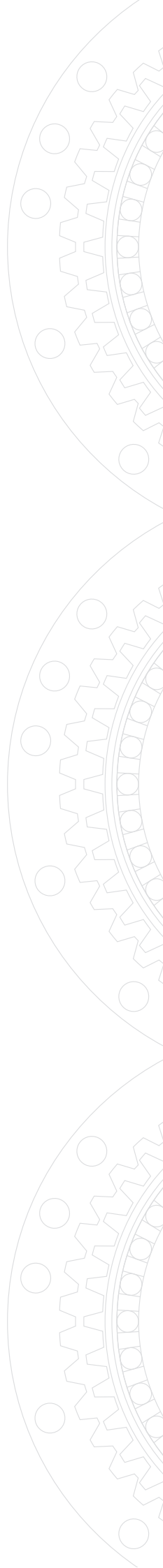




Sustainability Data Book 2024



Editorial policy



Disclaimer: This document is an English translation of the original document in Japanese and has been prepared solely for reference purposes. In the event of any discrepancy between this English translation and the original in Japanese, the original shall prevail in all respects.

This report is a data-intensive compilation of ESG-related information and has been compiled with reference to the assessment items of the main ESG assessment organisations. In the future, we plan to continuously expand the ESG-related information we consider important every year.

Specific ESG initiatives can be found on our website (<https://www.hds.co.jp/english/csr/>).

Scope of reporting

Period : FY2023(1 April, 2023 - 31 December, 2024)

Reporting and disclosure period

December 2024

Reporting organisation

Non-consolidated : armonic Drive Systems Inc.

Consolidated : Harmonic Drive Systems and its Group companies included in the scope of consolidation and those accounted for by the equity method.

Guaranteed Third Party

This report is not endorsed by any third-party organisation.

Contact

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Related our websites

- Company profile <https://www.hds.co.jp/english/company/about/>
- Sustainability <https://www.hds.co.jp/english/csr/>
- Investors Relations <https://www.hds.co.jp/english/ir/>

Environment



Reducing Our Environmental Footprint

	Items		Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023
Environmental Management System	ISO 14001 certification	Number of establishments acquired	Company	Consolidated	4	4	5	5	6
		Ratio of certifications acquired at sites	%		44.4	44.4	55.6	55.6	66.7
ESH audit	ESH audit *ESH audit: An internal environmental audit based on the ISO14000 standard or in accordance with the company's environmental policies.		Company	Consolidated	3	3	4	4	4
	Environmental follow-up audits *Audit to confirm improvement activities for deficiencies identified in an internal environmental audit		Company	Consolidated	3	3	4	4	4
Environmental Compliance	Ration of sites where environmental risk assessments have been conducted among all sites*		%	Consolidated			100	57.1	78.6
	Violation of environment-related laws and regulations*		Number of case	Consolidated			0	0	0
	Accident/pollution that causes environmental issues*		Number of case	Consolidated			0	0	0
	Complaints about environmental issues*		Number of case	Consolidated			0	1	0
	Amount of a fine*		Yen	Consolidated			0	0	0
Environmental education and training	Environment-specific education*	Number of times implemented	Times	Consolidated			0	11	9
		Number of people attended	Person(s)				0	384	289
		Ratio of people attended	%				0.0	29.0	21.4
	Education to raise environmental awareness*	Number of times implemented	Times	Consolidated			0	25	37
		Number of people attended	Person(s)				0	557	537
		Ratio of people attended	%				0.0	42.1	39.8
	Education for earning environmental certifications*	Number of times implemented	Times	Consolidated			2	2	3
		Number of people attended	Person(s)				2	9	4
		Ratio of people attended	%				0.5	0.7	0.3
Environmental accounting	Environmental conservation cost investment amount*		Ten thousand yen	Consolidated				2,496	3,276
	Environmental conservation cost investment amount*		Ten thousand yen	Consolidated				150	150
	Economic effects associated with environmental conservation*		Ten thousand yen	Consolidated				302	262

