.7%
All workers	65.5%

- Coverage period: April 1, 2022 through March 31, 2023
- The employees of TANAKA Kikinzoku Kogyo K.K., which has no less than 301 permanent workers, in Japan were covered.
- The ratio was calculated by dividing the average annual wage of women by the average annual wage of men.
- While more than one employee category was set for both regular and non-regular workers, the salary and treatment assessment standards applied to each employee category were common to both men and women.

# Active Role of Each Employee



## Start of the Use of an In-house SNS "TUNAG"

The TANAKA Precious Metals has launched an in-house SNS "TUNAG" as a tool to get to know each other and as a place to disseminate various activities and share the thoughts of those involved.

1. You can post content you want more employees to know about, such as in-house activities and promotional materials.
2. The SNS can also be used on smartphones.
3. With an employee directory in which employees introduce themselves in a relay system, etc., the SNS will accelerate the creation of a corporate culture in which employees get to know each other better and recognize and compliment each other.



## Cross-industrial Exchange Meetings/Internal Seminars Proposals to Management

We held cross-industrial exchange meetings on the theme of active roles of women with participants from multiple companies, as well as internal seminar meetings for female employees of the TANAKA Precious Metals. The nine-month activities have been summarized to make proposals to top management.

### Joint proposals to the top management of each company by its secretariat

1. Strengthening of commitment to human resource development
2. Diversification of decision-making layers
3. Planned recruitment of women
4. Drastic improvements in work styles



\* Activities in the next term: Exchange of information between the secretariats, interaction with other employees, external public relations

### Proposals from the seminar in TANAKA

1. Request for the announcement of the DE&I Declaration
2. Launch of a specialized team (DE&I Promotion Office)
3. Proposal of TANAKA Kikinzoku Kogyo General Employer Action Plan (second term) and establishment of an implementation promotion team
4. Implementation of training on unconscious biases
5. Enhancement of support for achieving a balance and establishment of contacts for consultations



## TANAKA NOW

In my 30s, I will face various life events while building my career as an engineer. Meanwhile, I heard about the seminar that gives an opportunity to interact with other companies and consider and work on the advancement of women in the TANAKA Precious Metals, and I request my participation.

Although I had been worried that my request might be turned down because the activities were carried out during work hours, both the plant manager and my boss willingly approved of my participation. Even while I was working on the seminar, my boss told me that it was also a respected job, which greatly encouraged me and enabled me to complete the work to make a proposal.

I used to think that plant workers like us more strongly felt the difficulty of working due to gender biases in the types of work allocated to men and women. However, when I was working on the seminar, I was shocked to hear many stories about the difficulty of working from various sources, such as people working at the headquarters and women from other companies that I met at cross-industry exchange meetings, as well as company-wide survey results.

The days when there was no problem with men working and women taking care of the house are gone, and now there are people who are career-oriented, and others who value work-life balance, regardless of gender. Work and life are no longer binary oppositions between 0 and 1, but we are living in an age of diversity, where each person makes choices based on their life stage. In the seminar, I learned that one of the reasons why it is difficult for women to work is unconscious biases, which are stereotyped assumptions both men and women have unconsciously.

The brain unconsciously has a biased way of thinking, and when it is expressed in words and actions, it reduces the psychological safety of the organization. The bias of "this is how it should be" makes it difficult for the person to live, and hinders organizational innovations.

After the seminar, I understood that the brain has biases and I began to try to keep thinking and engaging in dialogue with that understanding in mind. I will continue to work hard to break out of the shell of my biases and bring about innovations as an engineer in the TANAKA Precious Metals.

Tomoko Matsuda, Manufacturing Engineering Section, Tsukuba Facility, TANAKA Kikinzoku Kogyo K.K.



## DE&I Declaration and Establishment of the DE&I Promotion Office

We consider that the individuality of each employee is the origin of value creation and position the promotion of Diversity, Equity & Inclusion (DE&I) as one of our key management strategies. We have formulated the DE&I Declaration to announce our company-wide commitment to DE&I. To create innovations for a better future and to enable our employees to achieve happiness, we will operate based on the following three guidelines.

- **Diversity**  
We will realize an organization where each employee can recognize and respect the individuality and differences of each other.
- **Equity**  
We will provide each employee with opportunities to develop and maximize their potential.
- **Inclusion**  
We will create a work environment where each employee can inspire each other and grow together.

While we have already worked to create a comfortable work environment through the development of systems to support the balance between work and family, round-table discussions with male employees who have taken child care leave and internal awareness surveys, we launched the DE&I Promotion Office as a department in charge in April 2023.

In fiscal 2023, we conducted a caravan for interviews. We collected direct feedback from our bases, which will be used to develop DE&I measures unique to the TANAKA Precious Metals. We are also planning organizational culture reform training to realize DE&I.

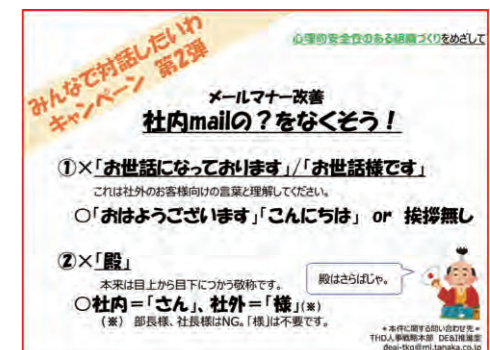
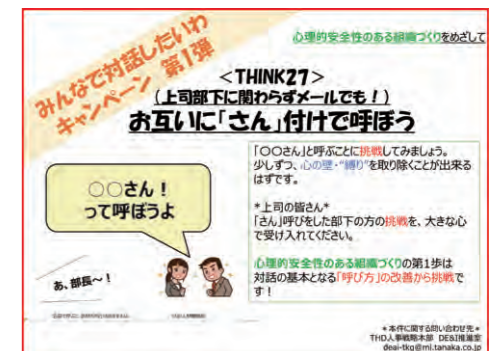


## Creation of an Organization with Psychological Safety

The DE&I Promotion Office is working to create an organization with psychological safety as part of organizational culture reform. We believe that the establishment of an organization where each employee respects others and can make statements with a sense of security will create innovations and also lead to employee happiness.

First, we have started a campaign to call the names of others with "san" without the job title and draw attention to the incorrect use of honorific words in internal emails. We would like to create an environment where people can stimulate each other and grow (inclusion) by talking to each other more easily rather than calling each other by their titles. In addition, we will eliminate excessive formality and make internal communication smoother by reviewing internal emails for unnecessary expressions and incorrect honorifics.

Furthermore, we have introduced business casual attire at the headquarters to eliminate formality. We leave it up to employees to decide what to wear while their appearance should not make others feel uncomfortable as a major premise. The DE&I Promotion Office supports the correct understanding and penetration of business casual attire.



# Creation of a Safer Work Environment

The creation of a workplace environment where employees can work safely with a sense of security is a challenge that is profound and most important for companies. The TANAKA Precious Metals strives to ensure the safety and health of employees while focusing on the development of relationships that facilitate mutual cooperation between them.

## Review of Safety Activities

We promoted various safety activities while setting "Give top priority to safety, and establish a secure and cheerful workplace" as the central policy for fiscal 2022. The number of accidents in fiscal 2022 was 21, which included 9 accidents resulting in four or more days of lost work time. The frequency rate, which is the number of casualties per million actual working hours, and the severity rate, which is the number of workdays lost per million actual working hours, both increased from previous years.

