



Tri Chemical Laboratories Inc.

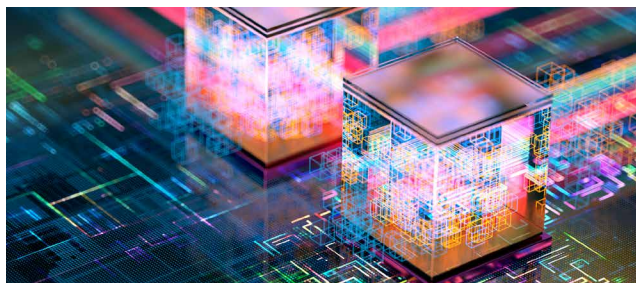
The background of the cover features a photograph of four people in a laboratory setting. Three individuals are wearing white lab coats and light green caps, while one man is in a dark business suit. They are gathered around a clipboard held by the woman in the center, appearing to be in a collaborative discussion. The background of the photo shows laboratory equipment like glassware and metal frames. Overlaid on the bottom half of the image is a vibrant, abstract graphic composed of many small, colorful dots (blue, green, yellow, orange, red) arranged in flowing, wavy patterns that create a sense of motion and digital data.

2026 Integrated Report Material of Materials

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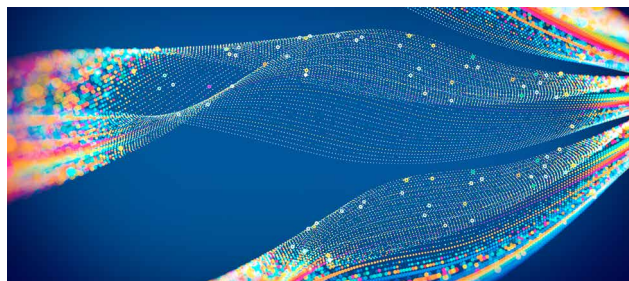
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Editorial Policy

Key Points of the 2026 Integrated Report

This report has been compiled as a way of sharing our growth story, highlighting how we are striving to enhance our corporate value as a specialist manufacturer of high-purity chemical compounds that support the advancement of cutting-edge semiconductors. This year, in line with international disclosure frameworks, we are using a corporate value formula to explain our business while emphasizing the connection between our management strategies and initiatives and the enhancement of corporate value.

Maximizing FCF Generation

→ p. 21-23

Corporate Value =

Capital Costs - Expected Growth Rate

→ p. 33-50

→ p. 24-32

Points

- The result of growth investment: Full reveal of the Minami-Alps Plant
We unveil our new facility, which was established in March 2025. This demonstrates the further strengthening of our proprietary manufacturing technologies and quality management expertise to build a reliable supply system capable of meeting global semiconductor demand, along with an improved future **expected growth rate**.
- The source of our strength: Interview with the heads of sales and technology development
We take an in-depth look at our core competency of “low-volume, high-value-added” production. We reveal the secrets behind our speedy development that allows us to stay ahead of customer needs, as well as demonstrate our sustainable **competitive advantage**.
- Global expansion: Overseas strategies focused on China and Taiwan
We explain our position and future expansion in the global hub for semiconductor manufacturing. Having firmly identified geopolitical demand, we are clarifying our medium- to long-term **path to business growth**.
- Foundation of value creation: A roundtable discussion among junior employees from the Technology Development Department
We are focused on investment in human capital based on our management philosophy of “Creation of Leeway.” We introduce our lively organizational culture where employees are encouraged to take on next-generation challenges, along with considerations toward workplace environments, conveying our long-term **capacity for creating innovation**.

We have updated our website.

<https://www.trichemical.com/english/>



Editorial Policy

The 2026 Integrated Report was prepared based on the following editorial policy.

- (1) The report shall provide stakeholders with easy-to-understand information about our business, the value creation we aim to achieve, our strategies and business models, and the strengths and management resources that are the source of our value creation.
- (2) The above shall serve as a source of information for medium- to long-term dialogues with stakeholders.

Reporting Period

The primary reporting period is from February 1, 2025, to January 31, 2026 (items with a different reporting period are marked with a note).

Organizations Covered by the Report

The companies covered by the report include Tri Chemical Laboratories, Inc. and its five affiliated companies in Japan and abroad (data with a different scope is indicated where it occurs).

Reference Guidelines

The International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC) and Guidance for Collaborative Value Creation of the Ministry of Economy, Trade and Industry (METI) are used as references.

Reporting Framework

	Financial Information	Non-Financial Information
Voluntary Disclosure	Integrated Report • Financial results briefing materials • Medium-Term Management Plan	• Sustainability
Statutory Disclosure	• Securities reports • Financial results summaries • Notices of the General Meeting of Shareholders	• Corporate governance reports

Forward-Looking Plans

This report contains forward-looking statements regarding future plans, strategies, and performance. Actual performance may differ from these plans due to various factors.

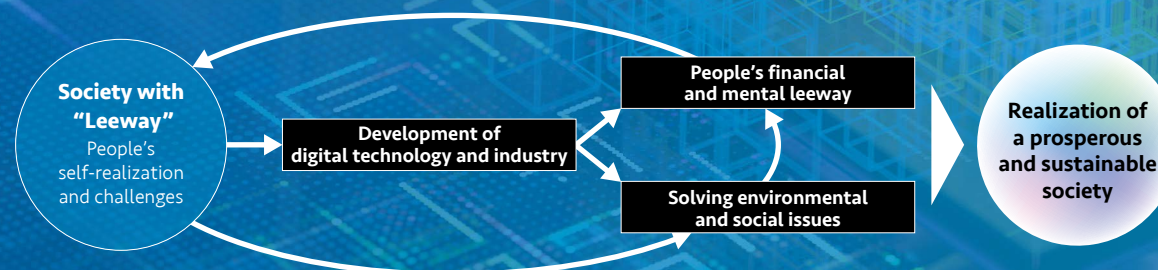
Management Philosophy

Contributing to the development of leading-edge technology through science and technology to realize the creation of leeway for people

“Creation of Leeway” for Supporting Growth

TCLC’s slogan, “Creation of Leeway,” refers to the concept of providing new value to society through science and technology, thereby easing people’s financial and mental burdens—that is, creating leeway.

Guided by the philosophy of “having leeway and enjoying one’s leisure time,” since our founding, we have supported the development of a digital society and industry and helped to solve environmental and social issues by encouraging our employees to actively take on new challenges while enjoying a healthy work-life balance. Through these initiatives, we aim to realize a sustainable and prosperous society.



At a Glance

Manufacturer of High-Purity Chemical Materials for Semiconductors

Tri Chemical Laboratories has been developing, manufacturing, and selling high-purity chemicals for semiconductor manufacturing since its establishment in 1978. From 2013 onward, we have been expanding our global operations with a focus on East Asia, centering on the thriving semiconductor manufacturing hubs of Taiwan, South Korea, and China. We currently meet a diverse range of needs by continually developing and proposing new materials from the perspectives of materials engineering and applied chemistry to supply these novel materials to our customers.

Financial Information

Net sales

23.8 billion yen
The highest recorded
since our founding

Operating profit ratio

24.7%
Maintaining
a high level

ROE

16.3%
High shareholders'
equity ratio

Equity ratio

76.5%
Solid financial
foundation

Non-Financial Information

Product lineup

About
2,000 products

Long-term leave
utilization rate

82.4%

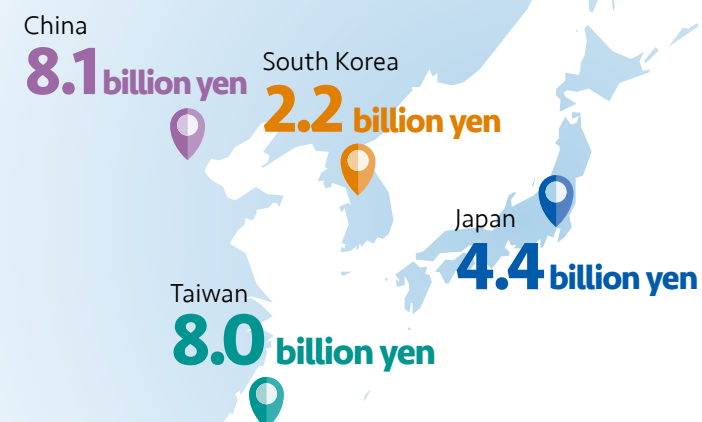
Childcare leave
utilization rate
by male employees

100%

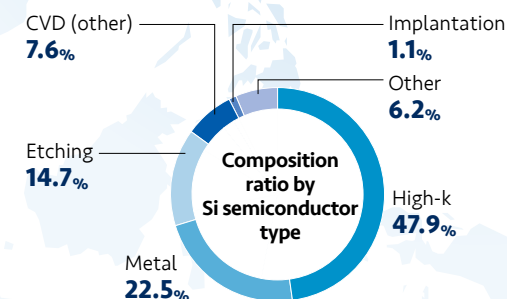
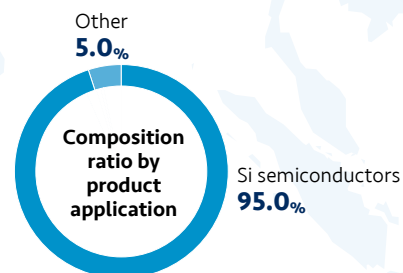
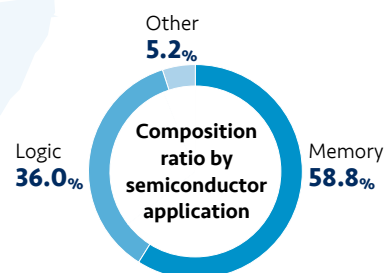
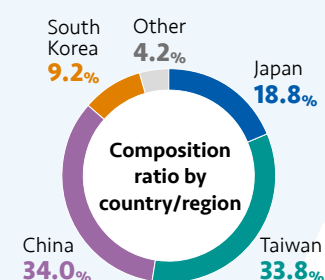
Reduction in greenhouse
gas emissions (Scopes 1 and 2)
compared to FY2024

19.8%

Net Sales by Region



Sales Composition Ratios



TCLC's Progress

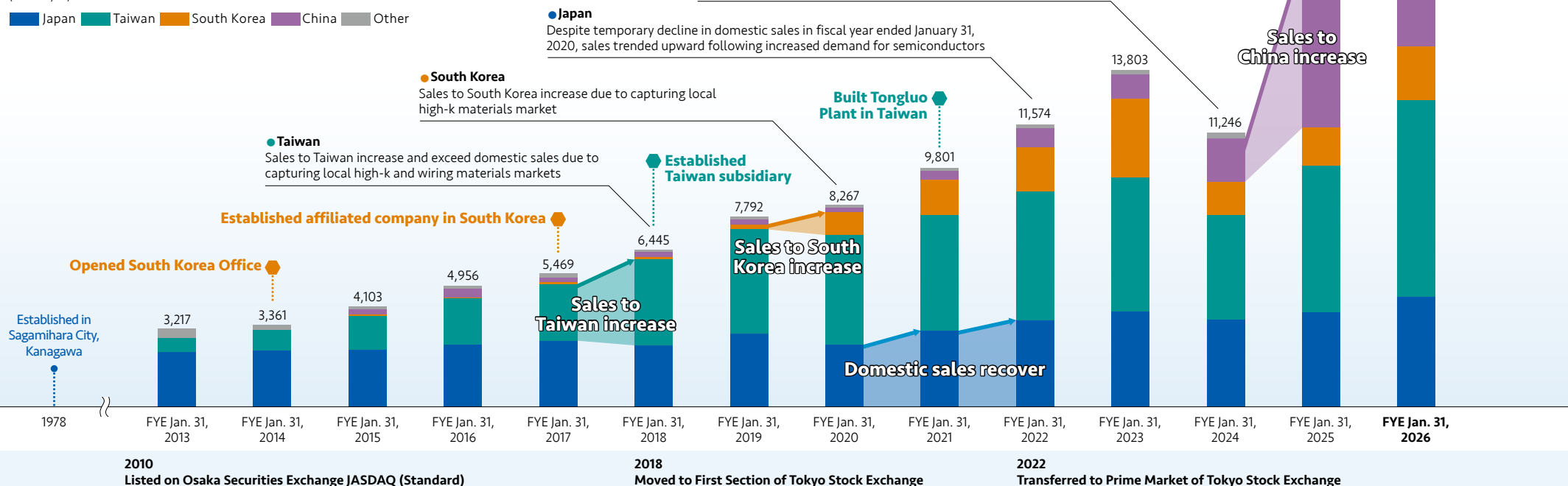
Tri Chemical Laboratories has been developing, manufacturing, and selling high-purity chemicals for semiconductor manufacturing since its establishment in 1978.

From 2013 onward, we have been expanding our global operations with a focus on East Asia, centering on the thriving semiconductor manufacturing hubs of Taiwan, South Korea, and China.

Sales Trend by Region

(million yen)

Japan Taiwan South Korea China Other



Production System

With manufacturing bases in Japan, Taiwan, and South Korea, we have established a flexible system that can respond to customer needs, producing as little as a few milligrams to as much as several tons.



Head Office Plant
(Uenohara-City, Yamanashi)
Built in November 1994
(with operations moved here)
Manufacturing base for low-volume production of high-purity chemicals for R&D, contracted synthesis projects, etc.



Second Uenohara Plant
(Uenohara-City, Yamanashi)
Built in November 2008
Manufacturing facility with chemical plant producing high-purity chemicals in volumes between 1 and 10 metric tons



Annex (Uenohara City, Yamanashi)
Built in September 2020
Administration building with clean room on first floor, analysis room on second floor, office on third floor, and employee cafeteria on fourth floor



Minami-Alps Plant
(Minami-Alps City, Yamanashi)
Built in March 2025
Manufacturing base for large-scale production of new etching materials, etc.



Taiwan Subsidiary
Tri Chemical Electronic Materials Taiwan Inc.
Established in March 2017
Base for manufacture, development, and sales of high-purity chemicals in Taiwan



Affiliated Company in South Korea
SK Tri Chem Co., Ltd.
Established in July 2016
Base for manufacture, development and sales of high-purity chemicals in South Korea



[Other Locations]

- China subsidiary
Tri Chemical Laboratories China Inc.
Established in August 2024
- Affiliated company
HBR Co., Ltd.
Established in January 1994
- Affiliated company in China
AD-Trichem (Anhui) Electronic Materials Co., Ltd.
Established in September 2025
- Branch/Sales office
South Korea Office
Opened in December 2013

Interview with the CEO

Contributing to society's prosperity and sustainability while anticipating the evolution of semiconductors

Kiyoshi Tazuke

Chief Executive Officer, President, and Representative Director
Tri Chemical Laboratories Inc.

Professional profile

Apr. 1987	Joined the Company	Apr. 2022	Representative Director, President, CEO, and Executive Officer in charge of the Management Department, the Quality Management Department, and the Safety Promotion Department
Apr. 2007	Director and General Manager of the Marketing & Sales Department	May 2024	Representative Director, President, CEO, and Executive Officer in charge of the Management Department (current position)
Apr. 2012	Senior Executive Director	Apr. 2025	Concomitant appointment as Director, Sun Fluoro System Co., Ltd. (current position)
Apr. 2014	Representative Director and President		
Jul. 2016	Concomitant appointment as Director, SK Tri Chem Co., Ltd. (current position)		
Mar. 2017	Concomitant appointment as Director, Tri Chemical Electronic Materials Taiwan Inc. (current position)		

The Company has been recognized in the market for its earnings growth and business model that focuses on niche products. Now that you are embarking on your twelfth year as CEO, how would you assess this success?

Promoting product diversification in anticipation of semiconductor advances

I cannot take all of the credit for our current success—it goes back to our management when Tri Chemical Laboratories was established, because they foresaw the evolution of semiconductors. Starting with the development of high-purity inorganic compounds, the Company grew substantially from the 1980s by producing semiconductor etching materials. From that time, in anticipation of the accelerating need for semiconductor miniaturization, the Company concentrated its operational resources into high-purity chemicals for advanced semiconductors.

High-mix, low-volume manufacturing is deployed to make the chemical products used in advanced semiconductor production

processes, meaning that a wide variety of specialized products are made in small quantities. The amount of chemicals used annually for an individual product can range from only a few grams to several dozen kilograms. Such a business makes little sense according to conventional wisdom in the chemical products industry because, as a heavy industry, it pursues the benefits of mass production. For that reason, our management deliberately targeted niche markets that are difficult for large chemical manufacturers to enter, and competed with its highly specialized, high-value-added ultra-fine chemical materials. As a result, we have developed more than 2,000 high-purity chemical products to date. Earnings have grown steadily because for many years we worked closely with leading semiconductor manufacturers around the world to develop products and refine manufacturing processes for miniaturization. I believe this is a unique achievement of Tri Chemical Laboratories.

Among these products, high-k insulating materials for DRAM ICs have been driving the Company's growth over the past decade. They have been highly praised for their exceptional ability to

Interview with the CEO

suppress current leakage, which our competitors have been unable to match as semiconductor films approach their physical limits of thinness.

We cannot depend solely on our high-k products, however, because competition will intensify as semiconductors continue to evolve, making it increasingly difficult to maintain premium product pricing. Recognizing this risk, I have been calling for product diversification since the time I was appointed as CEO, specifically by leveraging our unique R&D capabilities and proactively investing in the development of products for logic IC devices such as CPUs and GPUs. The Company currently has almost 30 product lines, excluding minor specification differences, and we intend to expand them to around 40 to meet demand for new materials needed for further miniaturization. While the markets for our products might be small, we will aim to steadily increase revenue by adding new products.

Actually, the products we developed for advanced logic ICs during that time are now highly valued as critical materials for generative AI, supporting this major paradigm shift. We can also leverage these products to create synergies with our products for memory ICs, so we are confident they will continue supporting the Company's solid financial results.

Our success has not always been a smooth ride, of course. We faced a particularly challenging time in 2023 as demand for IT devices dropped

sharply after their sales had surged during the COVID-19 pandemic when people were staying indoors. Nevertheless, we managed to overcome those challenges by continually releasing new products.

You have declared your goal to maintain an operating profit to net sales ratio of around 25%. Could you explain the factors underlying such a high level of profitability?

Turning high-mix, low-volume manufacturing into a strength by shifting to in-house production

The main factor is that the products we specialize in—premium-priced, high-purity chemicals that offer high-added-value—are essential for semiconductor manufacturing. Another key contributing factor behind the Company's high profitability is our shift to in-house production, which allows us to supply small batches of diverse specialized products in line with market needs.

Up until the 2000s, the Company operated only one factory and outsourced the manufacturing of many products. Since the production batches were small to begin with, we could not benefit from mass production even when we increased the outsourced production volume. Meanwhile, selling prices of our advanced materials gradually declined as semiconductor technology evolved. For these reasons, it was difficult to improve profitability.

In response, I decided to overhaul this profit structure by shifting to in-house production once I was appointed as a senior executive director in 2012. I reasoned that we could build a business model insulated from price competition by controlling manufacturing processes in-house and shortening the time it takes to supply the market with highly pure and complex new materials, even in small batches, and differentiate our products from competitors by promptly customizing them according to customer specifications.

At that time, I hoped to build a second production plant on a site located in the city of Uenohara, Yamanashi Prefecture, which the Company acquired after it was publicly listed in 2007, and integrate the facility into our manufacturing system. Fortunately, the former president agreed to the plan, allowing us to begin construction.

We faced challenges, of course, as the plan was opposed by employees who were accustomed to the existing business model, and personnel needed to be trained to operate the new plant. Nevertheless, I carefully explained the reasons for the Company's shift

to in-house production, deeply convinced that we had no choice but to complete the project—putting it off would jeopardize our future.

Finally, the new plant was completed and the results came in. Because the manufacturing equipment was our own and we integrated all kinds of original innovations, including automation, we benefited more from mass production than during the time of outsourcing production. When everyday trial and error leads to results, skilled manufacturing personnel become increasingly proactive, engaged, and interested in routine tasks, which accelerates the pace of progress. This experience formed the foundation of my approach to management today. Given how rapidly the market is changing, I believe that the most important responsibility of a corporate manager is to build frameworks that produce results while enabling people to realize their full potential.

Please tell us about the Company's operating environment last year, financial results for the fiscal year ended January 2026, and its key initiatives.

Proactively expanding our product supply network in anticipation of rising demand for leading-edge devices

In 2025, we downwardly revised our forecast of financial results in August in response to declining market demand for materials in China as some customers improved their production efficiency. Nevertheless, the semiconductor market recovered markedly from its slump in 2023 when demand for IT devices had dropped sharply, as I mentioned earlier. This recovery reflected expanding investment in data centers in line with progress in generative AI, a growing trend to invest in leading-edge logic and memory semiconductors, and solid demand for AI-enabled devices and automobiles.

Against this backdrop, and in anticipation of further capital investment and higher capacity utilization in advanced industries, we took steps to ensure that our manufacturing and product supply network in Japan, Taiwan, China, and South Korea could accommodate further growth without compromising our highly profitable business structure.

Specifically, we made progress in preparing the Minami Alps Plant for mass production, such as having it undergo various inspections, installing more equipment, and acquiring certifications.



Interview with the CEO

Completed in March 2025, the plant serves as our production center for cryogenic etching gases used in next-generation large-capacity 3D NAND devices. Besides these new etching materials, the plant has begun installing production systems for metal and high-k materials for leading-edge logic devices.

In China, the Company jointly established AD-Trichem (Anhui) Electronic Materials Co., Ltd., with Hefei ADChem Semi-Tech. Co., Ltd., to operate a new production plant. Trial manufacturing of high-k materials is set to commence in 2027, and products are scheduled to be shipped from 2028 after gaining approval from customers. We expect the new company to generate profits from its fourth year of operations.

As a result of these efforts, in the fiscal year ended January 2026, the Company posted record-level sales and profits for the second consecutive year, with net sales jumping 26.3% to over 23.8 billion yen and operating profit rising 12.3% to 5.9 billion yen year on year. Ordinary profit increased 7.7% to over 7.0 billion yen, partly due to investment income associated with South Korean equity-method affiliate SK Tri Chem Co., Ltd. Net profit attributable to owners of parent amounted to 5.5 billion yen, up 11.1% year on year.

Now that the new medium-term management plan has been announced, what is your outlook going forward?

Strengthening both our product portfolio and regional operations

Every year, we formulate a medium-term management plan covering three fiscal years. Under our current plan, spanning from February 2026 through January 2029, our main goal is to maintain an operating profit to net sales ratio of about 25% in order to continue generating a return on capital above the cost of equity, which we forecast around 9% or 10%. Compared with results in the fiscal year ended January 2026, we are aiming to increase net sales by 32.7% to 31.7 billion yen and operating profit by 46.6% to 8.6 billion yen by the final fiscal year of the plan.

In the fiscal year now underway, however, we expect operating profit to decrease year on year because the Company's equity-method affiliate in South Korea, SK Tri Chem, is reducing product selling prices while facing higher raw material costs, and the joint-venture in China, AD-Trichem, will incur upfront expenses for the startup of its new production plant. In addition, we will postpone investment in materials for NAND flash memory by about a year to give priority to

DRAM-related investment. Taking into account these factors, we expect the operating profit to net sales ratio to temporarily fall to 22.2% this fiscal year, and then recover to an average of 27.3% over the three fiscal years of the plan.

As a growth strategy for the next three years, while high-k materials for memory devices will remain as an earnings pillar, we plan to expand our advanced materials businesses in Japan, China, South Korea, and Taiwan. Although earnings from operations in China and South Korea are expected to gradually decline from their recent peaks, we will need to boost production output of new cryogenic etching materials and metal materials for barrier metal applications used in logic ICs for generative AI in order to meet demand. We expect demand for metal materials, especially from Taiwan and Japan, to double within three years as semiconductor miniaturization continues to increase the amount of wiring work. The Company possesses substantial competitive advantages for these advanced materials, so we intend to capture the robust demand and continually grow these businesses.

In addition to highly advanced semiconductors, demand for legacy-generation semiconductors is still solid, so we will build a framework for meeting high demand from volume-zone markets by improving the marketing, production, and quality management capabilities of SK Tri Chem and AD-Trichem.

While working to optimize resources across the Tri Chemical Group, we will strive to diversify the product portfolio by expanding facilities and personnel involved in next-generation materials research and development with an eye toward building the next pillars of growth. We have earmarked a total of 12.2 billion yen for capital investment during the three years of the medium-term management plan, which will include funds for the initiatives I mentioned and for facility expansion at the Minami-Alps Plant's Manufacturing Building 2.

In today's market, companies are expected to explain how non-financial assets are relevant for sustainable growth. In this regard, the Company has specified seven material issues to address, but what is the most important issue in your view?

Building a corporate culture that develops people and passes down technological capabilities

• Human capital

I believe my responsibility as head of the Company is to enhance the Group's key strengths, namely its technologies, financial capital, and human capital, so that the next generation of employees and leaders can scale up the business model we have built while maintaining high levels of profitability, and return that value back to society. Of these strengths, I regard human capital as the most critical, because, while all seven material issues are important, technology and product development, decarbonization, and safe and secure manufacturing ultimately depend on our people.

The Company does not grow by achieving economies of scale, but rather by creating diverse chemical materials through its technologies and know-how. For example, we have acquired patents for high-k materials, but that is not the result of the material itself—it reflects our expertise and specialized technical systems that enable these materials to be used in a wide range of semiconductors.

The question is how to pass down and refine our technologies and know-how, and apply them to create new materials. From that standpoint, I pay close attention to employee turnover. In Japan, about 30% of newly hired graduates quit their jobs within three years, but our turnover rate has averaged under 3% over the past decade, a rate that I want to maintain. We have introduced shorter working hours as a means to keep this rate low, and I think this initiative has contributed to raising our employee retention and growth rates. We are also focusing on workplace diversity. In 2025, we set up the DE&I Promotion Committee, and conducted a survey of employees as a basis for new initiatives. As a result, we will focus more on promoting the success of women in the workplace and improve working conditions to encourage all employees to continue working at the Company.

