Value Creation Process That Embodies **Our Corporate Philosophy**

With the Group's Corporate Philosophy as the starting point, we seek to be a high-performance materials company that supports a sustainable society. We have created a great number of original product lines through collaborative creation. These achievements are made possible through our structural and compositional control technologies centered on metals and solid relationships with a wide range of customers developed over more than 100 years since the Group's founding. Leveraging these strengths, we are investing capital in our business activities, including human capital and

manufactured capital, and expanding our business activities while fixing our attention on six ESG materialities. We develop, manufacture and provide high-performance materials that contribute to solving our customers' issues in primarily the automobile, industrial infrastructure, and electronics sectors. Through these activities, we will continue to contribute to realizing a sustainable society and further connect them to our Corporate Philosophy. The Group will continue to proactively engage in solving social issues and support the realization of a sustainable society.

Corporate **Philosophy**

Mission

Make the best quality

available to everyone

Vision

Values

Leading sustainability by high performance Unfaltering integrity

United by respect



Inputs

Human capital

- Number of employees (persons) 26,496
- ▶ Ratio of overseas employees 56%
- ▶ Training expenses Approx. ¥0.2 billion

Intellectual capital

- ▶ R&D expenses ¥12.2 billion
- Number of patents held 7,748
- (Excluding patents held by certain Group companies) ▶ The Global Research & Innovative Technology center (GRIT) Established to promote sustainable growth and the research and development of advanced materials with the potential to make medium- to long-term social contributions.



capital

- ▶ Capital expenditure ¥32.0 billion
- ▶ Number of global production bases Approx. 70 bases



- ▶ Number of global customers Approx. 15,000 companies ▶ Social contribution activity expenses, including
- Nittoho Tatara startup support Approx. ¥1.9 billion ▶ Industry-government-academia collaboration,
- including participation in the Next-Generation Tatara Co-Creation Centre, NEXTA



- Number of zero emission works 17
- ▶ Recycling rate 8.9%
- ▶ Ratio of recycled materials used 72.0%



▶ Total assets ¥1,064.6 billion



Proterial's Strengths

A period of continuous evolution over more than 100 years of collaborative creation

Structural and compositional control technologies centered on metals



Robust relationships with a wide range of



Business Activities

Active promotion of ESG initiatives as fundamental and critical business opportunities necessary for business continuity

Materiality



Contributing to realize a decarbonized society



Ubiquitization of resourceconserving, recyclable, and environmentally-friendly products



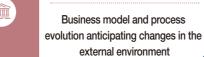
Safety and health are our overriding priority



Diversity and Inclusion



Make quality a strength



Outputs

Creation of high-performance functional materials that solve customers' issues

> Providing products in three markets through four business segments

Business segments









Market segments



Automobile





Electronicsrelated



Continuing to contribute to realization of sustainable society

Outcomes

- Realization of a decarbonized society/circular society as a **Green Enabler**
- Stable supply of products essential to social infrastructure
- Sustainable growth for customers and the Group

Company's business activities

Intensifying climate change

Al technology development

Increasing geopolitical and procurement risks Increasing demand for high-quality materials

Insufficient human resources and competition for personnel Public demand for stronger governance



Megatrends that significantly impact the

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