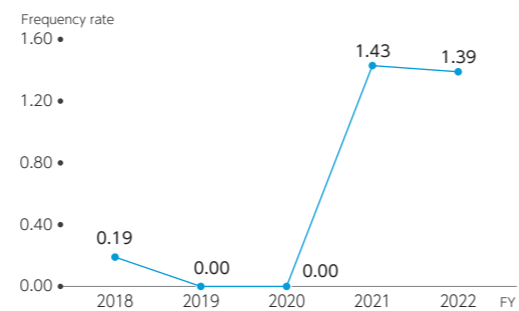
We analyze the causes of the accidents that have occurred and discuss permanent countermeasures in the meetings of the Safety Managers Sub-committee, in which safety managers of our plants and facilities participate, to prevent the recurrence of such accidents. While we have taken safety measures to address priority issues every year since fiscal 2017, the plants and facilities set the challenges that they will address individually, such as "getting caught" and "cut and graze," in addition to "prevention of falls," which is a common challenge, and take measures to tackle them.

The number of traffic accidents has been on a downward trend with 49 in fiscal 2020, 49 in fiscal 2021 and 37 in fiscal 2022. While we have supported the installation of a dashboard camera in cars, we also started to support the installation of a collision-reducing brake and a rear-view monitor for those commuting by private car as a measure to promote traffic safety.

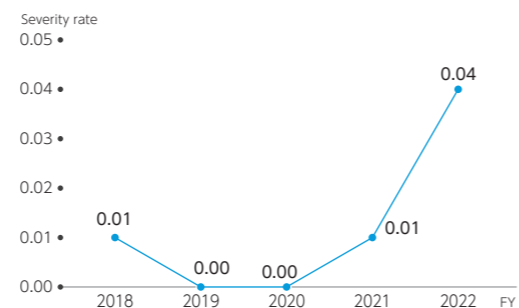
Along with measures to prevent accidents, we are also committed to the development of an environment where employees can work with a sense of security. We have defined an operation where employees belonging to the same department cannot confirm the presence of another employee working for the operation or contact such an employee easily as an isolated one-man operation. To avoid such an operation, we have introduced a mechanism to detect any fall and obtain location information of workers and enhanced daily work management and personnel deployment to establish a system where we can respond to accidents immediately while giving the highest priority to saving the lives of employees.

For the numbers of occupational and traffic accidents, see the page on CSR Performance.

● Frequency Rate by Year (in Japan)



● Severity Rate by Year (in Japan)



## TOPICS

The Marin Plant of Metalor Technologies International SA, a Group company, is promoting improvement activities to ensure safe operations. A lifting table and vacuum lift have been installed as shown in the photo. The plant has also expanded the workplace and taken measures to improve the working environment including the introduction of multi-functional workstations with height adjustment.



## Introduction of Examples of Safety Measures Taken to Address Priority Issues

### Example 1 » Fall

#### Tsukuba Facility, PGM Company



There was a risk of falling, so a lifting device was introduced to eliminate the need to go up or down stairs while carrying burdens.

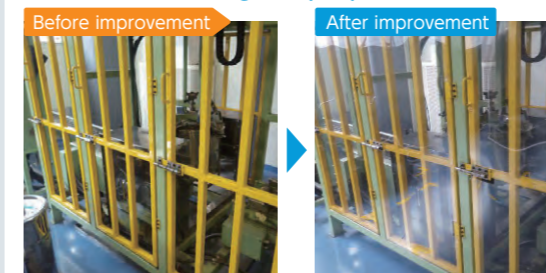
#### Shonan Plant, Chemical & Refining Company



Stone tiles on the entrance floor were slippery, so translucent non-slip tapes were applied to prevent slipping.

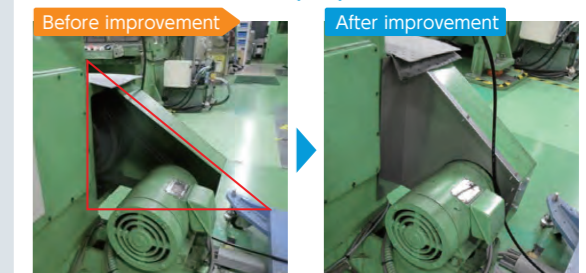
### Example 2 » Getting caught

#### Tomioka Plant, AuAg Company



The safety fence had gaps into which hands could be inserted, so acrylic plates were attached to cover the gaps and prevent hands from getting caught.

#### Isehara Plant, PGM Company



The drive part had a gap into which hands could be inserted, so a cover was attached to prevent hands from getting caught.

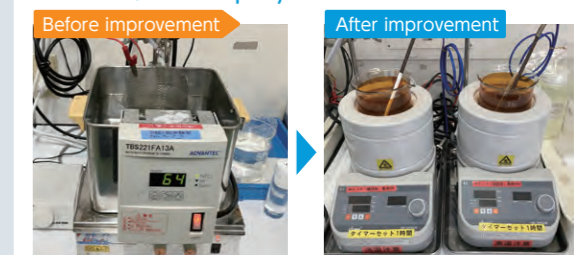
### Example 3 » Chemical and burn injuries

#### Hiratsuka Plant, AuAg Company



There was a risk of scattering chemical solutions if the hand supporting the syringe slipped to let the bottle fall, so a dedicated jig was produced to prevent the bottle from falling to scatter chemical solutions.

#### EEJA Ltd., AP Company



The water bath, which posed a risk of burn injuries due to direct contact of a hand with the hot water, was replaced with beaker mantles to prevent hands from directly touching the heated part.

# For the Realization of Healthy Management

While giving top priority to the health of employees and their families, the TANAKA Precious Metals promotes the prevention of diseases and the maintenance and improvement of their health.

## TANAKA Precious Metals HEALTH STATEMENT

### Health Initiatives

- ① The TANAKA Group aims to cultivate an organizational culture that prioritizes safety and health, based on the belief that employee health is an important driving force for business.
- ② The TANAKA Group will improve workplace environments that make work more interesting for employees.
- ③ The TANAKA Group takes a comprehensive approach to maintain and improve the health of its employees and their families, to promote a healthy work-life balance and improve productivity, aiming to create a workplace that encourages the participation of its various employees.

### Health Checkup

We continuously maintain the percentage of those undergoing regular health checkups and secondary tests at 100%. Various cancer screening tests have also been added to the items of the health checkup. The employees who reach the age of 45 can receive a complete health checkup with their spouses.

### Mental Health

We take the following initiatives for the mental health of employees.

- Development of the internal consultation system with nurses deployed at the health management office of facilities
- Establishment of external telephone service for health consultations
- Implementation of stress checks
- Implementation of line care training (for managers) and self-care training (for all employees)
- Reinstatement system  
We have introduced internal rules to allow the employees who are taking leave to return to work smoothly (reinstatement support program).
- Provision of mental health training to new employees and year-round employed workers  
Training is given to those employees to enable them to recognize stress and learn how to address it at the start of their working life.

## TOPICS

### Renewal of Silver Certification as Healthy Companies

We obtained the Silver Certification as Healthy Companies in August 2019. Having continued our efforts to improve the health of employees, including the maintenance of the percentage of employees undergoing a regular health checkup at 100% and the implementation of the health challenge program, we obtained the certification again in fiscal 2022.

