

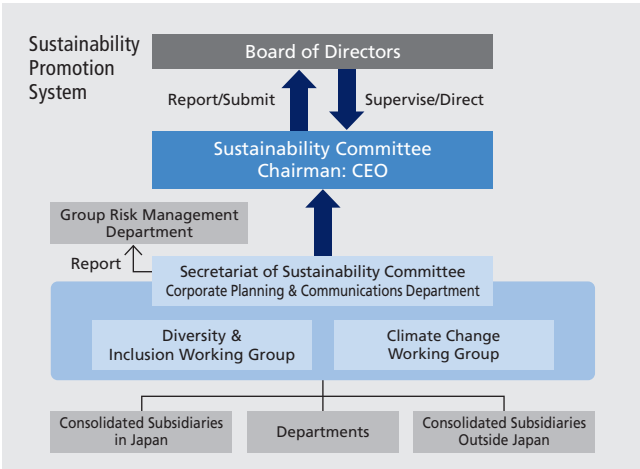
Sustainability Management

Our Approach to Sustainability

With “Totally Committed to Protecting the Natural Environment and Preserving Resources” as our Group’s common shared purpose, we are committed to making effective use of resources and engaging in a wide range of environmental preservation activities. Based on the conviction that our business activities contribute to sustainability itself and that our business growth will directly help us to address social issues, we have established priority issues, themes, and targets, and are working hard to achieve them.

Sustainability Promotion System

Our Group’s sustainability initiatives are driven by the Sustainability Committee, which convenes quarterly. The Sustainability Committee consists of the Representative Director, President & CEO; the presidents of our operating companies; and the heads and members of the technology development and administration departments, with the CEO serving as the chairman. The Sustainability Committee deliberates on sustainability-related strategies, plans, measures, risk management, and monitoring. In addition to reporting matters discussed by the Sustainability Committee to the Board of Directors every quarter, effective governance is ensured by having the Board of Directors pass resolutions on matters of import.



Stakeholder Engagement

The Group’s corporate activities are built on relationships with a variety of stakeholders. We place special emphasis on maintaining good communication with stakeholders such as suppliers, shareholders, investors, employees and their families, and local communities, and strive to build strong relationships with them. The feedback we receive, including employees’ voices, is incorporated into our business activities and management, contributing to the enhancement of corporate value.

Stakeholders	Key Activities and Opportunities for Dialogue		Activity Results		Reflection on Business Activities
With Our Customers	Sales Activities Exhibitions and Events Website and Social Media Provision of Information through Brochures, etc.		Quality Assurance System		In the Group, all departments involved in sales, technology, product manufacturing, design, production, and services work together to understand customer issues and provide satisfying solutions. We also prioritize building trust with our customers through thoughtful communication.
Partnering with Suppliers	Engagement with Suppliers in Daily Purchasing Practices Conducting Surveys Collaborating with suppliers to share and strengthen effective responses to environmental changes		ARE Holdings Group Sustainable Procurement Policy		The Group aims for fair, just, and open transactions with our suppliers. We share feedback from our suppliers not only within the procurement department but also with related departments, striving to enhance both economic and social value throughout the entire supply chain beyond the Company.
For Shareholders and Investors	General Meetings of Shareholders Integrated Report Individual Meetings with Shareholders and Investors Financial Results Briefings Business Briefing for Investors	Website (Investor Relations, Sustainability)	Constructive dialogue with shareholders and investors to enhance corporate value		Based on feedback from our shareholders and investors, we have enhanced the information in our financial results presentation materials and strengthened our communication of business opportunities, with a particular focus on our medium- to long-term vision. Additionally, we have expanded the content on our corporate website to improve information disclosure.
Employees and Their Families	Whistle-Blowing System Personnel Development System Intranet Portal Site Asahi Cheer-up Meeting	Employee Survey Self-Reporting System Company Newsletters Female Employee Empowerment Training	Introduction of new work styles (three-day weekend model / designated 10-day annual leave model)		We have established an environment where a diverse range of staff members can grow and demonstrate their abilities in their day-to-day roles, grounded in our commitment to promoting diversity, equity, and inclusion, as well as health and productivity management. This approach enables them to achieve harmony between their work and overall lifestyle in a way that suits them.
Contributing to Local Communities	ARE Holdings SDGs Activities Participation in Social Contribution Activities		Utilizing the new plant in Bando City as a disaster preparedness base (evacuation shelter)		As a responsible corporate citizen, the Group engages in various social contribution activities rooted in local communities, with a focus on environmental preservation. By collaborating with diverse stakeholders both within and beyond the company to address social issues, we aim to foster and retain talent that will contribute to the future of both our company and the region.

Material Issues and Progress

Business Material Issues

Expand Precious Metals Recycling

We will expand our precious metals recycling globally to promote more effective use of limited resources.

	FY2030 Targets	FY2024 Results
Total volume of recycled precious metals	300 tons	428 tons
CO ₂ reduction effect	837 thousand t-CO ₂	884 thousand t-CO ₂

➡ P. 44



Supply Precious Metals in Ways That Are Friendly to People, Society, and the Environment

We will contribute to responsible management of precious metals by expanding the supply of precious metal products while protecting the environment and human rights. We will use precious metal-containing scrap and raw materials free from conflict minerals.

FY2024 Results
Compliant with UL2809 Standard (Gold Bar, Platinum Plate, Gold Granule)

➡ P. 54-55



Reduce CO₂ Emissions

We will work to reduce CO₂ emissions group-wide by implementing energy saving activities at each site, switching to next-generation vehicles, and switching to low-carbon electricity plans.

	FY2030 Targets	FY2024 Results
CO ₂ emissions (Scope 1 and 2)	-42% (compared to FY2023)	-10%

➡ P. 44-45



Human Resource Development and Contribution to the SDGs

Enhance Work-Life Balance and Employee Diversity

We will strive to enhance job satisfaction by improving the system to help diverse human resources to succeed within the Group. This will be done by reforming working styles, implementing health and productivity management, and promoting diversity.

		FY2030 Targets	FY2024 Results
Achievement rate for rest intervals of at least 11 hours every year		100%	99.9%
Percentage of female employees in managerial positions	by the end of FY2030	7.0%	4.7%
Percentage of employees with disabilities	by the end of FY2030	Meet or exceed the statutory employment rate (statutory employment rate for FY2024: 2.5%)	3.26%
Annual paid leave utilization rate	by the end of FY2030	70%	62.6%
Percentage of male employees taking childcare leave	by the end of FY2030	100%	100%

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Encourage and Support SDG-Related Activities

We will encourage and support employee activities outside the Group’s main business areas that contribute to SDGs achievement, including individual and group volunteer activities. This initiative is called ARE Holdings SDGs Activities.

