

*Takashima & Co., Ltd.*

# INTEGRATED REPORT 2022

*Takashima & Co., Ltd.*

<https://www.tak.co.jp/en/index.html>

2-2 Kandasurugadai, Chiyoda-ku, Tokyo, 101-8118, Japan



Corporate Mission

Contribute to Society through  
Our Business Activities

Corporate Value

Integrity

Our Company's DNA has been passed down  
for over 100 years since our founding

“Those who are true entrepreneurs will never forget  
the philosophy of service to society and will act  
without straying from the bright and right path”

Founder

**Kotakichi Takashima**

All employees of the Takashima Group always sincerely keep their promises and work positively with a humble and grateful attitude. Our employees also work to build up trust and credibility through compliance with laws and regulations, a disciplined approach and respectful manners. To build up social trust and credibility, we must be honest in all aspects of our business. Having each and every employee embody “Integrity” will lead to the achievement of our Corporate Mission.

INTEGRATED REPORT 2022

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# Reform business fields while responding to society's demands with the spirit of *progress × fit*

The Company has evolved with the times into "non-textile," a "multifaceted specialized trading company," and an "advanced sustainability-focused trading company" from its form as a "trading company specializing in textiles" at the time of its establishment.

Adapting our own behavior to "fit" the "progress" throughout the world. This is *progress × fit*, which is the Group's strength.

Going forward, we will aim for further growth by utilizing our management foundation, which has come to its current state through the Group's long history, diverse human assets, and the ability to respond to changes to the external environment and crises in the internal environment.

### From 2005

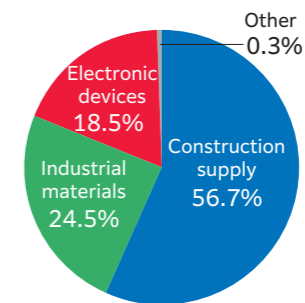
- Sustainable system construction supply
- Customization
- i-Solutions
- Brands & fashion

### Present

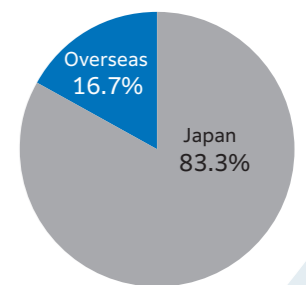
- Construction supply
- Industrial materials
- Electronic devices

### Fiscal year ended March 31, 2022

Composition of net sales by division



Composition of net sales overseas



Fiscal year ended March 31, 2022  
¥74,054 million



### From 1970

- Electronic components
- Solar energy



### From 1999

- Construction supply
- Construction equipment
- ICS
- Solar energy
- Industrial materials
- Heavy fabrics
- Special procurement
- Facilities
- Electronics and devices
- Lifestyle goods

### 1915 (Foundation)

- Heavy fabrics (industrial textiles)

### From 1950

- Industrial materials (plastic products, etc.)
- Construction supply
- Insulation



Fiscal year 1915 1950 1960 1970 1980 1990 2000 2010 2020 Fiscal year

#### Takashima's course

#### Trading company specializing in textiles

- 1915 Established Takashimaya Shoten
- 1949 Listed on the Tokyo Stock Exchange
- Changed company name to Takashima & Co., Ltd.

#### Multifaceted specialized trading company

- 1960 With the aim of no longer being a trading company specializing in textiles, aimed to increase non-textile sales ratio to more than 50% of total sales
- 1966 Transitioned to the Second Section of the Tokyo Stock Exchange
- 1970 Returned to the First Section of the Tokyo Stock Exchange

- 1985 Announced a Code of Conduct, "Autonomous, Innovative and Responsible"
- 1993 Established TAK (HONG KONG) Limited (currently iTak (International) Limited). Accelerated expansion in Asia.
- 1995 Established the Solar Energy Sales and Promotion Office

#### Advanced sustainability-focused trading company

- 2008 Established iTak International (Thailand) Limited
- 2009 Started the medium-term management plan "Sustainability 11," which set sustainability as the basic policy
- 2022 Transitioned to the Prime Market of the Tokyo Stock Exchange

#### Events in society

#### Period of modernization and postwar reconstruction

- 1914 Outbreak of World War I
- 1923 Great Kanto Earthquake
- 1939 Outbreak of World War II

#### Period of high economic growth

- 1964 Holding of Tokyo Olympics
- 1970 Holding of Japan World Exposition in Osaka
- 1974 First oil crisis

#### Bubble boom and burst

- 1979 Second oil crisis
- 1995 Occurrence of the Great Hanshin-Awaji Earthquake

#### IT bubble boom and burst

#### Increasing interest in environmental issues

- 2008 Global expansion of financial crisis due to bankruptcy of Lehman Brothers
- 2011 Occurrence of the Great East Japan Earthquake



# Contributing to society with original ideas and the Takashima Group's unique means

## Corporate Mission

### Contribute to Society through Our Business Activities

We, the Takashima Group of Companies, contribute to society's well-being by actively providing unique value-added solutions to our customers based on our original ideas and means. In doing so, we intend to grow and prosper together.

## Corporate Value

### Integrity

All employees of the Takashima Group always sincerely keep their promises and work positively with a humble and grateful attitude. Our employees also work to build up trust and credibility through compliance with laws and regulations, a disciplined approach and respectful manners.

#### Business Field: "Multifaceted Specialized Trading Company"

The Takashima Group is well versed in a number of specialized market fields and has the capabilities to add value and develop systems and software according to our customers' needs. We also actively strive to create new businesses and establish businesses in new specialized fields through our inventiveness and enterprising spirit.

## Corporate Philosophy

### Vision

We will contribute to building a sustainable society through a deep understanding of the market environment and businesses as the "Solution Partner" for each of our customers, and continuously provide X(cross)-function and one-stop coordination unique to Takashima.

### Code of Conduct: "Autonomous, Innovative and Responsible X Collaborative"

All employees of the Takashima Group follow "Autonomous, Innovative and Responsible" as the Code of Conduct.

We ceaselessly develop ourselves to be creative for further advancement and act responsibly with a challenging spirit, positive ideas and forward-looking attitude.

Autonomous: We are the ones who will play a central role

Innovative: We take initiative and make every effort to overcome difficulties

Responsible: We handle issues as if they were our own and adapt ourselves to solve them under all circumstances without blaming others

Collaborative: We combine the strengths both within and outside the Group in order to achieve shared goals

## President's Message



President and Representative Director

**Koichi Takashima**

To be a company that can continue for another 50 or 100 years, we will strengthen our management foundation and business foundation. We aim to achieve both continuous growth and a sustainable society.

### ◆ With a recognition that the Group is a “public institution of society,” our corporate culture creates in collaboration with customers without fear of change.

“Continually changing” in order to provide unique value based on original ideas. That is the corporate culture of the Takashima Group.

The Takashima Group was founded in 1915. As such, it is a corporate group with over 100 years of history. In the days of our founder, who operated a trading company for heavy fabrics (industrial textiles), the Company overcame many difficulties, including the Great Kanto Earthquake of 1923 and World War II, and following a management reorganization, was listed on the Tokyo Stock Exchange in 1949. The Company's decision to be listed on the Tokyo Stock Exchange can be attributed to our founder's unwavering belief that “companies are public institutions of society.”

Our Corporate Mission of “Contributing to Society through Our Business Activities” embodies the belief of our founder who respected that the Company is a “public institution of society.” Furthermore, the Corporate Mission includes the following explanatory text: “We, the Takashima Group of Companies, contribute to society's well-being by actively providing unique value-added solutions to our customers based on our original ideas and means. In doing so, we intend to grow and prosper together.” When I joined the Group in

2002 as Vice President and Director, I clearly remember having a deep sense of shared feelings toward that Corporate Mission. We believe that the Group's reason for existing is to contribute to society by providing unique value based on original ideas, and that retaining this belief without changing serves as the source of the Group's continuous growth.

Therefore, “continually changing” is necessary in order for us to continue providing unique value based on original ideas. If we take a broad overview of our 100-year history, the first 50 years were a period in which we grew as a trading company specializing in textiles while the second 50 years could be called our history of “continually changing” where we ourselves also proceeded to diversify in response to the diversifying needs of chemical textile manufacturers, etc. with whom we had forged close bonds and grown together.

Our commitment to “Integrity,” which is our Corporate Value, can be traced back to the founding of the Company and is one of the beliefs that we value. Based on this belief, we feel

that if we continue to always have integrity, this will ultimately strengthen our relationships of trust with customers and society while building up the credibility of the Group. Given its importance, this belief has continued to be passed down in the Takashima Group for a long time.

In addition, acting like a private store owner, which has become entrenched at our business sites, is part of our corporate culture. “Autonomous, Innovative and Responsible” are also stated in our Code of Conduct. Whether individually or as part of an organization, there have been strong demands to emphasize the importance of us being self-sufficient. I myself am also strongly aware that the added value produced through our businesses is mostly produced

because our employees remain closely connected to “the field.” Clients & Business Partners are placed at the top of the Takashima Group's organization chart and are followed by the corresponding Group companies and business units, then the management structure and management that provide support. All of our business sites have high regard for “Autonomous, Innovative and Responsible × Collaborative,” work closely with clients and business partners, who are at the highest position, and demonstrate a willingness to produce added value while breaking a sweat together with others in “the field.” It can be said that this is the corporate culture that is unique to the Group.

### ◆ Becoming an “advanced sustainability-focused trading company”

By redefining diversified business using the keyword “sustainability,” we will be a company that can continue for another 50 or 100 years.

When I joined the management team as Vice President and Director in 2002, the Group was facing various issues. The excessive diversification reached a turning point when the economic bubble collapsed. Each division, in which growth and profitability had stalled, was on a path of balanced contraction while remaining diversified. As a result, the

Company was stuck in a system where it was difficult to “provide unique value based on original ideas” as expressed in our Corporate Mission.

Having viewed this situation with our own eyes, we felt that it was necessary to return to the Corporate Mission once more.



## President's Message

We again questioned what the Takashima Group should contribute to society through its businesses, and what value and based on what ideas should it provide to society.

The answer that we arrived at was "Contribute to a sustainable society." I learned this approach through my experience during my previous employment at a global company. Over the past several hundred years, the human race has prioritized the pursuit of economic wealth while freely using energy and various resources, but if we continue in this way, we will not be able to leave to the next generation a rich global environment, culture and society that meet or exceed the levels we have enjoyed until now. On the other hand, I noticed that, in the businesses the Group has been developing, there are many instances which are highly compatible with the creation of a sustainable society; for example, textiles as lightweight materials, solar panels and

insulation materials that lead to saving energy. I realized that we could link all of the Company's various businesses under this single keyword "sustainability." If we maintain our approach of constantly evolving our own businesses, adapting to meet new social needs and providing solutions, I thought that we could be a company that will continue for another 50 or 100 years.

Based on these thoughts, we decided to reorganize and consolidate what had previously been ten divisions into the three divisions, the "Construction Supply Division," "Industrial Materials Division" and "Electronic Devices Division," in order to improve our energy-saving solutions, weight-saving solutions and labor-saving solutions in each business area and become the very best "advanced sustainability-focused trading company."

## ◆ "Creating a foundation for sustainable growth" based on the medium-term management plan

**Establish a stable financial base, and systematize and implement the "Three Frameworks" to support business performance.**

The inclusion of the Group's views on "sustainability" in management plans can be traced back to the medium-term management plan "Sustainability 11," which was implemented from 2009. Thereafter, the Group introduced the medium-term management plan "Sustainability 100" in 2012, started "Sustainability 2020" in 2016, and has been engaged in the current medium-term management plan "Sustainability X (Cross)" since 2020.

In the fiscal year ended March 31, 2021, which was the first year of "Sustainability X (Cross)," the Group prioritized maintaining the financial base amid the impact of the COVID-19 pandemic, and because of this, we unfortunately had to hold back on making investments for growth. Profit in the fiscal year ended March 31, 2022, was approximately ¥1.296 billion and we almost achieved profit of ¥1.3 billion, which is the target for the final year of "Sustainability X (Cross)." Over the past ten years, we have maintained a profit level of approximately ¥1.0 billion and I think we achieved a certain amount of results in building a stable financial base that will serve as the foundation of sustainable corporate growth.

Furthermore, as one of the measures to promote "Sustainability 2020," which was the previous medium-term management plan, we established the "Three Frameworks" (Solution Framework, Risk Control Framework, Development Framework).

Three Frameworks systematize our approaches for sustainable corporate growth, and they serve as a common language for leveraging diversity within the Company. The Three Frameworks consist of the Solution Framework, which promotes value creation for the entire business by proposing solutions that meet customer needs from the field, the Risk Control Framework, which is an autonomous risk management method that shares processes from a broad overview and comprehensive perspective, and the Development Framework, which focuses on individual growth while instilling these ideas within the Company.

From the previous medium-term management plan to the present, the Three Frameworks have spread within the Company through our continuous efforts to promote awareness and put them into practice using our in-house portal site, company-wide morning meetings, training programs, etc., and I have a strong feeling that they will help us achieve sustainable growth going forward.

## ◆ Our views on the Prime Market and the next medium-term management plan

**We aim to be a company that both achieves continuous growth and contributes to a sustainable society, and a company that is suitable for the Prime Market.**

The Company has chosen to transition to the Prime Market of the Tokyo Stock Exchange in conjunction with the stock exchange's market segment restructuring in April 2022. Since the Company has not met some items of the continued-listing criteria for the Prime Market, the Company has submitted a plan for meeting the continued-listing criteria for new market segments to the Tokyo Stock Exchange, and has expressed its commitment to work to meet the continued-listing criteria.

The Company has sought to build a stable financial base that will enable it to achieve sustainable growth. As a result, we have maintained a profit level of ¥1.0 billion over the past 10 years, and I believe that we have made progress in establishing earning power and a financial base.

It just so happens that at the next step, just when we were thinking about changing direction from sound management practice to a sustainably growing company, the COVID-19 pandemic came about. The fiscal year ended March 31, 2021 was a year where we prioritized stable management as there were companies whose management suffered severe damage due to the COVID-19 pandemic. We were forced to make our selection of a market segment just when we became able to predict to a certain extent the impact of the COVID-19 pandemic at the beginning of the fiscal year ended March 31, 2022, and at about the same time we were thinking to convert to a sustainably growing company through the strategic investments we had initially intended to carry out.

In selecting the market segment, we analyzed the Company's current situation and held discussions regarding the listing criteria, including the continued-listing criteria for the Prime Market. The number of Board of Directors meetings and Management Meetings alone numbered more than a dozen. With respect to the earning power and financial condition required of a company that chooses the Prime Market, the Company has determined based on its analysis that it has established a stable base as mentioned earlier, and that it also has an environment that is capable of establishing strong governance.

Issues for the Company were tradable share market capital and average daily trading value, which were items we did not meet for the continued-listing criteria for the Prime Market. Regarding these issues, with the assistance of external advisors, the Company analyzed the current situation, including the shareholder composition and the correlation between ROE and share price, and after considering specific measures, the

Company believed that it could meet the criteria for tradable share market capital and average daily trading value.