### Recognition under the 2023 Certified Health & Productivity Management Outstanding Organizations Recognition Program

Five Group companies\* of the TANAKA Precious Metals were recognized under the 2023 Certified Health & Productivity Management Outstanding Organizations Recognition Program (in the large enterprise category).



\* 5 Group companies of the TANAKA Precious Metals: TANAKA Holdings Co., Ltd., TANAKA Kikinzoku Kogyo K.K., TANAKA Denshi Kogyo K.K., EEJA Ltd. and TANAKA Kikinzoku Jewelry K.K.

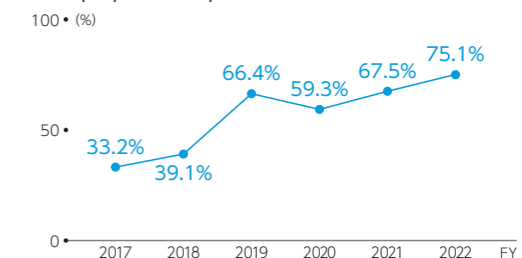
### Health Challenge

This program is implemented to improve the daily lifestyle habits of employees, such as their eating habits and exercise habits, to prevent illness and improve health awareness. Participants selected items to tackle individually and tried to improve their lifestyle habits for about two months. The health challenge program has been organized since 2016, and the participation rate in fiscal 2022 was a record high of 75.1%.

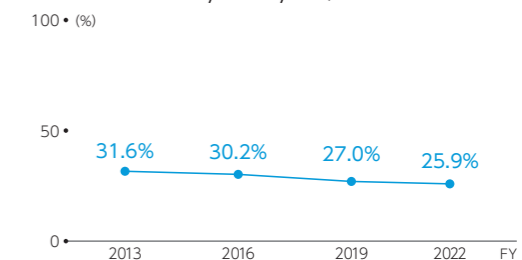
### Initiatives for Quitting Smoking

- ① “Quit Smoking” Campaign  
This campaign was organized in June 2022 to give both smokers and non-smokers an opportunity to think about the impact of passive smoking and encourage smokers to quit smoking. We invited self-produced posters, senryu poems on quitting smoking and messages to smokers and exhibited them in the company.
- ② Establishment of No Smoking Day  
We set a no-smoking day every month to give smokers an opportunity to think about their health and passive smoking and start quitting smoking.
- ③ Ban on indoor smoking at worksites  
All indoor smoking areas have been eliminated and smoking is now allowed only in outdoor smoking areas with measures taken to prevent passive smoking during the designated time.
- ④ Subsidization of medical costs for outpatient therapy to quit smoking at smoking cessation clinics  
We provide subsidies to employees who have quit smoking through outpatient treatment at smoking cessation clinics.

#### Employee Participation Rate

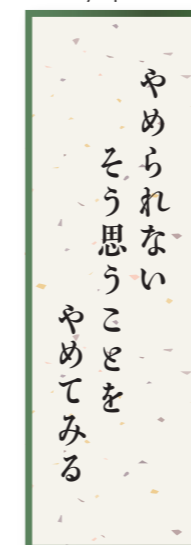


#### Rate of Smoking by Year (based on the health awareness survey conducted every three years)



#### FY2022 “Quit Smoking” Campaign [Tanaka Award]

#### Senryu poem contest



#### Message contest

友人に聞いた友人の友人の友人の話

その人(Aさん)が新入社員だったころ、憧れの先輩が喫煙者だったことから、話しかけるきっかけ作りのためにタバコを吸い始め、喫煙所でよく話すようになったそうです。ただ、その当時は先輩には既に婚約者がいたので残念ながらAさんの恋は実現しませんでした。その後もタバコはやめずにずるずる吸い続けていたのですが、タバコ嫌いの後輩と付き合う事になった時にキッパリ喫煙をやめたのです。結局は自分の中で何を優先するかによって、その後の行動が変わるのだと思います。

あなたが一番大事にしたいのは「タバコ」ですか？

#### Poster contest



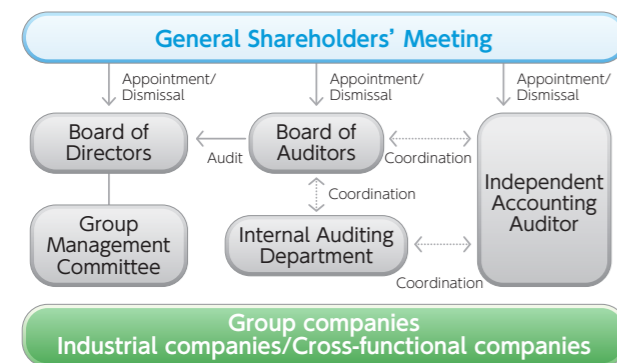
# To Be an Honest and Healthy Company

In addition to legal compliance, we promote Group-wide initiatives to develop business activities that are correct in accordance with social ethics on a global scale.

## Corporate Governance

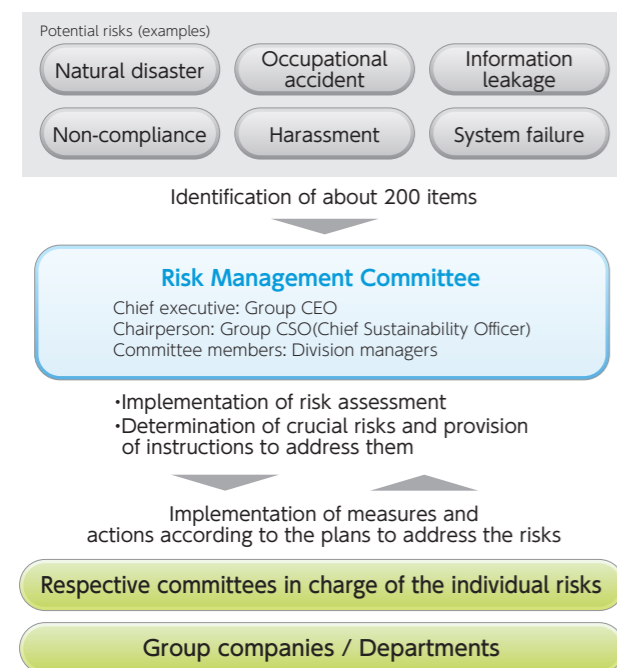
The TANAKA Precious Metals has established a corporate governance system and specified a basic policy for internal control to ensure respect for the rights and interests of all stakeholders and perform business operations, accounting and other activities in a legitimate and proper manner. Based on the system and basic policy, the Board of Directors, Group Management Committee, the Board of Auditors and the Internal Auditing Department play their respective roles.

●Governance Structure Diagram



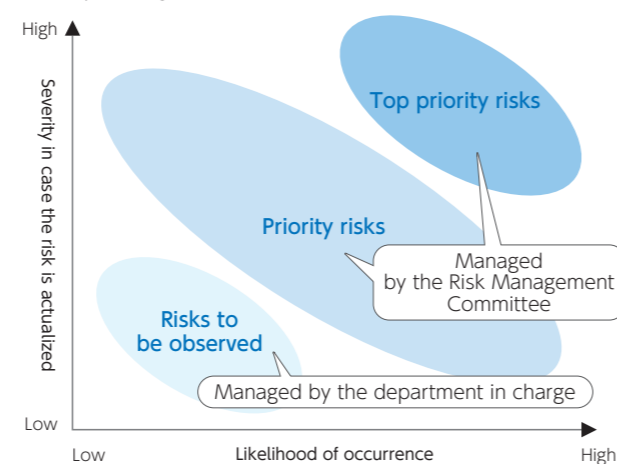
## Risk Management Promotion Structure

●Risk Management Promotion Structure Diagram



We have formulated a Risk Management Committee, in which the Group CEO of TANAKA Holdings and the Group CSO (Chief Sustainability Officer) serve as the chief executive and the chairperson, respectively. A meeting of the committee is held twice a year to evaluate risks, check the status of actions for risks, determine crucial risks to be addressed and give instructions on the actions to be taken for the risks. For the crucial risks determined in the meeting, the respective committees and departments in charge of the individual risks develop plans to address them and take measures according to the plans.

