

The background of the slide is a photograph of Mount Fuji, a snow-capped mountain, seen through the branches of cherry blossom trees in full bloom. The blossoms are a vibrant pink color, and the sky is a clear, bright blue with some light clouds. The mountain is in the center, slightly to the left, and its snow-covered peak is the focal point of the image.

Star Micronics Sustainability Report 2025

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Editorial Policy

■Purpose and Publication Frequency

Under our corporate slogan, “Be the Star that changes the World,” Star Micronics is committed to its purpose of contributing to the sustainable development of society. We conduct our business with the support of a wide range of stakeholders. The Star Micronics Sustainability Report is published annually to communicate our sustainability initiatives and progress, and to help build relationships of trust with our stakeholders.

■Scope of This Report

This report primarily covers Star Micronics Co., Ltd.; however, certain sections also include the Star Micronics Group, comprising Star Micronics Co., Ltd. and its consolidated subsidiaries. In such cases, the applicable scope is specified individually.

In this report, “the Company” may refer to Star Micronics Co., Ltd., and “the Group” may refer to the Star Micronics Group.

■Reporting Period

This report primarily covers the period from January 1, 2025 to December 31, 2025. Activities before and after this period are also included as appropriate.

■Publication Format

The report is published in PDF format in both Japanese and English.

■Revisions to Previously Disclosed Information

There are no material revisions or corrections to the information reported in the previous year’s report.

■Date of Publication

August 31, 2026

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Promoting Sustainability Management

Sustainability Policy

The Star Micronics Group aims to help bring about a sustainable society and enhance corporate value by putting into practice the core concept of the Company and employees growing together and contributing to society.

Materiality (2025)

	Materiality	Targets	SDGs
E	Addressing Climate Change	- Reduction of greenhouse gas emissions - Promotion of disclosure based on frameworks such as the TCFD	
	Development of Environmentally Conscious Products	- Creation of new businesses and products leveraging proprietary technologies - Development of products that help address global environmental challenges	   
S	Developing Human Capital and Promoting Diversity	- Improvement of employee engagement - Talent development and skills development - Promotion of diversity	   
	Promoting Sustainable Production and Procurement	Respect for human rights within our own operations and across our suppliers	 
G	Strengthening Corporate Governance	- Further improving the effectiveness of the Board of Directors - Establishing an executive compensation system that serves as a sound incentive mechanism	
	Strengthening Risk Management	- Strengthening information security governance - Enhancing preparedness for natural disaster risks	
	Innovation Management	- Establishing basic management policies - Building and strengthening management systems	 

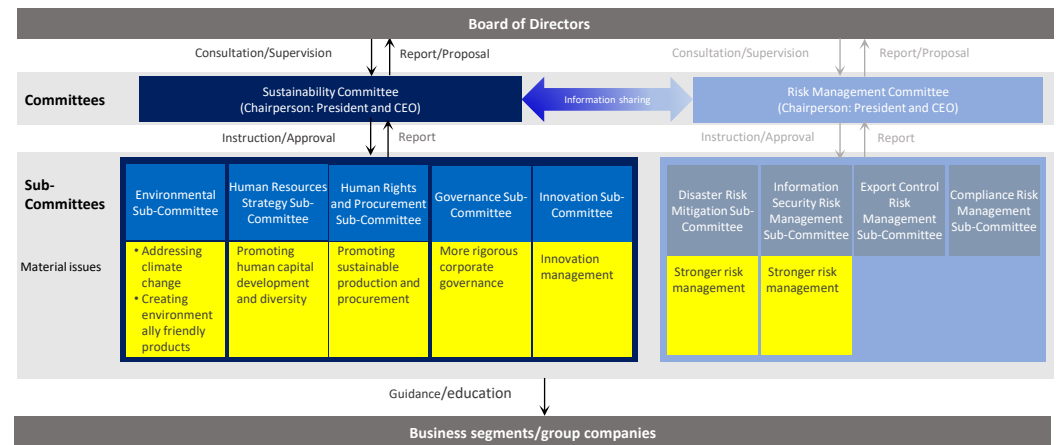
*The Company regularly reviews its materiality.

Sustainability Promotion System

At the Group, the Sustainability Committee, which is a body to make decisions on important matters related to sustainability, and chaired by the Representative Director, President and CEO, and comprised of full-time directors and executive officers, identifies material issues, sets targets for the resolution of these issues, and promotes Group-wide initiatives.

In addition, as necessary, information is shared with the Risk Management Committee, which is comprised of the same members as the Sustainability Committee.

The results of deliberations by the Sustainability Committee and the Risk Management Committee are regularly reported to the Board of Directors, which consults and supervises the Sustainability Committee's initiatives.



*Organizational structure as of December 31, 2025.

Materiality Identification Process

Step1 Extraction of potential key issues	Step2. Assessment of materiality	Step3. Verification of validity and completeness	Step4. Identification of key issues
Referring to international guidelines such as SASB, GRI, and SDGs, as well as evaluation items from ESG evaluation organizations, various social issues in addition to conventional materiality issues were listed. The issues were analyzed in terms of their impact on each stakeholder and the Group, their importance was evaluated, resulting in a shortlist of 25 items.	The items on the shortlist were evaluated in terms of both their "impact on society" and "importance to the Company," and key issues were identified based on the evaluation results.	Referring to advice from external consultants, internal consideration and reviews were conducted to confirm the validity and completeness of the content.	Identified key issues were reclassified into seven materiality issues, deliberated by the Sustainability Committee, approved by the Board of Directors, and finalized.

Environmental Management

Environmental Philosophy

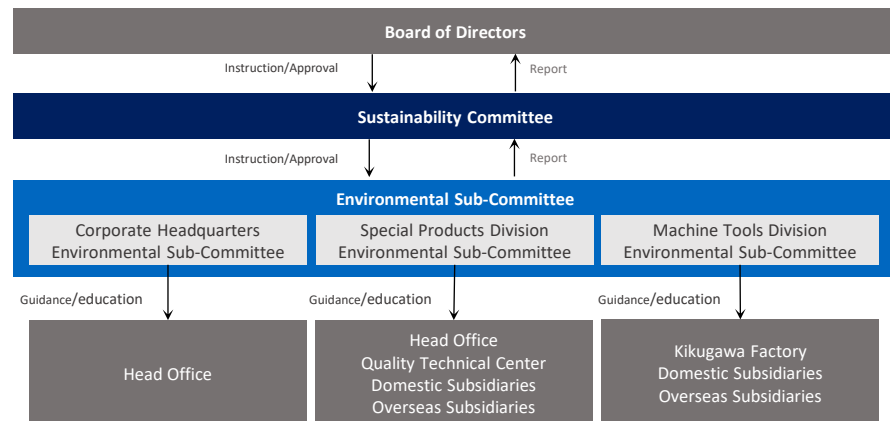
As a technical group with a core of information-related technology, compact precision machining, and assembly; Star positions environmental management activities as an important issue for the company and promotes business activities and fulfills social responsibilities to contribute to the realization of a society that is in harmony with the global environment.