*Change to consolidated data from FY2022

Creating Environmental Friendly Products

	Items	Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023
Environmental Friendly Products	Number of products developed (cumulative)*	Number of case	Consolidated	6	4	1	16	19

*Change to consolidated data from FY2022

Responding to climate change

	Items	Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023	
GHG emissions	Total GHG emissions*	t-CO2	Consolidated			17,439.58	3,852,768	921,687.19	
	Scope1	Country/Region		t-CO2	Consolidated	By location			
		Japan					80.00	80.69	54.14
		Taiwan					0.00	0.00	—
		China					15.62	13.70	—
		South Korea					0.00	0.00	0.00
		North America					204.93	145.02	82.47
		Germany					157.56	76.66	51.81
		United Kingdom					0.00	0.00	—
		France					11.38	4.08	5.62
		Switzerland					0.00	2.76	11.45
		Italy					22.91	11.13	0.00
		Spain					5.48	5.57	—
		Austria					0.00	2.42	3.45
		Total					497.87	342.04	208.94
	Scope2	Country/Region		t-CO2	Consolidated	By location			
		Japan					13,393.54	15,418.08	12,792.25
		Taiwan					0.00	2.98	1.22
		China					28.61	32.21	31.43
		South Korea					387.69	228.77	254.67
		North America					782.93	474.04	361.40
		Germany					2,335.16	2,486.09	2,159.98
		United Kingdom					3.87	3.20	3.33
		France					2.04	0.63	0.32
		Switzerland					0.03	0.01	0.13
		Italy					7.51	4.16	3.78
		Spain					0.33	0.28	0.30
		Austria					0.00	0.05	0.34
		Total					16,941.71	18,650.50	15,609.14
	Scope2	Country/Region		t-CO2	Consolidated	By market			
		Japan						9,839.24	7,827.65
		Taiwan						0.29	1.22
		China						32.21	31.43
South Korea							265.92	254.67	
North America							290.65	361.40	
Germany							1,777.85	1,203.99	
United Kingdom							0.00	0.00	
France							0.31	0.16	
Switzerland							0.06	0.13	
Italy							6.19	2.14	
Spain							0.15	0.26	
Austria							0.04	0.00	
Total							12,212.91	9,683.04	
Scope3*	Country/Region		t-CO2	Consolidated	By market				
	1. Purchased goods and services					198,899.039	358,791.95	289,079.13	
	2. Capital goods					17,054.102	11,236.601	12,440.66	
	3. Fuel- and energy-related activities not included in Scope 1 or Scope 2					899.008	18,329.4	21,588.63	
	4. Upstream transportation and distribution					3,951.125	8,465.517	6,568.32	
	5. Waste generated in operations					454.535	1,322.21	1,066.85	
	6. Business travel					103.749	701.523	1,301.27	
	7. Employee commuting					212.037	613.37	693.9	
	8. Upstream leased assets					—	—	—	
	Total upstream					221,574	399,460.571	332,738.76	
	9. Downstream transportation and distribution						3,836.67	2,286.88	
	10. Processing of sold products						0	—	
	11. Use of sold products						3,428,809.02	557,746.35	
	12. End-of-life treatment of sold products						1,399.6	227.74	
	13. Downstream leased assets						270.49	286.07	
	14. Franchises						—	—	
	15. Investments						—	—	
Total downstream				3,434,315.783	560,547.04				
16. Other (upstream)				—	—				
17. Other (downstream)				—	—				
Total				443,147.190	3,833,776.346	893,285.80			
Energy consumption	Electric Power*	Consumption of purchased or acquired electricity	kWh	Consolidated		20,269,377	47,595,000	36,760,396	
		Electricity derived from renewable energy (Solar power generation, etc.)					5,300,000	1,998	
		Total				20,269,377	52,895,000	36,762,394	
	Volatile oil (gasoline)*	ℓ	Consolidated			42.23	2,231		
	Volatile oil (kerosene)*	ℓ	Consolidated			44.02	15,201		
	LNG (city gas)*	m ³	Consolidated			168.26	0		
	Light oil*	ℓ	Consolidated			22.46	8,892		
	LPG (propane gas)*	m ³	Consolidated			9.08	1,243		
	Petroleum hydrocarbon gas*	m ³	Consolidated			0.28	425		
	Natural gas*	m ³	Consolidated				60,481		