Although it is certainly not easy to meet the continued-listing criteria for the Prime Market, we have determined that it is sufficiently possible.

Going forward, we will not only continue to proceed with the initiatives for sustainable growth that we have been working on thus far, but also proactively proceed with growth investments while taking into consideration the cost of capital, and work with the aim of improving ROE and ROIC as well as sustainable profit growth through investment returns within the framework of the next medium-term management plan (fiscal years ending March 31, 2024 to 2026), which is being formulated. Moreover, we will also work on the enhancement of shareholder returns, establishment of an IR system, compliance with Japan's Corporate Governance Code, etc.

As a company that is suitable for the Prime Market and that will both achieve continuous growth and contribute to a sustainable society, we will focus on working even harder than we have thus far so that we can become an exciting company to our future employees as well as society in the future.

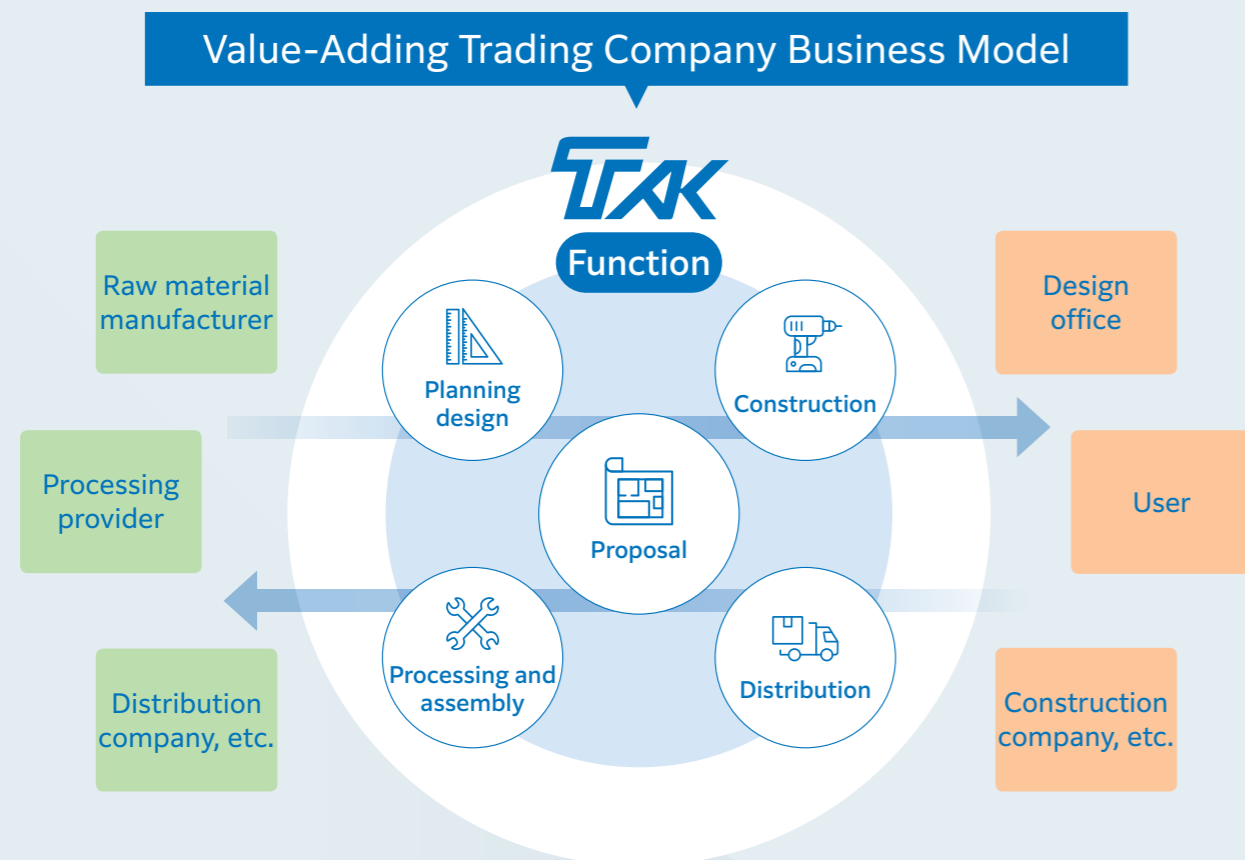
We hope that you look forward to the Group's rapid progress going forward.



# Takashima Group's "Value-Adding Trading Company" Business Model

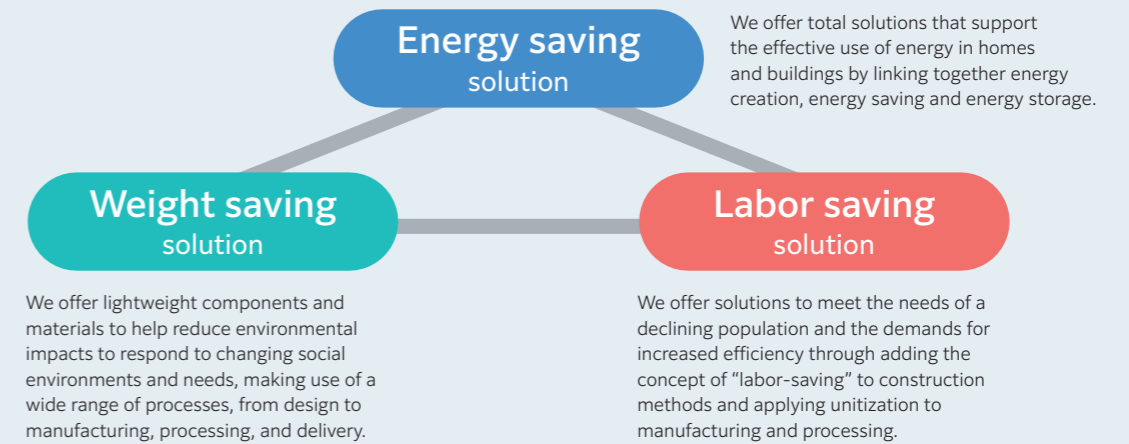
## What is a value-adding trading company?

Rather than pursuing wide market expansion, we focus on pursuing customer value in our target market. A trading company that picks up on customer needs and provides customers with the functions and solutions that they truly need, thereby creating high added value and achieving high profitability as a result.



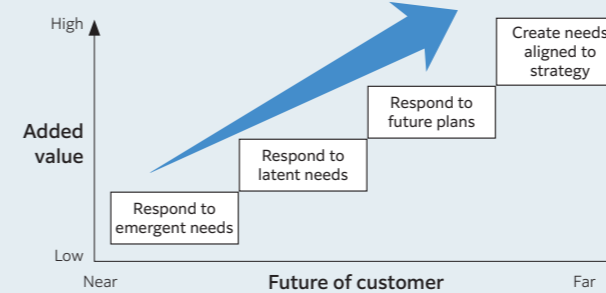
- As an "advanced sustainability-focused trading company," provide solutions with energy saving, weight saving, and labor saving as strategic fields
- Enhance expertise and deliver valuable functionality unique to Takashima

## Strategic field



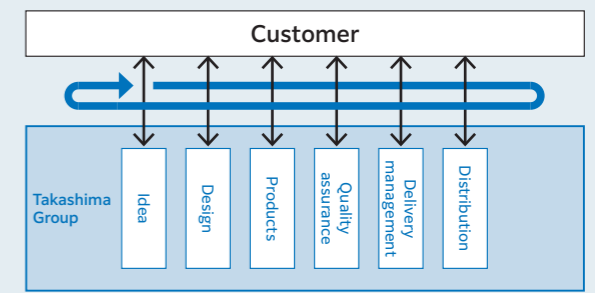
## Expertise

### Development proposal capabilities



A strategy of shifting away from a sales style based on asking customers what they want and responding to their requests, and moving to making proposals that correspond to customers' latent needs and future plans.

### Multiple completion capabilities



A strategy of shifting away from simple roles such as business partners' sales agent and single-function services to providing added value by building an overall system for the flow of products from the customer's perspective, including multiple products, suppliers, construction providers, processing providers, and distribution providers, etc.

## Column

### Types of trading company business model

Business investment trading companies	Trading companies that pursue transaction scale	Value-adding trading companies
A common business model among general trading companies	A common business model among specialist trading companies with limited field of products	Trading companies with a focus on providing added value
Invest management resources such as capital, human assets, and expertise into portfolio companies and carry out business reorganization and so forth to increase their corporate value, in order to receive a return on investment.	Use detailed nationwide sales network and sales capabilities in pursuit of expanding the products handled and the scale of transactions, thereby retaining price superiority and securing profits.	This corresponds to the Group's business model. Please refer to "What is a value-adding trading company" on this page for details.

## Our strengths that support function

### Strong reputation and presence backed by a strong history

As a 100-year company, the Company has built up a unique presence as well as trust and a record of achievements in its areas of expertise, starting with its founding business in textiles, and continuing with approximately 50 years in the construction supply business, and approximately 30 years in the electronic devices business. These have been realized as the sales networks and marketing capabilities that we have built with our business partners, and have become the source of the Group's value creation.

### Network and partnerships spanning a wide range of industrial fields

The business fields of the Group cover a wide range of industries, and the Group's business activities are supported by Group companies and partners with a diverse functions including manufacturing and processing, distribution, purchase agency, and procurement.

With the diverse functions provided through our network and partnerships, we will make proposals for solving our customers' issues, and this will lead to the provision of added value that is unique to the Group.



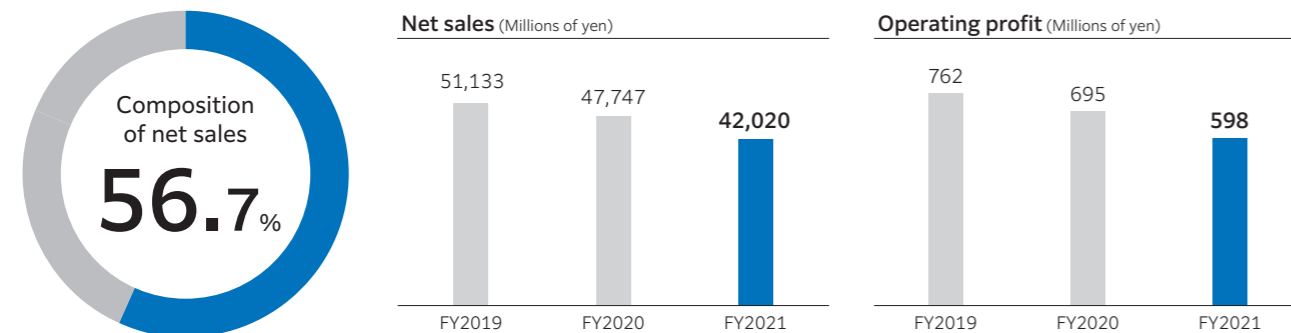
# Construction Supply Division



## Description of business

The Construction Supply Division handles a variety of products related to construction and building, including wall materials, foundation pillars, insulation materials, solar panel related products, and interior materials for the non-housing and housing markets. We have established a nationwide sales network and also undertake a wide variety of processes, from planning and design to construction.

Amid the tightening of regulations on the construction industry with the revised Building Standards Act established in 2006 and a contraction in construction services across the board among construction supply trading companies affiliated with major trading companies handling construction supplies, the Company has prepared a construction management system and strengthened its construction functions as a construction supply trading company. After that, to respond to customer needs, we have strengthened our functions such as processing, distribution, and system provision, and enhanced functions that assist customers as a "value-adding trading company."



## Strategy going forward

Our business strategy is centered on strengthening our functions in the fields of processing, distribution, and construction, areas that our business partners feel are necessary, but are reluctant to engage in. By providing one-stop service for functions such as proposal, processing, distribution, and construction, we aim to create high added value for customers, increase our presence in the industry, and engage in new collaborative projects with manufacturers.

Furthermore, looking ahead to the arrival of a carbon-neutral society, we will further enhance functions that meet customer needs, and expand business in domains that are closely related to our existing business, such as the renewable energy-related market.

## Takashima Group's functions for supporting the value chain

### Processing and distribution function (e.g.: fully precut insulation materials)

In the housing field, we operate a business in which we provide house builders in the housing market with a layout\* for each house, perform processing based on the layout drawing, and individually transport the processed insulation materials to the construction site.

By conducting the layout, processing, and distribution functions, we help to save labor in the measuring, cutting, and disposal work at construction sites, meeting the need of house builders for shorter lead times.



\* The creation of detailed drawings that specify the installation locations and dimensions of insulation materials.



### Proposal and construction function (e.g.: civil engineering piles)

In the non-housing field, we have long operated a business in which we use our nationwide sales network to conduct "material sales" through sales activities on behalf of domestic construction supply manufacturers, promoting the products and construction methods that they have manufactured and developed.

With this background, we are currently developing our business into "proposal sales," where we collect information on properties and make proposals to the design departments of master contractors (general contractors and so forth) and design offices, and have the materials and construction methods incorporated in the specifications of the property.

In proposal sales, our professionals propose materials and construction methods to the master contractor or design office matched to the needs of the builder based on their industry knowledge and experience, forming a system that complements and cooperates with the planning proposal capabilities of the master contractor or design office.



### Group collaboration (e.g.: toilet environment renewal work)

We collaborate with a Group company that conducts processing and construction of toilet booths and bathroom vanities. Although toilet construction combines a number of different components that involve different professions in a small space, including construction supplies for walls, floors, etc. and hygiene and ventilation equipment, etc., the Group can serve as a one-stop contractor, handling all of the work from planning and creating drawings to installation.



■ The Company ■ Group company



# Industrial Materials Division



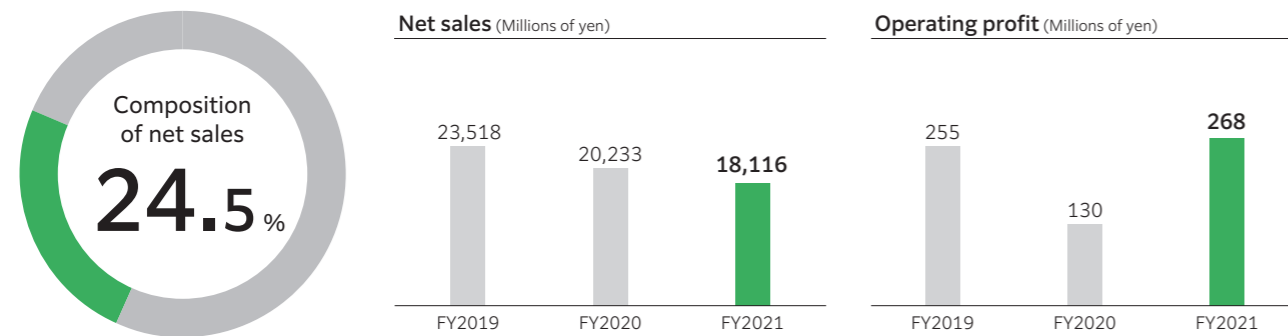
## Description of business

The Industrial Materials Division is comprised of the Company and its wholly owned subsidiaries\*, and handles a diverse range of products, including textile materials, plastic components, and functional materials. The Company and its Group companies collaborate in the design, manufacturing, processing, construction, and sales, to provide complex value to customers.