●Conceptual Diagram of Risk Assessment



## Business Continuity Planning (BCP)

In anticipation of various natural disasters, such as earthquakes and storm and flood damage, we conduct regular drills and review the business continuity plans at our bases. In particular, we have installed live cameras at 10 facilities in Japan, which allow us to check the situation from a remote location in the event of earthquakes, sudden changes in weather and other emergencies, to use them for information sharing and initial response.



Images on a smartphone (sample)

## Compliance Training

To enhance compliance awareness and prevent dishonest acts, we disseminate the compliance guidebook. We also continue to provide e-learning courses on subjects such as the whistleblowing system, compliance with the Antimonopoly Law, prevention of corruption, protection of personal information and trade secrets. In addition, we provide relevant training to employees stationed abroad and overseas expatriate staff to enhance compliance awareness throughout the TANAKA Precious Metals.

## Respect for Human Rights

The TANAKA Precious Metals declares in the TANAKA Precious Metals Code of Conduct and the TANAKA Precious Metals Standards of Conduct that we will eliminate any discrimination on the basis of nationality, race, etc. and will not use any child labor or forced labor. We also give internal education to prevent discrimination, harassment and other improper acts and have in place systems to give consultations and receive reports on non-compliance. The whistleblowers are strictly protected to ensure that they will not suffer any disadvantage. In addition, we have established rules to give consideration to the human rights of foreign national workers including that no registration or commission fee for recruitment should be collected from the workers and that the workers retain their own identification certificates, passports or work permits, visas, etc.

## Harassment Prevention Training

The TANAKA Precious Metals has provided training to prevent and eliminate harassment since 2014. In 2022, we invited a company lawyer to organize a case study seminar for executive staff.

## Whistleblowing System

In fiscal 2022, eight reports were received in the whistleblowing system. We have treated all of the cases properly while following the Whistleblower Protection Act, as well as our regulations on the whistleblowing system, protecting the whistleblowers and maintaining confidentiality.

## Security Export Control

For global companies that deliver products and services to customers around the world while depending on international peace and safety, proper export control based on international cooperation is an essential duty. TANAKA Kikinzoku Kogyo K.K. has formulated its original security export control regulations (compliance program or CP) according to Foreign Exchange and Foreign Trade Act and other laws and notified the Ministry of Economy, Trade and Industry of them. We carefully control exports to prevent any of our products or technologies from being used for international terrorism or crime or diverted to nuclear or biochemical weapons, etc. In addition, we work to seize the trend of the US Export Administration Regulations (EAR), which are applied extraterritorially to become effective virtually all over the world, and other regulations to address them properly.

## Activities as an AEO-Certified Exporter

Certified as an exporter authorized by the customs authority (AEO exporter), TANAKA Kikinzoku Kogyo K.K. has in place compliance systems for the security of freight, transportation, sites, etc., internal audits, management of contractors, communication networks with custom authorities and within the company and education system. We also supply products under reliable security.

