TRE HOLDINGS
未来へ、捨てない創造力を。

TRE HOLDINGS CORPORATION Integrated Report 2025

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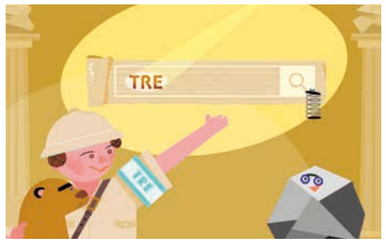
Publisher: TRE HOLDINGS CORPORATION
15th floor of Tokyo Sankei Bldg., 1-7-2 Otemachi, Chiyoda-ku, Tokyo

Website: https://tre-hd.co.jp/en/

Cover design concept

Characters from the TRE Exploration Team feature in the commercial “TRE HOLDINGS: Society’s TREasure Hunters” which began airing in April 2025. TRE’s Japanese website features a special page titled “What is WX?”, in which the TREasure Hunters investigate what Waste Transformation involves. Search for “TRE” to find out more. The commercial is available only in Japanese.

Corporate commercial (TRE YouTube channel)



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Integrated Report **2025**

What we hope to communicate through this report:

TRE HOLDINGS has set itself the challenge of becoming a Waste Transformation (WX) environmental company as its long-term vision. We consider it our mission to contribute to a sustainable society that makes full use of existing resources by recycling items that have reached the end of their useful life (waste).

This report outlines the diverse initiatives and strong resolve behind our effort to transform ourselves into a WX environmental company that contributes to the creation of an efficient recycling society and a carbon-neutral society.

CEO Message

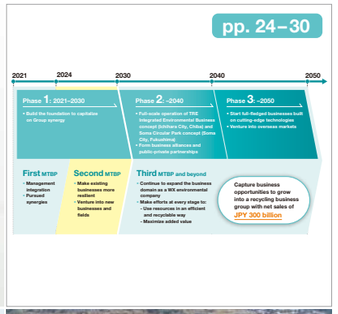
CEO MATSUOKA Naoto discusses the Group's challenge to transform itself into a WX environmental company, and how the waste management industry should move forward to create an efficient recycling, carbon-neutral society.

COO Message

COO ABE Mitsuo discusses the specific measures TRE is taking to transform the Group into a WX environmental company.

Second Medium-Term Business Plan

This section outlines the Group's performance in the first year of the Second Medium-Term Business Plan, and progress towards the Plan's final-year goals.



Feature 1: Progress Toward TRE's Integrated Environmental Business Concept

In order to solve local waste challenges as a WX environmental company, we are developing a new business concept in Ichihara City, Chiba, and Soma City, Fukushima.

Feature 2: Creating a Car-to-Car Circular Economy Through Collaboration with Other Industries

Representatives from TRE Group and DENSO CORPORATION discuss joint initiatives to establish a circular economy in the automotive industry.

Feature 3: Enhancing the Resilience of Japan's National Infrastructure

We introduce how the TRE Group handles disaster waste by leveraging its extensive experience and expertise in disaster recovery and reconstruction support.

Editorial policy

The TRE Group's Integrated Report 2025 has been published with the aim of communicating the progress of the Group's Second Medium-Term Business Plan (April 2024 to March 2029) and the strategies and measures for achieving the long-term vision formulated in FY2024, from both a financial and non-financial perspective.

Scope of report

- **Organizations covered**
  TRE HOLDINGS CORPORATION and consolidated subsidiaries (including some affiliates accounted for by the equity method)
- **Period covered**
  April 1, 2024 to March 31, 2025 (including some information from outside the coverage period)
- **Guidelines referenced**
  - The International Financial Reporting Standards (IFRS) Foundation "International Integrated Reporting Framework"
  - Japan's Ministry of Economy, Trade and Industry, "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation"
  - Global Reporting Initiative "GRI Standards"
  - Task Force on Climate-Related Financial Disclosures (TCFD) Final Report
  - Japan's Ministry of the Environment, Ministry of Economy, Trade and Industry, "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver. 2.5)"

Note regarding forward-looking statements
The information contained in this report, with the exception of historical facts, constitutes forward-looking statements based on certain assumptions, and represents the judgments of the Group's management based on currently available information. Accordingly, actual business performance and other information disclosed in the future may differ due to a variety of factors.

TRE HOLDINGS' information disclosure framework

For more information, please access the following links.

About TRE HOLDINGS
https://tre-hd.co.jp/en/company/about.html

Our Business
https://tre-hd.co.jp/en/works/

Group Companies
*English page is currently under preparation.

IR
https://tre-hd.co.jp/en/ir/

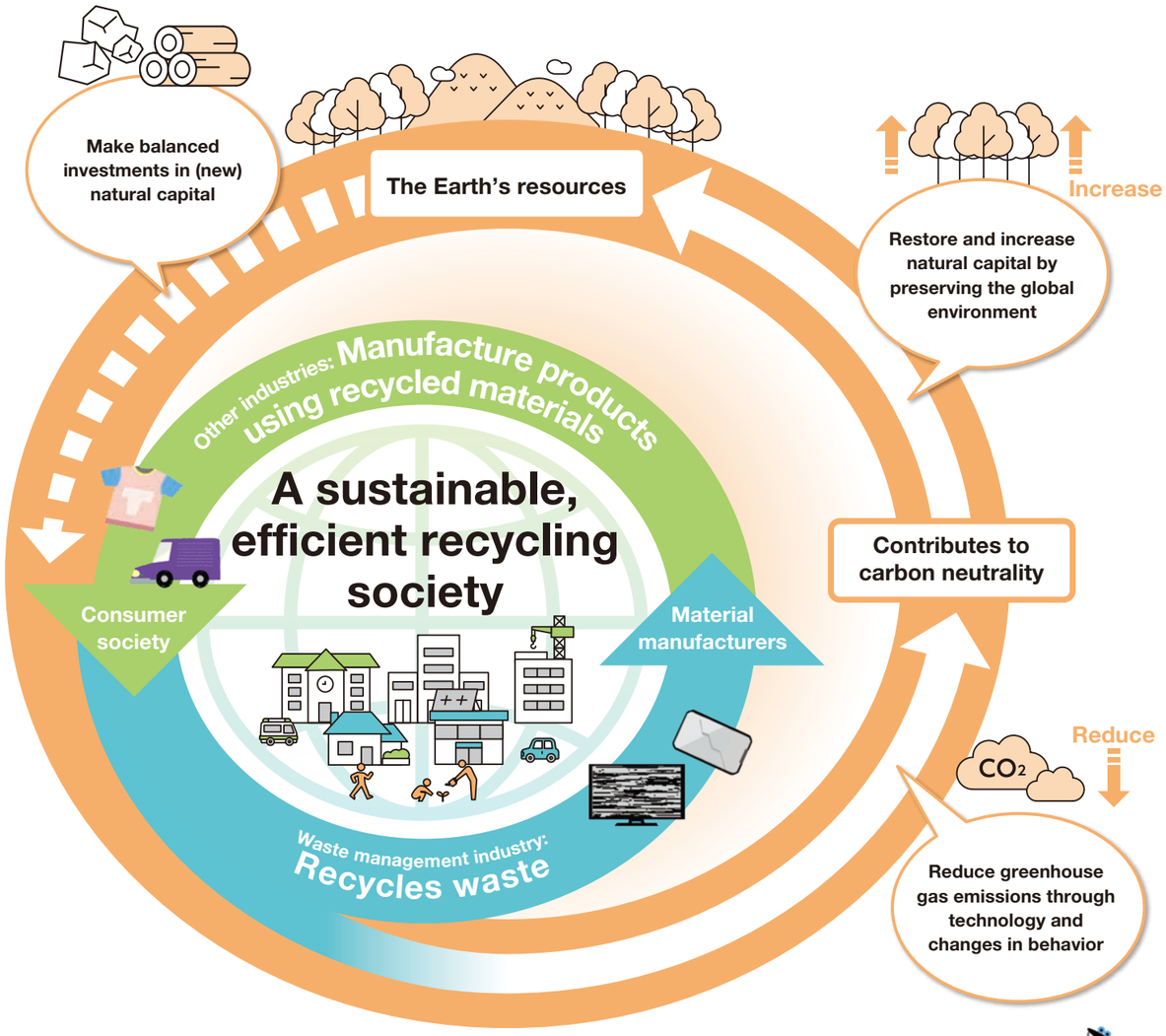
Sustainability
https://tre-hd.co.jp/en/sustainability/

Corporate Governance
*English page is currently under preparation.

What is a WX environmental company?

WX = Waste Transformation

Rapid economic growth has given rise to a variety of environmental issues around the world, including climate change, destruction of the environment, and depletion of natural resources. Resolving these global challenges requires a societal transformation that prioritizes the recycling of items that have reached the end of their useful life (waste) and the continued utilization of existing resources without wastage.
TRE HOLDINGS is working to achieve WX (waste transformation) by creating an efficient recycling society and carbon-neutral society through co-creation that transcends traditional boundaries between the waste management industry and other industries, including partnerships with companies from a wide variety of industries, institutions, and local governments in order to overcome the technological and economic challenges associated with waste treatment, and transform waste into resources and energy.
We aim to maximize the potential of waste to pass on a beautiful planet to future generations. By achieving our WX vision, we will work to promote resource recycling and help preserve the global environment by changing the way society approaches business and daily life.



Origin 2021

Formed through the integration of two of Japan's leading waste management companies with the vision of realizing an efficient recycling and carbon-neutral society.

In October 2021, TAKEEI CORPORATION and REVER HOLDINGS CORPORATION (currently REVER CORPORATION), two leading companies in Japan's waste treatment and recycling industry, integrated their operations to form a joint holding company—TRE HOLDINGS CORPORATION. This management integration was driven by a shared aspiration to revolutionize Japan's waste management industry and create an efficient recycling and carbon-neutral society.

Today 2025

**Our long-term vision to transform into a WX environmental company.
Driving collaboration between the waste management industry and other industries to create a circular economy.**

In April 2024, we established a new long-term vision. As a WX environmental company, we are pursuing a new growth strategy aimed at expanding our business domain to become a leading company in the circular economy. In order to achieve further growth as a company, we are striving to solve environmental challenges by working to overcome the technological and economic hurdles involved in transforming traditionally difficult-to-recycle waste and end-of-life products into recyclable resources.

Future 20XX

Expanding our business domains as a WX environmental company to establish a recycling-focused corporate group with net sales of 300 billion yen.

The TRE Group has established a long-term roadmap consisting of three phases through 2050, based on its vision of realizing an efficient recycling society and a carbon-neutral society. As a WX environmental company that transcends the traditional boundaries of the recycling industry, we aim to be a leader in the circular economy. We will continue our evolution by expanding our business domains in order to utilize waste to its maximum potential and preserve the beauty of our planet for future generations. By the 2040s, we aim to achieve a transformation into a recycling business group with net sales of 300 billion yen, playing a significant role in the preservation of the global environment.

Shaping the Future of Society as a WX Environmental Company

MATSUOKA Naoto
Chairman and CEO

Strengthening Japan by creating an efficient recycling society

With a number of serious crises, including global warming, environmental pollution, and resource depletion, the world is currently at a major turning point. Based on our conviction that contributing to the realization of an efficient recycling society and a carbon-neutral society to help solve these difficult societal challenges is a key mission of the waste treatment and recycling industry (waste management companies), TAKEEI CORPORATION and REVER HOLDINGS CORPORATION (currently REVER CORPORATION) merged in October 2021 to form TRE HOLDINGS CORPORATION.

Trends in Japan are already beginning to shift. In 2020, the Ministry of Economy, Trade and Industry (METI) announced its Circular Economy Vision 2020, which advocates a shift from the linear economy—mass production, mass consumption, and mass disposal economic model—prevalent in the 20th century to a circular economy that recycles and utilizes resources and energy. In order to achieve this shift, coordination between the manufacturing industry and the waste management industry is vital. However, compared to the scale of manufacturing industry in Japan, the waste management industry, which is predominantly comprised of small and medium-sized companies, had faced challenges due to its limited financial capital, human resources, technological capabilities, and equipment, which prevented it from establishing a sufficient platform for accepting and recycling industrial waste. To overcome this challenge and meet the needs of the manufacturing industry, the birth of TRE HOLDINGS created a platform capable of providing a stable and abundant supply of high-quality recycled materials—an essential requirement for the realization of a circular economy.

TRE HOLDINGS' vision of creating an efficient recycling society also has significant implications for Japan's economic security. With increasing uncertainty in the global community, including the Russia-Ukraine conflict and trade friction between countries, current circumstances present an opportunity to transition to a recycling-oriented society. This opportunity to promote collaboration between the waste management industry and other industries to establish a domestic resource cycle allows us to contribute to both Japan's resource security and economic security.

The waste management industry also has an important role in strengthening the resilience of Japan's national infrastructure. In recent years, Japan has been hit by a series of major disasters including earthquakes and heavy rainfall, and the large amounts of waste generated in the afflicted areas have hampered reconstruction efforts. Following the Noto Peninsula Earthquake, which struck in January 2024, in cooperation with local authorities and partner companies we have continued to provide support for disaster waste treatment through TAKEEI. We believe that by accumulating expertise and sharing this knowledge within the TRE Group, we can play a key role in society during both normal times and emergencies by contributing to rapid recovery and reconstruction efforts.

Driving societal change as a WX environmental company

Our Second Medium-Term Business Plan, which began in FY2024, focuses on two main areas: making our existing businesses more resilient and venturing into new businesses and fields. We have also set a long-term vision of becoming a WX environmental company.

WX (waste transformation) refers to a societal shift toward an efficient recycling society and a carbon-neutral society by advancing the development and utilization of waste management technologies through a "co-creation" approach that transcends traditional boundaries, such as those between companies and industries. The core concept of WX is not simply technological advancement or cross-industrial collaboration, but rather a strong resolve to transform society by overcoming technological and economic challenges to convert waste and used products that have historically been difficult to recycle into renewable resources. Our goal is to accelerate the transition to an efficient recycling society by promoting awareness of WX throughout society as a symbol of the shift to a circular economy.

As part of these efforts, TRE HOLDINGS is striving to build a solid foundation through the recent management integration. The merger between TAKEEI, which had established a leading position in the industrial waste treatment industry, and REVER, which specializes in metal recycling, has had a significant impact on both the waste management industry and other industries. Furthermore, as part of our inorganic growth strategy we have been actively pursuing mergers and acquisitions of waste management companies that possess unique technologies. The synergies generated by these business integrations have dramatically increased both the scale and technological capabilities of the TRE Group, enabling us to develop partnerships with leading Japanese manufacturers, as well as rapidly accelerate our collaboration with government agencies, local governments, universities, and research institutions working to realize a recycling-oriented society. In addition, by welcoming new companies with different areas of expertise to the TRE Group, we are steadily building a platform for the waste management industry.

One example of our cross-industrial collaboration is the technology demonstration of an "automated sophisticated dismantling process" for end-of-life vehicles (ELVs) conducted with DENSO CORPORATION, a major automotive component manufacturer that also develops automotive technologies and systems and factory automation (FA) technologies. Although approximately 8 million cars are manufactured annually in Japan using primarily imported materials, most of these vehicles are exported overseas as new or used cars, leaving only about 2.5 million ELVs in the country. From a resource recycling perspective, this represents a significant loss for Japan. Accordingly, we have launched a joint project between the manufacturing and waste management industries with the aim of developing innovative car-to-car technologies that will enable us to extract a greater quantity of high-quality recycled materials through precision dismantling of ELVs.

Furthermore, the addition of TRE GLASS CORPORATION through a strategic M&A has fostered technological collaboration within the Group, enabling us to enhance our recycling technologies for difficult-to-recycle composite glass used in automobiles and solar panels. Through these efforts, the TRE Group is steadily increasing its presence in the Japanese industrial world as a WX environmental company.

TRE HOLDINGS' value creation

I believe that the role of TRE HOLDINGS is to fully leverage the strengths of the Group's respective operating companies. The waste management companies that have joined the TRE Group are all outstanding companies and have refined their unique technologies and established strengths in the industry. We intend to respect the individuality and autonomy of each company while sharing our corporate philosophy: "We are committed to the conservation of the global environment," and linking our respective companies together as a recycling group to generate further value for TRE Group.

We will also promote our inorganic growth strategy, broaden our waste treatment and recycling technologies, and expand our business footprint with the aim of growing as a WX environmental company. Rather than pursuing "individual optimization" in which each company focuses solely on their own growth, I believe that pursuing a strategy of "overall optimization" to create a sustainable society will enable us to contribute to the realization of an efficient recycling society and a carbon-neutral society, and to support the growth of Japan's waste management industry as a WX environmental company.

Accelerating WX through decisive management

The manufacturing and other industries are currently accelerating their shift to a circular economy. The factor behind this is the growing trend among industries to incorporate resource recycling systems into their manufacturing processes. In addition, the Japanese government has launched policies aimed at accelerating the shift to a circular economy, which represents a significant tailwind for the TRE Group.

Meanwhile, looking globally, the world's population has passed 8 billion and continues to grow rapidly. It is clear that in the near future, the supply of iron, copper, and other resources will be unable to keep up with demand, resulting in significant shortages. Creating an efficient recycling society and a carbon-neutral society is not simply an idealistic vision, but a challenge that the industrial community as a whole must face and overcome. To drive a breakthrough, TRE HOLDINGS is taking on the challenge of transforming itself into a WX environmental company.

Needless to say, a strong will and the ability to deliver results will be vital in order to drive change in our current society. Economic growth and profits were not the only things lost during Japan's "lost 30 years." I feel that the tendency to avoid failure and risks has spread throughout society, and it is one of the factors responsible for hindering Japan's ability to respond swiftly to change. Amid rising inflation and growing uncertainty in international society, companies that fail to adapt and take on new challenges will no longer be needed by society. Accordingly, the TRE Group aims to foster a culture of innovation and a strong will to transform the waste management industry among its employees, and to contribute to the creation of an efficient recycling society and carbon-neutral society through WX.

Part 1

TRE's Value Creation

How TRE HOLDINGS CORPORATION generates value as a WX environmental company

Principles

We are committed to the conservation of the global environment

To address the environmental challenges facing the global community—ranging from climate change and ecosystem destruction to resource depletion—we must transition to an efficient-recycling, carbon-neutral society. In Japan as well, the shift to a circular economy is a national priority driven not only by environmental concerns but by economic and social demands.

As a Waste Transformation (WX) environmental company, we value harmony with nature and seek coexistence with local ecosystems.

Based on that identity, we will enhance our recycling business, propel our energy business, and drive efforts to develop the innovative technologies those pursuits depend on. We will also continue to strengthen well-balanced relationships with all stakeholders and implement sustainability management to help bring about a more resilient society.

The meaning behind our company name

We are committed to trying and innovating (Try)
to develop new technologies (Technology),
expanding our recycling business (Recycling),
and furthering our renewable energy business (Renewable Energy)
in order to conserve the global environment (Earth, Ecology).

The TRE Group Corporate Code of Conduct

We are aware of our corporate social responsibility as a company involved in the environmental business. Accordingly, in addition to faithfully complying with all laws and ordinances, we will act as follows with good common sense.

1. Act on a customer-first basis
We will act in a way that earns trust and satisfaction from our customers while always thinking from their standpoint.

2. Consider balance with the environment
We will proactively work on saving energy and reducing CO_2 emissions based on our outstanding technological capabilities and abundant experience with a strong awareness to build a carbon-neutral society and to engage in recycling and use of resources in our business activities. In addition, we will fully consider the natural environment around us and our living environment.

3. Provide corporate information suitably and appropriately
We will provide corporate information suitably and appropriately to customers, business partners, shareholders, investors, and other stakeholders while aiming to communicate widely with society.

4. Respect human rights
We will respect the human rights of each person. We will not permit discrimination or harassment, based on race, ethnicity, religion, nationality, social status, gender, age, or disabilities. We will also not allow child labor or forced labor.

5. Compete fairly
We will engage in business while respecting fair and transparent competition. In addition, we will maintain sound and appropriate relationships with politicians, government officials, customers, their agents, and all other third parties while not engaging in any kind of extortion, bribery, or other form of corruption for the purpose of acquiring unfair profits.

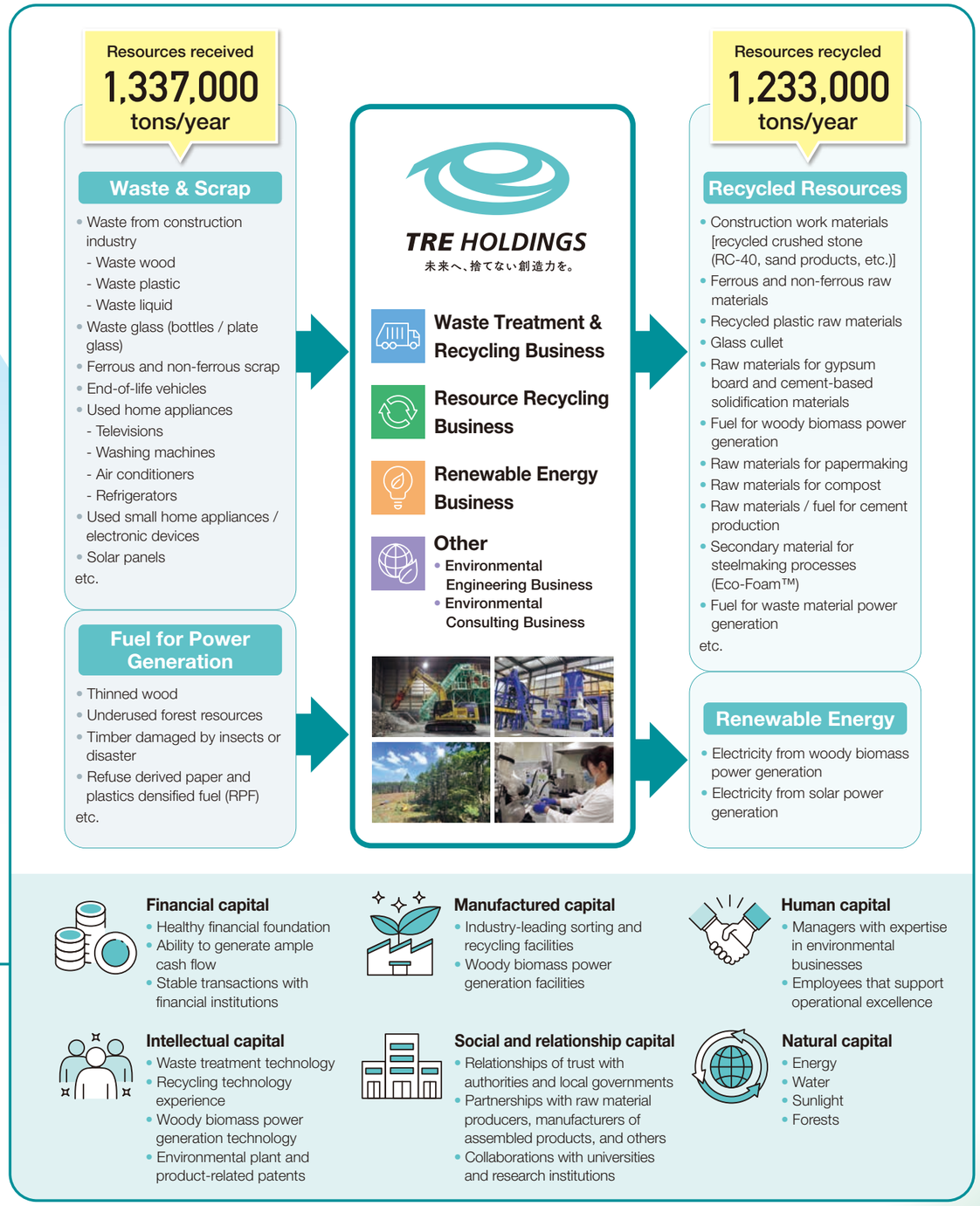
6. Strive to ensure safety at work sites
We will strive to ensure safety at work sites with the whole company working together to achieve that. We will aim for zero work accidents together with our business partners and associated companies.

7. Strive to form workplaces that make the most of individualities and abilities
We will aim to form workplaces in which each of our employees can demonstrate their individuality, motivation, and abilities to the maximum possible extent. Moreover, we will ensure a pleasant working environment and strive to achieve comfort and affluence.

8. Do not provide benefits to antisocial forces
We will not provide economic benefits to antisocial forces that threaten the social order and the sound activities of companies.