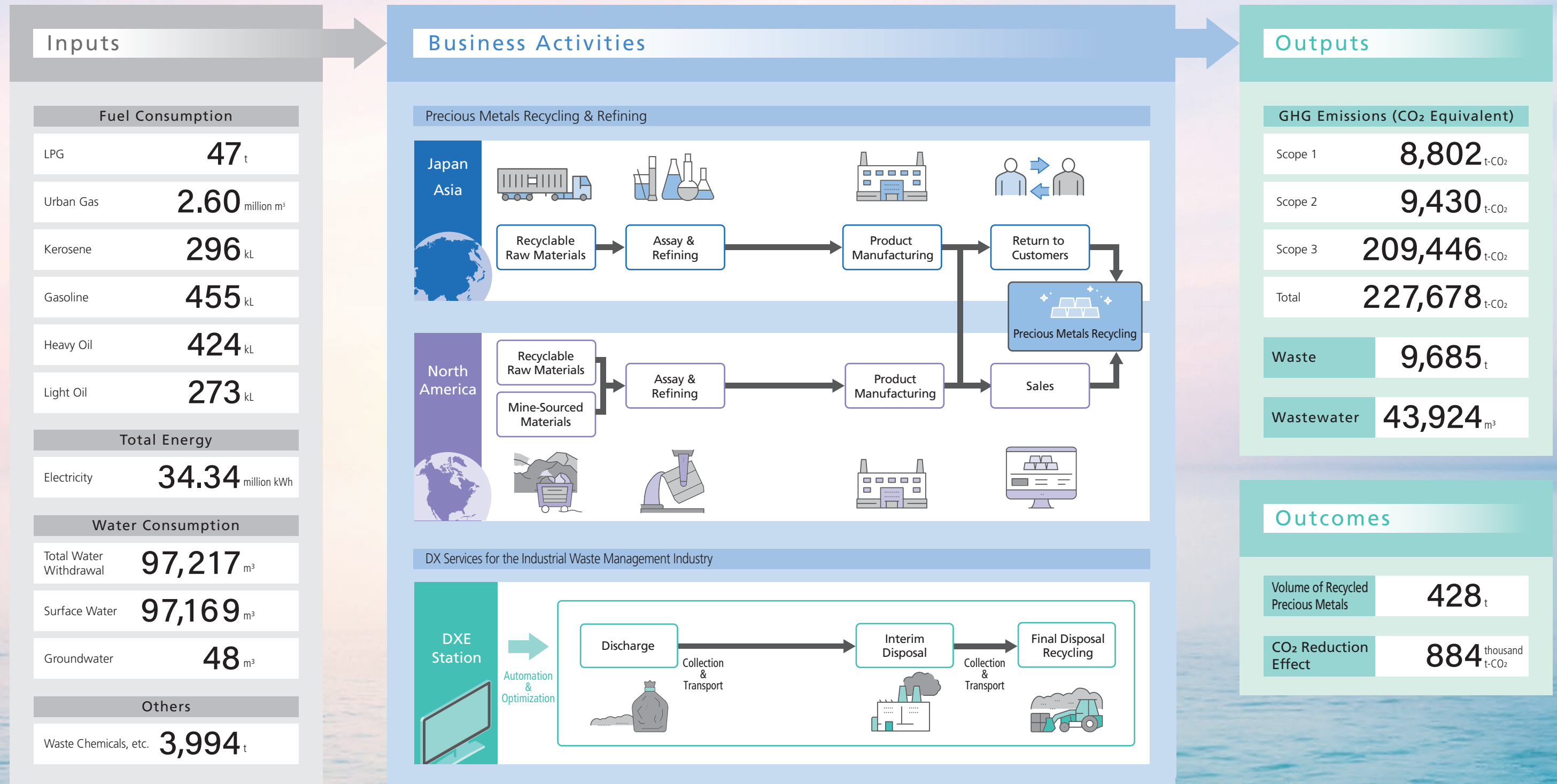
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Business-Driven Solutions to Societal Issues

We aim to make effective use of limited resources through our business activities, reduce environmental impact, and contribute to the realization of a sustainable society. In our Precious Metals Business, we recover precious metals through the recycling of precious metal-containing scrap in Japan and Asia, as well as jewelry scrap in North America. In the industrial waste management segment, we are offering DX services across the industry to enable more efficient waste processing, thereby contributing to the advancement of a circular economy.

FY2024 Results



Advancing Climate Change Initiatives

Addressing Climate Change

Climate change is a common challenge for humankind, and we believe it is one of our business materiality themes. We are committed to achieving a sustainable society through our businesses and by reducing our own CO₂ emissions.



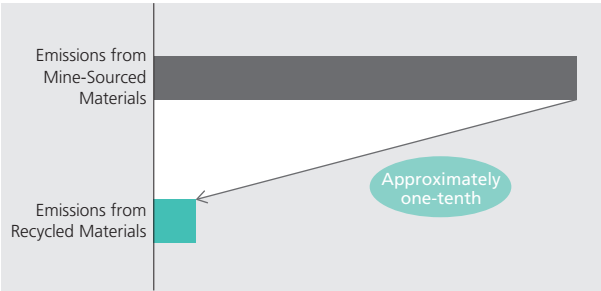
CO₂ Reduction Effect from Precious Metals Recycling

Precious metals recycling is recognized as having a lower environmental impact than producing new precious metals from virgin mining. For example, when comparing CO₂ emissions, gold is estimated to produce approximately one-tenth the emissions. Applying this ratio to

our precious metals recycling volume would result in an indirect CO₂ reduction of 884 thousand t-CO₂, which is approximately 48 times the emissions of our Group. In addition to continuing its own efforts to reduce emissions, the Group remains committed to helping reduce CO₂ through precious metals recycling.

Note:
This CO₂ reduction effect figure does not represent emissions directly reduced by the Group.

CO₂ Emissions from Precious Metals Recycling



CO ₂ Reduction Effect from Precious Metals Recycling	884 thousand t-CO ₂ Reduction effect: approximately 48 times
Emissions by the ARE Holdings Group	18 thousand t-CO ₂
Environmental Benefit of Precious Metals Recycling	
Equivalent to	63.14 million trees
When expressed as the amount of greenhouse gases absorbed by forests, it equals	37,141 hectares

Third-Party Verification of CO₂ Emissions

For our main product, 99.99% gold granules, we calculated the CO₂ emissions from raw material collection to product manufacturing (Cradle to Gate) and conducted third-party verification in accordance with ISO14040:2006 and ISO14044:2006. Our gold granule products

made from recycled raw materials have been recognized for reducing CO₂ emissions generated during the manufacturing process by approximately 98% compared to bullion produced from mined raw materials. This value will be made available to the users of this product in a format suitable for use as primary data in calculating their indirect emissions.

Results and Plans for CO₂ Emissions

We have obtained certification from the Science Based Targets initiative (SBTi), an international climate change initiative, for our greenhouse gas (GHG) emission reduction targets through fiscal year 2030. These targets are recognized as Science Based Targets (SBTs) aligned with the Paris Agreement's "1.5°C goal." Following this certification, we have revised the numerical targets for one of our Key SDG Targets, "Reduce CO₂ Emissions" as outlined below. Additionally, we have declared our commitment to achieving carbon neutrality by fiscal year 2050.