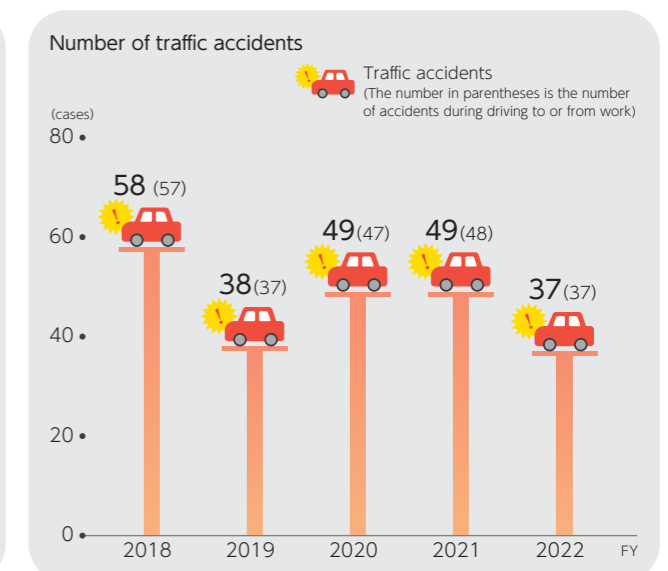
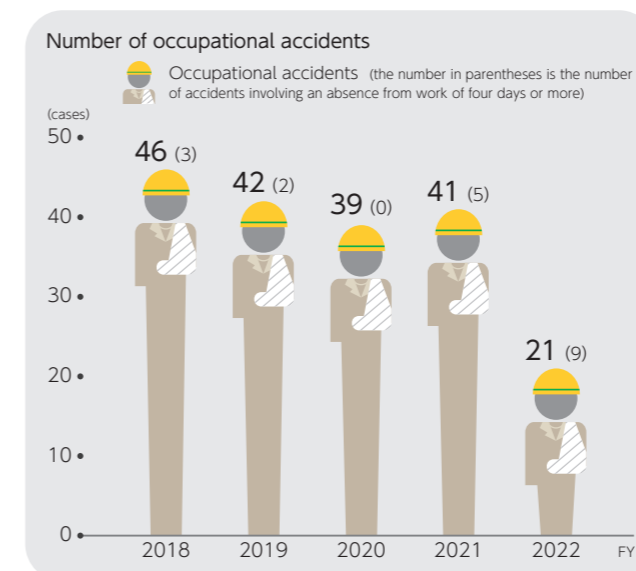
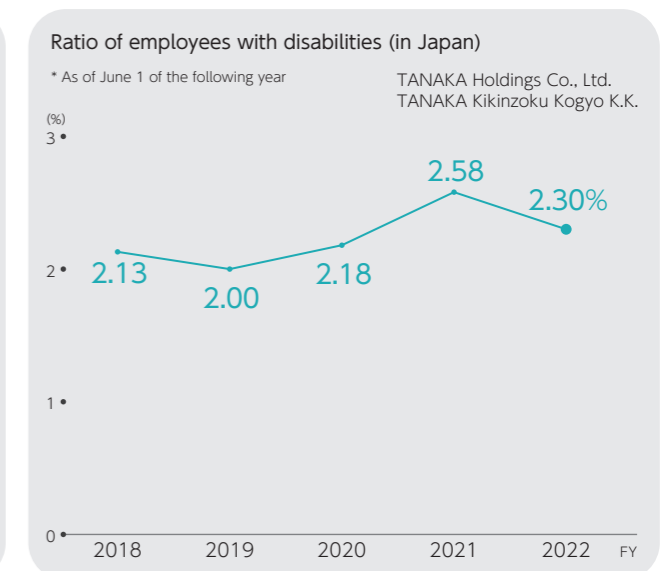
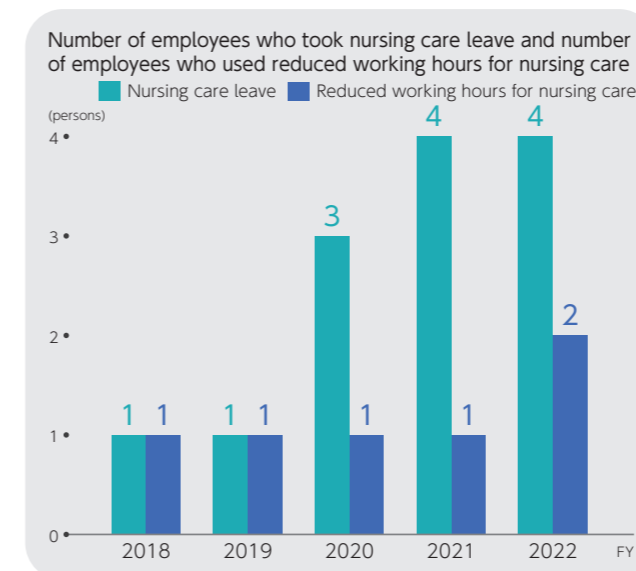
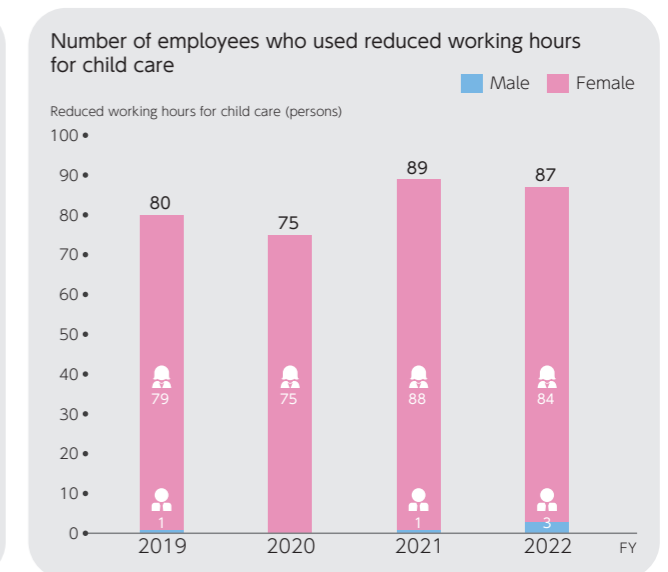
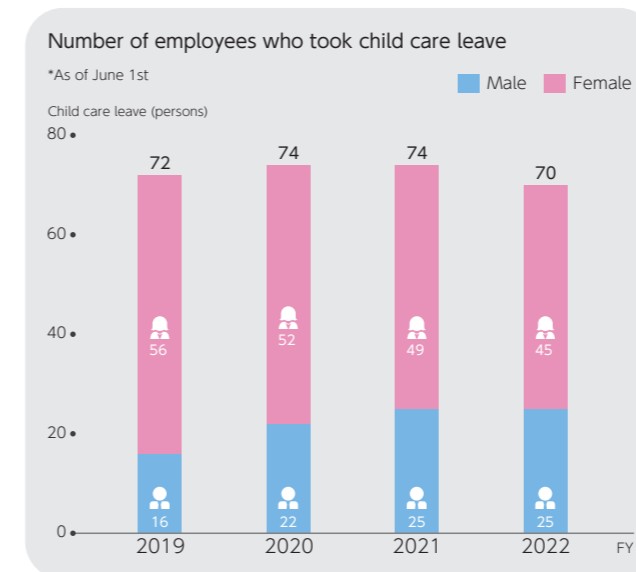
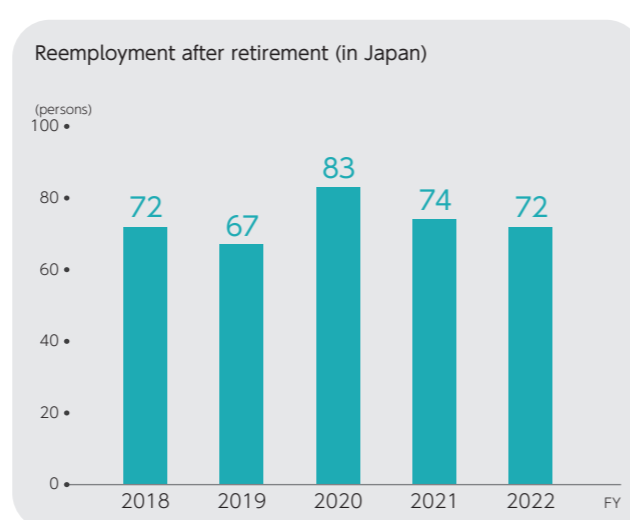
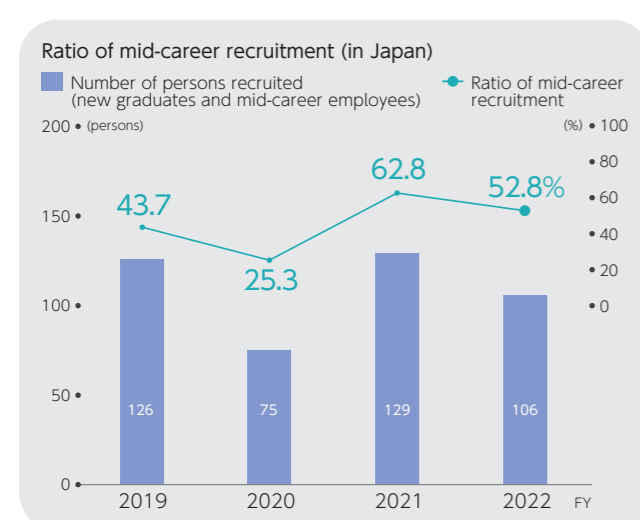
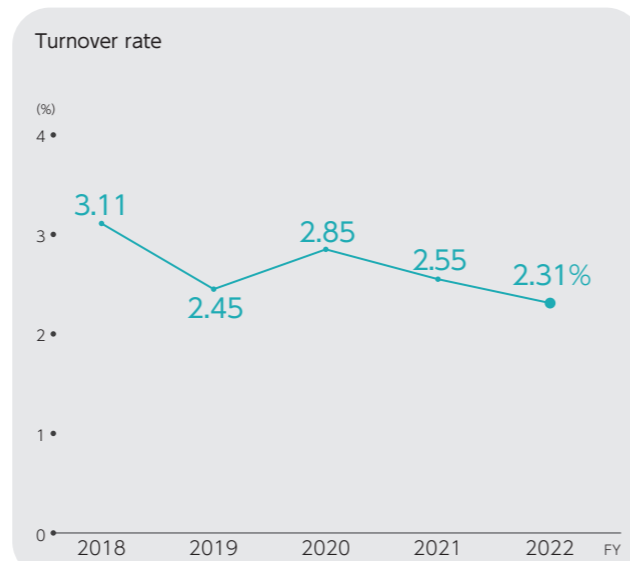
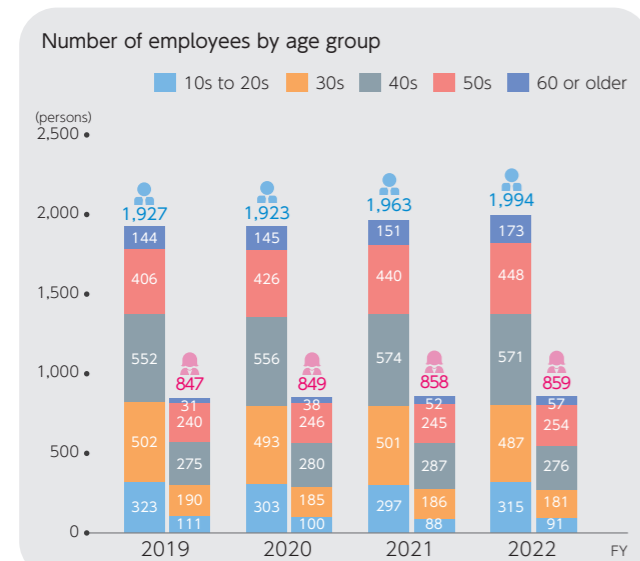
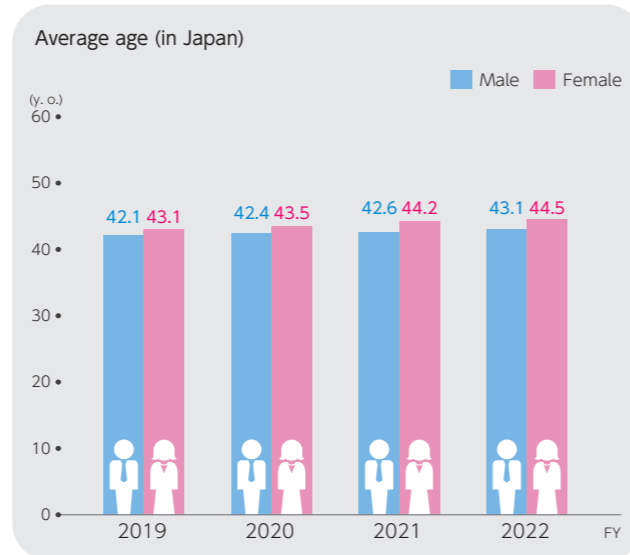
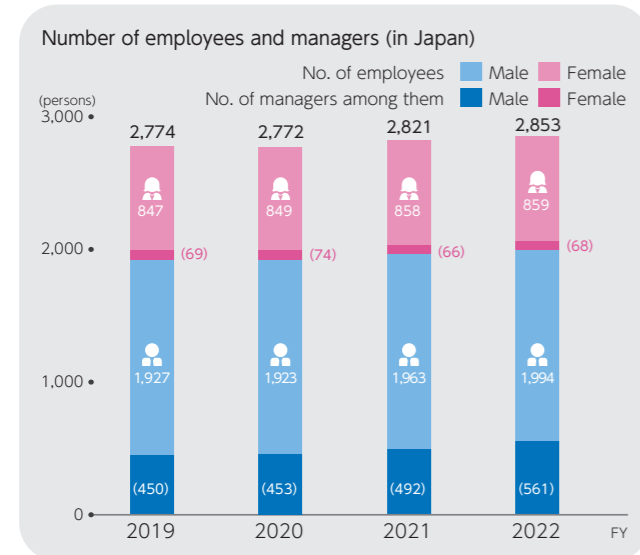