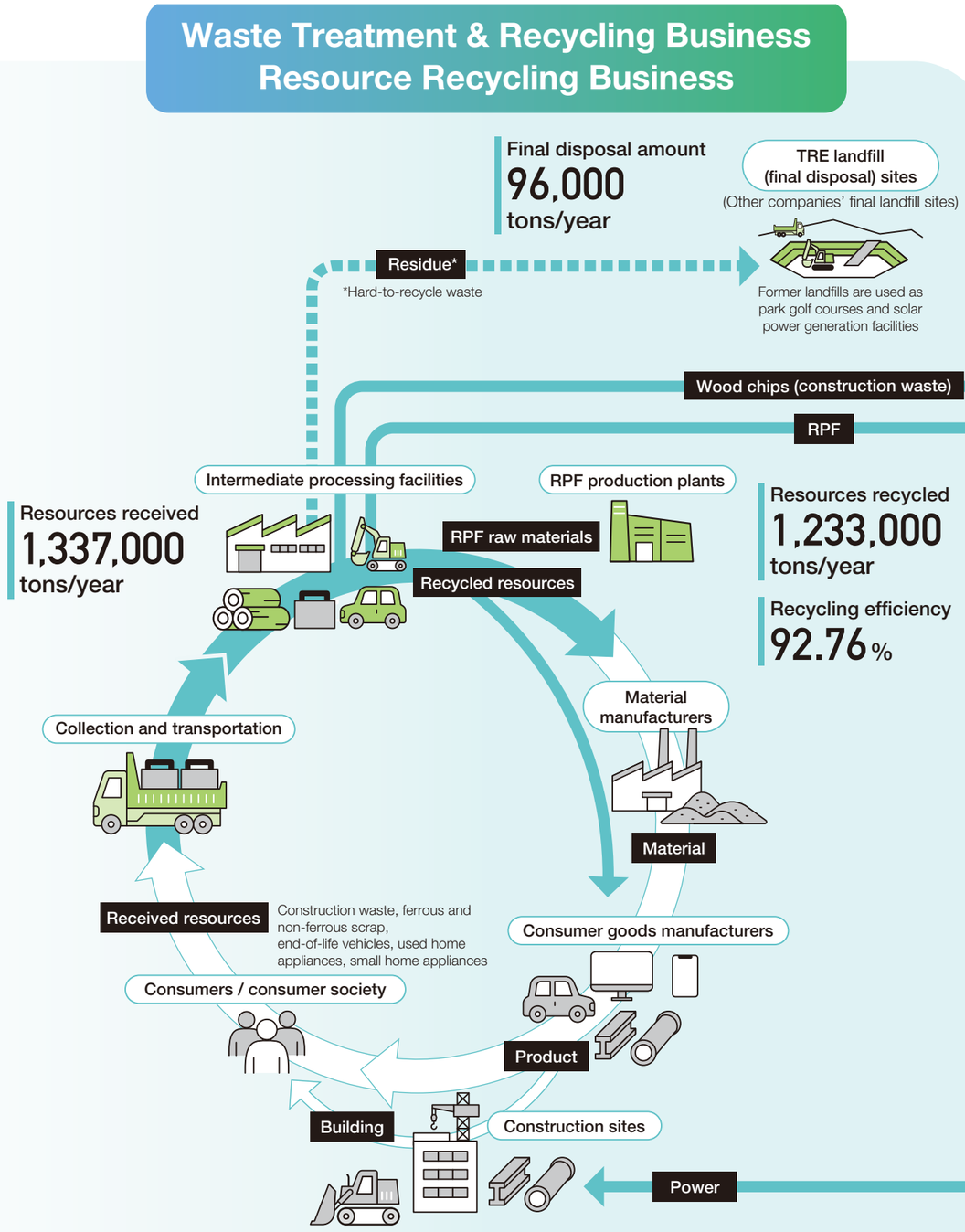
Toward an efficient recycling society and a carbon-neutral society—how the TRE Group creates value as a WX environmental company

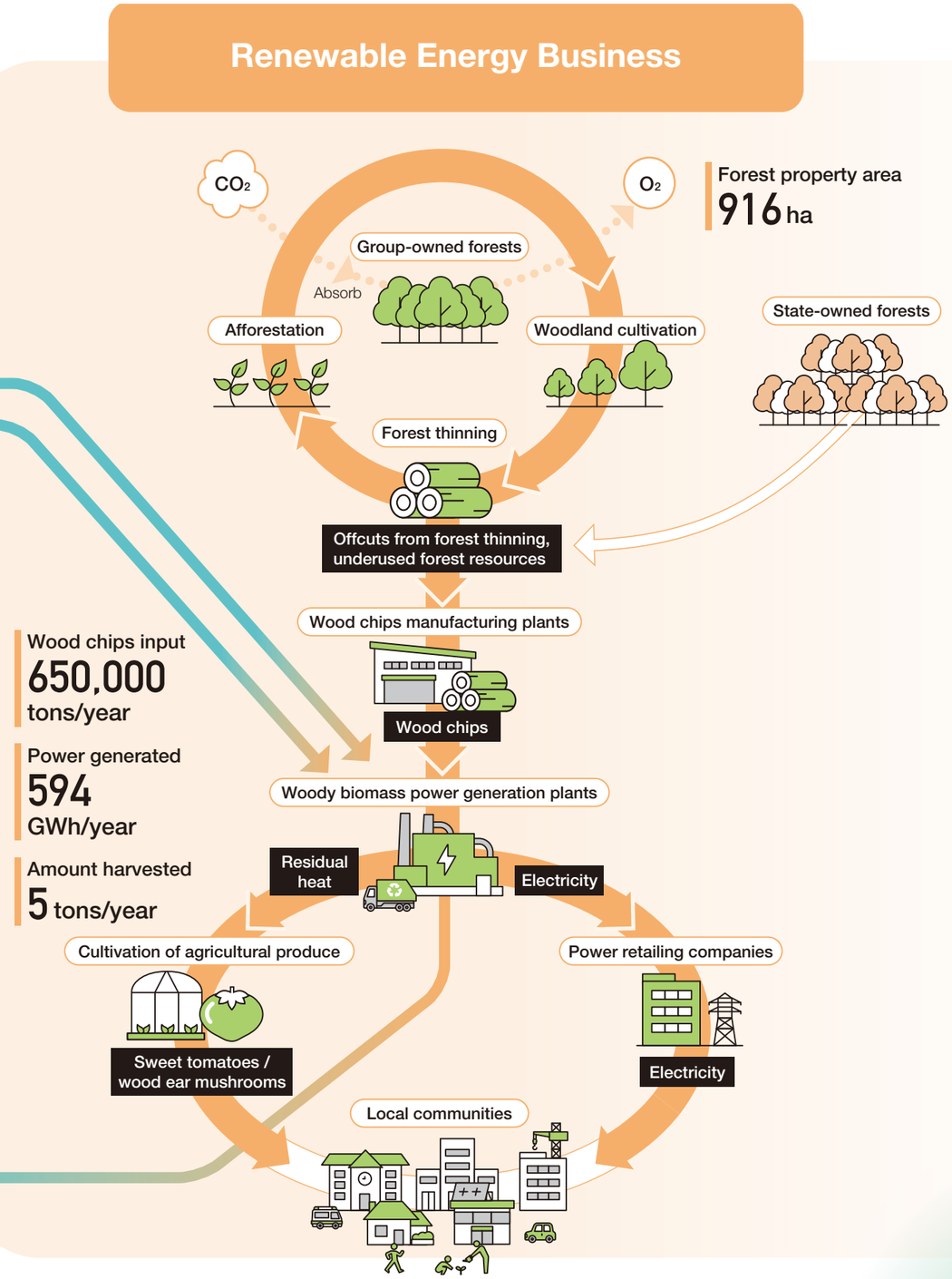
The TRE Group receives waste of products that were originally produced by other industries and used by consumer society, and recycles almost all of these materials. Furthermore, we are expanding our renewable energy business in order to contribute to a sustainable global environment by realizing an efficient recycling society and a carbon-neutral society.



TRE HOLDINGS' vision for a circular economy

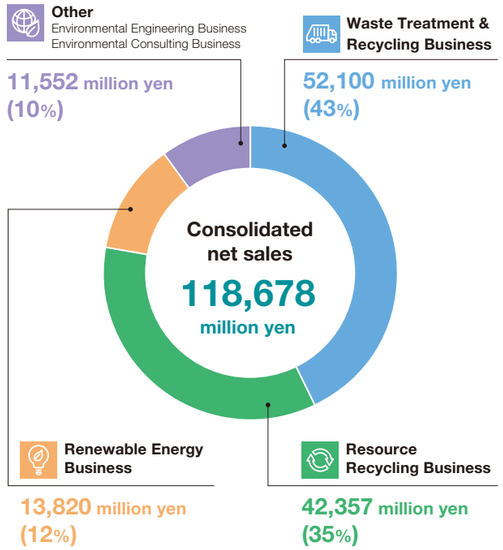
The TRE Group is committed to creating environmental value, focusing on three main businesses: the Waste Treatment & Recycling Business and the Resource Recycling Business, which are founded on its high-level sorting and classifying technologies, and the Renewable Energy Business, which centers on woody biomass power generation.

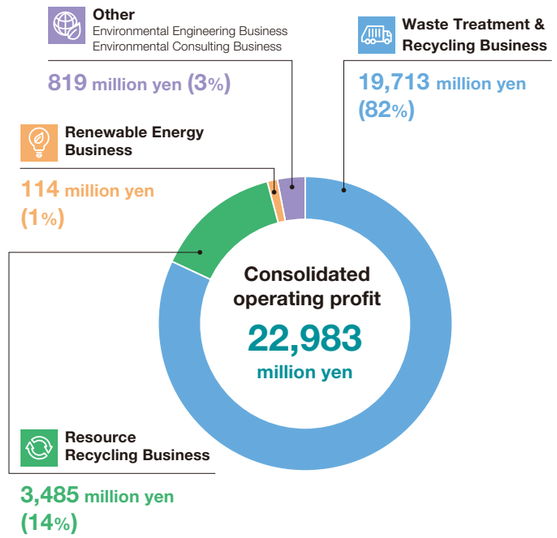




Striving to build a circular economy through our diverse businesses

With the TRE Group's three main businesses: the Waste Treatment & Recycling Business, Resource Recycling Business, and Renewable Energy Business, we are working to achieve our vision of a circular economy by developing an Environmental Engineering Business and Environmental Consulting Business, as well as promoting cross-linked collaboration between the waste management industry and other industries.





* Net sales and operating profits in each business represent figures before consolidated adjustment

Business segment

Waste Treatment & Recycling Business

Refer to pp. 31–32 Overview of Businesses by Segment (1)

Resource Recycling Business

Refer to pp. 33–34 Overview of Businesses by Segment (2)

Renewable Energy Business

Refer to pp. 35–36 Overview of Businesses by Segment (3)

Other
Environmental Engineering Business
Environmental Consulting Business

Refer to p. 37 Overview of Businesses by Segment (4)

Business field

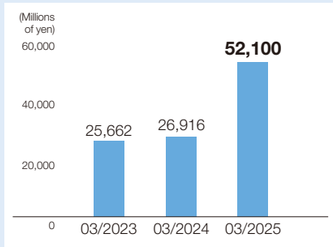
- Collection and transportation
- Waste treatment (construction-related)
- Recycling
- Landfill (final disposal)

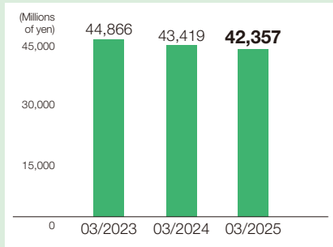
- Metal recycling
- Automobile recycling
- Home appliance recycling
- Waste treatment (metal-related)

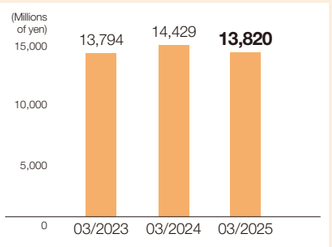
- Woody biomass power generation
- Power retailing
- Forest management
- Use of residual heat (for agricultural and other purposes)

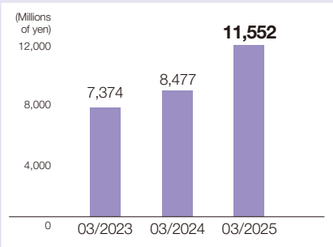
- Design and construction of environmental devices and plants
- Development, manufacture, and sale of special vehicles
- Environmental measurement, surveys, and analysis
- Real estate appraisal and valuation

Net sales

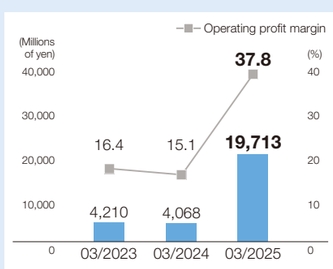


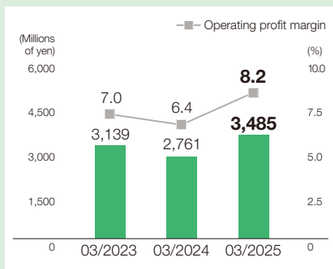


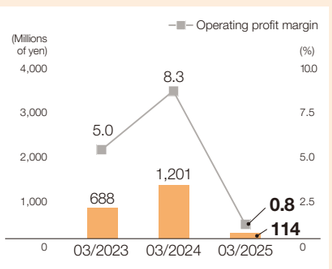


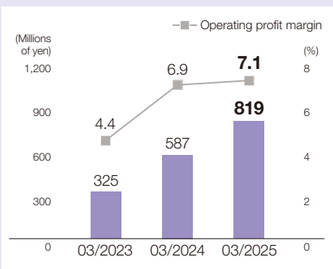


Operating profit









Operating companies

- TAKEEI CORPORATION
- TRE GLASS CORPORATION
- Gypro Co., Ltd.
- TAG Co., Ltd.
- METREC Co., Ltd.
- Hokuriku Environmental Services Co., Ltd., etc.

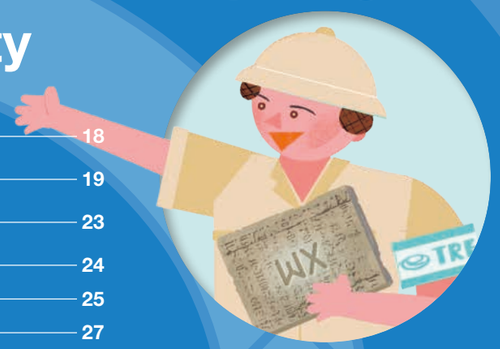
- REVER CORPORATION
- Sunny Metal Corp.
- ITSUMO Corp., etc.

- Tsugaru Biomass Power Generation Co., Ltd.
- Hanamaki Biomass Power Generation Co., Ltd.
- Green Power Ichihara Co., Ltd.
- Takeei Denki Co., Ltd., etc.

- Fuji Car Manufacturing Co., Ltd.
- Environmental Conservation Co., Ltd.
- Earth-Appraisal Co., Ltd.

Part 2
Vision and Strategy

Helping create an efficient recycling, carbon-neutral society



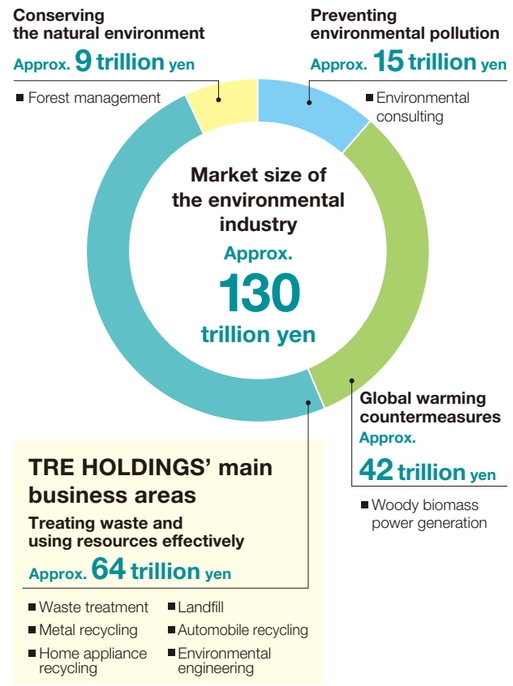
Against a backdrop of deepening global environmental problems, the environmental industry continues to grow

The shift toward decarbonization is advancing, driven by the growing severity of climate change and resource and energy concerns. The need to reduce greenhouse gas emissions in order to achieve carbon neutrality by 2050 is greater than ever before. In addition, the accelerating shift to a recycling-oriented society means that the challenge of adapting to environmental challenges must be addressed immediately, through the advancement and practical application of recycling technologies, as well as by further strengthening cooperation between the waste management and recycling industries and other industries such as the manufacturing industry.

The current market size of Japan's environmental industry is approximately 130 trillion yen, of which the circular economy-related market, which is particularly closely related to the TRE Group's business, has grown to approximately 64 trillion yen. Furthermore, Japan's Ministry of the Environment has set a goal of increasing the market size of circular economy-related businesses to more than 80 trillion yen by 2030 in its Circular Economy Action Plan, which it developed as a roadmap toward the year 2050.

Amidst these circumstances, as a waste management company that offers a wide range of treatment and recycling services for industrial waste, end-of-life vehicles, used home appliances, and construction waste, the TRE Group is in a unique position within the environmental industry and is working to create new value in the circular economy era of the future.

The market size of the environmental industry in Japan



Source: "Report on the Market Size and Employment of the Environmental Industry" released in June 2025 (2023 edition) by the Environmental Industry Market Size Study Group.

Challenges facing Japan's environmental industry

Carbon neutrality	•Achievement of greenhouse gas emissions reduction targets toward carbon neutrality (2050)
Resource recycling	•Advancement of cross-industrial collaboration •Innovation in recycling technologies
Trends in the waste treatment industry	•Declining waste volume amid falling birthrate and aging society •More municipalities privatizing their waste treatment facilities •Shortages of business successors and workers
Intensifying natural disasters	•Conclusion of disaster preparedness and response agreements with municipalities •Wide-area disaster waste treatment using vessels

Pursuing co-creation to transform resource recycling
Contributing to a sustainable society by promoting WX (waste transformation)

ABE Mitsuo
President and COO

Leveraging the power of co-creation to accelerate our transformation into a WX environmental company

TRE HOLDINGS is expanding its business domain as a WX environmental company and has established a long-term vision of becoming a leading company in the circular economy. We are working to harness the power of co-creation, transcending the traditional boundaries between the waste management industry and other industries to create an efficient recycling society and a carbon-neutral society. In order to achieve WX (waste transformation), it is essential to establish a framework for a circular economy in which all waste generated from economic activity and daily life is treated, recycled, and recirculated.

As we strive to give shape to our long-term vision of becoming a WX environmental company, in the first year of our Second Medium-Term Business Plan, which started in April 2024, we saw steady growth and progress toward our final-year goals. Consolidated net sales were 118.6 billion yen (92.8 billion yen in FY2023) with operating profit of 22.9 billion yen (7.7 billion yen in FY2023) and an operating profit margin of 19.4% (8.4% in FY2023), exceeding our targets by a considerable margin. The main drivers of this increase in profits were recovery and reconstruction support projects related to the Noto Peninsula Earthquake in the waste treatment and recycling business, as well as M&A activities. However, even excluding these factors, we still largely achieved our initial targets.

Although TRE promotes collaboration between the manufacturing industry, which is a primary producer, and the waste management industry, which handles waste treatment and recycling, in the fields of raw material procurement, manufacturing, and waste treatment and recycling, we do not limit our partnerships to industry alone. We are also looking to provide support to municipalities facing challenges in operating waste treatment facilities (general waste treatment facilities), regions that have suffered damage from earthquakes, heavy rains, forest fires, and other disasters, as well as local governments working to prepare for such disasters. In addition, we aim to work with central government ministries and agencies engaged in economic development, support for local governments, and restoration of disaster-afflicted areas.

Furthermore, in order to increase the spread of our WX efforts, we plan to expand our collaboration with local areas in which we do not currently have operating bases as well as companies that possess specialized technologies.

Giving shape to the TRE Group's Integrated Environmental Business concept

Our Second Medium-Term Business Plan, which spans the five years through to March 2029, consists of two main pillars: making existing businesses more resilient, and venturing into new businesses and fields. We have identified seven key initiatives for tackling these new business opportunities. One particularly important initiative is the TRE Group's Integrated Environmental Business concept.

Under this business concept, we will establish a large-scale waste treatment and recycling facility in Ichihara City, Chiba, focusing on four business areas: (1) advanced sorting and recycling of waste plastics; (2) crushing, sorting, and recycling of industrial waste; (3) advanced sorting of metal resources; and (4) waste incineration and power generation, and are aiming to sequentially commence operations. The first step in this project is the new Ichihara Sorting Center, which is currently under construction and will be used for advanced sorting and recycling of waste plastics. The center is scheduled to begin operations in October 2026.

We have also launched the Soma Circular Park concept in Soma City, Fukushima, an industry-government-academia partnership project that integrates resource recycling businesses for incinerator ash, waste plastics, and end-of-life solar panels, together with solar power generation and hydrogen production businesses.

These integrated environmental businesses combine the respective knowledge, expertise, and resources of TRE Group companies, and we aim to develop them into a major hub for the circular economy that brings together TRE and other companies involved in the waste management industry. Looking further ahead to the future, we envision that if these areas can be designated as special recycling zones, this would accelerate the transition to a circular economy and help resolve environmental and resource issues in Japan.

Creating a new value chain through collaboration between the waste management industry and other industries

Toward our first pillar of making existing businesses more resilient, we are making significant progress in initiatives that contribute to resource recycling and CO_2 reduction in the automotive industry, which is a cornerstone of Japan's economy.

REVER CORPORATION, which handles the disassembly, shredding, and sorting of end-of-life vehicles (ELVs), is currently installing a state-of-the-art large shredder at its Kawajima Plant, with

operation scheduled to begin in FY2026. This will enable the facility to increase its annual processing capacity from 36,000 tons to 60,000 tons. We also anticipate that this will enable us to differentiate ourselves from our competitors by producing high-quality scrap for use in electric furnaces, which are in high demand in the manufacture of high-grade steel due to their ability to reduce CO_2 emissions.

In addition, at REVER's Mibu Plant, which commenced operations in August 2025, we will work to recycle shredder dust (residues after shredding), which was previously disposed of by landfill or incineration. We plan to recycle 24,000 tons of the 48,000 tons of shredder dust collected at this facility into valuable resources. We have also entered into a business alliance with Sumitomo Chemical Co., Ltd. to repurpose waste plastic into high-quality recycled plastic. In addition, we are collaborating with AGC Inc. and the ORIX Group to develop a horizontal recycling scheme for waste glass from the construction industry, which has traditionally been disposed of by landfill.

Furthermore, in collaboration with DENSO CORPORATION, we are participating in the BlueRebirth Council, which aims to develop an automated sophisticated dismantling system that uses robots to disassemble ELVs and recycle them into automotive components. To prepare for implementation, we are currently constructing a research and development building at REVER's ELV Kawajima Plant. This project, which has the potential to transform the automotive supply chain, is generating considerable interest and anticipation from industry as a groundbreaking cross-industrial partnership.

Moreover, in order to promote the 3Rs (reduce, reuse, recycle) for used solar panels, which are increasing in Japan, we are engaged in a wide range of collaborations with companies in both the waste management and other industries, including launching joint studies into the reuse of solar panels with Toshiba Energy Systems & Solutions Corporation and Toshiba Environmental Solutions Corporation in August 2025.

Enhancing Japan's national resilience through collaboration with local governments

Local governments across Japan face a wide range of challenges, including the financial difficulties associated with population decline, aging public infrastructure, and natural disasters. Recognizing that the Group plays a key role in supporting societal infrastructure through its business activities, TRE is actively establishing systems designed to address the waste treatment challenges faced by local governments.

TRE has been working on a Group-wide level to support recovery and reconstruction efforts following the Noto Peninsula Earthquake that struck Ishikawa Prefecture in January 2024. Utilizing our long-standing connections to the region through Group companies such as Hokuriku Environmental Services Co., Ltd. and Monzen Clean Park Co., Ltd., which have business bases in the Hokuriku region, we joined disaster relief efforts, and employees from the TRE Group and our partner companies are actively involved in the treatment of disaster waste. At the peak of recovery efforts, we operated 16 temporary storage sites in Wajima City, Suzu City, and other locations, with over 400 members taking part. We took in about 3,000 vehicles of waste per day at the peak period and approximately 2,000 vehicles of waste per day during normal times. We also employ local fisheries workers who temporarily lost their livelihoods as a result of seabed uplift that rendered fishing ports non-functional (as of March 2025). I have continued to visit the region regularly, and many employees who participated in recovery efforts have mentioned to me that the gratitude and encouragement they receive from the local community is a great source of motivation.

Although I pray that such a large-scale disaster will never again occur, given the recent increase in the severity of natural disasters in Japan and the forecasts of megaquakes issued by the Cabinet Office and the Japan Meteorological Agency, we must assume that large-scale disasters will inevitably strike again in the future. I believe that the TRE Group's mission and the role expected of us by society is to contribute to the resilience of Japan's national infrastructure by quickly treating disaster waste that hinders the recovery of people's livelihoods and regional functions, and recycling this waste into useful resources. In addition to continuing to support the recovery and reconstruction of the Noto region, we are currently proposing businesses to local governments that will help create new employment opportunities in areas that have experienced significant population declines following the earthquake.

Many local governments are also facing significant challenges due to the aging and maintenance needs of their waste treatment facilities. In April 2024, we launched a new Public-Private Partnership Department to promote the privatization of general waste treatment functions managed by local governments, with the aim of developing businesses that can reduce costs and ease the burden on the public sector. We will also contribute to strengthening Japan's national resilience by deepening ties with local community. Initiaitves in this area include establishing disaster waste treatment agreements with local governments, and enhancing our ability to respond quickly and flexibly to local needs.

Utilizing natural resources to unlock new possibilities in power generation, forestry, fisheries, and agriculture

The TRE Group operates a renewable energy business, including six woody biomass power plants in Japan that generate electricity from unused forest resources such as thinned forest wood, pruned branches from roadside trees, and wood waste from construction sites. Rather than relying on imported wood chips for fuel, the Group's power plants procure wood chips domestically and supply electricity to local elementary and junior high schools and other facilities, thus achieving "local production for local consumption" of electricity and contributing to the regeneration and revitalization of the forest industry. In May 2020, we established forest management company TAKEEI Forestry Co., Ltd., and in January 2024, we acquired Izumiyama Forestry Co., Ltd., which handles operations ranging from logging to lumber processing and sales, as a subsidiary. As a result, the TRE Group currently manages approximately 1,000 hectares of forest, primarily in the Tohoku region.

Forests that have been abandoned due to depopulation and other factors are at increased risk of disasters such as forest fires and landslides. To address this risk, we are promoting a business that helps prevent forest degradation and disasters by regularly thinning trees and recycling the thinned wood into resources such as lumber or wood chips for fuel. During recent forest fires, our teams have thinned trees in areas where large sections of mountains have burned, preventing fires from reigniting, while also planting trees on exposed slopes to prevent landslides and promote reforestation.

We have also entered into a memorandum of understanding with Mitsubishi Gas Chemical Company, Inc. to form a strategic business collaboration and conduct a feasibility study on Japan's first commercialization of green methanol production process utilizing woody biomass and waste. Green methanol has applications not only as a carbon-neutral fuel for ships and sustainable aviation fuel (SAF), but also as a coating agent for automotive component molds and a fuel for methanol fuel cells used in mobile devices.

We are also expanding into agricultural production. In April 2016, TAKEEI CORPORATION established subsidiary Tsugaru Eneveg Co., Ltd., through which it has been working to cultivate sweet tomatoes by utilizing residual heat from woody biomass power generation. Additionally, in May 2025, Shinshu Takeei Co., Ltd. established Shinshu Agration Co., Ltd. to address the issue of abandoned farmland in the vicinity of its headquarters. The company aims to build a circular economy model that combines agriculture with recycling technology, starting with the cultivation of rice and buckwheat.