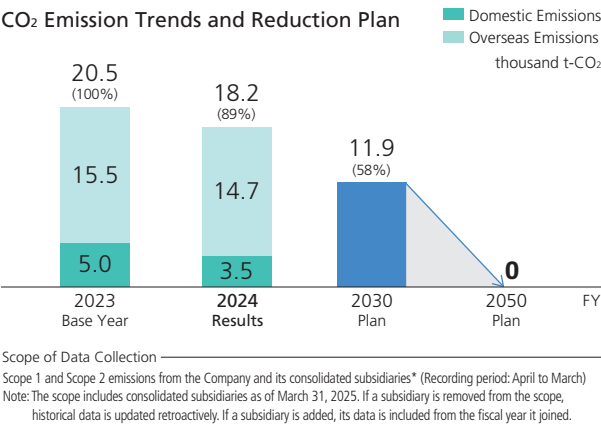
FY2030 Target

CO₂ Emissions (Scope 1 and 2): -42% compared to FY2023

The Group's CO₂ emissions for fiscal year 2024 decreased by approximately 11% compared to fiscal year 2023. Domestic emissions were reduced by approximately 31%, primarily due to changes in electricity suppliers, the

transition to hybrid vehicles for business use, and fuel changes associated with plant relocations.

Overseas emissions decreased by approximately 5%, driven by reduced consumption of city gas and LPG, as well as a lower CO₂ emission factor.



Response to Recommendations by the Task Force on Climate-Related Financial Disclosures (TCFD)

Governance

In December 2021, we endorsed the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and established a cross-company team for TCFD. This team included staff from the business, technology development, and administration departments who identified risks and opportunities related to climate change, assessed the medium- to long-term impact of climate change on our business, and considered countermeasures. Currently, this is carried out by the Climate Change Working Group of the Sustainability Committee, which is overseen by the Representative Director and President (CEO). The members include the directors in charge of the business, technology development, and administration departments, as well as others. The identified risks and opportunities are reviewed at least once a year and the status of responses is reported to both the Sustainability

Committee and the Board of Directors. Critical matters are decided by the Board of Directors to reinforce governance.

Strategies

We identify risks and opportunities related to climate change that will affect our Precious Metals Business segment (domestic and North American refining businesses) as well as the Environmental Preservation Business segment in 2030. We separated the risks and opportunities into these categories: short-term (1 year or less), medium-term (over 1 year and up to 3 years), and long-term (over 3 years and up to 10 years), and we qualitatively assessed them on three levels: high, medium, and low. We also considered the further impact of climate change from 2030 to 2050. As a result, policy and legal, market, technology factors, etc., were identified.

Identification of Risks and Opportunities

	Category		Description	2030		2050	Mitigation Measures
				4°C	1.5°C		
Risks	Transition Risks	Policies and Regulations	Increased costs due to the introduction of carbon pricing mechanisms, including carbon taxes.	—	High impact	↗	Switching to CO ₂ -free power sources and replacing gasoline vehicles with EVs to meet FY2030 CO ₂ reduction targets.
	Physical Risks	Acute	Intensifying natural disasters, such as typhoons and floods, causing facility damage and prolonged operational disruptions.	—	—	↗ (4°C)	Expanding BCM (Business Continuity Management) at plants identified as high-risk based on hazard maps. Selecting disaster-resistant locations and implementing disaster mitigation measures for large-scale capital investments.
Opportunities	Transition Risks	Policies and Regulations	Recycled metals with relatively low CO ₂ emissions will be highly valued and gain competitiveness under carbon pricing mechanisms. Compliance with regulations and enhancement of CO ₂ emissions reporting.	—	High impact	↗	Enhancing value-added sales of recycled metals by leveraging traceability. Strengthening consulting services that provide value, such as CO ₂ emissions analysis. Expanding business by assisting companies that have difficulty complying with regulations.
		Market	Growing demand for recycled products and expansion in the range of products targeted for recycling.	—	High impact	→	Expanding the handling of low-grade scrap materials and increasing the range of metals recycled.
	Technology		Greater incentives to accelerate the development and early commercialization of decarbonization technologies, such as hydrogen.	—	Medium impact	↗	Promoting further utilization of hydrogen using surplus power and other renewable sources.

Results of Scenario Analyses

We chose two scenarios: one where the global average temperature is expected to increase by around 4°C by 2100, and another where the increase is 1.5°C by 2100, compared to pre-industrial levels. As a result, the 4°C scenario is where the current situation continues, and we found that there would be little impact on our operations as of 2030. On the other hand, as we move toward 2050, under this scenario, we anticipate an increase in a physical risk: the intensification of natural disasters such as typhoons and floods caused by severe weather.

For the 1.5°C scenario, strong policy measures are expected to be taken to achieve carbon neutrality by the mid-century. One of these risks is the introduction of carbon pricing, including carbon taxes. Being affected by cost increases will become a risk. On the other hand, in the Precious Metals Business segment, recycled metals, which emit relatively little CO₂ emissions, could gain a reputational and cost advantage. This is an opportunity for the Company, which has strengths in the production and traceability of recycled precious metals. In our Environmental Preservation Business segment, providing systems that reduce environmental impact presents an opportunity.

Risk Management

The Climate Change Working Group will compile the responses to risks and opportunities related to climate change and CO₂ emissions. The Sustainability Committee will monitor and evaluate them every year. The Board of Directors will also be informed of the contents for supervision and direction. In addition, the Group Risk Management Department is also informed of the risk management of the entire Group.

Indicators and Targets

One of our business materiality themes is to reduce CO₂ emissions, so we have set the following targets:

Final Target

Aim to reach carbon neutrality by FY2050 (targets are Scope 1 and 2)

Interim Target

Reduce CO₂ emissions by 42% compared to FY2015 by FY2030 (targets are Scope 1 and 2)

Utilizing Sustainable Resources

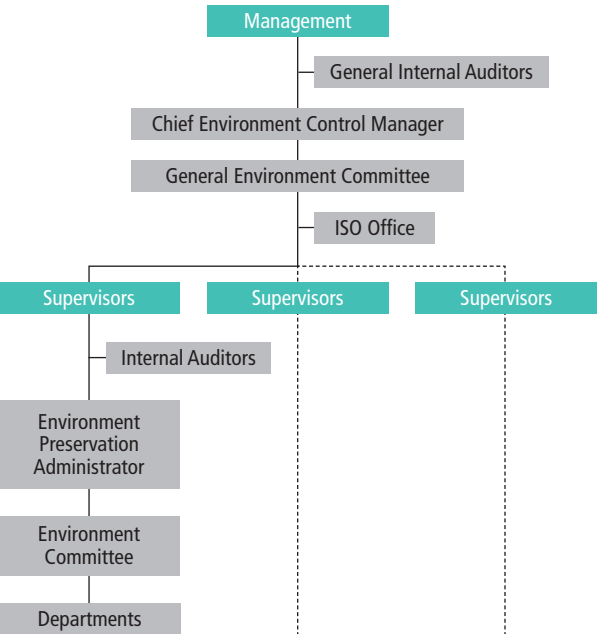
Environmental Management Promotion System

ARE Holdings Group contributes to protecting the earth's natural resources through precious metals recycling and environmental preservation. However, at the same time, we consume resources and energy.