\* Hi-Land Inc., CLS Corporation, TAKCEL Co., Ltd., Takashima Robot Marketing Co., Ltd., and TAKASHIMA (U.S.A.), INC.

The Industrial Materials Division's customers and the functions it provides cover various fields. For example, in the apparel field, the Company proposes OEM products to major retailers, in the plastic components field, it offers distribution materials designed by the Group for shock absorption to automobile and electronics manufacturers, and in the vehicle parts and materials field, it provides rolling stock parts and materials manufactured in the Company's partner plants to leading manufacturers of rolling stock in Japan.

Group companies contribute significantly to profits, for example, Hi-Land Inc., which conducts development, manufacturing and sales of sewn products. Moreover, TAKCEL Co., Ltd. conducts manufacturing and sales of plastic molded products, focusing on general industrial products such as automobile and electronics, and in recent years, investing in the medical products field.



## Strategy going forward

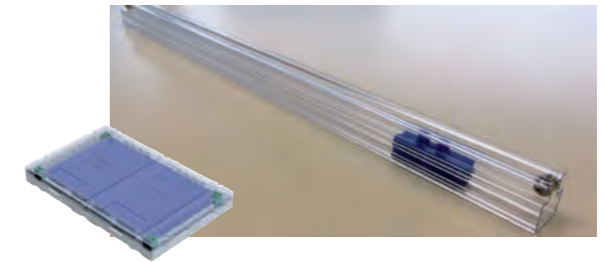
The Company will strengthen the "manufacturing, proposal, design, processing, and construction" fields, aiming to expand its business base. Furthermore, by strengthening its cooperation with Group companies that have diverse functions, the Group will work together as one to provide complex value.

Moreover, we are striving to achieve the super-smart society of the near future (Society 5.0) and a carbon neutral society by continuously enhancing and growing our functions related to "manufacturing, proposal, design, processing, and construction."

## Takashima Group's functions for supporting the value chain

### Manufacturing and design function (e.g.: plastic molded tray)

In the plastic components field, we handle industrial packaging materials for manufactured products used by manufacturers for transporting between processes inside their plants, transporting between plants, and transporting during shipping. For manufacturers, the transportation of products, including packing for moving between manufacturing processes or for shipping, is ultimately an ancillary operation that does not generate added value. Our professionals develop, design, and propose industrial packaging materials to meet the needs of manufacturers on behalf of the manufacturers, helping to complement functions and save labor.

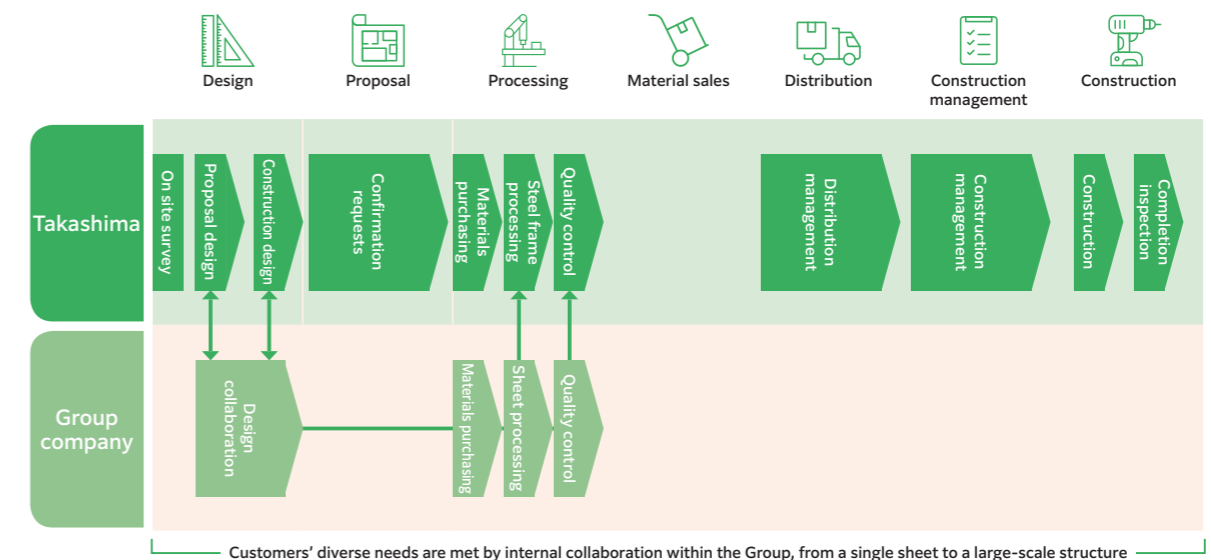


### Group collaboration (e.g.: sheet house)

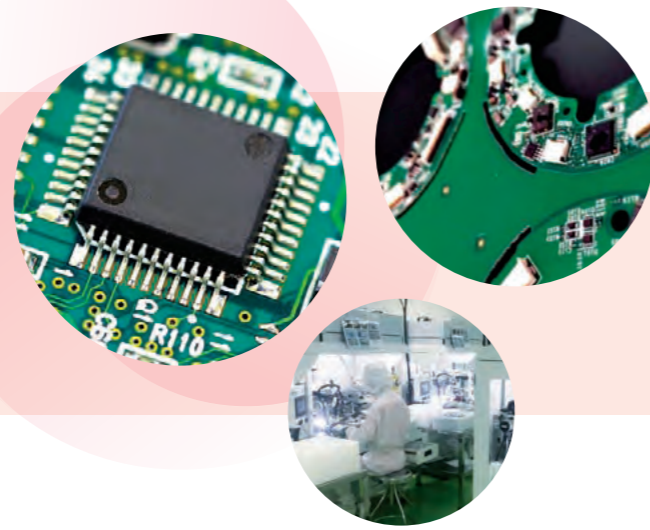
The Group handles "sheet house" (large storage tent), an original product that has evolved from the Company's founding textile business. A sheet house is a structure with a simple design, combining a steel frame with membrane material, to offer distinctive points such as shorter lead times and lower costs compared with general construction as well as low energy requirements since it does not require lighting equipment during the day depending on the sheet material. Targeting manufacturers, logistics providers, facility operators, etc., we use the sales network we have built up throughout Japan, as well as conduct sales promotion activities over the internet, and focus on sales activities.



In our efforts to expand the use of this product, we collaborate with a Group company that designs and processes sheet houses. The Company carries out the "design," "proposal," "distribution," "construction management," and "construction" functions, and the Group company carries out the design collaboration and "processing" functions to form a structure that responds to the diverse needs.



# Electronic Devices Division

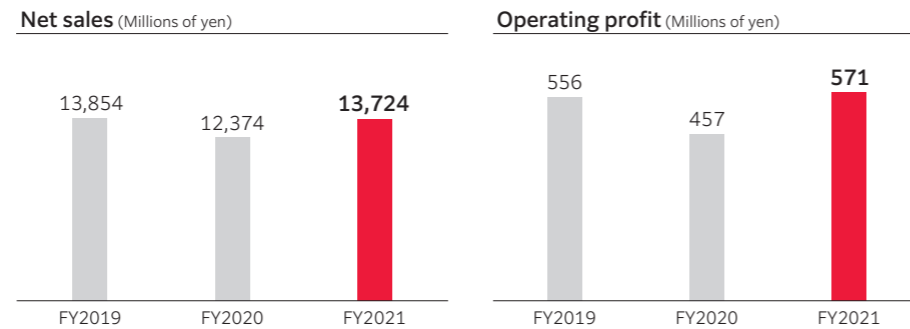
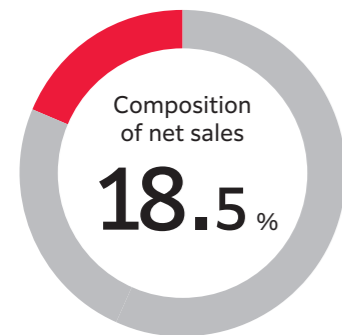


## ◆ Description of business

The Electronic Devices Division is a multinational corporate group headquartered in Hong Kong and conducting business mainly overseas as the iTak Group. The iTak Group has seven business sites in Japan and overseas (excluding representative offices) and two plants (Thailand and Vietnam).

The iTak Group works proactively as a single business unit through strong cooperation between each site to cover all of the main countries in Asia. The ability to offer global manufacturing support for customers' development, production, and purchasing from an office near to their site is one of the characteristics of the iTak Group.

The iTak Group's main business models are broadly categorized as the electronic component sales business and the contracted manufacturing business. In the electronic component sales business, the iTak Group purchases and supplies electronic components from manufacturers, mainly in Asia, to meet customer needs. In the contracted manufacturing business, the iTak Group functions as a manufacturer that provides electronic manufacturing services (EMS) by mounting these components on a printed circuit board. By integrating multiple functions of a trading company and a manufacturer, the iTak Group provides unique development proposal and multiple completion capabilities.



## From Asia to the world Supporting customers through horizontal expansion of bases

The iTak Group's business advantages include the ability to develop and make proposals to a wide range of price competitive manufacturers in Asia, and provide manufacturing support through a wide-reaching organization centered on each Sales Division, Technical Division, and Quality Management Project Team in Asian countries, particularly by offering quality control and quality improvement guidance to local manufacturers in Asia.

The iTak Group's target market has previously been Japanese manufacturers, primarily in the areas of audio and whiteware; however, the group is currently focusing on expanding its business to include non-Japanese manufacturers and industrial equipment and automotive equipment, and it is also focusing on expanding the range of products it offers.



## ◆ Strategy going forward

The iTak Group rigorously selects local price-competitive manufacturers in Asia that produce electronic components, provides comprehensive support in purchasing, technology, and quality control, and introduces them to customers. Moreover, the iTak Group will further deepen its relationships with Japanese manufacturers and strengthen the development of new customers among non-Japanese manufacturers, mainly in Asia, Europe, and the U.S., through EMS, custom component manufacturing, and component procurement agent services centered on its own plant established in 2017.

## Takashima Group's functions for supporting the value chain

### International procurement function

In response to the needs of Japanese electronics manufacturers seeking low-cost, high-quality electronic components, the iTak Group is developing a business that utilizes its "proposal capabilities" for widely proposing competitively priced electronic components after developing relationships with local manufacturers in Asia, and its "support capabilities" for manufacturing, in which it conducts quality control and quality improvement guidance at the organizational level.

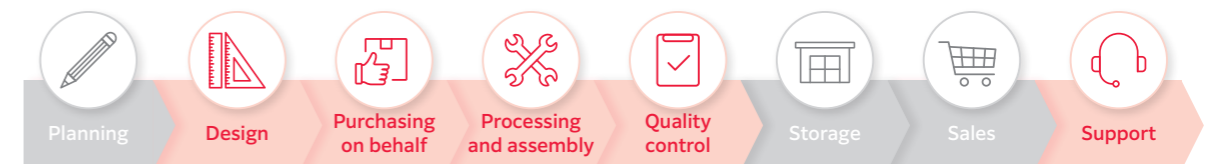
The iTak Group has established an organization in Tokyo and Osaka for Japanese electronics manufacturers whose activities are based in Japan, and conducts "sales activities," "development," and "technical support" for product planning and development departments and purchasing departments. Moreover, with business companies and plants in Japan and countries throughout Asia, the iTak Group has established an environment that satisfies customers' stringent requirements for QCD\*, such as comprehensive quality improvement activities for local manufacturers in Asia.

\* Three important factors in production management: Quality, Cost, and Delivery



### Contracted manufacturing function

Recently, major Japanese manufacturers have been promoting transaction that do not go through trading companies that have no function, for example direct transactions with manufacturers and internal manufacturing, with a view to eliminating intermediate margins and realizing better QCD management. With the same strategy being carried out by Japanese electronics manufacturers, the iTak Group has established its own plants in Thailand and Vietnam that mount electronic components on a printed circuit board and perform assembly work. With its background as an electronic components trading company and functions as a manufacturer, the iTak Group has created a structure that enables it to supply competitive products as a "trading company + manufacturer."



### Quality control function

Based on a customer-oriented principle of putting quality first, the iTak Group assigns engineers to each site who work to control quality and strengthen guidance so that customers can use the group's services with confidence.

The Technical Division supports design, development and production, and forms a support structure that covers engineering generally. The Division supports development and design, and proposes product packages, as well as identifying products with future potential in the Asian countries to meet customers' needs.