To take on the challenge of developing new materials, it is necessary to have employees specialize not only in their respective fields, but also acquire an understanding of various

Interview with the CEO

markets as well as a diverse range of information from both inside and outside the Company. A decade ago, however, internal job transfers within the Company were relatively rare. Therefore, with a sense of urgency, management initiated a job rotation system open to all employees. By removing barriers between jobs in product development, manufacturing, quality management, sales, human resources, and so on, we are now providing opportunities for employees to broaden their perspectives and view things from multiple angles.

To smoothly implement this job rotation system, a workplace environment that encourages communication is essential. We gain insights and learn a lot by sharing our ideas. Progress can falter when small concerns go unspoken. In my view, lively interaction and openness to discoveries in the workplace not only allows employees to grow, but also facilitates work-life balance and stricter compliance, including whistleblowing.

• The environment, safety, quality management, and compliance

As a chemical products manufacturer that handles a diverse range of chemical substances, the Company regards compliance as a core principle of its operations, particularly with respect to environmental protection, safety management, and the storage of chemicals.

The Company is based in the city of Uenohara, Yamanashi Prefecture, which is blessed with vast forests and pristine rivers flowing downstream to Lake Sagami and Lake Tsukui. This watershed is also an important water source for the Tokyo metropolitan area. Therefore, among our environmental activities, we implement measures to reduce the environmental impact of our operations on the water quality of surrounding rivers in accordance with the ISO 14001 international standard for environmental management systems, and have formed green partnerships with local governments.

Meanwhile, we are working to strengthen safety across the Company through safety management measures promoted under our established committee framework as well as initiatives led by our Safety Management Department.

Likewise, recognizing the importance of quality management for the ongoing miniaturization of semiconductors, we are working together with external consultants to inspect the manufacturing processes and quality management systems we established when

shifting to in-house production with a view to adopting more advanced and sophisticated systems.

• Corporate governance

To ensure the Company's sustainable growth and to meet the expectations of its stakeholders, we have been working to strengthen and improve corporate governance. Toward this end, we make improvements to committees, various meeting bodies, and other relevant organizations.

Recognizing the importance of thorough deliberations on management strategies and other key issues, the Board of Directors makes efforts to effectively incorporate diverse opinions from outside the Company in management through external directors. To facilitate this, we proactively create opportunities to engage in candid and in-depth discussions with external directors and external auditors both in and outside of regular board meetings. This leads to a better understanding of our business among these external officers while also allowing the Board to make the most of their expertise, skills, experience, and diversity in constructive debates and management supervision.

Finally, what message would you like to send to stakeholders?

Becoming indispensable for society by going beyond material manufacturing

Entitled "Material of Materials," the Company's long-term vision is to solve issues together with its customers through the power of chemistry. For us, materials mean both the products we manufacture and things that are necessary and indispensable. Our goal is to raise the Company's standing by making it essential for advancing digital industries and realizing a more sustainable society.

Tri Chemical Laboratories is mainly known today for its high-k materials for DRAM applications, but it is not limited to any single product. As I implied earlier, the Company's real purpose is to capture one niche market after another, thereby having a significant impact. To accomplish this, we will respond to the need for increasingly advanced semiconductors by developing a wide range of specialized new materials—available in small quantities and offering high added value—that our competitors cannot imitate. As an exemplary example, our metal materials are attracting considerable attention



from the market as they are increasingly regarded as essential materials for leading-edge semiconductor packaging technologies such as 2.5D, 3D, and chiplet architectures.

Looking ahead, the Company will strive to create new value with a wide variety of products that benefit industry and society. I hope stakeholders will pay attention to these diverse product lineups and our journey going forward. We are grateful for their support. I am confident that sharing the value and financial results created by the Company with all stakeholders, including shareholders, customers, and employees, and reinvesting those results towards future growth will lead to a more prosperous future for everyone. With that in mind, I will continue taking on new challenges with sincerity and determination.

Message from the Officer in Charge of Finance



Yoshihide Suzuki

Director and Executive Officer
in charge of the Administration
Department
Tri Chemical Laboratories Inc.

Professional profile

Apr. 1994	Joined the Company
Oct. 2007	General Manager of the Corporate Planning Office
Apr. 2014	General Manager of the Management Department
Feb. 2017	Executive Manager of the Administration Department and System Control Department
Apr. 2018	Director in charge of Administration, System Control, and Quality Management
Feb. 2021	Director in charge of Accounting, Finance, and Purchasing
Mar. 2022	Concomitant appointment as Director, SK trichem Co., Ltd. (current position)
Apr. 2022	Executive Officer in charge of the Administration Department (current position)
Apr. 2022	Concomitant appointment as Director, Tri Chemical Electronic Materials Taiwan Inc. (current position)
Apr. 2024	Director (current position)

Even in a phase of promoting active investments to drive growth, we remain committed to capital efficiency-focused management to ensure the sustainable enhancement of corporate value.

The Role of Officer in Charge of Finance

Please tell us about your role.

In particular, what are your current key areas of focus?

In the fiscal year ended January 31, 2026, we built a new facility, the Minami-Alps Plant, in Minami-Alps City, Yamanashi Prefecture. In our Medium-term Management Plan for the period up to the fiscal year ending January 31, 2029, we have set the targets of net sales of 31.7 billion yen and operating income of 8.6 billion yen to be achieved through initiatives such as new etching materials manufactured at our Minami-Alps Plant and growth in the area of cutting-edge logic semiconductors.

In formulating the plan, we identified the key information necessary for investment decision-making from a financial perspective and any potential challenges, and shared these with management to improve the accuracy of the plan. We are also developing plans for funding, which includes procuring the funds needed to carry out the Medium-term Management Plan.

At this stage, we are focusing on monitoring the progress of the plan to guide its steady implementation, while also promptly reporting any issues that arise within the Company for their resolution, or, if necessary, course correction.

Measures to Maintain Operating Profit Ratio at About 25%

As the person in charge of financial affairs, what key areas are you monitoring to maintain operating profit ratio at around 25%? Can you also tell us whether there are any specific measures, etc. in place to keep the ratio at this level?

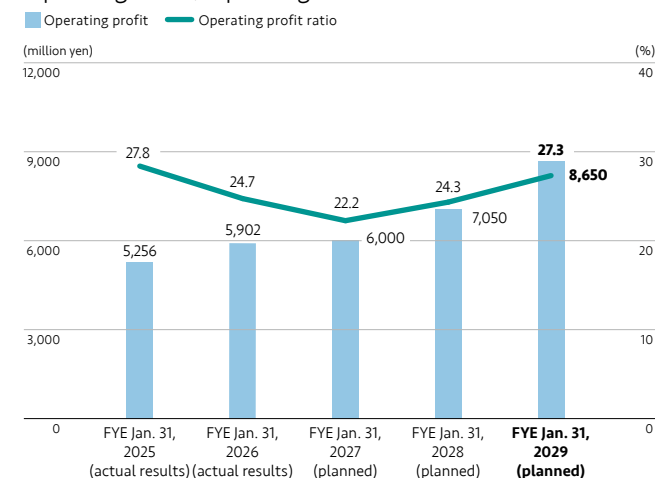
I believe that rather than focusing on any specific area, it is crucial to

remain one step ahead in implementing measures.

First, it is important to use multiple indices right from the planning stage in order to improve the accuracy of investment and business plans, thereby ensuring that appropriate decisions can be made regarding their feasibility.

After that, we confirm whether the plans are progressing on schedule, and if there are any delays or deviations in timing or scale, we share that information with management as quickly as possible. At the same time, we also carefully monitor any variances between actual and forecasted figures month by month, and if there are any signs of declining profit ratios, we immediately provide feedback to the entire Company, including the Marketing & Sales and Manufacturing Departments. Through these efforts, we also aim to be able to reassess the allocation of internal resources as necessary.

Operating Profit / Operating Profit Ratio



Message from the Officer in Charge of Finance

Approach to Capital Costs and Related Measures

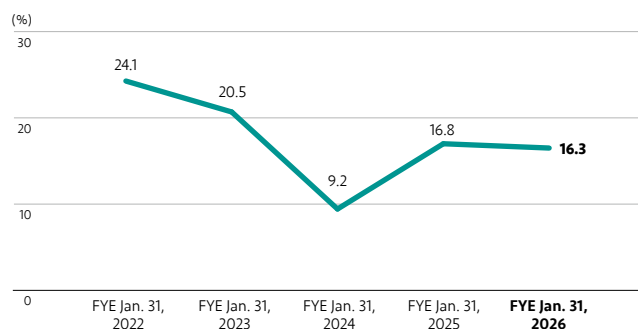
What is your current perception of capital costs? Also, what kinds of measures are you taking to reduce such costs? Your overseas sales ratio is also high, which brings about exchange rate fluctuations and other risks. How do such fluctuations affect your profits, and what measures do you have in place to mitigate those risks?

We are aware that our cost of equity currently remains at around 10%, but this has recently been exceeded by ROE (16.3% for the fiscal year ended January 31, 2026).

First and foremost, maintaining profit growth remains our top priority, but we will also reduce capital costs by working to better manage receivables and payables and reduce inventory from the perspective of improving efficiency.

As for exchange rate sensitivity, with USD/JPY, a 1-yen depreciation results in an increase in operating profit of about 35 million yen. Recently, exchange rate fluctuations have increased due to heightened geopolitical risks and other factors; we are mitigating any impacts by using forward exchange contracts and other hedging measures as appropriate.

Rate of Return on Equity (ROE)



Approach to Allocation for Future Growth

I understand that TCLC is currently in a growth stage (investment phase). Can you tell us about overall allocation ratios, such as growth and capital investments, investments in human capital, and shareholder returns, as well as the investment areas you plan to prioritize during the period of the current Medium-term Management Plan? Please also tell us the details of the aforementioned investments (growth, capital, and human capital) broken down by category (or by initiative).

As part of our capital policy, we intend to work toward further enhancing corporate value by allocating funds across growth investments, shareholder returns, and retained earnings in a well-balanced manner.

Demand for semiconductors is expected to remain solid in the near future, and as a result, there is growing demand for the Company to increase development and supply of materials for cutting-edge semiconductors. Therefore, it is essential for us to actively work on expanding production capacity at our Head Office and Minami-Alps Plants, as well as at our Taiwanese subsidiary, Tri Chemical Electronic Materials Taiwan Inc.

Accordingly, in anticipation that capital expenditure will exceed operating cash flows in the fiscal year ending January 31, 2027, we consider this current phase as one involving actively focusing on capital (growth) investments in order to enhance our cash generation capabilities.

In terms of investments in human capital, along with implementing standard pay raises on a periodic basis, we have also increased base pay by 5%. At the same time, we are actively expanding the range of educational and training programs offered to employees, as well as assistance in using these programs, as a way of helping employees enhance their skills.

Shareholder Returns

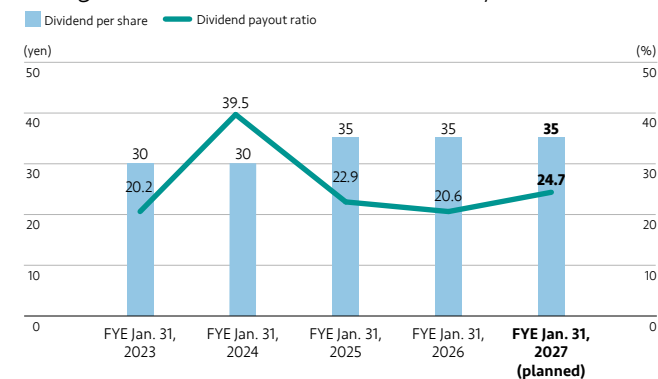
Please tell us about your approach to shareholder returns. What are your thoughts on the current stock price?

As I mentioned in the previous discussion on allocation, at present, we are aiming to maintain and increase allocation amounts in a stable and sustainable manner through profit growth by prioritizing growth-oriented investments. However, looking ahead, we intend to examine ways of bolstering shareholder returns while keeping an eye on cash flow balance.

As for stock price, while stock has recently remained at around a P/B ratio of three, our primary focus will first of all be to steadily implement the various aforementioned measures to improve profitability.

Furthermore, we will ensure that Company management, which includes both the President and myself, actively participates in meetings with investors and analysts to help them gain a deeper understanding of the Company's business, as well as striving to enhance our website, presentation materials, and other media to ensure that our company receives an appropriate market valuation.

Change in Dividend Per Share and Dividend Payout Ratio



Roundtable Discussion with External Directors



Toshihisa Hashimoto

External Director

Professional profile

Born in 1978. Attorney. Legal professional whose primary areas of practice are corporate law, compliance, and risk management. Has led efforts to strengthen the effectiveness of corporate governance across a wide range of areas, including verifying the legal soundness of management decisions, checking consistency across internal regulations, and handling compliance requirements, all from an independent perspective. Appointed an external director of the Company in April 2023. Nomination and Compensation Committee member.

Kyoko Kato

External Director

Professional profile

Born in 1963. Having served as a marketing manager at a global company for many years, is well-versed in brand strategy and the promotion of ESG and compliance, with a focus on market insight, cultural understanding, and the use of digitalization. Current Marketing Communications Manager at Bruker Japan K.K. As a female officer, has also contributed to increasing diversity on the Board of Directors. Appointed an external director of the Company in April 2024. Nomination and Compensation Committee member. Advisor to the DE&I Promotion Committee.

Hitoshi Iida

External Director

Professional profile

Born in 1958. Engaged for many years in the semiconductor industry in the areas of technology, marketing, and management (served as Board of Directors chair at Furukawa Electric Co., Ltd. and corporate auditor at FURUKAWA CO., LTD.). Leveraging broad-ranging knowledge and extensive insight accumulated as a manager, provides advice on the formulation of medium-term management plans and overseas strategies, in addition to actively offering opinions on customer-focused sales policies and approaches to human resource development. Appointed an external director of the Company in April 2024. Nomination and Compensation Committee chair.

The Next Phase of Growth for TCLC, Guided by Expertise and Independent Perspectives

The next phase of growth relies on strengthening human resources and the organization, based on a foundation of technological advantage in niche markets

Hashimoto At the core of TCLC is, without a doubt, the concept of “high-mix, low-volume production.” I feel that this is a unique company that has deliberately specialized in an area that other companies struggle to enter, thereby establishing a distinctive position for itself as a chemical materials manufacturer. Customers depend on TCLC, and this reliability enables each employee to carry out their duties with a sense of mission and pride. This is the very source of TCLC’s strength. In fact, the Company’s high employee retention rate is a major asset, and we recognize that ensuring a positive working environment that can support such high retention is an essential element that cannot be neglected from a governance perspective.

Iida I agree. TCLC’s greatest strength lies in its ability to balance high development capabilities and consistent quality while ensuring high-mix, low-volume production. Technological advancements in the semiconductor industry are occurring at an extremely rapid pace, and the materials required for such semiconductors are constantly changing. Having said that, the Company maintains a dominant position in the market driven by its outstanding R&D capabilities and production technologies. There are numerous opportunities for collaborative development with customers, and the wealth of technical expertise accumulated through these efforts is being used to invest in the development of next-generation products.

Kato That technological advantage is something that I also value highly. TCLC handles specialty chemical materials essential in the manufacture of cutting-edge semiconductors, and its ability to achieve high-mix, low-volume production, an area that major

Roundtable Discussion with External Directors

chemical manufacturers struggle to enter, is a clear differentiating factor. It is also encouraging that the R&D departments are continuously working to develop new compounds and improve the yield of existing products, while also striving to enhance production efficiency and expand the product lineup. The Company is also steadily strengthening its production foundation through initiatives such as the construction of a new base in Minami-Alps and investment in a joint venture in China. On the other hand, the current proportion of shift workers in the Manufacturing Department remains high, which is a significant issue from the perspective of safety risk management. We intend to continue rigorously pursuing effective responses to risks stemming from the workforce composition at manufacturing sites.

Hashimoto Amid the acceleration in semiconductor advancements, a key challenge is to ensure a stable supply. To achieve this, it is essential to recruit and train personnel capable of taking on advanced technologies. Maintaining quality over the long term comes about thanks not only to new hires, but also to establishing frameworks for passing on technical knowledge between employees working on-site. While this is currently underpinned by the high retention rate, TCLC should build an even stronger system for sharing knowledge while maintaining a positive work environment. Moreover, in terms of non-financial capital, the two issues of developing materials that are compatible with new technologies and managing patents and other intellectual properties are growing increasingly important.

Iida To ensure sustainable growth going forward, there will be a greater need for dialogues with customers and human resource development, in addition to collaboration with semiconductor manufacturing equipment manufacturers from the early stages of development. This is because establishing such collaborative relationships at an early stage will bring forward the development of new materials, thereby enabling TCLC to offer proposals to customers in a proactive manner. Establishing this kind of information advantage is what will further strengthen the Company's layer of protection against competitors.

Mutually enhancing the effectiveness and transparency of governance from three different perspectives based on diverse areas of expertise

Iida In addition to regular monthly meetings of the Board of Directors, we have a system in place that enables special Board meetings to be held as necessary. Moreover, the Company has established a Nomination and Compensation Committee with independent external directors comprising a majority, and as Committee chair, I oversee deliberations on the appointment of director candidates and the process for determining officer compensation. Ensuring the independence of the Committee is essential for maintaining objectivity in appointing and determining the compensation of management, a factor that is directly tied to investor confidence. The introduction of the executive officer system has led to the separation of supervisory and business execution functions, thereby enabling swifter decision-making and clarified responsibilities. Moreover, an evaluation of the effectiveness of the Board of Directors is conducted by an external organization on an annual basis, with proposals for improvements examined based on the results from aggregating and analyzing the data.

Hashimoto Drawing on my experience as an attorney, I focus on my role of verifying whether management can clearly and rationally explain its decision-making process and the reasons for major management decisions. In addition to objectively investigating the underlying facts, we thoroughly evaluate the pros and cons, as well as costs and returns, and consistently keep an eye on whether decisions are truly appropriate when examined from various angles, including social norms and the perspectives of stakeholders. We constantly review various internal policies and regulations to ensure they remain aligned with actual conditions and determine whether any revisions are necessary. In particular, as overseas operations expand, it has become increasingly challenging to ensure conformity with local laws, regulations, and compliance requirements, and thus even greater attention is required. Environmental regulations and occupational health and safety risks are critical issues that cannot be overlooked by TCLC as a chemical materials manufacturer. Accordingly, we consider that ongoing discussion on these matters is essential.

Kato The atmosphere at Board meetings is one that encourages external directors to freely ask questions and give opinions on

departmental reports, which leads to lively deliberations. Specific case studies and industry trends are shared based on the specialist insights of the external directors in each of our respective fields, which serves to promote management improvements. Plant walk-throughs, which have become standard practice on-site, have significantly improved the effectiveness of safety inspections. This, along with improvements to graphical elements in materials used at Board meetings and other initiatives, exemplifies how our proposals have been swiftly incorporated into actual operations. On the other hand, deliberations on employee salaries and benefits have not been concluded satisfactorily. In the context of intensifying global competition for talent, we have indicated that revising compensation levels to attract and retain exceptional personnel is an issue that should be urgently addressed from the perspective of enhancing corporate value.

Hashimoto Crucial for constructively exchanging views is an atmosphere where a single comment can launch a cascade of opinions from other directors. On top of that, what is truly important is to continually verify how the results of deliberations are being put to use after Board meetings have ended. Have the matters raised actually led to operational improvements, rather than merely being discussed? We are working on initiatives with a keen awareness of frameworks for ensuring the practical implementation of solutions brought up during deliberations, which include identifying items that should be confirmed at the next Board meeting and tracking progress via meeting minutes.

Kato Independent access to information is vital in strengthening the Board of Directors' supervisory function. I believe that we should establish a framework for enabling external directors to engage in direct dialogue with the Internal Audit Department, corporate auditors, and external auditors, thereby enabling us to obtain information independently without relying on management.

Getting proactive investments in Japan and overseas on track and solidifying the foundation of competitiveness through strategic investments in human capital

Iida TCLC has announced its three-year Medium-Term Management Plan covering the period through the fiscal year ending January 31,

Roundtable Discussion with External Directors

2029. Based on an assessment of the current situation, the Company is in the position to formulate growth strategies due to a high level of demand for cutting-edge logic and memory semiconductors driven by the widespread adoption of generative AI, increased investment in data centers, and other factors. We review the plan each year to formulate a new three-year Medium-Term Management Plan. This is a key policy, as the semiconductor industry advances quickly and markets are subject to extreme shifts. In particular, the Chinese market has increased significantly in recent years, which is a situation that greatly impacts the Company, making this measure necessary. As an external director, I leverage the knowledge I have acquired in areas such as marketing and management to provide advice on the formulation of the Medium-Term Management Plan. Another key point is to provide appropriate updates on the progress of operations at the Minami-Alps Plant and the rapid acceleration of the joint venture in China to operational capacity.

Hashimoto Even since I've been serving as external director, there have been a series of major developments at TCLC, including the opening of the new Minami-Alps Plant, the establishment of the joint venture in China, and the enhancement of production systems at the Taiwanese subsidiary. Developments at the joint venture in South Korea are also frequently discussed at Board meetings, and last year, we held one meeting at the Minami-Alps Plant. I really appreciate the fact that executive officers visit domestic and international customers in person and share any information they gather firsthand on these visits with us external directors. This close proximity to worksites is directly tied to the early discovery of issues, improved accuracy in investment decisions, and monitoring of processes by which each location gets back on track.

Kato Alongside monitoring investment projects, I would also like to highlight strategic investment in human capital as a key topic. Competitiveness over the long term requires systematically developing next-generation leaders, recruiting highly specialized personnel, and fostering an organizational culture that embraces diversity. Along with quantitative indicators, it is essential for us to demonstrate how investing in people is linked to increased corporate value in the future in a way that convinces stakeholders and inspires their optimism. I leverage my own experience in global marketing in face-to-face discussions with operational staff on development guidelines for TCLC's website redesign, focusing on information architecture and multilingual support, as well as the use of

marketing automation tools, while striving to provide effective proposals for improvement.

Iida Demand for cutting-edge semiconductors is expected to remain high over the short term, and certain organizational challenges need to be addressed in order to support this demand. One issue is that the organization of independent specialized departments that support corporate functions, including environmental matters, strategies, legal affairs, and public relations, is still incomplete. Another is the generational gap in some departments in terms of personnel who can manage the next generation. While it would not be appropriate to rule out short-term fixes to cover gaps in resources, our deliberations are focused on building a systematic framework for recruitment and human resource development that can support growth over the medium to long term.

Independent and diverse insights enhance management effectiveness and serve as a foundation for sustainable growth

Hashimoto Mr. Iida's probing questions about methods of cost management verification and other topics from a manager's perspective have significantly improved the accuracy and comprehension of materials used at Board meetings. In addition, Ms. Kato raised the question of how to highlight TCLC's appeal from a global marketing perspective, which brought up the topic of making the Company's website multilingual. It is essential for us as external directors to ask questions and challenge opinions to ensure lively debate at Board meetings. Combining internal perspectives with external expertise in this way adds depth to our deliberations. Going forward, I hope to not only contribute during Board meetings, but also actively take advantage of opportunities to provide value in other capacities, such as by participating in meetings with related departments and various committees.

Iida I have accumulated insights over my career within the semiconductor industry based on my experience leading teams in the sectors of technology, marketing, sustainability, and management. While the materials we handled were different, I hope to use this experience to support TCLC's growth. With this in mind, I make a point of actively sharing my opinions on how to create sales strategies and proposal materials based on customer needs. Furthermore, in an era where carbon reduction and sustainability initiatives across the entire

supply chain directly impact how we are viewed by customers and investors, clarifying TCLC's environmental policies as a chemical materials manufacturer at an early stage is another important issue. I aim to play a role in quickly identifying tectonic shifts in the rapidly changing semiconductor market and incorporating these into management decisions.

Kato Our role as external directors involves verifying the appropriateness of management strategies and risk-taking from an independent perspective that remains unwavering in the face of Company logic and customs, in addition to providing advice that supports the Company's medium- to long-term growth. Particularly in the areas of ESG and sustainability, we aim to provide expert advice based on our specialist areas of knowledge from the three perspectives that Japanese companies tend to lack: market insight, cultural understanding, and digital adoption. From the current fiscal year, I have been participating in DE&I Promotion Committee meetings as an advisor. Along with Committee initiatives, I hope to also bring in my own perspective as a female Board member in order to stimulate lively discussions at Board meetings, thereby helping to achieve highly effective governance.

Hashimoto Identifying the challenges faced by a company, clarifying their positions, and verifying the order of priority for addressing them can only be achieved in a comprehensive and effective manner with the addition of independent, external viewpoints. As the weight of TCLC's social responsibility to stably supply semiconductors grows heavier, ensuring stable sources of raw materials and balancing production efficiency through automation with safety measures have become critical issues. No matter how much the business grows in scale, the importance of education and training, including the transfer of knowledge, remains unchanged, and so I intend to enhance the quality of deliberations at Board meetings while always keeping this perspective in mind. As a member of the Nomination and Compensation Committee, I am also committed to helping strengthen the management foundation for supporting sustainable growth by working to develop next-generation leaders and design appropriate incentives. I can feel a strong sense of enthusiasm among TCLC's directors and executive officers for bringing the tangible feeling of growth experienced so far to the next stage of the Company. It is my belief that external directors play a significant role in creating an environment that inspires this kind of positive energy.