Basic Environment Policies

1. Among the environmental aspects related to the company's activities, products and services, the following items are the focus of environmental management. Each division (each factory) prepares and implements an environmental policy that sets the theme for its activities.
 - Promote reducing waste and reusing and recycling activities.
 - Promote the efficient use of resources and energy conservation.
 - Reduce the use of harmful substances and properly manage chemicals.
 - Promote the development, manufacture, and service of environmentally friendly products.
 - Promote green purchasing.
 - Promote environment-communication internally and externally.
2. Make improvements to the environmental management system and conduct pollution prevention activities.
3. Comply with laws, regulations and regional agreements related to environmental aspects, as well as establish and undertake voluntary standards.
4. Understand the company's environmental activities, the social environment, and the requests of stakeholders, and review the basic environmental policy.

Environmental management promotion system

At the Group, the Sustainability Committee, which is a body to make decisions on important matters related to the environment, and chaired by the Representative Director, President and CEO, and comprised of full-time directors and executive officers, identifies material issues, sets goals for the resolution of these issues, and promotes Group-wide initiatives. The material issues and goals identified for the environment are disseminated to each unit responsible for the environment across the entire Group through the Environmental Sub-Committee of each division.



Environmental education

To maintain and enhance environmental activities, we believe a mindset shift by each employee is essential. Accordingly, we provide training opportunities for four pillars of education: general education, role- and level-specific education, advocacy/leadership training, and specialized education, covering everyone from new hires to top management.

PDCA Cycle Based on the Environmental Management System (EMS)

Based on its EMS, the Company sets objectives and develops plans that take into account environmental aspects and legal requirements, manages operations, establishes emergency preparedness and response procedures, and conducts regular inspections and reviews to drive continuous improvement.

ISO 14001 Certification Status

The Group has established ISO 14001 environmental management systems as a framework for continuously improving environmental management, and obtains and renews certification accordingly. Four sites are certified by external certification bodies, as listed below. Self-declarations of conformity are not included.

ISO Certs	Company	Notes
4	Star Micronics Co., Ltd.	2(Kikugawa Factory/Kikugawa South Factory)
	Star Metal Company	1
	Star Micronics Manufacturing Dalian Co., Ltd.	1

Audits and Management Reviews: A System for Driving Improvement

►Internal Environmental Audits

The Company conducts internal environmental audits on a regular basis to verify the conformity and effectiveness of its EMS, the appropriateness of its environmental management programs, and compliance with applicable laws and regulations.

Audit results are used for corrective actions and improvements, and are also compiled as input for the environmental management review conducted at the end of each fiscal year, helping to further enhance performance in the following year.

►External Environmental Audits (ISO 14001-Certified Sites)

Sites that have obtained ISO 14001 certification undergo surveillance and renewal audits by external certification bodies.

The audit results are reflected in environmental management reviews and used to support continuous improvement.

Addressing Climate Change

Response to the TCFD Recommendations

The Star Micronics Group endorsed the TCFD recommendations in February 2023. We analyze climate-related risks and opportunities under multiple scenarios and reflect the results in business strategy and target setting.

Governance

The Sustainability Committee, chaired by the President and CEO, oversees climate-related matters. Its decisions are shared across the Group through the Environmental Subcommittee and reported to and overseen by the Board of Directors.

Risk Management

Climate-related risks are assessed by the Sustainability Committee and reviewed with the Risk Management Committee as needed. The Environmental Subcommittee examines impacts and response measures, with results reported to the Board of Directors.

Strategy

The Group conducts scenario analysis using 1.5°C and 4°C scenarios based on IEA and IPCC references to assess medium- to long-term climate-related risks and opportunities.

Metrics and Targets (Scope 1 and 2)

Metrics

The Group uses greenhouse gas emissions (Scope 1 and 2) as a metric for managing climate-related risks and opportunities.

For reference, the Group also calculates Scope 3 emissions and presents the data separately.

Targets

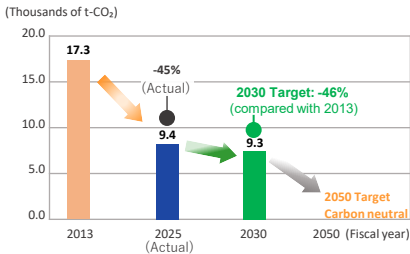
For Scope 1 and 2 emissions, the Group has set the following targets and is working to reduce emissions in line with the 1.5°C scenario.

- 2030: 46% reduction compared with 2013
- 2050: Net zero



Performance

The Group's actual Scope 1 and 2 greenhouse gas emissions are as follows.



List of Risks and Opportunities

Only items with a high or medium financial impact under the 4°C scenario are shown.

	Category	Item	Impact level	Response Measures
Physical Risk	Rise in average temperatures	Increase in costs such as facility management and utilities due to rising temperatures.	Medium	•Switching to energy-efficient equipment •Promoting operational efficiency
	Intensification of extreme weather events	Damage to production plants and suppliers caused by flooding or heavy rainfall, resulting in lower sales due to operational shutdowns and higher recovery costs.	High	•Strengthening BCP measures
Opportunity	Intensification of extreme weather events	Increase in sales driven by higher demand for air-conditioning equipment and increased orders for machine tools from manufacturers of related parts.	Medium	•Development of environmentally conscious products
		Strengthening the service structure and providing prompt after-sales service, leading to an improved customer reputation and increased sales.	High	•Strengthening the service network

Financial impact is assessed qualitatively as follows: High indicates a significant impact on business operations; Medium indicates a moderate impact on business operations; and Low indicates a limited impact on business operations.