## Promotion of Personal Information Management

The TANAKA Precious Metals manages personal information, which is classified into the three categories of "individual customers," "corporate customers" and "employees, etc." according to the personal information management regulations. Especially for the management of the personal information of individual customers, we use part of the ISO 27001 (information security management system) standard. Furthermore, we hold a meeting of the Personal Information Management Committee once in six months to check the management status in each of the categories and promote continuous improvement. In fiscal 2022, three minor cases including the transmission of emails to wrong recipients occurred but we immediately took measures to address them. We will continue to work to prevent the leakage of personal information.

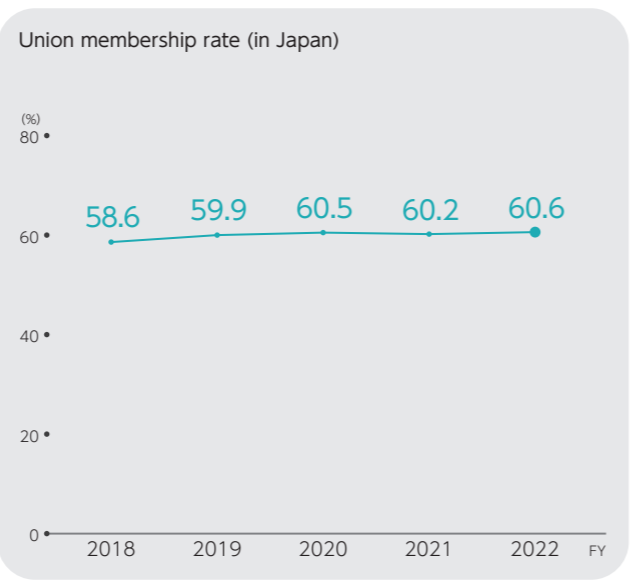
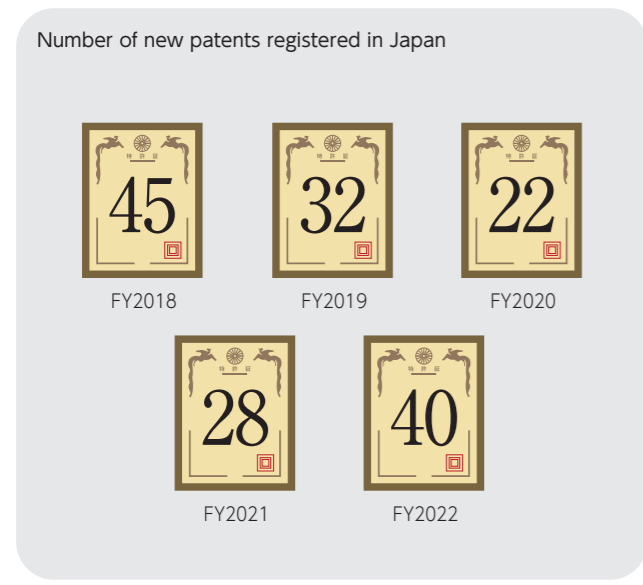
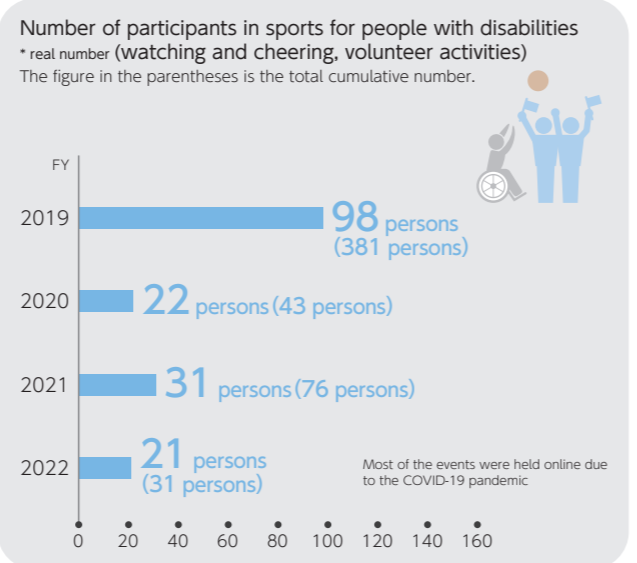
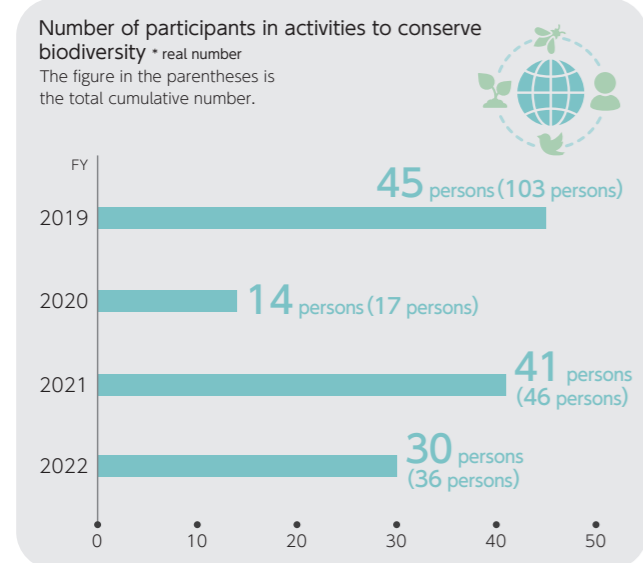
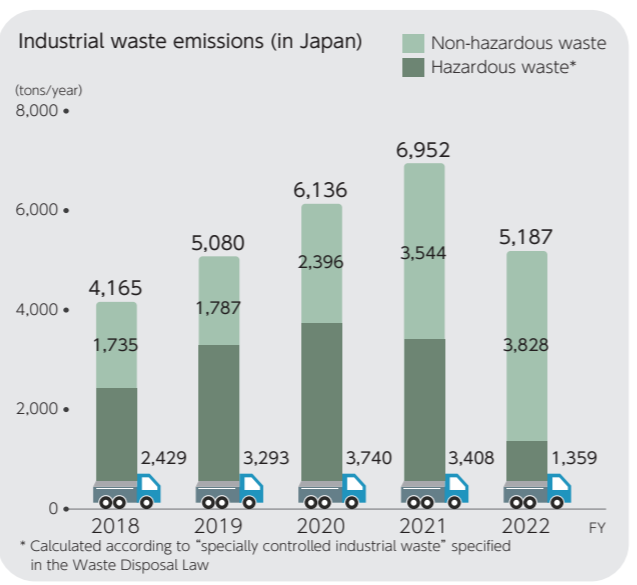
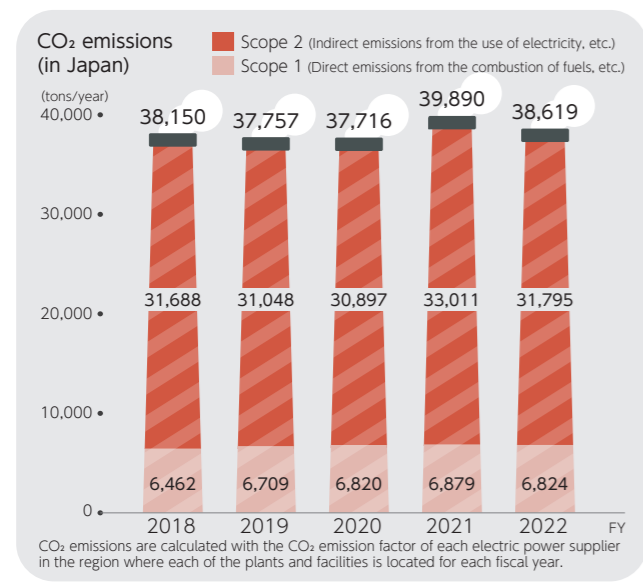
# CSR Performance