Japan is blessed with an abundance of forest resources—even by global standards—and these forests have provided a rich water supply and fertile soil throughout the country. Our goal as part of WX is to utilize these natural blessings to the fullest extent possible while protecting the ecosystem and ensuring that Japan's natural resources are recycled without being wasted.

Realizing society's hopes as a WX environmental company

Since the merger of two waste management companies, TAKEEI and REVER, in October 2021, a number of other waste management companies have joined the TRE Group and we have also established new companies, all of which have contributed to our dynamic growth. Despite this, however, we recognize that we alone cannot solve the pressing global challenges such as climate change, nor other key issues including resource shortages and the outward flow of ELVs and other domestic resources. As such, we aim to accelerate WX and drive societal change by expanding collaborative efforts with diverse stakeholders that transcend the traditional boundaries of the waste management industry and other industries, as well as between the industry, government, and academia.

To share our growth strategy and value creation narrative with a wider audience, we have launched a diverse communications campaign, including airing corporate commercials on TV Tokyo's *News Morning Satellite*, posting videos on our official YouTube channel, and running advertisements on digital billboards at Otemachi Station in central Tokyo. By enhancing public awareness of the TRE Group, we aim to not only promote WX, but also to instill a sense of pride and purpose in all Group employees and strengthen our sense of unity as a group. I also regard our shareholders as like-minded partners who share our vision and support us as they believe in our potential for growth. In order to maintain the trust and support of our shareholders, we will continue our efforts to strengthen shareholder returns, including exploring the introduction of shareholder benefits.

Although Japanese society faces many challenges, including waste management, resource outflow, major disasters, and population decline, we aim to focus directly on societal problems and people's needs, and to leverage our knowledge and technology to provide solutions. We look forward to your continued support as TRE HOLDINGS moves forward toward further growth.

Taking resource recycling to new heights as a WX (waste transformation) environmental company to contribute to the realization of a circular economy

Toward our long-term vision of becoming a leading company in the circular economy

Ever since the Company's establishment in 2021, TRE HOLDINGS has worked to create an efficient recycling and carbon-neutral society through initiatives such as recycling waste and end-of-life products and establishing resource recycling systems.

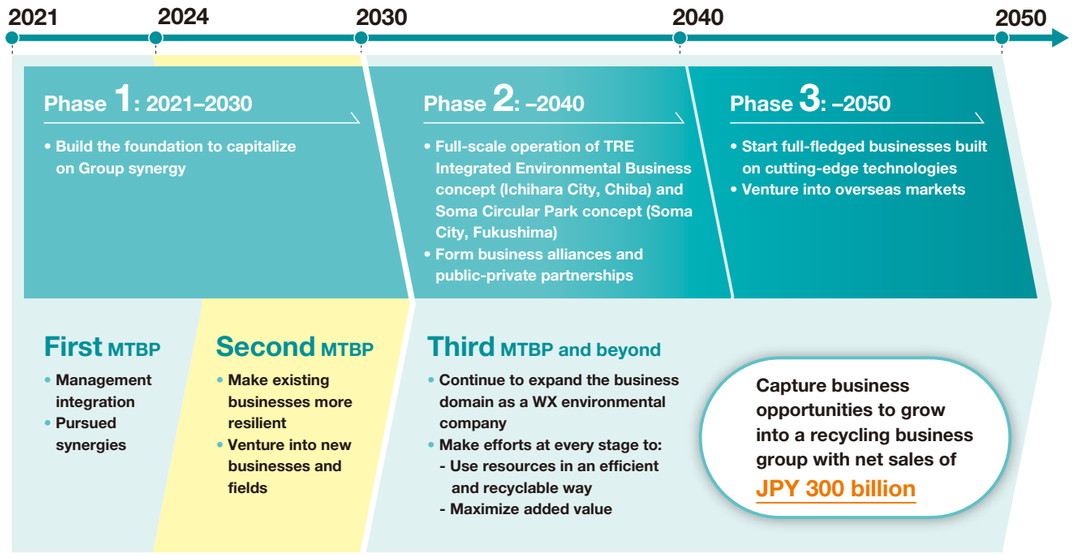
In 2024, we set a long-term vision of becoming a WX environmental company. Waste transformation refers to the process of revolutionizing the resource cycle by overcoming the technological and economic challenges associated with waste materials that have conventionally been difficult to recycle into resources. Through this challenge, we aim to realize the potential of resource recycling by promoting co-creation initiatives that go beyond conventional frameworks, in order to create a circular economy in which "waste" is synonymous with "resources."

By taking on the challenge of evolving the TRE Group into a WX environmental company, we will work to grow as a leading company in the circular economy. We will do this by further enhancing our waste treatment technologies and steadily expanding our business domain by developing new businesses that leverage these new technologies, both in Japan and overseas.

Setting a three-phase roadmap for 2050—steadily growing into a recycling group with net sales JPY 300 billion

In order to achieve our long-term vision, the TRE Group has divided the period through to 2050 into three phases and drawn up a roadmap for creating an efficient recycling and carbon-neutral society. During Phase 1, which runs through to 2030, we plan to maximize Group-wide synergies from the business integration to make our existing businesses more resilient, while venturing into new businesses and fields. In Phase 2, the subsequent period spanning 2030 to 2040, we will strive to increase earnings through the full-scale operation of the integrated environmental businesses we are currently establishing in Ichihara City, Chiba, and Soma City, Fukushima. We will also work to generate revenue from our general waste treatment business through business alliances and public-private partnerships. This will further solidify the TRE Group's business infrastructure and enable us to continue expanding our business domains. Then, in Phase 3, the final period which runs through to 2050, we will build on the business growth and expansion we achieved in Phases 1 and 2 to apply and generate revenue from the new recycling technologies we have developed over the course of our evolution into a WX environmental company. In parallel with this, we will work to leverage the recycling technologies and business models refined by the TRE Group to expand into overseas markets, targeting net sales of 300 billion yen by the 2040s.

Positioning of Second Medium-Term Business Plan (MTBP)



Progress of Second Medium-Term Business Plan

TRE HOLDINGS has established its second five-year Medium-Term Business Plan (MTBP) from April 1, 2024 to March 31, 2029, setting itself the challenge of transforming into a WX environmental company. Under the plan, we aim to expand and enhance our business domains, focusing on two pillars: making existing businesses more resilient, and venturing into new businesses. Our basic strategy is to enhance our existing businesses of the waste and resource recycling businesses as well as the renewable energy business, while venturing into new businesses and fields that will accelerate the shift to a circular economy.

Toward the first pillar of making existing business more resilient, as part of the TRE Integrated Environmental Business concept we are pursuing in Ichihara City, Chiba, in March 2025 we began construction of the Ichihara Sorting Center, which will handle advanced sorting and recycling of waste plastics. The Center is scheduled to begin operations around October 2026. The Monzen Clean Park controlled final landfill site, which opened in August 2024, has been accepting disaster waste at volumes exceeding projections since its opening. Additionally, REVER CORPORATION's Mibu Plant commenced operations in August 2025, handling re-sorting of shredder dust (residual material left after shredding). By recovering valuable resources from shredder dust that was previously outsourced for disposal, we are working to improve our recycling efficiency.

Meanwhile, toward our second pillar of venturing into new businesses and fields, as part of the Soma Circular Park concept, in February 2025 TAKEEI CORPORATION joined the Circular Economy Partnership for Promoting General Waste Recycling Technologies with nine organizations including local governments, private companies, and a university. The partnership aims to conduct testing to further the development of recycling technology for plastics not subject to the Containers and Packaging Recycling Law and for disposable diapers, in order to develop products that are easier to recycle and reduce landfill waste. We are also accelerating co-creation initiatives of vehicle recycling, including promoting a "car-to-car" resource cycle through collaboration with partners outside the waste management industry, such as manufacturing industries, government, and academia (→ p. 34).

As a result of these efforts, business performance in the fiscal year ended March 31, 2025, the first year of the Plan, significantly exceeded initial projections, with net sales of 118.6 billion yen and operating profit of 22.9 billion yen, partially driven by the disaster recovery and reconstruction support project following the Noto Peninsula Earthquake of January 2024. With this recovery support project continuing into the fiscal year ending March 31, 2026, we also expect to exceed the targets set for the second year of the Plan. However, under Ishikawa Prefecture's plan, waste treatment is scheduled to be completed by March 2026, with a transition to the reconstruction phase to commence in the third year of the MTBP and beyond. Accordingly, we will continue to steadily implement the key strategies and priority initiatives outlined in the Plan.

Key strategies and medium- to long-term priority initiatives

Key strategies

Growth strategies

Widen operations by leveraging our strengths as an enterprise specializing in the environmental business

1. Enhance the waste and resource recycling businesses that help realize an efficient recycling society
2. Promote the renewable energy business that helps create a carbon-neutral society
3. Venture into new businesses and fields that contribute to the realization of a circular economy

Business infrastructure strategy

Solidify the Group's management foundation that underpins the three growth strategies

- Craft and execute DX strategy
- Reinforce internal control
- Improve safety management and working environments
- Invest in human capital and solidify the financial foundation

Priority initiatives

1. Advance our integrated environmental business concept in Ichihara City, Chiba, and in Soma City, Fukushima
2. Develop new businesses through concrete cross-industrial collaboration
3. Handle general waste through public-private partnership
4. Contribute to building national resilience (enhancing functional resilience)
5. Generate competitive advantage by implementing in society new recycling technologies
6. Capitalize on Group synergy and widen operations through M&As and overseas business development
7. Enhance medium- to long-term initiatives for a carbon-neutral society (reforestation and forest management)

A thorough focus on cost of capital, ROE-based management, and strategic capital investments Increase TRE's corporate value by improving ROE, promoting sustainability management, etc.

Our financial goals in the Second Medium-Term Business Plan (MTBP) include increasing our ROE target to 10% or higher by the fiscal year ending March 31, 2029 by making our existing businesses more resilient and venturing into new businesses to improve profitability (ROE target in the First MTBP was 8% or higher). For the fiscal year ended March 31, 2025, the first year of the Second MTBP, our profitability increased, primarily driven by full-scale recovery and reconstruction support projects following the 2024 Noto Peninsula Earthquake in the Waste Treatment & Recycling Business, increased processing volumes of used home appliances and other items in the Resource Recycling Business, and the sustained high levels of non-ferrous metal prices. As a result, ROE reached 17.5%. Going forward, we will continue striving to increase ROE by enhancing profitability and improving capital efficiency. Our Second MTBP calls for proactive large-scale capital investments aimed at creating an efficient recycling society and meeting the growing needs of environment-related markets. We will fund these large-scale investments through debt, while maintaining our financial stability by setting a minimum equity ratio of 40%. In the fiscal year ended March 31, 2025, our equity ratio remained above this threshold at 45.1%, despite a decrease compared to the previous fiscal year-end due to an increase in interest-bearing debt and the impact of share buybacks.

The centerpiece of our large-scale investments is the TRE Integrated Environmental Business concept, which is planned for development in Ichihara City, Chiba. We will invest in facilities that will make existing businesses more resilient—one of the key pillars of our Second MTBP—including advanced sorting and recycling facilities for industrial waste, waste plastic, and metal resources, as well as industrial waste incineration and power generation facilities. As a first step toward this goal, we have embarked on the construction of the Ichihara Sorting Center. In addition, we plan to transform the Group's business structure by upgrading existing equipment and introducing new equipment to maximize the processing capability of our existing facilities, while optimizing duplicate functions and processing capacity within the area. This will enhance both the quality and quantity of our intermediate treatment and recycling capabilities while also increasing efficiency.

Meanwhile, in parallel with these growth investments, we will enhance our ability to generate operating cash returns by building on the Group's strengths to further expand our business activities. Although depreciation will increase due to the large-scale investments we are implementing, EBITDA is projected to rise by 7.8 billion yen, from 14.2 billion yen in the fiscal year ended March 31, 2024 to 22.0 billion yen in the fiscal year ending March 2029, the final year of the MTBP. EBITDA for the fiscal year ended March 31, 2025 increased significantly to 31.5 billion yen, primarily due to demand in the Waste Treatment & Recycling Business from the disaster recovery and reconstruction support project following the 2024 Noto Peninsula Earthquake. However, waste treatment related to these recovery support projects in Ishikawa Prefecture is scheduled to be completed by March 2026. From the third year of the Second MTBP, the recovery effort will transition into the reconstruction phase, with full-scale rebuilding and planned capital investments to be implemented.

With regard to shareholder returns, we have raised the return ratio from the 30% dividend payout ratio set in our First Medium-Term Business Plan to a total return ratio target set at a range of 35% to 40%. For the fiscal year ended March 31, 2025, we increased the dividend per share by 5 yen and repurchased treasury shares totaling 4,329 million yen, resulting in a total return ratio of 53.7%. Going forward, we will continue to enhance shareholder returns and further improve our capital efficiency while maintaining an appropriate balance with growth investments.

Capital expenditure plan

(Millions of yen)

	Previous FY Full-year	FY03/2025		FY03/2026 Full-year forecast
		Full-year	Full-year plan	
Capital expenditure *	11,915	13,056	19,805	19,298
Depreciation	5,895	8,028	6,550	8,115
Amortization of goodwill (consolidated)	571	565	572	202

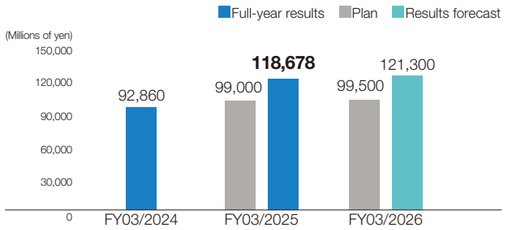
*Capital expenditures represent figures for property, plant, and equipment, and intangible assets.

Main capital expenditure for FY03/2025 (actual and planned)

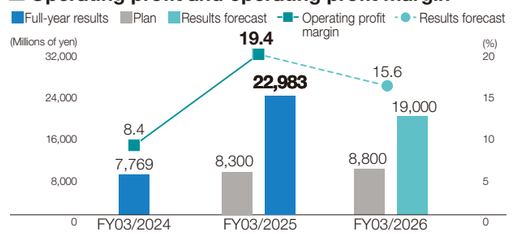
		Full-year results	Full-year plan
TAKEEI CORPORATION	Establishment of Ichihara Recycling Center, etc.	1.76 billion yen	6.65 billion yen
REVER CORPORATION	Mibu Plant Advanced Sorting Center	2.32 billion yen	3.85 billion yen
TAKEEI CORPORATION	Equipment and machinery upgrades	1.94 billion yen	2.65 billion yen
REVER CORPORATION	Key equipment upgrades	740 million yen	910 million yen
REVER CORPORATION	Site expansions at facilities in the northern Kanto region	760 million yen	760 million yen
Fuji Car Manufacturing Co., Ltd.	Equipment and software upgrades	290 million yen	630 million yen
Shinshu Takeei Co., Ltd.	Headquarter reconstruction, equipment upgrades	160 million yen	460 million yen
Gypro Co., Ltd.	Equipment upgrades	40 million yen	210 million yen

*Results forecast for FY03/26 is as of August 8, 2025.

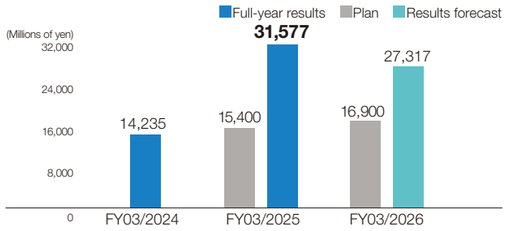
Net sales



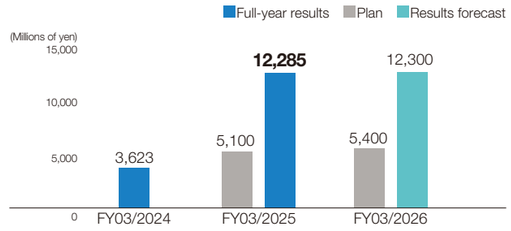
Operating profit and operating profit margin



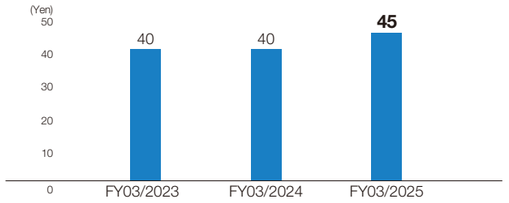
EBITDA



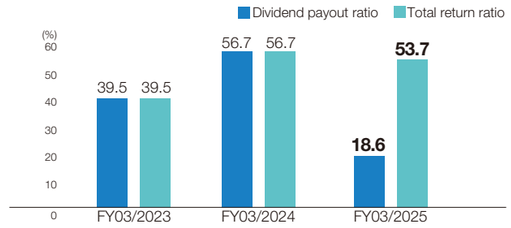
Profit attributable to owners of parent



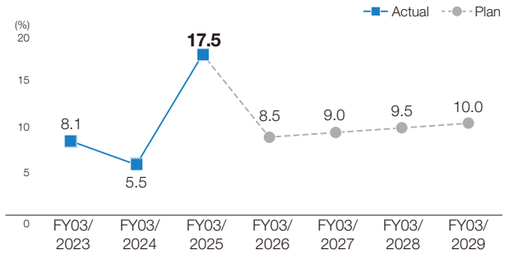
Dividend per share



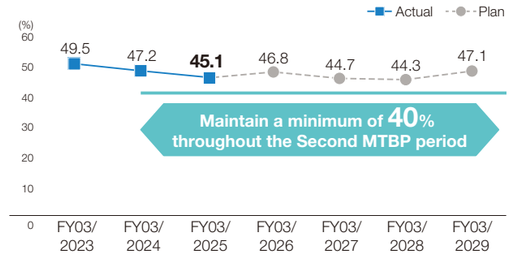
Dividend payout ratio and total return ratio



ROE



Equity ratio



Main capital expenditure for FY03/2026 (plan)

		Full-year plan
TAKEEI CORPORATION	TRE Integrated Environmental Business concept (plastic waste and crushing operations)	4.69 billion yen
TAKEEI CORPORATION	Equipment and machinery upgrades	2.26 billion yen
REVER CORPORATION	Equipment upgrades and site expansions at facilities in the northern Kanto region	1.49 billion yen
T&H Eco Mirai Co., Ltd.	New incinerator and other equipment	1.47 billion yen
REVER CORPORATION	Kawajima Plant shredder and other equipment upgrades	1.39 billion yen
Monzen Clean Park Co., Ltd.	Landfill site dam construction	1.24 billion yen
TAKEEI CORPORATION	Soma Circular Park infrastructure and other construction	1.13 billion yen
Platech Soma Co., Ltd.	Soma Circular Park waste plastic processing facility	630 million yen
REVER CORPORATION	Existing building expansion to construct R&D building	200 million yen

Key performance indicators (KPIs) for each of our five material issues

Basic approach

In recent years, there has been an accelerating movement globally to resolve social problems, represented by initiatives such as the goals of the Paris agreement and the UN's Sustainable Development Goals (SDGs). To respond to this societal demand while also putting TRE HOLDINGS' principles that state "we are committed to the conservation of the global environment" into practice, we have identified material (key) issues that we will prioritize.

To identify these issues, we held multiple discussions and debates from views such as which social issues we could help resolve through our strengths and expertise as a WX (waste transformation) environmental management company, which matters we should use as a foundation for the continued business of TRE HOLDINGS, and which matters would be necessary for sustained growth in corporate value. At the end of these repeated processes, we identified five material issues.

The process of identifying material issues

We collected and organized a wide range of social issues, analyzed the material issues from two viewpoints—their importance to TRE HOLDINGS and their importance to stakeholders—and broadly selected the issues. The five issues were identified after an employee workshop was held and the CSR and Sustainability Promotion Committee deliberated the issue.

We have also established KPIs for each of the material issues that were identified.

Going forward, we will continue to steadily promote these initiatives by implementing the PDCA cycle.

STEP 1 Considering candidates for material issues

We began by compiling an extensive list of issues taking into account recent societal demands and trends and ultimately identified 53 items as candidates for material issues.

STEP 2 Scoring material issue candidates

We performed a four-stage evaluation (scoring) of material issue candidates from two viewpoints: their importance to TRE HOLDINGS and their importance to stakeholders.

STEP 3 Narrowing down candidates for material issues

We gathered employees from a range of departments to debate the appropriateness of our rankings. Finally, we narrowed the material issues down to five based on our future vision.

STEP 4 Approval from management

The CSR and Sustainability Promotion Committee exchanged opinions on the organized material issues and judged them to be appropriate, and they were settled upon after the approval of the Board of Directors.

STEP 5 Setting KPIs

We then established quantitative key performance indicators (KPIs) for each of our five material issues.
Implementing initiatives to solve issues.

Material issues	Key performance indicators (KPIs)	Results for FY03/2025	Action plan	FY03/2029 targets	Related SDGs
Create an efficient-recycling society	**Improving recycling efficiency** • Achieve a recycling efficiency of 93% or higher by 2030. • Achieve a recycling efficiency of 94% or higher by 2040.	**Recycling efficiency 92.76%*** [Results for FY03/2024] Recycling efficiency 91.82%*	• Build a resource recycling scheme by linking waste management companies and other industries. • Improve facilities and realize plans for advanced sorting sites. • Add value to unused resources or turn them into products. • Build a business scheme for recycling waste plastic.	**Recycling efficiency** **92.86%** **vs. FY2023** **0.88% increase**	
Create a carbon-neutral society	**Reducing CO_2 emissions** • Achieve net zero CO_2 emissions from purchased electricity (Scope 2) by 2026. • Reduce CO_2 emissions (Scope 1+2) by 46% or more in real terms by 2030 (compared to FY2013). • Achieve net zero CO_2 emissions (Scope 1+2+3) by 2050.	**CO_2 emissions (Scope 1+2)*** **47,460 t-CO_2** Scope 1: **26,178 t-CO_2** Scope 2: **21,282 t-CO_2** [Results for FY03/2024] CO_2 emissions (Scope 1+2)* 47,343 t-CO_2 Scope 1: 26,491 t-CO_2 Scope 2: 20,852 t-CO_2	• Establish/operate sustainable woody biomass power generation plants integrated with forest management. • Introduce a CO_2 calculation system to monitor greenhouse gas (CO_2) emissions from business activities in a timely manner and visualize the effect of measures implemented to reduce emissions. • Provide environmental equipment, technology and services that help stakeholders reduce greenhouse gases (CO_2).	**Reduction in CO_2 emissions** **-21,228 t-CO_2** **vs. FY2013** **40.59%**	
Create pleasant and fulfilling working environments	**Rate of male employees taking childcare leave (HR)** • Increase the rate of male employees taking leave for childcare purposes to 100% by 2030. **Increasing number of women in managerial positions (HR)** • Double the number of women in managerial positions by 2035. **Striving to achieve a lower workplace accident frequency rate (Safety)** • Reduce workplace accident frequency to average of all industries by 2030.	**Rate of male employees taking childcare leave 85.0%** [Results for FY03/2024] Rate of male employees taking childcare leave 69.0% **Number of women in managerial positions 18** [Results for FY03/2024] Number of women in managerial positions 16 **Frequency rate 3.08** [Results for FY03/2024] Frequency rate 3.32	• Create workplaces where anyone can work in health and safety and with peace of mind. • Promote work-life balance. • Develop the human resources that will support the Company's sustained growth by carrying out all kinds of training and providing a system to support obtaining qualifications. • Ensure thorough awareness of safety management and promote accident prevention initiatives at plants and in vehicles.	**Rate of male employees taking childcare leave** **100%** **Number of women in managerial positions** **25 or more** **Frequency rate** **Equivalent to average across all industries**	
Strengthen the corporate governance structure	**Conducting assessment of the effectiveness of the Board of Directors** • Conduct an annual assessment of the effectiveness of the Board of Directors. **Participation in internal governance-related training** • Achieve a 100% participation rate.	**Effectiveness assessment: Conducted once** **Training participation rate 98.8%** [Results for FY03/2024] Effectiveness assessment: Conducted once Training participation rate 98.1%	• Maintain the transparency of management by establishing various committees. • Conduct training to ensure thorough compliance and check the state of observance. • Practice appropriate information management and risk management. • Conduct assessment of the effectiveness of the Board of Directors.	**Internal training participation rate** **100%**	
Enhance our brand value and increase our recognition as a comprehensive environmental management company	**Higher evaluations from external rating agencies (ESG rating agencies, etc.)**	• **Began airing TV commercials** • **Held site tours for individual investors in March 2025 (2 sessions in total)** [Results for FY03/2024] • Engaged an external consulting firm to identify the status quo • Disclosed basic policy	• Disclose information in a timely and suitable fashion. • Practice fair and equitable IR activities. • Engage stakeholders.	• **Enhance disclosure tools** • **Disclose evaluation items in an appropriate manner**	

* Guaranteed by SOCOTEC Certification Japan, a third-party organization.

Focusing on reducing environmental impact as a material issue, while working to solidify our management foundation to support sustainable growth

Enhancing recycling efficiency

In order to contribute to the creation of an efficient recycling society, the TRE Group has set goals of (1) achieving a recycling efficiency of 93% or higher by 2030, and (2) achieving a recycling efficiency of 94% or higher by 2040.

In recent years, the TRE Group has been handling an increasing volume of waste that is received with a variety of different waste items in a mixed and composite state, which presents a challenge in terms of recycling.

In order to solve this issue, we plan to increase the number of recycling sites equipped with advanced sorting and recycling technologies, as well as to reduce the amount of waste generated by enhancing the sorting process at existing plants. Combined, these measures will lead to an increase in the TRE Group's recycling efficiency. We are also working to strengthen partnerships between companies that manufacture and sell products, and the waste industry, which collects, treats, and recycles used products. By working together to establish a range of recycling systems spanning waste collection to recycling, the waste industry and other industries will help realize a circular economy.

Measures to increase recycling efficiency

KPI targets

1. A recycling efficiency of 93% or higher by 2030
2. A recycling efficiency of 94% or higher by 2040

Measures to increase recycling efficiency

- Enhance ability to handle hard-to-recycle products and promote new technologies
- Increase volume of resources recycled at all intermediate processing facilities
- Expand partners using, and sales channels for, recycled resources
- Increase integrated processing and recycling plants with state-of-the-art functional facilities (TRE Integrated Environmental Business concept, etc.)
- Strengthen and upgrade sorting operations, such as recovering valuable resources from dust

Reducing CO_2 emissions

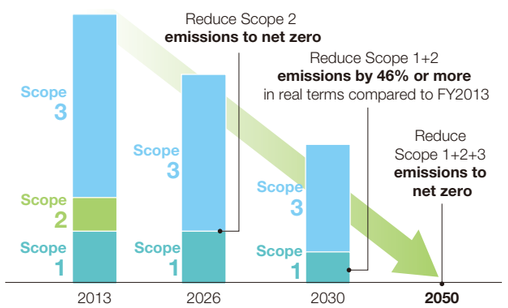
The TRE Group aims to create a carbon-neutral society by reducing CO_2 emissions from its business activities as well as by generating its own renewable energy.

