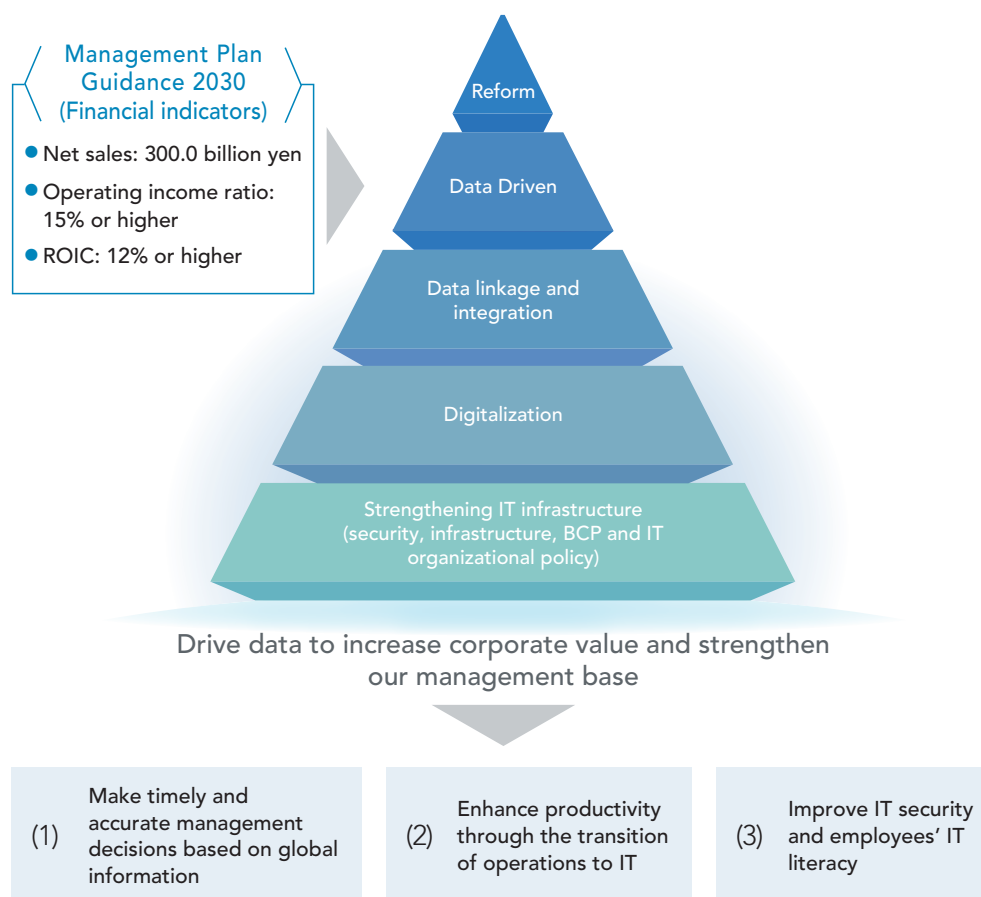


IT Strategies

We established the IT-related slogan, “Increase our corporate value and strengthen our management base using IT,” to move toward the achievement of Management Plan 2030. We formulated the IT strategies necessary for realizing the slogan and are working on the transition to IT based on our medium- and long-term IT roadmap.



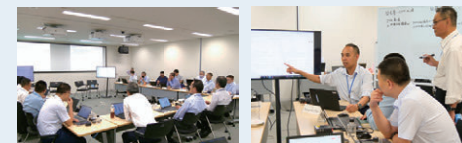
As shown above, our management roadmap includes three priority plans: (1) make timely and accurate management decisions based on global information, (2) enhance productivity through the transition of operations to IT and (3) improve IT security and employees' IT literacy. We continue to be committed to realizing these plans.

Structure for the Promotion of the IT Strategies

We established the IT Headquarters in July 2022 and appointed an executive officer to be in charge of IT on a full-time basis. In addition to placing the existing information system division under the IT Headquarters, we established the IT Planning Office to promote the Group-wide transition to IT and the active use of IT. The executive officer in charge of IT plays an important role in the summarization of our IT strategies and roadmap for realizing our management strategy and the identification of priority projects and the review of investment plans with the top management from a long-term perspective to roll them out Group-wide.

Strengthening global cooperation to promote our IT strategies

The first meeting of IT division managers was held in June 2025 to strengthen our Group-wide cooperation in the promotion of IT. IT division managers from nine bases attended the meeting. In addition to sharing information about the IT division's policies and our Group-wide policies, the people at the meeting exchanged information about IT-based efforts to streamline operations within our Headquarters and activities at different bases. A workshop on issues such as the standardization of IT systems and security measures was held and employees of our overseas bases exchanged opinions about these topics.