Guided by our Environmental Policy to help minimize the environmental impact, we follow environment-conscious operations where an optimal balance can be achieved between limiting the environmental impact and generating economic value.

We are actively pursuing ISO 14001 certification, the international standard for environmental management, aiming to reduce our environmental impact globally. Each year, we establish company-wide environmental goals aligned with our Environmental Policy. At ISO 14001-certified sites in Japan, we also develop site-specific annual environmental goals. Each site appoints an environmental preservation administrator and establishes an environment committee. These committees ensure compliance with environmental laws and regulations, revise plans, and enhance environmental education. All such activities are reported to management. Additionally, we ensure full application of our Environmental Management System (EMS) across all sites.

Integrated Operational Structure for ISO14001 Certified Sites



Contributing to Biodiversity

Since launching our service for detoxifying liquid waste in the 1970s, the Group has dedicated over 50 years to environmental conservation. By effectively handling industrial waste, we contribute to preserving ecosystems, aquatic environments, and the oceans. We are aware that it is crucial to stop and reverse the loss of natural habitats, deliver outcomes that are beneficial to nature, and mitigate and manage natural risks for conserving biodiversity. We also believe that producing precious metals through recycling significantly contributes to biodiversity.



Water Stress

In our business operations, the Group is dedicated to reducing our environmental footprint by continuing to cut back on water use and to become more efficient. While we recognize the importance of managing stress on water resources alongside the efficient use of these resources, none of our business sites—in Japan and overseas—are in areas categorized by WRI Aqueduct as being at high risk or above. We have concluded that none of our business sites are exposed to water stress.



Our Initiatives

ISO 14001 Certification Overview

In August 2018, we acquired ISO 14001 certification for our sites in Japan, including those at our subsidiaries. As of September 2025, we have been certified at 20 sites in two companies. Going forward, we will continue to focus on maintenance and improvements with an emphasis on extending certification to all sites.

ISO 14001 Certificate



Promoting Green Purchasing

The Group strives to help resolve serious environmental issues. This includes climate change caused by emissions from mass production, consumption, and disposal. To help build a sustainable society and protect the global environment, we have established guidelines for green purchasing that comply with Japan's Act on Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities (Green Purchasing Law), which encourages using products and services that help reduce impact on the environment.

Preferred Products

- 1) Products contributing to forest protection approved by the Program for the Endorsement of Forest Certification
- 2) Products that are certified by the Japan Environmental Association for their low environmental impact and usefulness for environmental conservation
- 3) Products that meet the criteria for specific procured products under the Green Purchasing Law
- 4) Products listed as eco-friendly by the Green Purchasing Network

Going forward, the Group will continue to vigorously follow green purchasing. We will carefully conserve limited resources and reduce waste, helping to build a recycling-oriented economic system.

Utilizing Hydrogen to Reduce Environmental Impact



To advance our commitment to carbon neutrality, our company has begun industrial hydrogen utilization in the precious metals recycling process at our main Bando Plant. The combustion process in conventional precious metals recycling requires high and uniform temperatures and fossil fuels have traditionally been used, placing it in the "hard-to-abate" category where reducing CO₂ emissions is particularly challenging. Hydrogen, which does not emit CO₂ during combustion, is gaining attention as a promising alternative fuel for realizing a decarbonized society. We have therefore begun using hydrogen produced via waste-to-energy by an affiliated company, applying it to the combustion process in precious metals recycling. This has enabled us to reduce fossil fuel consumption. In addition to lowering CO₂ emissions in the manufacturing process, this initiative promotes the effective use of domestically sourced energy and supports local production for local consumption. Establishing an energy supply system based on regional resources also contributes to improving Japan's energy self-sufficiency and represents one of our key initiatives toward a sustainable society. Furthermore, the Bando Plant has obtained ZEB certification and is actively reducing environmental impact through both energy conservation and energy generation. We will continue to adopt new elements and technologies to drive environmental improvement and promote environmentally conscious manufacturing.

Human Capital Supporting Business Strategy

Message from the General Manager of Human Resources Department

Promoting Human Capital Management to Realize Individual and Organizational Growth.

Hidetsugu Okada
General Manager of Human Resources Department



Our Approach to Human Capital Management

In spring 2024, our Group accelerated efforts to realize the vision we aspire to achieve by the end of fiscal year 2030, as outlined in our Medium- to Long-Term Plan & Aspiration. Among the strategic issues outlined in the vision—“Expand into new areas in the Precious Metals Business” and “Further promote globalization”—progress is already underway, as evidenced by the launch of our retail business and expansion centered on the ASEAN. To ensure seamless execution of these strategies and achieve sustainable business growth, human resources are an essential factor, as emphasized in another strategic issue: “Develop human resources to support business growth.”

Companies are often described as possessing four types of capital: financial, physical, human, and informational. While it may feel uncomfortable to place people in the same category as “things,” when considered strictly in the context of production, human capital is the factor whose per-unit value fluctuates the most. The two key factors that determine this value are physical and mental well-being.

Physical well-being encompasses both the capabilities—such as skills and knowledge—and the physical health. Developing specialized capabilities, including foreign language proficiency and management skills, is vital for driving new business initiatives and global expansion. Equally essential is physical health—the foundation on which those capabilities can be fully exercised. Although the term “work-style reform” may now feel overused, our Company has long placed a strong emphasis on employee health and developing a safe and healthy working environment—even before the concept became widespread.

Mental well-being is just as important as physical well-being. It is widely understood that a person’s mental state has a significant impact on productivity. Before mental health deteriorates and leads to mental illness, we prioritize early prevention. We have also long worked to foster employees’ desire and motivation to contribute to society and the company, which is an effort

now often referred to as “engagement.” Additionally, qualities like integrity and sincerity, or the soundness of one’s spirit, are indispensable human attributes for a company like ours that handles precious metals, resources we regard as noble.

When employees are placed at the center, these two elements—physical and mental well-being—can naturally be reinterpreted as the foundation of individual happiness. If we express the idea simply—that productivity and happiness are determined by the product of physical and mental well-being—then it becomes essential to prevent either from falling to zero or turning negative; a company’s responsibility is to help both grow positively. The first value in the ARE Group Way is “Care for Others.” While this may seem self-evident in writing, our company has elevated this principle into a distinctive culture and organizational capability through consistent, rigorous practice. It has become the core engine of our business.



Initiatives for Human Capital Management

As stated in the ARE Group Way, we aspire to be a company where all employees consistently embody the principles of “Take on Challenges,” “Independent Initiative,” “Continuous Improvement,” and “Keep Learning,” with “Care for Others” as the foundation of our shared values. To realize this vision, we position employees as vital stakeholders and actively invest in human capital. Above all, we prioritize physical and mental well-being. We are committed to pursuing healthy work practices and supportive workplaces,

and we promote DE&I to foster a culture where employees with diverse values and backgrounds respect one another. In addition, we operate a performance-based evaluation system and set compensation levels that fairly reward employees who demonstrate the Group Way and deliver results. We also offer talent development programs to support those who seek growth. We believe that strengthening these initiatives will lead to higher employee engagement and enable the Company to grow stronger and more attractive.