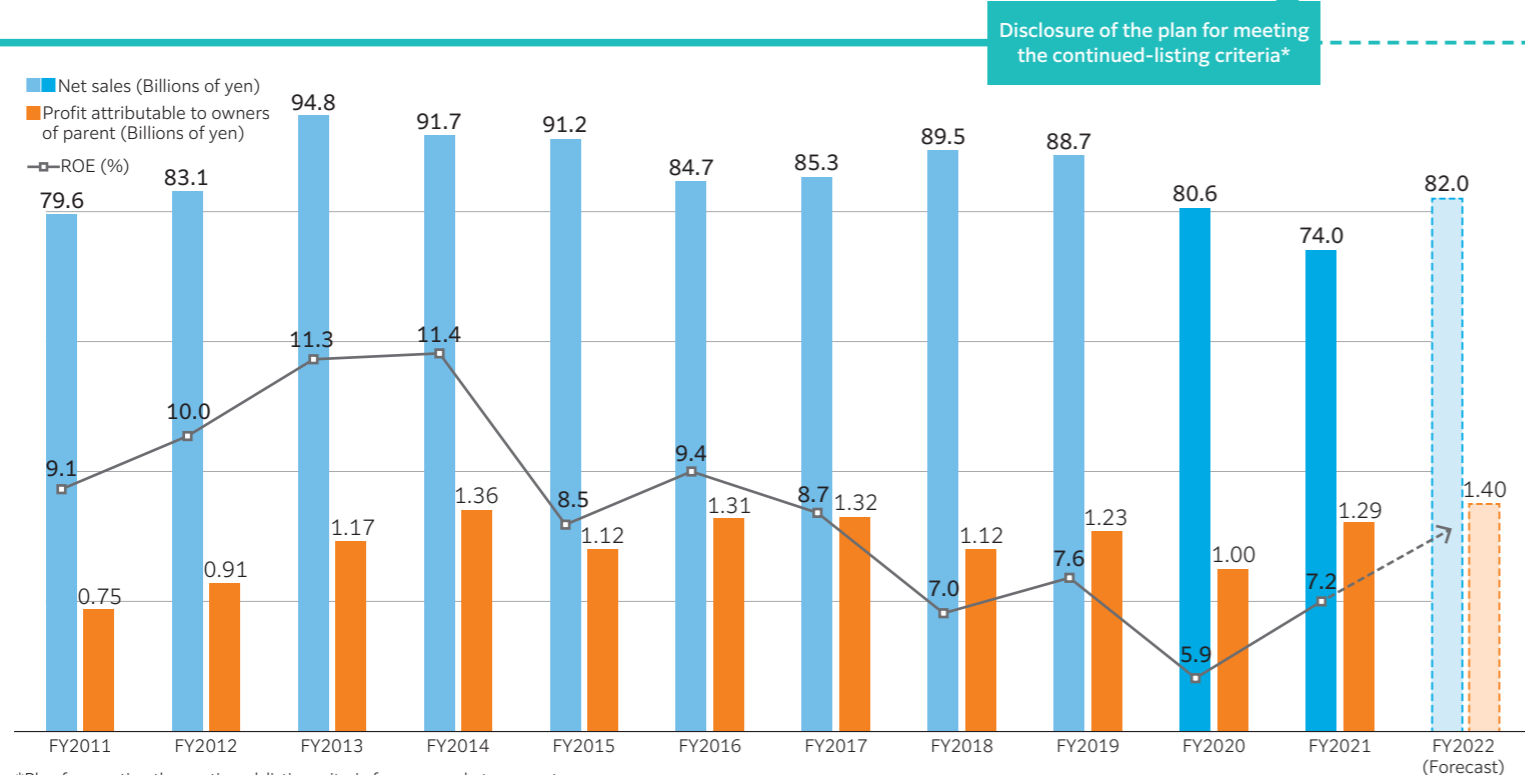
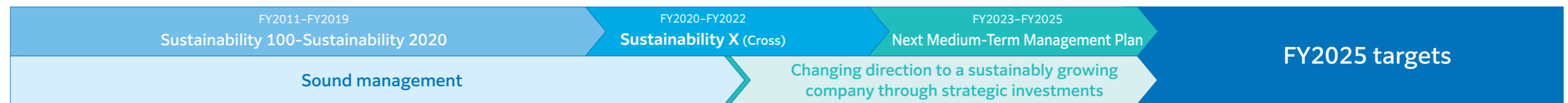
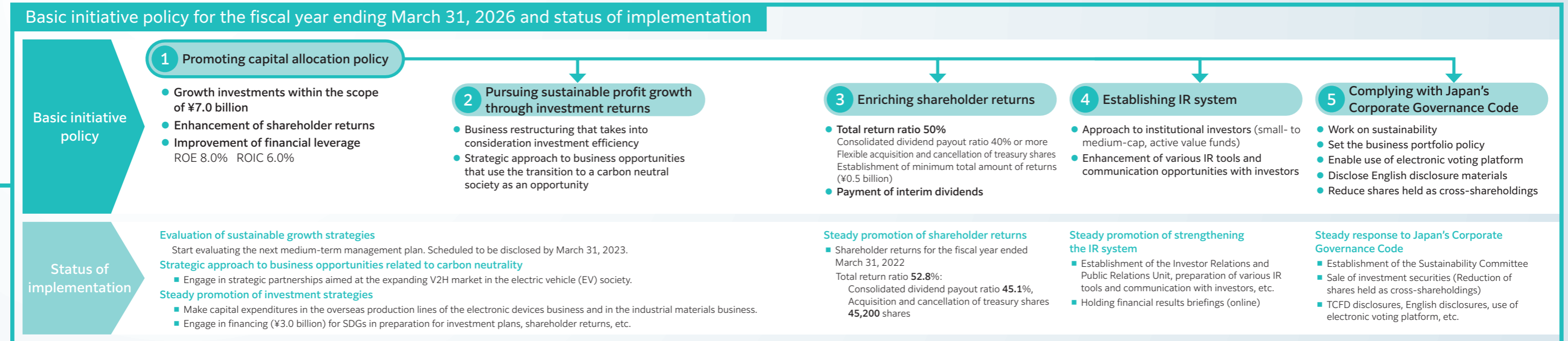
The Quality Management Project Team provides support for technical and quality aspects, working every day to maintain and improve quality through inspections and guidance.





# Changing Direction to a Sustainably Growing Company

We will change direction from sound management thus far that has secured a profit level of ¥1.0 billion to a sustainably growing company by making strategic investments using interest-bearing liabilities as a lever.



\*Plan for meeting the continued-listing criteria for new market segments

Disclosure of the plan for meeting the continued-listing criteria\*



	FY2020	FY2021	FY2025
Profit	¥1.000 billion	¥1.296 billion	¥1.5 billion
ROE	5.9%	7.2%	8.0%
ROIC	5.1%	5.2%	6.0%
Investments	Cumulative amount from FY2021 to FY2025 ¥7.0 billion		
Total return ratio	FY2020: 27.1%	FY2021: 52.8%	FY2022-FY2025: 50.0%
Tradable share market capital	As of June 30, 2021*1: ¥4.79 billion	As of March 31, 2022*2: ¥6.34 billion	FY2025: ¥10.0 billion or more
Average daily trading value	As of June 30, 2021*1: ¥6.83 million	As of March 31, 2022*2: ¥38.55 million	FY2025: ¥20.00 million or more

\*1 Calculated based on the distribution of the Company's shares, etc. ascertained by the Tokyo Stock Exchange as of June 30, 2021.  
\*2 Estimated by the Company based on the distribution of the Company's shares, etc. in January to March 2022.



# Sustainability at the Takashima Group

## Fulfilling our Corporate Mission and contributing to a sustainable society

### Sustainability framework

**Purpose** Since our establishment, the Group has advanced "Contributing to Society through Our Business Activities" as our Corporate Mission. For many years, we have conducted our business activities to contribute to society's well-being by actively providing unique value-added solutions to our customers based on our original ideas and means, and with a desire to use those results to grow and prosper together.

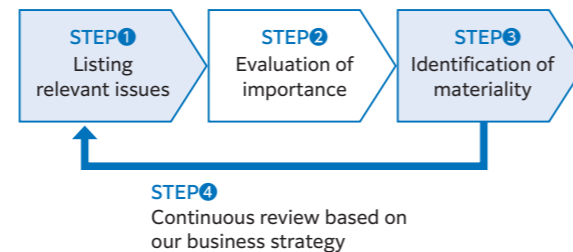
With our Corporate Mission in mind, to promote sustainability initiatives, on January 1, 2022, we established the Sustainability Committee.

**Roles** To promote sustainability at the Group, the Sustainability Committee deliberates items for evaluation including basic policy and targets to promote sustainability.



### Materiality identification process

- 1 We have listed relevant issues that consider the Group's business environment and that refer to international frameworks and standards.
- 2 Of the relevant issues identified, the Sustainability Committee has discussed and evaluated the importance for the "level of importance" to our stakeholders and society and the "level of effect" on the Company's business.
- 3 Items evaluated as having high importance are identified as materiality, and a plan for initiatives is being formulated while organizing and assigning priorities to the issues.
- 4 We conduct continuous evaluations in the event that materiality requires review while considering our business strategy.



### Basic approach to materiality

#### Environment

##### Expanding our "energy saving," "weight saving," and "labor saving" businesses

Since the start of 2000, the Group has considered ourselves an advanced sustainability-focused trading company and positioned "energy saving," "weight saving," and "labor saving" as important fields, and these fields are now becoming the Company's strengths.

We will continue to expand sales of renewable energy and clean energy related products (solar energy, storage batteries, electric vehicles, V2H) as well as energy-saving products (LED lights, zero-energy houses). We are also proposing materials with a reduced environmental burden (reduced plastic) and making recycling proposals.



##### Contributing to global environmental preservation and to building a society in harmony with nature

In addition to complying with relevant environmental laws and regulations and ISO14001, we are promoting activities to reduce resource use in our business activities, mainly at our offices.

Furthermore, we see the removal from the supply chain due to delays in our response to environmental issues as a risk and are working to improve the status of our environmental management by confirming our customers' demand levels and evaluating a sequential response.



##### Policies to combat climate change (global warming)

In terms of our initiatives to combat climate change, we have plans to set targets linked to our next medium-term management plan. We will also perform continuous evaluations mainly at the Sustainability Committee, as we cooperate with all our stakeholders to realize a sustainable society.



#### Society

##### Creating an environment in which diverse human assets can exercise their capabilities and flourish

It is the power of "people" that supports the core of the Group's business. The Company positions the development of career human assets with management capabilities and expertise as an important issue, and in 2021 we fundamentally reformed our personnel system. Going forward, we will carry out reforms step by step by conducting job-class specific training sessions.

Additionally, we are evaluating initiatives to create a work environment in which diverse human assets including women, foreigners, and mid-career hires can flourish even more.

Moreover, we are moving forward with evaluations to prepare a human rights policy.



##### Creating a safe, secure work environment in which anyone can work comfortably

Because the Group's most important resource is "people," we believe that creating and maintaining a work environment in which anyone can comfortably work is an essential element in the Company's growth. We are moving forward with the formulation of necessary policies to promote workers taking various leave, one of their rights, to promote the good health of our employees (reducing overtime and offering mental healthcare), and to establish a "Takashima general council of Safety and Health" particularly in business divisions that contract construction work.

Furthermore, by conducting regular surveys with our employees, the Company measures employee engagement and creates plans to carry out policies to increase engagement.



#### Corporate governance

##### Compliance

Takashima is committed to "integrity" at all times.

The credit that we have accumulated over many years is the foundation for the Group's sustainable development thus far. To realize the Group's Corporate Mission of "Contributing to Society through Our Business Activities," all our employees constantly approach their business activities with our Corporate Value of "Integrity" as their basic premise, which has allowed us to build irreplaceable credit.

That said, impropriety such as compliance violations which do not align with our corporate value of "Integrity" greatly damage credit in the Company. Damage to the credit in the Group from society, our business partners, and our employees means that the most important thing to the Group has been lost, not only short-term losses, but also large losses in the medium- to long-term. In creating "credit and trust," the core of our business, legal and regulatory compliance is our highest priority. The Group has shared "compliance messages" and our "Anti-Monopoly Act Compliance Pledge" internally. In addition to stipulating and creating awareness about our "Basic Compliance Rules" and "Compliance Code of Conduct" as our behavioral guidelines, we have established the Compliance Committee as a promotional body as we work to strengthen our compliance system.



##### Risk management

The Group has formulated rules for the appropriate management of risks that could have a serious impact on the Group's business. Based on these rules, all departments are responsible for managing related risks in their respective division of duties, and all persons responsible for organizations including business groups are responsible for performing risk management in their respective organizations.

Furthermore, the Risk Management Committee performs comprehensive evaluations and deliberations on risks. As a result of the evaluations, risks for which more focused policies are required are considered "important risk management items," and both those policies and the status of initiatives are reported to the Board of Directors.



# Environment

## ◆ Environmental policy

### Philosophy

With “Contributing to Society through Our Business Activities” as our Corporate Mission, the Company positions “global environmental preservation” as part of that mission and as an important management issue. Furthermore, with an awareness among all our employees that “society and the economy cannot be sustainable without protecting the global environment,” the Company conducts sound business activities that proactively consider global environmental preservation.

### Action Guidelines

1. We strive to be an eco-friendly company, and promote energy and resource savings through our business operations.
2. Regarding waste processing in our manufacturing activities and construction and the creation of noise, odors, and dust in our production processes, while complying with environmental laws and regulations and other required items agreed to by organizations, we have established our own management standards and work to prevent environmental pollution through continuous improvement.
3. Proactively promoting carrying product groups that are environmentally friendly and product groups that contribute to improving environmental pollution.
4. Standardizing environmental management systems, setting and implementing environmental goals and targets, conducting regular reviews, and working toward continuous improvement.
5. To improve understanding of environmental policy and awareness of environmental preservation, we regular create awareness among and educate all employees.
6. We make environmental policy available to the public through corporate website and company brochures.

### ISO14001

All of the Company’s domestic offices, as well as the head office and Nasu Plant of Hi-Land Inc., the head office of iTak International (Japan) Ltd. (acquired in January 2004), and TAKCEL Co., Ltd. (acquired in March 2000) among the Group companies, have acquired ISO14001 certification, and we have continued our environmental preservation activities.



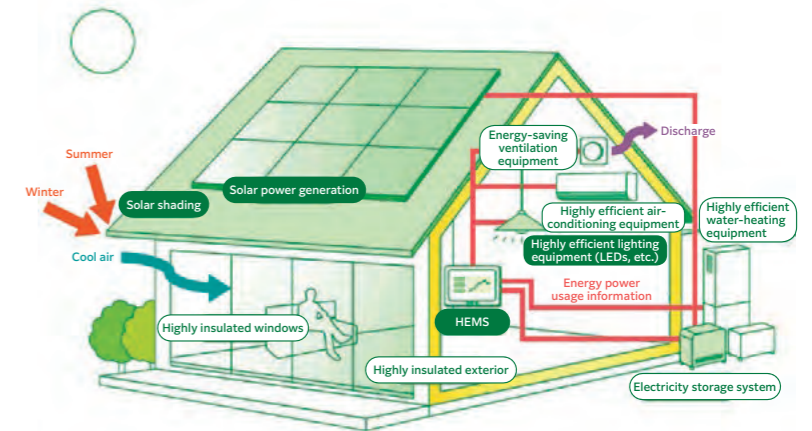
Note: Achievement rates compared to sales expansion targets for environmental products

Environmental products	FY2016 Versus plans	FY2017 Versus plans	FY2018 Versus plans	FY2019 Versus plans	FY2020 Versus plans	FY2021 Versus plans
Construction materials	87.5%	97.1%	81.2%	80.2%	76.1%	95.8%
Energy solution products	79.5%	112.7%	82.2%	72.2%	66.0%	75.6%
Insulation materials and housing materials	96.3%	90.2%	106.3%	79.1%	82.8%	107.2%
Textile materials	83.4%	79.7%	89.5%	71.2%	83.6%	120.7%
Rolling stock products	114.7%	106.5%	106.5%	93.4%	87.9%	107.8%
Plastic products	93.1%	83.9%	101.9%	95.0%	85.6%	97.6%
Functional materials	56.2%	55.2%	89.9%	69.3%	61.7%	69.7%
Hi-Land Inc. Proprietary products and sewn products	—	—	—	—	96.7%	104.9%
Environmental electronics devices	101.2%	89.2%	116.1%	149.5%	94.2%	111.4%

## ◆ Examples of environmental products

### Total support for the transition to high-performance homes

We contribute to our customers by offering a product lineup with the high-level sealing, strong heat insulation, energy creation, and resilience essential for high-performance homes, and through total support including optimal device selection, fabrication, and installation to realize low initial and running costs, while at the same time considering the environment.



Source: METI Agency for Natural Resources and Energy website  
 URL: [https://www.enecho.meti.go.jp/category/saving\\_and\\_new/saving/general/housing/index03.html](https://www.enecho.meti.go.jp/category/saving_and_new/saving/general/housing/index03.html)

### Vehicle to Home (V2H)

We are focused on proposing “V2H” as a new initiative using our top-class industry sales record in the home solar energy systems market and our ample procurement network. Given the way that people use vehicles is changing with the development of electric vehicles, we anticipate demand for large-scale storage batteries, and by helping the market expand through solutions with new business categories for “transportation methods” plus “home consumption-type storage batteries,” we will contribute to the realization of a carbon neutral society. Furthermore, using the installation capabilities of our associates Doryoku Co., Ltd. and HIT Engineering Co., Ltd., one-stop proposals are possible.