We will disclose various indicators related to CSR, regardless of whether they have improved or deteriorated. The indicators will be reviewed as appropriate in response to global trends and requests from stakeholders.





# CSR Performance



# CSR Management



## Approach to CSR

We aim to perform activities to fulfill corporate social responsibility (CSR) not as something isolated from daily operations but as part of our business activities. In addition, the basic approach to all stakeholders mentioned in the Mission Statement has underpinned our CSR activities consistently since our early days. For example, we have continued the recycling of bullion (see Page 12) as part of our daily activities since our founding, which is symbolized by the slogan "Any bullion is money," and it is a typical initiative to reduce environmental impact. We continuously promote activities to incorporate CSR into our daily business operations through community involvement, which is represented by social contribution activities (see Pages 16 to 17), as well as activities to conserve biodiversity in the environment (see Page 15) and other initiatives.

- Mission Statement** Having spent more than 130 years in business since our foundation, we set our basic approach to all corporate activities, including those for corporate social responsibility (CSR), in addition to the improvement of quality, productivity and technology, in the Mission Statement.
- Corporate Philosophy and Code of Conduct** The Corporate Philosophy states that we will lead the precious metals industry, implement various business continuity activities including the conservation of the global environment and work for the creation of a prosperous society based on the basic approach mentioned in the Mission Statement. For the realization of the Corporate Philosophy, we specify five basic stances on actions that should be considered in daily activities as Code of Conduct, along with the Mission Statement.
- Code of Conduct and Standards of Conduct** We describe the principles of corporate activities to fulfill social responsibility and contribute to the creation of a sustainable society in our daily activities in the Code of Conduct and the Standards of Conduct. They have been set in accordance with the seven core subjects of ISO 26000 and based on respect for internationally recognized standards in addition to compliance with domestic laws. We have also established a proper management system for compliance with the Standards of Conduct.