Introducing New Work Styles

This program has been in place since October 2022, aiming to both maintain and enhance labor productivity in our business operations while accommodating the diverse personal lives of our members. This system has become firmly established as a framework for flexible working. It

enables employees to make effective use of newly created time not only for childbirth, childcare, school drop-offs, caregiving, medical treatments, and doctor visits, but also for re-skilling (relearning through self-development) as well as hobbies and leisure activities—each in their own way.

Achievement Rate for
Rest Intervals between Shifts

99.9%

Annual Paid Leave
Acquisition Rate

62.6%

Overview of Flexible Work Arrangements

Programs	Details	Eligible Participants
New Work Styles	Options include a 3-day weekend model and a 10-day annual leave system. Time created through flexibility is used for childcare, caregiving, medical needs, reskilling, hobbies, and personal well-being.	Regular, contracted, and associate employees
Flexible Working Hours	Monthly working hours can be adjusted to accommodate individual constraints.	Shift workers, part-time workers, etc.
Shorter Hours (Childcare/Caregiving)	Up to 6 hours/day; available until child completes 6th grade	All employees
Work from Home (Childcare/Caregiving)	Up to 2 days/week	All employees
Special Leave (Childbirth)	Up to 3 paid days when a spouse gives birth	All employees
Nursing Care Leave	Up to 5 days/year per person; available in 1-hour units	All employees

Promoting Paternity Leave for Male Employees

Creating a workplace culture that supports diverse working styles and contributions requires more than just initiatives for female employees. In addition to raising awareness about paternity leave among male employees, we are promoting

the creation of an environment where men can comfortably engage in childcare, including company-wide training for all managers (Asahi Learning). These efforts help promote fairness and inclusion across different work styles and roles.

Paternity Leave
Acquisition Rate

100%

Increasing the Percentage of Women in Managerial Positions

We continue to strengthen support for balancing work and childcare through systems that enable flexible working arrangements. In response to the April 2025 revision of the Childcare and Family Care Leave Act, we have also begun enhancing support for employees managing caregiving responsibilities, including the introduction of services for caregivers and those likely to take on such roles in the future. To increase the number of women aspiring to management positions, we are actively recruiting young female employees, both new graduates and mid-career hires. The “Asahi Cheer-up Meeting,” launched in 2022,

remains an ongoing initiative that encourages vibrant participation by female employees through dialogue and peer engagement. In recognition of these and other efforts, Asahi Pretec Corp. received the “Platinum Kurumin” certification in 2024.



Percentage of Female Managers	4.7%
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Promoting Employment for Individuals with Disabilities



Through our Sustainability Committee, we promote a company-wide culture and workplace environment where people with disabilities can thrive. Rather than treating disability employment as mere social obligation, we focus on enabling employees with disabilities to find fulfillment by contributing directly to our business. We prioritize assigning roles tied to core operations—not isolated tasks—and this approach is reflected in our achievement of the statutory employment rate.

Employment Rate of Persons with Disabilities	3.26%
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Improving Employee Engagement

It has been three years since we enhanced our engagement survey and made it an annual practice. Results are shared with all employees, and managers lead workplace improvements through the PDCA cycle. We provide ongoing practical training to managers to help them drive these efforts, strengthening organizational capabilities so employees can

take ownership of engagement initiatives. In workplaces facing complex challenges such as cultural issues, the HR department provides direct and tailored support. Survey scores continue to improve, and we are seeing a clear rise in workplace vitality.

Human Resource Development

Training System Organization

We have implemented our own qualification systems and internal education courses with the goal of developing professional human resources who can operate on a global

level, regardless of their position or occupation. We are also developing employees who enjoy taking on a challenge, using systems that fairly and objectively evaluate every employee’s contribution to business performance.

	Eligibility	New and Young Employees	Mid-level & Leadership	Management	Senior Management	
All		Basic education (safety training, IT education, sustainability education, language learning support)				
Level-Specific Training	Obtain the knowledge and business skills that form the foundation of our operations	Training for new graduates and recruits				
		Mentorship system for one year after entering the company				
		Training for mid-career hires				
	Understand roles and expectations				Training for executive-level mid-career hires	
				New assistant manager training	New general manager training	
		Correspondence education: Essential courses by level				
		Basic business skills	Intermediate course	Manager fundamentals course	Manager course	Advanced management course
	Learn the core skills necessary for business operations				Training and development of evaluators	
				Training for new managers		
			Correspondence education: Essential courses for knowledge/skills			
Selective Training	Learn the core skills necessary for business operations	Practical business skills training	Logical writing	Accounting, finance and labor management		
			Mentor development training			
		Domestic business schools (short-/long-term)				
	Gain advanced expertise	Specialized courses by job category (competence certification, on-site education, external training, support for qualification acquisition, etc.)				
	Developing global and managerial talent	Global course (overseas trainees)				

Overseas Trainee Program

We have introduced this trainee program to better understand the diversity of cultures through firsthand experiences and to cultivate a global perspective. This is part of our strategy to nurture future managers who can perform on the world stage. Currently, three young employees stay in North America, with the goals of not only improving their technical skills but also of developing the ability to adapt to a global environment. We will keep working to support more employees in gaining overseas experience.



Training for New Managers

This program offers a structured approach to learning the knowledge, behaviors, attitudes, and mindset required for effective management. Rooted in the Values of the ARE Group Way, the program equips managers to practice these principles and foster a corporate culture aligned with the ARE Group Way.



Human Capital Supporting Business Strategy

Mentorship System

This system involves senior employees acting as mentors and providing structured on-the-job training (OJT), which facilitates rapid growth for new employees. Mentors undergo a year-long training, enabling them to develop foundational skills for managing and developing subordinates through OJT and OFF-JT. Additionally, this system aims to foster the mindset of continuous learning and independent initiative, in alignment with the principles of the ARE Group Way.

Increase in Starting Salaries for New Graduates

In light of the intensifying competition for human resource, we raised the starting salaries for new graduates joining in April 2024. To stay ahead of external salary standards, we launched our 2026 new graduate recruitment with the premise of implementing a salary increase in 2026. We will continue to strengthen our recruitment communication efforts and to increase student applications and attract top talent who will shape the future of our company.

	Current Salary	After Revision	Increase
Bachelor's Degree	280,000 yen	310,000 yen	30,000 yen
Master's Degree	300,000 yen	330,000 yen	30,000 yen

Health and Productivity Management

Our purpose is to be “Totally Committed to Protecting the Natural Environment and Preserving Resources,” and we are committed to balancing the resolution of social issues with ongoing enhancements to our corporate value. As stated in the ARE Group Way Values, “Care for Others,” we regard each employee as the driving force of our organization and a crucial management foundation. By promoting health and productivity management, we aim to address key management challenges, including the sustainable growth of the company, organizational revitalization, and increased productivity.