We have set incremental targets for reducing CO_2 emissions: (1) achieve net zero CO_2 emissions from purchased electricity (Scope 2) by 2026, (2) reduce CO_2 emissions (Scope 1+2) by 46% or more in real terms compared to FY2013, and (3) achieve net zero CO_2 emissions (Scope 1+2+3) by 2050.

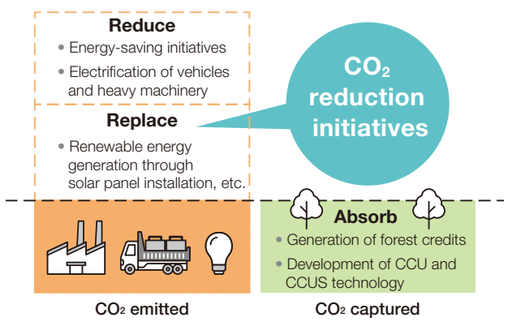
In order to reduce CO_2 emissions, we are working to reduce energy consumption by switching to LED lighting and promoting fuel-efficient driving, generate renewable energy by installing solar panels at our business sites, and replace our vehicles and heavy machinery, which currently use fossil fuels, with electric models.

We are also exploring CO_2 recovery initiatives, such as generating forest carbon credits through our forest management operations and developing carbon dioxide capture, utilization, and storage (CCU/CCUS) technologies.

CO_2 emission reduction targets



Reducing CO_2 emissions



Solidifying our management foundation

In order to expand the business domain under the dual pillars set out in our Second Medium-Term Business Plan of striving to make the existing businesses more resilient and to venture into new businesses and fields, strengthening our business infrastructure is a key task.

Specifically, we will work to enhance internal controls, ensure thorough safety and improve the workplace environment, recruit and develop personnel with expertise in environmental business, streamline and optimize our operations, and strengthen our financial foundation. As these objectives cannot be achieved by reviewing existing business processes and systems alone, we focus on the following two priority measures.

• Promoting digital transformation (DX) strategies

We have formulated the TRE Group DX Strategy in order to strategically enhance our operating framework over the medium- to long-term by reforming business processes and improving operational efficiency through data-driven and digitalization initiatives.

Through our DX initiatives, we aim to standardize our operations and achieve significant time savings by automating and streamlining data collection and document creation processes. In addition, we will leverage cutting-edge IT and IoT technologies, including generative AI, to achieve sophisticated utilization of data and operational knowledge, with the ultimate goal of creating new business models. We are also actively working to recruit talent with expertise in data science and AI utilization in order to strengthen our overall DX capabilities.

• Maximizing the value of human resources

As we work to solidify our management foundation, the driving force behind these efforts will be our diverse human resources with specialized skills and expertise. In today's Japan, where it is difficult to secure talent due to a decline in the working population and the increasing mobility of human resources, one of our key tasks is to secure and develop a diverse workforce and to provide a pleasant and fulfilling work environment in which each and every employee can achieve their fullest potential.

To this end, as illustrated in our KPIs we are promoting women's career development and encouraging men to take childcare-related leave, in order to provide a work environment that enables employees to balance their work and personal lives. By recruiting a diverse workforce and helping our employees grow, our aim is to make the TRE Group a place where each and every employee can fulfill their potential to the fullest.

Strategies to strengthen our management foundation

Toward a WX environmental company

Boost earning power and increase resources received | **Raise the quality of recycled materials** | **Advance cross-industrial collaboration** | **Seek M&As, public-private partnership, etc.**

Solidify the Group's management foundation that underpins the Group's growth strategies

Reinforce internal control	Ensure safety and improve working environments	Recruit and develop personnel with expertise in environmental business	Streamline and optimize operations	Solidify the financial foundation

Devise and implement DX strategy

- Transform manual operations into digital and paperless ones
- Digitalize stand-alone business processes
- Digitalize interorganizational or Group-wide operations to create value from a customer perspective
- Develop and upskill IT personnel

- Provide pleasant and fulfilling working environments for diverse human resources
- Enhance the soundness and transparency of governance structure
- Build a corporate brand that is trusted by all stakeholders
- Become the company of choice by maximizing customer satisfaction
- Grow into a strong corporate group where all individuals can display their potential to the fullest

Maximize the value of human resources and ensure compliance

- Redouble the effort to hire women, and develop and promote them to managerial positions
- Take actions to lower the frequency rate of workplace accidents
- Provide thorough education on safety and compliance
- Help employees obtain qualifications or otherwise upskill
- Ensure proactive disclosure and thoughtful communication

Making Existing Businesses More Resilient | Overview of Businesses by Segment (1)

Waste Treatment & Recycling Business

TRE Group provides one-stop waste management solutions spanning construction waste collection and transportation to intermediate treatment, recycling, and final disposal, fulfilling an essential societal infrastructure role required to create a circular economy.

Business function

- Collection and transportation
- Waste treatment (construction-related)
- Recycling
- Landfill (final disposal)

TRE's strengths

- We possess an integrated waste treatment system that spans collection and transportation, intermediate processing and recycling, to final disposal.
- We own several of Japan's largest advanced sorting and processing facilities, primarily located in the Tokyo metropolitan area.
- Our wealth of experience gives us the ability to respond to natural disasters, specialized projects, etc.
- We are capable of handling a wide range of waste types through our diverse Group companies.

	FY03/2023	FY03/2024	FY03/2025
Net sales	25,662 million yen	26,916 million yen	**52,100 million yen**
Operating profit	4,210 million yen	4,068 million yen	**19,713 million yen**
Operating profit margin	16.4%	15.1%	**37.8%**

Business overview and review of fiscal year ended March 31, 2025

The Waste Treatment & Recycling Business collects and transports waste generated primarily at construction and demolition sites and receives it at large-scale intermediate processing facilities. We strive to recycle as much as possible. Waste delivered to our facilities undergoes intermediate processing such as sorting, removal of extraneous material, crushing, and compression to extract recyclable waste plastics, wood waste, paper waste, and metals, as well as to produce solid fuel RPF.*1

Although intermediate treatment processes generate residues that are difficult to recycle, these are properly disposed of by incineration or landfill at a final disposal site. In order to create an efficient recycling society, we recognize that it is necessary to not only process the waste properly in compliance with laws and regulations, but also to recycle waste that was previously disposed of in landfills. To this end, we are actively investing in sorting equipment and improvement of our waste treatment processes with the aim of further advancing our recycling technologies.

During the fiscal year under review, the disaster waste treatment support project following the Noto Peninsula Earthquake of January 2024 significantly contributed to our financial performance. In the construction waste recycling sector, which is primarily concentrated in the Tokyo metropolitan area, although we faced headwinds such as a decrease in the number of new construction projects due to rising material costs and project delays caused by labor shortages, we continued to implement cost reduction measures, including revising unit prices for waste treatment, collection and transportation, and thoroughly sorting waste at intermediate treatment facilities. In addition, Hokuriku Environmental Services Co., Ltd., which operates a controlled final landfill site, has accepted disaster waste since February 2024, while also continuing to accept a steady intake of regular industrial waste. Furthermore, TAG Co., Ltd., a PET bottle recycling company that joined the TRE Group via a strategic M&A in October 2023, continued its strong performance as the volume and price of orders won exceeded forecasts. As a result, segment sales were 52,100 million yen, and segment profit was 19,713 million yen.

*1 RPF: An abbreviation of "refuse-derived paper and plastics densified fuel." A high-grade solid fuel composed mainly of waste paper and plastics, which are difficult to recycle as materials. RPF emits approximately 33% less CO_2 than coal when the same amount of heat is recovered (source: Japan RPF Industry Association).

Second Medium-Term Business Plan: priority initiatives and progress

Performance during the fiscal year under review (year ended March 31, 2025), the first year of TRE's Medium-Term Business Plan (MTBP), significantly exceeded initial projections due to the disaster waste treatment support project related to the 2024 Noto Peninsula Earthquake, which was not included in the original plan. In August 2024, Monzen Clean Park Co., Ltd. opened and began accepting disaster waste (→ Topics).

From the third year of the MTBP and beyond, when the disaster waste treatment phase is expected to conclude, we will accelerate initiatives under the TRE Integrated Environmental Business and Soma Circular Park concepts (→ pp. 39–42).

As a step toward the advanced sorting and recycling of waste plastics planned as part of the TRE Integrated Environmental Business concept, construction of the Ichihara Sorting Center began in April 2025, with the aim of commencing acceptance of waste around October 2026.

Expanding the number of intermediate processing facilities in the Tokyo metropolitan area and moving into the recycling business for general waste and plastic containers will enable us to strengthen our processing efficiency and build a stable system for receiving waste, as well as help improve our recycling efficiency and reduce the amount of waste for final disposal (landfill).

Topics

• Monzen Clean Park controlled final landfill site

Monzen Clean Park Co., Ltd. constructed the Monzen Clean Park controlled final landfill site in Wajima City, Ishikawa, to ensure the safe and proper disposal of difficult-to-recycle residues generated during the intermediate treatment process. Although the landfill site was damaged by the Noto Peninsula Earthquake, it opened in August 2024 following repair and reinforcement work on the main facilities in cooperation with related parties. During the fiscal year under review, the site focused on accepting and treating disaster waste exclusively in order to contribute to swift recovery and reconstruction in the Noto Peninsula region. Since opening, the site has handled waste volumes exceeding initial projections.

As a facility that supports the TRE Group's integrated waste treatment system, Monzen Clean Park will contribute to the realization of an efficient recycling society through close collaboration with local governments, relevant ministries and agencies, and related organizations.

Monzen Clean Park controlled final landfill site (Wajima City, Ishikawa)

Accepting disaster waste

• Establishment of METREC Co., Ltd.

TAKEEI CORPORATION and REVER CORPORATION established the joint venture company METREC Co., Ltd. in August 2024 together with ML Shoji Co., Ltd., a subsidiary of Mizuho Leasing Company, Limited. Amid the need for increasingly agile management decisions in accordance with the VUCA*2 era, when consolidating and streamlining their facilities companies must move swiftly while prioritizing resource recycling and environmental stewardship. At the same time, companies working to consolidate or close facilities face growing burdens due to factors such as labor shortages in the construction industry and the need to respond appropriately to increasingly stringent environmental standards. METREC Co., Ltd. aims to provide comprehensive solutions to the environmental challenges companies face with regard to waste and resource recycling, offering one-stop proposals and services ranging from environmental measures during plant and facility consolidation or closure, removal of equipment, demolition of structures, recycling, and waste treatment.

*2 An acronym for volatility, uncertainty, complexity, and ambiguity, representing rapidly changing and unpredictable conditions.

Making Existing Businesses More Resilient | Overview of Businesses by Segment (2)

Resource Recycling Business

Building on our waste treatment technologies that we have refined over more than a century, we contribute to an efficient recycling and carbon-neutral society by thoroughly recycling scrap metal, end-of-life vehicles, and scrapped home appliances.

Business function

- Metal recycling
- Automobile recycling
- Home appliance recycling
- Waste treatment (metal-related)

TRE's strengths

- We operate 6 large shredders and 18 sites in the Kanto region, where a significant amount of metal scrap originates.
- We offer one-stop solutions from waste collection to recycling.
- One of Japan's largest automobile, home appliance, and small home appliance recyclers.
- We provide total solutions to the waste treatment challenges facing waste generators.

	FY03/2023	FY03/2024	FY03/2025
Net sales	44,866 million yen	43,419 million yen	**42,357 million yen**
Operating profit	3,139 million yen	2,761 million yen	**3,485 million yen**
Operating profit margin	7.0%	6.4%	**8.2%**

Business overview and review of fiscal year ended March 31, 2025

In the Resource Recycling Business, we are developing exhaustive recycling capabilities in four main resource categories: scrap metal from manufacturing plants and building demolition sites, end-of-life vehicles, and used home appliances under the scope Japan's Home Appliance Recycling Law, as well as metal waste such as office appliances and fixtures. Metal scrap and used products collected are treated optimally according to type, through processes such as compression, shredding, crushing, and sorting. They are then supplied as recycled resources to other industries via intermediaries such as trading companies and steel manufacturers. In the automobile recycling sector, we are registered and licensed for all processes, including collection, refrigerant recovery, disassembly, and shredding, offering a fully integrated end-of-life vehicle (ELV) treatment system spanning dismantling to shredding. We dismantle approximately 18,000 automobiles per year and shred about 200,000 vehicles per year, making us one of the leading companies in Japan in terms of volume. Meanwhile, in the home appliance recycling sector, we were instrumental in the establishment of the Home Appliance Recycling Law through our joint research with major home appliance manufacturers. We currently recycle approximately 1.23 million home appliances per year, equivalent to approximately 8.5% of all used home appliances generated in Japan, contributing to the advancement of home appliance recycling.

Our spread business, which handles the procurement, processing, and sale of ferrous and non-ferrous scrap, saw an increase in scrap from construction and demolition sites as well as plant scrap. However, in the ELV sector, although new vehicle registrations increased slightly, a nationwide decline in the number of ELVs resulted in increasing competition for ELV procurement, leading to a decline in volume handled. In our non-spread business, which handles intermediate treatment and recycling of waste and scrapped home appliances, although the volume of waste treated decreased, the volume of scrapped home appliances handled rose due to replacement demand for air conditioners. Amidst these circumstances, revenue declined due to lower ferrous scrap prices, in addition to a decrease in total volume handled in the spread business and other factors. However, profits increased due to an increase in the volume of composite materials containing a high proportion of non-ferrous metals, an increase in plant operating rates as a result of equipment repairs, thorough recycling utilizing a variety of sorting lines, and higher market prices for non-ferrous metals. As a result, segment sales were 42,357 million yen, and segment profit was 3,485 million yen.

Second Medium-Term Business Plan: priority initiatives and progress

In our Resource Recycling Business, we are working to strengthen our existing operations by expanding and upgrading our large-scale facilities in order to achieve an even more thorough recycling process and handle increased volumes. We aim to reduce dust processing costs, which currently amounting to 2 billion yen per year, and improve our recycling efficiency. As part of these efforts, REVER CORPORATION's Mibu Plant, which recycles shredder dust (residual material left after shredding) in the northern Kanto region, commenced operations in August 2025 (→ Topics). We also plan to establish the REVER Ichihara Dust Recycling Center (provisional name) in Ichihara City, Chiba, to serve the southern Kanto region. This site will help improve the Group's recycling efficiency by recovering valuable materials using advanced sorting technology and producing RPF (→ p. 31), which is growing in demand as a substitute for coal.

Meanwhile, as part of our efforts to venture into new businesses and fields, we are working to strengthen our recycling capabilities centered around ELVs, with the goal of creating a circular economy in the automotive industry. The "Demonstration of Manufacturing-and-Recycling Integrated Process for Horizontal Cycle Enabled by Automated Sophisticated Dismantling of ELVs," a joint project undertaken by several corporations and jointly led by DENSO CORPORATION and REVER CORPORATION, was selected as an industry-government-academia collaborative project aiming to expand the recycled content of automobiles in the FY2023, supported by Ministry of the Environment, Japan. In response, we conducted a technical demonstration of a new ELV processing method known as the "automated sophisticated dismantling process," which achieves both high quality and high volume, at REVER's ELV Kawajima plant. In June 2025, six companies—DENSO CORPORATION, Toray Industries, Inc., Nomura Research Institute, Ltd., Honda Motor Co., Ltd., MATEC Co., Ltd., and REVER—joined forces to establish the BlueRebirth Council, an initiative dedicated to advancing car-to-car resource recycling through collaboration between the waste management industry and the manufacturing industry. The BlueRebirth Council aims to establish an integrated value chain to create a circular economy within Japan's automotive industry. In this way, co-creation efforts that transcend the boundaries between the waste management industry and other industries are currently gathering momentum. We are also aiming to build new recycling schemes, such as a collaborative framework based on the Automotive Resource Collection Incentive Program scheduled to commence in April 2026. By promoting such initiatives, we will strive to realize an efficient recycling society and a carbon-neutral society.

Topics

• REVER's Mibu Plant begins operations—recycling underused resources to contribute to a circular economy

In the resource recycling business, we have positioned the sorting and recovery of valuable materials from the shredder dust generated by large shredders as a pillar of our growth strategy. In doing so, we aim to reduce dust treatment costs and increase sales of recycled valuable materials. To further increase recycling efficiency and reduce dust treatment costs, we established the REVER's Mibu Plant, located in Mibu, Tochigi. The plant receives approximately 48,000 tons of shredder dust per year generated at the Group's facilities in the northern Kanto region. By applying advanced sorting technology, the facility efficiently and reliably recycles unused metals and plastics from shredder dust that was previously landfilled or incinerated. By setting a plan to recycle 50% of the shredder dust accepted, we are actively working to promote resource recycling and reduce environmental impact.

REVER's Mibu Plant

• Upgrading large shredder to enhance processing capacity at REVER's Kawajima Plant

The Kawajima Plant has replaced its aged shredder and ancillary equipment, with installation completed in May 2025. After construction of the plant building, installation of sorting equipment, and trial operations, we plan to commence full-scale operations in FY2026. This will significantly increase the plant's annual processing capacity from the current 36,000 tons to 60,000 tons. Increasing our processing capacity for metal shredding will enhance both our competitiveness and environmental performance. In addition, the TRE Group's Fuji Car Manufacturing Co., Ltd. is responsible for designing and manufacturing the equipment, leveraging the Group's strengths.

A shredder at the Kawajima Plant

Making Existing Businesses More Resilient | Overview of Businesses by Segment (3)

Renewable Energy Business

TRE Group operates a woody biomass power generation business, which utilizes unused timber such as thinned wood from domestic forests and wood waste from the construction industry as fuel. We are also involved in the electric power retail business as well as forest management operations including afforestation, thinning, and reforestation.

Business function

- Woody biomass power generation
- Power retailing
- Forest management
- Use of residual heat (for agricultural and other purposes)

TRE's strengths

- We have established a stable fuel procurement framework through close collaboration with local forestry cooperatives and material producers, creating a fully integrated domestic framework spanning wood chip production to power generation and electricity retail.
- In addition, as forest operators ourselves, we work to ensure sustainable forest management.
- We maintain strong trust relationships with local municipalities based on "local production for local consumption" of electricity.

	FY03/2023	FY03/2024	FY03/2025
Net sales	13,794 million yen	14,429 million yen	**13,820 million yen**
Operating profit	688 million yen	1,201 million yen	**114 million yen**
Operating profit margin	5.0%	8.3%	**0.8%**

Business overview and review of fiscal year ended March 31, 2025

The TRE Group's Renewable Energy Business utilizes unused forest resources such as thinned wood, pruned branches from roadside trees, and waste wood from the construction industry as fuel at our six woody biomass power plants in Japan. In combination with our expertise in proper waste treatment and resource recycling, this allows us to generate power without relying on imported timber. The electricity generated is supplied to local communities, such as local elementary and junior high schools, thus promoting "local production for local consumption" of electricity.

In addition to working in close partnership with local forestry cooperatives and material producers to ensure stable procurement of fuelwood, we work to preserve forests by establishing forest management plans to make the most of the forest's diverse functions, and are involved in the entire forestry process, from the sale of timber to the supply of wood chips and reforestation after logging for preservation of forest. We also use the residual heat from power generation in greenhouse cultivation of sweet tomatoes and wood ear mushrooms.

TAKEEI Forestry Co., Ltd. handles the procurement of fuelwood as well as afforestation and reforestation activities, and supplies fuel chips to the TRE Group's biomass power generation plants. The renewable energy generated is sold by Takeei Denki Co., Ltd., which operates a retail electricity business, completing a comprehensive "upstream to downstream" business framework.

In the fiscal year under review, although Green Power Ichihara Co., Ltd. suspended operations for a prolonged period due to statutory inspections and additional construction work, it continued high-load generation after resuming operation, with an increased number of operating days compared to the previous fiscal year, contributing to sales and profit. Takeei Denki Co., Ltd. recorded higher revenue but lower profits due to the impact of revised contract terms with a major wholesale customer that had been highly profitable in the previous fiscal year, despite progress in developing new customers and an increase in electricity sales volume. As a result, segment sales were 13,820 million yen, and segment profit was 114 million yen.

Green Power Ichihara Co., Ltd. revised its business plan to a more conservative outlook in light of the approaching phasing out of the Feed-in Tariff (FIT) program in several years, and recorded an impairment loss of 1,782 million yen, equivalent to the entire unamortized balance of goodwill. Further, Takeei Green Recycling Co., Ltd. reviewed the recoverability of the book value of non-current assets at its Yokosuka Plant and recorded an impairment loss of 1,328 million yen after reducing the book value to the recoverable amount.

Second Medium-Term Business Plan: priority initiatives and progress

In the year ended March 31, 2025, the first year of the Second Medium-Term Business Plan, performance fell short of targets due to unscheduled suspension of operations in addition to statutory inspections, as well as the impact of revised contract terms with a major customer in the electricity retail division. From the fiscal year ending March 31, 2026, we will work to improve profitability of the electricity retail division by leveraging our strength as a locally-rooted power supplier with proprietary generation capabilities, and strengthen sales and marketing efforts through Group-wide cooperation to capture demand for electricity with non-fossil fuel certificates.*1

In addition, since FY2023 we have participated in the Miura no Mori Project, which aims to promote the sound management of forests located on Japan's Miura Peninsula and owned by Keikyu Corporation. As part of this initiative, from April 2025 Takeei Denki Co., Ltd. began supplying electricity from Takeei Green Recycling Co., Ltd. to Keihin Kyuko Bus Corporation for use in its electric buses and other facilities primarily located in the Miura Peninsula region.

We will continue to develop these types of partnerships with other industries via our woody biomass power generation, as part of our efforts to create an efficient recycling society and a carbon-neutral society.

*1 Non-fossil fuel certificate:
A system in which companies can prove that they have used renewable energy and reduced their GHG emissions by purchasing certificates from companies that generate electricity from renewable energy sources. Non-fossil certificates are issued in proportion to the amount of electricity that a company generates by using renewable energy.

Topics

• Regenerating and revitalizing the forestry industry through reforestation initiatives

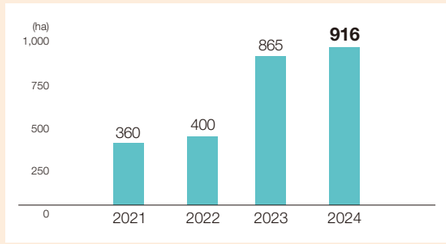
In April 2021, the TRE Group acquired approximately 240 hectares of forest land in Hanamaki City, Iwate, and as of March 31, 2025, the Group as a whole owns approximately 916 hectares of forest. (see graph)

In conjunction with local forestry cooperatives, we develop forest management plans for the forests we own, and based on these plans conduct full-scale forestry operations such as forest thinning.*2 In addition, we have established an integrated framework encompassing the procurement of thinned wood and unused forest resources as fuel for biomass power generation, chipping and supply of fuel chips, power generation, and electricity sales. We also conduct reforestation by planting trees on logged sites, helping to nurture healthy trees and contribute to the formation of a solid forest floor that is resilient against heavy rains and landslide risks.

The seedlings we plant as part of reforestation efforts to absorb increasing amounts of CO_2 over a period of approximately 30 years as they grow. After about 40 years, when the amount of CO_2 they absorb begins to decline, they reach maturity and are ready for harvesting. Accordingly, proper management is critical to ensure that finite forest resources are preserved and passed on to future generations. Going forward, the TRE Group will continue working to acquire forests and generate employment in the forestry and forest management industries. In addition, through our direct involvement in processes such as timber transport, seedling cultivation, afforestation, and reforestation, we will strive not only to ensure stable fuel procurement for our woody biomass power generation business, but also to contribute to the regeneration and revitalization of the forestry sector as a whole.

*2 Forest thinning: The removal of selected trees to reduce competition among growing trees, in line with the degree of crowding.

Area of forest owned



A tree planting festival at a Group-owned forest

• Acquiring forest land in Chiba

In December 2024, TAKEEI CORPORATION acquired approximately 32 hectares of forest from a local company in Ichihara City, Chiba. Based on a forest management plan that we established in collaboration with the Chiba Prefecture Forestry Cooperative and TAKEEI Forestry Co., Ltd., over a period of 50 to 100 years we will work to regenerate the forest by transforming it from a mixed woodland into a productive forest, aiming to set the natural environment and its biodiversity on a path to recovery. Going forward, we will continue to develop and maintain forest areas based on appropriate forest management plans with the goal of establishing a new resource recycling model.

Other Environmental Engineering Business, Environmental Consulting Business

TRE Group also operates an Environmental Engineering Business in which we develop, manufacture, and sell environment-related equipment, plants, and special purpose vehicles, and an Environmental Consulting Business that provides measurement certification services, environmental protection works, hazardous waste surveys and analyses, and environmental assessment-related services.

Business function

- Design and construction of environmental devices and plants
- Development, manufacture, and sale of special vehicles
- Environmental measurement, surveys, and analysis
- Real estate appraisal and valuation

TRE's strengths

- We leverage our extensive experience to create safe, high-performance, low-cost plants that meet diverse needs.
- We handle the integrated development, manufacturing, sales, and maintenance of each of its products.
- The Recycle Test Center verifies all processes from crushing to sorting and recycling, helping contribute to the development of new products.

	FY03/2023	FY03/2024	FY03/2025
Net sales	7,374 million yen	8,477 million yen	**11,552 million yen**
Operating profit	325 million yen	587 million yen	**819 million yen**
Operating profit margin	4.4%	6.9%	**7.1%**

Business overview and review of fiscal year ended March 31, 2025

In the Environmental Engineering Business, Fuji Car Manufacturing Co., Ltd., which develops, manufactures, and sells environmental machinery, including waste treatment facilities, plants, and special purpose vehicles, achieved increases in both sales and profits due to continued strong orders for large-scale projects as well as stable and efficient manufacturing processes.