TANAKA Precious Metals Code of Conduct	
Organizational governance	Promote sound business practices with transparency and accountability.
Human rights	Eliminate all forms of discrimination, whether on the basis of race, nationality, sex, age, social status, position or responsibilities, etc.
Work practices	Endeavor to do the best work and prioritize safety in a free and open-minded corporate culture.
Environment	Promote environmental protection and contribute to the future of this beautiful planet.
Fair business practices	Promote sound business activities in the spirit of legal compliance.
Consumer issues	Respond to the trust and expectations of customers, and generate excitement for them.
Community participation and community development	Aim for a well-balanced and prosperous society, and contribute to the revitalization of local communities.
TANAKA Precious Metals Standards of Conduct	
Human rights	1) Do not behave in any way that discriminates on the basis of nationality, race, ethnicity, skin color, sex, age, religion, beliefs, social status, ancestry, property, existence of physical or mental disabilities or political views. 2) Do not use any child labor or forced labor. 3) Provide an appropriate work environment for young workers. 4) Appropriately manage working hours and payment of wages. 5) Do not mistreat or unjustly coerce someone using your position in work or in sales (i.e., power harassment) through harassment, disdain or words. 6) Do not engage in any speech or conduct related to sex in opposition to the feelings of those around you or the person you are speaking with (i.e., sexual harassment). 7) Do not slander or denigrate any company or individual.
Work practices	1) Prioritize respect for human life, and comply with laws and ordinances related to occupational safety and health. 2) Understand the importance of systematic and continuous activities related to health and safety, and actively take part in driving these activities. 3) Understand the dangers and mental and physical hazards related to your own work, prepare for emergencies and implement training, and strive to take measures for disaster and accident prevention. 4) Respect the right of employees to participate in collective bargaining and rallies. 5) Provide appropriate employee benefits.
Environment	1) Comply with environmental regulations, regional agreements and in-house rules. 2) Promote the thorough control and reduction of chemical substances that may have a harmful impact on the environment. 3) Promote the conservation of energy and resources, and the reduction of CO <sub>2</sub> emissions and waste materials. 4) Promote appropriate management of water resources. 5) Actively work to recycle precious metals.
Fair business practices	1) Comply with laws and ordinances to maintain anti-monopoly laws and other fair competition rules, and compete fairly and freely. 2) For gifts of money and goods, business entertainment, donations and political contributions, behave appropriately and comply with laws, ordinances and in-house rules. 3) Do not commit bribery, corruption, extortion or embezzlement. 4) For the import and export of goods and technologies, comply with international treaties, laws, ordinances and in-house rules and follow the appropriate and necessary procedures. 5) Do not use a dominant position to engage in such behavior as unilaterally changing the terms of business or forcing a purchase. 6) Respect intellectual property rights and do not infringe on them. 7) Have absolutely no dealings with anyone with connections to antisocial groups or armed groups. 8) Contribute to establishing a relationship of mutual cooperation and trust with other businesses. 9) Along with following company rules regarding trade secrets, and controlling and protecting them, do not leak or disclose trade secrets to others or use without permission. 10) Do not behave in any way that is problematic in terms of business ethics, or act or conduct yourself individually in opposition to the profits of the company. 11) Appropriately control company assets (information, products, merchandise, equipment, machinery, consumables, intellectual property, tangible and intangible assets such as the brand) and do not use these assets illegally or unfairly. 12) Do not conduct insider trading based on nonpublic information acquired through the course of business. 13) Implement a whistleblowing system to help prevent compliance violations and protect whistleblowers against disadvantage.
Consumer issues	1) Comply with all laws and ordinances applicable to products, merchandise and services. 2) Do not violate laws and ordinances such as competition laws or those related to labeling. 3) Protect the personal information obtained from customers, business partners, employees and others. 4) In advertisements and other publicity, create labeling based on a substantial and objective foundation; do not engage in false or misleading advertising. 5) Ensure product safety and product quality. 6) Provide information related to the correct methods of use, cautions in use and application, and information related to such features as the functions and strengths of products, merchandise and services. 7) Along with disclosing business information and increasing the transparency of management, achieve accountability for the company. 8) Undertake honest sales and service activities. 9) Do not make sales with excessive premiums or use deceptive sales methods. 10) In the event that a quality problem that can harm the company's reputation arises, respond appropriately. 11) For enquiries and complaints from the customer, follow in-house rules and guidelines to deal with the situation, give appropriate feedback and prevent recurrence of the problem. 12) Actively work to reduce material use to a minimum, make use of reclaimed materials and develop products, merchandise and services that save energy.
Community participation and community development	Provide support for activities contributing to society through such work as academic research, education, environmental protection, cultural and artistic activities, and local community service, and work to foster harmony and co-exist with local communities.

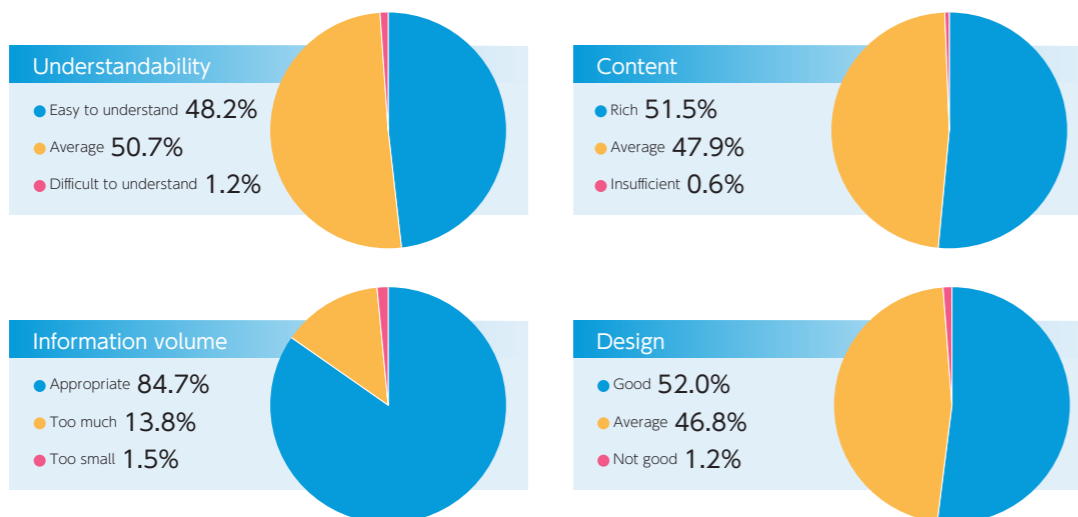
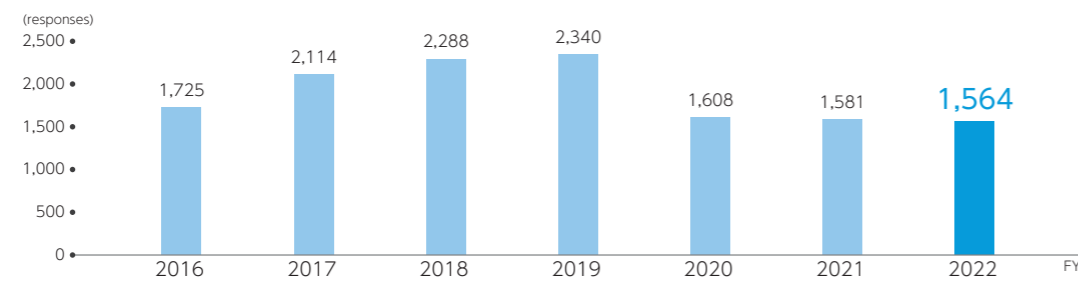
Established: November 1, 2008 Revised: October 1, 2016

# Results of the Questionnaire on CSR Report

The TANAKA Precious Metals conducts a questionnaire survey of all employees on its CSR Report every year. We introduced an online questionnaire in fiscal 2020. This fiscal year, 24% of the answers were made through the online questionnaire.

\* The answers to the questionnaire partly include those from external customers.

## Results of the Questionnaire on CSR Report 2022



## Opinions and Requests Obtained through the Questionnaire in the Previous Fiscal Year

We receive various opinions and requests through the questionnaire every year. We will continue to improve the CSR Report by reference to your opinions and requests.

Opinions and requests	Improvements
The contents are not very different from the previous reports.	New topics were added and stationary contents are now posted on the website only.
I am interested in environmental activities; I want to know about specific environmental activities.	More graphs and figures were added to describe the activities.
I want to know more about the empowerment of women. Most of the cases in the report are those in Japan.	More articles on the topic were added. Cases on Metalor Technologies were added.
I do not understand why CSR performance is featured.	It is mentioned on the page that CSR performance is featured for information disclosure.

# Third-party Assurance

The TANAKA Precious Metals asks Sustainability Accounting Co., Ltd. to conduct third-party assurance to increase the reliability of the CSR performance data presented in the CSR Report. The details are mentioned below.

## 1. Purpose

Assurance procedures are carried out on whether the indicators of CSR performance in fiscal 2022 reported on Pages 28 to 30 of CSR Report 2023 were calculated in accordance with the standards specified by the company.

## 2. Assurance procedures

The procedures are conducted in accordance with International Standard on Assurance Engagement 3000 (ISAE 3000).

The key procedures include:

- Interviews with the personnel in charge of the company's calculation standards
- Review of the calculation standards
- Cross-checks with the data obtained through sampling and recalculation to determine whether the indicators were calculated according to the calculation standards

## 3. Conclusion

The assurance procedures have identified nothing indicating that any indicator on important matters was not calculated in accordance with the calculation standards specified by the company.