ARE Holdings Health Declaration

The ARE Holdings Group recognizes that every employee's mental and physical health are assets to the company and is working to enhance corporate value by building healthy, productive workplaces.

Tomoya Higashiura, Representative Director, President & CEO

Robust Health Exam Program that Exceeds Legal Requirements

Starting at age 35, a gastroscopic examination is recommended for employees, and advanced medical checkups including brain MRIs and PET scans are provided periodically starting at age 40. We have been recognized by Japan's Ministry of Economy, Trade and Industry as a Certified Health & Productivity Management Outstanding Organization for the sixth consecutive year. This recognition is given to corporations that are promoting employee health from a strategic business perspective.



Mental Health

Since good mental health is essential for improving productivity and vitality, employees are provided individual consultations and other services by industrial physicians specializing in mental health. In addition, stress checks are given to all employees at all sites including workplaces with fewer than 50 people. After the checks are carried out, we analyze the results for each site and improve workplaces to promote even more supportive working environments.

Creating a Safe Workplace

Initiatives under the Occupational Safety and Health Management System (OSHMS)

To reduce occupational accidents, it is essential to proactively mitigate the numerous risks that exist in the workplace. We have adopted the concept of OSHMS, a systemized approach to

risk management, and established systematic safety processes to ensure ongoing health and safety management. Our goal is to improve workplace health and safety standards. Through initiatives such as risk assessments and hazard prediction training, we are strengthening accident prevention and safety education, with a focus on preventing serious accidents and disasters.

Respect for Human Rights

Guided by the ARE Group Way, our Group is committed to upholding high ethical standards and social responsibility. We strive to comply with laws and regulations and respect human rights across all aspects of our business activities, contributing to the development of a sustainable society. The following ARE Holdings Group Human Rights Policy (hereinafter “this Policy”) outlines our approach to human rights and applies to all officers and employees within the Group. We pledge to uphold this Policy in all our corporate activities.

Furthermore, we support and respect international human rights standards, including the International Bill of Human Rights (the Universal Declaration of Human Rights and the International Covenant on Human Rights), the ILO Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights. We also expect all stakeholders involved in our Group's business to understand and practice respect for human rights in line with this Policy, and we aim to work collaboratively to promote human rights across our operations.

ARE Holdings Group Human Rights Policy

Prohibition of Discrimination	In accordance with the basic principle that all people are entitled to respect for their individuality and human rights, to fair treatment, and to equal opportunity, we do not tolerate any form of discrimination or disadvantageous treatment based on age, gender, nationality, race, religion, ideological beliefs, sexual orientation, gender identity, or disability. We promote a workplace environment in which diverse human resources are empowered to participate energetically, with equal opportunity in terms of recruitment, assessment, training, assignments and postings, and pay rises and job promotions.
Prohibition of Harassment	We do not tolerate any form of behavior such as sexual harassment and abuse of authority that offends the dignity of an individual or causes him/her discomfort. At the same time, we strive continually to prevent such harassment through employee education and other means.
Prohibition of Forced Labor and Child Labor	As part of our effort to defend fundamental human rights, we prohibit any form of forced labor, child labor, or hazardous work for children under 18 years of age in any place that we do business, making sure to always conduct our business activities in compliance with applicable laws and regulations.
Management of Working Hours and Pay	In accordance with the Labor Standards Act, labor-management agreements, and all applicable laws and regulations, we endeavor to prevent overwork and limit overtime work by carefully considering appropriate working hours and rest periods, appropriate overtime work, work-life balance, and the maintenance and promotion of employee health. In compliance with all legal requirements regarding minimum wages, statutory benefits and deductions, overtime work, etc., we establish salary regulations to ensure that we pay minimum wage or higher remuneration, taking into account the income necessary to ensure a stable livelihood. We also pay our employees directly.
Ensuring Employee Health and Safety	In accordance with all applicable laws and regulations relating to work safety and health, we strive to ensure and maintain a healthy and safe work environment so that each and every employee enjoys the peace of mind to work energetically and fully demonstrate their abilities.
Respect for Freedom of Association and the Right to Collective Bargaining	In compliance with all applicable laws and regulations, we respect the freedom of association and right to collective bargaining of our employees.

Human Rights Due Diligence

To promote initiatives based on our Human Rights Policy, ARE Holdings Group is working to identify human rights risks that could lead to violations through its business activities. For example, we have established a “Responsible Precious Metals Management Policy” to prevent human rights abuses in conflict zones, money laundering, fraudulent transactions, and the financing of terrorism. This policy is supported by a management system aligned with guidance from LBMA, LPPM and RJC. We also maintain and enhance this system through third-party certification and regular independent audits. As part of our commitment to one of the Group's Key SDG Targets—“Supply Precious Metals in Ways That Are Friendly to People, Society, and the Environment”—we strive to build and uphold the “Asahi Brand,” assuring customers worldwide that our precious metal products are ethically and environmentally responsible.

Consultation and Reporting Desk

ARE Holdings Group has established the Asahi Hotline under its internal whistleblowing policy to directly receive reports from all employees across domestic and international Group companies. These reports may concern legal violations, misconduct, harassment, and other human rights issues. The hotline includes both internal and external contact points, with the external point managed by an independent law firm to ensure neutrality and allow for anonymous reporting. The internal consultation desk is also available for casual use, aimed at early prevention. All reports are handled fairly, investigated promptly and appropriately, and followed by corrective actions as needed. Confidentiality is strictly maintained, and no disadvantage will result from reporting or seeking advice. In addition, we have established an anonymous external reporting channel on our website for internal and external stakeholders to raise concerns related to “Responsible Precious Metals Management.”

Supply Chain Management

The ARE Holdings Group is engaged in the global procurement of precious metals, which are essential for manufacturing products such as electronics, auto parts, and jewelry. We have established a management system that complies with guidance issued by relevant international organizations. As a member of the precious metals supply chain, we promote Responsible Precious Metals Management as a key element of fulfilling our social responsibilities. This includes compliance with laws, respect for international norms, human and labor rights, health and safety, environmental preservation, fair and impartial transaction, and ethics.