In the Environmental Consulting Business, Earth-Appraisal Co., Ltd., which provides measurement certification services and hazardous waste surveys and analyses, posted higher revenue and profits due to factors including large spot orders for asbestos analysis. However, Environmental Conservation Co., Ltd., saw a decrease in revenue and profits due to factors such as a decline in asbestos analysis work resulting from a downturn in demolition contracts due to heavy snowfall.

As a result, segment sales were 11,552 million yen, and segment profit was 819 million yen.

Topics

- **Joint research agreement with Saitama University**

Fuji Car Manufacturing Co., Ltd. will mark its 100th anniversary in October 2025. As part of its commemorative initiatives, the company has concluded a joint research agreement with Saitama University. Under the agreement, the joint research will focus primarily on two topics: "technology to prevent welding defects in pressure vessels" and "sound analysis technology to detect and predict abnormalities in environmental/recycling equipment." We aim to trial these technologies on actual equipment operating in the TRE Group for quality control and to improve the efficiency of machinery and equipment maintenance.

Fuji Car Manufacturing's headquarters

Topics

Industry-Academia Collaboration on Waste Transformation (WX) Research

—investing 1% of sales in R&D—

The TRE Group has been working for many years to enhance its recycling technology with the goal of increasing the recycling efficiency of waste materials and end-of-life products. In order to achieve a waste transformation (WX) by overcoming the technological and economic challenges involved in converting waste and end-of-life products into resources, we are pursuing industry-government-academia partnerships and cross-industry collaborations that transcend conventional frameworks.

Partnership with Tohoku University

Co-creation Research Center for WX—aiming to develop innovative waste treatment processes and implement CCU technology on a societal level

Research and development of CCU technologies which capture, concentrate, and utilize CO_2, is advancing worldwide in order to achieve carbon neutrality. TRE HOLDINGS and Tohoku University have jointly established the Co-creation Research Center for WX to develop innovative new processes that integrate waste incineration with the capture and utilization of CO_2 from exhaust gases emitted during incineration. Together, we are currently working to develop a process to convert CO_2 from the exhaust gas generated at incineration facilities into functional chemicals. As the TRE Group conducts woody biomass power generation as part of its Renewable Energy Business, we plan to commence demonstration tests at the Group's power generation facilities during FY2025. Going forward, we aim to contribute to the circular economy by deploying such CCU technologies on a societal level.

Tohoku University's Applied Chemistry, Chemical Engineering and Biomolecular Engineering Research Building

Collaboration with Yamagata University and Nihon University

Conducting joint research on development of CCUS technology in the manufacturing process for recycled products such as recycled aggregate and crushed stone

The TRE Group is actively pursuing the development of new technologies for commercializing waste materials as a resource as one of its priority tasks toward the creation of an efficient recycling and carbon-neutral society.

Tohoku Koueki Recycling Technology Co., Ltd. has been conducting research and development to reduce heavy metal elution and minimize the amount of heavy metals contained in recycled products during the treatment and recycling processes for incinerator ash, soot and dust, sludge, and mineral dust generated at biomass power plants. In September 2022, the company concluded a joint research agreement with Yamagata University and Nihon University with the goal of further advancing this research, and in particular commercializing new recycled products that will contribute to a carbon neutral society, based on CCUS technology.

Findings from this research are being actively protected as intellectual property, including acquisition of patents. Going forward, we will continue pursuing research and development in order to help solve societal challenges and contribute to the realization of a carbon neutral society.

Conducting a feasibility study toward Japan's first commercialization of green methanol production from woody biomass and waste

We have entered into a memorandum of understanding with Mitsubishi Gas Chemical Company, Inc. to form a strategic business collaboration and conduct a feasibility study with the aim of establishing Japan's first commercial-scale green methanol production process utilizing domestic woody biomass and waste. Demand for green methanol is projected to grow as a raw material for chemical production and as a marine fuel.

The two companies will contribute to the creation of a sustainable society by working toward future-oriented challenges and innovative ventures, while helping revitalize local communities and delivering environmental, social, and economic value.

Establishment of Circular Economy Partnership for Promoting General Waste Recycling Technologies

For details, see p. 42.

Feature 1

Progress Toward TRE's Integrated Environmental Business Concept

—Providing solutions to local waste management challenges—

The TRE Integrated Environmental Business concept aims to achieve large-scale, efficient resource recycling and utilization through synergies between several environmental businesses.
We plan to leverage the TRE Group's extensive waste treatment and recycling expertise to develop businesses that address the waste-related challenges faced by local communities and municipalities.

Project 1 The TRE Integrated Environmental Business concept in Ichihara City, Chiba

Since the establishment of the TRE HOLDINGS CORPORATION in October 2021, we have been studying the development of a new business framework to drive resource recycling amid the global trend toward an efficient recycling, carbon-neutral society. As the need for treatment and recycling of waste such as waste plastics grows, in addition to diversified and more advanced collection and recycling technologies, larger-scale treatment facilities are required in order to meet the demands of local communities and various industries. With this objective in mind, we focused our attention on Ichihara City, Chiba, an area where the TRE Group already has multiple sites and which is conveniently located in the Tokyo metropolitan area.

In September 2022, the TRE Group, which had been exploring the possibility of acquiring a business site in Chiba, reached an agreement with Mitsui E&S Holdings Co., Ltd. (currently MITSUI E&S Co., Ltd.) to lease approximately 80,000 m^2 of land, a portion of its Chiba site. We plan to maximize our use of this extensive site, together with the nearby REVER CORPORATION's Ichihara Plant and Green Power Ichihara Co., Ltd. (37,000 m^2 total land area), to create the TRE Integrated Environmental Business, a comprehensive waste treatment and recycling business.

Specifically, the TRE Group's main recycling plants in the vicinity will collaborate to achieve integrated commercialization of four new businesses: (1) advanced sorting and recycling of waste plastics, (2) crushing and sorting, and recycling of industrial waste, (3) advanced sorting of metal resources, and (4) waste incineration and power generation.

We project that the investment for this concept will total 40 billion yen, and aim to begin operation of the facilities and plants that will play a central role in the business in phases from 2026 onward. This large-scale project, whose annual sales are expected to reach 12 billion yen and which will create 150 new jobs once full-scale operations are underway, is attracting significant attention from the industrial community.

Construction of Ichihara Sorting Center commences

In April 2025, TAKEEI began construction on the Ichihara Sorting Center, which will serve as the base for TRE's advanced sorting and recycling of waste plastics business—one of the new ventures planned under the TRE Integrated Environmental Business concept. The site covers a total area of 17,381 m^2 (plant: 15,213 m^2, parking lot: 2,168 m^2) and when operation begins will be capable of treating 100 tons of waste plastics per day. Construction is scheduled to be completed in June 2026, and following test operation, the Center will begin accepting waste from around October 2026.

In this business, we will construct and operate advanced sorting and recycling equipment capable of handling material recycling, chemical recycling, and thermal recovery of waste plastic in accordance with the Act on Promotion of Resource Circulation for Plastics, with a view to future partnership with Ichihara City and other municipalities. We plan to manufacture recycled plastic products using sorted and collected waste plastics as raw materials.

In the medium- to long-term, we will continue working to develop a business framework for resource recycling and utilization. To achieve this, we will expand and strengthen collaboration with external partners, including wide-area waste emitters as a collection source for waste plastics and material manufacturers as users, in order to contribute to the creation of an efficient recycling and a carbon-neutral society.


The construction site for the Ichihara Sorting Center


Image of the completed Ichihara Sorting Center

Waste incineration and power generation
T&H Eco Mirai Co., Ltd.

- T&H Eco Mirai Co., Ltd., a joint venture with Hitachi Zosen Corporation (now Kanadevia Corporation)
- Processing capacity of 330 tons per day
- Commercialization of high-efficiency power generation (approx. 10 MWh) using residual heat from the incineration

Crushing and sorting, and recycling of industrial waste
TAKEEI Ichihara Recycling Center (provisional name)

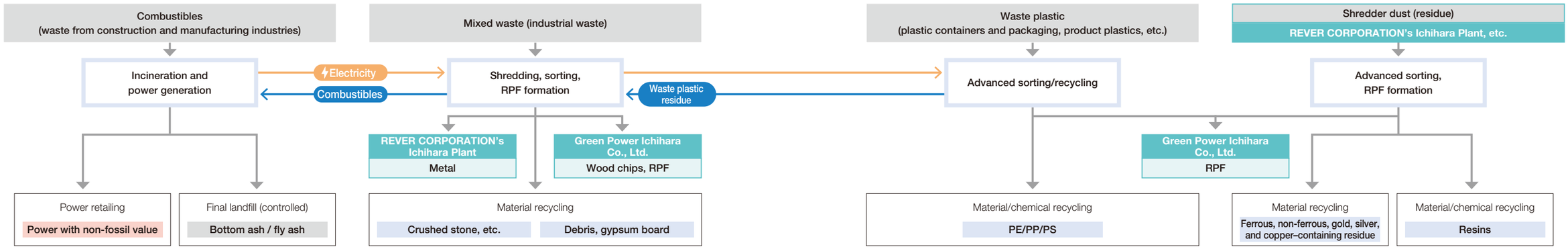
- Install equipment with greater scale and functionality than existing intermediate processing facilities to promote optimal processing and recycling through more advanced shredding and sorting
- Convert difficult-to-recycle materials to RPF and supply as fuel to the nearby Green Power Ichihara Co., Ltd.

Advanced sorting and recycling of waste plastics
TAKEEI Ichihara Sorting Center

- Construct and operate advanced sorting and recycling equipment for waste plastic in accordance with the enforcement of the Act on Promotion of Resource Circulation for Plastics
- Develop a business framework for resource recycling and utilization by expanding and strengthening collaboration with external partners

Advanced sorting of metal resources
REVER Ichihara Dust Recycling Center (provisional name)

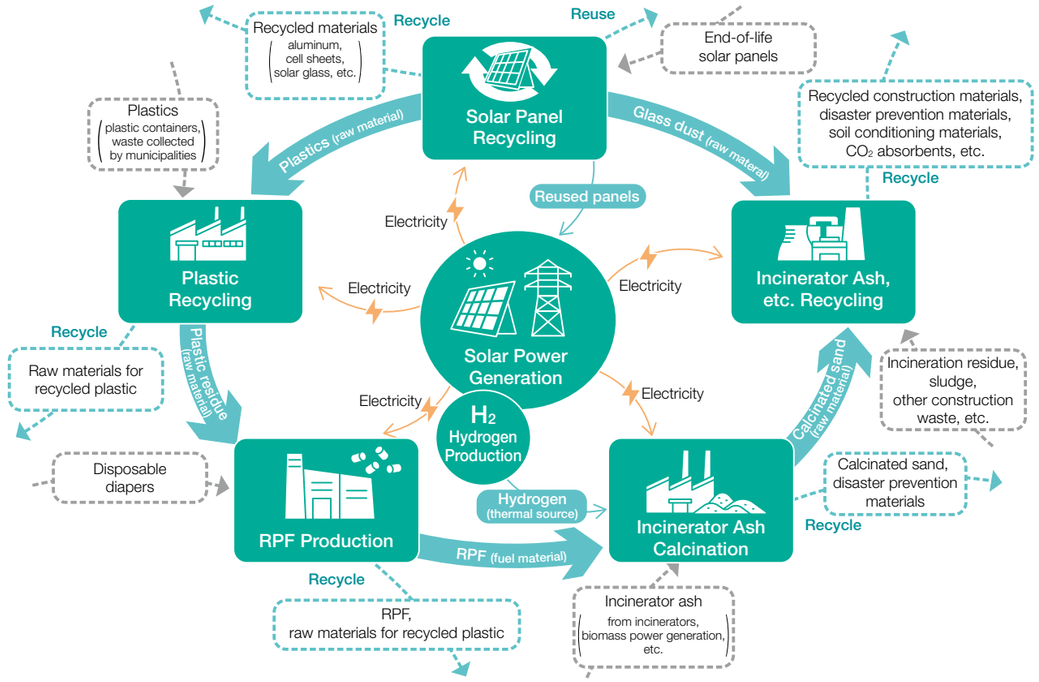
- Insource and enhance the collection of useful metal resources, which were previously sold externally and outsourced for processing
- Achieve stable operations by securing recyclable waste materials for recycling through collaboration in the recycling process with REVER CORPORATION's Ichihara Plant, located nearby



Project 2 TRE's Soma Circular Park concept in Soma City, Fukushima

Ever since acquiring a 280,000 m² site of land in Soma Central Industrial Park, Fukushima in 2017, the TRE Group has been working to develop a concept for a comprehensive recycling plant that further advances and evolves the recycling technologies it has cultivated to date. After extensive study and discussion, we have completed the outline of our Soma Circular Park concept, which consists of eight business plans. This concept aims to build a model for local production and local consumption of energy and industrial resources through collaboration between industry, government, and academia (other industries, universities, and local municipalities—primarily Soma City). Through this project, we will tackle the challenge of developing technologies and businesses that will help address the issues facing local communities, including enhancing our ability to recycle societal waste products whose volume is projected to increase, such as plastics and solar panels, as well as responding to natural disasters.

Image of Soma Circular Park concept



Incinerator ash recycling business

Within the TRE Group, Tohoku Koueki Recycling Technology Co., Ltd. focuses on resource recycling businesses such as the recovery of useful resources from incinerator ash. As part of the Soma Circular Park concept, the company is collaborating with Yamagata University on research and development aimed at insolubilizing hazardous substances. Based on the achievements of this research, we are currently constructing a new plant, which will significantly expand our waste treatment capabilities.

We are also working to increase production of recycled crushed stone by expanding contract processing of incinerator ash discharged at woody biomass power plants in the Tohoku region, primarily in Fukushima. In the waste treatment and manufacturing process, we will implement this technology for insolubilizing heavy metals, which will enable us to produce insolubilizing agents in-house, contributing to higher product quality and lower costs.

Solar panel recycling business

Within the TRE Group, Shinshu Takeei Co., Ltd. operates a solar panel recycling and reuse business in preparation for the large quantity of waste solar panels that will be generated from the mid-2030s onward. In collaboration with TRE GLASS CORPORATION, we are also studying ways to utilize glass, the primary component of solar panels.

As part of the Soma Circular Park concept, we began operating a solar panel recycling business in September 2024. We determine whether used panels are suitable for reuse using a specialized measuring device. Panels that pass this inspection are then sold as reused products. Meanwhile, panels that are no longer usable are separated into their component materials such as aluminum, cell sheets, and glass, and either shipped as raw materials for recycling or disposed of appropriately.

R&D for recycling disposable diapers

As Japan's population ages, an increasing number of used disposable diapers are being discarded. As disposable diapers contain human waste, pulp, SAP (super absorbent polymer), and other plastics, they are difficult to recycle, and thus far municipalities have disposed of them by incineration.

However, in recent years the increasing load on municipal incineration facilities and insufficient capacity at final disposal sites has become a problem.

TAKEEI CORPORATION, Soma City, ZUIKO Corporation, and Yamagata University have formed a partnership and are working to establish a comprehensive system for converting used disposable diapers into fuel and recycling them. This initiative involves conducting pilot experiments to collect data on the volume of incineration, reduction in CO_2 emissions, costs, and other factors, and identifying issues to commercialize the system.

Establishment of Circular Economy Partnership for Promoting General Waste Recycling Technologies

In February 2025 TAKEEI, together with nine organizations—Fukushima Prefecture's Soma City and Minamisoma City, ZUIKO Corporation, KANAZAWA Co., Ltd., TAKARYO CORPORATION, Green Rental Co., Ltd., Next Kankyo Consultant Co., Ltd., and the Faculty of Engineering at Yamagata University—established the Circular Economy Partnership for Promoting General Waste Recycling Technologies.

This partnership aims to bring together the strengths, information, and resources of a range of partners from industry, government, and academia to promote the reduction of general waste, and the application of recycling and carbon-neutral technologies and schemes in society in order to accelerate the shift from a conventional consumption-based society to a recycling-oriented society (circular economy) and build circular economic zones that leverage regional characteristics.

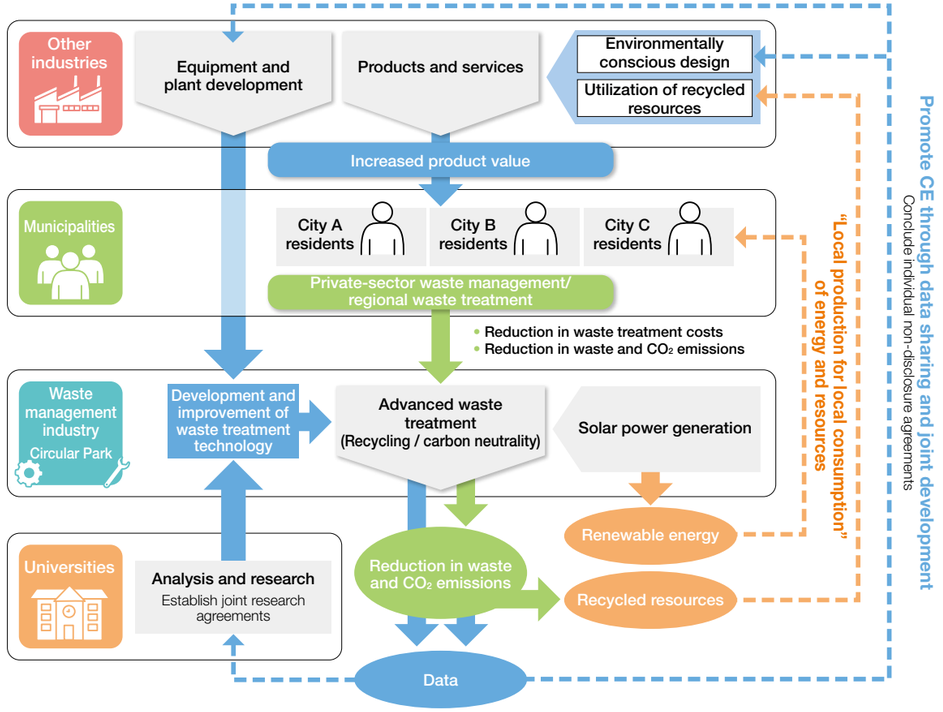
Specifically, the partnership will develop and test technologies for recycling plastics not subject to the Containers and Packaging Recycling Law, collect data such as results from recycling tests on used disposable diapers, and provide this data to manufacturing and other industries. This will support equipment and product design, help develop recyclable products, and reduce landfill waste. Concurrently, we will strive to achieve a transition to a circular economy through industry-government-academia collaboration by promoting carbon neutrality in local communities via renewable energy utilization, while addressing a range of challenges and recycling needs.

In June 2025, Unicharm Corporation, which manufactures and sells sanitary products such as feminine hygiene products and disposable diapers, joined the partnership as a new member. We will continue to welcome participation from a diverse range of partners.

The launch ceremony for the Circular Economy Partnership

The joining ceremony for the new member

Overview of the Circular Economy Partnership



Feature 2

Dialogue

DENSO and **TRE HOLDINGS**

Creating a Car-to-Car Circular Economy Through Collaboration with Other Industries

One of the pillars of TRE's Second Medium-Term Business Plan is promoting WX (waste transformation).
To achieve this, collaboration between the waste management industry and other industries is essential.
As one initiative toward this, TRE HOLDINGS has joined the BlueRebirth Council, which aims to achieve automated precision dismantling of end-of-life vehicles (ELVs).
This project aims to create a circular economy in the automotive industry through collaboration with DENSO CORPORATION, a leading automotive components and manufacturing engineering company, and other companies.
We talked to key members from the two companies about the future envisioned under BlueRebirth.

ASANO Akiyoshi
Executive Officer,
Automotive Business
REVER CORPORATION

OTO Hideki
REVER CORPORATION
(currently on
secondment to
DENSO CORPORATION)

OKUDA Hideki, PhD
Director,
Circular Economy Business
Development Division
DENSO CORPORATION

An integrated value chain between waste management and manufacturing, paving a future path for the automotive industry

—How did BlueRebirth start, and what led to the partnership with TRE HOLDINGS?

OKUDA: With climate change and resource shortages becoming pressing issues worldwide, there is a clear need to shift toward a circular economy. To address this challenge, promoting the recycling of resources and reducing CO_2 emissions has become an urgent priority within the automotive industry, as exemplified by the proposed European ELV Regulation.*1

At DENSO, we launched the BlueRebirth project in January 2023 to respond to this societal need by building a car-to-car ecosystem that can transform ELVs into new automobiles.

ASANO: DENSO and TRE had been working together even before this project. A young engineer from DENSO contacted the TRE Group's REVER CORPORATION, wanting to learn about automobile dismantling and recycling. Since then, over dozens of sessions we have shown DENSO engineers our entire process—from disassembling vehicles and recovering parts to transforming them into recycled products.

OKUDA: We believed that in order to create a circular economy within the automotive industry, we needed to develop a system to dismantle vehicles with precision, through the integration of the manufacturing industry and the waste management industry that handles the dismantling and recycling of ELVs. When we held internal discussions as to which company would be an ideal partner, the name REVER inevitably came up.

TRE HOLDINGS not only has a large scale and a trusted reputation in the waste management industry, but we also noticed how the Company's frontline staff always worked with pride and enthusiasm under President MATSUOKA Naoto (CEO of TRE HOLDINGS), who made the decision to integrate two waste management companies based on his belief that Japan needs a major player in the waste management industry. We felt that TRE was a company with which we could have open discussions about recycling and the future of the automotive industry.

ASANO: We're grateful for the vote of confidence. I have also been involved in the automobile dismantling business for many years as a recycler (a company that creates new value by transforming waste into resources). In BlueRebirth, the waste management industry, including REVER, will play a crucial role as the "starting point of industry" by manufacturing recycled raw materials and supplying these resources to manufacturers. By positioning ourselves as an advanced resourcing partner for the automotive industry, we have expanded our future vision, aiming to transform ourselves into a company that supports the future of manufacturing in Japan, which faces resources-related risks.

Building a Japanese-style circular economy that enhances the value of and trust in recycled materials

—Tell us about this new integration of the manufacturing and waste management industries and the possibilities it holds.

OKUDA: We regard REVER as a manufacturer or "maker" of recycled materials and refer to the company as the "BlueRebirth Maker." Meanwhile, DENSO will play the role of "BlueRebirth Enabler," supplying the robots and systems needed for automated precision dismantling to extract recyclable materials. We also aim to establish an integrated value chain within the automotive industry, from manufacturers to waste management companies by linking with "BlueRebirth Partners" across the entire chain from production to waste treatment.

ASANO: The goals of the BlueRebirth project are ambitious. Our goal is to achieve car-to-car recycling, which we define as recycling over 90% of ELVs by weight—a feat that has never been accomplished before. Although a typical car contains approximately 30,000 individual components, current vehicle dismantling practices remove only certain materials and parts suitable for reuse, with the remainder being crushed together. Once crushed, it is difficult to sort the respective materials precisely by type. This is why BlueRebirth represents an unprecedented challenge: we aim to disassemble, separate, and segregate vehicles by material before dismantling, allowing us to recycle almost the entire vehicle in a horizontal cycle.

OKUDA: We collectively refer to the precious metals and rare metals contained in automobiles and used electrical appliances as "urban mines." We aim to expand the scope of this "urban mining" by adding proper value to materials such as iron, copper, and plastic, which until now have been undervalued. In addition, our vision is not simply a circular economy, but one that spirals upward. In other words, we are striving to achieve upcycling by producing recycled materials that have a higher environmental added value than before. We ultimately hope to establish BlueRebirth's own quality standards to enhance the reputation of and trust in recycled materials.

The shift to an efficient recycling society represents a turning point for the manufacturing industry, which has thus far grown based on a model centered on mass production, mass consumption, and mass disposal, but now requires a new perspective and approach. By creating products that are more energy-efficient and easier to recycle while adding environmental value, such as reducing CO_2 emissions through the use of recycled raw materials, the demand for creative products made from recycled materials will grow, helping to build a sustainable society. I believe that this combination of creativity and sustainability is exactly what we should aim for in a Japanese-style circular economy.

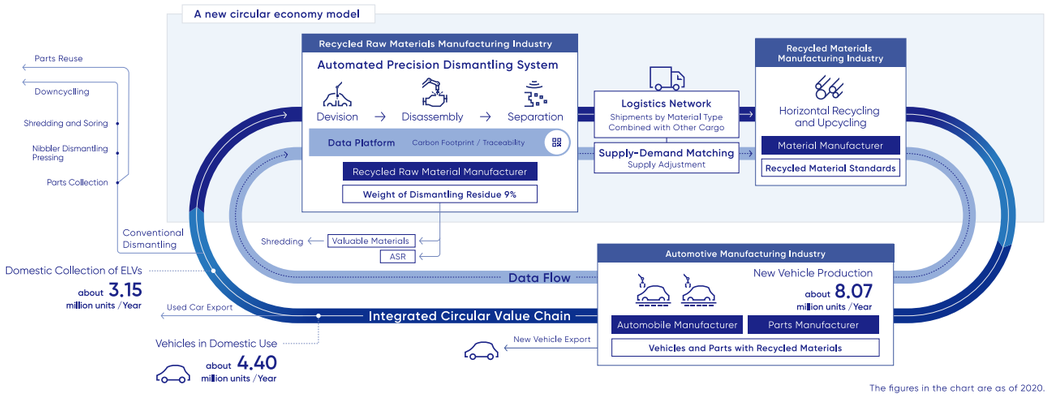
Applying REVER's ELV dismantling technology to build an automated precision dismantling system

—What is the current status of BlueRebirth, and what are your future plans?

OTO: I am currently on secondment from REVER's ELV Kawajima Plant to DENSO's Agui Plant, where the BlueRebirth project team is working to develop an automated vehicle dismantling system. In this role, I share the dismantling technologies we have developed at REVER and communicate the realities and challenges faced during dismantling operations. As the condition of each ELV is different, such as the extent of deterioration or wear, the dismantling process requires a high level of knowledge, skill, and experience. I aim to help establish technologies that equalize and streamline operations, and enable the extraction of components and materials of consistent quality by equipping robots and AI developed by DENSO with our skills.

I am also learning how to operate robots that perform automated dismantling. Dismantling sites face increasing labor shortages and an aging workforce, and some tasks can be dangerous. Another of my goals is to help improve the environment at work sites and alleviate labor shortages by utilizing robots to automate processes.