Growth Strategies

In this section, we will share our value creation story centered on technology, as well as our future long-term vision, and explain the business strategies we have for achieving steady growth. Along with special features delving into our leading-edge initiatives, we will reveal the full details of the growth strategies that will pave the way for our Company's future.

$$\text{Corporate Value} = \frac{\text{Maximizing FCF Generation}}{\text{Capital Costs} - \text{Expected Growth Rate}}$$

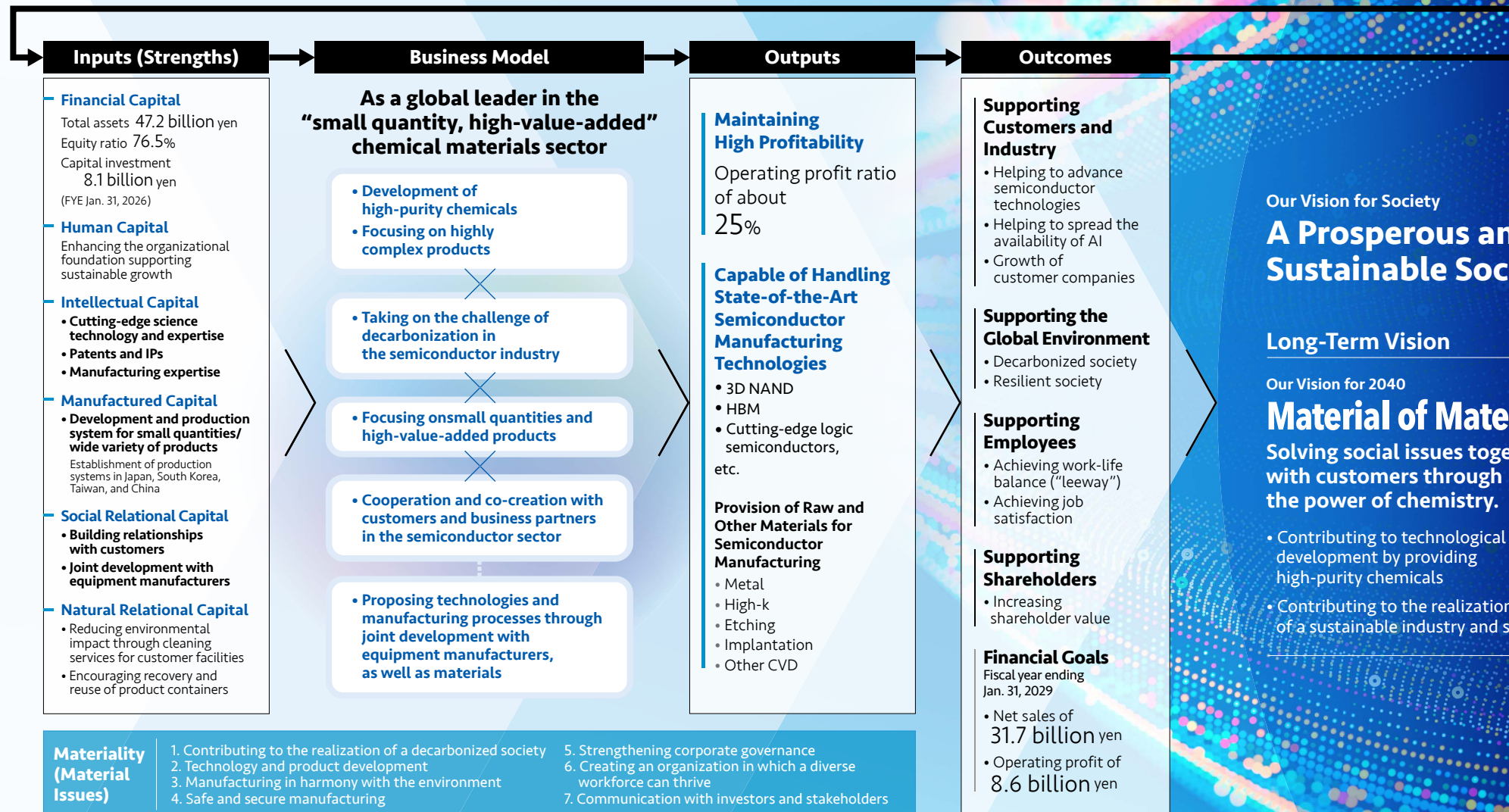
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Value Creation Story

Value Creation by Tri Chemical Laboratories Underpinning the Manufacture of Cutting-Edge Semiconductors:

A Framework for Sustainable Growth Driven by Technology, Markets, and Human Resources



Our Strengths

Achieving High Profit Margins and Sustainable Growth Through a 2,000-Product Portfolio Leveraging High-Mix, Low-Volume Production, High Purity, and Collaborative Development.

Sources of Value (Six Types of Capital)

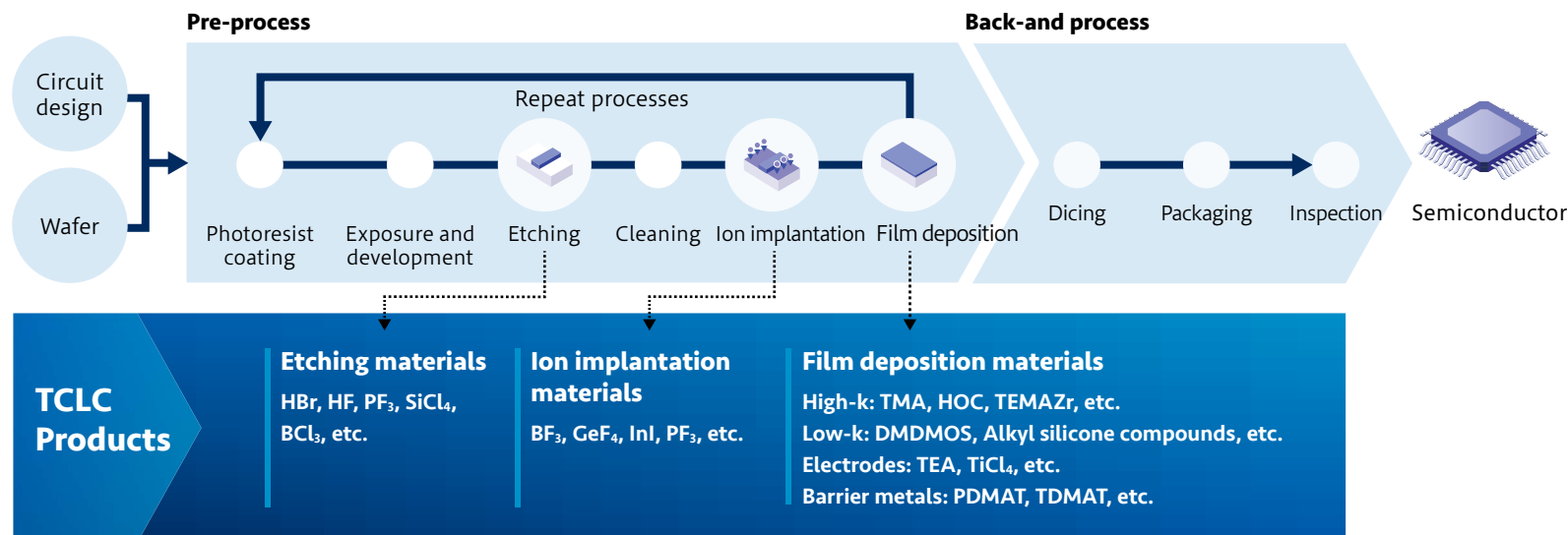
Human Capital Professional human resources for the development of leading-edge materials	}
Intellectual Capital Cutting-edge science technology and expertise	
Manufactured Capital Development and production system for high-mix, low-volume production	}
Financial Capital Capital investment both in Japan and overseas	
Social Relational Capital • Building relationships with customers • Joint development with equipment providers	→
Natural Relational Capital • Reducing environmental impact through cleaning services for customer facilities • Encouraging recovery and reuse of product containers	→

Four Strengths

1 Development of High-Purity Chemicals, Focusing on Highly Complex Products • Compatible with cutting-edge technologies (3D NAND, HBM, Cutting-edge logic semiconductors) • Backed by advanced manufacturing expertise and patent portfolio	Number of patents held 31
2 Focusing on Low Volume and Value-Added Products • Supplying small lot, high mix production of high-quality products • Advantage of “niche-leader model” necessary for cutting-edge semiconductors	Operating profit ratio 24.7% (FYE Jan. 31, 2026)
3 Cooperation and Co-Creation with Customers and Business Partners in the Semiconductor Sector • Global expansion focused on East Asia • Strong relationships with equipment manufacturers	Overseas sales ratio 81.2%
4 Environmentally Friendly Product Creation Helping to Reduce CO₂ • Reducing environmental impact through cleaning services • Offering circular value through initiatives such as recovery and reuse of product containers	Rate of achievement toward carbon neutrality by 2050 19.8% reduction in Scope 1 and 2 emissions (compared to FY2024)

The Role of TCLC in Semiconductor Manufacturing Processes

Providing High-Value-Added Materials Through Cutting-Edge Semiconductor Manufacturing Processes



Tri Chemical Laboratories works to provide high-value-added, high-purity chemicals primarily for the semiconductor industry.

The chemicals we provide are used in the manufacture of semiconductors, particularly those used in the applications of leading-edge logic and memory. These semiconductors are widely used in smartphones, PCs, data centers, communication infrastructure, and other technologies.

Moreover, as related technologies, we are also engaged in the manufacturing and maintenance of containers for shipping high-purity chemicals, as well as the outsourced development of deposition processes.

An integrated system, spanning development to manufacturing, that meets the advanced needs of semiconductor manufacturers, foundries, research institutions, universities, and other organizations. Enhancing in-house production also leads to an improved revenue structure.

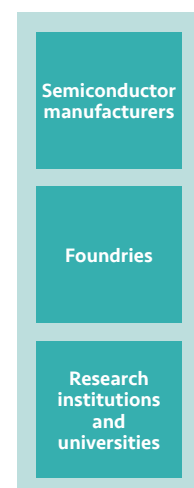
As a manufacturer specializing in high-purity chemicals, we have many highly motivated employees with extensive scientific knowledge and development experience.

In the cutting-edge semiconductor industry, it is vital not only to improve the purity of chemicals, but also to combine and integrate them with manufacturing equipment. Accordingly, we have established robust partnerships with equipment manufacturers that hold the highest global market share in Japan to jointly develop products. Furthermore, highly

regarded for our technologies and track record, we have built relationships with some of the world's leading semiconductor manufacturers, who reach out to us first when they have inquiries related to chemicals.

Our ability to consistently handle leading-edge development projects has led to strengthened technical capabilities, and by continuously creating unique proprietary product areas, we have been able to stably maintain a high profit ratio and robust R&D capabilities.

Customers



TCLC

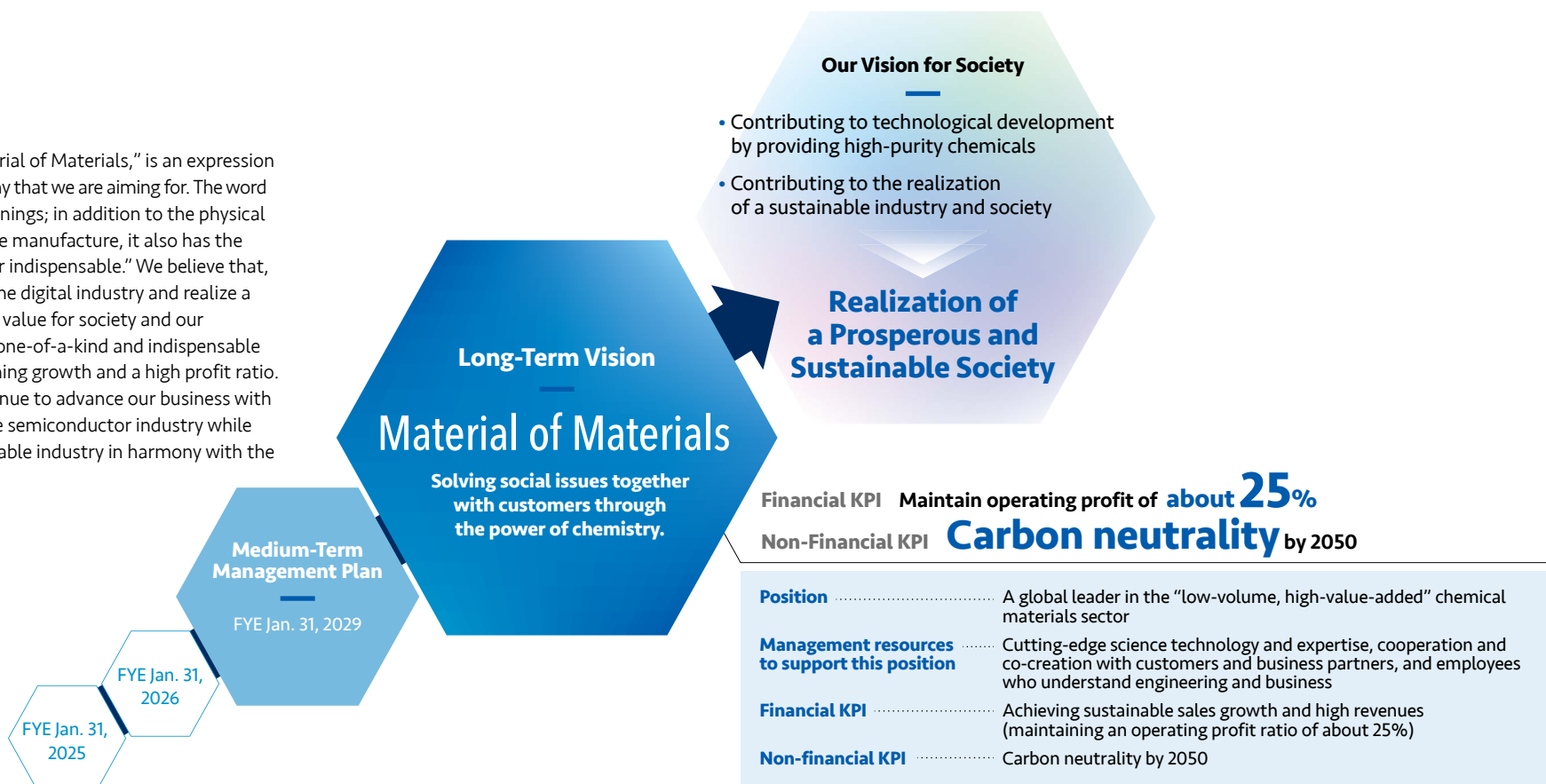


Joint research

Semiconductor material and equipment manufacturers

Long-Term Vision

Our long-term vision, "Material of Materials," is an expression of the ideal form of a company that we are aiming for. The word "material" has multiple meanings; in addition to the physical chemical "materials" that we manufacture, it also has the connotation of "necessary or indispensable." We believe that, in order to further develop the digital industry and realize a sustainable society, creating value for society and our customers and remaining a one-of-a-kind and indispensable presence are key to maintaining growth and a high profit ratio. Going forward, we will continue to advance our business with the aim of strengthening the semiconductor industry while helping to develop a sustainable industry in harmony with the environment and society.



Medium- to Long-Term Environmental Awareness (Risks and Opportunities)

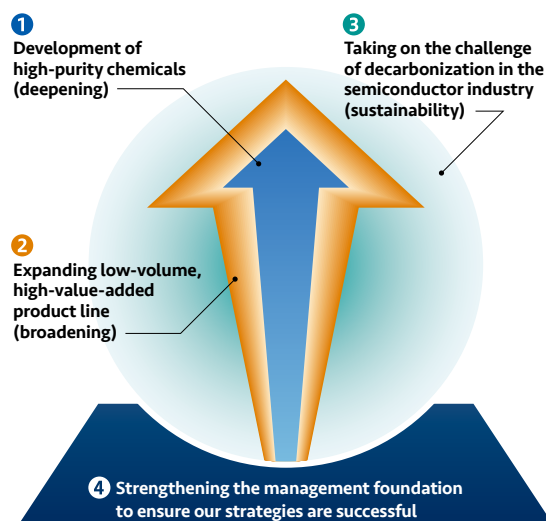
Opportunities and risks related to changes in the external environment		Opportunities	Risks
Economy / Industry	Digitalization and technological innovation	- Increased demand for our products (high-purity chemicals) due to increased demand for cutting-edge semiconductors - Improved productivity of employees through automation of development and manufacturing processes	- Risks of reduced hiring due to increased demand for human resources in semiconductor and digital-related industries - Risks of reduced demand and commoditization of cutting-edge semiconductors due to the spread of quantum computers - Risks of obsolescence of our advantages due to innovations in development processes, such as materials informatics
Society	Changes in demographic structure and power balance	- Growing demand for digital devices, especially in emerging countries - Growing demand for digital devices and semiconductors for manpower saving and automation due to population decline - Attracting diverse human resources by realizing diverse and balanced work styles	Shortage of human resources and increased labor costs due to declining birthrates and population shifts to urban areas
	Increased geopolitical risks	Gaining customer share through local production, etc.	- Raw material procurement risks or export suspension risks due to changes in social conditions - Risks of reduced manufacturing volume by customers and reduced demand for our products due to supply shortages of other semiconductor materials caused by the growing complexity of the supply chain
Environment	Transition to decarbonized, recycling-oriented society	Opportunities to build new competitive advantages by developing chemical materials and establishing manufacturing processes that help to reduce environmental impact	- Risks of customer defection due to delayed response to climate change - Risks of cash flow impairment due to introduction of carbon tax, etc. - Risks of damage to the local environment due to chemical spill incidents, etc.

Medium-Term Management Plan (Fiscal Year Ending Jan. 31, 2027 to Fiscal Year Ending Jan. 31, 2029)

Basic Strategies and Specific Initiatives

Aiming to sustainably enhance corporate value by maintaining a high-profit structure along with establishing production and development systems capable of promptly meeting demand for cutting-edge semiconductors

Our basic strategy involves enhancing corporate value by maintaining a net sales operating profit ratio of about 25% while establishing production and development systems capable of responding promptly to fluctuations in supply and demand for cutting-edge semiconductors. Specific initiatives include establishing production lines not only for leading-edge etching materials, but also for metals, high-k materials, and others at our Minami-Alps Plant, as well as advancing the development of existing materials and the optimization of resources at our Head Office Plant. At the same time, we will also strengthen production and quality control systems for new materials used in generative AI and invest in initiatives to reduce environmental impact and improve workplace safety, as well as concentrating efforts on business continuity planning and promoting sustainability.



Looking Back on the Fiscal Year Ended Jan. 31, 2026

Achieving record results amid growing demand for cutting-edge semiconductors and laying the groundwork for growth by strengthening production systems and expanding our foundation

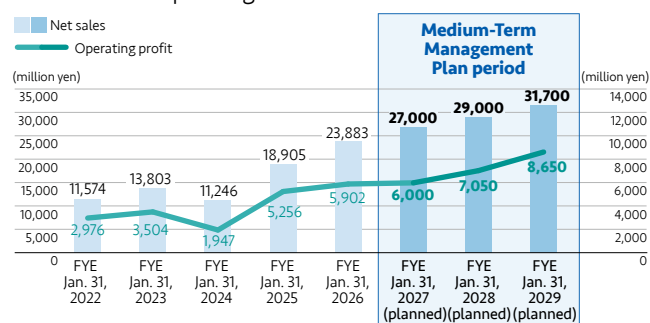
In terms of operations in the semiconductor industry, the Group's primary customer base, despite a decline in demand for materials in the Chinese market due to production efficiency initiatives by a portion of our customers, business remained strong in FY2026 thanks to high demand for cutting-edge logic and memory semiconductors driven by the widespread adoption of generative AI, as well as increased investment in data centers and other factors. As a Group, we have been actively working to establish systems for improving productivity and manufacturing new products following the completion of our Minami-Alps Plant. Alongside these efforts, we have established a joint venture in China, AD-Trichem, as a way of strengthening our competitiveness locally. At the same time, in order to meet growing demand, we have been working to strengthen our production, quality, and safety management systems. Furthermore, demand for cutting-edge semiconductors is expected to remain strong for the foreseeable future, and for this reason, we must also work to constantly strengthen development and production capabilities from various perspectives as a Group. This resulted in achieving record highs in both net sales and profits. On the other hand, in respect of earnings

from equity-method affiliate companies included in ordinary income, profits are expected to remain lower than the previous fiscal year due to the impact of soaring raw material costs and falling unit sales prices at SK Tri Chem, our joint venture in South Korea, as well as upfront expenses at AD-Trichem, our joint venture in China.

Toward Future Growth

We believe it is crucial to further strengthen production and development systems that will enable us to respond promptly to leading-edge technologies in the domestic and international semiconductor markets. Specifically, at our Minami-Alps Plant, we will work not only to expand our production lines for etching materials used in flash memory, but also to establish production systems for metals, high-k materials, and others. In addition, we will work to establish mass production systems for new materials and existing products used in generative AI while enhancing our quality and safety management systems. At the same time, we will also continually invest in initiatives to reduce environmental impact and improve workplace safety. Furthermore, we will also promote initiatives for improving our business continuity plan (BCP) and pursuing sustainability, and other measures as key management priorities. Under the plan, we aim to achieve sales of 31.7 billion yen and operating profit of 8.6 billion yen by the final fiscal year, while also maintaining a net sales operating profit ratio of about 25%.

Net Sales and Operating Profit



Supporting Customers and Industry

Helping to advance semiconductor technologies and to spread the availability of AI, growth of customer companies

Supporting the Global Environment

A decarbonized and resilient society

Supporting Employees

Achieving work-life balance ("leeway") and job satisfaction

Supporting Shareholders

Increasing shareholder value

Financial Goals

Net sales of 31.7 billion yen and operating profit of 8.6 billion yen

Business Overview

Offering High-Purity Chemicals Through High-Mix, Low-Volume Production on a Global Scale

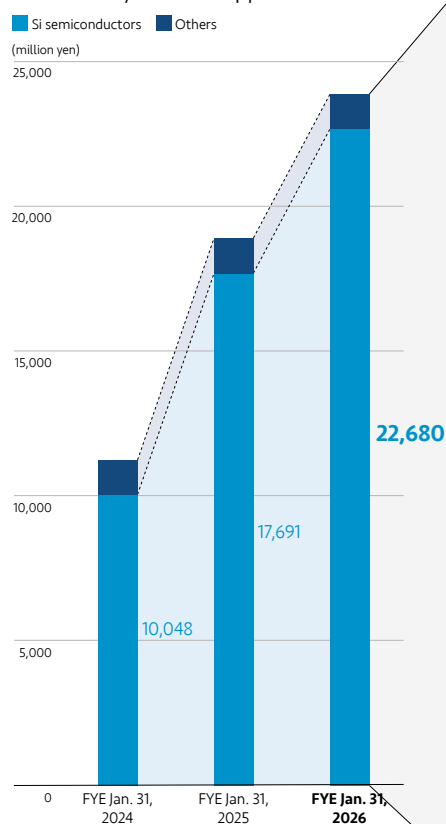
We manufacture high-purity chemical materials primarily for leading-edge semiconductor manufacturing. In addition to Japan, we have subsidiaries and affiliated companies in Taiwan, South Korea, and China, and through close cooperation with users, we have established an integrated system for the development, manufacture, and sales of high-purity chemicals.

Building on the foundation of technical expertise cultivated

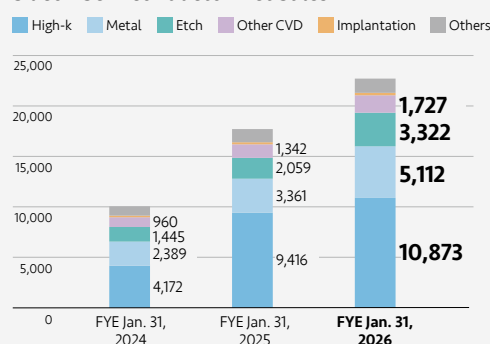
since our founding in the area of materials for optical fiber manufacturing, we currently offer a wide range of products and services that help advance innovation in industrial technologies: from materials for semiconductor and solar cell manufacturing, to prototyping and sales of high-purity and new chemical materials used in development. Our products play a vital role in multiple stages of wafer processing during semiconductor device

manufacturing, such as thin-film deposition (CVD), etching, and impurity doping (diffusion). We meet the needs of manufacturers creating increasingly miniaturized and high-performance devices by continually developing, proposing, and supplying new materials from the perspectives of materials engineering and applied chemistry.

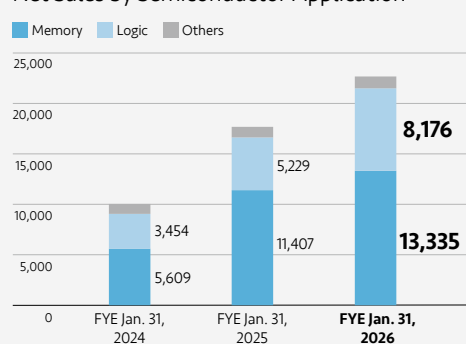
Net Sales by Product Application



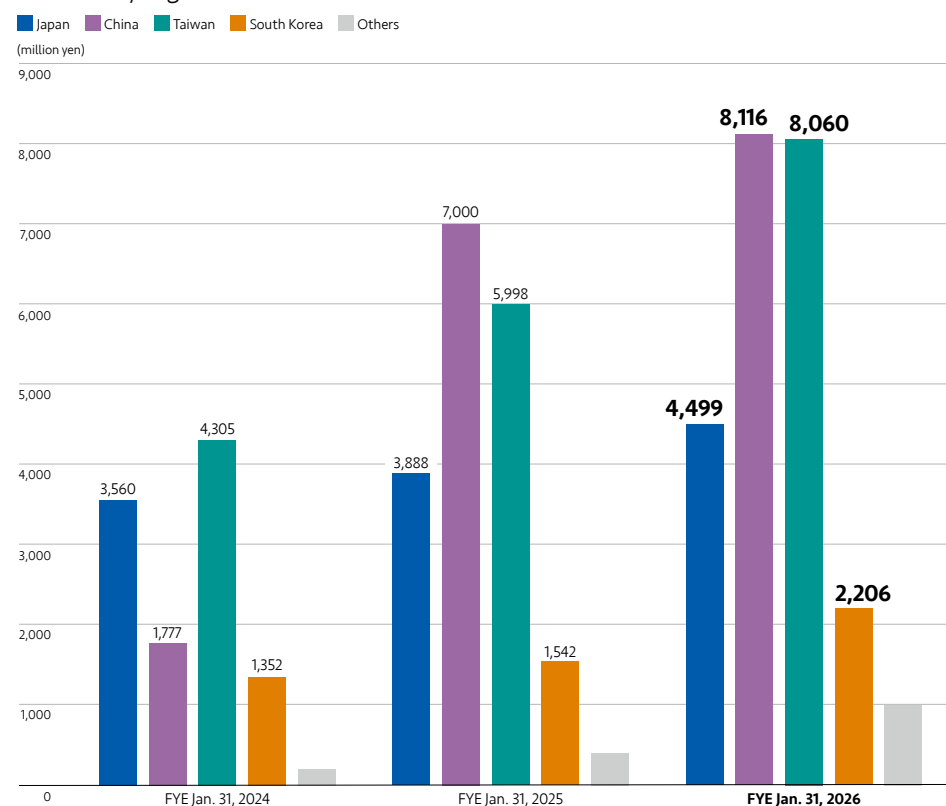
Silicon Semiconductor Net Sales



Net Sales by Semiconductor Application



Net Sales by Region



Interview with the Head of Technology

The Minami-Alps Plant goes into full operation

Positioning the Minami-Alps Plant as a specialized manufacturing facility that supports the future of generative AI, we are executing capital investment in stages while closely following our customers' technology roadmaps.