*Change to consolidated data from FY2022

Conservation of water resources

Items		Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023	
Water accounting	Total water withdrawal*	Total water discharge	m ³	Consolidated			23,000	30,700	29,446.05
		Total water discharge						320	463.00
		Total					23,000	31,020	29,909.05
	Total water discharge*	Drainage to sewer	m ³	Consolidated			23,000	31,020	29,446.05
		Direct drainage to rivers, etc.					—	—	—
		Total					23,000	31,020	29,446.05
Water consumption*		m ³	Consolidated					463.00	

*Change to consolidated data from FY2022

Waste management

Items		Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023	
Resource saving and waste	General waste*	Incinerated garbage	t	Consolidated			54.1	2,245	1,837
		Cafeteria garbage					0.4	10	9
		Total					54.5	2,255	1,846
	Hazardous waste*		t	Consolidated				712	584

*Change to consolidated data from FY2022

Measures against environmentally hazardous substances

Items		Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023	
Measures against environmentally hazardous substances	Green procurement*	Ratio of consent acquired for green procurement standards	%	Consolidated	100	100	100	56.0	56.0
		Number of suppliers audited	Company	Consolidated	10	11	9	43	54
	Measures against environmentally hazardous substance*	Number of companies surveyed for inclusion of environmentally hazardous substances	Company	Consolidated	90	90	90	121	116
	Air conservation*	NOx emissions(nitrogen oxides)	t	Consolidated			0	0	0
		Sox emissions (sulfur oxides)					0	0	0

*Change to consolidated data from FY2022

Resource usage

Items		Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023
Materials/parts	Amount of copper usage*	Thousand tons	Consolidated	1.68	2.02	3.58	3.45	3.76
	Amount of oil and grease used*	Thousand tons	Consolidated	0.03	0.05	0.09	0.21	0.09
	Amount of recycled plastic raw materials used*	t	Consolidated	0.55	3.17	17.36	13.71	5.64

*Change to consolidated data from FY2022

Biodiversity initiatives

項目		FY2019	FY2020	FY2021	FY2022	FY2023
Biodiversity initiatives	Beekeeping for Biodiversity★/Landscaping projects					2

Our group's efforts



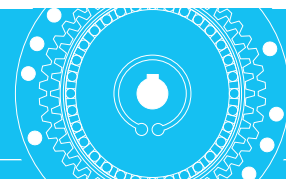
Beekeeping for Biodiversity

Our German subsidiary 'Harmonic Drive SE (HDSE), our German subsidiary, has installed five beehives at its factory from 2022, with the aim of realising a society in harmony with nature through beekeeping.

About 120 kg of honey collected around July each year is packed in original bottles with the HDSE logo designed on them and distributed to all HDSE employees, not only as an aspect of contributing to the local ecosystem, but also as part of internal communication.



Honey being removed from the hive.