OKUDA: Thanks to Mr. Oto's support, BlueRebirth has already achieved progress that can be considered the first step toward our goals. During the previous fiscal year, we converted the expertise of skilled dismantling personnel into digital data, enabling automated dismantling to be performed by robots. We have also advanced to the prototype stage of manufacturing automotive components from the recycled materials collected. This proof-of-concept experiment proved that components equivalent to approximately 90% of ELV weight can be recovered through



The figures in the chart are as of 2020.
Reference: METI Japan, "Growth-Oriented Resource Autonomous Economic Strategy," 2023

precision dismantling. Of this recovered amount, approximately 90% by weight can be recycled into single materials. Furthermore, based on our research, we estimate that transitioning to a horizontal cycle through automated precision dismantling can reduce CO_2 emissions by 630 kg per ELV.*2

ASANO: To accomplish this much in less than two years is a major achievement. As part of the BlueRebirth initiative, REVER's ELV Kawajima Plant is currently constructing a research and development building. We plan to install dismantling robots and inspection equipment at this facility to verify operations during the actual dismantling process.

OTO: DENSO is working to develop the necessary robots, while REVER is conducting a number of practical tests— I hope we can keep this cycle rolling to accelerate the development process.

OKUDA: That's right. This fiscal year, we are aiming to give shape to our plans in a more tangible way. As part of these efforts, we are currently focusing on completing precision dismantling of a single vehicle model using robots, with plans underway to develop a comprehensive process for transforming recycled materials into automotive components. FY2025 will be a crucial year for establishing the technological foundation for our automated sophisticated dismantling system.

Achieving quality, quantity, and economic viability to transform the value chain

—What is the goal for BlueRebirth, and what challenges must be overcome?

OKUDA: The goal of BlueRebirth goes beyond simply establishing precision dismantling technology for ELVs via robots. In order to establish an integrated value chain between the manufacturing and waste management industries, we must overcome the practical challenges of achieving satisfactory quality, quantity, and economic viability if this system is to be successfully deployed on a societal level. Our ultimate goal is to achieve factory automation for precision dismantling of ELVs, enabling us to deliver recycled materials of sufficient quality and quantity to meet automakers' manufacturing needs. Naturally, we must also keep costs reasonable to ensure that the process is economically viable.

To accomplish this, we have set ambitious, stretched targets of not only recovering 90% of ELV components by weight, but also achieving cycle time targets for ELV dismantling lines and recycling one million ELVs in Japan per year. Only by reaching this volume and speed will it be possible to fundamentally reshape the automotive industry's value chain.

ASANO: The role we will play in achieving these goals is to provide dismantling expertise and a stable supply of ELVs. The number of used Japanese vehicles exported has been increasing year by year, to the extent that even aged vehicles which should be processed as ELVs are being shipped abroad. As the next step, we aim to bring the manufacturing and waste management industries together to ensure that these resources being lost overseas are recycled and circulated in Japan. In doing so, we hope to propose societal system designs to the government and create momentum toward the widespread application of automated precision dismantling.

OTO: In the BlueRebirth project, we are aiming to build an automated sophisticated dismantling system that can handle ELVs from all manufacturers and all vehicle models. The most difficult challenge in precision dismantling of ELVs is that not only do vehicle models vary, but the condition of each vehicle also differs significantly.

REVER has a proven track record in dismantling a wide range of models, including electric vehicles, hydrogen vehicles, and prototype vehicles under development. I am personally involved in patent applications at DENSO, drawing on my expertise in automobile dismantling to develop tools and systems that will be used for the automated dismantling process in the future. I believe that automobile dismantling will require increasingly advanced skills going forward, and I hope that our team will continue to hone our technical expertise and skills to enable us to cooperate in developing automated sophisticated dismantling systems.

ASANO: Almost 20 years have passed since the Act on Recycling of End-of-Life Vehicles was enacted. During this time, we have constantly adapted our automobile dismantling business to meet society's needs. One automaker once remarked that "the automotive industry is undergoing a once-in-a-century transformation." The automobile recycling industry, too, is beginning to face a fierce battle as it confronts rising costs and competition from overseas. As a member of the automotive industry and a manufacturer of recycled materials, we are committed to supporting the automotive industry in pioneering a new era.

Building a clean, green future for our Earth through recycling and WX

—What kind of future do you each hope to achieve through the BlueRebirth project?

OTO: The waste management industry has contributed to society for many years by recycling and reusing materials to create a circular economy. However, due to insufficient promotion of the benefits the industry provides to society coupled with a sometimes hazardous workplace environment, waste management has tended to be viewed in a negative light. With interest in the circular economy growing, I hope that through the BlueRebirth project, we can create a new era for the automotive industry and boost the image of the waste management industry as a whole.

ASANO: Since the management integration that created TRE HOLDINGS, an increasing number of companies and research institutions have visited our facilities to observe our operations and learn more about our business. I feel that our employees are taking greater pride and confidence in their work after seeing how interested others are in TRE's operations. I would personally like to communicate the BlueRebirth project to the public more proactively and encourage more children and young people to aspire to careers in the waste management industry by showing them that it can be a "cool" job.

OKUDA: By recycling scrap materials from ELVs the vehicle dismantling and shredding sector is already helping reduce the amount of natural resources that are mined. The amount of CO_2 emissions reduced by using recycled materials in the materials and manufacturing industries exceeds the volume of CO_2 emitted by the operations of waste management companies. Not many industries can say this, so I think everyone in the waste management industry should be prouder of what they do.

The waste management and recycling industries are similar to the manufacturing industry in that we are both engaged in *monozukuri*, or "making things." I myself have been involved in the technological development of automotive components for many years, and know that manufacturing is by nature a creative and exciting process. I hope to enjoy the challenge of giving new life and new value to resources in a creative and sustainable way.

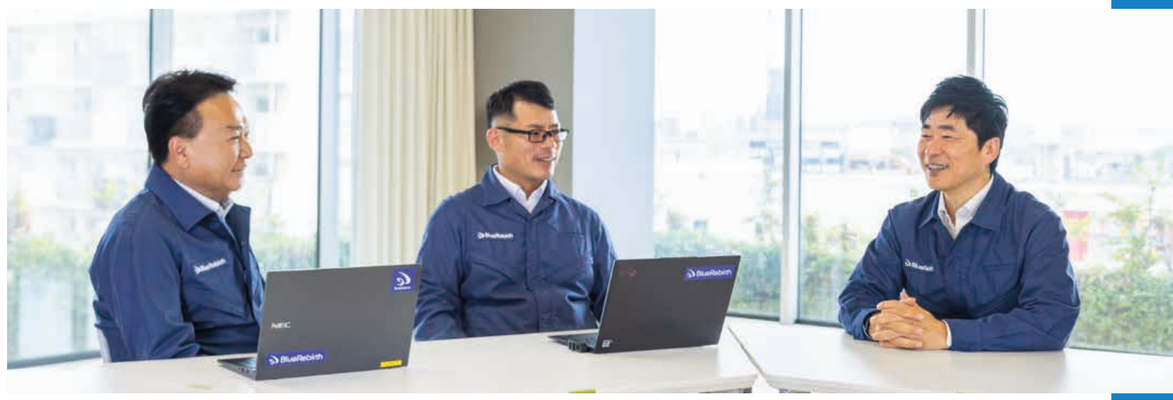
Our goal is to implement the technology developed by BlueRebirth on a societal level by 2030. Although more than 30 companies, research institutions, and government agencies have already joined BlueRebirth, we need to expand this network even further. As we work toward this goal, I believe the partnership between TRE and DENSO serves as a symbol of the new relationship between the manufacturing and waste management industries, and could serve as a model for the entire industrial sector going forward.

The name of the project, BlueRebirth, was born from a shared desire to restore our beautiful blue planet to its natural state and transform the circular economy industries into a purpose that children aspire to be a part of. Working together with everyone at TRE Group who shares this vision, we will push ahead with our efforts to create a circular society.

ASANO: At REVER, we are committed to the TRE Group's challenge to become a WX environmental company. WX is a societal transformation to create an efficient recycling society and a carbon-neutral society by leveraging the power of "co-creation" that transcends the traditional boundaries of the waste management industry and other industries. BlueRebirth is a challenge that if achieved, will mark a major step forward for WX. I firmly believe that our endeavor will have a significant impact, not only on the automotive industry but also on society as a whole.

*1 In 2023, the European Union (EU) consolidated the "Directive on end-of-life vehicles", which promotes the recycling of end-of-life vehicles (ELVs) and the "Directive on the type-approval of motor vehicles with regard to their reusability, recyclability and recoverability (3R Directive)," restructuring them into a single regulation.

*2 Report on results of FY2023 Industry-government-academia collaborative project to expand use of recycled materials in automotive recycling (DENSO CORPORATION).



Feature 3

Enhancing the Resilience of Japan's National Infrastructure

—Partnering with municipalities to handle disaster waste—

The massive volume of waste generated by natural disasters can hinder the restoration of urban functions in disaster-afflicted regions. The TRE Group's business activities play a key role in supporting societal infrastructure, and from a resilience perspective, contribute not only to rapid recovery and reconstruction, primarily through treatment of disaster waste, but also by playing a leading role in community disaster prevention efforts.

Enhancing the resilience of local municipalities through disaster waste management support

In recent years, Japan has been impacted by increasingly frequent natural disasters, including major earthquakes, tsunamis, and typhoons. These natural disasters destroy urban infrastructure and buildings, and generate vast quantities of disaster waste. This disaster waste hampers recovery and reconstruction efforts in the afflicted areas and worsens hygiene and sanitation, making prompt and appropriate countermeasures critical.

In the midst of concerns about the potential occurrence of increasingly severe disasters such as the Nankai Trough earthquake, earthquakes directly under the Tokyo metropolitan area, and massive typhoons due to climate change, municipalities are seeking to strengthen cooperation with waste management companies to ensure disaster resilience by achieving swift treatment of disaster waste and rapid recovery and reconstruction of urban functions in the event of a future disaster. To support recovery efforts following the Great East Japan Earthquake of 2011, the TRE Group deployed a large number of employees to the affected area over a period of approximately three years, and continues its involvement in ongoing reconstruction efforts in Fukushima Prefecture to this day. In addition, our Group companies and sites located in affected areas have taken the lead in disaster response efforts following Typhoons Faxai and Hagibis, which struck eastern Japan in 2019, as well as recovery support efforts after offshore earthquakes in Fukushima in 2021 and 2022, and the 2024 Noto Peninsula Earthquake. These efforts have been recognized, leading to the disaster waste management agreements with several municipalities. Under these agreements, upon request from local governments the TRE Group swiftly mobilizes the necessary personnel and equipment to support the smooth treatment of disaster waste, including the removal, collection, transportation, and treatment of waste generated in areas affected by earthquakes, wind and flood damage, or other major disasters that may occur in the future. Since concluding the first such agreement with Chiba City (Chiba) in August 2020, we have established partnerships with Yotsukaido City (Chiba), Suwa City (Nagano), where Shinshu Takeei Co., Ltd. is based, and in September 2024, with Soma City (Fukushima) as part of the Soma Circular Park concept (→ pp. 41–42). Through these agreements, we are establishing a framework to help disaster-affected communities resume their daily lives as swiftly as possible in the event of a disaster.

Going forward, the TRE Group will leverage its wealth of expertise in industrial waste management, along with its experienced personnel, facilities, and equipment, to treat disaster waste and assist the rapid recovery and reconstruction of areas affected by natural disasters.

TRE Group: TAKEEI CORPORATION's history of disaster response support

March 25, 2007
2007 Noto Peninsula Earthquake
Mobilized a total of 40 waste collection and transport vehicles free of charge.

The vehicles dispatched to support relief efforts

March 11, 2011
Great East Japan Earthquake
May 2011–May 2012
Treated disaster waste from Asahi City, Chiba, and nearby municipalities as a member of the Chiba Industrial Waste Management and Recycling Association.

July–October 2011
Conducted a disaster waste treatment pilot project in Kamaishi City, Iwate (joint venture with The Sangyo Shinko Co., Ltd. and KAJIMA CORPORATION).

At the disaster recovery support site

November 2011–September 2013
Recycle Peer Co., Ltd. (currently TAKEEI's Tokyo Recycling Center) treated disaster waste accepted by the Tokyo Metropolitan Government.

November 2012–March 2014
Received business for crushing and sorting of disaster waste in Otsuchi district, Iwate (joint venture with Takenaka Civil Engineering & Construction Co., Ltd., Matsumurakensetsu Co., Ltd., and Yawata-gumi Co., Ltd.)

The disaster recovery support site (Otsuchi Town, Iwate)

April 2012–December 2013
Conducted intermediate treatment of mixed waste, including sorting and crushing, as part of disaster waste treatment operations (Watari-natori block) (contract from joint venture between Obayashi Corporation, TODA CORPORATION, Konoike Construction Co., Ltd., TOYO CONSTRUCTION CO., LTD., HASHIMOTOTEN Co., Ltd., Fukamatsugumi Co., Ltd., and Haruyama Construction Co., Ltd.)

The disaster recovery support site (Watari Town, Miyagi)

July 2012–April 2013
Recycle Peer Co., Ltd. selected for Tokyo Metropolitan Government's disaster waste acceptance and treatment project (Otsuchi Town, Iwate).

October–December 2012
Recycle Peer Co., Ltd. selected as a waste treatment contractor for Tokyo Metropolitan Government's disaster waste acceptance project (Ishinomaki City, Miyagi).

March–August 2013
Responsible for handling the disaster waste disposal area in Futabagun Narahamachi, Fukushima (contract from Obayashi Corporation joint venture).
Waste treatment operations administered directly by the Ministry of the Environment.

April–December 2013
Recycle Peer Co., Ltd. selected as a waste treatment contractor for Tokyo Metropolitan Government's disaster waste acceptance and treatment project (Rikuzentakata City and Kamaishi City, Iwate).

September 2018–March 2019
Contracted by the Ministry of the Environment for the collection and transportation of combustible decontamination waste for the 2018 Katsurao Regional Waste Treatment.

Ongoing:
Involved in several decontamination waste disposal projects in Fukushima Prefecture. Continuing to handle waste treatment operations at Futabamachi Volume Reduction Facility (interim storage facility for removed soil and waste).

December 2, 2012
Sasago tunnel ceiling panel collapse
In cooperation with Group companies and partner companies, TAKEEI processed nearly 10,000 tons of waste in two weeks for Obayashi Corporation, which was contracted to handle the repair work, enabling the tunnel to return to operation before the year-end holiday travel period.

September 2019
Typhoon Faxai

October 2019
Typhoon Hagibis
October 2019–March 2022
Supported treatment of household goods damaged by the Chikuma River flooding in Nagano.

August 2020
Waste treatment agreement with Chiba City.

The signing ceremony with Chiba City

February 13, 2021
2021 Fukushima offshore earthquake

March 16, 2022
2022 Fukushima offshore earthquake

February 2023
Waste treatment agreement with Yotsukaido City.

The signing ceremony with Yotsukaido City

September 2023
TRE HOLDINGS CORPORATION and Shinshu Takeei Co., Ltd. signed waste treatment agreement with Suwa City.

The signing ceremony with Suwa City

January 1, 2024
2024 Noto Peninsula Earthquake
(→ pp. 49–50)

September 2024
Oku-Noto Heavy Rainfall

September 2024
Waste treatment agreement with Soma City.

Disaster recovery and reconstruction support project following the 2024 Noto Peninsula Earthquake

The TRE Group, which maintains business sites in the Hokuriku region, also suffered damage to its Group companies in the Noto Peninsula Earthquake. Although Monzen Clean Park Co., Ltd. (Wajima City, Ishikawa) which was preparing for opening when the disaster struck, sustained damage, repair and reinforcement work on the main facilities was completed with the cooperation of contractors and other partners, and the site opened for business in August 2024. Working together with local authorities, relevant ministries and agencies, and related organizations, we are striving to ensure the safe and secure operation of the facility.

Hokuriku Environmental Services Co., Ltd. suffered minimal impact to its corporate headquarters and landfill site and commenced normal operations from January 5, 2024. The company is also accepting some disaster waste to support recovery and reconstruction efforts in the region. As a WX (waste transformation) environmental company, one of the TRE Group's key strategic initiatives in our new Medium-Term Business Plan, which began in FY2024, is to contribute to enhancing the resilience of Japan's national infrastructure. Following the 2024 Noto Peninsula Earthquake, the TRE Group mobilized numerous employees to support relief efforts. Working alongside partner companies from across Japan and locally-hired workers, TRE staff are currently managing and operating temporary waste storage sites established in Wajima City and Suzu City.

Supporting recovery from the 2024 Noto Peninsula Earthquake and Oku-Noto Heavy Rainfall —establishing and operating temporary disaster waste storage sites

January 1, 2024: Noto Peninsula Earthquake strikes

On January 1, 2024, at approximately 4:10 p.m., an earthquake with a maximum seismic intensity of 7 on the Japanese *shindo* scale struck the Noto region of Ishikawa. TRE immediately confirms the safety of its employees and any damage at its sites across Japan via the TRE Group Safety Confirmation System.

January 2

Began a damage assessment of the Monzen Clean Park controlled final landfill site, which was being prepared for opening in Wajima City. Damage at Hokuriku Environmental Services Co., Ltd. confirmed to be minor.

January 15

The TRE Group mobilizes six employees to the temporary waste storage site in Nakanotomachi, Ishikawa

February–

Temporary waste storage sites established in Suzu City (2 locations)

Two temporary storage sites for disaster waste established in Suzu City. 34 TRE Group employees begin operations.

Temporary waste storage sites established in Wajima City (3 locations)

Three temporary storage sites for disaster waste established in Wajima City. 39 TRE Group employees begin operations.

April

Temporary housing established for TRE Group personnel working at temporary storage sites

June–July

Full-scale public demolition efforts begin in Wajima City and Suzu City

Full-scale public demolition work begins at temporary storage sites in Wajima City from June, and in Suzu City from early July. Pre-installed sorting and crushing machines operated to ensure swift and safe waste processing.

Supporting the reconstruction of Wajima Asaichi (Morning Market Street)

New administrative office established on the site of a public facility that burned down in the earthquake. This office is used to oversee demolition and waste removal for buildings destroyed by fire. Burned debris is accepted by Hokuriku Environmental Services Co., Ltd.

August

Monzen Clean Park controlled final landfill site opens
Acceptance of disaster waste begins
(→ p. 32)

Monzen Clean Park controlled final landfill site

September 21

Damage from Oku-Noto Heavy Rainfall

Acceptance of disaster waste from heavy rain damage in Wajima City and Suzu City begins.

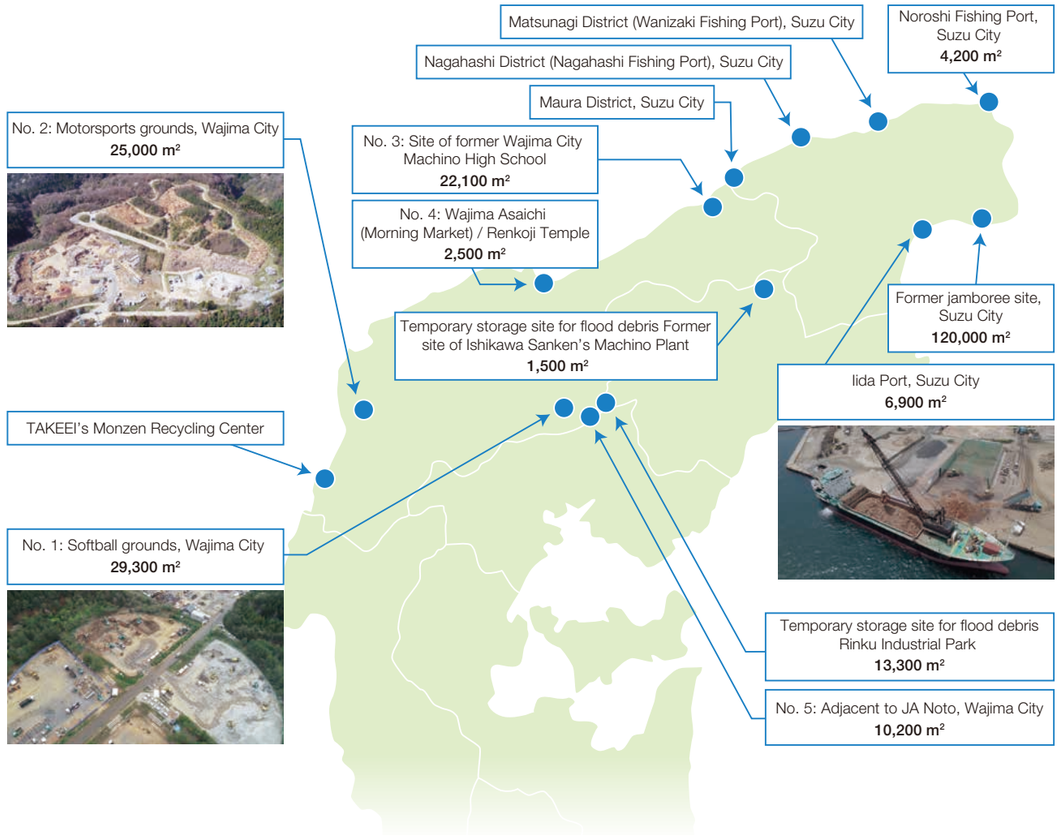
November

Monzen Recycling Center opens

Wood debris from flood damage

▼ Former jamboree site in Suzu City that was converted into a temporary waste storage area

Location of temporary waste storage sites for the 2024 Noto Peninsula Earthquake and Oku-Noto Heavy Rainfall



Establishment and operation of temporary storage sites in Wajima City and Suzu City

Monzen Clean Park is located in Wajima City, which suffered extensive damage in the 2024 Noto Peninsula Earthquake, while the neighboring city of Suzu also experienced severe damage. Under the guidance of the Industrial Waste Association of Ishikawa Prefecture, it was decided that TAKEEI would assume responsibility for managing and operating temporary waste storage sites in these two cities. Establishment of temporary storage sites proceeded at a rapid pace in preparation for the start of publicly-funded demolition work. Temporary storage sites were set with the objective of sorting disaster waste by type and reprocessing it for recycling to the maximum extent possible. Following the principle of treating waste within the local region, recyclable materials were first transported to intermediate treatment facilities within Ishikawa Prefecture, and then to neighboring prefectures.

In Wajima City, the establishment of temporary storage sites at the city-owned softball grounds, motorsports grounds, and former Machino High School proceeded smoothly, with acceptance of cleanup debris* beginning sequentially from February 1, 2024. At the softball grounds, which serves as the temporary storage site No. 1, all four softball fields have been used to store disaster waste since full-scale public demolition efforts began.

In Suzu City, temporary storage sites were established during the initial response phase on the parking lot of Hachigasaki Beach, as well as at Noroshi Fishing Port and Iida Port. These sites began accepting cleanup debris from February 1, 2024. At the former jamboree site, the biggest challenge was determining where to place each heavy machinery and how to arrange vehicle traffic routes across the vast 120,000 m² area. With up to 1,600 delivery vehicles entering the site each day, adjustments to the layout were made on a daily basis to ensure a smooth flow of both incoming and outgoing vehicles, without interrupting operations.

Furthermore, woody debris from the heavy rainfall in Oku-Noto that occurred in September 2024 needed to be treated quickly as it was wet and prone to deterioration. To address this problem, in addition to accepting debris at existing temporary storage sites, extra dedicated temporary storage sites for flood debris were established in several locations.

We will continue to assist recovery and reconstruction support projects in order to meet Ishikawa Prefecture's target of completing disaster waste treatment by the end of March 2026.

*Disaster waste generated from households, such as household goods and appliances rendered unusable due to earthquake damage.

Part 3

ESG

Enhancing corporate governance and sustainability management

Establishing an appropriate corporate governance structure to ensure sound, efficient, and transparent management

Basic approach

The TRE Group is aware that its businesses are built on the healthy relationships of trust it has developed with shareholders, employees, business partners, the residents of the areas around its business locations, and various other stakeholders. Based on that mindset, we have positioned the strengthening and enhancement of corporate governance as a key management task in order to pursue sound management and live up to the trust that society has in us.

To practice sound, efficient, and transparent management, we are preparing and establishing appropriate structures and implementing the necessary measures for management decision-making, the execution of duties, supervision, and internal controls. We also ensure that business is carried out according to laws, regulations, and internal rules throughout the organization, and since we are a company with an Audit and Supervisory Committee, our management decision-making and execution are supervised from an independent standpoint.

The Group endorses the Corporate Governance Code set by the Tokyo Stock Exchange, and as a basic policy, we strive to strengthen corporate governance by taking various measures based on the spirit and intent of our principles and beliefs.

Corporate governance structure

• Board of Directors

The Board of Directors takes important decisions about management strategies and plans and other matters. It also supervises the execution of business. Three of the seven board members (including three female members and four Audit and Supervisory Committee members) are outside directors (including two female members), and the members possess a wealth of experience and a broad range of knowledge as they include a lawyer, a certified public accountant, and a former Vice-Minister of Agriculture, Forestry and Fisheries.

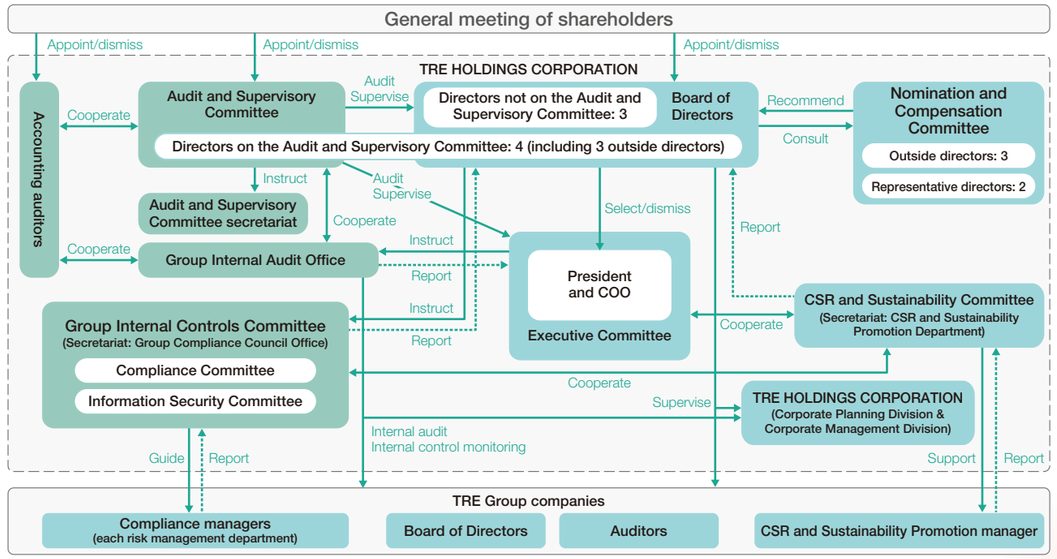
When selecting company directors, the Nomination and Compensation Committee deliberates on whether they have the foresight needed for future business expansion as well as on their expertise regarding corporate management and management strategy, internal controls and governance, sales and marketing, environmental issues and sustainability, manufacturing and technology, finance and accounting, human resources and labor, and legal issues and compliance.