Hironobu Ohsugi

Director and Executive Officer
in charge of the Technology Department
Tri Chemical Laboratories Inc.

Professional profile

Apr. 1995 Joined the Company
Apr. 2006 General Manager of the Manufacturing Department
Feb. 2017 Executive Manager of the Manufacturing and Industrial Engineering Department
Apr. 2017 Director in charge of Manufacturing and Industrial Engineering
Sep. 2019 Concomitant appointment as Representative Director and President, HBR Co., Ltd. (current position)
Apr. 2022 Executive Officer in charge of the Technology Department (current position)
Apr. 2023 Director (current position)

Q1 What role does the Minami-Alps Plant play within the Tri Chemical Group?

Seeking to meet growing demand for leading-edge semiconductor materials amid the widespread adoption of generative AI, we opened the Minami-Alps Plant in March 2025 to establish a strategic manufacturing facility that specializes in these products, with the goals of securing enough production capacity and improving the stability of our product supply. To provide stable, high-quality materials for our customers' mass production facilities over the long term, we deployed the same level of manufacturing technologies and quality management expertise developed at the Company's other production plants, thereby

ensuring high levels of product uniformity and consistent quality. We have significantly boosted the Group's production capacity with the startup of full-scale operations at the Minami-Alps Plant, providing a solid foundation for meeting the Group's responsibilities as a product supplier in the global market.

Q2 What are the competitive advantages of the products recently shipped from the plant, and what are the related market trends?

The plant is mainly shipping materials for 3D NAND applications, for which demand is growing rapidly in line with the widespread adoption of generative AI. Customers are currently evaluating these products,

particularly focusing on materials for ultra-low-temperature cryogenic etching processes. We applied our proprietary synthesis technologies and advanced impurity control expertise to ensure the reliability of these materials. As the semiconductor industry pursues both miniaturization and higher layer stacking to boost memory capacity, customers can leverage the superior selectivity and stability of our materials to help expand process windows. Consequently, our materials are being positively evaluated and adopted by major semiconductor manufacturers in Japan and other countries.

Q3 The Company is proactively investing in the plant and has begun applying for permits for manufacturing hazardous materials. What plans do you have to expand the plant going forward?

We are gradually installing new equipment at the Minami-Alps Plant and acquiring permits for producing hazardous materials with a view to broadening our product portfolio in the future. That will allow us to manufacture high-value-added materials for next-generation semiconductor devices, leading-edge logic devices, and advanced DRAM devices equipped with high bandwidth memory, in addition to the 3D NAND materials currently being produced at the plant. Forward-looking investment in both logic and memory devices is expected to continue amid the growth of generative AI applications, so we plan to expand the plant's facilities and boost its production capacity while

closely following emerging market trends and our customers' technology roadmaps.

Q4 As the semiconductor industry rapidly evolves, what are the most important matters for the Company's Technology Department?

In the semiconductor industry, device architecture and process requirements are advancing over increasingly shorter cycles. In that context, I place the highest importance on understanding exactly what our customers require while maintaining stable production. In advanced production processes, even slight differences in manufacturing conditions can lead to quality variations and product supply risks. Therefore, we constantly work to control manufacturing conditions down to the finest detail, maintain and manage equipment to keep it running optimally at all times, and train personnel at production plants to develop their skills. Furthermore, we strive to enhance cooperation between relevant departments and promptly share information from production plants and their tasks at hand. In these ways, we aim to earn the long-standing trust of customers and ensure high levels of product quality, safety, and supply stability.



Minami-Alps Plant Overview

A new plant built on a vast 30,000-square-meter site, approximately double the size of our head office, with plans for further expansion in the future

The Minami-Alps Plant was built as a production base for new materials in Minami-Alps City, Yamanashi Prefecture in March 2025. The facility features an Administration Building with offices and a cafeteria, as well as Manufacturing Buildings 1 and 2. The first production line was fully installed in the fiscal year ended January 31, 2026. Here, we will introduce each of the facilities underpinning our sustainable supply system.

1 Analysis Room



The Analysis Room is located next to the manufacturing area to enable rapid product analysis. A wide variety of cutting-edge analytical equipment enables both advanced quality control and a high level of operational efficiency.

2 Control Room



In the Control Room, we have implemented a system that centrally controls the plant's large-scale manufacturing equipment. The Manufacturing Department and Industrial Engineering Department are working closely together to enhance safety and further improve production efficiency in mass production.

3 Manufacturing Area, Manufacturing Building 1



We have installed large-scale equipment in stages as a way of meeting global demand for semiconductors. We continue to make sustainable capital investments while achieving a high level of production efficiency and absolute safety in mass production.

4 Shipment Fulfillment



Along with the new Logistics Department, forklifts supporting effective transportation across the vast site are in full operation. We have established a robust system that enables the plant to ship and deliver large volumes of products both quickly and efficiently.

5 Container Preparation and Maintenance



Preparing and maintaining chemical containers is an extremely important process in the handling of high-purity chemical compounds for semiconductors. We have introduced advanced cleanroom facilities and operating procedures at the same standards as our head office plant to completely prevent contamination.

6 Cafeteria



The cafeteria is a clean and open space with a white interior featuring colorful seating and lots of greenery. We provide a relaxing environment where employees can fully unwind both physically and mentally.

Minami-Alps Plant



Interview with the Heads of Sales and Technology Development

Advances in AI have put the semiconductor industry in the spotlight. In this context, have your requirements from customers changed?

Udagawa: To be sure, the semiconductor market is now being driven by the widespread adoption of AI. That does not mean, however, that the semiconductor materials needed by manufacturers have suddenly changed specifically because of AI. Semiconductors have been evolving in terms of both their miniaturization and performance, and the most advanced versions are widely used for AI applications that process vast amounts of data at high speeds.

Mihashi: New requirements are not coming from semiconductors for AI. Instead, semiconductor advances are accelerating in terms of existing roadmaps for further miniaturization, faster processing speeds, and lower power consumption, and that is driving more difficult requirements for material manufacturers like us. For example, in the latest semiconductor manufacturing processes, channel materials must be precisely controlled and films must be formed to extremely thin levels, resulting in extraordinarily strict requirements for material purity and control accuracy. Moreover, the properties of the same material can vary depending on the process, so in addition to providing chemical compounds, we must also develop and refine deposition processes to meet customer requirements nowadays.

Udagawa: With the widespread adoption and evolution of AI semiconductors, graphics processing units had to be integrated into processors, and memory had to run at extremely high speeds. This led to the development of high bandwidth memory. As advances are made in

Sales & Technology

Offering materials as optimal solutions for production processes in response to the rapid evolution of semiconductors



Takashi Udagawa

Executive Officer in charge of Marketing & Sales Department (Japan / South Korea)



Satoru Mihashi

Executive Officer in charge of Technology Development

inference and agent-driven models, I think a more diverse range of semiconductors will be needed in the future. In this context, we are receiving many inquiries about materials for logic chips and atomic layer deposition materials for memory

chips, in particular.

Mihashi: The Company has developed and patented a product called HOC, which is a type of high-k material used for DRAM capacitors. We also had materials adopted by a Taiwanese foundry after numerous

evaluations and trials, which has created an opportunity to build a strong business relationship with the customer. Our sales of materials for both memory and logic chips have been rising in line with growing demand for AI semiconductors.

Udagawa: In Taiwan, especially, the Company's materials have gained an excellent reputation, and I think that is behind our rapidly growing sales of materials in China. In South Korea, too, we are creating more and more opportunities for manufacturers to learn about the Company through our HOC and new cryo-etching materials.

How are you dealing with increasingly challenging requirements from customers?

Udagawa: The Company has been responding to customers' requests while facilitating close cooperation between sales and development. We assign engineers to attend meetings with customers so that detailed technical matters, which would be difficult for sales representatives to explain, can be clarified immediately. Since the COVID 19 pandemic, meetings are routinely conducted online.

Mihashi: In online meetings, including those with overseas customers, several engineers involved in development can attend. This eliminates the need for sales representatives to record and examine technical issues raised by customers. Now our personnel from sales and development meet with customers to discuss everything on the spot, which has undoubtedly contributed to the speed and accuracy of our development paths.

Udagawa: Recently, customers seem to be very interested in the process of how to use materials in addition to which materials to use. Therefore,

Interview with the Heads of Sales and Technology Development

it is really important to not only explain to customers the properties and specifications of our materials, but also what process conditions should be established in order to get the best results based on their requirements.

Mihashi: Advanced materials perform at their best when combined with deposition technologies controlled at the atomic level as well as with other processes like etching. In other words, the performance comes not only from the materials, but also from the manufacturing processes that make up the system as a whole. In the past, our customers typically designed these processes for the materials we supplied, but in recent years, material manufacturers like us have been increasingly responsible for assessing material properties and designing processes.

You restructured your development organizations last year. What were the underlying reasons behind this?

Mihashi: In the past, requests from customers were handled like a one-stop service by engineers possessing skills and expertise covering a comprehensive range of technologies, from material development to mass production and deposition process design. Given the accelerating pace of technological innovations, however, we determined that collaboration among experts who specialize in each of these areas would allow us to respond more quickly to customer requests. From that standpoint, we divided our development operations into four dedicated organizations. Specifically, we assigned the development of new materials to the New Development Section, the customization of materials for customers to the Technology Development Section, the design of mass production processes to the Material Development Section, and deposition evaluations and process development to the Development Planning Section.

Udagawa: As a result of this reorganization, we facilitated cooperation between our sales and development operations, and enabled them to more promptly meet customer requests. We have received positive feedback from customers on our ability to both develop and mass produce materials for them, and to suggest different applications for our products, including those already on the market. Evidently, customers regard us as a reliable partner that they can consult with about practically anything.

What do you regard as the source of Tri Chemical Laboratories' competitiveness?

Mihashi: Our biggest strengths are expertise in new material development along with the ability to promptly meet customers' requests by making use of the data and know-how we have gained in past material development projects. We do not always create new materials from scratch. As process technologies advance, we often find materials that are suitable for new processes from among the many materials we have previously developed.

Udagawa: We can promptly propose optimal materials for what customers need from the vast amount of materials we have developed over many years. Whether we create new materials or draw from our currently available ones, we can respond to a diverse range of requests from customers.

Mihashi: Another strength is the Company's deposition equipment. During trial manufacturing, our customers use up a large amount of materials because they deploy large-scale manufacturing equipment. Our deposition equipment, however, is designed for testing materials at the trial stage, so we can more efficiently conduct trials and tests while using a smaller amount of materials.

Udagawa: Our deposition equipment for 300-millimeter (12-inch) wafers, in particular, can assess materials under conditions similar to the mass-production processes used by our customers. We recently started using this equipment and expect a surge in orders for trial manufacturing and evaluation services going forward.

Mihashi: Yes, because the assessment data produced by this equipment can be directly used in our customers' manufacturing processes. This ability to seamlessly handle not only material development but also process design and



Professional profile Satoru Mihashi

Apr. 1997	Joined the Company
Feb. 2017	General Manager of the Technology Development Department
May 2024	Executive Officer in charge of the Technology Development Department (current position)

assessments contributes to the Company's competitiveness.

Finally, what is your outlook going forward?

Udagawa: New materials cannot be expected to replace everything in the semiconductor industry, so I think existing materials will continue to be used in the future alongside newly developed materials. The ability to optimize both materials and processes together rather than the material substances alone will be especially important for success going forward, so I hope the Company will offer the very best solutions with a full understanding of what customers need.

Mihashi: We are in a time of incredible technological innovations, and it is still unclear which technologies will ultimately prevail. Nevertheless, as long as we keep developing promising materials and processes while building on our technologies and expertise, I believe we can make Tri Chemical Laboratories even more competitive in the future.



Professional profile Takashi Udagawa

Apr. 1994	Joined the Company
Feb. 2017	General Manager of the Marketing & Sales Department I
Apr. 2020	Director in charge of the Marketing & Sales Department's operations in Japan and South Korea
Apr. 2022	Executive Officer in charge of the Marketing & Sales Department's operations in Japan and South Korea (current position)

Message from the Head of Marketing and Sales in Taiwan and China

Global Strategy

Our unwavering commitment to technology and stable product supply make us a supplier of choice in markets for lead-edge products



Tatsuya Ohira

Executive Officer in charge of Marketing & Sales Department (Taiwan/China)

Professional profile

Apr. 1996 Joined the Company
Apr. 2015 General Manager of the Marketing & Sales Department II
Feb. 2017 Executive Manager of the Marketing & Sales Department
Apr. 2020 Director in charge of the Technology Development and the Marketing & Sales Department's operations in Taiwan and China
Feb. 2021 Director in charge of the Marketing & Sales Department's operations in Taiwan and China
Apr. 2022 Executive Officer in charge of the Marketing & Sales Department's operations in Taiwan and China (current position)

Why we are selected in the markets for both leading-edge and mass-produced products

The Tri Chemical Group's chemical products are being adopted in the Taiwanese and Chinese markets for a number of reasons. We have established a proven track record of ensuring a stable supply of products from the time they are first adopted by customers. With an extensive patent portfolio, we specialize in materials that embody our proprietary expertise and are difficult for competitors to replicate. Our sales organizations are another competitive advantage, as their representatives possessing technical expertise work directly with customers to promptly deliver solutions. Customers highly appreciate our comprehensive ability to meet their requirements, because in semiconductor manufacturing, even slight variations in quality or delays in shipments

can have a direct impact on their production plans and output.

Generally, products that are first adopted for Taiwan's most advanced semiconductor production processes are widely introduced in the Chinese market later on, but this time lag has been narrowing significantly in recent years. This change indicates that technological standards in the two markets are converging, meaning that quick decision-making and optimized supply systems are needed more than ever. It will also be very important to obtain timely and accurate information from both markets because the direction of semiconductor development in Taiwan and China could diverge in the future.

Demand for both logic and memory semiconductors is projected to increase, so we will work to grow sustainably by identifying and capitalizing on the business opportunities that come with the expansion of our customer base. The

source of our competitiveness is the trust we have built up with customers over many years because this gives us a major advantage when they decide to adopt new products and develop next-generation production processes.

Our strategy for business in China and global expansion

In China, our products could face competition from domestic manufacturers in the future, so to maintain our share of this highly competitive and rapidly changing market and to meet strong customer demand in the country, we recently established the joint-venture firm, AD-Trichem (Anhui) Electronic Materials Co., Ltd. By having it supply products in China, we can maintain our price competitiveness and deliver products more quickly, thereby bolstering our ability to supply products over the long term. To mitigate the risk of technology leakage, our operations in Japan will continue supplying products that incorporate the Company's proprietary expertise and that create high barriers for competitors to enter the market.

Like Tri Chemical Laboratories, the joint venture partner, Hefei ADChem Semi-Tech. Co., Ltd., possesses chemical vapor deposition and other precursor production technologies. Since its products are applied in mass-production by semiconductor manufacturers in China, it can customize its manufacturing systems according to local market needs. Hefei ADChem will oversee the construction of AD-Trichem's production plant and provide the main technologies used there, so our technological contribution will be limited.

In Taiwan, we have established a solid track record for our materials, and they are now being adopted in other countries in tandem with TSMC's expansion into the United States and Germany in recent years. This is creating business opportunities

for us globally. Our materials have also been attracting more and more interest from manufacturers in Singapore and India as new semiconductor factories are being set up in those countries. Future market growth is projected in India, in particular, so having our materials adopted there from the outset could substantially contribute to business growth going forward.

To capitalize on these opportunities, we are strengthening cooperation between our sales and product development organizations. This will enhance our ability to promptly offer new materials and improvements according to customers' requests and to propose solutions to semiconductor equipment manufacturers. With the goal of having these materials adopted by manufacturers for their new processes of record, we are working to raise the Company's profile in the global market by bolstering the competitiveness of both its product supply network and technological capabilities.



Interview with the Head of Operations in Taiwan

Taiwan Subsidiary Overview

Our key materials for logic and memory applications are difficult to replace and essential for the evolution of AI semiconductors



Masahito Shibata

Executive Officer, Tri Chemical Laboratories Inc.
President, Tri Chemical Electronic Materials Taiwan Inc.

Professional profile

Apr. 1991 Joined the Company
May 2004 General Manager of Marketing & Sales Department I
Apr. 2012 Director, Executive Manager of Marketing & Sales Department
Feb. 2017 Director in charge of Marketing & Sales and Technology Development
Apr. 2020 Director, concomitant appointment as President of Tri Chemical Electronic Materials Taiwan Inc.
Apr. 2022 Executive Officer, concomitant appointment as President of Tri Chemical Electronic Materials Taiwan Inc. (current position)

Q1 Now that six years have passed since the Company completed its production plant in Taiwan, how would you assess its achievements during that period?

I believe the Tri Chemical Group and its products have become more well known in Taiwan, and it has begun to capitalize on the huge wave of

semiconductor demand for AI. This has been possible because we have worked closely with Taiwanese semiconductor manufacturers since 2020, which was early compared with other Japanese companies. Still, we struggled at first after our establishment. From our standpoint, we were Tri Chemical Laboratories' production plant in Taiwan, but the domestic semiconductor manufacturers just saw us as another new company. Starting from scratch, we had to convince them to evaluate our products. Our sales were unstable for about three years.

Nonetheless, through trial and error, we managed to pass rigorous inspections by the world's most advanced semiconductor manufacturers. That allowed us to meet rising demand during the subsequent COVID-19 pandemic while responding to calls in Taiwan to produce and consume products domestically. We have now established a stable production system capable of meeting robust demand two or three times greater than our initial expectations.

In addition, we are currently improving our quality management methods. Together with our customers, we are researching ways to clarify the relationship between quality and various parameter changes by using IoT to assign analytical data in certificates of analysis.

Q2 Please tell us about your mainstay products at present.

We promptly provide materials optimized for ongoing advances in semiconductor architecture, which is becoming more and more miniaturized and highly integrated. That is the basic concept behind our products.

While we develop next-generation, ultra-advanced applications in Japan, our product strategy in Taiwan focuses on manufacturing metal materials for mass-produced logic semiconductors—legacy versions going back two or three generations—used in the latest AI-equipped consumer products. For AI semiconductors to process massive amounts of data at high speeds with low latency, GPUs and other logic semiconductors must be connected to stacked HBM devices in very close proximity. Our metal materials are used to form the fine wiring layers and interconnection structures that link these components together.

We are also enjoying steadily growing demand

for our products related to high-dielectric-constant (high-k) materials, which are essential for the miniaturization of capacitors for DRAM, which exemplifies HBM.

In the markets for both logic and memory applications, which are essential for the evolution of AI semiconductors, we are establishing a solid position in Taiwan as a supplier of key materials that are difficult to replace and require foresight. I am confident this will drive the growth of Tri Chemical Electronic Materials Taiwan in the future.

Q3 You have previously said that attracting talent was a challenge, but what is the situation now?

We now have a workforce of about 50 people, which is around the same number that Tri Chemical Laboratories had when I joined as a new graduate in 1991. Back then, I felt satisfied on the job because I had lots of time to interact with my colleagues, and we could concentrate on our work for short periods in between many breaks and time off. Hoping to create the same kind of workplace here in Taiwan, we enhanced our vacation system and increased the frequency and amounts of performance bonuses to match the highest levels in the region. As a result, we have attracted many people locally, and they now account for around half of our workforce.

With the continuous advances in AI semiconductors, young employees have countless opportunities to grow. Creating leeway for employees is part of our management philosophy, and while putting it into practice, we hope to continue fostering a workplace environment that really motivates all employees to explore uncharted territory and grow as professionals who can lead our company in the years ahead.



Strengthening Specialist Human Resources That Can Enhance Corporate Value

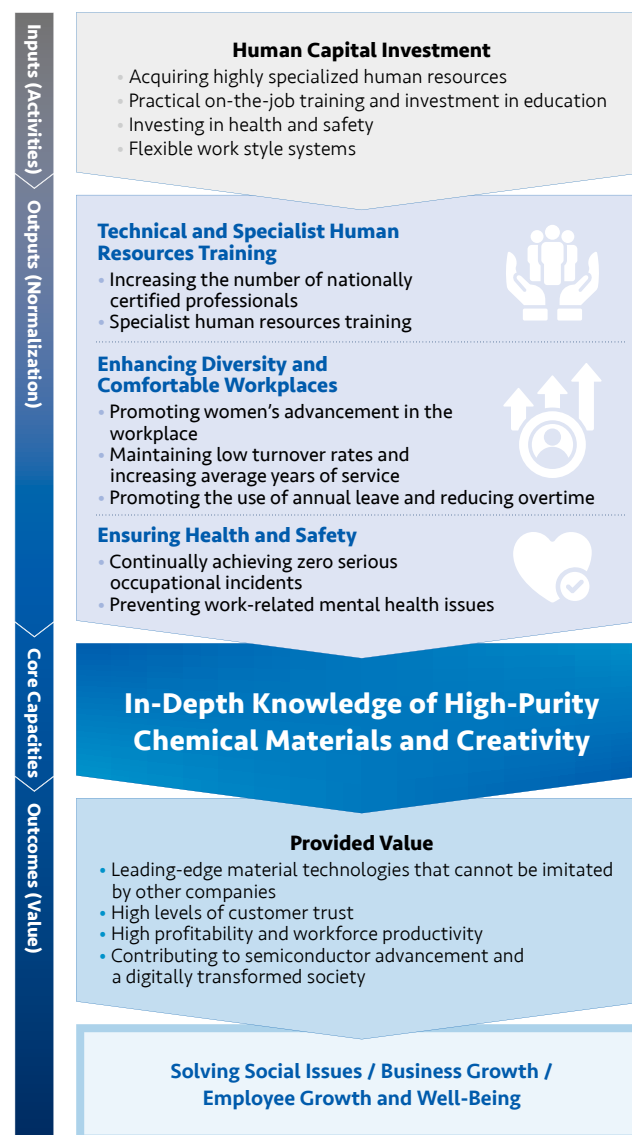
We believe that supporting the development our employees and enabling them to fully leverage their abilities are essential for the sustainable enhancement of our corporate value, and for this reason, we consider our employees to be the most important management capital of the Company. Drawing on our management philosophy of “Contributing to the development of leading-edge technology through science and technology to realize the creation of leeway for people,” we aim to create workplaces that offer work-life balance and allow employees to unleash their creativity.

Overview of Human Resources Strategies

We support the growth of each employee by actively providing position-based training, various skill improvement training programs, and assistance in acquiring qualifications, etc. Under our management philosophy of “Creating Leeway,” we are working to create workplaces where employees can improve and fully leverage their abilities while maintaining a balance between work and life.

On another note, our chemical materials are characterized by their high-mix, low-volume production and high purity. We believe that in order to maintain and improve these characteristics, it is important to build up and pass on niche technologies and expertise. For this reason, we are working on efforts to retain talent, such as enhancing benefit packages that include various types of support for balancing work with childcare or nursing care; a personnel evaluation system that prioritizes meetings between managers and team members where diverse personnel can freely express their opinions; and health and wellness management aimed at supporting the mental and physical health of employees. We have also set employee turnover as a key metric for the Company.

Approach to Human Capital Management



Training Programs to Support Every Employee

Position-Based Training and Skill Improvement Training Programs

We offer a variety of educational and training programs to help employees improve their skills and enhance their performance. After assigning employees to a position, we provide on-the-job training led by various departments and committees to ensure that they can acquire the skills required for their role. We also have employees go on job rotation at multiple departments to gain cross-departmental experience in the areas of manufacturing, marketing and sales, technology development, and administration. Through this, they can acquire a wide range of knowledge and skills. Moreover, we have also established a system for tracking the competencies acquired by each employee through education and training. We offer a variety of training programs specific to different job roles and departments, and have created an environment that makes it easier for employees to participate in training. Each year, we invite guest speakers to speak at a mental health seminar for employees. The seminar not only teaches participants how to manage stress, but also serves as a forum to become up-to-date with the latest information and share recent social developments and other topics.

Assistance with Acquiring Qualifications

We assist employees in acquiring qualifications as a way of helping them improve their skills and work on self-development.* Expenses associated with training, such as participation fees and training material costs, are covered by the Company. Under our incentive program for acquiring qualifications, we provide a bonus to employees who acquire qualifications related to their role.

*Limited to qualifications deemed relevant to an employee's role.

Strengthening Specialist Human Resources That Can Enhance Corporate Value

New Hires and Preventing Turnover

Our chemical products are characterized by their high-mix, low-volume production and high purity, which rely on the development of niche technologies. We believe that each employee plays a vital role in making this possible at a high level and achieving further growth. Since about 70% of our employees are technicians, our hiring policy broadly focuses on candidates with a background in chemistry while not placing undue emphasis on their alma mater or academic record. Instead, we mainly use individual interviews to thoroughly assess each candidate's capabilities, passions, drive, and other core qualities, then select the individuals who we believe can contribute to further advancing the Company. We also believe that accumulating and further exploring technologies and expertise through maintaining a high employee retention rate plays a fundamental role in achieving further Company growth. Our turnover rate has remained low, averaging 2.54% over the past five years.

To maintain such a low rate, we focus not only on in-house training and ongoing workplace improvements, but also on the physical and mental health of employees and exchanges among employees.