Human Capital

	Items	Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023	
Data of employment	Number of consolidated employees	Person(s)	Consolidated	1,097	1,104	1,145	1,324	1,349	
	Number of non-consolidated employees	Male	Person(s)	Non-consolidated	329	350	352	389	415
		Female			42	56	60	86	108
		Total			371	406	412	484	523
		Ratio of female employees			%	11.3	13.8	14.6	17.8
	Average number of contract and temporary employees*	Person(s)	Consolidated	175	100	138	156	689	
	Average temporary employee ratio*	%	Consolidated	32.1	19.8	25.1	24.1	33.8	
	Average age*	Age	Consolidated	41.9	41.3	41.8	41.8	40.0	
	Average length of service*	years	Consolidated	15.2	14.8	15.1	14.4	8.9	
	Average annual income*	Overall (non-regular employees + regular employees)	Ten thousand yen	Consolidated	763	691	753	689	683
		Overall (full-time employees only)						752	723
		Overall (non-regular employees only)						434	343
		Male (full-time employee)						783	698
		Female (full-time employee)						585	439
		Gender wage gap (full-time employees)			%				
	Number of foreign employees*	Male	Person(s)	Consolidated				3	59
		Female						5	28
		Total						8	87
		Ratio of foreign national employee	%				1.2	6.4	
	Number of newly graduated recruits*	Male	Person(s)	Consolidated	20	5	5	8	18
		Female			6	1	1	1	5
		Total			26	6	6	9	23
	Number of mid-career recruits*	Male	Person(s)	Consolidated			16	10	68
		Female					0	3	24
		Total					16	13	92
	Retention of newly graduated recruits* (turnover rate after 3 years)	Male	%	Consolidated	14.3	5.0	5.0	0.0	6.0
		Female			0.0	0.0	16.7	0.0	0.0
		Total			14.3	4.3	7.7	0.0	6.0
	Total turnover rate*		%	Consolidated	1.8	2.2	3.7	3.0	8.6
	Voluntary turnover rate*	全体	%	Consolidated	1.8	2.2	3.7	2.8	8.3
	Managers*	Male	Person(s)	Consolidated				82	205
		Male (foreign nationals)						0	8
		Female						2	14
		Female (foreign nationals)						0	0
		Total						84	219
		Ratio of female managers			%				2.4
	Executive Officer*	Male	Person(s)	Consolidated	12	12	12	12	29
		Male (foreign nationals)			0	0	0	0	1
		Female			0	1	1	1	2
		Female (foreign nationals)			0	0	0	0	0
		Total			12	13	13	13	31
		Ratio of female executive officers			%	0.0	7.7	7.7	7.7
	Directors*	Male	Person(s)	Consolidated	9	9	9	9	28
		Male (foreign nationals)			0	0	0	0	2
		Female			0	0	0	0	1
		Female (foreign nationals)			0	0	0	0	0
		Total			9	9	9	9	29
		Ratio of female directors			%	0.0	0.0	0.0	0.0
	Employees with disabilities*	Male	Person(s)	Consolidated			8	9	24
		Female					2	2	4
Total						10	11	28	
(of which managers)		Person(s)			0	0	0	0	0
	Ratio of employees with disabilities	%			1.9	1.8	2.1		
Total working hours*		hours	Consolidated					1,833	
Monthly average overtime hours*		hours	Consolidated	3.8	12.3	25.2	22.9	9.7	
Paid leave acquisition rate*		%	Consolidated		74.6	69.6	73.2	66.7	
Number of violations of the Labor Standards Act*		Number of case	Consolidated					0	
Number of people taking childcare leave*	Male	Person(s)	Consolidated		2	10	9	25	
	Female				3	4	0	20	
	Total				5	14	9	45	
Percentage of men taking childcare leave率*		%	Consolidated		16.7	55.6	56.3	47.2	
Number of people taking nursing care leave*	Male	Person(s)	Consolidated					7	
	Female							5	
	Total							12	
Number of users of re-employment system*		Person(s)	Consolidated					2	
Labor union membership rate (including managers)*		%	Consolidated				47.7	76.1	
Average number of labor-management meetings held*		Times	Consolidated				12	9	