### Energy saving solutions for commercial facilities

We provide one-stop proposals from planning to installation including country-wide handling of LED construction and interior construction to promote energy saving and environmental improvement at commercial facilities, sales of refrigerant gas to refill refrigerating devices, and installation of electric vehicle charging stations for parking lots, thereby contributing to energy saving and cost cutting.



### Internal and external materials for rolling stock

We provide solutions based on the keywords of energy saving, weight saving, and labor saving to railway operators and manufacturers of rolling stock in Japan and overseas, contributing to the realization of a decarbonized society.





Environment Information disclosure based on the TCFD recommendations

**Governance system**

The Company recognizes our response to climate change as an important management issue. For key issues related to sustainability including our response to climate change, the Sustainability Committee chaired by an Executive Officer prepares guidelines and plans and promotes initiatives to achieve our targets. We have created an appropriate oversight structure through the Board of Directors in which the details evaluated at the Sustainability Committee are deliberated and reported as necessary at Board of Directors meetings.

In the Construction Supply Division that is the covered business, we have a system in which those responsible for promoting and those in charge of sustainability (including climate change) are placed at covered units and we reflect climate change-related points in business strategy and business promotion.

**Governance system for climate change-related response**

Meeting bodies and other systems	Roles and responsibilities
Board of Directors	Oversight of climate change response
Sustainability Committee	Preparing guidelines and plans related to sustainability including climate change response, deciding important items, and promoting initiatives for key issues

**Strategy**

**Impact of climate change on the Company's business**

The world is experiencing constant damage from abnormal weather, and if sufficient measures are not taken, that damage will further intensify, and there is the risk of damage on a global scale. Given these conditions, the Paris Agreement that took effect in 2016 established long-term targets to limit the average rise in global temperature to well below 2°C compared to pre-industrial levels and to make every effort to limit it to 1.5°C.

As the world begins to take action to realize the scenario of a less than 2°C increase in global temperature, the Company sees this move as both a risk and as an opportunity, and the Sustainability Committee is evaluating and preparing indicators to act as concrete behavioral guidelines and targets.

To realize a sustainable society, the Company has identified key issues that are highly important to the Company, its stakeholders, and society to pursue both sustainable growth and enhancement of our corporate value. While confirming the state of progress for our targets to respond to these key issues, we are working to create solutions through our business activities. We perform sequential scenario analysis and impact evaluation of business fields judged to have a strong impact on our business. We use the results of this scenario analysis to formulate both response plans and behavioral guidelines.

**The Company's strategy under our envisioned scenarios (scenario analysis)**

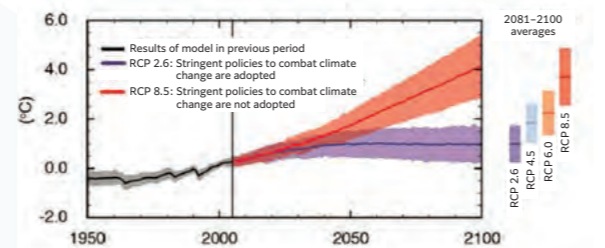
**1. Selection of the covered business**

Our main business, the construction supply business in Japan (made up 59.2% of sales in FY2020 results)



**Composition of the covered business**

Segment	Field	Main products and services
Housing	Energy solutions	Solar energy systems, storage batteries
	Insulation materials	Insulation materials
	Housing materials	Cladding, housing and facility equipment, interior materials
Non-housing	Construction materials	Cladding, foundation pillars, foundation improvement construction methods, fire-resistant coverings



Source: Environmental Innovation Center (IPCC 5th Assessment Report partially modified)

<b>2°C scenario</b> (RCP 2.6: Scenario 1)	<ul style="list-style-type: none"> <li>Advancing bold policies and technological innovation including conversion to renewable energy, strengthening energy-saving regulations, and introducing carbon tax</li> <li>A society in which changes accompanying the shift to a decarbonized society have a high possibility of impacting business (transition risk)</li> <li>Expanded demand for related products with expanded demand for energy-saving products and decarbonization energy technologies, etc.</li> </ul>
<b>4°C scenario</b> (RCP 8.5: Scenario 2)	<ul style="list-style-type: none"> <li>As abnormal weather caused by climate change intensifies, the risks of greater-than-expected damage caused by wind and floods, depletion of raw materials, and infections increase</li> <li>A society in which the physical damage caused by climate change has a high possibility of impacting business (physical risk)</li> </ul>

Based on the above predictions, at the Sustainability Committee, risk and opportunity analysis for each of the covered units in the construction supply business in Japan is performed, shared, and used in medium- to long-term forecasting and in future business strategy.

**3. Results of scenario analysis**

<b>2°C scenario</b> (RCP 2.6: Scenario 1) Changes in markets	<ul style="list-style-type: none"> <li>Suppliers passing on cost increases caused by stronger regulations and the introduction of carbon tax greatly reduces cost competitiveness</li> <li>Changes in demand trends and preferences of end users even in the construction market and increased obsolescence of existing products accompanying the shift to a decarbonized society</li> <li>Changes in markets and increased procurement costs create pressure to restructure the construction supply business in Japan (portfolio shifts)</li> </ul>
<b>4°C scenario</b> (RCP 8.5: Scenario 2) Increasing factors of uncertainty	<ul style="list-style-type: none"> <li>As the move toward stronger regulations and the introduction of carbon tax is slow, it is difficult to expect changes in demand trends and preferences to the extent assumed in Scenario 1</li> <li>However, as factors of uncertainty caused by climate change are chronic, both procurement and sales are impacted by unforeseen trouble (extreme weather, depletion of raw materials, infections, etc.)</li> <li>Also in terms of installation, inclement weather and rising temperatures could easily reduce product quality</li> <li>If we cannot fulfill our supply responsibility demanded of our customers, sales could decrease</li> </ul>

**Risks and opportunities caused by climate change**

In the scenarios defined in the scenario groups (world view of the 2°C and 4°C scenarios), the specific risks and opportunities envisioned are as follows.

**Evaluation targets and expected time period of occurrence of climate change-related risks in FY2022**

Risk category	Evaluation targets of risks	Expected time period of occurrence	Impact	
Transition risk	Policy and regulatory risk	Increased costs from the introduction and strengthening of systems related to regulations on GHG emission reduction	Medium term	Large
		Risk of slower growth in market scale due to reduced prices of feed-in tariffs for electricity and subsidies	Medium term	Medium
	Technological risk	Reduced competitiveness of existing products with the popularization of low-carbon technology with stronger regulations	Long term	Medium
	Market risk	Lower margins from price pass-through by suppliers	Long term	Large
Physical risk	Reputation risk	Risk that investors and financial institutions will judge that information disclosure is insufficient, causing negative effects on financing	Medium term	Large
	Acute risk	Supply cutoffs from disasters at suppliers caused by the normalization of abnormal weather	Medium term	Large
	Chronic risk	Deteriorating work environments and productivity and delays in construction completion at construction sites caused by rising temperatures	Long term	Medium

**Evaluation targets and expected time period of realization of climate change-related opportunities in FY2022**

Opportunity category	Evaluation targets of opportunities	Expected time period of occurrence	Impact
Opportunities related to resource efficiency	Increasing needs for lighter, alternative materials as steel prices rise	Medium term	Large
Opportunities related to energy sources	Expansion of the renewable energy market by setting long-term CO <sub>2</sub> reduction targets	Medium term	Medium
Opportunities related to products and services	Providing new solutions by developing and partnering with new business partners (installation and processing)	Medium term	Small
	New business development through development and partnerships with new suppliers	Medium term	Medium
	Creation of new businesses with expanded products and services that contribute to an appropriate response to climate change	Long term	Large
Market-related opportunities	Expanded business through portfolio shifts	Medium term	Large
	Increased demand for highly sustainable products and services	Medium term	Large

**Strategies in response to risks and opportunities**

The Company aims to expand our solutions and contribute to building a sustainable society in the three fields of "energy saving," "weight saving," and "labor saving" identified as focus fields in our "DANTOTSU Strategy [Becoming our customers' best of the best]" put forth in the "Sustainability X (Cross)" section of our medium-term management plan announced in 2020.

<b>Energy saving</b>	Expanding solutions that pursue effective energy use in buildings, starting with the insulation field and energy solutions field
<b>Weight saving</b>	Creating alternative proposals and expanding sales by developing and partnering with new suppliers
<b>Labor saving</b>	Providing optimal solutions in terms of quality, ease of installation, and work environments

**Future plans**

We have launched an organization-wide TCFD response project at the Company and plan to build a system to regularly evaluate and review risks and opportunities and conduct progress management. In terms of our initiatives to combat climate change, we have plans to set targets linked to our next medium-term management plan. We will also perform continuous evaluations mainly at the Sustainability Committee, as we cooperate with all our stakeholders to realize a sustainable society.



# Society

## Human assets that support our business

Creating a culture that rapidly develops career human assets

### Our unique approach to “career-type human assets”

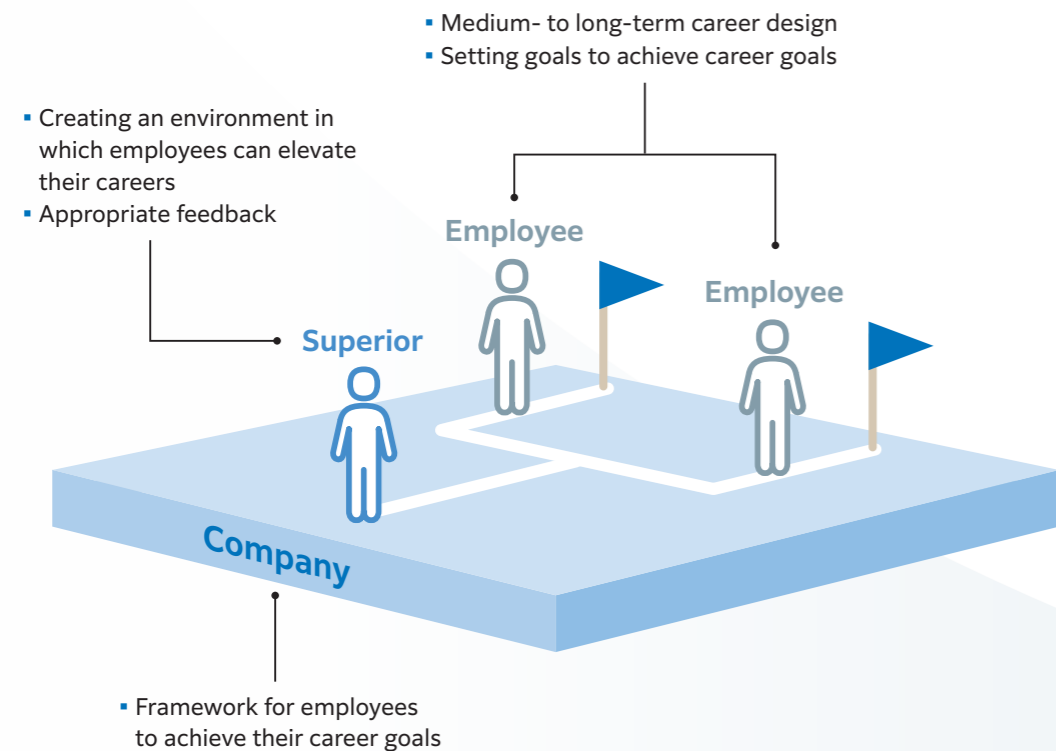
Differently from membership-type or job-type human assets, we have established our own unique “career-type human assets” and are focusing on their development.

#### What are “career-type human assets?”

Career-type human assets are those who improve continuously their management capabilities and expertise, design their own medium- to long-term goals, and elevate their careers inside and outside the Company. The individual is always the one in charge of their career building, and the Company is both creating an environment in which individuals can elevate their careers and supporting the achievement of their career goals.

#### “Career-type human assets” development system

- **Employees themselves:** designing medium- to long-term goals themselves using the framework of the Company
- **Superiors of employees:** providing support for the achievement of individual employee career goals by creating an environment in which employees can elevate their careers and by providing appropriate feedback



### New personnel system launched in April 2021

#### Characteristics and features of the system

1 Job-class system	2 Evaluation system	3 Compensation system	4 Education system
A system in which employees can create their own career visions	A system that produces highly acceptable evaluations and personnel development results	An employee treatment that encourages a stronger desire to contribute and grow among employees	A system in which employees can develop their skills in a planned manner

#### Main policies in each system

- |  |   |
|--|---|
| <p><b>1 Job-class system</b></p> <ul style="list-style-type: none"> <li>▪ Define the roles for each job class, and specify the behavioral requirements necessary for fulfilling those roles                     <ul style="list-style-type: none"> <li>➔ Classifying behavioral requirement into “Solution,” “Risk Control” and “Development” Frameworks</li> <li>Visualizing your own strengths and weaknesses</li> </ul> </li> <li>▪ Establish standard career models that enable employees to design their own careers</li> <li>▪ Remunerate employees according to their skills and career development, and conduct evaluations and promotion reviews based on behavioral requirements by job class</li> </ul> | <p><b>3 Compensation system</b></p> <ul style="list-style-type: none"> <li>▪ Design an evaluation system centered on a “performance evaluation,” which evaluates short-term results and processes, and a “personnel evaluation,” which evaluates medium- to long-term employee behavior                     <ul style="list-style-type: none"> <li>➔ Evaluate short-term and medium- to long-term contributions and realize rational treatment</li> </ul> </li> </ul> |
| <p><b>2 Evaluation system</b></p> <ul style="list-style-type: none"> <li>▪ Design an evaluation framework that is easy to understand by both the reviewer and the reviewee</li> <li>▪ Ensure the quality of evaluations through the evaluation committee, etc.</li> </ul>  | <p><b>4 Education system</b></p> <ul style="list-style-type: none"> <li>▪ Design step-by-step training and an education system that enable skill development according to the behavioral requirements for each job class</li> <li>▪ Provide a wide range of training contents using a variety of education methods and training themes</li> </ul>   |

### Takashima’s Three Frameworks

Systematizing our educational approach to become a continuously growing company

<p><b>Solution Framework</b></p> <p>Providing added value through “development proposal capabilities” and “multiple completion capabilities”</p> <p>The scheme creates high added value through “development proposal capabilities” that propose solutions that anticipate our customers’ needs and “multiple completion capabilities” that evolve from providing individual products to providing solution services through the provision of the value chain-based capabilities required by our customers</p>	<p><b>Risk Control Framework</b></p> <p>Creating rational risk management methods to focus on “Solution Framework”</p> <p>The scheme creates a system in which organizational focus can be placed on Solution Framework by building a system of independent risk management and internal management that excludes individual skills and instead includes a broad view and comprehensiveness</p>	<p><b>Development Framework</b></p> <p>Developing successors to implement Solution Framework and Risk Control Framework</p> <p>Through OJT and feedback on activities, the scheme spreads our Solution and Risk Control Frameworks internally to connect to individual growth and develops personnel capable of implementing our Solution and Risk Control Frameworks</p>
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# Corporate Governance