Health Checkups

Initiatives to prioritize employee health and wellbeing include annual health checkups and stress checks, along with special health checkups once every six months for workers handling organic solvents or hazardous substances, and night shift workers. We are working to streamline operations and reduce the burden on employees by having hospital staff visit workplaces and conduct health checkups on-site. To encourage employees aged 40 and over and their spouses to undergo health screenings for preventing lifestyle-related diseases, the Company covers a portion of the screening costs.

Training in Hawaii

Every year around October, we hold an eight-day, seven-night training program in Hawaii for new employees who joined the company that April. Through this training, we aim to encourage deeper friendships among participants.

Employee Cafeteria

Opened in May 2021, the cafeteria offers a wide variety of nutritionally-balanced meals to employees virtually free of charge. Moreover, we have installed tea dispensers in each building that offer several types of drinks free of charge to help create more comfortable workplaces for employees.



Club Activities

We support employees' sports and cultural club activities as a way of encouraging participation in these activities and increasing opportunities for fun interactions among employees, along with supporting employees' health and wellbeing by encouraging them to get more exercise each day and refresh their mind and body. Employees from all departments and positions come together and have fun through club activities.

Improving Workplaces Through the Promotion of Work Style Reforms

By promoting work style reforms, we aim to create workplaces where employees can work with enthusiasm, reduce total working hours, and increase the long-term leave utilization rate.

Continued Employment

We have introduced several systems to help improve work-life balance among employees, including flextime and work-from-home. Other initiatives include setting up workdays in a way that facilitates taking consecutive days off, along with establishing a system that makes it easier to take childcare or nursing care leave. We are also working to establish systems that make it easier to take paid leave, long-term leave, refreshment leave (a system that grants special bonuses and leave corresponding to years of service or age), and similar initiatives.

FY2025 Work Schedule

Working hours	8:30 a.m. to 4:30 p.m.
Break	1 hour 20 minutes
Number of non-working days	128 days (excluding long-term leave)
Summer holiday	3 days (9 consecutive days)
Year-end and new year's holiday	5 days (10 consecutive days)
Long-term leave	10 days

Unique Initiatives for Promoting Childcare Leave Among Male Employees

We are creating an environment that makes it easier for employees to take childcare leave. This involves sharing job responsibilities and creating a cooperative framework at each department.

Long-term leave
utilization rate **82.4%**

Childcare leave utilization rate
by male employees **100%**

Strengthening Specialist Human Resources That Can Enhance Corporate Value

Initiatives for Health and Productivity Management

“Health and productivity management” refers to an initiative that approaches health and wellness from a managerial perspective and which creates health-conscious and comfortable workplaces where each and every employee can work in good health for a long time. Based on the Company’s corporate philosophy, investment in employees’ health is expected to revitalize the organization, including increasing motivation and productivity among employees, which, in turn, will result in improved business and stock price performance. The promotion of health and productivity management initiatives at the Company will be led by the Human Resources Department in cooperation with other departments.

We launched our “Health and productivity management” initiative in 2023 and have been recognized by the Yamanashi Health and Productivity Management Excellent Company Certification System. Upon launching the initiative, we surveyed employees to ascertain and analyze the current status of the Company, and we have been promoting initiatives for health and productivity management since then.

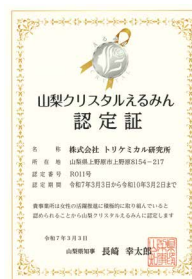


Major Initiatives for Health and Productivity Management

Health and wellness management	• Providing regular health checkups • Increasing the uptake rate of further health checkups and providing specific health guidance, lifestyle improvement guidance, etc. • Initiatives to improve the uptake rate of family health checkups • Promoting the use of subsidy programs for health screenings and breast cancer examinations • Promoting the use of telehealth • Providing mental health counseling • Providing stress checks and analyzing and utilizing the test results • Interviews with industrial physicians upon request
Encouraging health maintenance and promotion activities	• Providing healthy menu items in the cafeteria • Displaying calories, salt content, etc. on menus

Promotion of DE&I

We are working to improve workplaces as a way of creating an atmosphere where all employees, regardless of gender, can equally play an active role. In addition to establishing relevant systems, we also regularly review and revise regulations and thoroughly share the details throughout the Company in order that employees can easily take advantage of these systems. In recognition of these efforts, we were certified under the Yamanashi Crystal Erumin system in March 2025. We will continue working on initiatives to improve our current issues in our efforts to create workplaces where employees can enjoy a work-life balance.



Ratio of Female Managers

There are currently a number of women serving in management positions across the Company. To ensure that all employees, regardless of gender, can equally demonstrate their abilities, we offer regular training programs to help employees improve their skills and enhance their performance.

Ratio of Female Managers **9.7%**

Diverse Career Paths

We are transitioning employees from non-permanent to permanent positions, as well as actively hiring employees in full-time, permanent positions, regardless of age or gender.

Feature

DE&I Promotion Committee

Aiming to Create Workplaces Where More People Can Thrive in Their Own Way

We established the DE&I Promotion Committee with the aim of creating workplaces where employees can work comfortably. Committee members include male and female employees from different age groups and departments to ensure that the Committee structure is one that encourages a wide range of perspectives. The DE&I Promotion Committee conducts surveys and analyses on workplace environments and internal systems, and works to make improvements where necessary. Going forward, we will continue our efforts to create workplaces where employees can work comfortably, along with making ongoing improvements.

Roundtable Discussion with Junior Employees: Technology Development

The Spirit of Technicians Nurtured by “Leeway”—A Small Group of Elites Supporting the Global Semiconductor Manufacturing Industry

**U**

Development Planning Section

Professional profile

In his third year at the Company after joining in 2024. Responsible for developing film deposition processes using new compounds as a member of the Development Planning Section. Serves a bridging role between sections by evaluating properties of compounds created by the Material Development Section, such as vaporization and adhesion to substrates, to verify whether the materials can be used as products.

I

Material Development Section

Professional profile

In her third year at the Company after joining in 2024. Responsible for developing semiconductor materials as alternatives to the Company's major products as a member of the Material Development Section. Takes the initiative across a range of activities, from identifying issues to devising solutions and coordinating with other departments. Starting this year, she will be involved in training a junior colleague who was assigned to her team.

K

Material Development Section

Professional profile

In his fourth year at the Company after joining in 2023. Member of Group 1 of the Material Development Section. Responsible for prototyping and synthesis of new materials created based on customer requests, as well as process transfer to mass production including formulating manufacturing methods and operating conditions. I's senior.

T

New Development Section

Professional profile

In his seventh year at the Company after joining in 2020. Engaged in developing next-generation materials while staying ahead of the competition by exploring a wide range of elements for potential use in semiconductors as a member of the New Development Section. Works across a broad range of elements, including zirconium, hafnium, and ruthenium.

Is it true that you were given important work to do as soon as you joined the Company?

I To be honest, I was surprised at being tasked with developing alternatives for major materials. At first, the compounds I tried were all unsuited to film deposition, but I was able to make progress thanks to documentation shared by the Development Planning Section and feedback I received at presentations for section members.

K A refining study that I helped carry out using large-scale metal equipment at the plant really left an impression on me. It was tough at first because I was handling reagents in amounts I wasn't used to and using equipment I was seeing for the first time, but my supervisor helped me come up with a solution, and thanks to their support, I was able to overcome the challenge. This experience has been valuable in subsequent projects, and it really shows how much I've grown.

U In the latter half of my second year at the Company, I worked on a proposal project that involved using simulation technology to solve customer issues. Incorporating literature and patent examples into the simulations allowed us to produce highly accurate predictions in a short time frame, which led to a significant amount of interest among our customers.

T From the beginning of your career at TCLC, you are responsible for making decisions on the entire experimentation process from design to evaluation. Though we're working in a cutting-edge field with limited prior literature available, I attempted to apply research from different fields, which resulted in significant improvements in yield. This successful experience gave me the habit of broadening my perspective when engaging in research.

Where does your motivation to meet the needs of the world's most cutting-edge industries come from?

I TCLC's materials support data centers and other social infrastructure. What drives me is the sense of responsibility and pride that comes from the fact that we play a part in advancing society across the globe. I take on new challenges each day so that one day I can hold my head high and say, "without this material I developed, the convenient society we enjoy today would not have been possible."

K I approach my work with the mindset of trying to go beyond the great technologies built by my predecessors through my own efforts. Even when I've hit a wall, our company culture is one that encourages us to ask our supervisors and senior colleagues for advice, which allows me to keep going without the fear of failure.

U It's great for junior employees that we work in a place that encourages us to fully explore questions into why certain phenomena occur and how we can verify our theories. But if I'm being honest, there's part of me that thinks that if I pull something off, I might get to brag about it to my friends, and that's actually a huge source of motivation for me (laughs).

T The true joy of new product development comes from being faster than our competitors and developing and creating superior materials. TCLC has accumulated experience and expertise from over three decades of experimentation, and there have been times where I've read through older research notes to find inspiration. Our technological capabilities, which are recognized by world-class semiconductor foundries, spring from this wealth of knowledge accumulated over the years.

What is the secret to achieving high-level results within a workday of 6 hours and 40 minutes?

I The entire team makes every effort to thoroughly eliminate wasted time by always keeping in mind the question, "What is the significance of this task?" and working backward from our ideal values to carefully sift through and select each development process.

K In my case, I make a point of clearly distinguishing between "time for deep thinking" and "time to move quickly." I can also get solid advice from my supervisors during the experiment planning stage, which allows me to respond flexibly to any unexpected events. Enriching your personal life by properly switching between work and rest also helps; after a break, you might finally be able to come up with a solution to an issue you'd been struggling with.

U Since each film deposition experiment takes a long time, we use computational simulations to make predictions prior to experimentation, thereby enabling us to focus only on the most promising options. We reduce time costs by making sure to fully verify everything we can in a single go.

T Conducting multiple experiments at the same time and narrowing down experiment targets through hypotheses based on preliminary research are fundamental.

How are these technologies being passed down?

U There's a cycle in place where junior staff observe our seniors at work, put into practice what we've learned, then receive feedback. Since senior staff talk about their experiences in lots of detail, I can feel our shared knowledge growing

deeper and deeper each time it's passed on from one person to the next.

K The film deposition process is a kind of artistry, in truth. In fact, U's supervisor, an engineer, can accurately guess the thickness just by looking at the film deposition results. It seems like our predecessors' knowledge often comes in handy, even for T's new development projects.

T As we touched upon earlier, these are 30 years' worth of research notes. When I read a notebook filled with countless accounts of failure and success, I'll no doubt find inspiration that will help me with my current development work. It may be hard to wade through, but there's a treasure trove of information waiting inside.

Tell us about your individual goals for contributing to society through technology.

I I aim to become a technician capable of optimal material design who can identify the true essence of phenomena and proactively work to meet potential needs that our customers themselves may not yet have

recognized. I will continue to create high added value while reflecting on the fact that the materials I've helped to develop are contributing to societal advancement.

K Leading-edge materials evolve at a rapid pace, so it's essential to continue studying related technologies across the globe as they are invented. I will continue to hone my skills each day so that I can provide materials required for innovations that enrich people's lives.

U To me, film deposition is a technology that transforms a single "material" into valuable, functional "materials." It would be the greatest reward as an engineer to master film deposition technologies that fully unlock the potential of materials and contribute even a little to the development of society.

T The materials used in cutting-edge semiconductors are constantly changing. I hope to resolve material-related bottlenecks by exhaustively developing these materials and providing products that outperform existing ones. Building on over three decades of expertise to develop next-generation materials as a global pioneer—this is our "Material of Materials."



Sustainability Management

As a Company engaged in the development, manufacture, and sales of leading-edge, high-purity chemicals, we are committed to realizing a sustainable society and achieving sustainable growth with a proper awareness of the significant impact of chemical substances on the environment.

Basic Sustainability Policy

In order to realize our management philosophy of “Contributing to the development of leading-edge technology through science and technology to realize the creation of leeway for people,” we aim to realize a sustainable society and achieve sustainable growth by proactively addressing materiality (material issues) through our corporate activities.

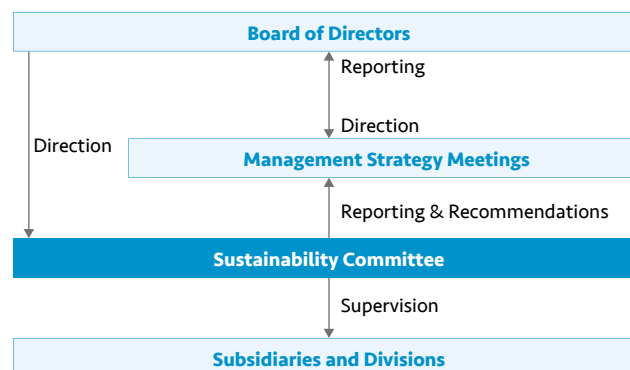
Moreover, toward the realization of a sustainable society, we will also strive to create value together with all our stakeholders, along with fulfilling our social responsibility by further strengthening our environmental, social, and governance initiatives.

Employees	We believe that the health, well-being, and safety of employees is the foundation of our corporate growth. With this in mind, we actively promote initiatives toward achieving a thriving workforce, creating workplaces where diversity is respected and employees can unleash their creativity. We also respect the freedom of association, the right to collective bargaining, and other rights provided by law.
Business partners	We strive to build a sustainable supply chain through fair, open, and free competition in cooperation and collaboration with suppliers and other partners.
Global environment	We aim to reduce greenhouse gas emissions and environmental impact through our technology and product development. We also work to conserve biodiversity and engage in sustainable activities.
Local community	We collaborate with local governments on economic and social development initiatives in our efforts to realize a sustainable society.
Shareholders and investors	We aim to enhance corporate value through long-term stable growth based on mutual dialogue.

Governance

As a Group, we consider it our social responsibility to create a sustainable society and aim to manage our operations while focusing on sustainability issues. We have established a Sustainability Committee, chaired by Chief Executive Officer, President, and Representative Director Kiyoshi Tazuke, in order to strengthen our sustainability promotion system. Aiming to realize a sustainable society and enhance corporate value, the Committee meets on a quarterly basis to discuss sustainability-related matters to be promoted Group-wide and makes reports and proposals at Management Strategy Meetings.

Sustainability Committee	
Chairperson	Chief Executive Officer, President, and Representative Director
Vice Chairperson	Director (excluding Representative or External Directors)
Committee Members	Executive Officers
Secretariat	Administration Department



Status of Sustainability Committee Meetings

Meetings held in FY2025	Four times
Main topics	• Progress report on Group greenhouse gas emissions and reduction targets • Efforts toward acquiring SBT certification • Examining and implementing energy-saving systems • Acquiring certifications related to the promotion of women's advancement in the workplace • Launching DE&I Promotion Committee Reporting on activities

Strategies

The Group organized materiality as important issues that it should work to resolve from the perspective of maintaining a competitive advantage and creating corporate value over the medium to long term.

➡ For details, please see Materiality on p. 34

Risk Management

The Sustainability Committee supervises our risk control framework related to sustainability and examines related matters, including countermeasures. It is responsible for formulating and implementing any necessary measures. Moreover, the Committee makes reports and recommendations on the details of its deliberations and other matters at Management Strategy Meetings on a quarterly basis.

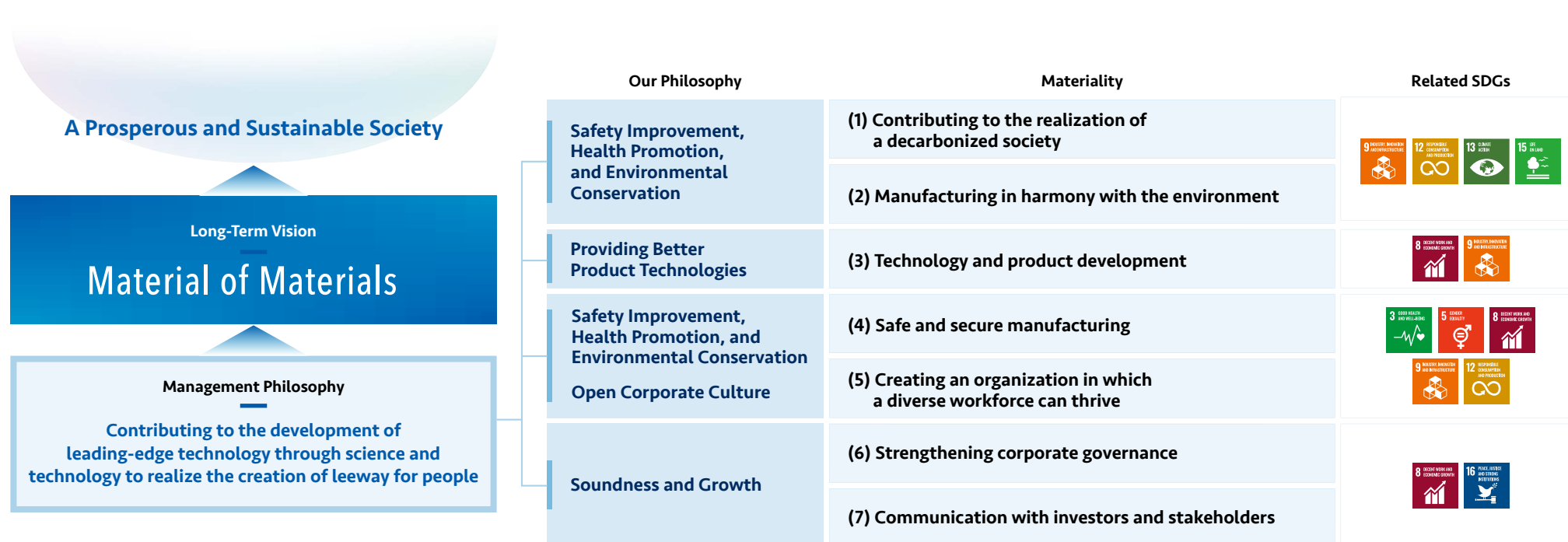
Indicators and Targets

➡ For details, please see Materiality on p. 34

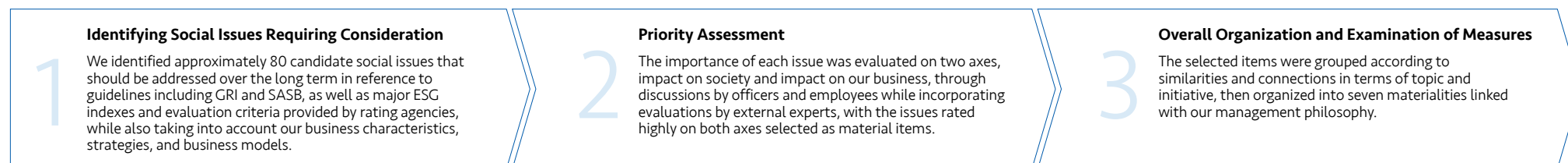
Materiality

We are committed to achieving the SDGs from the stance of our business and business model, and have reorganized important issues that we should work to resolve from the perspective of maintaining a competitive advantage and creating corporate value over the medium to long term into our materiality.

In order to contribute to the development of our customers and related industries through our chemical-related technologies and realize our vision of a “prosperous and sustainable society,” we will strive to address these seven materialities linked to our management philosophy.



Materiality Review Process



Materiality

ESG Category	Our Philosophy	Materiality	Related Topics	Initiative Policies and Details	KPIs (Indicators and Targets)	FY2025 Target Achievement Rate
E Environment	Safety Improvement, Health Promotion, and Environmental Conservation	(1) Contributing to the realization of a decarbonized society	- Life cycle management - Decarbonization and carbon neutrality - Addressing climate change	- Initiatives to identify and reduce GHG emission levels based on international frameworks - Reducing GHG emissions through appropriate management of energy use, etc. - Creating environmentally friendly products and business models	(1) Reducing GHG emissions (Scopes 1 and 2) FY2030: 42% reduction in carbon emissions compared to FY2024 (2) Reducing GHG emissions (Scope 3) FY2030: 25% reduction in carbon emissions compared to FY2024	Reduction of GHG emissions (Scopes 1 and 2) -19.8% (compared to FY2024) Reduction of GHG emissions (Scope 3) 20.4% (compared to FY2024)
		(2) Manufacturing in harmony with the environment	- Reducing use of secondary materials, consumables, and resources - Reducing environmental impact - Initiatives related to environmental conservation	- Reducing use of secondary materials and consumables - Effective use of resources through returnable product containers (collection and reuse) - Reducing environmental impact through thorough management of wastewater, exhaust gas, and waste	(1) Examining replacement of secondary materials and consumables with substitutes (2) Reducing use of copy paper FY2030: 30% reduction compared to FY2024 (3) Strengthening sales of products that reduce environmental impact FY2026: 38% increase in sales compared to FY2025 (4) Examining initiatives to reduce water consumption	Reduction in use of copy paper -9.21% (number of sheets used/net sales)
S Society	Providing Better Product Technologies	(3) Technology and product development	- R&D - Product quality - Material development and innovation of processes - Responding to technological innovation	- Maintaining a highly profitable structure through new product development - Product and technology development in next-generation growth areas - Proactive product technology proposals and creation of new production systems - Increasing customer satisfaction by providing high-value-added products - Diligently working on customer requests - Providing high-quality products in line with customer needs	(1) Maintaining a highly profitable structure through new product development, etc. 5 new product development projects, etc. each year, 25 projects by FY2030 (2) Reducing customer complaints (including requests for investigations) FY2028: 50% reduction compared to FY2025 (3) Carrying out customer satisfaction surveys	Number of new product development projects (FYE Jan. 31, 2026) 6 projects
	Safety Improvement, Health Promotion, and Environmental Conservation	(4) Safe and secure manufacturing	- Occupational health and safety management - Customer safety and manufacturing responsibility - Business continuity in the event of a disaster	- Carrying out risk assessments - Identifying hazards and risks through site inspections and other monitoring activities - Preventing recurrence of issues and improving workplaces - Safety-conscious manufacturing and product development - Strengthening business continuity plans (BCP)	(1) Serious occupational incidents: 0 *A "serious occupational incident" is one resulting in lost work time that also involves, or may involve, death or permanent disability that is eligible for disability or other compensation. (2) Serious incidents: 0 *A "serious incident" is one that poses a threat to third parties, such as harming local residents, or one that involves environmental contamination of neighboring areas or resulting in a serious occupational incident. (3) Number of proposals for improving work environment FY2026: 5% or higher increase compared to FY2024 (4) Number of completed improvements to work environment FY2026: 5% or higher increase compared to FY2024 (5) Regular reviews of business continuity plans, holding BCP drills	Completion rate of improvements to workplace environment 16.3% increase (compared to FY2024)
	Safety Improvement, Health Promotion, and Environmental Conservation Open Corporate Culture	(5) Creating an organization in which a diverse workforce can thrive	- Promoting DE&I - Improving job satisfaction - New hires - Preventing turnover - Continually improving benefits - Health and productivity management	- Promoting work style reforms - Promoting childcare leave, etc. - Enhancing educational opportunities - Employee health promotion	(1) Improving workplaces through promotion of work style reforms FY2026: 85% long-term leave utilization rate (2) Improving ratio of female managers By 2030: Level comparable to ratio of female employees (3) Improving ratio of female group leaders By March 31, 2027: 20% or higher (4) Childcare leave utilization rate by male employees FY2026: 100% (5) Turnover rate FY2026: Maintain at 2% or lower (6) Uptake rate of health checkups FY2026: 100%	Long-term leave utilization rate 82.4% Ratio of female managers 9.7% Childcare leave utilization rate by male employees 100%
G Governance	Soundness and Growth	(6) Strengthening corporate governance	- Diversity of directors - Evaluating effectiveness of Board of Directors - Improving awareness among employees	- Skills matrix for directors - Training for directors - Creating environment conducive to achieving compliance	(1) Evaluating effectiveness of Board of Directors (2) Providing training on Code of Corporate Ethics and compliance FY2026: 100% participation rate	100% compliance training participation rate
		(7) Communication with investors and stakeholders	- Communication with investors - Communication with stakeholders	- Continuous dialogues with investors - Holding dialogues with stakeholders - Contributing to local communities	(1) Dialogues with investors and stakeholders (2) Participating in community events and interacting with local residents	—

*Each fiscal year covers the period from February 1 to January 31 of the following year. The period for each type of leave, health checkups, training courses, and community events is from April 1 to March 31 of the following year.

TOPICS

Initiatives Related to Materiality

Implementing Work Style Reforms

KPIs (Indicators and Targets)

Improving Workplaces Through the Promotion of Work Style Reforms
FY2026: 85% long-term leave utilization rate



Hear from One of Our Employees

Enjoying Each Day Thanks to Highly Flexible Work Styles

(Quality Assurance Department, female)

The department I belong to encourages communication between colleagues and my supervisor is easy to talk to, so we have a very free and open work environment. Even when I'm unsure about a specific task, I can easily discuss it with others and get objective feedback, which allows me to tackle my work with confidence.

It's simple to take time off and we can take up to 10 days of annual leave in a row, which means I can completely switch off from work and get a full break at a time suited to me. Also, systems such as flextime and work-from-home are a big help in maintaining a healthy balance between my work and private life. I can also attend to personal errands as needed and make the most of my time.

Moreover, the enhanced welfare programs, including rent subsidies and lunch allowances, make TCLC a great place to work.



Trip to South Korea

Promoting Childcare Leave

KPIs (Indicators and Targets)

Childcare Leave Utilization Rate by Male Employees
FY2026: 100%



Hear from One of Our Employees

Balancing Work with Childcare Through Part-Time Schedule and Working from Home

(Technology Development Department, female)

Working at TCLC, I felt that there were almost no issues in taking maternity and childcare leave, whether in terms of company policy or on a more psychological level. I took consecutive periods of childcare leave for the births of my two children, returning back to work in April 2024. As soon as I informed my department about my pregnancy, I was switched from my more physical role to a less physically demanding job at a desk, which enabled me to continue working with peace of mind while pregnant. Since being back at the office, I have been able to comfortably balance work with raising a preschooler and a toddler by working a part-time schedule and working from home when needed, and receiving support from my supervisor and team in an environment that encourages taking paid time off and long-term leave.