Renewable Electricity Procurement

As part of its GHG emissions reduction efforts, the Group is transitioning purchased electricity to renewable energy. In 2024, the Group switched to renewable electricity at Kikugawa Factory and Star Metal, and in 2026, implemented the same transition at its head office. These initiatives help reduce Scope 2 CO₂ emissions. The Group will continue promoting the use of renewable energy while considering both effectiveness and procurement costs.

Solar Power Use

The Group has installed solar power systems at domestic and overseas Machine Tools production sites. Electricity is used on site, with a portion sold to the grid to support wider use of renewable energy.

Self-consumption helps reduce purchased electricity and Scope 2 CO₂ emissions.

Performance data, including renewable energy generation and breakdowns, is presented separately in the Environmental Data section.

Kikugawa South Factory

Completed in November 2025, Kikugawa South Factory was certified as ZEB under BELS and received the highest CASBEE S rank. The factory features insulation, high-efficiency HVAC, earth tubes, and approximately 800 kW of rooftop solar panels, supporting both energy conservation and renewable energy generation.

Initiatives for Environmentally Conscious Products

Basic Approach

The Group recognizes that designing products with environmental considerations in mind is an important issue shared by society. By creating products that support business growth while helping address environmental challenges such as climate change and resource depletion, the Group aims to contribute to a sustainable society and enhance corporate value over the long term. For example, machine tools operate reliably over many years and help customers maintain high productivity. At the same time, long-term operation also means continued energy consumption, which may increase customers' environmental impact. Improving product energy efficiency is therefore important from the perspective of customer-oriented manufacturing.

Promotion Structure

The Group promotes initiatives through the Sustainability Committee, chaired by the President and CEO.

The Committee identifies materiality priorities, sets targets, and makes key decisions on climate change and other sustainability matters. Product-related environmental initiatives are discussed by business division environmental subcommittees, whose members come from development, manufacturing, sales, and other departments. Environmental considerations are incorporated from the product planning and design stages.



Approach

The Group will continue to advance initiatives aimed primarily at reducing customers' environmental impact, including energy conservation and resource conservation through higher efficiency, greater recycling, and the use of sustainable materials.

Creation of New Businesses and Products Leveraging Proprietary Technologies

- Development of products that leverage proprietary technologies to help reduce environmental impact, including through improved energy efficiency.

Creation of Products That Help Address Global Environmental Challenges

- Climate action: Reducing CO₂ emissions through energy conservation and higher efficiency.
- Resource conservation: Reducing environmental impact across the product life cycle through initiatives such as plastic reduction and recycling.

Machine Tools Business

Waste Reduction

Switching between guide bushing and non-guide bushing modes based on part length minimizes leftover material. A highly rigid tool post also supports productivity and long tool life.

Support for
customer initiatives
for the environment

Power Consumption Reduction

Star Motion Control

Optimizes axis movement to reduce non-cutting time and power use per part.

Step Cycle Pro

Breaks chips through oscillating axis movement, enabling longer continuous operation and reducing downtime.

SMOOS-i

Visualizes machine status and power consumption by unit, supporting productivity and energy-saving efforts.

ECO Mode

Reduces standby power consumption.

Development of Energy-Saving Technologies

Developing technologies to reduce coolant and air consumption during machine operation.

Internal Initiatives

- Avoid hazardous chemicals
- Use environmentally conscious parts and materials
- Replace equipment with environmentally conscious alternatives
- Upgrade to smart factories
- Introduce CO₂-free electricity

Next-Generation Eco Machine: SP-32

The SP-32 is a Swiss-type CNC automatic lathe with a maximum machining diameter of 32 mm. Its guide bushing/non-guide bushing switching mechanism enables machining optimized for workpiece length, helping reduce leftover material.

The machine also improves productivity through simultaneous front and back machining, while an optimized coolant piping design reduces the number of coolant pumps by one and significantly lowers power consumption.

In addition, Step Cycle Pro and ECO Mode help reduce downtime and standby power consumption, supporting both higher productivity and improved energy efficiency.



Special Products Business

Compact and Lightweight Product and Packaging Design

- The stylish and compact design maintains convenience while making the product smaller and lighter.
- Reducing packaging size yields an approximate 20–30% improvement in loading efficiency and reduces CO₂ emissions during packaging waste disposal.



Environmental Considerations in Product Materials

The Group uses biomass plastics made from plant-derived biomass to help reduce the use of fossil resources and lower environmental impact, including CO₂ emissions.

Example: Use in product housings



50% Biobased

mC-Connect Drawer

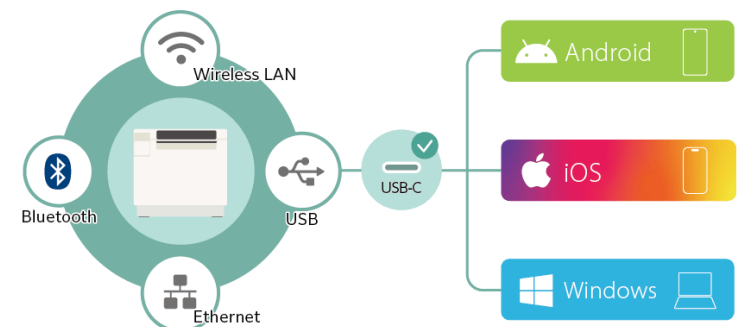
Environmentally Conscious Packaging Materials

- By promoting plastic reduction, we aim to address the issues of plastic waste and disposal and mitigating the risks of related ocean pollution.
- By using pulp molds made from 100% recycled paper as cushioning materials, we contribute to the realization of a Recycling Society.



E-Waste Reduction Initiatives

Alongside the spread of mobile POS (mPOS) systems, a variety of connection methods are now available in addition to wired cables. Globally, USB protocols are moving toward standardization, which may improve user convenience and reduce e-waste. In response to this trend, new models incorporate USB Type-C functionality, allowing customers to use their existing cables. This helps reduce unnecessary cable disposal and address e-waste, an international social issue.