*Change to consolidated data from FY2023

Initiatives for occupational safety and health

	Items	Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023	
Occupational safety and health	Occupational accident frequency rate*	%	Consolidated					0.3	
	Occupational accident severity rate*	%	Consolidated					1.0	
	Number of occupational accidents*	Number of case	Consolidated					23	
	Number of fatal accidents*	Number of case	Consolidated					0	
	Occupational disease incidence rate (OIFR)*	%	Consolidated					1.1	
	Safety and Health Committee*	Number of events held	Times	Consolidated	12	12	12	12	9
		Average attendance percentage	%		83.1	44.1	38.5	46.2	81.3
	Management training on safety and health*	Number of events held	Times	Consolidated			0	0	10
		Number of participants	Person(s)				0	0	54
		Participant ratio	%				0.0	0.0	24.7
	Management training on safety and health*	Number of events held	Times	Consolidated			20	12	72
		Number of participants	Person(s)				300	162	587
Participant ratio		%				72.8	33.5	43.5	
Safety and health risk assessment	Number of ESH risk assessments conducted ※ESH: A method for managing the environment and occupational safety and health as one.	Number of case	Consolidated			41	33	31	
Mental health initiatives	Stress check test rate*	%	Consolidated	96.4	94.3	88.6	86.0	90.1	
	High stress rate*	%	Consolidated	17.0	24.8	17.8	17.8	17.1	
	Smoking rate*	%	Consolidated	31.0	29.0	31.0	30.9	31.9	
Prevention of harassment, etc.	Harassment training session*	Number of implementations	Times	Consolidated			3	3	9
		Total number of participants	Person(s)				381	144	320
		Participant ratio	%				92.5	29.4	23.7
	Number of cases of child labor, forced labor, and human trafficking	Number of case	Consolidated	0	0	0	0	0	
Percentage of employees for whom we have taken action	Percentage of employees covered by a formal joint labor and safety health and safety committee*	%	Consolidated			90	91.8	83.2	
	Percentage of employees covered by formal collective agreements regarding working conditions*	%	Consolidated			50.3	47.7	93.9	
	Percentage of employees represented by duly elected employees as a percentage of total employees*	%	Consolidated			100	100	62.3	
	Percentage of employees who receive regular performance and career development reviews as a percentage of all employees*	%	Consolidated			98.2	99.4	99.3	

*Change to consolidated data from FY2023

Human resource development

	Items	Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023	
Human resource development	Number of trainees dispatched overseas*	Person(s)	Consolidated	1	1	1	1	1	
	Number of participants*	Graduate school/MBA/MOT commuting system	Person(s)	Consolidated	0	0	0	2	4
		Overseas training system			1	0	0	0	1
		Correspondence education system/students			171	208	234	131	185
		Total			172	208	234	133	190
	Participants ratio (employee ratio)*	%	Consolidated	46.4	56.1	56.8	27.5	14.1	

*Change to consolidated data from FY2023

Providing valuable products

	Items	Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023	
Quality management system	Certification status (Including ISO9001 and other industry-specific standards)*	取得事業所数	Company	Consolidated	6	6	7	7	7
		取得割合(対事業所数)	%		66.7	66.7	77.8	77.8	77.8
Research and development activities	Research and development expenses	Research and development expenses	Million yen	Consolidated	2,195	2,444	3,012	3,274	3,614
		Technology related costs	Million yen	Consolidated	1,441	1,667	2,049	2,204	2,328
	Number of patents held*	Number of case	Consolidated	797	912	951	1,004	1,050	

*Change to consolidated data from FY2023

Fair, just, and transparent procurement activities

	Items	Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023
Procurement ratio (procurement amount ratio)	Metal parts*	%	Consolidated	22	22	25	26	55
	Electronic lighting parts*	%	Consolidated	10	8	8	10	10
	Other parts*	%	Consolidated	22	32	15	27	17
	Machining*	%	Consolidated	47	39	52	37	17
	Assembly processing*	%	Consolidated	0	0	0	0	1

*Change to consolidated data from FY2023

Consideration for local communities and society

	Items	Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023	
Input resources and pact	Achievements in corporate citizenship activities (social contribution activities)	Local cleaning	Times	Consolidated			6	7	10
		Harmonic lecture	Times	Non-consolidated			1	1	1
		Harmonic concert	Times	Non-consolidated			1	0	1
		On-site class	Times	Non-consolidated				5	5
	Participation in women's races★	Number of participants	Person(s)	Consolidated					20
		Donation amount	€						1,305
	Donation amount*		Ten thousand yen	Consolidated					1,633

*Change to consolidated data from FY2023



HDSE female employees who participated in this race

Our group's efforts



Participation in women's races

Our German subsidiary Harmonic Drive SE (HDSE) supports the Women's Race, organised by a charity organisation in Limburg, Germany, which is dedicated to the protection of women. In this race, the sponsor donates a certain amount of money for every kilometre run by the participants in a two-hour period.