Shichi-Go-San children's festival

Employee Health Promotion

KPIs (Indicators and Targets)

Uptake Rate of Health Checkups
FY2026: 100%

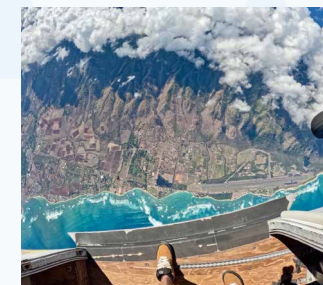


Hear from One of Our Employees

Taking Time Off in an Intentional Way to Fully Recharge

(First Manufacturing Department, male)

I joined the Company in April 2025. After joining, I was particularly looking forward to the new employee training in Hawaii that the Company held in October. After making plans with my fellow trainees in advance, we tried out activities like skydiving, scuba diving, and shooting practice, which really brought us closer together. The group I currently belong to has a free and open atmosphere, and thanks to a system that enables us to support and cover for one another on a daily basis, it's also easy to take time off. During longer breaks using annual leave, I can visit my hometown or go hiking with friends, which allows me to fully unwind both mentally and physically. I also approach work with a positive attitude and, mindful of healthy eating habits, make use of the employee cafeteria.



Skydiving

R&D

Our Technology Development Department comprises four sections: the New Development Section, Material Development Section, Development Planning Section, and Engineering Development Section. The New Development Section carries out activities such as development of new proprietary materials and development with the view to acquiring patents, along with promoting collaborative research with the National Institute of Advanced Industrial Science and Technology (AIST) and universities.

The Material Development Section provides sample materials in line with customer requirements and develops processes needed for mass production, etc.

The Development Planning Section assesses the films of developed materials, as well as developing film deposition processes and providing data on films.

The Engineering Development Section is responsible for delivering new product samples to customers, followed by transferring products with the prospect of mass production to the Manufacturing Department.

Development Policy

In the semiconductor industry, the main customer base for our products, there is an ongoing need for higher performance semiconductors that can handle increasing data volumes across all types of data and wider usage applications for AI and in-vehicle technologies, etc. Alongside this, we are also continually receiving requests to develop and launch new chemical materials.

Under this environment, the Technology Development Department takes a central role in the Company's R&D while coordinating its activities with the Industrial Engineering, Manufacturing, and Marketing & Sales Departments in order to establish a system that enables results to be delivered quickly and efficiently.

We believe that the Company's role should be to maintain a highly profitable structure through the regular development of excellent products, thereby enabling us to contribute to technological innovation throughout the entire industry and reduce energy consumption across society. Consequently, we aim to develop 25 new products by FY2030 as a way of supporting the technological innovation of our customers.

Fundamental Approach

The Technology Development Department strives to fully satisfy customers through improving technical capabilities and human resource development. The department aims to become indispensable to customers and throughout the Company by better identifying the needs of customers, developing new materials, and promoting the development of materials that perfectly meet the specifications required by customers, as well as working to improve quality and lower cost prices.

Human Resources Development and Innovation of Processes

We mainly develop materials for semiconductors and the energy sector, and equipment related to chemicals, in addition to handling the mass production of newly developed products. The Technology Development Department is committed to enhancing customer satisfaction by promoting the development and mass production of new products, as well as focusing on improving quality, lowering cost prices, and introducing labor-saving measures.

We believe that improved technical capabilities and human resources development are also key to enhancing customer satisfaction. Accordingly, the department focuses on training individuals who can think outside the box and come up with novel ideas. We are creating an environment that encourages employees to take the initiative in carrying out research through initiatives including strengthening partnerships with universities and other educational institutions, and providing opportunities to incorporate outside expertise through collaborative research and personnel exchanges. In addition, we are working to create workplaces where junior employees feel supported in freely voicing their opinions and offering suggestions, along with experimenting with more creative ideas. Through ongoing human resources development, we will strive to develop talented development specialists who can identify issues that need addressing and come up with resolutions and improvements.

Responding to Technological Innovation

The majority of our newly developed products were created on customer request. In our efforts to commercialize new products, we are carrying out collaborative R&D not only within the Company, but also with external cooperative organizations and partner companies. This will enable us to meet a wide range of requests from customers both in Japan and overseas. By having the Technology Development Department carry out activities in close collaboration with the Marketing & Sales, Manufacturing, and other related departments, we aim to build a system that will enable us to identify the needs of customers and deliver results quickly and efficiently, along with managing the organization in a way that guarantees the best possible outcomes. In addition, we evaluate and improve our technologies on an ongoing basis to ensure that we have the technical capabilities necessary to provide high-value-added chemicals suited to the various needs of different industries. We are also striving to enhance corporate value by retaining the new technologies and materials generated through this process and leverage them as knowledge and intellectual property rights. Moreover, if the intellectual property rights are already held by another company, we will examine strategies including negotiating being granted or transferred a license. We also respect the intellectual property rights of other companies, staying away from too similar technical areas, terminating projects, and other measures as necessary.



Product Quality

The Quality Assurance Department comprises two sections: the Quality Assurance Section and the Analysis Section. Group 1 of the Quality Assurance Section is in charge of quality assurance (QA) operations, including creating external documents, handling any issues that arise concerning shipped products, and responding to requests for site audits from our customers. Group 2 is responsible for quality control (QC) operations, including carrying out pre-shipment inspections. The Analysis Section comprises two groups: Group 1 conducts analyses on a % to ppm*¹ level in ordinary rooms, while Group 2 measures trace metallic impurities (ppb*² or less) in a clean room.

Quality Policy

The Company has been certified with international quality management system standard ISO 9001 since 2000. ISO 9001 applies to all operations related to the design, development, manufacture, and sale of our chemical products and ensures that we can provide products to our customers that they can use with a sense of security.

TCLC Quality Policy

We aim to fully satisfy our customers by improving our development capabilities and production technologies, in addition to providing better products and technologies to our customers.

To achieve this, we will work on continuously improving the effectiveness of our quality management system.

*¹ Abbreviation of parts per million.
Refers to impurities of 1/1,000,000 (0.0001%)

*² Abbreviation of parts per billion.
Refers to impurities of 1/1,000,000,000 (0.0000001%)

*³ ISO 9000 series Quality Management System terminology for
“the ability to apply knowledge and skills to achieve intended results”

Analysis for Quality Management

The Quality Assurance Department aims to fully satisfy customers by working not only to prevent the shipment of defective products, but also to prevent complaints and strengthen our ability to handle them when they do occur and correct nonconformities. With regard to nonconformities and complaints, we are improving our management systems as part of a Company-wide initiative to enable us to respond more promptly. Moreover, efforts to review our management systems and simplify workflows up to shipment enable us to create an environment where employees are able to focus on their work, as well as enhancing productivity and quality.

We are aiming to establish a system for conducting inspections that ensures reliable results every time in order that our products can be trusted by customers. At the same time, we review our inspection methods and make improvements on an ongoing basis. At the Minami-Alps Plant, we are also enhancing facilities to enable improved productivity and promoting efforts to strengthen our quality management system.

In respect of human resources development, we are focusing on instilling a culture of quality management and achieving standardization through the provision of quality management system (QMS) training to all employees. In the fiscal year ended January 31, 2025, we began making efforts to ensure that all employees can take responsibility over the performance of their duties through initiatives such as holding specialized training sessions led by the Quality Assurance Department based on QC certification materials. In addition to in-house training, we strive to develop human resources with diverse perspectives that incorporate external insights and the perspectives of our customers by having them attend seminars by outside organizations and observe on-site audits at customer facilities. By offering thorough and well-rounded training on a continuous basis, we hope to nurture technician staff, improve skills among employees, and raise awareness of quality management.

Message from Officer in Charge

Focusing on Reviewing Quality Management System and Ensuring Thorough Training with the Aim of Enhancing Customer Satisfaction

At the Quality Assurance Department, we are committed to developing human resources and continuously improving our quality management system in order to consistently provide customers with quality products. In addition, we are making preparations toward our medium- to long-term goal of introducing a system for monitoring manufacturing records in real time. With the belief that improving our training system is an essential part of human resources development, we are working to foster capable trainers through competency-based*³ management while seeking guidance from external consultants. We aim to improve the skills of employees by establishing a training system designed to enhance specialism. We will work on efforts such as restructuring systems and simplifying business processes by continuing to clarify roles and responsibilities (R&R), which will lead to improving our existing quality management system and ensuring consistent quality. We also plan to review ways of sharing information with each section in order to improve our level of responsiveness. Upgrading current facility and process designs in response to customer requests will enable us to offer high-quality services that are continually being refined. With this, we are committed not only to enhancing customer satisfaction, but also to improving operational efficiency, maximizing profits, and strengthening product competitiveness.



Akira Tabaru

Executive Officer
in charge of the Quality Assurance Department

Professional profile

Apr. 1995 Joined the Company
Apr. 2020 General Manager of the Quality Management Department
May 2024 Executive Officer in charge of the Quality Assurance Department (current position)

Occupational Health and Safety

The Safety Management Department was established in 2020 as a management department committed to ensuring safety management. We are coordinating efforts with all departments (Technology Development, Manufacturing, Industrial Engineering, Quality Assurance, and Marketing & Sales Departments) to implement a PDCA cycle, thereby enhancing safety.

The Safety Management Department comprises two separate groups. Group 1 is responsible for managing health and safety at the Head Office, Second Plant, and Annex, and addressing occupational incidents and issues at these facilities, along with preparing Safety Data Sheets (SDSs)*1 to be submitted to customers and yellow cards*2 required during transportation. Group 2 manages health and safety at the Minami-Alps Plant and is in charge of addressing occupational incidents or issues there.

Occupational Health and Safety Management Policy

We are committed to operating under the Occupational Health and Safety Management Policy on the right to create safe and secure workplaces for our employees and reduce occupational safety risks. In July 2022, the Company obtained ISO 45001 certification, the international standard for occupational health and safety management systems. The occupational health and safety management system applies to all operations and employees involved in the design, development, manufacture, sale, and analysis of our chemical substances.

Safety Initiatives

In addition to providing regular in-house training regarding the handling of chemicals and safety and risks at chemical plants to new employees, and training on relevant laws and regulations to all employees, we work to improve safety awareness among employees through reports on hazard prediction training (known as KYT in Japanese) and near-miss activities.

*1 A sheet that lists the hazards of chemical substances, first aid measures, and precautions and other matters related to their handling, storage, and disposal.

*2 An emergency contact card that lists emergency measures and contact information, etc. required in the event of an incident during transportation of hazardous materials (chemical substances, high-pressure gases, etc.)

Preventing Recurrence of Issues and Improving Workplaces

In terms of managing on-site safety, ESH (environment, safety, and health) duty personnel make daily patrols of facilities, while occupational physicians and health and safety managers carry out regular inspections. This helps reduce risks that can arise throughout workplaces. Furthermore, in addition to walk-throughs of work sites made by the President and members of the Safety Management Department on a quarterly basis, we conduct walk-throughs of administrative departments and receive advice on health and safety from an industrial safety engineer and external consultant, thereby identifying risks from every possible perspective.

TCLC Occupational Health and Safety Management Policy

As our business is the development, manufacture, and sale of cutting-edge and high purity chemicals, we correctly recognize the hazards and management method of each chemical substance, always placing the utmost importance on the elevation of safety and advancement of health among our employees and related persons. Accordingly, we engage in the following activities.

1. We develop the occupational health and safety management organization and clarify responsibilities and authorities related to promoting activities for occupational health and safety.
2. We comply with legal requirements concerning occupational health and safety, as well as internal regulations.
3. We set occupational health and safety targets and strive for improvement in order to realize safe and healthy workplaces.
4. We aim for a comfortable and safe environment by clarifying dangerous and harmful elements at workplaces and performing ongoing risk assessments.
5. We have developed a PDCA cycle for improving occupational health and safety performance in our efforts toward continuous improvement.
6. We ensure all employees engage in occupational health and safety activities based on the cooperation of all people working at the Company.

Message from Officer in Charge

Working Together with Other Departments to Strengthen Our Health and Safety Management System, for Safe and Healthy Workplaces

Positioning the health and safety of our employees as one of our top management priorities, we are committed to strengthening our health and safety management system on an ongoing basis. Last year, we comprehensively implemented “five whys” and 4M analysis to identify the causes of issues and prevent their recurrence, and promoted risk assessment activities to proactively identify and mitigate potential risks. As a result, employee awareness of risks has definitely increased, leading to heightened safety awareness, including more active identification of hazardous areas and suggestions for improvements. In addition, the Minami-Alps Plant also acquired additional ISO 45001 certification last November as part of efforts to standardize and strengthen our safety management system. At present, we are managing safety to the same standard across all our facilities.

There is still room for improvement in terms of reducing issues and occupational incidents; accordingly, we will continue to operate systems for reporting near-misses and suggesting improvements, along with actively incorporating employee feedback and suggestions. In terms of human resources development, we will train new employees at the Safety Management Department to become able to handle wide-ranging duties through on-the-job training (OJT), exchanges at other departments, and job rotations. Going forward, we will continue to work with related departments in making use of risk assessments in our efforts to establish a safety management system at an even higher standard than before.



Tadaaki Hiraki

Executive Officer
in charge of the Safety Promotion Department

Professional profile

Apr. 1995 Joined the Company
Apr. 2006 General Manager of the Technology Development Department
Feb. 2017 General Manager of the Quality Management Department
Apr. 2020 Executive Manager of the Safety Management Department
May 2024 Executive Officer in charge of the Safety Promotion Department (current position)

Response to Climate Change

Reporting Based on TCFD Recommendations

In accordance with the Prime Market Corporate Governance Code, we have conducted a scenario analysis of the risks and opportunities that climate change poses for our business based on the TCFD recommendations, with the relevant information disclosed in this Integrated Report. Going forward, we will expand the scope of our analysis, integrate it in our management strategies, and work to enhance information disclosure concerning the financial impacts. In order to continue contributing to the formation of a decarbonized society, we will take the opportunity of endorsing the TCFD recommendations to further promote climate change measures.

Governance

We plan to further strengthen governance in respect of climate change in the future. Company efforts to address climate change are handled by our Sustainability Committee, which is chaired by the Chief Executive Officer, President, and Representative Director. The Sustainability Committee meets on a quarterly basis to identify key risks and opportunities related to sustainability, such as climate

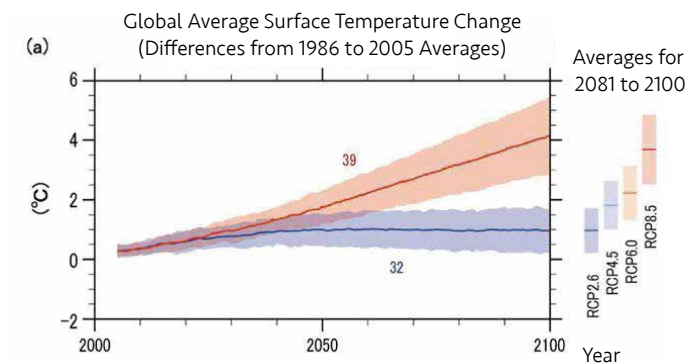
change, examine measures to address them, promote and provide support for initiatives to address materiality issues, and monitor their progress, as well as developing policies on measures and supervising the relevant departments. In addition, reports and recommendations in respect of the results of examinations into sustainability are made at Management Strategy Meetings once a quarter, with initiatives related to the contents of the relevant reports managed and supervised by the Board of Directors. Our corporate governance system is described in Corporate Governance (p. 44 onward).

Strategies

We believe that the impacts of climate change present both risks and opportunities. In FY2022, the Group analyzed scenarios in accordance with the TCFD framework to assess the impact of future climate change.

The Paris Agreement sets goals to hold global temperature increase to well below 2°C above pre-industrial levels and pursues efforts to limit it to 1.5°C above pre-industrial levels. Based on these goals, the Intergovernmental Panel on Climate Change (IPCC) created

a special report on the impact of a 1.5°C rise in global temperatures, as well as the corresponding greenhouse gas emission pathways, in October 2018. We used these scenarios for our scenario analyses.



Source: The Working Group I contribution to the IPCC Sixth Assessment Report, tentative translation of Summary for Policymakers (Ministry of Education, Culture, Sports, Science and Technology, and Japan Meteorological Agency)

Structure of the Sustainability Committee	
Chairperson	Chief Executive Officer, President, and Representative Director
Vice Chairperson	Director (excluding Representative or External Directors)
Committee Members	Executive Officers
Secretariat	Administration Department

Reference Scenarios

Category	Scenario Overview	Risk Type	Reference
4°C Scenario	Scenario where temperatures continue to increase as expected with no actions being taken to address climate change, resulting in physical risks and opportunities	Acute and chronic physical risks	• IEA World Energy Outlook 2020. Stated Policies Scenario • IPCC RCP8.5
Under 2°C Scenario	Scenario where various actions are taken to prevent global warming, resulting in risks and opportunities associated with the transition to a decarbonized society	Transition risks in respect of policies and regulations, technology, markets, and reputation	• IEA World Energy Outlook 2020. Sustainable Development Scenario • Net Zero Emissions by 2050 Scenario • IPCC RCP2.6/SSP2.6

Response to Climate Change

Risk Management

Process of Identifying and Assessing Climate-Related Risks

The ISO 14001 Committee actively identifies and assesses all risks related to the environment. In conjunction with these activities, the Sustainability Committee has been conducting a broader examination of risks and opportunities related to overall sustainability with a particular focus on addressing climate change.

Management Process of Climate-Related Risks

Significant sustainability risks, including climate change, are examined by the Sustainability Committee, after which they are reported on at Management Strategy Meetings once a quarter. At Management Strategy Meetings, participants discuss the reported climate-related risks and policies on related measures, then make a report to the Board of Directors. The policies deliberated on and finalized by the Board of Directors are then incorporated in the business activities of each department via the Sustainability Committee, and the status of measures is monitored.

Risks and Opportunities as of 2030

	Category	Subcategory	Further Subcategory	Business Impact	Time Axis	Degree of Impact	Responses
Risks	Transition Risks	Policies and regulations	Carbon tax	Increased energy procurement costs	Short-term	Low	- Setting long-term greenhouse gas reduction targets - Introducing energy-saving equipment
				Increased costs due to launch of carbon tax	Medium-term	Low	
		Market	Electricity	Increased electricity costs	Medium-term	Medium	- Switching to renewable energy - Introducing energy-saving equipment
			Plastic packaging materials	Increased unit costs of raw materials for plastic packaging materials	Medium-term	Low	
			Increased interest rates	Increased interest rates due to climate change	Long-term	Low	
			Converting to renewable raw materials	Increased raw material costs	Long-term	High	
	Physical Risks	Acute	Reputation	Environment-related	Medium-term	Low	- Introducing relevant systems - Optimizing emission calculations
			Supplier plant shutdown	Halted production due to supplier plant shutdown	Long-term	High	
			Flooding	Operation shutdowns due to flood damage at Company plant	Long-term	Medium	
Opportunities	—	Energy sources	Solar power generation	Cost reductions through introduction of renewable energy	Medium-term	Low	Investing in renewable energy
			Increased demand for semiconductors for EVs	Increased revenue from new product development and sales	Long-term	High	
		Market	Proactive response to climate change issues	Proactive responses lead to new opportunities	Short-term	Low	Proactively disclose environment-related information

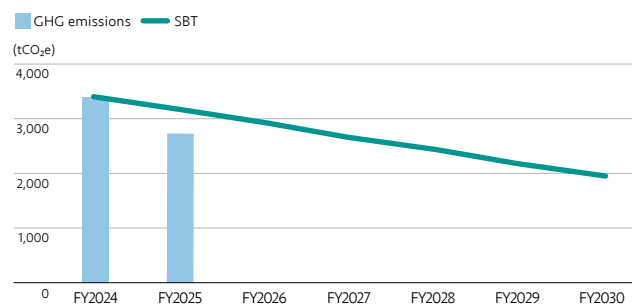
Indicators and Targets

In March 2026, we received certification from the Science Based Targets initiative (SBTi) for the Group's greenhouse gas reduction targets.

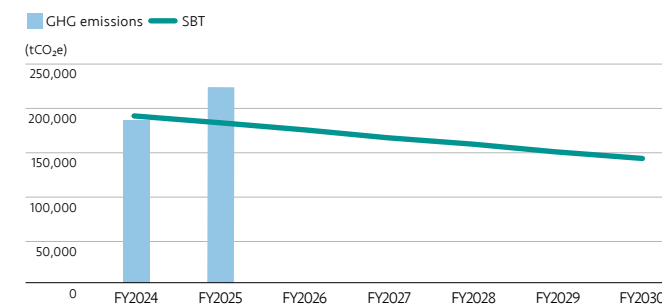
Tri Chemical Group Greenhouse Gas Emissions Reduction Targets

Reference Year	Scope	Target Value	Target FY
2024	Scopes 1 and 2	Reduction of 42% or more	2030
	Scope 3	Reduction of 25% or more	

Greenhouse Gas Emissions (Scopes 1 and 2)



Greenhouse Gas Emissions (Scope 3)



Response to Climate Change

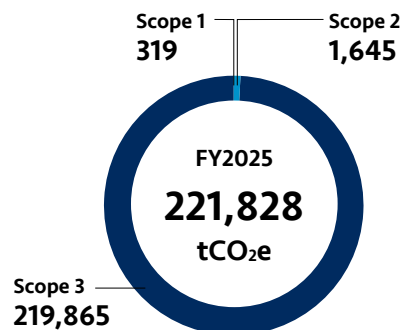
Breakdown of Other Indirect Emissions (Scope 3)

Category 1	Emissions from activities up to the manufacture of raw materials, parts, purchased goods, or materials for sale
Category 2	Emissions from the construction and manufacture of our own capital goods
Category 3	Emissions from procurement of fuel necessary for power generation, etc., such as electricity and heat, which are procured from other companies
Category 4	(1) Emissions from logistics (transportation, loading, and storage) of products and services brought from suppliers to the Company during the reporting fiscal year (2) Emissions from logistics services (transportation, loading, storage) of anything other than (1) purchased in the reporting fiscal year (emissions from logistics services for which the Company bears the costs) Activity volume: Domestic and international shipment volume *Transportation for which Tri Chemical Electronic Materials Taiwan Inc. is responsible is included in the emissions of Tri Chemical Laboratories Inc.
Category 5	Emissions from the transportation and treatment of waste generated by the Company
Category 6	Emissions from employees' business travel
Category 7	Emissions from employees' commutes to and from work
Category 8	Since greenhouse gas emissions from products leased by the Company are calculated as Scope 1 and 2 emissions, this is exempt from calculation
Category 9	Since the transportation volume of products for which the Company is not the shipper is difficult to ascertain, this is exempt from the current calculation
Category 10	Emissions from the processing of sold intermediate products *Calculated using figures from FY2025
Category 11	Emissions from the use of products by users (consumers, businesses): Since we are a manufacturer of chemical intermediate products, this is not relevant to our product specification and is thus exempt from calculation
Category 12	Emissions from waste treatment when sold products are disposed of *Calculated using figures from FY2025
Category 13	Since we are renting no lease assets at present, this is exempt from calculation
Category 14	Emissions of franchisees: Since our form of business does not involve a franchise system, this is exempt from calculation
Category 15	Emissions from the activities of affiliate companies other than subsidiaries *Calculated using figures from FY2025

Tri Chemical Laboratories Inc.

Emissions by Scope	Emissions in FY2025 [tCO ₂ e]
Scope 1	319
Scope 2	1,645
Scope 3	219,865
Total	221,828

Total Emissions

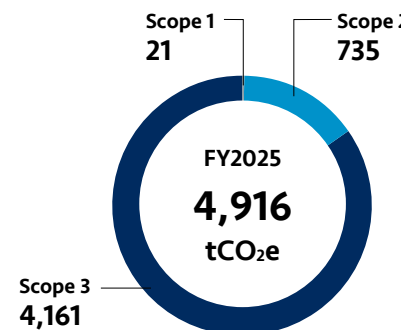


Breakdown of Scope 3 Emissions by Category	Emissions [tCO ₂ e]	Composition Ratio in Fiscal Year
Category 1	118,829	54.0%
Category 2	17,465	7.9%
Category 3	562	0.3%
Category 4	1,303	0.6%
Category 5	1,248	0.6%
Category 6	155	0.1%
Category 7	774	0.3%
Category 10	12,885	5.9%
Category 12	26	0.0%
Category 15	66,616	30.3%

Tri Chemical Electronic Materials Taiwan Inc.

Emissions by Scope	Emissions in FY2025 [tCO ₂ e]
Scope 1	21
Scope 2	735
Scope 3	4,161
Total	4,916

Total Emissions

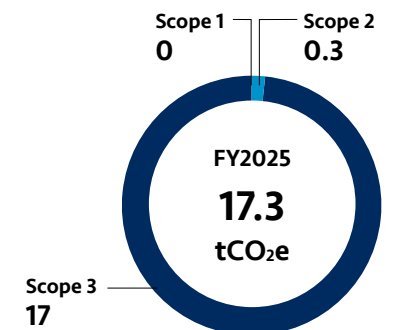


Breakdown of Scope 3 Emissions by Category	Emissions [tCO ₂ e]	Composition Ratio in Fiscal Year
Category 1	2,645	63.6%
Category 2	1,179	28.3%
Category 3	106	2.6%
Category 5	3	0.1%
Category 6	30	0.7%
Category 7	197	4.7%
Category 12	0.004	0.0%

Tri Chemical Laboratories China Inc.

Emissions by Scope	Emissions in FY2025 [tCO ₂ e]
Scope 1	0
Scope 2	0.3
Scope 3	17
Total	17.3

Total Emissions



Breakdown of Scope 3 Emissions by Category	Emissions [tCO ₂ e]	Composition Ratio in Fiscal Year
Category 1	8.8	51.4%
Category 3	0.05	0.3%
Category 6	8.0	46.9%
Category 7	0.24	1.4%

*Transactions between Group companies are excluded from calculations. Greenhouse gas emissions are calculated using the following formula. [Greenhouse gas emissions = activity volume × emission factor]. The emission factor is based on recommendations provided by national and local governments, international agencies, and other entities.