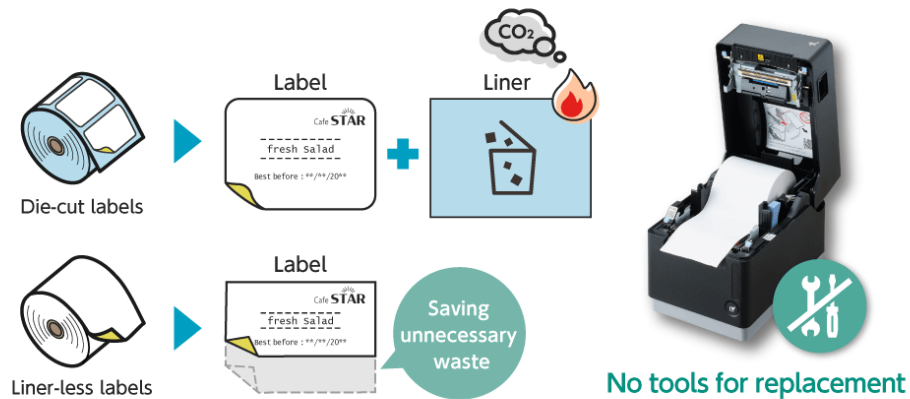
Linerless Label Printer "mC-Label@3"

Linerless Label Printer Features

- No label liner: Because no liner is required, resources are saved and CO₂ emissions from liner incineration can be eliminated.
- Variable label length: Label length can be adjusted to match the printed content. This enables efficient printing and reduces excess paper use.

Easy Maintenance Design

- Worn parts can be replaced after many years of use, helping extend the printer's service life.
- No special tools are required for part replacement.
- The easy maintenance design reduces repair shipments and helps lower CO₂ emissions.



Reducing the Environmental Impact of Receipt Paper

Paper-Saving Functions

These functions reduce the amount of paper used for receipts through features such as reduced printing and narrower margins.

Reduced Printing

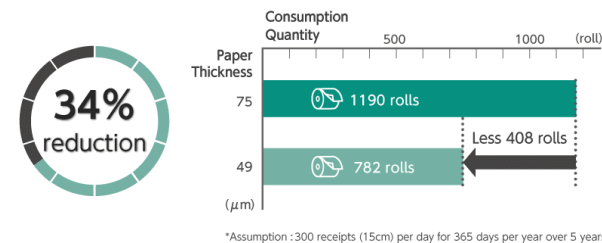


Top Margin Reduction



Low-Impact Thermal Paper

- Our products help reduce environmental impact by supporting thin thermal receipt paper and BPA-free thermal receipt paper that complies with European regulations.
- Through compatibility with chemical-free recyclable paper, our products help reduce environmental impact.



Environmental Pollution Prevention Initiatives

The Group works to reduce environmental pollution risks associated with its business activities through chemical substance management, air pollution prevention, measures to prevent soil contamination, and noise and vibration control. At each site, the Group ensures compliance with laws and regulations and maintains rigorous management based on internal rules. Through education, training, and equipment improvements, the Group works to prevent pollution and minimize its impacts.

Management of Chemical Substances and Hazardous Materials

Star Micronics Co., Ltd. and four subsidiaries—Star Metal Company and Micro Sapporo Company in Japan, and Star Micronics Manufacturing Dalian Co., Ltd. and Star Micronics Manufacturing (Thailand) Co., Ltd. overseas—have established Hazardous Substance Management Regulations for the handling of chemical substances and hazardous materials. These five companies manage such substances safely and appropriately throughout the entire process, from purchase, storage, and use to disposal, with due care to prevent environmental pollution.

Emergency Preparedness Response Training for Accidents Such as Oil Leaks

To prevent environmental pollution and minimize its impact, the Group conducts annual training at each site based on accident and emergency scenarios. During the training, participants practice response procedures for scenarios such as oil leaks, using actual recovery equipment to contain and collect spilled materials. This helps ensure a prompt and appropriate initial response in the event of an emergency.



Response to the PRTR Act Reporting Releases and Transfers, and Reducing Handled Amounts

The Company has properly reported the release and transfer amounts of Class I Designated Chemical Substances in accordance with the PRTR Act.

In recent years, the Company has been working to reduce the amounts of applicable substances handled as part of its efforts to lower environmental impact.

For 2025 release and transfer data, please refer to the Environmental Data section.

Air Pollution Prevention: Reducing VOC and Other Emissions

The Group is working to reduce emissions of air pollutants, including VOCs, through measures such as process reviews and equipment improvements.

Example of Domestic Initiatives Star Metal Company

At Star Metal Company, a domestic subsidiary, powder coating is used for painting sheet metal parts for machine tools. This process does not use organic solvents containing PRTR-designated substances, helping reduce environmental impact during the manufacturing stage.

Example of Overseas Initiative: Star Micronics Manufacturing Dalian Co., Ltd.

At Star Micronics Manufacturing Dalian Co., Ltd., an overseas subsidiary, the Group is working to reduce air pollution by improving the treatment efficiency of organic exhaust gases through measures such as adding an air supply system in the painting area and renovating the cleaning area. In addition, the company has strengthened exhaust gas treatment by installing activated carbon adsorption boxes in the assembly area.

Soil Contamination Prevention

Star Micronics Co., Ltd. and its domestic subsidiaries, Star Metal Company and Micro Sapporo Company, have established and implemented Soil Contamination Prevention Regulations to prevent soil contamination and ensure proper management of land they own, use, or newly acquire.

Noise and Vibration Control

Star Micronics Co., Ltd. and its domestic subsidiaries, Star Metal Company and Micro Sapporo Company, have established and implemented Noise and Vibration Management Regulations, which define measurement and management methods for noise and vibration, to ensure thorough compliance with applicable laws and regulations.

Response to EU Environmental Regulations: Management of Chemical Substances in Products

Environmental regulations established by the European Union have a significant global impact, and manufacturers are expected to ensure reliable compliance. The Company has established and operates management systems that comply with applicable regulations.

Response to the WEEE and RoHS Directives

The Company has established and uses its internal Environmental Load Substances Management Regulations and Green Procurement Guidelines as the basis for its operations. For all applicable products, the Company ensures proper operation and management in accordance with these standards.

Response to the REACH Regulation

The Company conducts ongoing surveys to identify whether products contain substances of very high concern (SVHCs), which are added annually under the REACH Regulation.

Response to Persistent Organic Pollutants (POPs)

In line with the POPs Regulation, the Stockholm Convention, and other international frameworks, the Company verifies whether applicable substances are contained in its products and collects and manages relevant information throughout the supply chain.

Water Resource Management

Wastewater Management Policy

Based on laws like the Water Pollution Prevention Act, the Group ensures proper wastewater management at its head office and domestic factories. Applicable sites submit required notifications, maintain records, and retain documentation to comply with wastewater standards.