Key SDG Targets

Supply Precious Metals in Ways That Are Friendly to People, Society, and the Environment



What Is Responsible Precious Metals Management

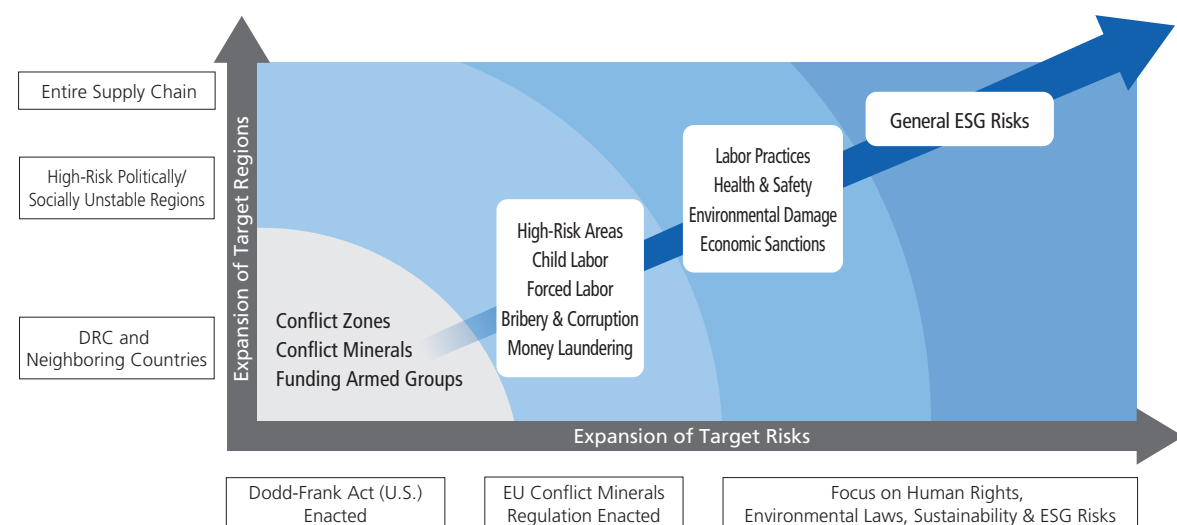
Responsible Sourcing of Minerals

The Dodd-Frank Act was passed in the United States in 2010 out of concern that mineral resources were being used as sources of funding for armed groups causing conflicts and human rights abuses. This act regulates the use of conflict minerals from the Democratic Republic of the Congo and nine surrounding countries. Companies that are publicly listed in the U.S. and which procure tin, tantalum, tungsten, and gold (called 3TG) are required to carry out due diligence, determine the country of origin, and report on the use of any conflict minerals.

The Organization for Economic Co-operation and Development (OECD) has issued Due Diligence Guidance for Responsible Supply

Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance). This OECD Guidance sets out a five-step framework for companies: (1) establish strong company management systems; (2) identify and assess risks in the supply chain; (3) design and implement a strategy to respond to identified risks; (4) carry out independent third-party audits; and (5) report annually on supply chain due diligence.

The Conflict Minerals Regulation also came into effect in the European Union in January 2021. This regulation applies to importers of materials containing 3TG into the EU from conflict-affected and high-risk areas, and they are now required to carry out due diligence in their supply chain. As a result, responsible sourcing of minerals is expanding globally.



Responsible Precious Metals Management

Refiners who meet criteria in areas such as quality of products, assaying, and responsible sourcing, and which have passed testing procedures, are accredited by the London Bullion Market Association (LBMA) for gold and silver or the London Platinum and Palladium Market (LPPM) for platinum and palladium as Good Delivery refiners. ASAHI METALFINE has received Good Delivery accreditation for gold, silver, platinum, and palladium, while Asahi Refining (USA and Canada) has received the same for gold and silver. These accreditations ensure that the companies are trusted by customers in the global market.

To maintain Good Delivery accreditations, in addition to regular quality and technical testing, Good Delivery

refiners are required to be audited annually by a third-party for the LBMA Responsible Gold and Silver Guidance (called LBMA Guidance), and the LPPM Responsible Platinum and Palladium Guidance (LPPM Guidance) in compliance with OECD Guidance.

In addition to avoiding conflict minerals, human rights abuses, money laundering, financing terrorism, and fraudulent transactions, the LBMA Guidance also now requires refiners to fulfill their social responsibilities for sustainability and the environment.

ASAHI METALFINE and Asahi Refining (USA and Canada) are also accredited by the Responsible Minerals Initiative (RMI) as conflict-free gold refiners that comply with the Responsible Minerals Assurance Process (RMAP).

Initiatives of Asahi Pretec and ASAHI METALFINE

Leveraging its sales network that covers all of Japan and its overseas sites in Asia, we collect and recycle precious metal-containing scrap from sources such as e-scrap, plating treatment, precision cleaning, catalysts, dentistry, and jewelry. By recycling gold, silver, platinum, palladium, and other precious metals essential to modern manufacturing, we contribute to the effective use of resources and the advancement of the industry.

ASAHI METALFINE's gold, silver, platinum, and palladium products are recognized worldwide. In addition to receiving Good Delivery accreditation from LBMA and LPPM, its products have also been approved for delivery by futures exchanges, including the Osaka Exchange (OSE) in Japan, the Commodity Exchange (COMEX) and the New York Mercantile Exchange (NYMEX) in the United States, establishing them as a globally recognized brand.

In July 2019, ASAHI METALFINE became the first Japanese refiner to receive the Responsible Jewellery Council (RJC)* Code of Practices (COP) certification. In July 2021, the company also obtained the Chain of Custody (COC) certification for its processing and distribution management. ASAHI METALFINE adheres to the RJC's strict standards for ethics, human rights, society, and the environment, as well as for due diligence and traceability. The company is committed to fulfilling its responsibilities as a member of the precious metals supply chain, including gold and platinum.

* A non-profit organization that promotes transaction transparency and responsible corporate behavior in the jewelry industry, targeting companies that handle precious metals and diamonds, from mining to retail.

Responsible Precious Metals Management Policy

Asahi Pretec and ASAHI METALFINE conduct environmentally and socially responsible business activities, contributing to a sustainable society.

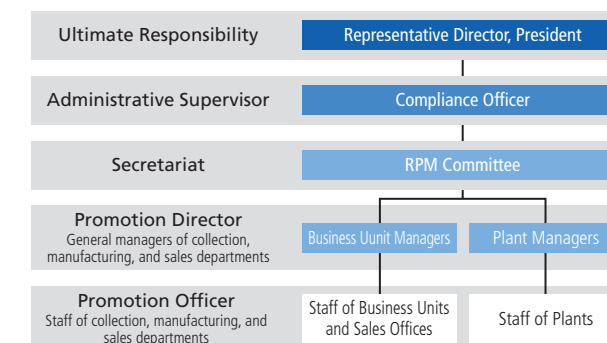
We have established a Responsible Precious Metals Management Policy for our supply chain to prevent human rights violations, terrorist financing, money laundering, illicit trade, and involvement in conflict. We actively promote responsible practices that uphold environmental and sustainability standards.



Responsible Management of Precious Metals

The Responsible Precious Metals Management Committee (RPM Committee) oversees both companies under the leadership of the Chief Compliance Officer, who is appointed by the President and CEO. The RPM Committee is responsible for making key decisions, including formulating and revising policies, developing management systems, monitoring implementation, educating employees, and reporting to senior management.

We evaluate transactions that adversely impact our precious metals supply chain as high-risk. The RPM Committee discusses these transactions, and additional due diligence is conducted as necessary to further strengthen the management system.