*Scope 1 includes greenhouse gas emissions directly resulting from the use of fuel and dry ice in our business operations.

*Scope 2 includes greenhouse gas emissions indirectly resulting from the use of electricity supplied by other companies. In addition, Scope 2 emissions are calculated using market-based standards.

Reducing Use of Secondary Materials, Consumables, and Resources

Waste Reduction

Reducing Use of Secondary Materials and Consumables

We used to pay to dispose of metal waste generated during the manufacturing process, but some of this waste is now collected free of charge by recycling companies as part of efforts to recycle metal resources. Examinations into how to reuse by-products generated during the manufacturing process are also ongoing, and we are currently coordinating efforts with recycling companies to this end.

Effectively Using Resources Through Returnable Product Containers (Collection and Reuse)

Glass bottles are currently being used for some of our raw material containers. After the raw materials are used, the glass bottles are disposed of by crushing. We are examining the possibility of changing these containers to stainless steel. If this is achievable, we could return the stainless steel containers to the original place of purchase after the raw materials have been used and have them reuse the containers for storage, thereby circulating resources. Additionally, some containers for materials used in the manufacturing process have also been changed from glass to stainless steel as part of resource recycling initiatives.

We also plan to implement similar initiatives at the Minami-Alps Plant, which opened in April 2025.



Product Recycling

We are actively working on initiatives to recycle products created on customer request. We re-refine, re-fill, and re-analyze products that are no longer needed but are still useable.

While plans have been pushed back from the original schedule, we are currently making arrangements to commercialize recycled products.

Going forward, we anticipate a reduction in the amounts of both waste and raw materials used due to such efforts to promote product recycling. We are also making proposals to our customers concerning the use of recycled products.

Introduction of Shin-Yamanashi Power

Shin-Yamanashi Power is a plan for supplying carbon-free electricity generated by hydroelectric power plants in Yamanashi Prefecture. We use this to supply 90% of the electricity consumed at the Second Uenohara Plant, which has enabled us to reduce CO₂ emissions at the plant. Along with ensuring the local production and local consumption of electricity, the plan involves using a portion of the electricity fees we pay (environmental value) to finance environmental conservation projects across the prefecture.



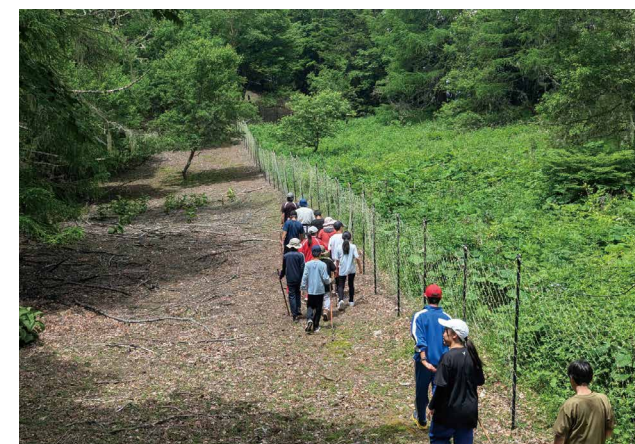
Communication with Stakeholders

Biosphere Reserve

We established the Minami-Alps Plant in Minami-Alps City, Yamanashi, in 2025. Prior to the plants' completion, in August 2023, we concluded a Green Partner Agreement with Minami-Alps City, Yamanashi Prefecture, as well as declaring our support for the city's Nature Positive Declaration. In cooperation and collaboration with Minami-Alps City, we will strive to contribute to the SDGs while also promoting the development and revitalization of the region, the conservation of its beautiful natural environments, and natural environmental education, based on the principles of the Biosphere Reserves* initiative. In FY2025, we supported conservation efforts at Mount Kushigata by installing deer exclosure fences and patrolling the area to monitor and protect rare species.

*What are Biosphere Reserves?

These are areas internationally recognized by the United Nations Educational, Scientific and Cultural Organization (UNESCO) for the purpose of balancing the conservation and sustainable use of ecosystems (coexistence between nature and human society). The initiative hopes to conserve the rich ecosystems and biodiversity of the region and learn from nature, while at the same time achieving sustainable development from both cultural, and economic and social perspectives.



Corporate Governance

As an R&D-oriented company, we recognize that the basic goal of corporate governance is to increase and maximize corporate value by focusing management resources on the development of chemicals for leading-edge industries, the development of product application technologies, and the exploration of functionality, and to contribute to our shareholders and other various stakeholders. Based on this recognition, we will promptly conduct fair and efficient management by ensuring transparency in management execution, strengthening internal control systems, and thoroughly managing crises starting from the basis of compliance.

Basic Approach to Corporate Governance

The Company has adopted a Board of Directors and a Corporate Auditor system, under which the Board of Directors and the Board of Corporate Auditors each make decisions on, supervise, and audit the execution of important business operations. This is because we believe that the most effective way to enhance corporate governance is to strengthen management by enhancing audits through corporate auditors, whose authority has been strengthened in accordance with the Companies Act, and by strengthening each function of management decision-making and management supervision and clarifying responsibilities through the appointment of independent external directors.

Corporate Governance System

Board of Directors

The Board of Directors of the Company comprises seven directors, including three independent external directors, and is chaired by the Representative Director, President and Chief Executive Officer. In principle, regular meetings of the Board of Directors are held once a month to decide on basic management policies, matters required by law, and other important management matters. In order to ensure fairness and transparency in the execution of management, one corporate auditor and two external auditors attend the meetings to monitor the directors' performance of their duties. Furthermore, executive officers are invited to attend meetings as necessary to enhance business execution and supervision functions.

Nomination and Compensation Committee

The Nomination and Compensation Committee, chaired by an independent external director and comprising two representative directors and three independent external directors, has been established as a voluntary advisory body under the Board of Directors to strengthen the independence and objectivity of the Board of Directors' functions regarding the nomination and compensation of directors and executive officers, etc. The nomination and compensation of directors and executive officers are finalized by the Board of Directors based on the report of the Nomination and Compensation Committee.

Board of Corporate Auditors

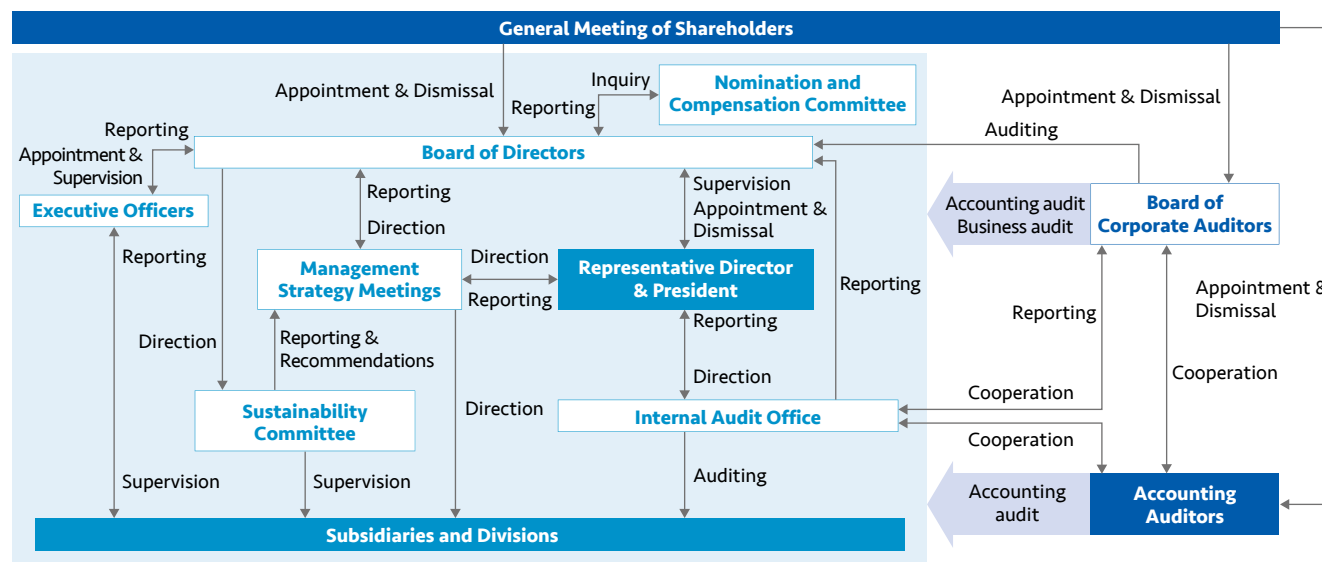
The Board of Corporate Auditors is chaired by a corporate auditor and comprises three corporate auditors, including two external auditors. In

addition to participating in meetings of the Board of Directors and other important meetings, the Board of Corporate Auditors holds regular meetings once a month in principle to share information among the corporate auditors and build an efficient audit execution system.

Management Strategy Meetings

Management Strategy Meetings chaired by the Representative Director, President and Chief Executive Officer are held once a month in principle in order to execute decisions made by the Board of Directors and other related matters. The Meetings are attended by 20 members, including directors, corporate auditors, executive officers, and employees with responsibilities at or above the level of general manager of each department, and serve to ensure that business operations are thoroughly understood by attendees.

TCLC Corporate Governance System



Corporate Governance

Sustainability Committee

The Sustainability Committee, chaired by the Representative Director, President and CEO, discusses policies and initiatives related to the promotion of sustainability (including climate change) on a quarterly basis, and makes reports and recommendations at Management Strategy Meetings.

➔ For details, please see Sustainability Management on p. 33.

Executive Officers

In April 2022, the Company introduced an executive officer system in order to separate its supervisory and executive functions. This will enable the efficient execution of operations, while at the same time enhancing discussions at meetings of the Board of Directors and speeding up management decision-making.

Internal Audit Office

The Internal Audit Office has been set up as an organization that reports directly to the Representative Director, President and CEO. It conducts internal audits of business activities in accordance with the annual audit plan, as well as assessing the effectiveness of internal control related to financial reporting in order to provide suggestions, recommendations, and advice for ongoing improvements.

Diversity of Directors

The Company's Board of Directors comprises both internal and external directors. Directors possess a diverse range of expertise in areas including management, research and development, finance, legal affairs, and ESG. Additionally, the appointment of a female director ensures gender diversity, and there is also variety in terms of length of service and age among Board members. This enables the Board to make decisions based on multiple perspectives, thereby enhancing the effectiveness of corporate governance.

Reasons for Appointing External Directors

Toshihisa Hashimoto	Director Toshihisa Hashimoto is a registered attorney. We have appointed him based on our judgment that, as an external director acting from an independent, external perspective, he will contribute significantly to ensuring the transparency of management and further strengthening corporate governance across the Company and the Group, along with other initiatives, based on his professional expertise and experience as an attorney.
Hitoshi Iida	Director Hitoshi Iida has extensive knowledge and broad insight as a business manager, having been involved in management at multiple companies. We have appointed him based on our judgment that he will contribute significantly to strengthening the management structure of the Company, along with other initiatives, by leveraging his experience and insight in giving advice and guidance on the Company's management and carrying out adequate supervision from an objective perspective.
Kyoko Kato	While Director Kyoko Kato has not been directly involved in corporate management, she has extensive experience and insight from her many years serving as a corporate marketing manager. We have appointed her based on our judgment that she will contribute significantly to strengthening the management structure of the Company, along with other initiatives, from an objective perspective based on her experience and insight.

Criteria for Determining Independence of External Directors

We determine a candidate for external officer to be independent if, as a result of investigation carried out within a reasonable and feasible scope, it is deemed that the candidate does not fall under any of the following criteria.

1. An individual currently serving as an executive of the Company, its subsidiaries, or its affiliate companies (the "Group"), or who has served as an executive of the Group within the past 10 years
2. A current major shareholder of the Company or an executive of that entity
3. An entity in which the Group directly or indirectly holds 10% or more of the total voting rights, or an executive of that entity
4. A major business partner of the Group or an executive of that entity
5. An individual affiliated with the audit firm serving as the accounting auditor for the Company or its consolidated subsidiaries

6. A consultant, attorney, certified public accountant, or another provider of professional services who receives substantial amounts of money or other assets from the Group in addition to officer compensation (if the entity receiving the assets is a corporation such as a consulting firm, law firm, or accounting firm, an association, or another organization, an individual affiliated with that entity)
7. An individual who has received a substantial donation from the Group (if the entity receiving that donation is a corporation, an association, or another organization, the executive in charge of that organization)
8. An executive of a company where an executive of the Group has been appointed as an officer
9. An individual who has fallen under any of 2 through 8 above over the past three years
10. Where an individual falling under any of 1 through 8 above is an important person, that individual's spouse or a relative within the second degree of kinship
11. Any other individual who is reasonably deemed to have circumstances that could bring about a conflict of interest between the individual and general shareholders, and which would prevent that individual from fulfilling their duties as an independent external director

Succession Plans

We have established a system whereby the Nomination and Compensation Committee deliberates on the development of successors to the representative director and succession plans in the event of an emergency, and submits its recommendations to the Board of Directors. The participation of independent external directors enables us to promote the systematic development and succession of management personnel while ensuring objectivity and transparency.

Corporate Governance

Contents of Exemptions from Liability for Directors and Corporate Auditors

Pursuant to Article 426, Paragraph 1 of the Companies Act, the Company stipulates in its Articles of Incorporation that directors (including former directors) and corporate auditors (including former corporate auditors) may be exempted from liability for damages under Article 423, Paragraph 1 of the said Act by resolution of the Board of Directors to the extent permitted by law.

Contents of Limited Liability Agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company and its external directors and external auditors have entered into an agreement to limit their liability for damages under Article 423, Paragraph 1 of the said Act. The maximum amount of liability for damages under this agreement is the amount stipulated by law.

Contents of Directors' and Officers' Liability Insurance Policy

As stipulated in Article 430-3, Paragraph 1 of the Companies Act, the Company has concluded a directors' and officers' liability insurance policy with an insurance company that covers the amount of liability, settlement amounts, legal fees, etc. to be borne by the insured. The insurance covers the directors, corporate auditors, executive officers, accounting advisors, and retired officers, along with executives' successors and employees in managerial or supervisory positions, of the Company and its subsidiaries. The Company bears all premiums for this insurance. The insurance policy excludes cases in the event that the Company pursues liability for damages against the insured, and measures have been put in place to ensure that the appropriateness of the execution of duties is not impaired.

Requirements for Appointment and Dismissal of Directors

(1) The Company's Articles of Incorporation stipulate that a resolution for the appointment of directors shall be adopted by a majority of the voting rights of shareholders present at a meeting where shareholders holding one-third or more of the voting rights of shareholders who are entitled to exercise their voting rights are present.

(2) The Company's Articles of Incorporation stipulate that a resolution for the appointment of directors shall not be decided by a cumulative vote.

General Meeting of Shareholders' Resolutions That May Be Resolved by the Board of Directors

- (1) The Company's Articles of Incorporation stipulate that the Company may acquire treasury stock by resolution of the Board of Directors to enable the execution of a flexible capital policy.
- (2) The Company's Articles of Incorporation stipulate that interim dividends may be paid by resolution of the Board of Directors in order to increase opportunities to distribute surplus to shareholders.

Status of Establishment of Internal Control Systems

By establishing internal control systems, the Company is working to strengthen compliance and risk management, etc., as well as ensure the effectiveness of audits by corporate auditors.

- A system to ensure that the performance of duties by officers and employees complies with laws and regulations and the Articles of Incorporation
- Matters concerning the storage and management of information related to the performance of duties by directors and executive officers
- Regulations and other systems for managing the risk of loss
- A system to ensure the efficient performance of duties by directors and executive officers
- A system to ensure the appropriateness of operations of the corporate group consisting of the Company and its subsidiaries
- Matters concerning the system related to employees to assist the Board of Corporate Auditors when the Board requests the appointment of such employees, and matters concerning the independence of such employees from directors
- A system for reporting by officers and employees to the Board of Corporate Auditors and other systems related to the Board of Corporate Auditors

- A system for handling expenses, etc. incurred in the performance of duties by corporate auditors
- Other systems to ensure that audits by the Board of Corporate Auditors are conducted effectively

Summary of Evaluation of Effectiveness of the Board of Directors

With respect to the evaluation of the effectiveness of the Board of Directors in FY2025, all directors and corporate auditors were asked to complete a questionnaire, the results of which were analyzed and evaluated based on the opinions of an external consultant. As a result, we confirmed that our Board of Directors was properly operated and its effectiveness was ensured. We will continue to examine the Board of Directors with the aim of making it even more effective in the future.

Initiatives for FY2026

In FY2026, we will promote discussions at meetings of the Board of Directors on important issues surrounding sustainability in light of medium- and long-term management strategies and other factors, strengthen group governance, and improve training methods for officers. In addition, we will examine the skills required for directors and corporate auditors from the perspective of the Company's medium- to long-term growth and provide focused training on those skills.

List of Directors and Officers

Directors



Jumpei Takenaka
Date of Birth: September 1, 1940

Chairman and Representative Director

Jumpei Takenaka is the Company's founder. He directs and supervises the management of the Company in his current role as Chairman and Representative Director, leveraging his extensive experience to achieve sustainable growth and enhanced corporate value for the Company.



Kiyoshi Tazuke
Date of Birth: October 21, 1964

Chief Executive Officer, President, and Representative Director

Since joining the Company, Kiyoshi Tazuke has gained abundant experience in the Manufacturing Department, and following important positions in the Marketing & Sales Department, he assumed the position of Chief Executive Officer, President, and Representative Director. He concurrently serves as the executive officer in charge of overall management, overseeing the formulation and implementation of management strategies.



Hironobu Ohsugi
Date of Birth: August 13, 1972

Director and Executive Officer

Since joining the Company, Hironobu Ohsugi has consistently held important positions in the Manufacturing and Industrial Engineering Departments. He concurrently serves as a director and executive officer in charge of the Technology Department, working to enhance corporate value through initiatives including streamlining manufacturing processes and promoting digital transformation.



Yoshihide Suzuki
Date of Birth: July 31, 1971

Director and Executive Officer

Since joining the Company, Yoshihide Suzuki has consistently held important positions in the Administration and Finance Departments. He concurrently serves as a director and executive officer in charge of the Administration Department, helping to enhance corporate value by strengthening financial systems and improving governance.



Toshihisa Hashimoto
Date of Birth: February 3, 1978

External Director

Toshihisa Hashimoto gives advice on organizational decision-making and supervisory functions toward improving governance across the Group based on his highly specialized knowledge as an attorney.



Hitoshi Iida
Date of Birth: March 2, 1958

External Director

Hitoshi Iida gives appropriate advice on the management of the Company from an objective viewpoint from an independent perspective based on extensive management experience and expertise gained over his career as representative director and president, and executive officer at another company.



Kyoko Kato
Date of Birth: April 6, 1963

External Director

After joining the Company, Kyoko Kato has consistently held important positions at multiple foreign companies before being appointed as an external director of the Company. She leverages her international perspective in giving valuable advice and guidance in respect of the Marketing & Sales Department and management structure.

Corporate Auditors



Satoru Shibuya
Date of Birth: November 15, 1965

Corporate Auditor

Since joining the Company, Satoru Shibuya has held positions at a wide range of business divisions, and currently serves as corporate auditor. He leverages his deep understanding of overall business activities and expertise in internal control in undertaking his auditing duties in a highly effective and objective manner.



Koji Sakakura
Date of Birth: March 13, 1965

External Auditor

As both a certified public accountant and a certified public tax accountant, Koji Sakakura fully executes his duties, adequately conducts audits, supervises management, and takes on related tasks based on his deep level of expertise in the areas of finance and accounting.



Young Gil Chung
Date of Birth: November 3, 1962

External Auditor

Young Gil Chung has extensive experience and broad business insight as a corporate manager. He adequately conducts objective audits and supervises management based on his high level of knowledge.

Executive Officers



Masahito Shibata
Date of Birth: May 30, 1967

President, Tri Chemical Electronic Materials Taiwan Inc.



Tadaaki Hiraki
Date of Birth: November 6, 1970

In charge of the Safety Promotion Department



Takashi Udagawa
Date of Birth: April 14, 1970

In charge of the Marketing & Sales Department's operations in Japan and South Korea



Akira Tabaru
Date of Birth: March 2, 1972

In charge of the Quality Assurance Department



Tatsuya Ohira
Date of Birth: June 10, 1973

In charge of the Marketing & Sales Department's operations in Taiwan and China



Satoru Mihashi
Date of Birth: September 24, 1971

In charge of the Technology Development Department

Skills Matrix

	Name	Position	Corporate Management	Manufacturing & Technology R&D	Human Resources Strategies	Sales & Marketing	International Experience	Finance & Accounting	Legal Affairs & Risk Management	ESG & Sustainability
Directors	Jumpei Takenaka	Chairman and Representative Director	●	●	●					
	Kiyoshi Tazuke	Chief Executive Officer, President, and Representative Director	●	●	●	●	●			●
	Hironobu Ohsugi	Director and Executive Officer		●						●
	Yoshihide Suzuki	Director and Executive Officer			●			●		●
	Toshihisa Hashimoto	External Director							●	
	Hitoshi Iida	External Director	●			●				
	Kyoko Kato	External Director				●	●		●	
Auditors	Satoru Shibuya	Corporate Auditor		●		●			●	
	Koji Sakakura	External Auditor						●	●	●
	Young Gil Chung	External Auditor	●							●

Reasons for Appointment

Corporate Management	Amidst a drastically changing business environment, extensive knowledge of and experience with corporate management are necessary in order to contribute to the realization of a sustainable society, as well as formulating and achieving corporate growth strategies.
Manufacturing & Technology R&D	Knowledge of and extensive experience with chemical substances and their production are necessary in order to contribute to society through chemical substances and enhance corporate value. Moreover, knowledge of and experience with research and development are necessary in order to develop high-value-added and highly competitive products and achieve sustainable growth.
Human Resources Strategies	Solid knowledge of and experience with human resources strategies are necessary in order to recognize the human capital required for increasing corporate value and develop the capabilities of each employee.
Sales & Marketing	Solid knowledge and experience that enable the development of new fields, the quick understanding of market and customer needs and requirements, and their immediate application to our business are necessary in order to contribute to society through our products while achieving sustainable growth.

International Experience	Overseas business experience and a proven track record working at international companies are necessary in order to promote business expansion into overseas markets and international business growth strategies.
Finance & Accounting	Solid knowledge and experience in the areas of finance and accounting are necessary in order to streamline management resources (safety, efficiency, and growth), promote growth investments, and formulate financial strategies.
Legal Affairs & Risk Management	Solid knowledge and experience in the areas of legal affairs and risk management are necessary in order to ensure thorough legal compliance, corporate governance, and risk management, along with becoming a Company that is trusted by all stakeholders.
ESG & Sustainability	Solid knowledge and experience in the area of sustainability, including diversity and environmental contributions, are necessary in order for the Company to promote contributions to realizing a sustainable society as part of its long-term, sustainable corporate growth.

Officer Compensation System

Basic Policy

We have set out a basic policy regarding the compensation system for Company officers. The system should share value with shareholders and enhance management awareness among officers and employees, be capable of clearly defining management's performance obligations in order to enhance corporate value, serve as an incentive for achieving sustainable growth, and provide a level of compensation that enables the Company to attract and retain talented individuals capable of fulfilling their roles and responsibilities.

Process for Determining Compensation

Compensation for directors is first deliberated on by the Nomination and Compensation Committee, which comprises external directors and the representative directors and was established by resolution of the Board of Directors on December 15, 2020. The Committee then submits its recommendations to the Board of Directors, which approves and finalizes the details.

Compensation, etc. for corporate auditors is determined through discussion among the corporate auditors based on the nature of each individual's duties and the division of responsibilities. Total compensation is within the upper limit determined by resolution at a General Meeting of Shareholders.

Compensation Structure

The Company's officer compensation structure includes basic compensation and bonuses; however, compensation for external directors and corporate auditors only includes basic compensation. This is to ensure that they can supervise management from an objective and independent standpoint. Basic compensation is provided as monetary compensation, and is calculated by multiplying a standard amount for director compensation (established in comparison with the average amount of employee compensation, etc.) by an index in accordance with each director's role and responsibilities. The director compensation system, calculation method, and details of individual compensation for FY2025 were discussed by the Nomination and Compensation Committee, which submitted its recommendations after evaluating each individual's performance, position, duties, and other factors. These details were then finalized at a meeting of the Board of Directors held on April 24, 2025.

Performance-linked compensation is compensation linked to performance in a given year. The amount to be provided as monetary

compensation is based on each individual's role and responsibilities, taking into account the level of achievement of the key performance indicators of net sales and operating profit against earnings forecasts, as well as the performance of the organizations, etc. under the individual's management. This also reflects the Group's overall performance, particularly in light of its policy to "strive to build a robust corporate structure that can surely generate profits by promoting management efficiency while aiming for stable sales growth and expansion of scale." During the current fiscal year, the Nomination and Compensation Committee deliberated on whether bonuses would be given and their amount based on each individual's role and responsibilities, taking into account the level of achievement against the initial earnings forecasts (net sales: 91.9%, operating profit: 97.6%) and year-on-year growth rates (net sales: 26.3% increase, operating profit: 12.3% increase), as well as the management environment and other factors. The Committee then submitted its recommendations to the Board of Directors, which were finalized at a meeting of the Board of Directors held on January 19, 2026.

Compensation for Directors and Corporate Auditors in FY2025

Officer Category	Total Amount of Compensation, Etc. (thousands of yen)	Total Amount of Compensation, Etc. by Category (thousands of yen)			No. of Eligible Officers (Persons)
		Basic Compensation	Performance-Linked Compensation, Etc.	Non-Financial Compensation, Etc.	
Directors (excluding external directors)	171,134	146,482	24,652	—	4
Auditors (excluding external auditors)	22,659	22,659	—	—	1
External officers	33,063	33,063	—	—	5

Risk Management / Compliance

Basic Policy

By establishing internal control systems, the Company is working to strengthen compliance and risk management, etc., as well as ensure the effectiveness of audits by auditors.