Structure and Operations

Under the Environmental Management System (EMS), the Group annually identifies applicable laws at each domestic office and factory. Applicable sites submit notifications and conduct operational management. Other sites also treat wastewater appropriately in accordance with sewerage and other regulations.

Management at Sites Subject to Applicable Laws and Regulations

Sites subject to the Water Pollution Prevention Act implement the following:

- Submitting required notifications to authorities
- Complying with wastewater standards and local discharge limits
- Recording and retaining wastewater quality data
- Appointing required managers

Compliance with Wastewater Standards

Each office and factory complies with national standards, as well as applicable local discharge standards and ordinances, including those of Shizuoka Prefecture and Ishikari City.

Pollution Prevention Management System

Pollution prevention managers, supervising managers, and chief managers are appointed and notified under the Water Pollution Prevention Act. These requirements and implementation statuses are reviewed annually across relevant sites using EMS forms.

Applicability Summary

Site	Applicability	Specific Facility / Details	Regulatory Actions
Star Micronics Co., Ltd. [Headquarters]	Not applicable	Wastewater: sewer use	N/A
Star Micronics Co., Ltd. [Quality Technical Center]	Not applicable	Wastewater: sewer use	N/A
Star Micronics Co., Ltd. [Kikugawa Factory]	Not applicable	No specified facility	N/A
Star Metal Company [Machinery Manufacturing]	Not applicable	No specified facility	N/A
Star Metal Company [Sheet Metal Manufacturing]	Applicable	Surface treatment facility	Filing, records, retention
Micro Sapporo Company	Not applicable	Wastewater: sewer use	N/A

Promoting Waste Reduction and Resource Recovery

For this initiative, the scope of the Star Micronics Group includes Star Micronics Co., Ltd. and two domestic subsidiaries, Star Metal Company and Micro Sapporo Company. We ensure that waste generated through our business activities is properly sorted, stored, and managed in accordance with Japan's Waste Management and Public Cleansing Act and other applicable laws and regulations. We also ensure appropriate recycling, treatment, and final disposal of such waste.

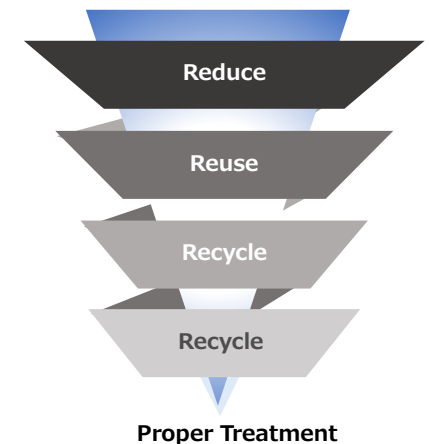
We have also established and implemented internal waste management rules to ensure proper waste management and promote proactive waste reduction, recycling, and resource recovery. We will continue working to minimize the environmental, social, and health risks associated with waste by maintaining compliance with applicable laws and regulations, thoroughly sorting and recycling waste, and ensuring appropriate waste management.

Initiatives to Improve the Resource Recovery Rate through Waste Reduction and Resource Recovery

For this initiative, the scope of the Star Micronics Group includes Star Micronics Co., Ltd. and two domestic subsidiaries, Star Metal Company and Micro Sapporo Company. We are working to reduce the amount of waste sent for final disposal by thoroughly sorting waste and promoting recycling and resource recovery.

We have set a standing annual target of 99.0% for the resource recovery rate, which is calculated by dividing the amount of waste recycled or recovered by the total amount of waste generated.

Actual results for total waste generated, the amount of waste recycled or recovered, the resource recovery rate, and other related data are presented separately in Environmental Data — Waste.



Environmental Data

Scope of aggregation: The annual aggregation period is from January 1 to December 31 of the displayed year.

Country	Company	2025			
		Scope1	Scope2	Water	Waste
Japan	Star Micronics Co., Ltd.	●	●	●	●
Japan	Star Marketing Japan Co., Ltd.	●	●	×	×
Japan	Star Metal Company	●	●	●	●
Japan	Micro Sapporo Company	●	●	●	●
Japan	Smart Solution Technology, Inc. (SST)	●	●	●	×
U.S.A.	Star Micronics America Inc.	●	●	●	×
U.S.A.	Star CNC Machine Tool Corp.	●	●	●	×
U.K.	Star Micronics Europe Ltd.	●	●	×	×
U.K.	Star Micronics GB Ltd.	●	●	×	×
Germany	Star Micronics GmbH	●	●	×	×
Switzerland	Star Micronics AG	●	●	×	×
France	Star Machine Tool France SAS	●	●	×	×
China	Star Micronics Manufacturing Dalian Co., Ltd.	●	●	●	●
China	Shanghai Xingang Machinery Co., Ltd.	●	●	●	×
Hong Kong	Star Precisions Ltd.	●	●	×	×
Thailand	Star Micronics (Thailand) Co., Ltd.	●	●	●	●
India	STAR MICRONICS INDIA Pvt. Ltd.	×	●	×	×

Meaning of symbols ● : Data is being collected / × : Data is not being collected

Data

- Scope 1 emissions are calculated as direct emissions based on the GHG Protocol, covering CO₂ only.
- The CO₂ calculation method, CO₂ emission factors, and GJ conversions for each fuel are based on guidelines issued by Japan's Ministry of the Environment.
- Some totals may not add up due to rounding.

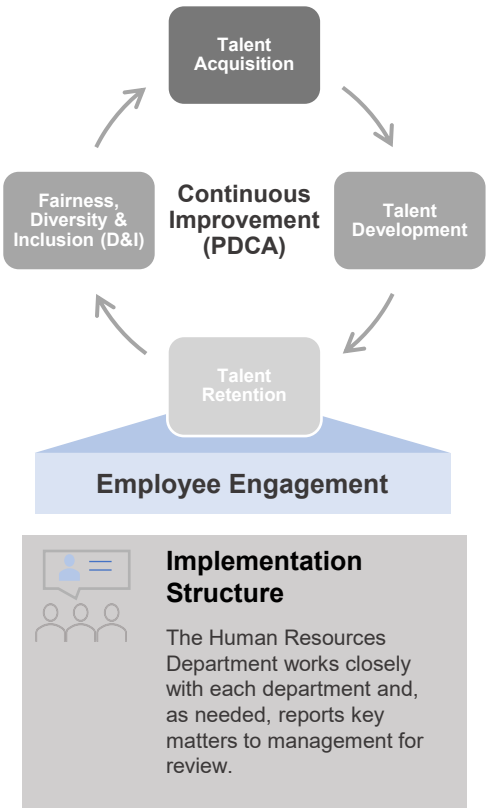
Overview		Unit	2024	2025
Scope1 and Scope2	Scope1	t-CO ₂	1,077	1,098
	Scope2	t-CO ₂	8,455	8,384
	Total	t-CO ₂	9,533	9,483
	CO2 Emissions Reduction (%) vs. 2013	%	45.1	45.39
Scope3	Category2:Capital goods	t-CO ₂	3,371	38,535
	Category5:Waste generated from business activities	t-CO ₂	273	301
	Category6:Travel	t-CO ₂	226	232
	Category7:Employee commuting	t-CO ₂	1,793	1,821
	Category11:Use of sold products	t-CO ₂	174,646	196,662
	Total	t-CO ₂	180,311	237,553