In 2023, 20 female employees participated and donated EUR 1,305. Individual donations were also made by HDSE directors, vice presidents, department heads and other employees.

Reference website (German website)

About women's race <http://frauenhaus-limburg.de/>

Governance



Governance

Items			Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023
Chairman of the Board				Non-consolidated	Representative director chairman	Representative director chairman	Representative director chairman	Chairman of the Board	Chairman of the Board
Directors	Internal	Male	Person(s)	Non-consolidated	5	5	5	5	5
		Male (including foreign nationals)			0	0	0	0	0
		Female			0	0	0	0	0
		Female (including foreign nationals)			0	0	0	0	0
		Total			5	5	5	5	5
	Outside	Male			4	4	4	4	4
		Male (including foreign nationals)			0	0	0	0	0
		Female			0	0	0	0	1
		Female (including foreign nationals)			0	0	0	0	0
		Total			4	4	4	4	5
Grand total		9	9	9	9	10			
Ratio of female directors		%	0.0	0.0	0.0	0.0	10.0		
Director's term of office			Year	Non-consolidated	1	1	1	1	1
Average length of service as a director			Year	Non-consolidated	13.4	12.5	11.4	11.1	11.0
Average age of directors			Age	Non-consolidated	70.1	70.6	69.3	70.3	70.1
Number of board meetings held			Times	Non-consolidated	17	19	17	18	18
Average attendance rate of board of directors meetings			%	Non-consolidated	100	100	99.3	99.4	99.1
Independent outside officer attendance rate			%	Non-consolidated	100	100	100	98.5	98.5
Executive Officer and Director			Person(s)	Non-consolidated	4	4	4	4	4
Ratio of directors who also serve as executive officers			Person(s)	Non-consolidated	44.4	44.4	44.4	44.4	40.0
Independent outside officer with four or more important concurrent duties			Person(s)	Non-consolidated	0	0	0	0	0
Independent outside director ratio			Person(s)	Non-consolidated	44.4	44.4	44.4	44.4	50.0
Auditors	Internal	Male	Person(s)	Non-consolidated	1	0	1	1	1
		Male (including foreign nationals)			0	0	0	0	0
		Female			0	0	0	0	0
		Female (including foreign nationals)			0	0	0	0	0
		Total			1	0	1	1	1
	Outside	Male			3	4	3	3	3
		Male (including foreign nationals)			0	0	0	0	0
		Female			0	0	0	0	0
		Female (including foreign nationals)			0	0	0	0	0
		Total			3	4	3	3	3
Grand total		4	4	4	4	4			
Ratio of female directors		%	0.0	0.0	0.0	0.0	0.0		
Independent outside auditor ratio			%	Non-consolidated	50.0	50.0	50.0	50.0	50.0
Number of times the Board of Corporate Auditors was held			Times	Non-consolidated	16	11	18	18	17
Average attendance rate of the Board of Corporate Auditors			%	Non-consolidated	100	100	98.6	98.6	100
Executive officer		Male	Person(s)	Non-consolidated	12	12	12	12	12
		Male (including foreign nationals)			0	0	0	0	0
		Female			0	1	1	1	2
		Female (including foreign nationals)			0	0	0	0	0
		Total			12	12	13	13	14
	Ratio of female directors	%			0.0	7.7	7.7	7.7	14.3