Efforts to Make Management Decisions in a Timely and Accurate Manner Based on Global Information

By using digital data, we seek to create value and improve operations in many different domains.

Strengthening the Group's management base (accounting)

We are pushing forward with data linkage and integration throughout the Group in pursuit of corporate growth and the expansion of our business. In this way, we have changed processes in the area of accounting and strengthened our management system for our cost, sales price and profit planning.

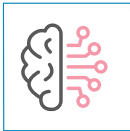
Renewal of ERP

For ERP, which we operate on a Group-wide basis, we tap into new areas of business through mergers and acquisitions and renew our system based on the lifecycle of our ERP. Our next-generation ERP works in parallel with the integration of existing legacy systems.

IT Strategies

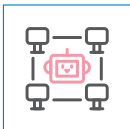
Efforts to Improve Productivity Through the Transition of Operations to IT

We streamline our indirect operations and increase productivity through the digitalization and IT transformation of our business processes.



Introduction of AI

Generative AI services were introduced at our domestic bases in October 2024 with the goal of streamlining indirect operations and enhancing productivity. This helped reduce work hours by more than 9,500 hours in the three-month period ending December 2024. Going forward, we will continue to streamline operations and enhance productivity using generative AI with a view toward the expansion of its use to our overseas bases. We are also considering the introduction of predictive AI and are building a model that will contribute to business planning and quality control using the enormous amount of data that we have obtained at our production sites through machine learning.



Robotic process automation (RPA)

We took inventory of our indirect operations and found many jobs where we can expect to reduce person-hours and improve quality through RPA. For this reason, we are building a system for monitoring the accuracy of robot implementation while gradually applying it starting with the jobs where it works very well.



Transcription tool

We have introduced a transcription tool to create meeting minutes. In particular, we are selecting transcription tools that are able to transcribe Japanese and that are equipped with a translation function so that they work in the international meetings we frequently hold internally. We continue to review these tools with a view toward their Group-wide expansion.



Going paperless

We encourage the shift to paperless operations, specifically, the shift of operations to IT to reduce paper consumption. Inefficient processes such as time-consuming operations using multifunction machines, transportation and the long wait time for printing are reduced to streamline our operations. While controlling printing, we maintain and improve the systems for smoothly fulfilling conventional jobs by introducing IT tools to facilitate the transition to paperless operations.

Efforts to Improve our IT Security and Employees' IT Literacy

Amid the rapid evolution of the information society, the importance of corporate IT security measures is increasing. At the same time, the improvement of each employee's IT literacy is positioned as an important measure for reinforcing the security of the entire organization. We are pushing forward with a comprehensive strategy that balances the reinforcement of IT security and the improvement of employees' IT literacy.

Information security measures

Maintenance plans are formulated and implemented that include both tangible aspects, such as the latest security technologies and data protection measures, and intangible aspects, such as the optimization of operational rules and the enhancement of security awareness. Information security measures are a part of our risk management system and they facilitate inter-departmental actions through the Risk Management Committee at normal times and during emergencies. In addition, we have introduced the assessment, internal auditing and external auditing of our information security measures, information systems and information assets, building a mechanism for continuously improving them as reliable systems and processes.

Introducing secure client computers

With the progress of IT in recent years, the utilization of IT has become indispensable in many different jobs. To support the streamlining of business and flexible workstyles, we must increase the flexibility and convenience of the environment for using client computers. While security risks, including potential cyberattacks and information leakage, are increasing, the need for advanced security measures to address these risks is also increasing. We have introduced an optimal solution which does not compromise convenience while increasing security. This reinforces our security measures and also allows employees to work in any place.

Encouraging employees to obtain IT qualifications

For many years, we have maintained and improved our education and training systems. In addition, we have expanded our measures for improving IT literacy throughout the Company. In this way, the entire Mabuchi Group seeks to motivate employees to learn in pursuit of the development of human resources from a broad range of backgrounds, including people in the IT divisions and operational divisions. More than 700 people, representing more than 80% of the full-time employees working in our Headquarters, have been encouraged to acquire IT passport qualifications. To this end, we have a comprehensive system for supporting the acquisition of qualifications. For example, we provide teaching materials and mock examinations, pay examination fees, and reward employees for the acquisition of qualifications. Our goal is to raise the level of IT literacy throughout the Mabuchi Group and contribute to the improvement of our proficiency in digital technologies.