- **Category 2:** Calculated by multiplying the amount invested in capital goods, such as equipment acquired during the reporting year, by the emissions intensity factor per unit of investment.
- **Category 5:** Calculated for waste generated at manufacturing sites during the reporting year, excluding materials with market value, by multiplying the waste disposal cost by the applicable emissions intensity factor.
- **Category 6:** Calculated by multiplying the number of employees during the reporting year by the emissions intensity factor per employee.
- **Category 7:** Calculated by multiplying the number of commuting days during the reporting year by the average commuting distance and the average emissions factor. The average commuting distance is based on the average round-trip distance for employees commuting by private vehicle in Japan, which is 23.8 km.
- **Category 11:** Calculated by setting an emissions factor for each product and multiplying it by the number of units sold by product during the reporting year.

Overview				Unit	2024	2025	
Energy Consumption	Total consumption			GJ	269,140	287,126	
	Breakdown	Gasoline		ℓ	73,271	65,031	
		Liquefied petroleum gas (LPG)		kg	79,599	96,868	
		Natural gas		m³	26,527	26,632	
		City gas		Nm³	102,023	116,110	
		Kerosene		ℓ	3,352	2,252	
		Diesel fuel		ℓ	16,157	15,570	
		Heavy fuel oil		ℓ	124,300	109,900	
		Steam		t	357	267	
		Electricity		MWh	25,072	27,978	
			Renewable electricity		MWh	5,181	8,981
				Purchased	MWh	5,181	7,842
				Self-generated	MWh	0	1,139
			Non-renewable electricity		MWh	19,890	18,997
		Renewable electricity usage rate		%	20.6	32.1	
		Self-generated electricity sold to the grid		MWh	345	411	
Water	Water consumption	Municipal water		m³	40,344	58,812	
		Industrial water		m³	27,641	27,446	
		Well water		m³	0	0	
		Total		m³	67,985	86,258	
	Discharge	Public sewer system		m³	62,546	79,357	
		Other		m³	5,438	6,900	
		Total		m³	67,985	86,258	
Waste	Total waste generated			t	782	852	
	(Of which hazardous waste)			t	(169)	(199)	
	Amount recycled or recovered			t	693	755	
	Final disposal amount			t	89	96	
		Disposal method	Landfill	t	89	96	
			Incineration without energy or resource recovery	t	0	0	
	Recycling and resource recovery rate			%	88.6	88.6	
Substances subject to the PRTR Act	Releases			kg	899	860	
		Air		kg	677	860	
		Public water bodies		kg	222	0	
		Soil within the premises		kg	0	0	
		On-site landfill		kg	0	0	
	Transfers			kg	186	140	
		Discharge to sewer system		kg	2	57	
		Off-site waste		kg	184	82	
	Total releases and transfers			kg	1,085	1,001	
	Environmental accidents, violations, fines, and related matters			Cases	0	0	

Human Capital Management

We regard our people as our most important form of capital. We aim to achieve sustainable growth by creating an environment where employees with diverse values can grow independently and by providing opportunities for them to fully demonstrate their abilities.



Talent Acquisition

Key Initiatives

- Securing the talent needed through the recruitment of new graduates and experienced professionals
- Conducting recruitment activities tailored to the characteristics of each job type and location

Talent Development

Key Initiatives

- Developing employee capabilities through level-specific training, job-specific training, and other programs
- Strengthening specialized skills and management capabilities as needed
- Providing training and development opportunities

Talent Retention

We support employee retention and success by creating a supportive work environment where employees can thrive.

Key Initiatives

- Monitoring employee engagement, turnover trends, and related factors, and using these insights to make improvements.

Health and Productivity Management

We position health and productivity management as an important theme within our human capital management and continuously monitor indicators related to maintaining and improving employee health each year. In this 2025 report, we disclose results for the most recent two years.

Implementation Structure

The department in charge leads these initiatives and reviews the indicators each year. Key matters are reported to management for review as needed.

Targets and Health Indicators (KPIs)

We continuously monitor the following indicators each year.

Indicator	Unit	2024	2025	Target
Regular health checkup participation rate	%	100.0	100.0	100.0%
Stress check response rate	%	95.5	90.4	98.0%
Smoking rate	%	13.6	14.1	12.2%
Percentage of employees with regular exercise habits	%	24.3	24.0	50.0%
Employees taking leave of one month or longer due to mental health issues	People	1	1	0

- *Previously disclosed figures may be revised due to changes in aggregation definitions, calculation methods, or other factors.*
- *Each indicator is monitored continuously each year. Detailed definitions and calculation methods for the indicators are managed internally.*

Specific Initiatives

- Walking events and other health promotion activities
- Health measurement events, health consultation and related support
- Mental health support, including seminars and individual consultations
- Lifestyle improvement programs, including smoking cessation support
- Health literacy improvement



Occupational Health and Safety

We position occupational health and safety as an important theme within our human capital management. We have established systems to reduce risks and prevent workplace accidents, and we monitor related indicators.

Occupational Health and Safety Policy

- 1. We comply with applicable laws and regulations and strive to create a safe, healthy, and supportive work environment.
- 2. If an occupational accident occurs, we follow established procedures, including immediate reporting, to minimize the impact of the accident and prevent recurrence.
- 3. We do not impose excessive workloads on employees, and managers are responsible for monitoring the physical and mental well-being of their team members.

Scope of Application

This policy applies to all officers and employees of the Star Micronics Group. We also seek the understanding and cooperation of supply chain business partners, as needed.