## 1 Koichi Takashima

President and Representative Director

Feb. 1978 Joined Procter & Gamble Japan  
 July 2000 External Relations Director of Procter & Gamble Far East Inc.  
 June 2002 Joined the Company  
 June 2002 Vice President and Director  
 June 2003 Vice President and Representative Director  
 June 2004 President and Representative Director  
 Apr. 2016 President and Representative Director, and Division Chief of Industrial Solutions Division  
 June 2016 President and Representative Director, Chief Executive Officer, and Division Chief of Industrial Solutions Division  
 Apr. 2018 President and Representative Director, and Chief Executive Officer (current position)

## 2 Yasutaka Takagaki

Director

Apr. 1977 Joined the Company  
 Apr. 2007 General Manager of Nagoya Branch and General Manager of Construction Materials  
 Apr. 2009 Division Chief of Construction Supply Division and General Manager of Tokyo Business Development Department  
 June 2009 Director, Division Chief of Construction Supply Division, and General Manager of Tokyo Business Development Department  
 Oct. 2010 Director and Division Chief of Construction Supply Division  
 June 2011 Executive Director and Division Chief of Construction Supply Division  
 June 2012 Director of TOHKEN inc. (current position)  
 Apr. 2016 Executive Director and Division Chief of Construction Supply Solutions Division of the Company  
 June 2016 Director, Managing Executive Officer, and Division Chief of Construction Supply Solutions Division  
 Apr. 2018 Director, Senior Managing Executive Officer, and Division Chief of Construction Supply Solutions Division  
 Apr. 2020 Director, Senior Managing Executive Officer, in charge of Sales, and Division Chief of Industrial Solutions Division  
 Apr. 2021 Director, Senior Managing Executive Officer, in charge of Sales, and Division Chief of Industrial Materials Division (current position)

## 3 Toshio Goto

Director

Apr. 1983 Joined the Company  
 Oct. 1997 Manager Attached to Strategic Planning & Management Office of the Company;  
 President of iTak (International) Limited  
 Apr. 2009 President of iTak (International) Limited  
 June 2012 Director of the Company;  
 President of iTak (International) Limited  
 June 2016 Director and Group Executive Officer of the Company;  
 President of iTak (International) Limited  
 Apr. 2018 Director and Group Managing Executive Officer of the Company;  
 President of iTak (International) Limited  
 Apr. 2020 Director, Group Managing Executive Officer, and Division Chief of Device Solutions Division of the Company;  
 President of iTak (International) Limited  
 Apr. 2021 Director, Managing Executive Officer, and Division Chief of Electronic Devices Division of the Company;  
 President of iTak (International) Limited (current position)

## 4 Akira Yamamoto

Director

Apr. 1987 Joined Osaka Totsu Co., Ltd. (currently Kansai Totsu Co., Ltd.)  
 Oct. 1991 Joined Marubeni Synthetic Resin Products Co., Ltd. (currently Marubeni Plax Corporation)  
 Feb. 2010 Joined the Company  
 Apr. 2011 Manager of Chugoku Office, Construction Supply Division  
 Apr. 2013 Deputy General Manager of West Japan Business Development Department, Construction Supply Division  
 Apr. 2014 General Manager of East Japan Business Development Department, Construction Supply Division  
 June 2016 Audit & Supervisory Board Member of TOHKEN inc. (current position)  
 Apr. 2017 Executive Officer and General Manager of East Japan Business Development Department, Construction Supply Solutions Division of the Company  
 Apr. 2018 Executive Officer, Deputy Division Chief of Construction Supply Solutions Division, and General Manager of East Japan Business Development Department  
 June 2018 Director, Executive Officer, Deputy Division Chief of Construction Supply Solutions Division, and General Manager of East Japan Business Development Department  
 Apr. 2020 Director, Executive Officer, and Division Chief of Construction Supply Solutions Division  
 Apr. 2021 Director, Managing Executive Officer, and Division Chief of Construction Supply Division (current position)

## 5 Takahiro Suzuki

Director

Apr. 1991 Joined The Dai-ichi Kangyo Bank, Limited (currently Mizuho Bank, Ltd.)  
 Apr. 2007 Executive Consultant of KFI Co., Ltd. (currently Tokyo International Consulting K.K.)  
 June 2014 Managing Director of Itcb inc.  
 Dec. 2015 Joined the Company  
 Apr. 2017 Deputy General Manager of Internal Auditing Department  
 Apr. 2018 Executive Officer and General Manager of Internal Auditing Department  
 Apr. 2018 Executive Officer, Division Chief of Business Management Division, and General Manager of Internal Auditing Department  
 June 2018 Director, Executive Officer, Division Chief of Business Management Division, and General Manager of Internal Auditing Department  
 Mar. 2019 Director, Executive Officer, and Division Chief of Business Management Division;  
 Director of iTak (International) Limited  
 Apr. 2021 Director, Managing Executive Officer, and Division Chief of Business Management Division of the Company;  
 Director of iTak (International) Limited  
 Mar. 2022 Director, Managing Executive Officer, and Division Chief of Business Management Division of the Company (current position)

## 6 Akifumi Ujita

Director (Audit and Supervisory Committee Member)

Apr. 1980 Joined The Dai-ichi Kangyo Bank, Limited (currently Mizuho Bank, Ltd.)  
 Jan. 1999 Deputy General Manager of New York Branch  
 Apr. 2002 General Manager of Americas Department No. 1 of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)  
 May 2009 Joined SAKATA SEED CORPORATION  
 June 2009 Executive Officer and General Manager of Accounting Dept.  
 Aug. 2011 Director, Executive Officer and Senior General Manager of General Administration Div.  
 June 2017 Director, Senior Executive Officer and Senior General Manager of General Administration Div.  
 June 2021 Director, Managing Executive Officer in charge of General Administration Div.  
 Aug. 2021 Corporate Governance Advisor (Advisor)  
 Feb. 2022 Retired from SAKATA SEED CORPORATION  
 June 2022 Outside Director (Audit and Supervisory Committee Member) of the Company (current position)

## 7 Yuji Momosaki

Director (Audit and Supervisory Committee Member)

Oct. 1978 Joined Nishikata Audit Corporation (currently Deloitte Touche Tohmatsu LLC)  
 July 1991 Partner of Deloitte Touche Tohmatsu LLC  
 July 1998 Representative Partner  
 Feb. 2004 Member of Management Committee of Tokyo Office  
 Mar. 2008 General Manager of Operations Management Division and Management Meeting Observer  
 Jan. 2012 Chief Information Officer of Tohmatsu Group (audit company, tax accountants, consulting subsidiaries, and FA subsidiaries)  
 Jan. 2015 Established Momosaki CPA Office, Representative (current position)  
 June 2015 Outside Audit & Supervisory Board Member of OBAYASHI ROAD CORPORATION  
 Outside Audit & Supervisory Board Member of OSJB Holdings Corporation  
 Outside Director of Benefit One Inc.  
 June 2016 Outside Director (Audit and Supervisory Committee Member) of the Company (current position)  
 Sept. 2021 Outside Audit & Supervisory Board Member of Project Company Co., Ltd. (current position)

## 8 Ren Shino

Director (Audit and Supervisory Committee Member)

Oct. 1986 Passed the national bar examination  
 Apr. 1989 Registered as attorney (Dai-ichi Tokyo Bar Association)  
 Jan. 1990 Participated in establishment of KOHWA SOHGOH LAW OFFICES  
 Partner Attorney of KOHWA SOHGOH LAW OFFICES (current position)  
 June 2016 Outside Director (Audit/Supervisory Committee Member) of SINANEN HOLDINGS CO., LTD. (current position)  
 June 2018 Outside Director (Audit and Supervisory Committee Member) of the Company (current position)  
 June 2019 Outside Audit & Supervisory Board Member of MAEDA CORPORATION

## 9 Yasushi Aoki

Director (Audit and Supervisory Committee Member)

Apr. 1979 Joined Kao Sekken Co., Ltd. (currently Kao Corporation)  
 Feb. 2000 General Manager of Organization & Planning Group Department, Personnel Division  
 Mar. 2004 Supervising Personnel Development Division  
 June 2006 Executive Officer  
 Mar. 2011 Director, Managing Executive Officer, and Supervising Personnel and General Affairs Division of Kanebo Cosmetics Inc.  
 Mar. 2014 Supervising Human Resources Development Division of Kao Corporation  
 Representative Director and Chair of Board of Directors of Kanebo Cosmetics Inc.  
 Mar. 2015 Managing Executive Officer of Kao Corporation  
 June 2020 Outside Director (Audit and Supervisory Committee Member) of the Company (current position)

### Expertise of Directors

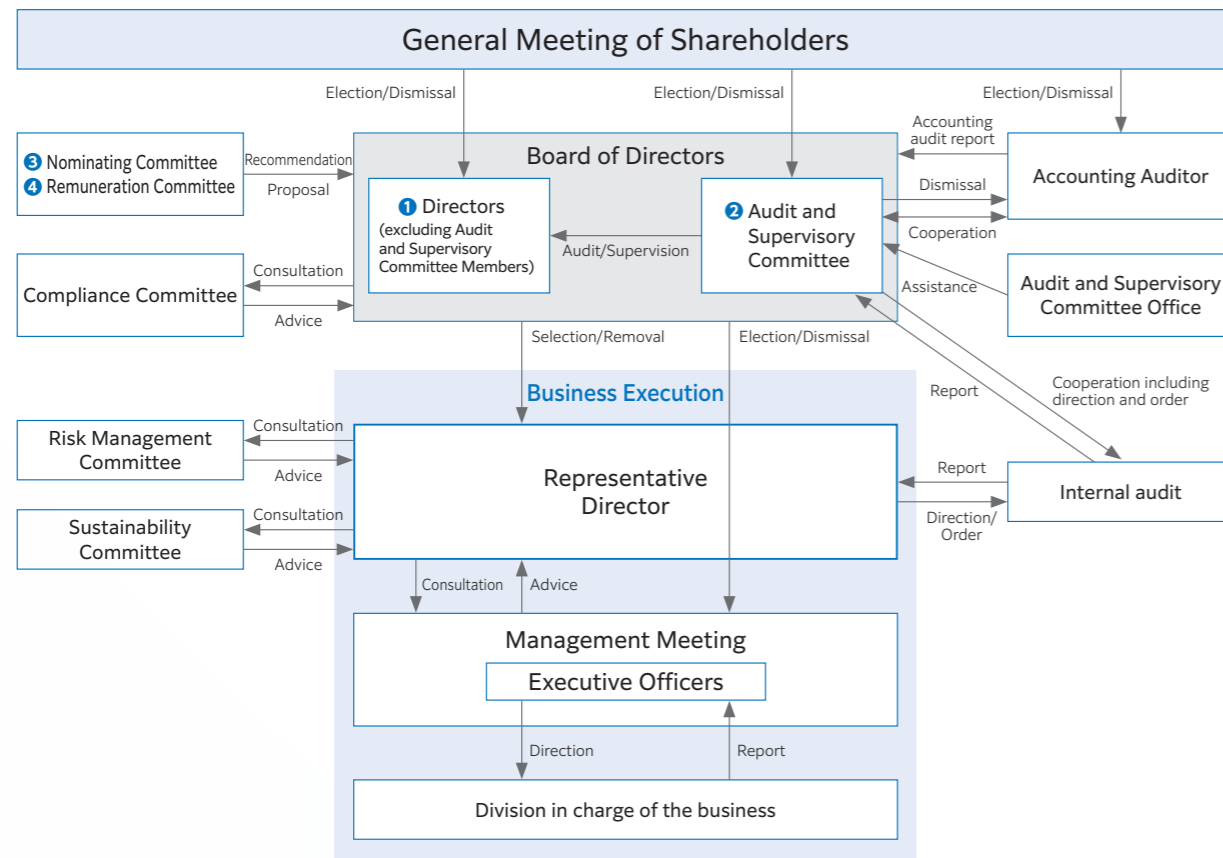
	Corporate Management	Sales/Business Development	Finance/M&A	Marketing Planning/IR	IT/Digital	Human Assets/Labor Management/Organization Development	Legal/Risk Management/Audit	International Experience	Manufacturing/Technology/R&D
Koichi Takashima	●	●		●				●	
Yasutaka Takagaki	●	●							
Toshio Goto	●	●						●	●
Akira Yamamoto	●	●							
Takahiro Suzuki	●		●		●	●	●		
Akifumi Ujita	●		●				●	●	
Yuji Momosaki	●		●		●	●	●	●	
Ren Shino							●		
Yasushi Aoki	●			●		●	●		



Corporate Governance

Basic approach and organizational structure

In order to achieve its targets for improvements in long-term corporate performance and sustainable growth, the Group maintains appropriate relationships with shareholders and various other stakeholders, and considers conducting business activities while fulfilling its responsibilities to society to be its top priority.



Major discussion entities

1 Board of Directors

Head: Koichi Takashima

Number of meetings held in FY2021: 15

The Board of Directors meets every month and has the authority to make decisions on matters stipulated by law and regulations and on important matters related to management. The Board of Directors is comprised of five Directors (excluding Directors who are Audit and Supervisory Committee Members) and four Directors who are Audit and Supervisory Committee Members (including four outside Directors), receives reports on issues and results related to business execution, and deliberates on all important matters, such as decisions on execution policies.

2 Audit and Supervisory Committee

Head: Akifumi Ujita\*

Number of meetings held in FY2021: 13

The Audit and Supervisory Committee meets every month in principle, audits the execution of duties by Directors, and discusses the results of internal audits and other important matters. The committee is comprised of four Audit and Supervisory Committee Members (including four outside Directors) and one member is a full-time Audit and Supervisory Committee Member. The Audit and Supervisory Committee Members all possess in-depth knowledge regarding management, legal, accounting, or other specialized fields, attend the Board of Directors meetings and other important meetings, and fulfill their monitoring and supervising functions from an independent and objective standpoint.

3 Nominating Committee

Head: Akifumi Ujita\*

Number of meetings held in FY2021: 2

The Nominating Committee strengthens the independence, objectivity and accountability of the functions of the Board of Directors related to Directors, and aims to contribute to building an appropriate management structure for the Takashima Group. The committee is comprised of the Chief Executive Officer and all of the non-executive Directors, meets at least once every year, and deliberates on proposals related to the election and dismissal of Directors submitted at the General Meeting of Shareholders, the appointment and removal of Executive Officers, and other matters.

4 Remuneration Committee

Head: Akifumi Ujita\*

Number of meetings held in FY2021: 1

The Remuneration Committee aims to strengthen the objectivity and accountability regarding the determination of remuneration related to Directors. The committee is comprised of the Chief Executive Officer and all of the non-executive Directors, meets in May every year, and deliberates on the performance evaluation of Directors who execute business, the appropriateness of remuneration for Directors and other officers, and other matters.