FY03/2025 (actual)

Name	No. of meetings	Meetings attended
MATSUOKA Naoto	14	14
ABE Mitsuo	14	14
SUZUKI Takao*1	14	14
MITSUMOTO Mamoru*1	14	14
AOYAMA Miwa*2	10	10
UEKAWA Takeshi *2	10	10
OMURA Fumie	14	14
SUEMATSU Hiroyuki	14	14
ARAMAKI Tomoko	14	14
KANAI Akira *2	4	4

*1 SUZUKI Takao and MITSUMOTO Mamoru retired in June 2025.
*2 Attendance for KANAI Akira is listed up to the time of his retirement in June 2024, while attendance for AOYAMA Miwa and UEKAWA Takeshi is listed from the time of their appointment in June 2024 onward.

TRE Group corporate governance structure



• Audit and Supervisory Committee

We are a company with an Audit and Supervisory Committee and have appointed four Audit and Supervisory Committee members. Regarding the committee's structure, three of the members (including two female members) are outside directors so that they can supervise the directors' execution of business from an independent standpoint.

• Nomination and Compensation Committee

To improve the efficiency of the board of directors and further enhance the corporate governance structure, we have established a Nomination and Compensation Committee as a discretionary advisory body for the Board of Directors. It consists of representative directors and outside directors, with outside directors forming the majority.

The Committee aims to enhance the effectiveness of the Board of Directors by facilitating the expression of independent opinions by outside directors who are also Audit and Supervisory Committee members by providing them with advance explanations of the Company's approach and policies when considering key management issues in order to enhance the Company's corporate governance framework.

The Committee consults with the Board of Directors and provides opinions primarily regarding the selection of director candidates, the formulation of policies on compensation and other benefits for directors, opinions on compensation and other benefits for directors (excluding directors who are members of the Audit and Supervisory Committee), including points under the Board Benefit Trust system, and opinions on the assessment of the effectiveness of the Board of Directors.

• Group Internal Controls Committee

The Group Internal Controls Committee meets on a regular basis (quarterly and as needed) to study, discuss, and approve the overall policy and direction of risk management initiatives.

Centered around this committee, the Company discusses internal control measures based on its basic policy on internal control systems and conducts ongoing checks and reinforcements in response to changes in the business and environment to ensure that the Group's internal control systems continue to function effectively.

• Compliance Committee

The Compliance Committee, established as a subordinate organization of the Group Internal Controls Committee, convenes on a regular basis (quarterly and as needed) to examine whether any violations or potential violations of laws or regulations have occurred, and immediately reports to the Group Internal Controls Committee if any such violations are identified.

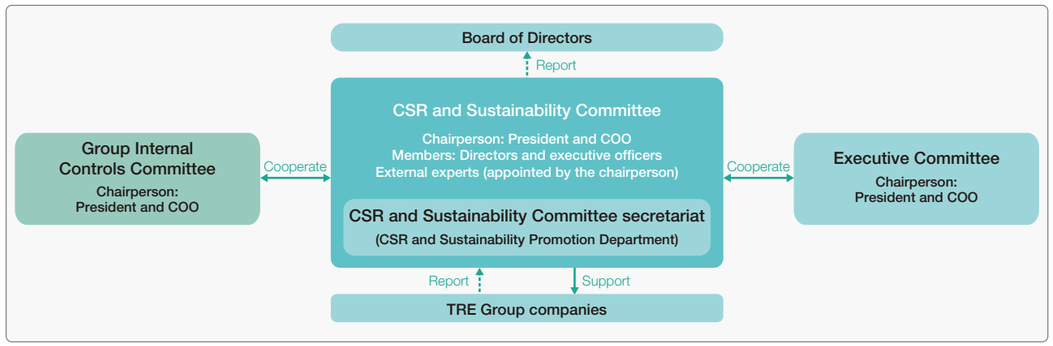
• Information Security Committee

The Information Security Committee, established as a subordinate organization of the Group Internal Controls Committee, convenes on a regular basis (quarterly and as needed) to examine the status of information security maintenance and management and the occurrence of incidents or problems related to information security in cooperation with the Group's subsidiaries, and reports findings to Group Internal Controls Committee as appropriate.

• CSR and Sustainability Committee

Chaired by the President and COO, the committee formulates policies to address the TRE Group's sustainability-related management tasks, including climate change, and reports on the progress of initiatives to the Board of Directors. The CSR and Sustainability Promotion Department has been established as the Committee's secretariat, and is tasked with identifying material issues for promoting sustainable management and contributing to the achievement of the SDGs, examining mid- to long-term risks and opportunities, preparing data, including non-financial information, and preparing integrated reports in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

TRE Group sustainability management structure



Members of each governance body

◎ Chairperson or committee chairperson ○ Attendees

Title	Name	Board of Directors	Audit and Supervisory Committee	Nomination and Compensation Committee	Group Internal Controls Committee	Compliance Committee	Information Security Committee	CSR and Sustainability Committee
Chairman and CEO Executive Officer	**MATSUOKA Naoto**	◎		○	○			
President and COO Executive Officer	**ABE Mitsuo**	○		○	◎			◎
Director	**AOYAMA Miwa**	○						
Director, Audit and Supervisory Committee member	**UEKAWA Takeshi**	○	○					
Outside Director, Audit and Supervisory Committee member	**OMURA Fumie**	○	◎	○				
Outside Director, Audit and Supervisory Committee member	**SUEMATSU Hiroyuki**	○	○	◎				
Outside Director, Audit and Supervisory Committee member	**ARAMAKI Tomoko**	○	○	○				
Executive Officer	**OSHIMA Yoshimitsu**				○		◎	○
Executive Officer	**INOUE Hidetoshi**				○	◎	○	○
Executive Officer	**YAMASHITA Yuichiro**				○			○
Executive Officer	**MITSUMOTO Eishoku**				○			
Executive Officer	**FUJIMOTO Hideyuki**				○		○	
Other	**Other members**					○	○	○

Expertise of directors and outside directors

Name	Corporate management/ management strategy	Internal control/ governance	Sales/ marketing	Environment/ sustainability	Production/ technology	Finance/ accounting	HR/labor management	Legal/ compliance
Director								
MATSUOKA Naoto	●	●	●			●	●	●
ABE Mitsuo	●	●	●			●	●	●
AOYAMA Miwa	●			●	●	●	●	●
Audit and Supervisory Committee member								
UEKAWA Takeshi	●	●	●			●	●	●
OMURA Fumie*	●	●		●			●	●
SUEMATSU Hiroyuki*	●	●		●			●	●
ARAMAKI Tomoko*	●	●				●		●

* Outside director, designated as an independent director as stipulated by the Tokyo Stock Exchange and registered with the exchange.

Effectiveness of the Board of Directors

• Assessment of the effectiveness of the Board of Directors

TRE HOLDINGS conducts an annual survey of all directors by an external third-party organization with the aim of increasing the effectiveness of the Board on an ongoing basis. In the survey, respondents are asked to evaluate a wide range of items, including the composition and operation of the Board of Directors, the depth of strategic discussions, risk management, dialogue with stakeholders, and efforts to promote digital transformation. The results are reported and shared at the Executive Committee and Board of Directors meetings, and used to guide future operational policies and improvement measures.

We also compared these results with those of other companies. As in previous fiscal years, the overall average score for this year's survey exceeded the average of other companies benchmarked, confirming that TRE's Board of Directors continues to function effectively. In particular, respondents gave the Board high ratings for items such as "composition and operation of the Board of Directors" and "corporate ethics and risk/crisis management," indicating that our focus on strategic decision-making and maintenance of a sound governance system played a role in this positive assessment.

Meanwhile, items identified as challenges were "digital transformation (DX)" and "monitoring of succession planning." With regard to DX, evaluations remained low for a second consecutive year, with criticisms including insufficient provision of information on digital technologies and inadequate depth of discussion on supervision of the company's framework for DX promotion. In light of these issues, we will work to share relevant information more effectively at Board meetings and to provide more opportunities for strategic discussions on DX.

"Monitoring of succession planning" also received a relatively low evaluation, highlighting a need for a succession planning framework for top management positions such as CEO, as well as for progress in concrete discussions on the matter. In order to support stable management and sustainable growth in the future, the Nomination and Compensation Committee will review the relevant conditions and work to develop a transparent succession planning process.

Going forward, we will continue to conduct a careful analysis and discussion of items which received a low evaluation or where there is a gap in the evaluations between internal directors and outside directors or Audit and Supervisory Committee members, and implement continuous improvements in order to further enhance our governance and increase our corporate value on an ongoing basis.

Main findings of assessment

- Overall, the assessment confirmed that the Board was generally perceived to be functioning effectively.
- The highest-rated item was “composition and operation of the Board of Directors,” followed by “corporate ethics and risk/crisis management.”
- The item that showed improvement from the previous year was “corporate ethics and risk/crisis management.
- The lowest-rated items were “digital transformation (DX)” followed by “monitoring of succession planning.”

Officer compensation

Compensation for directors consists of a fixed basic compensation, a performance-based compensation that is determined every year based on the Company’s results, and a medium-term performance-based compensation in the form of a board benefit trust (BBT) provided from the Company’s own shares, given upon retirement. Outside directors are paid a fixed basic compensation that takes their responsibilities into account.

Furthermore, to ensure the objectivity and transparency of director compensation, the company has established a Nomination and Compensation Committee as a discretionary advisory body made up of a majority of outside directors, and the committee chairman is selected from the outside directors.

Additionally, according to the officer compensation regulations set in June 2022, when a director’s compensation is being determined, the amount of their management responsibility as a director or executive officer will be taken into account. The Audit and Supervisory Committee will take decisions on directors who are Audit and Supervisory Committee members after deliberations.

Cross-shareholdings policy

To expand the Group’s business areas, apart from capital and business alliances, we may also possess shares if we deem them necessary for maintaining and strengthening positive business ties. We scrutinize the shares held for their purpose, business status and dividend yield to verify the rationality of holding them.

Furthermore, when exercising voting rights for shares held, we closely examine the contents of the agenda and determine whether it is a proposal that will increase the corporate value of the issuing company in the medium to long term. We make this decision comprehensively for each business partner.

We cast an opposing vote for proposals that would seriously damage the shareholder’s value or cases that cause major concern from a corporate governance point of view such as a social scandal.

Communication with shareholders and investors

TRE HOLDINGS regards enhancing its corporate value in a sustainable manner through constructive dialogue with shareholders and investors as one of its key management priorities. We strive to build a relationship of trust through highly transparent disclosure of both financial and non-financial information, as well as through dialogue with stakeholders.

1. Policy on investor relations activities

We strive to provide shareholders and investors with fair and easy-to-understand information based on a core policy of timely and appropriate information disclosure. We actively communicate information on our financial position, business strategies, ESG initiatives, and other items through earnings briefings, our integrated report, and the investor relations section of our website.

2. Site tours for shareholders

We hold regular tours of our business sites and plants to provide our shareholders with a deeper understanding of the TRE Group’s business activities. In March 2025, we held tours of TAKEEI CORPORATION’s Kawasaki Recycling Center and REVER CORPORATION’s Ichihara Plant, hosting a total of 52 participants. By providing participants the opportunity to observe our frontline operations firsthand, we aim to enhance the transparency of our corporate activities while strengthening trust-based relationships through dialogue with management and employees. We will continue to hold facility tours to encourage long-term shareholding by our shareholders.

3. Dialogue with individual and institutional investors

We hold briefings for individual investors and one-on-one meetings with institutional investors, during which we explain our management policies and medium- to long-term growth strategies in detail. Feedback, opinions, and requests expressed during these meetings are reported to the Board of Directors on a regular basis and reflected in management policy. To enhance the quality of dialogue, our management team prioritizes opportunities to speak directly with investors.

4. Future initiatives

Going forward, we will strive to further the trust-based relationship with our shareholders and investors by enhancing and expanding information disclosure, such as upgrading the functionality of the investor relations section of our website to provide timely information, as well as further expanding the scope of our ESG disclosures and creating even more diverse opportunities for dialogue.

Board of Directors (four internal directors, three outside directors)

Internal directors	Outside directors	Ratio of outside directors	Ratio of female directors
(male: 3, female: 1)	(male: 1, female: 2)	43%	43%

Term of office	The term of office for directors not serving as Audit and Supervisory Committee is one year, while for Audit and Supervisory Committee members it is two years.
Frequency of meetings	Once per month, plus on an ad-hoc basis as required.

Audit and Supervisory Committee (one internal director, three outside director)

Internal directors	Outside directors	Ratio of outside directors	Ratio of female directors
(male: 1)	(male: 1, female: 2)	75%	50%

Term of office	The term of office of Audit and Supervisory Committee members is two years.
Frequency of meetings	Once per month, plus on an ad-hoc basis as required.

Nomination and Compensation Committee

Internal directors	Outside directors	Ratio of outside directors	Ratio of female directors
(male: 2)	(male: 1, female: 2)	60%	40%

Shareholder tour (REVER’s Ichihara Plant)
Tour participants observe the pre-shredder

Shareholder tour (TAKEEI’s Kawasaki Recycling Center)
Participants view the RPF production line at close vicinity from a bus

Directors

MATSUOKA Naoto

Chairman and CEO

- Number of shares of the Company held: 11,300
- Attendance at Board of Directors' meetings: 14/14

Apr. 1972 Joined Mitsubishi Corporation
Apr. 1999 President and Representative Director, Ueno Tekko Co., Ltd.
Apr. 2004 President, Metal One Structural Steel & Resource Corporation (currently MM&KENZAI Corporation)
Apr. 2009 President and CEO, Director, Metal One Corporation
Sep. 2015 President and Representative Director, SUZUTOKU Holdings Co., Ltd. (currently REVER CORPORATION)
Sep. 2016 Director, HIDAKA SUZUTOKU (Thailand) CO., LTD.
May 2018 President, Representative Director and Executive Officer, REVER HOLDINGS CORPORATION (currently REVER CORPORATION)
Oct. 2021 Member of the Board, TAKEEI CORPORATION (current position)
Oct. 2021 Chairman and Chief Executive Officer, the Company (current position)
Jun. 2022 Representative Director, TRE Foundation for SDGs Promotion (current position)
Jul. 2022 President and chief executive officer, REVER CORPORATION (current position)

ABE Mitsuo

President and COO

- Number of shares of the Company held: 18,316
- Attendance at Board of Directors' meetings: 14/14

Apr. 1983 Joined The Kyowa Bank, Ltd. (currently Resona Bank, Limited)
Apr. 2013 Managing Executive Officer, Resona Bank, Limited
Oct. 2015 Representative Director and President, Resona Kessai Service Co., Ltd.
Apr. 2017 Joined TAKEEI CORPORATION
Executive Officer, Deputy General Manager, Corporate Planning Division
Jan. 2018 Executive Officer, Deputy General Manager, Sales Division and General Manager, Related Business Department
Jun. 2018 Member of the Board, Managing Executive Officer, General Manager, Corporate Planning Division
Jun. 2019 Member of the Board, Chief Operating Officer (current position)
Jan. 2021 Representative Director, TEC Takekuma Co., Ltd.
Sep. 2021 Director, REVER HOLDINGS CORPORATION (currently REVER CORPORATION) (current position)
Oct. 2021 President and Chief Operating Officer, the Company (current position)
Apr. 2023 Director, REVER CORPORATION (current position)
Representative Director and President, Platech Soma Co., Ltd.
Jun. 2023 Representative Director and President, Green Arrows Holdings, Inc. (current position)
Sep. 2023 Secretary, Glass Recycling Committee of Japan (current position)
Dec. 2023 Director, Solar Panel Reuse and Recycling Association (current position)

AOYAMA Miwa

Director

- Number of shares of the Company held: 0
- Attendance at Board of Directors' meetings: 10/10 (appointed in June 2024)

Apr. 1985 Joined The 77 Bank, Ltd.
May 2000 Joined TAG Co., Ltd.
Jul. 2001 General Affairs Division Head
Jul. 2013 General Manager
Jul. 2019 Managing Director
Jul. 2022 Senior Managing Director
Jun. 2024 Representative Director and President (current position)
Jun. 2024 Director, the Company (current position)
Jul. 2025 Director, E&M Co., Ltd. (current position)

Audit and Supervisory Committee member

UEKAWA Takeshi

Director

- Number of shares of the Company held: 4,376
- Attendance at Board of Directors' meetings: 10/10 (appointed in June 2024)

Apr. 1982 Joined The Nippon Credit Bank, Ltd. (currently Aozora Bank, Ltd.)
Mar. 2012 Joined Citibank Japan Ltd.
Oct. 2012 Joined TAKEEI CORPORATION, Manager in charge of President's Office
Nov. 2012 General Manager, President's Office
Jun. 2014 Representative Director and President, Fuji Car Manufacturing Co., Ltd.
Jun. 2018 Executive Officer, Deputy General Manager, Sales Division, in charge of Affiliate Business Department, TAKEEI CORPORATION
Aug. 2018 Executive Officer in charge of Business Audit Department
Jun. 2019 Member of the Board, Managing Executive Officer and General Manager, Corporate Planning Division
Jan. 2021 Corporate Auditor, TEC Takekuma Co., Ltd. (current position)
Oct. 2021 Executive Officer, General Manager, Corporate Planning Division, the Company
Jun. 2022 Executive Officer, General Manager, Corporate Management Division, the Company
Member of the Board, Managing Executive Officer and General Manager, Administration Division, TAKEEI CORPORATION
Jun. 2023 Member of the Board, Senior Managing Executive Officer and General Manager, Administration Division
Jun. 2024 Corporate Auditor (current position)
Director (Audit and Supervisory Committee member), the Company (current position)
Jul. 2025 Corporate Auditor, E&M Co., Ltd. (current position)

OMURA Fumie

Outside Director

- Number of shares of the Company held: 0
- Attendance at Board of Directors' meetings: 14/14

Apr. 1994 Joined BLAKEMORE & MITSUKI
Oct. 1996 Joined Hideyuki Sakai Law Firm
Jun. 2006 Established Ichigaya International Law Firm (currently SHINDO & MATSUMURA LAW OFFICE) (current position)
Jun. 2015 Outside Director, Carlit Holdings Co., Ltd. (currently Carlit Co., Ltd.)
Sep. 2019 Outside Auditor, REVER HOLDINGS CORPORATION (currently REVER CORPORATION)
Oct. 2021 Outside Director (Audit and Supervisory Committee member), the Company (current position)

SUEMATSU Hiroyuki

Outside Director

- Number of shares of the Company held: 0
- Attendance at Board of Directors' meetings: 14/14

Apr. 1983 Joined Ministry of Agriculture, Forestry and Fisheries
Mar. 2002 Counsellor, Cabinet Secretariat, Prime Minister's Office of Japan
Oct. 2006 Director, Environment Policy Division, Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries (MAFF)
Jul. 2007 Director, Policy Planning and Evaluation Division, Minister's Secretariat, MAFF
Apr. 2008 Director, Food Security Division, Minister's Secretariat, MAFF
Apr. 2009 Policy Planning Division, Minister's Secretariat, MAFF
Jul. 2010 Director-General, Forest Policy Planning Department, Forestry Agency, MAFF
Apr. 2014 Director-General, Kanto Regional Agricultural Administration Office, MAFF
Jul. 2015 Director-General, Rural Development Bureau, MAFF
Jun. 2016 Director-General, Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry
Jul. 2018 Vice-Minister of Agriculture, Forestry and Fisheries, MAFF
Oct. 2020 President and Representative Director, Next Generation Industry Research Institute Co., Ltd. (current position)
Jan. 2021 Specially Appointed Professor, Research Institute for Agricultural and Life Sciences, Tokyo University of Agriculture (currently Tokyo NODAI Research Institute) (current position)
Jun. 2021 Outside Director, SBI Holdings (current position)
Oct. 2021 Outside Director (Audit and Supervisory Committee member), the Company (current position)
Dec. 2021 Outside Director (Audit and Supervisory Committee member), Nexyz. Group Corporation (currently NEXYZ. Group Corporation)

ARAMAKI Tomoko

Outside Director

- Number of shares of the Company held: 0
- Attendance at Board of Directors' meetings: 14/14

Oct. 1991 Joined Century Audit Corporation
Mar. 1995 Registered as a Certified Public Accountant
Jul. 1999 Seconded to Regional Financial Cooperation Division, Trade Policy Bureau, Ministry of International Trade and Industry
May 2002 Joined IBM Japan, Ltd.
Feb. 2006 Director, Aramaki CPA Office (current position)
Apr. 2006 Registered as a Certified Tax Accountant
Jun. 2008 Audit & Supervisory Board Member, PARIS MIKI Inc. (currently PARIS MIKI HOLDINGS Inc.)
Jun. 2015 Director, in charge of Investor Relations
Dec. 2015 Corporate Auditor, SACOS CORPORATION
Jun. 2018 Outside Standing Statutory Auditor, EXEO Group, Inc.
Mar. 2022 Outside Director, FUJI SOFT CORPORATION
Jan. 2023 Information and Communications Council member, Ministry of Internal Affairs and Communications (current position)
Telecommunications Business Policy Committee member, Information and Communications Council (current position)
Postal Services Policy Committee member, Information and Communications Council (current position)
Jun. 2023 Outside Director (Audit and Supervisory Committee member), the Company (current position)
Outside Director, EXEO Group, Inc. (current position)
Jun. 2024 Outside Director (Audit and Supervisory Committee member), Astellas Pharma Inc. (current position)
Apr. 2025 National Research and Development Agency Council expert member, Ministry of Internal Affairs and Communications (current position)

Working to reduce the environmental impact of our business activities in order to conserve the global environment

Basic approach

As stated in the TRE Group's principles, "we are committed to the conservation of the global environment," we are striving to contribute to the creation of an efficient recycling society and a carbon-neutral society through our business activities. In addition, under our Basic Policy on the Environment, we are working to conserve the global environment and reduce our environmental footprint by reducing our CO_2 emissions, among other measures.

Basic Policy on the Environment

TRE HOLDINGS CORPORATION and its affiliated companies ("the TRE Group"), which operate a Waste Treatment & Recycling Business, a Resource Recycling Business, a Renewable Energy Business, and other environment-related businesses, are committed to proactively working toward conservation of the global environment and reduction of environmental impact in order to realize a future in which both companies and society can achieve sustainable growth.

1. **Contributing the creation of an efficient-recycling society**
2. **Striving to create a carbon-neutral society**
3. **Promoting environmental initiatives that are rooted in local communities and society**
4. **Enhancing framework for advancing environmental initiatives**

As of October 19, 2021

For details, see: https://tre-hd.co.jp/en/sustainability/policy.html

Operation of environmental management system

The TRE Group has obtained ISO 14001 certification, the international standard for environmental management, as well as Eco-Action 21 certification, an environmental management system established by Japan's Ministry of the Environment, and operates the PDCA cycle to make continuous improvements to its management processes. As of the end of FY2024, 81.0%* of TRE Group companies had obtained environmental management certifications.

* Number of employees at sites that have obtained management system certifications / number of employees in the entire TRE Group

Environmental certifications

	Organization certified	Date of certification (Registration)
ISO14001	REVER CORPORATION	June 1999
	TAKEEI CORPORATION*1	February 2001
	Fuji Car Manufacturing Co., Ltd.	March 2001
	EQUAL ZERO Inc.	March 2001
	Shinshu Takeei Co., Ltd.	December 2001
	Hokuriku Environmental Services Co., Ltd.*2	July 2004
	Takeei Green Recycling Co., Ltd.*3	June 2007
Eco-Action 21	Ikeda Construction Materials Co., Ltd.	August 2007
	Takeei Metal Co., Ltd.	April 2017
	Gypro Co., Ltd.	October 2017
	TRE GLASS CORPORATION	August 2019
	Tohoku Koueki Recycling Technology Co., Ltd.	February 2022

*1 Divisions in the industrial waste treatment business responsible for sales, collection and transportation, final disposal, administrative tasks, and intermediate processing.
*2 Headquarters and Hiraguri Plant.
*3 Fujiyoshida Plant, Fujigane Plant.

Introduction of an electric truck

TAKEEI CORPORATION's Logistics Management Department has purchased an electric truck (2-ton power gate model), commonly known as the Fuso eCanter, from Mitsubishi Fuso Truck and Bus Corporation in February 2025 for use as waste collection and transport vehicle. The eCanter is both compact in size and highly maneuverable, making it ideal for small-scale waste collection work. It is capable of traveling approximately 236 km on a full charge.* In addition, by using electricity generated by solar panels installed at the logistics building to charge electric truck, we are contributing to our goal of achieving zero CO_2 emissions in waste collection and transportation operations. The vehicle is also equipped with a power gate, which eases the burden of loading and unloading waste, improving the working environment for crew members. The new vehicle has received a positive reception from our customers since its introduction, for its lower CO_2 emissions and improved collection efficiency in confined spaces. We plan to further expand our fleet in the future.

* Test figures verified by the Ministry of Land, Infrastructure, Transport and Tourism

The electric truck introduced by TAKEEI

Registering with Kawasaki Eco-Drive Declaration

TAKEEI CORPORATION has registered with Kawasaki City's Eco-Drive Declaration and actively promotes environmentally-friendly driving. We encourage businesses that bring in waste to the company's facilities as well as our partner companies to whom we outsource transportation services to implement "eco-driving" practices.

Eco-driving contributes to both a lower environmental impact and improved safety, offering benefits such as reduced CO_2 emissions, lower fuel costs, and a lower risk of traffic accidents. Through these initiatives, we aim to build a logistics network that supports the realization of a sustainable society.