Implementation Structure

The committee and department responsible for occupational health and safety lead these initiatives in collaboration with each site and department. Key matters are reported to management for review as needed.

Occupational Health and Safety Performance (KPIs)

We continuously monitor the following indicators each year.

	2024	2025
Number of fatal accidents	0	0
Number of lost-time accidents requiring four or more days off work	0	0
Occupational injury frequency rate*1	0.0%	0.0%
Occupational injury severity rate*2	0.0%	0.0%

*1: Occupational injury frequency rate
= Number of fatalities and injuries due to occupational accidents / Total actual hours worked × 1,000,000
*2: Occupational injury severity rate
= Lost workdays / Total actual hours worked × 1,000

ISO45001 Certification Status

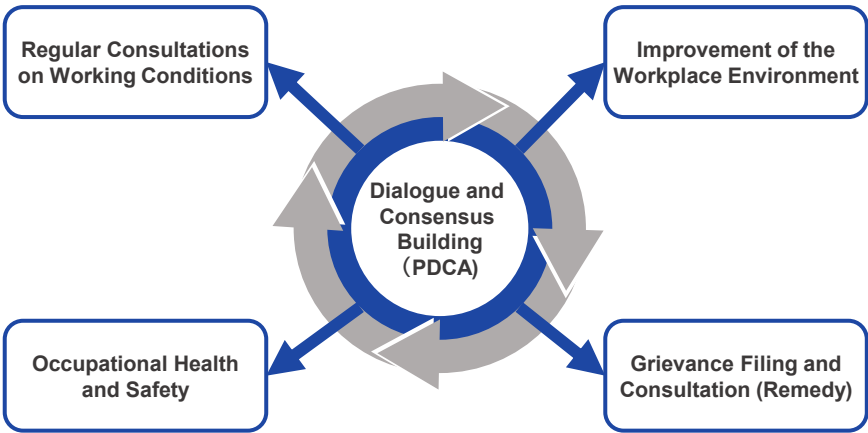
Within the Star Micronics Group, Star Micronics Manufacturing Dalian Co., Ltd. promotes continuous improvement through certification under the occupational health and safety management system standard ISO 45001.

Specific Initiatives

- Conducting risk assessments
- Occupational health and safety education and training
- Workplace patrols and inspections
- Corrective actions and recurrence prevention measures

Labor-Management Relations

We respect freedom of association and the right to collective bargaining. Through dialogue between labor and management, we strive to improve the workplace environment and establish fair working conditions.



Framework for Labor-Management Dialogue

We hold regular consultations with the labor union to exchange views and build consensus on working conditions and improvements to the workplace environment.

Labor-Management Dialogue Results in 2025

Details		Timing	Number of Meetings
Central Labor-Management Council		Regular	5 times
Branch Labor-Management Council	Head Office Branch	Regular	3 times
	Kikugawa Branch	Regular	3 times

Grievance Filing and Consultation (Remedy)

We have established a consultation channel for employees and respond in coordination with relevant departments as needed.

Notification of Important Matters

For important matters such as dismissal, we provide the required notifications in accordance with internal rules and consult with labor representatives as needed.

Respect for Human Rights

The Star Micronics Group recognizes respect for human rights in its business activities as an important responsibility. Our basic stance is to respect the dignity and rights of stakeholders involved in our business and to avoid contributing to human rights violations.

Policy and Commitment

In the Star Micronics Code of Conduct established in 2005, we clearly set out standards on human rights and have worked to respect human rights and prohibit discrimination. In addition, on July 1, 2024, we established and published the Star Micronics Group Human Rights Respect Policy, committing to respect the dignity and rights of all stakeholders involved in our business activities. We also ask our business partners, including all suppliers and other partners related to our products and services, to understand and comply with this policy. Internally, to promote awareness and understanding of the Human Rights Policy, we revised our Code of Conduct and established it as the Star Micronics Group Sustainability Code of Conduct. This Code of Conduct has been translated into five languages and communicated to Group employees.

Implementation Structure

To promote initiatives for respecting human rights, we established the Human Rights and Procurement Subcommittee under the Sustainability Committee in 2025.

Human Rights Due Diligence Ongoing Initiatives

To prevent and mitigate human rights violations, we will continue to implement our human rights due diligence process through ongoing dialogue with stakeholders. Specifically, we will advance these initiatives through the following process.

- 1. Identification and Assessment of Human Rights Violation Risks
 - ▶2025 Activities
 - Dialogue with suppliers
 - Feedback on self-assessment results
- 2. Prevention and Mitigation of Human Rights Violations
 - ▶2025 Activities
 - Human rights education and training for employees
- 3. Evaluation of the Effectiveness of Initiatives
- 4. Explanation and Disclosure of Information



Remedy Response in the Event of Human Rights Violations

If a human rights violation occurs, we will respond through hotlines and consultation channels that accept reports from both internal and external parties. As needed, we will provide remedies to affected individuals, implement measures to prevent recurrence, and provide explanations and apologies to relevant parties.

Sustainable Production and Procurement

Basic Policy

We promote responsible procurement across our supply chain, considering ESG factors. We have established the Star Micronics Group Sustainability Procurement Guidelines to promote human rights, environmental responsibility, and fair business practices. The Guidelines are based on our Sustainability Code of Conduct, Human Rights Policy, and Procurement Policy.

Implementation Structure

The Human Rights and Procurement Subcommittee, under the Sustainability Committee, oversees sustainable procurement initiatives. In cooperation with related departments, we review the Guidelines and their operation as needed, taking stakeholder feedback into account.

Development Status and Rollout Plan for the Guidelines (2026)

- Status: Guidelines completed
- Internal rollout: Briefings for relevant personnel in July 2026
- Supplier rollout: Rollout to suppliers from September 2026

Supplier Requirements

We ask suppliers to understand and comply with our Code of Conduct, including the following areas:

- Human rights: No discrimination, harassment, forced labor, or child labor; privacy protection; corrective action and remedy
- Labor practices: Proper working hours and leave management; health and safety; mental health; freedom of association and collective bargaining; minimum wage compliance
- Environment: Energy saving, GHG reduction, waste reduction, and chemical management
- Business continuity: BCP preparation, training, and review
- Collaboration: Information sharing and dialogue to improve supply chain sustainability
- Information security: Information protection, cybersecurity, education, and training

Consultation and Reporting Channels

We provide inquiry and consultation channels for these Guidelines.