\* Akifumi Ujita, the head of the committee, was newly elected as a Director who is an Audit and Supervisory Committee Member at the General Meeting of Shareholders held in June 2022.

Actions for enhancing effectiveness of Board of Directors, etc.

The Company conducted an evaluation of the Board of Directors effectiveness using a third-party organization in FY2016, and implemented self-evaluations of the Board based on the results of that evaluation. In the following fiscal years, the Audit and Supervisory Committee has conducted evaluations of the effectiveness of the Board of Directors, and the Board of Directors has held discussions on the evaluation results. For information regarding the analysis of the Board of Directors effectiveness and the results of the evaluation, please see the Corporate Governance Report (available in Japanese only) posted on the Company's corporate website.

In addition, similar to the evaluation of the Board of Directors, an evaluation of the effectiveness is conducted every year for the Management Meeting, which was established to discuss important matters related to corporate management and is comprised mainly of Executive Officers (including those who serve concurrently as Directors). By exchanging opinions in the Management Meeting and ensuring common understanding of the issues based on the results of the evaluation of the effectiveness, the results are utilized to make improvements, etc. in the operation of the meeting in the following fiscal years.

Remuneration for Directors and other officers

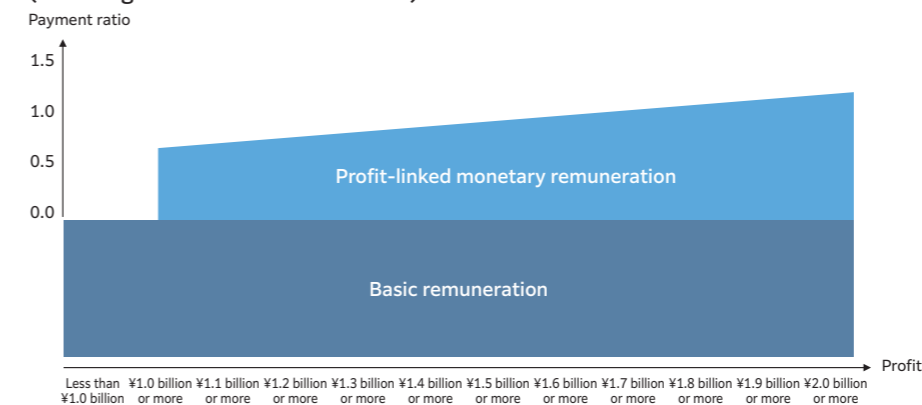
The remuneration for Directors and other officers of the Company is comprised of basic remuneration, profit-linked monetary remuneration, and share-based remuneration. Basic remuneration is set for individual Directors and other officers, taking into account their position, business performance, remuneration levels at other companies, remuneration levels of employees, etc., and is paid in a fixed monthly amount calculated by dividing the determined annual basic remuneration by 12.

Profit-linked monetary remuneration is paid to the Company's eligible Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors) if profit attributable to owners of parent is ¥1.0 billion or more after recording profit-linked monetary remuneration as an expense, and the amount to be paid to the President and Representative Director is calculated by multiplying profit attributable to owners of parent by a predetermined payment rate. Next, the amount to be paid to each of the other eligible Directors is calculated by multiplying the individual amount to be paid to the President and Representative Director by a predetermined coefficient for each position. The amount to be paid to each eligible Director is paid within one month from the date of the General Meeting of Shareholders. However, the maximum total amount to be paid is ¥100 million.

The remuneration for the Company's Directors (excluding Audit and Supervisory Committee Members) is the total of the above basic remuneration and profit-linked monetary remuneration, and is ¥320 million or less per year.

Regarding share-based remuneration, the Company has introduced a restricted share-based remuneration plan in order to provide incentive to the Company's eligible Directors to continuously enhance the corporate value of the Company and promote further sharing of value with shareholders. The amounts to be paid and the timing of payment are determined by the Board of Directors of the Company on the condition that the eligible Directors have continuously remained in a position specified by the Board of Directors of the Company. Restrictions on the transfer of shares are lifted immediately after the eligible Directors resign from the position specified by the Board of Directors of the Company. Separate from the above remuneration for Directors of ¥320 million or less per year, the amount to be paid is ¥50 million or less per year and the total number of common shares of the Company to be issued or disposed of is 20,000 shares or less per year.

Remuneration for President and Representative Director (excluding share-based remuneration)



Coefficients by position for profit-linked monetary remuneration

Position	Coefficient
Representative Director and Chairman	0.9
President and Representative Director, and Chief Executive Officer	1.0
Director and Executive Vice President	0.8
Director and Senior Managing Executive Officer	0.7
Director and Managing Executive Officer	0.6
Director and Executive Officer	0.4

Thorough risk management

To maintain a high level of trust from stakeholders, the Group has built an effective internal management system and has formulated the Takashima Group Risk Management Basic Policy to appropriately respond to various risks facing the Group.

In addition, the Company has established the Risk Management Committee as an organization for making recommendations to the President regarding significant risks related to the Company's management. The Risk Management Committee is chaired by the Division Chief of the Business Management Division who selects the committee members. The committee conducts risk identification and investigation in accordance with the rules, and considers measures for risk avoidance and for crisis planning when risks materialize.

Actions for compliance

The Company has established the Compliance Committee as an overall organization for promoting compliance. The Compliance Committee, which is chaired by the President with the Division Chief of the Business Management Division serving as the vice chair and is comprised of officers appointed by the President, deliberates on overall compliance and determines the basic policy.

In addition, the committee creates the Compliance Program and regularly conducts training for employees in order to raise awareness of related laws, regulations, etc., and to promote increased compliance awareness. The committee also conducts a compliance survey once a year to ascertain the level of compliance awareness that has been instilled and identify issues, and considers activities for improvements.



## Corporate Governance

## ◆ Outside Directors' Messages



Akifumi Ujita

Director (Full-time Audit and Supervisory Committee Member)

My name is Ujita and I have served as outside Director since June 2022.

The trading company business is outside of my expertise, but I will work so that appropriate risks can be taken from the perspective of a third-party, which is external and independent, using my work experience at a financial institution for approximately 30 years (of which, 16 of those years were overseas) and my approximately 10 years of experience as an officer at an operating company.

With regard to the restructuring of the Tokyo Stock Exchange in April, the Company implemented transitional measures and selected the Prime Market. I recognize that the direction of management has changed significantly as a result of aiming to change from sound management practice that was completely committed to keeping a solid balance sheet, which was the case thus far, to a sustainably growing company that utilizes strategic investments. This could also be referred to as the second establishment. I am extremely pleased that I will be able to take on challenges together with the Company's other members of management to achieve large targets during this time.

The business environment surrounding the Group is changing dramatically day by day. By reliably collaborating with the other outside Directors, who possess diverse experiences and abundant knowledge, I will work to steadily increase corporate value and respond to the expectations of all stakeholders, such as investors. I look forward to working with everyone.

I feel that the atmosphere of the Board of Directors of the Company is one where we can freely give our opinions without reservation and have open discussions. Furthermore, as information is communicated appropriately and swiftly through full-time Audit and Supervisory Committee Members and the provision of information in advance is carried out sufficiently, I believe that the members of top management of each department are taking responsibility and fulfilling that mission.

I have given advice with an eye toward the response to compliance and risk management in particular for the Group due to my lawsuit-related and risk management perspective through my many years of experience with work as an attorney at law as well as my experience as an outside director at other companies. The work I believe to be most important is considering what we need to do to prevent the occurrence of operational issues as well as promptly sharing information, analyzing the true cause, considering response measures and sharing and utilizing the results in the event of an issue occurring. I believe that the Company properly listens to advice and responds earnestly.

Over these past few years, the Group has changed significantly as it has created a system for addressing corporate governance.

By selecting the Prime Market, the necessity of governance has increased further, and because we are aiming to enhance corporate value, I believe that each and every employee needs to further reform their awareness with regard to governance.



Ren Shino

Director (Audit and Supervisory Committee Member)

I believe that the Board of Directors of the Company has provided information in advance in a timely and appropriate manner, has fostered an environment where we can freely and openly speak, and effectively functions as a place for discussion. The Chairperson and the President have effectively displayed leadership, and as long as management based on discussions by the Board of Directors continues in the future, I think that it will be possible for our company to grow sustainably, which is desirable to all stakeholders.

I have been involved in corporate audits and management consulting at listed companies as a certified public accountant for many years, in addition to having experience as an outside director and outside audit & supervisory board member at multiple other companies. Utilizing such abundant experience and high level of expertise in corporate governance, management auditing, and risk management at the meetings of the Board of Directors, I have made statements related to the vision for the Group's various disclosures, finance and accounting, the internal control system, medium- to long-term management strategy, corporate value, etc. Through such statements and by quantifying and visualizing the management plan and business results as well as reflecting the intention of managers as a story in the various disclosure documents, I have been able to contribute to the appropriate supervision of management, and contributed to enhancing the effectiveness of the Board of Directors. Furthermore, our Corporate Mission of "Contribute to Society through our Business Activities" and commitment to "Integrity," which is our Corporate Value, have taken root. In this culture, as long as aggressive management is being carried out while constantly checking our surroundings, it will be possible to grow sustainably while responding to the demands and expectations of shareholders, investors, and other stakeholders.

The Board of Directors of the Company carries out free and open discussions regarding important matters for discussion and matters for resolution, which are planned annually, timely progress reports for each business, etc., based on documents provided in advance. In particular, the transition to the Prime Market due to the restructuring of the Tokyo Stock Exchange was a very significant choice for the Company's management. The decision was made at the end of wide-ranging discussions, and even after the transition, the steady implementation of the plan for meeting the continued-listing criteria is actively discussed each time.

I have personally given diverse opinions regarding management overall based on my management experience at a manufacturer and experience carrying out activities at external organizations. Within this, I would like to fulfill the role of proactively encouraging everyone's execution of duties for the sustainable growth of the Group and further enhancement of corporate value. In that sense, I believe that by using this market selection as an opportunity, we have proceeded to reform the overall top management team's awareness regarding the enhancement of corporate value, which includes investment plans, capital policy, and IR activities.

Furthermore, I believe that investment into human assets, who are a trading company's largest asset, is very important for further growth. Specifically, for the next medium-term management plan, linking with the business plan and advancing organizational development to promote reform, the strengthening of expert human assets, the promotion of further diversity, the development of successors, etc., are of particular importance. I believe that by proactively promoting these through the leadership of top management, "culture that raises human assets," which is the Group's foundation for sustainable growth, will develop throughout the Group.



Yuji Momosaki

Director (Audit and Supervisory Committee Member)

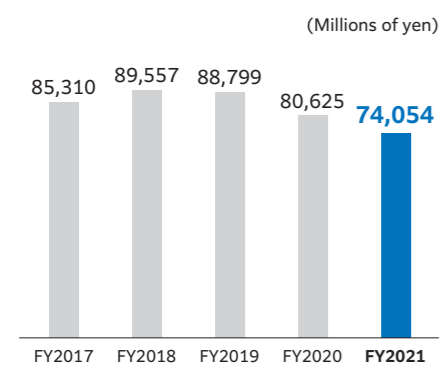


Yasushi Aoki

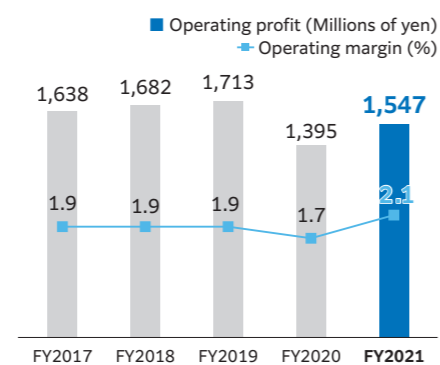
Director (Audit and Supervisory Committee Member)

# Financial and Non-financial Trends

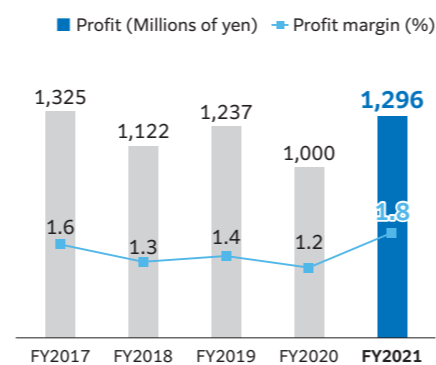
## Net sales



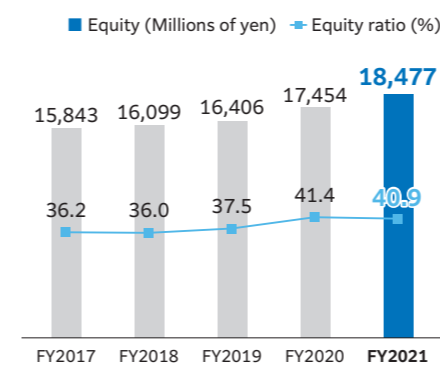
## Operating profit/Operating margin



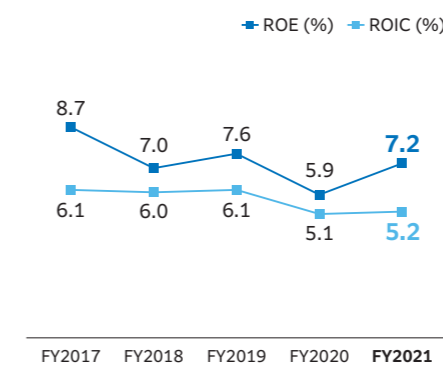
## Profit/Profit margin



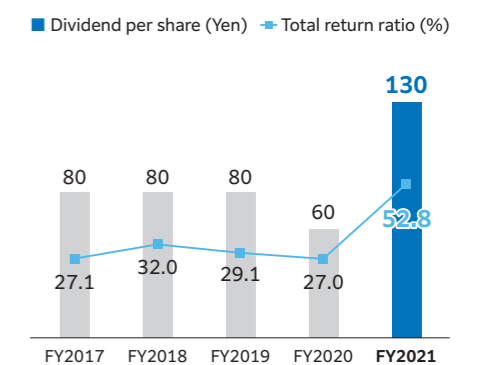
## Equity/Equity ratio



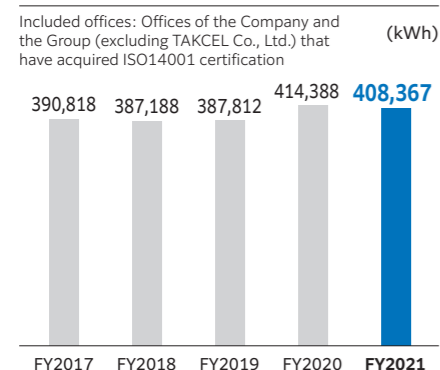
## ROE/ROIC



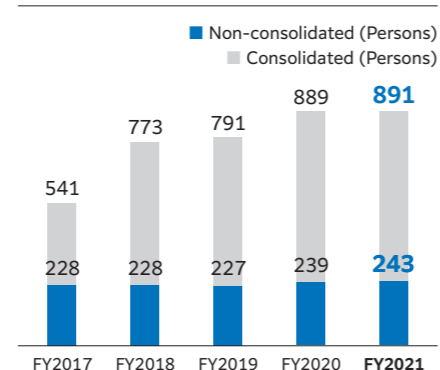
## Dividend per share/Total return ratio