Reward

	Items	Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023	
Executive compensation	Director compensation (excluding outside directors)	Thousand yen	Non-consolidated	119,535	215,565	390,785	415,528	199,387	
	Auditor remuneration (excluding outside auditors)			47,656	52,350	7,514	21,601	28,800	
	Outside officer remuneration			Outside director	28,505	53,002	68,000	77,000	66,600
				Outside auditor	8,880	36,941	58,714	55,200	52,800
Auditor remuneration	Remuneration for accounting auditors	Thousand yen	Non-consolidated	34,000	42,200	36,200	40,200	50,000	

Compliance

	Items	Unit	Scope covered	FY2019	FY2020	FY2021	FY2022	FY2023	
Compliance	Number of internal reports*	Number of case	Consolidated	21	17	17	21	35	
	Number of corrupt acts*	Number of case	Consolidated	0	0	0	0	1	
	Number of employees fired for violating anti-corruption policies*	Person(s)	Consolidated				0	0	
	Amount of fines imposed in connection with corruption*	Yen	Consolidated				0	0	
	Reserve for fines and settlements*	Yen	Consolidated				0	0	
	Compliance training*	Number of events held	Person(s)	Consolidated				6	4
		Total number of participants	Times					293	931
		Percentage of participants	%					60.5	69.0
		Average course time	hours						3.3
	Political contributions*	Yen	Consolidated				0	0	
	Lobbying activities, stakeholder representation and corresponding contributions/expenditures*	Yen	Consolidated				0	0	
	District/regional/national political activities/ Amount of contributions and expenditures to candidates*	Yen	Consolidated				0	0	
	Amount spent on industry organizations*	Ten thousand yen	Consolidated					1,946	
	Number of cases of corruption and bribery*	Number of case	Consolidated				0	0	
	Number of competition law violations*	Number of case	Consolidated				0	0	
	Number of information security incidents*	Number of case	Consolidated	1	1	1	0	1	
	Information security compliance rate*	%	Consolidated	89.3	93.2	97.0	96.5	97.9	
	Awareness training to prevent information security breaches*	Number of implementations	Times	Consolidated	1	2	1	2	29
		Number of participants (cumulative)	Person(s)		380	931	470	1,040	1,696
		Percentage of participants	%		34.6	84.3	41.0	78.5	90.6
Number of times information security due diligence was conducted by a third party	Times	Consolidated	2	2	2	2	16		

*Change to consolidated data from FY2023

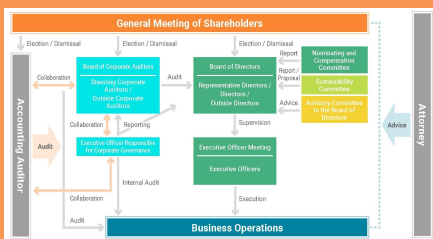
Our group's efforts



Nomination and Remuneration Advisory Committee (voluntary)

At the Board of Directors meeting held on March 25, 2024, HDSI established a Nomination and Remuneration Advisory Committee (voluntary) on the same date. According to its regulations, the Nomination and Remuneration Advisory Committee is required to have a majority of Outside Directors among its members. Currently, three Directors (Outside Director, Haruhiko Yoshida; Outside Director, Masanobu Nakamura; and President, Representative Director, Akira Maruyama) serve as members. The Committee is chaired by Outside Director, Haruhiko Yoshida.

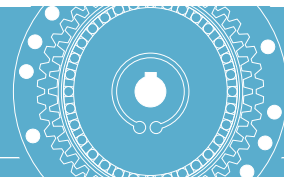
As an advisory body to the Board of Directors, the Nomination and Remuneration Advisory Committee considers and deliberates Director candidates, candidates for Directors with titles, compensation plans for Directors, and other matters, and decides the recommendations for the Board of Directors.



Securities report https://www.hds.co.jp/english/ir/data/Securities_Report/

Corporate Governance Report <https://www.hds.co.jp/english/csr/governance/corporate/>

Disclaimer



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