Monitoring and Continuous Improvement

We will implement the Guidelines in phases and review them as needed based on rollout progress.

KPIs (Monitoring Items)

- Internal rollout status
 - Supplier rollout progress
- KPIs are monitored each year.*

Social Data

The employee numbers below represent the average number of employees of the Star Micronics Group for each year.

Category	Unit	Region	2024			2025		
			Regular employees	Temporary employees	Total	Regular employees	Temporary employees	Total
Number of employees	People	Japan	657	71	728	681	65	746
		United States	113	0	113	121	0	121
		Europe	185	8	193	166	8	174
		Asia	687	19	706	705	44	749
		Total	1,642	98	1,740	1,673	117	1,790

The data below is compiled as of December 31 of each year.
The data below covers Star Micronics Co., Ltd. on a non-consolidated basis.

Category		Unit	2024	2025
Human Capital	Number of new graduate hires	People	7	15
	Number of mid-career hires	People	31	21
	Percentage of female employees	%	21.6	22.0
	Percentage of women in management positions	%	1.6	1.6
	Employment rate of people with disabilities	%	2.67	2.46
	Turnover rate	%	2.68	4.75
	Gender pay gap (men = 100%)	%	65.26	68.10
	Percentage of eligible female employees taking childcare leave	%	100	100
	Percentage of eligible male employees taking childcare leave	%	58.3	68.8
	Wevox engagement score	Points	73	73
Talent Development Expenses	Average training expenses per employee	Yen	101,297	139,342
Number of certified skilled workers	Special grade	People	5	6
	Grade 1	People	61	69
	Grade 2	People	108	122
Labor union membership	Number of union members	People	385	378
	Membership rate	%	75.6	71.6
Occupational Health and Safety	Number of fatal accidents	Cases	0	0
	Number of lost-time accidents requiring four or more days off work	Cases	0	0
	Occupational injury frequency rate	%	0.0	0.0
	Occupational injury severity rate	%	0.0	0.0
Health and Productivity Management	Regular health checkup participation rate	%	100.0	100.0
	Stress check response rate	%	95.5	90.4
	Smoking rate	%	13.6	14.1
	Percentage of employees with regular exercise habits	%	24.3	24.0
	Employees on mental health leave of one month or longer	People	1	1

Compliance

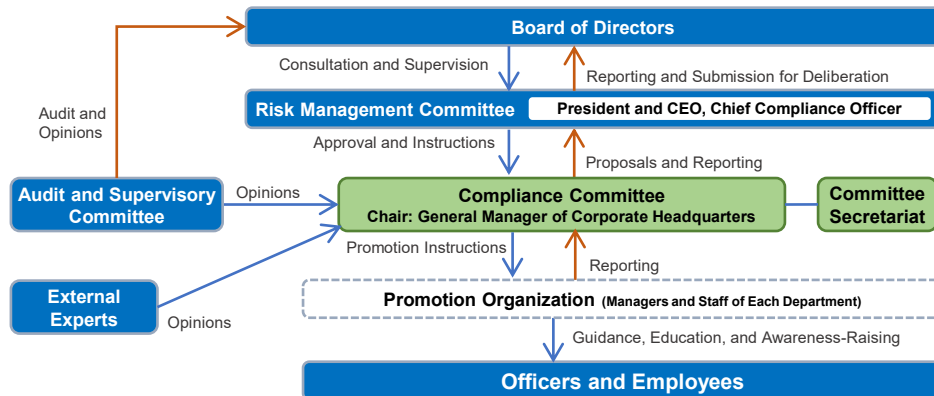
As our business becomes increasingly global, the Star Micronics Group operates across countries and regions with different laws, practices, and values.

We believe that fair and ethical management, in harmony with society, is essential to earning stakeholder trust and achieving sustainable growth.

Basic Compliance Policy

1. We position compliance as a fundamental principle of management.
2. We conduct global business under a compliance system that meets international standards.
3. Through compliance activities, we aim to earn stakeholder trust and social recognition.

Compliance Promotion Structure (as of December 2025)



Initiatives to Strengthen Compliance

Promoting Awareness of the Star Micronics Group Sustainability Code of Conduct

The Star Micronics Group Sustainability Code of Conduct provides standards for daily actions based on our corporate philosophy and its three guiding principles.

The Code has been translated into five languages—English, Chinese, Thai, German, and French—and is distributed to all Group officers and employees in booklet and digital formats.

All Group officers and employees are expected to understand the Code, comply with laws and regulations, respect social norms, and act with integrity and responsibility.

Compliance Training (Star Micronics)

Details	Number of Participants
For new employees and mid-career hires	37 people

Conducting Compliance Surveys

The Star Micronics Group conducts annual compliance and corruption risk surveys at 16 of its 19 companies. In 2025, no significant corruption risks were identified.

Basic Approach to Anti-Corruption

The Star Micronics Group prohibits all forms of corruption, including bribery, and conducts business fairly and transparently.

This policy is set out in the Star Micronics Group Sustainability Code of Conduct and communicated to officers, employees, and business partners.

We conduct regular corruption risk assessments and maintain reporting channels to detect and address violations early.

Conflicts of Interest

If an officer conducts a transaction that involves a conflict of interest with the Company, approval from the Board of Directors is required in accordance with the Companies Act and internal rules.

If such a transaction is carried out, the officer must promptly report the material facts of the transaction to the Board of Directors.

Whistleblowing System

We provide consultation channels for reports or concerns about actual or suspected violations of laws or internal rules, helping detect and correct compliance violations early. The channels are managed by the Compliance Committee Secretariat and the Audit and Supervisory Committee, and are available to officers, employees, and temporary staff of the Company and its Group companies. Reports can be made by phone, email, letter, or in person. We protect anonymity and strictly prohibit any retaliation or unfavorable treatment against whistleblowers.

Governance Data

- Figures are compiled as of December 31 of each year.
- The data covers Star Micronics Co., Ltd. only.

Category	Unit	2024	2025
Number of directors	People	7	7
Number of independent directors	People	4	4
Number of female directors	People	1	1
Number of Board of Directors meetings	Times	9	12
Political contributions	Yen	0	0
Number of legal violations	Cases	0	0
Number of employee disciplinary actions and dismissals	Cases	0	0
Number of fines, penalties, and settlements	Cases	0	0
Number of whistleblowing reports	Cases	8	4