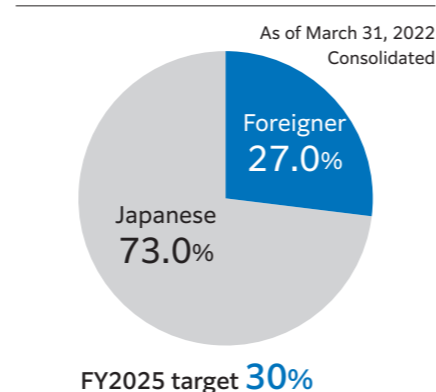
## Electric power usage



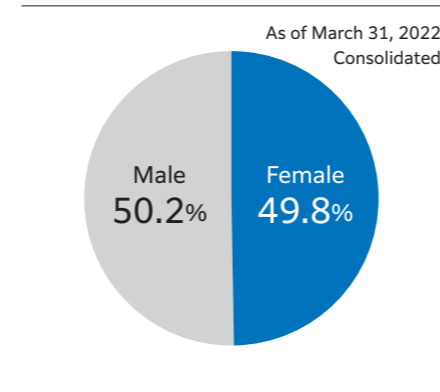
## Number of employees



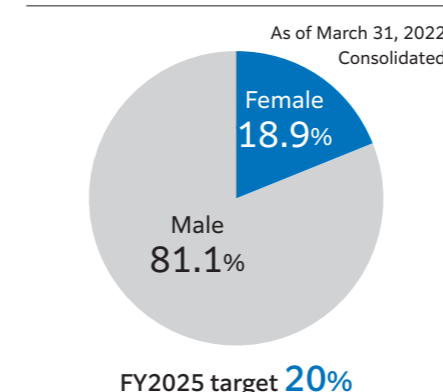
## Ratio of foreign managers



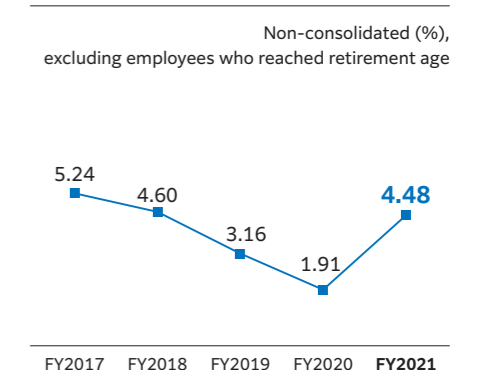
## Ratio of female employees



## Ratio of female managers



## Employee turnover



## Financial data

		FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Net sales	(Millions of yen)	75,474	79,694	83,175	94,854	91,738	91,230	84,775	85,310	89,557	88,799	80,625	74,054
Gross profit	(Millions of yen)	6,457	7,340	7,837	8,411	8,194	8,245	7,797	8,012	8,256	8,507	7,838	8,328
Operating profit	(Millions of yen)	662	1,298	1,248	1,839	1,756	1,687	1,584	1,638	1,682	1,713	1,395	1,547
Profit attributable to owners of parent	(Millions of yen)	390	750	917	1,177	1,368	1,122	1,316	1,325	1,122	1,237	1,000	1,296
Operating margin	(%)	0.9	1.6	1.5	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.7	2.1
Profit attributable to owners of parent to net sales ratio	(%)	0.5	0.9	1.1	1.2	1.5	1.2	1.6	1.6	1.3	1.4	1.2	1.8
Equity ratio	(%)	24.1	24.1	26.9	25.0	30.7	30.4	34.4	36.2	36.0	37.5	41.4	40.9
Interest-bearing liabilities	(Millions of yen)	3,775	3,803	2,957	5,008	3,778	5,070	2,856	3,483	3,532	2,967	1,476	4,286
Cash flows from operating activities	(Millions of yen)	(700)	695	1,426	(1,420)	3,084	1,464	1,640	(279)	384	3,018	3,563	(389)
Cash flows from investing activities	(Millions of yen)	(208)	(435)	120	(251)	(1,319)	(1,248)	331	(304)	504	(594)	(98)	(654)
Cash flows from financing activities	(Millions of yen)	(166)	(69)	(1,062)	1,759	(1,630)	(712)	(2,541)	265	(289)	(1,108)	(1,947)	2,305
ROE	(%)	5.0	9.1	10.0	11.3	11.4	8.5	9.4	8.7	7.0	7.6	5.9	7.2
Total return ratio	(%)	23.2	18.1	19.7	19.2	19.8	28.2	24.0	27.1	32.0	29.1	27.0	52.8

## Per share data

		FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Profit per share	(Yen)	8.62	16.59	20.28	26.05	30.27	24.85	29.20	294.76	249.64	275.29	222.13	288.16
Net assets per share	(Yen)	172.56	190.51	216.51	242.80	289.03	298.25	325.90	3,523.65	3,581.19	3,650.18	3,872.19	4,129.61
Dividend per share	(Yen)	2.00	3.00	4.00	5.00	6.00	7.00	7.00	80.00*	80.00	80.00	60.00	130.00

\* The Company conducted a 1-for-10 share consolidation of common shares effective October 1, 2017.

# Share Information / Company Profile

## Shares (As of March 31, 2022)

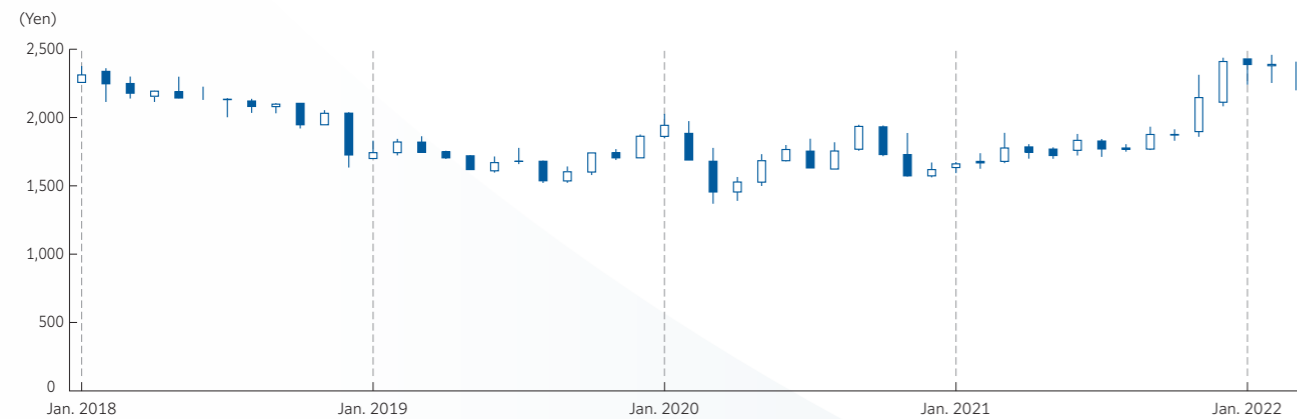
Total number of authorized shares	14,000,000
Total number of outstanding shares (excluding 26,677 shares of treasury shares)	4,474,296
Number of shareholders	4,422

## Major shareholders (Top 10 shareholders)

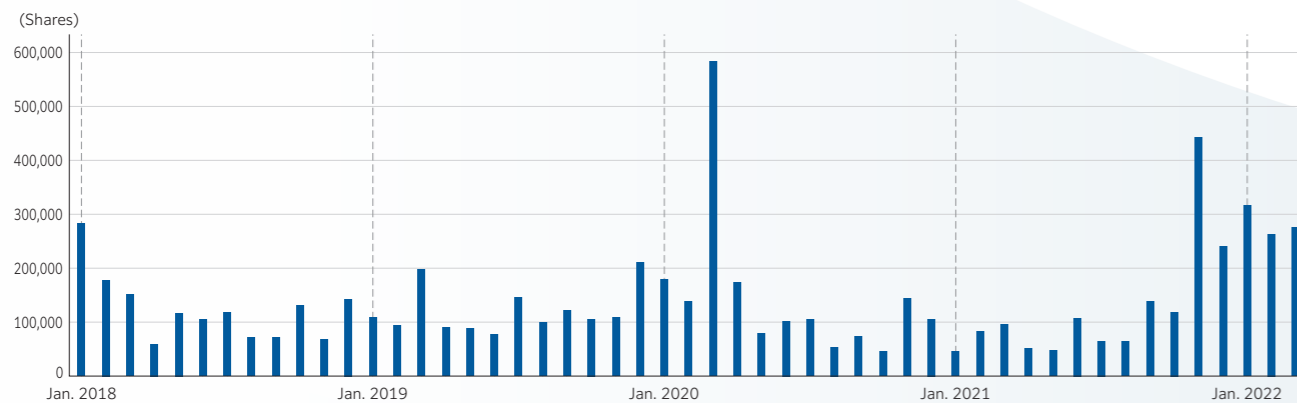
Name of shareholder	Number of shares held (Thousand shares)	Shareholding ratio (%)
Takashima Trading-Partner Shareholding Association	499	11.17
The Master Trust Bank of Japan, Ltd. (Trust Account)	346	7.73
Heiwa Corporation	190	4.24
Tokio Marine & Nichido Fire Insurance Co., Ltd.	180	4.03
Sumitomo Mitsui Trust Bank, Limited	135	3.02
Tomohiro Yoshida	121	2.71
Sumitomo Mitsui Banking Corporation	108	2.41
Custody Bank of Japan, Ltd. as trustee for Mizuho Bank, Ltd. Retirement Benefit Trust Account re-entrusted by Mizuho Trust & Banking Co., Ltd.	106	2.38
Kuraray Co., Ltd.	100	2.24
Custody Bank of Japan, Ltd. (Trust Account)	99	2.23

Notes: 1. Fractional shares have been rounded down to the nearest thousand shares.  
2. Shareholding ratio was calculated using the total number of outstanding shares after excluding treasury shares and rounded down to two decimals.

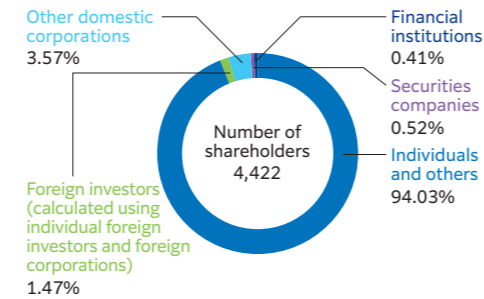
## Changes in share price



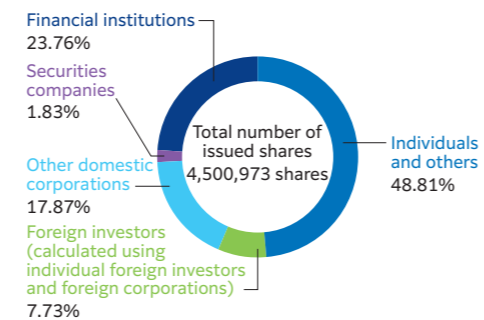
## Changes in trading volume



## Breakdown of the number of shareholders by investor type



## Breakdown of the number of shares by investor type



## Basic information

Company name	Takashima & Co., Ltd.
Established	October 1, 1915
Paid-in capital	¥3,801,274,262
Number of employees	243

Location of head office	2-2 Kandasurugadai, Chiyoda-ku, Tokyo, 101-8118, Japan
Fiscal year end	Once a year, March 31
Securities code	8007
Stock listing	Prime Market of Tokyo Stock Exchange
Financial Auditor	KPMG AZSA LLC

## Group companies

### Consolidated subsidiaries

Name	Division	Description of major business	Location
Rest Corporation	Construction supply	Production and construction of toilet booths	Shizuoka-shi, Shizuoka
Hi-Land Inc.	Industrial materials	Development, manufacturing and sales of garment manufacturing of processed products, design and processing of membranes, and sales of logistics materials for industrial and medical applications	Chiyoda-ku, Tokyo
CLS Corporation	Industrial materials	Sales of various materials, such as artificial leather and synthetic leather, and products	Chuo-ku, Osaka-shi, Osaka
TAKCEL Co., Ltd.	Industrial materials	Manufacturing and sales of plastic molded products	Tochigi-shi, Tochigi
Takashima Robot Marketing Co., Ltd.	Industrial materials	Rental and sales of collaborative robots	Chiyoda-ku, Tokyo
iTak International (Japan) Co., Ltd.	Electronic devices	Sales of electronic components and devices, production technologies, quality control support	Shinjuku-ku, Tokyo
iTak (International) Limited	Electronic devices	Sales of electronic components and devices, production technologies, quality control support	Hong Kong, People's Republic of China
iTak International (Shanghai) Limited	Electronic devices	Sales of electronic components and devices	Shanghai, People's Republic of China
iTak International (Shenzhen) Limited	Electronic devices	Sales support for electronic components and devices	Shenzhen, People's Republic of China
iTak International (Thailand) Limited	Electronic devices	Manufacturing and sales of electronic components and devices	Bangkok, Kingdom of Thailand
iTak International (Vietnam) Co., Ltd.	Electronic devices	Manufacturing and sales of electronic components	Dong Nai, Socialist Republic of Vietnam
iTak International (Malaysia) Sdn. Bhd.	Electronic devices	Sales of electronic components and devices	Penang, Malaysia
TAKASHIMA (U.S.A.), INC.	Industrial materials	Sales of textiles for industrial materials and other clothing	California, United States of America

### Entities accounted for using equity method

Name	Division	Description of major business	Location
Doryoku Co., Ltd.	Construction supply	Development of installation support structures for solar power generation systems	Anjo-shi, Aichi
HIT Engineering Co., Ltd.	Construction supply	Housing electrical construction business, smart house business	Shinagawa-ku, Tokyo

## Website renewal

The Company has carried out a complete renewal of its website and expanded its content so that shareholders can come to know the Company even better.

Going forward, the Company will work to further enhance its website in order to more appropriately communicate company information.

There will be no change to the domain (<https://www.tak.co.jp/en/index.html>), but the URLs of individual pages may change. If you have bookmarked the website, please update your bookmarks with the URLs for the new pages.



## Editorial policy

This Integrated Report, which was published for the first time this year by the Company, contains information regarding the Group's sustainable growth. Through this report, the Company aims to convey information on its sustainability activities, approach toward value creation and other initiatives, and hopes that it will be used by stakeholders to deepen their understanding of the Group.

**Applicable period** April 1, 2021 to March 31, 2022 Note: Some information pertains to events outside of this period.

## Notes regarding forward-looking statements

The information presented in this report contains forward-looking statements, which include risks and uncertainties. Consequently, actual results may differ from the forward-looking statements due to a variety of factors.