- A system to ensure that the performance of duties by officers and employees complies with laws and regulations and the Articles of Incorporation
- Matters concerning the storage and management of information related to the performance of duties by directors and executive officers
- Regulations and other systems for managing the risk of loss
- A system to ensure the efficient performance of duties by directors and executive officers
- A system to ensure the appropriateness of operations of the corporate group consisting of the Company and its subsidiaries
- Matters concerning the system related to employees to assist the Board of Corporate Auditors when the Board requests the appointment of such employees, and matters concerning the independence of such employees from directors
- A system for reporting by officers and employees to the Board of Corporate Auditors and other systems related to the Board of Corporate Auditors
- A system for handling expenses, etc. incurred in the performance of duties by corporate auditors
- Other systems to ensure that audits by the Board of Corporate Auditors are conducted effectively

Establishment of a Risk Management System

The Company deliberates on overall risk management at Management Strategy Meetings in its efforts to prevent foreseeable business risks. In addition, the Board of Directors examines its response to important matters and finalizes details on what measures will be taken. From the perspective of maintaining sound corporate management, we have established a Sustainability Committee to ensure that compliance is instilled throughout the organization. The Committee is chaired by Representative Director, President & CEO Kiyoshi Tazuke and comprises directors, executive officers, and members of the Administration Department. Note that the Committee employs a system whereby it receives legal advice from a corporate lawyer.

Compliance with Conflict Minerals Regulations

The Code of Corporate Ethics, established by the Group for its officers and employees, stipulates that the Group does not engage in the trade of conflict minerals. We provide yearly training on the Code of Corporate Ethics for all employees.

Moreover, we also strictly carry out due diligence throughout the supply chain to comply with conflict minerals regulations.

Under a monitoring system led by the Procurement and Legal Departments, we conduct thorough risk management based on international regulatory trends and various industry guidelines. This enables us to reduce the risk of fraud and ensure transparency during the procurement process.

Going forward, we will continue striving to enhance our compliance framework in line with international standards through supplier training, strengthened information disclosure, and regular reviews of audit processes, as well as promoting continuous improvement toward achieving a sustainable supply chain.

Creating an Environment Conducive to Achieving Compliance

To achieve compliance, the Company will create an environment that facilitates the use of an internal whistle-blowing system.

Internal Whistle-Blowing System

The Company's internal whistle-blowing system is a mechanism for reporting (anonymously or otherwise) incidents that need reporting to any of the following: an unattended post box within the Company, the Administration Department, the Human Resources Department, the corporate auditor, a corporate lawyer (external), or a labor and social security attorney (external). We take full precautions to ensure that the details of reports remain confidential and that whistleblowers are not subjected to any disadvantageous treatment.

In addition, we are also working to raise awareness of the whistle-blowing system through study sessions, the Company intranet, and other means in order to increase the usage rate of the system.

Provision of Training on the Code of Corporate Ethics and Compliance

We have established a Code of Corporate Ethics. This serves as a code of conduct outlining regulations regarding our compliance framework for officers and employees to ensure that they act in strict compliance with laws and regulations, the Articles of Incorporation, and social norms. Furthermore, to ensure that the Code is thoroughly instilled and complied with throughout the Company, we have appointed an executive in charge of compliance to oversee all compliance initiatives across the Company as a member of the Administration Department. The department takes the lead in providing yearly training and other education to officers and employees.

Compliance training participation rate **100%**

Major Financial Data over the Past 11 Years*1

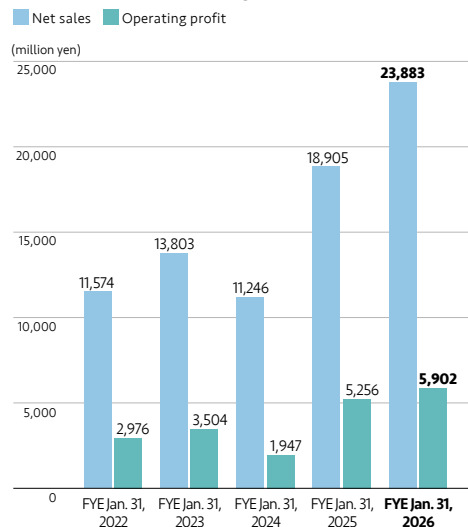
		FYE Jan. 31, 2016	FYE Jan. 31, 2017	FYE Jan. 31, 2018	FYE Jan. 31, 2019	FYE Jan. 31, 2020	FYE Jan. 31, 2021	FYE Jan. 31, 2022	FYE Jan. 31, 2023	FYE Jan. 31, 2024	FYE Jan. 31, 2025	FYE Jan. 31, 2026
Net sales	(million yen)	4,956	5,469	6,445	7,792	8,267	9,801	11,574	13,803	11,246	18,905	23,883
Japan	(million yen)	2,556	2,710	2,517	3,009	2,534	3,118	3,552	3,904	3,560	3,888	4,499
Taiwan	(million yen)	1,877	2,323	3,519	4,263	4,508	4,729	5,255	5,490	4,305	5,998	8,060
South Korea	(million yen)	52	79	111	206	924	1,458	1,824	3,223	1,352	1,542	2,206
China	(million yen)	339	171	197	211	193	375	800	1,006	1,777	7,000	8,116
Other	(million yen)	129	184	100	102	107	119	141	177	249	475	1,000
Cost of sales	(million yen)	3,046	3,296	3,558	4,200	4,314	5,420	6,739	8,224	7,160	10,893	14,864
Gross profit	(million yen)	1,910	2,173	2,887	3,591	3,952	4,381	4,835	5,579	4,086	8,012	9,019
Gross profit ratio	(%)	38.5	39.7	44.8	46.1	47.8	44.7	41.8	40.4	36.3	42.4	37.8
Selling, general and administrative expenses	(million yen)	1,188	1,196	1,288	1,438	1,625	1,689	1,858	2,074	2,138	2,755	3,116
Selling, general and administrative expenses ratio	(%)	24.0	21.9	20.0	18.5	19.7	17.2	16.1	15.0	19.0	14.6	13.1
Operating profit	(million yen)	721	976	1,598	2,153	2,326	2,691	2,976	3,504	1,947	5,256	5,902
Operating profit ratio	(%)	14.6	17.9	24.8	27.6	28.1	27.5	25.7	25.4	17.3	27.8	24.7
Net profit attributable to owners of parent	(million yen)	473	767	1,145	2,267	2,939	3,377	4,095	4,832	2,470	4,961	5,515
Ratio of net profit attributable to owners of parent	(%)	9.5	14.0	17.8	29.1	35.6	34.5	35.4	35.0	22.0	26.2	23.1
Capital expenditure	(million yen)	589	851	1,379	901	2,715	2,741	920	1,426	1,960	2,985	8,155
Depreciation and amortization	(million yen)	266	337	372	483	642	814	1,019	1,209	1,304	1,372	1,917
R&D expenses	(million yen)	280	363	302	408	484	452	486	569	665	660	606
ROE (return on equity)	(%)	15.1	20.6	25.0	37.7	35.4	30.4	24.1	20.5	9.2	16.8	16.3
ROA (return on assets)	(%)	12.3	15.0	20.2	29.2	28.5	24.7	22.0	20.5	10.2	19.1	16.8
Total assets	(million yen)	5,991	7,055	9,032	11,094	15,144	19,867	28,288	32,115	31,864	36,944	47,274
Net assets	(million yen)	3,375	4,071	5,089	7,025	9,581	12,601	21,320	25,876	27,570	31,587	36,149
Equity ratio	(%)	56.3	57.7	56.3	63.3	63.3	63.4	75.4	80.6	86.5	85.5	76.5
Cash flows from operating activities	(million yen)	504	1,483	1,135	1,411	1,809	2,090	3,638	6,392	2,972	3,675	3,795
Cash flows from investing activities	(million yen)	(610)	(1,009)	(1,536)	(1,244)	(1,564)	(2,963)	(932)	(1,557)	(1,781)	(3,116)	(7,054)
Free cash flows	(million yen)	(105)	474	(401)	166	245	(873)	2,705	4,834	1,190	559	(3,258)
Cash flows from financing activities	(million yen)	146	190	38	269	(226)	948	3,594	(1,703)	(1,858)	(1,620)	1,088
Cash and cash equivalents at the end of period	(million yen)	830	1,495	1,134	1,595	1,618	1,698	8,034	11,137	10,497	9,439	7,279
Dividend per share*2	(yen)	2.50	4.00	5.25	11.25	14.50	17.00	20.00	30.00	30.00	35.00	35.00
Dividend payout ratio	(%)	16.2	16.3	14.3	15.5	15.4	15.7	15.8	20.2	39.5	22.9	20.6

*1 Figures for the fiscal year ended January 31, 2018, and earlier are shown in the non-consolidated financial statements, and figures for the fiscal year ended January 31, 2019, and later are shown in the consolidated financial statements.

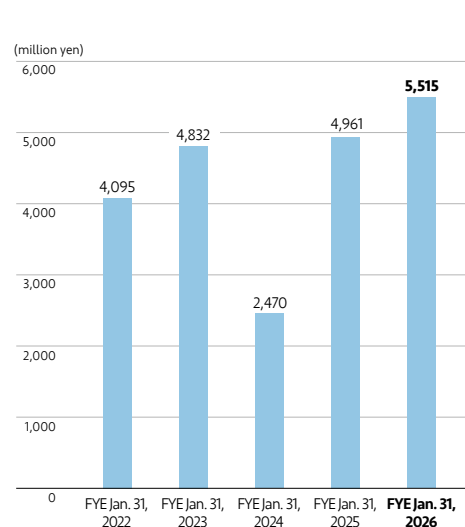
*2 On February 1, 2021, the Company conducted a 4-for-1 stock split of its common stock. The annual dividend amount per share has been calculated as if the stock split took place at the beginning of the fiscal year ended January 31, 2016.

Consolidated Financial Highlights

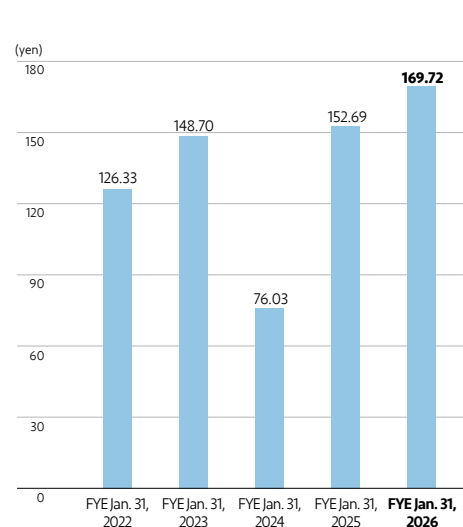
Net Sales and Operating Profit



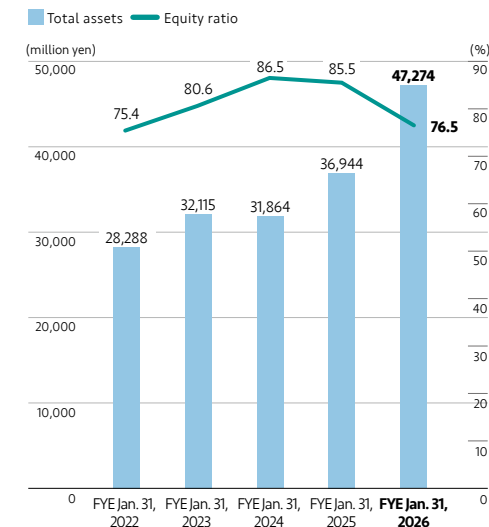
Net Profit Attributable to Owners of Parent



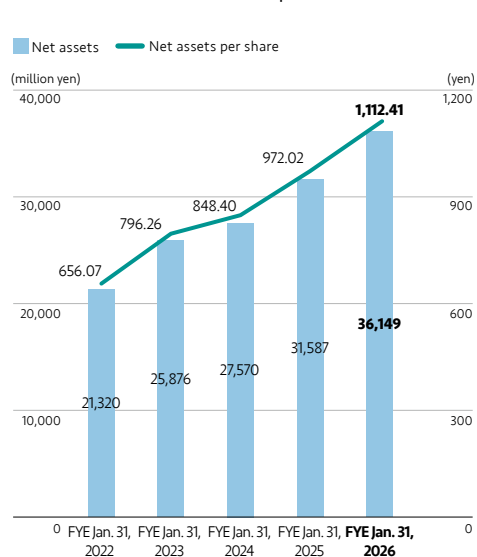
Net Profit per Share



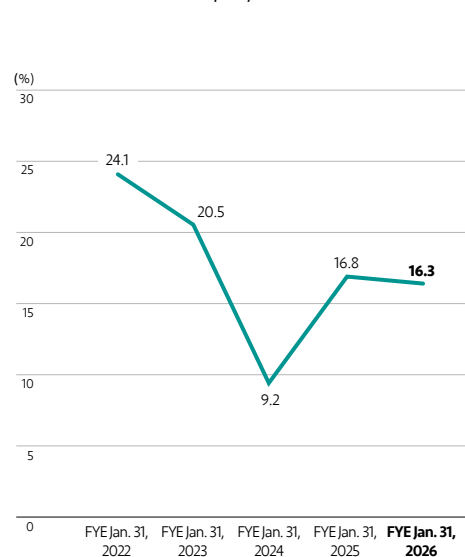
Total Assets and Equity Ratio



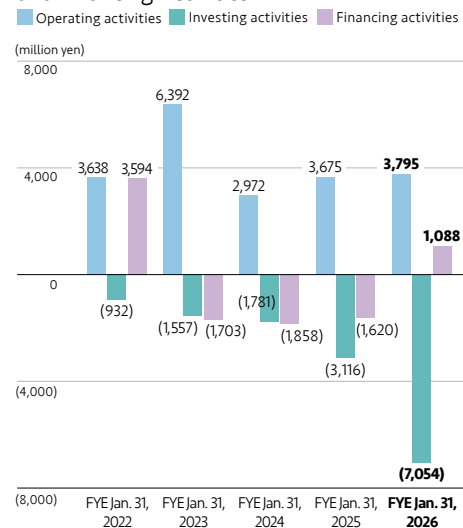
Net Assets and Net Assets per Share



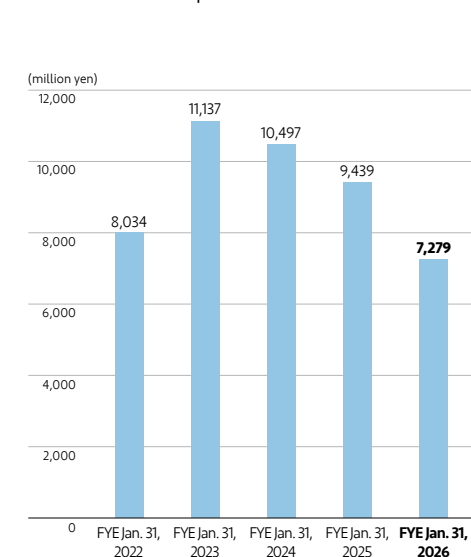
Rate of Return on Equity



Cash Flows from Operating, Investing, and Financing Activities



Cash and Cash Equivalents at the End of Period



Non-Financial Data

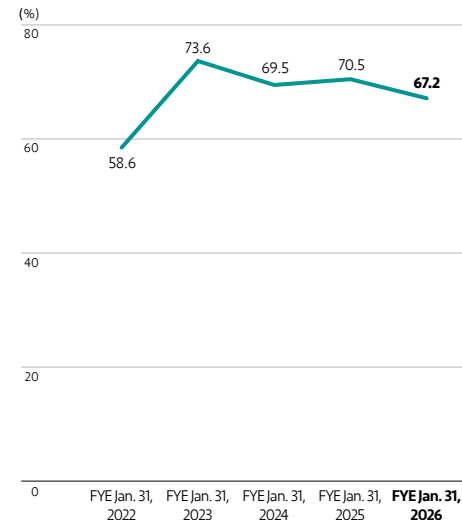
		FYE Jan. 31, 2022	FYE Jan. 31, 2023	FYE Jan. 31, 2024	FYE Jan. 31, 2025	FYE Jan. 31, 2026
Number of patents filed	(patents)	0	2	5	6	4
Number of new product developments, etc. (cumulative total beginning from fiscal year ended January 31, 2022)	(products)	3	5	7	14	20
Number of employees	(people)	211	242	256	274	313
Males	(people)	170	199	208	217	255
Females	(people)	41	43	48	57	58
Ratio of female employees*1	(%)	16.8	15.9	15.4	17.5	15.4
Ratio of female managers*1	(%)	10.7	11.5	11.5	10.7	9.7
Employment ratio of workers with disabilities*1	(%)	2.0	2.2	2.5	2.4	2.1
Average age of employees*1	(years)	34.7	34.7	34.8	34.8	34.5
Average years of service of employees*1	(years)	9.1	9.1	9.1	9.1	9.0
Number of new graduate hires*1	(people)	16	13	16	16	18
Number of mid-career hires*1	(people)	9	9	5	8	23
Personnel turnover rate*1	(%)	3.2	1.1	2.5	2.3	3.5
Annual paid leave utilization rate*1,2	(%)	58.6	73.6	69.5	70.5	67.2
Long-term leave utilization rate*1,2	(%)	68.5	77.9	80.5	83.7	82.4
Childcare leave utilization rate by male employees*1	(%)	67.0	50.0	60.0	80.0	100
Average monthly overtime hours*1	(hours)	10.6	8.5	5.0	8.9	9.8
Electricity consumption*3	(kWh)	—	6,574,852	6,070,746	6,864,063	8,008,209
Greenhouse gas emissions (Scopes 1, 2, and 3)*3, 4	(tCO ₂ e)	—	65,727	62,859	189,406	226,762
Scope 1	(tCO ₂ e)	—	272	235	275	340
Scope 2	(tCO ₂ e)	—	3,500	3,365	3,117	2,380
Scope 3	(tCO ₂ e)	—	61,954	59,260	186,013	224,042
Industrial waste emissions*2	(t)	1152.422	1378.901	869.312	1157.502	1449.101
Water consumption*3	(m ³)	—	32,764	38,242	35,349	36,983

*1 Calculated on a non-consolidated basis. *2 Calculated based on the period between April 1 and March 31.

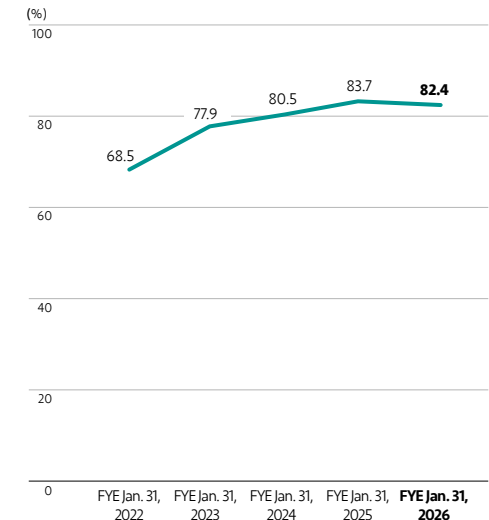
*3 Calculated from the fiscal year ended January 31, 2023.

*4 The scope of emissions calculated for Scope 3 was expanded beginning from the fiscal year ended January 31, 2025. For details, please see Response to Climate Change on p. 40.

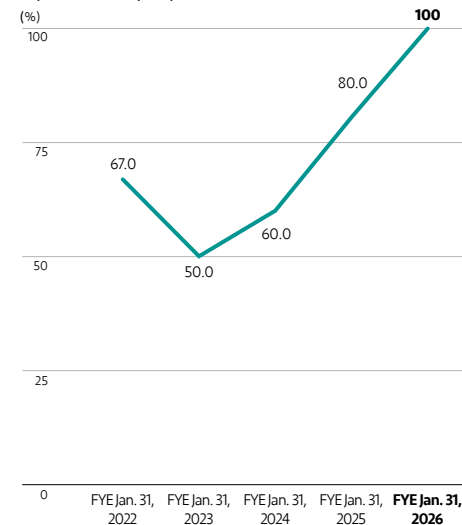
Annual Paid Leave Utilization Rate*1, 2



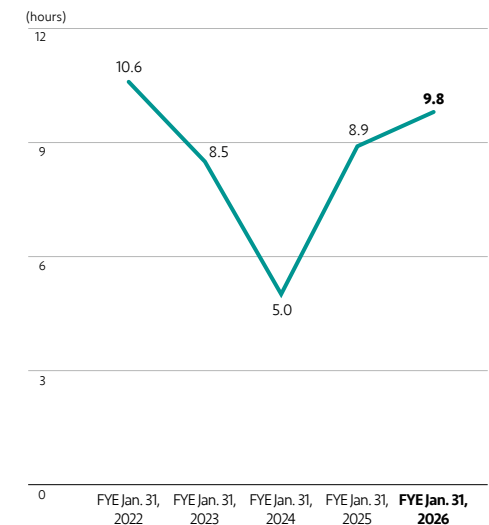
Long-Term Leave Utilization Rate*1, 2



Childcare Leave Utilization Rate by Male Employees*1



Average Monthly Overtime Hours*1



Company Overview / Stock Information

Company Overview (as of January 31, 2026)

Trade name

Tri Chemical Laboratories Inc.

Established

December 1978

Capital

3,278,912,800 yen

Number of employees

265 (313 for consolidated)

Business description

Development, manufacture, and sales of materials for semiconductors, optical fibers, solar cells, catalysts, special reagents, etc.

Tri Chemical Group
The Company
Tri Chemical Laboratories Inc. (Head Office Plant)

8154-217 Uenohara, Uenohara-shi, Yamanashi, Japan

Second Uenohara Plant

8154-16 Uenohara, Uenohara-shi, Yamanashi, Japan

Annex

8154-29 Uenohara, Uenohara-shi, Yamanashi, Japan

Minami-Alps Plant

1020-1 Shimoimai, Minami-Alps-shi, Yamanashi, Japan

South Korea Office

1306, Ace Gwanggyo Tower 3, 77 gil, Changnyong-daero 256, Yeongtong-gu, Suwon-si, Gyeonggi-do, South Korea

Subsidiaries
Tri Chemical Electronic Materials Taiwan Inc.

No. 6, Neighboring Tongke 3rd Road, 12 Jiuhe Village, Tongluo Township, Miaoli County, Taiwan

Tri Chemical Laboratories China Inc.

Room 760, Unit 702, No. 150, Zunyi Road, Changning District, Shanghai, China

Affiliated Companies
HBR Co., Ltd.
SK Tri Chem Co., Ltd.
AD-Trichem (Anhui) Electronic Materials Co., Ltd.

Stock Information (as of January 31, 2026)

Total number of shares authorized to be issued

108,960,000

Total number of shares issued and outstanding

32,496,751 (excluding 1,889 shares of treasury stock)

Total number of shareholders

19,023

Listed stock exchange

Tokyo Stock Exchange Prime Market

Securities code

4369

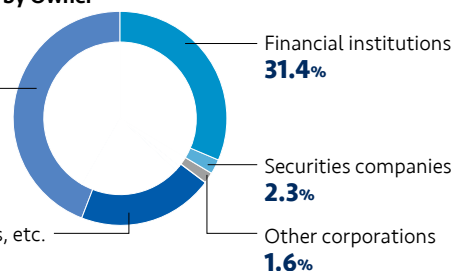
Administrator of shareholders' register

Mitsubishi UFJ Trust and Banking Corporation
4-5, Marunouchi 1-Chome, Chiyoda-ku, Tokyo, Japan

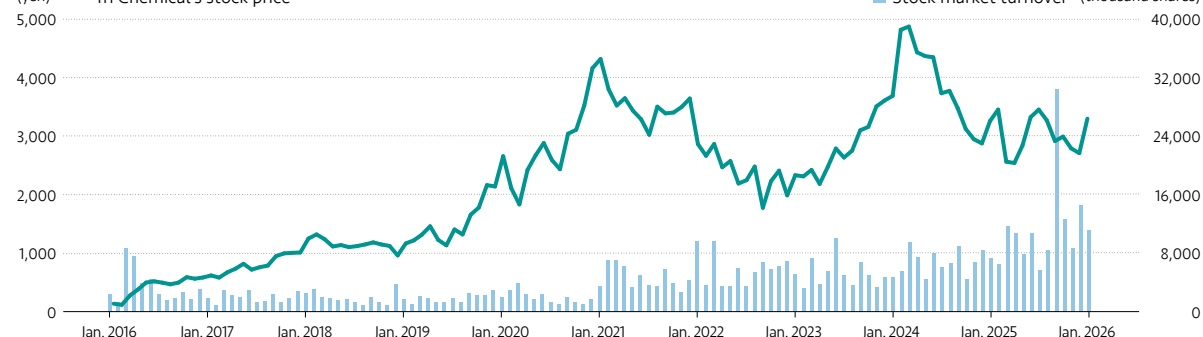
Distribution Status by Owner

Individuals, others
(including 1,889 shares of
treasury stock)
44.1%

Foreign corporations, etc.
20.6%


Stock Price Changes

(yen) — Tri Chemical's stock price


Major Shareholders (Top 10)

Name	Number of shares owned	Shareholding ratio (%)*
Jumpei Takenaka	4,163,840	12.81
The Master Trust Bank of Japan, Ltd. (trust account)	4,055,700	12.48
Custody Bank of Japan, Ltd. (trust account)	3,544,100	10.90
The Yamanashi Chuo Bank, Ltd.	1,400,000	4.30
MSIP CLIENT SECURITIES (standing proxy: Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)	1,291,243	3.97
Tri Chemical Laboratories Employee Stock Ownership	721,200	2.21
The Nomura Trust and Banking Co., Ltd. (trust account)	594,800	1.83
JP MORGAN CHASE BANK 385781 (standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	403,526	1.24
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) (standing proxy: MUFG Bank, Ltd.)	378,174	1.16
STATE STREET BANK AND TRUST COMPANY 505001 (standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	363,727	1.11
Total	16,916,310	52.05

*Ratio of shares owned to total number of shares issued (excluding 1,889 shares of treasury stock) (%)