Supply Chain Management

Our due diligence process uses an approach that assesses the risks in the precious metals supply chain, such as conflict, compliance with laws, human rights, labor rights, health and safety, and the environment. By communicating with suppliers and through know-your-customer questionnaires, we gain an understanding of the transaction and the origin of materials; we then evaluate the risks for suppliers and materials. We sent a consent form to all of our suppliers, requiring them to confirm that they agree with our RPM Management Policy, and we request their understanding and cooperation in responsible precious metals sourcing. We establish relationships of trust with our suppliers and conduct continuing due diligence to mitigate risk in the supply chain.

- 1) Implementation of due diligence for suppliers (risk assessment based on information such as business type, location, types of materials, and origin)
- 2) Communicating our Responsible Precious Metals Management Policy to suppliers
- 3) Recording transactions and managing traceability
- 4) Providing training to employees on Responsible Precious Metals Management and due diligence
- 5) Monitoring implementation status and conducting management reviews
- 6) Conducting annual independent third-party audits

Coexisting with Society

Serving our Customers

Our motto is “the customer comes first,” and we mean it. We do all that we can to provide finely tuned responses to the wide-ranging needs of our customers.

Fair and Impartial Transaction

The ARE Holdings Group is committed to upholding fair and impartial transactional practices and corporate ethics as we strive to achieve one of the ARE Group Way Goals: “Establishing a globally trusted corporate brand.”

Quality Assurance System

At Asahi Pretec, quality assurance is positioned as the core department, and it works closely with the sales, technology development, and product manufacturing departments. Quality assurance shares customer feedback and market trends with these departments and cooperates with them to improve customer satisfaction. In addition, the ARE Holdings Group maintains ISO 9001 certification to ensure that all products deliver satisfaction and peace of mind to customers. We strive to continually improve our quality management system and maintain the highest level of quality.

Procurement Initiatives

As ARE Holdings Group sets being “Totally Committed to Protecting the Natural Environment and Preserving Resources” as our purpose, the Group sees creating a sustainable supply chain to achieve this purpose as essential. For our own sustainable business development as well as for our business partners and suppliers, together with them, we fulfill social responsibilities for legal compliance, human rights, ethics, labor, health and safety, and the environment. We have established the Sustainable Procurement Policy as our basic approach to procurement, and have also set up material- and company-specific policies to achieve the goals of the basic procurement policy.

Asahi Pretec and ASAHI METALFINE have established the CSR Procurement Policy as well for secondary materials such as chemicals and consumables used in business activities. The ARE Holdings Group fulfills all social responsibilities and improves corporate value for both suppliers and the Group through procurement that emphasizes seven perspectives: environmental protection, quality management, fair and impartial transaction, information security, risk management, social responsibility, human rights, and occupational health and safety.

ARE Sustainability Procurement Policy

- 1. Compliance with Laws, Regulations, and Social Norms**
We will comply with local and international laws, regulations, and social norms applicable to our business activities.
- 2. Respect for Human Rights**
We will eliminate all human rights violations, such as forced labor, child labor, harassment, and discrimination in our supply chain.
- 3. Occupational Health and Safety**
We will understand local and international labor conditions applicable to our business activities and strive to maintain and improve the working environment as well as health and safety.
- 4. Environmental Considerations**
We will take into consideration the impact on climate change and biodiversity, and promote procurement activities with minimal impact on the global environment.
- 5. Ensuring Quality and Safety of Products and Services**
We will ensure the quality and safety management of our products and services, and strive to continuously maintain and improve them.
- 6. Fair and Impartial Transaction**
We will conduct fair and impartial transactions in accordance with corporate ethics, sound business practices, and social norms.
- 7. Information Security**
We will properly manage confidential information and personal information obtained in procurement activities and strive to prevent leaks.

Engaging with Local Communities

The Group plays a critical role in the circular economy, functioning much like the veins in a circulatory system—a role that will grow increasingly important in the future. As our business recycles waste materials from local communities and companies into resources, strengthening our relationships with those stakeholders is essential. Accordingly, the Group actively participates in initiatives led by national and local governments as well as industry associations, while also engaging in its own social contribution and sponsorship activities.

Key SDG Targets

Encourage and Support SDG-Related Activities



ASAHI JEWELRY JOURNAL

Nowadays, all companies are expected to address environmental, social, and governance (ESG) issues. The Group recognizes the importance of not only pursuing its own initiatives such as Responsible Precious Metals Management, but also raising awareness and sharing knowledge of its efforts. In June 2020, Asahi Pretec launched the Asahi Jewelry Journal for its partners in the jewelry industry. Published regularly, it features SDGs initiatives and other timely topics.



Coexistence with Local Communities

Our company views harmony and development with the communities in which we operate as a key priority. Guided by this philosophy, we are implementing initiatives to enhance disaster preparedness in the local community. The Bando Plant is designed not only as a production facility but also as a hub that contributes to the safety and security of the community. To this end, we have signed a cooperation agreement with Bando City for disaster response, pledging to make parts of the plant’s facilities available as an emergency shelter. Specifically, the plant’s cafeteria (600m²) and parking area (1,400m², accommodating 90 vehicles) will be opened during disasters, with the capacity to shelter approximately 70 households. Additionally, the plant is equipped with a solar power generation system and battery storage to ensure electricity can be provided to evacuees even during power outages. Through these measures, we aim to support the local community during emergencies.

The new plant is located on elevated ground outside the flood-prone areas identified on the flood hazard map, ensuring safety from natural disasters. By leveraging this advantageous location, the plant will function as a disaster preparedness hub, contributing to the safety and security of the local community.

Participating in Social Contribution Activities

As a corporate citizen, the Group engages in social contribution activities rooted in local communities and environmental preservation.

TOOTH FAIRY Project

Asahi Pretec participates in the TOOTH FAIRY project, which is jointly managed by the Nippon Foundation and the Japan Dental Association. This initiative promotes the collection and recycling of gold, palladium, and other precious metals that have served their purpose at dental clinics across Japan.

Profits obtained from the sale of these recycled metals are used for social contribution activities, including supporting children with intractable diseases and their families. Asahi Pretec provides support by recycling the precious metals donated to the TOOTH FAIRY project.



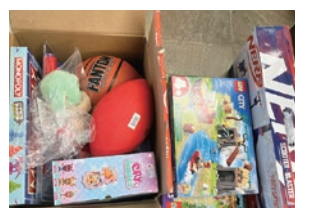
Asahi Clean Project

The Group encourages and supports employee activities that contribute to the SDGs as responsible members of society, including individual and group volunteer efforts, under the ARE Holdings SDGs Activities. On April 1, 2021, we launched the Asahi Clean Project to promote cleaning initiatives, with a total of 1,991 employees and their families participating. These cleanup activities extend beyond our offices and sales locations to various communities.



Donation Activities at Overseas Locations

At Asahi Refining companies, employees collaborate on donation activities. Each year, a large amount of food and toys is collected and donated to food banks and other organizations.



Other Social Contribution Activities

- Support for the activities by nonprofits such as Médecins du Monde Japan
- Support for the activities by nonprofits such as the Japan Cleft Palate Foundation
- Donations to the Nippon Foundation through vending machines, etc.

Social Contribution Activities (Since 2018)

Total reported cases: **400**