Installing solar panels at intermediate processing facilities and other sites

The TRE Group is working to install solar panels to its offices and intermediate processing facilities as a measure toward its carbon neutrality goals and to promote the use of renewable energy sources for the electricity it consumes. Through to the end of March 2025, solar power generation systems have been installed at six TAKEEI Group sites.

Combined with three sites at REVER CORPORATION, the TRE Group currently operates solar power generation facilities for in-house consumption at nine sites in total. We are also working to expand installation of solar panels at newly constructed plants as well as at existing facilities.

TRE achieves B rating from CDP

The Carbon Disclosure Project (CDP) is a nonprofit organization that assesses companies' environmental initiatives, such as efforts to combat climate change. The CDP requests companies and municipalities to disclose their climate change initiatives via a questionnaire format, and assigns ratings accordingly. The published assessment ratings are viewed by many stakeholders, including investors. TRE HOLDINGS received a B rating in the CDP's 2024 assessment, in recognition of the company's ongoing environmental initiatives.

Participation in GX League

The GX League is a platform for companies taking up the challenge of transitioning to carbon neutrality, and serves as a forum for companies to promote collaboration with government and academia toward this goal.

The TRE Group became a member of the GX League in February 2024. By participating in this platform, we will keep up to date with the latest developments related to carbon neutrality and work to advance GX initiatives within the company and in our business operations, in order to fulfill one of the Group's missions of creating a carbon-neutral society.

Certification under Eco-First Program

The Eco-First Program certifies companies that make voluntary commitments to achieve environmental goals to the Minister of the Environment, such as global warming countermeasures and waste/recycling initiatives, and that are innovative, original, and/or have a ripple effect in their initiatives toward these goals. The program aims to promote initiatives by companies leading the way in environmental practices across various industries to advance the realization of a sustainable society. TAKEEI CORPORATION was certified as an Eco-First company in 2008 and has renewed its certification on an ongoing basis since. The company will continue pushing forward with advanced initiatives in environmental management industry.

Energy input and CO_2 emissions in the TRE Group's business activities

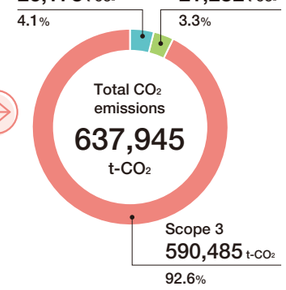
Energy input into business activities

Electricity	50,965 MWh
Diesel oil	8,437 kL
Gasoline	366 kL
LNG	929,000 m³
LPG	42,000 m³
Kerosene	101 kL
Type-A heavy oil	322 kL
Acetylene	2,067 kg

Business activities

- **Waste Treatment & Recycling Business**
  - Sales
  - Collection and transportation
  - Intermediate treatment (recycling)
  - Final disposal (landfill)
- **Resource Recycling Business**
- **Renewable Energy Business**
  - Woody biomass power generation
- **Other environmental businesses**
  - Environmental analysis
  - Manufacture and sale of environmental equipment

Breakdown of CO_2 emissions



Environmental data

	Unit	FY03/2023	FY03/2024	FY03/2025
Power generated*1	MWh	569,859	592,086	600,934
Power consumed*1	MWh	53,867	53,930	50,965
CO_2 emissions per resource received (per unit)*2	t-CO_2/t	0.038	0.035*3	0.035
Resources received*4	1,000 t	1,386	1,354	1,337
Resources recycled*4	1,000 t	1,265	1,240	1,233
Waste generated	1,000 t	110	110	96
Recycling efficiency*5	%	91.98	91.82	92.76

*1 The TRE Group generates more renewable energy than the amount of electricity used by each Group company. From FY03/2025, figures include electricity generated by solar power systems for in-house consumption (2,370 MWh).
*2 CO_2 emissions associated with energy use ÷ resources received. Resources received: Volume of valuables and waste received by the Group
*3 From FY2023, we have adopted the market-based method for measuring Scope 2 CO_2 emissions
*4 Resources received: Volume of valuables and waste received by the Group. Resources recycled: Volume of resources received that could be used as recycled resources.
*5 Recycling efficiency: Resources recycled ÷ (resources recycled + waste generated) × 100. Waste generated: Volume of resources received that could not be recycled and was disposed of.

We regard climate change as an important management issue and understand and analyze the medium- to long-term risks and opportunities

Basic approach

TRE HOLDINGS is fully aware of the impact of climate change, including associated environmental destruction and the need for countermeasures. Accordingly, we have set the realization of an efficient recycling society and a carbon-neutral society as material issues. In FY2022, we expressed our support for the Task Force on Climate-Related Financial Disclosures (TCFD). Although society and markets are increasingly acting to achieve carbon neutrality, abnormal weather events and flood damage are already growing more severe. We will continue our efforts to help resolve societal challenges related to climate change via our business, including contributing to disaster recovery efforts.

Governance

The TRE Group has established the CSR and Sustainability Committee as an organization to set targets and plan, announce, execute and evaluate strategies concerning the Group's climate change countermeasures and other initiatives aimed at solving social issues.

The CSR and Sustainability Committee is chaired by the President and COO. As the body for deliberating sustainability-related initiatives, its functions include determining relevant policies and managing the progress of targets. It meets at least twice a year, in principle, and reports to the Board of Directors after holding discussions and obtaining a consensus at Group management meetings. The Board of Directors supervises the progress of targets and policies.

Risk management

The CSR and Sustainability Committee discusses the impact of the risks and opportunities of climate change on the Group's business and how to manage those risks going forward, and the results are disclosed in this integrated report.

Strategy

The Group seeks to understand the risks and opportunities posed to business by the migration risks and physical risks of climate change, and to reflect that understanding in business strategies and in the planning of climate change countermeasures. The results of the climate change risk impact analysis indicate that for the Group, which is engaged in waste treatment, recycling and renewable energy businesses, the risks posed by climate change to business continuity are significantly outweighed by the business opportunities, which are linked to future growth opportunities.

In accordance with TCFD recommendations, we also conduct scenario analysis to identify climate change-related risks and opportunities. During this scenario analysis, we defined a 1.5°C scenario and a 4°C scenario based on scientific evidence from the International Energy Agency (IEA) and other sources, and estimated the following three items to evaluate the magnitude of climate-related risks and opportunities that may affect our business in 2030.

- **Migration risks**

1. Financial impact of the introduction of carbon pricing

We estimated the impact of the introduction of a carbon tax on CO_2 emissions, based on the assumption that CO_2 emissions in 2030 will remain at the same level as in 2013.

2. Financial impact of changes in electricity prices

We estimated the impact of reducing our total electricity consumption in 2030 compared to 2021 levels through energy saving initiatives and the introduction of solar power generation systems for on-site consumption, as well as the effect of adopting 100% renewable energy for the remainder of our electricity consumption.

- **Physical risks**

3. Impact of business suspension due to flooding and storm surge damage

We used hazard maps to determine information such as the depth of inundation due to storm surges and flooding as well as river class based on the address of each of our business sites, and estimated the amount of damage due to business suspension at each location based on the number of days of full or partial business suspension in accordance with the depth of inundation, then multiplied this by the annual probability that levels will be exceeded in accordance with the relevant river class to estimate the average annual amount of damage due to business suspension.

The results of the assessment are summarized in table form on the following page. Under the 1.5°C scenario, we anticipate a significant cost increase due to carbon taxes. At the same time, our qualitative assessment also indicates an increase in business opportunities.

With regard to physical risks, we also anticipate an increase in such risks due to climate change. In light of the fact that the Group's businesses contribute to conserving the global environment, including climate change countermeasures, we have established the creation of an efficient recycling, carbon-neutral society as material issues to address, and we will focus on reducing the risks of climate change while seizing business opportunities.

Scenario analysis on TRE HOLDINGS' business (risks and opportunities)

Broad category	Intermediate category	Subcategory	Risks/ opportunities	Impact on the TRE Group	Assessment			Time of impact
					1.5°C	4°C	Qualitative	
Migration risks	Policies and regulations	Stricter regulations such as carbon taxes and greenhouse gas emissions quotas	Risks	• Increased costs due to burden of new taxes (carbon taxes) if we do not conserve energy at our plants/offices and in our logistics	Major	Minor		Mid/ Long-term
			Opportunities	• Expansion in the steel recycling business due to a global increase in demand for electric furnace steel • A rise in the needs of customers and social demands for lower carbon throughout the supply chain, contributing to reduced Scope 3 CO_2 from customers as our plants/offices use lower-carbon energy, leading to increased differentiation and competitiveness • Increased demand for renewable energy	-	-	Major	
		Stricter environmental laws and regulations	Risks	• Increased capital investment costs and external (secondary) processing costs in order to comply with laws and regulations	-	-	Minor	Short- to long-term
			Opportunities	• Rapid increase in demand for recycled resources and recycling from local governments and various manufacturers	-	-	Major	
		Stricter information disclosure obligations	Risks	• Decline in the Group's credibility if it does not comply appropriately with requests for disclosure • Increased costs due to an increase in indirect operations	-	-	Minor	Short- to long-term
			Opportunities	• Clear display of superiority in the industry through information disclosure	-	-	Minor	
	Market	Sharp increases in resource prices	Risks	• Increased costs as a result of a sharp rise in energy costs and the prices of materials and raw materials	Medium	Minor		Short- to mid-term
			Opportunities	• Greater demand for reclaimed and recycled goods	-	-	Medium	
Physical risks	Acute	Intensification and frequent occurrence of natural disasters	Risks	• Stoppage of operations due to damage to plants/ offices or disruption of supply chain	-	-	Major	Short- to long-term
			Opportunities	• Increased disaster-related waste treatment following a natural disaster such as a major typhoon	-	-	Minor	
	Chronic	Rise in average temperature, frequent floods, and storm surges	Risks	• Deterioration of the working environment and reduced labor productivity due to heat stress	-	-	Major	Mid/ Long-term
			Risks	• Storm surge damage to offices and plants located in coastal areas	Medium	Major		
			Opportunities	• Increased opportunities for worn out infrastructure repair work and waste treatment businesses as a result of disaster prevention, disaster mitigation, and initiatives for building national infrastructure resilience • Increased opportunities for waste treatment businesses accompanying the movement of workplaces away from regions expected to face disasters	-	-	Minor	

Indicators and targets

We have set targets for CO_2 emission reductions among our KPIs.
(1) Achieve net zero CO_2 emissions (Scope 2) by FY2026.
(2) Reduce net CO_2 emissions (Scope 1+2) by 46% or more by FY2030 compared to FY2013.
(3) Achieve net zero CO_2 emissions (Scope 1+2+3) by FY2050.

We also calculate CO_2 emissions as an assessment metric for evaluating climate change-related risks and opportunities. The data on Scope 1 and 2 CO_2 emissions and recycling efficiency is assured by SOCOTEC Certification Japan, an independent third-party organization, in order to ensure the reliability of calculations.

Scope of assurance: Calculation of CO_2 emissions (Scope 1, 2) and recycling efficiency for TRE HOLDINGS and its 29 consolidated subsidiaries in FY2024
Assurance level: Limited assurance

Assurance mark by SOCOTEC Certification Japan, a third-party organization.

Promoting diversity and inclusion to allow each and every employee to achieve their full potential

Basic approach

The TRE Group believes that human resources are the foundation for sustainable business continuity and considers the creation of pleasant and fulfilling work environments a priority task.

Our employees are the driving force behind all of our corporate activities. The TRE Group clearly declares its commitment to prohibiting gender discrimination and child labor in its Code of Conduct, and is striving to promote diversity and inclusion to provide all employees an equal opportunity to utilize their unique talents. Additionally, in order to enhance our corporate value while adapting to changes in the external environment, it is essential that we work to attract and retain personnel with diverse values and provide them with opportunities to foster their growth. By creating a work environment where a diverse workforce can exhibit their abilities to the fullest and work with enthusiasm and peace of mind, we aim to build an organization where both the Group and its employees can continue to grow sustainably.

Initiatives to enhance our organizational strength

• Attracting and retaining talent

With Japan's birthrate declining and its population aging rapidly, the country's working population ratio is projected to decline from 63.8% in 2010 to 58.1% in 2030. Accordingly, we are stepping up our efforts to recruit young talent. The ability to secure a stable source of talent is also a pressing issue for the TRE Group. As part of our recruiting efforts, we are working to share our hiring know-how across the Group in order to enhance new graduate hiring at our Group companies, as well as broadening our recruiting scope, such as hiring mid-career talent.

One initiative TAKEEI CORPORATION implements as part of its talent retention efforts is the "Elder System," in which young employees serve as trainers tasked with supporting new junior employees and providing practical guidance and advice on workplace life over the course of their first year. This also helps the young employees serving as instructors to improve their communication skills and practical leadership abilities. In addition TAKEEI's Kawasaki Recycling Center and other facilities have created multilingual educational materials and notices in their workplaces, which incorporate a variety of illustrations and photographs, in order to ensure safe working conditions and increase retention of the foreign workers employed by the company.

An Elder System instructor mentoring a new employee

Promoting diverse work styles and supporting career development

• Expanding efforts to promote women's career development

The Group does not discriminate based on gender, and we have female employees succeeding in a variety of areas including factory work, sales, planning, and management. In addition, in view of changing career preferences and working environments, we are working to make a variety of career paths available to our employees, prevent the loss of talent through resignation, help recruit of talented personnel locally, and promote women's career development by creating an environment that allows women to continue working after childbirth and while raising children. Programs in this area include the Limited Area Career-Track System that makes it possible for employees to advance their career without relocating, and the introduction of the Job Group Change System that allows flexibility for employees wishing to change job groups in line with their career aspirations. At present the ratio of female managers in the Group is 5.4%, but have set a target of doubling the number of female, and are actively working to improve the business and work environment and promote employees to management positions based on their abilities, regardless of gender.

• Support for balancing work with childcare and caregiving

The TRE Group strives to create an environment where employees can balance childcare and family care responsibilities with work, allowing them to continue their career with peace of mind. In addition to reviewing our various work systems in accordance with revisions to laws and regulations, each of our group companies implement their own initiatives to provide flexible work arrangements designed to accommodate the individual needs of their employees.

• Expanding childcare support

TAKEEI introduced a new staggered working hours system from April 2025. This system, which allows employees to adjust the time they start work either earlier or later while maintaining the same number of total working hours, enables a more flexible work style to accommodate drop-off times at daycare or school. The company also offers a reduced working hours system for childcare, allowing employees to the option to select either a 6-hour or 7-hour workday until their child graduates from elementary school.

In addition, the eligible age range for taking special leave to care for children has been expanded from until entering elementary school to entering junior high school. Furthermore, by recognizing school events and school entrance interviews as valid reasons for leave, we aim to provide support that aligns with the needs of working parents.

The REVER Group has had these systems in place for some time, having introduced reduced working hours for childcare and staggered working hours (available to all employees) before legally required. Through these initiatives, the Group is committed to creating a flexible work environment for all employees, in addition to those raising children.

• Enhancing caregiving support

TAKEEI has established a comprehensive support system for employees with family care responsibilities, including caregiving leave and reduced working hours, as well as establishing a caregiving consultation hotline and providing employees with caregiving responsibilities information on relevant systems and confirming their work and career preferences. The REVER Group has introduced an Accumulated Paid Leave System in which employees can accumulate unused paid leave for use in the event of personal illness or injury, or for providing long-term care to family members. This system also mitigates the risk of losing unused paid leave due to expiration.

• Supporting reemployment

TAKEEI also offers a Comeback Program under which employees who left the company for reasons such as childcare, caregiving, or a spouse's job transfer can be offered reemployment opportunities if they wish to return to work. This program helps employees experiencing diverse life events sustain their careers.

The TRE Group is committed to developing workplaces where all employees can work with peace of mind and according to their individual preferences. Going forward, we will share the pioneering initiatives of each of our Group companies and continue striving to establish systems that enable employees to work in ways that suit their individual life stages and family circumstances.

• Supporting self-directed career development

To respect the wishes of the individual when it comes to personnel placement, the Group provides opportunities for employees to convey their ideal career plans to their supervisors and the human resources department. By increasing mutual understanding between the company and the individual, we can create an organization where individuals can exhibit their abilities to the fullest.

TAKEEI utilizes a job card system where employees can enter the future tasks and transfer locations they are interested in, as well as an Internal Recruitment System designed for the optimal placement of motivated personnel in departments that need them.

In addition, at REVER's ELV Kawajima and ELV Kashiwa Plants, which handle automobile recycling, we support employees in obtaining a higher level of specialized knowledge and skills to enhance their capabilities and provide higher quality services. As part of such initiatives, 47 employees have obtained JAERA's* ELV Recycling Technician qualification (as of March 2025).

*Japan ELV Recycler's Association

Roadmap for women's career development

Key task	Aim of initiative	Phase 1 (–FY2028) Building foundations and fostering awareness	Phase 2 (–FY2035) Ingraining awareness as culture
Promoting career development	Each and every employee fully utilizes their individuality and abilities to generate new value.	• Provide leadership development opportunities for women • Create role models • Review and revise personnel system • Create opportunities for young talent and develop next-generation leaders	
Supporting work-life balance	Employees are able to balance their work and personal lives, allowing them to fulfill their potential and deliver results in their work.	• Foster understanding of laws and regulations related to childcare and nursing care • Strengthen line between employees and the company during childcare leave, and support smooth return to work • Reduce overtime work • Enhance employee benefits • Establish external consultation service	
Fostering a D&I mindset	A work environment and corporate culture where diversity is mutually respected and employees can work and grow together.	• Promote awareness of Human Rights Policy • Unconscious bias, harassment-prevention, and women's career development training for male managers, etc.	

Non-financial highlight (as of March 31, 2025)

Breakdown of employees

(persons)

Number of employees		
Male	Female	Total
1,900	493	2,393

(persons)

Waste Treatment & Recycling Business	Resource Recycling Business	Renewable Energy Business	Other	All companies (shared)*
1,132	709	193	292	67

*All companies (shared) refer to employees in the Company's management departments such as the general affairs department and accounting and finance department, and in planning departments such as the corporate planning department.

Inclusion initiatives

Employee assignment transfers via Internal Recruitment System (persons)	0
Training and education expenses (million yen)	88.2

Ratio of female workers by job classification

(%)

Officer*	42.9
Manager	5.4
General employee	23.1

*Percentage following June 2025 general meeting of shareholders

Employment status

Average age (years old)	45.9
Average length of employment (years)	11.1
New graduates hired* (persons)	24
New female graduates hired (%)	37.5
Mid-career hires (persons)	178
Persons with disabilities employed (persons)	24

*As of April 1, 2025

Childcare leave

(persons)

Leave taken before and after childbirth		
Male	Female	Total
-	4	4

(persons)

Number of employees taking childcare leave (childcare leave rate)		
Male	Female	Total
17 (85%)	3 (100%)	20 (87%)

Based on our guiding principle that “the TRE Group places top priority on safety,” we are dedicated to creating work environments where all employees can work in safety and with peace of mind.

Basic approach to workplace health and safety

The TRE Group considers the health and safety of its employees to be a fundamental element of its business continuity and is committed to creating workplaces where all employees can work in a healthy, safe, and secure environment.

We are fully committed to our guiding principle that “the TRE Group places top priority on safety,” and strive to ensure safety is maintained in all of our business activities.

Basic Policy on Health and Safety

Principle

The TRE Group places top priority on safety.
All directors, officers, employees, temporary agency workers, and any other such persons engaged by the TRE Group shall place the highest priority on mitigating risk in order to ensure occupational and operational safety.

Basic Policy

We define our basic policy on mitigating risk with the aim of ensuring an accident-free and disaster-free workplace as follows:

1. **We will create a safe and hygienic working environment by observing laws, regulations, internal rules, and other such provisions.**
2. **We will learn safe procedures and techniques by striving to improve our expertise and to ensure that it is passed on.**
3. **We will take health and safety measures before the fact by ascertaining the dangers or hazards that the work may entail before commencing.**

February 14, 2024

Promoting workplace health and safety management

Each of the Group’s operating companies has established their own safety management systems. Under the leadership of top management, health and safety managers and the safety management division at each work site work together to improve the effectiveness of safety management, and identify and address any problems or issues.

In the event of an accident, we promptly investigate the cause and study and implement measures to prevent recurrence. We have established a system for sharing information on serious accidents or disasters across the Group, and promote a range of safety management initiatives to prevent similar accidents or disasters from recurring.

In addition, to maintain and improve the physical and mental health of our employees we conduct regular stress checks and strive to ensure appropriate management of working hours.

Excellence award in the Contest for Safety Signs and Awareness Training

Fuji Car Manufacturing Co., Ltd. received excellence awards in two categories—Workplace Self-Improvement Initiatives and Safety Signage—at the 7th Contest for Safety Signs and Awareness Training organized by office equipment manufacturer MAX Co., Ltd. In the Workplace Self-Improvement Initiatives category, the company’s safety initiatives using digital signage were commended, while in the Safety Signage category, its heatstroke prevention measures employing WBGT meter panels to display the heat index were recognized, earning it the double award. Fuji Car Manufacturing also received an excellence award in the Safety Signage category in FY2023, marking the second consecutive year. The company will continue conducting a range of initiatives to raise the safety awareness of each and every employee.

Fuji Car Manufacturing’s initiatives were awarded in two categories

Gold award for safe driving practices

Hokuriku Environmental Services Co., Ltd. received a Gold award in the Excellent Safe Driving Workplace Awards in October 2024. Excellent Safe Driving Workplace Awards are presented to workplaces that work across the organization to utilize driving record certificates, ensure safe driving practices and prevent traffic accidents, and that have achieved outstanding results in these initiatives. This marked the second time that company received the award.

Fellow TRE Group company EQUAL ZERO Inc. also received a Bronze award. Going forward, we will continue working at the Group-wide level to promote safe driving practices and prevent traffic accidents.

Health and safety (frequency and severity)

	Frequency rate	Severity rate
TRE Group	3.08	0.08
Average for the general and industrial waste treatment industry*	6.65	0.16
Average of all industries*	2.10	0.09

* Source: Health and Safety Committee, Japan Federation of Industrial Waste Management and Recycling Associations, “Occurrence of Occupational Accidents in the Industrial Waste Treatment Industry” (June 2025).

Valuing communication with local residents and society, and actively participating in social contribution activities as a member of the community

Basic approach to social contribution

The TRE Group regards its social contribution activities as key initiatives that contribute to the sustainable growth of both society and its business, in order to continue coexisting with society as a member of the local community. As a company that aims to solve societal challenges through our environmental businesses, we also believe that communicating the Group’s initiatives to local residents and other stakeholders is an important part of our mission, and are focusing on initiatives related to environmental education. Furthermore, we believe that active participation in volunteer and charitable programs that address local challenges and needs is essential in order to establish a relationship of trust with the local community and to grow together. We contribute to the development of local communities and the environment through our activities, as well as provide donations and other forms of societal support, taking into account the social and public benefit of each program. The CSR and Sustainability Promotion Department leads social contribution initiatives in collaboration with the TRE Foundation for SDGs Promotion, Group companies, and related divisions.

Initiatives by the TRE Foundation for SDGs Promotion

The TRE Foundation for SDGs Promotion promotes a range of initiatives aimed at achievement of the SDGs in order to protect our precious earth with its bountiful land, forests, and oceans (Only One Earth®), and pass it on to the next generation. We will continue to actively pursue social contribution activities related to the SDGs as well as environmental preservation programs in and around the municipalities and local communities in which we operate.

Social contribution activity-related expenditure and number of participants

The TRE Group conducts a variety of social contribution initiatives, including providing support to areas affected by natural disasters through donations and other aid. In FY2024, the Group spent a total of 425 million yen on related initiatives. We also believe it is important for our employees to be involved in environmental conservation initiatives. The TRE Foundation for SDGs Promotion creates opportunities for employees to participate in such activities by planning and implementing cleanup events. The Foundation also conducts a My SDGs Declaration project where employees pledge their individual commitment to achieving the SDGs, earning points for their respective efforts. The accumulated points are used to make donations to environmental organizations and other causes that receive the most support in employee voting.
TRE made a donation to the Ishikawa Prefecture branch of the Japanese Red Cross Society in August 2024. In FY2024, a total of 630 TRE Group employees participated in activities organized by the Foundation. In addition to the Foundation’s initiatives, our respective Group companies participate actively in environmental conservation initiatives conducted in the local communities near our business sites.

Employees participate in cleanup event

Number of participants in social contribution activities organized by the Foundation
630 employees in total

Expenditure on social contribution activities
425 million yen

Main initiatives in FY2024	
Supporting society via donations	• Corporate Furusato Nozei (hometown tax donation program) Plan for Overcoming Population Decline and Vitalizing Local Economy: 400 million yen in total (Donated to: Suzu City, Wajima City, Nanao City, Anamizu-machi, Noto-cho, Shika-machi) • Japanese Red Cross Society Ishikawa Prefecture branch: approx. 80,000 yen
Cleanup initiatives	• Conducted cleanup exercises near business sites in spring and autumn in support of Zero Marine Litter Week promoted by the Ministry of the Environment and the Nippon Foundation. A total of 471 employees participated. • Conducted cleanup exercises twice during the year in support of the Shiba Aea Cean Promotion organized by Tokyo’s Minato City
Environmental education	• Number of site tours at TRE Group facilities: 832 (5,031 participants)

Promoting sustainability initiatives together with the local community

• Hanamaki Biomass Chip receives 2024 Hometown Enterprise Award (Minister of Internal Affairs and Communications Award)

Hanamaki Biomass Chip Co., Ltd. received the 2024 Hometown Enterprise Award (Minister of Internal Affairs and Communications Award) presented by the Japan Foundation for Regional Vitalization. The award honors companies that utilize the “hometown loan” system designed to fund regional development in order to help revitalize the local economy, create jobs, and enhance the appeal of their local area. Hanamaki Biomass Chip produces fuel chips for biomass power generation from unused forest offcuts in Iwate, such as thinned wood and wood damaged by pine beetles. These chips are then used by the adjacent Hanamaki Biomass Power Generation Co., Ltd., with the generated electricity supplied to local elementary and junior high schools, as well as industrial parks. In addition, the residual heat from power generation is used to cultivate wood ear mushrooms, which are served in school lunches and at restaurants in the city. These efforts, which are helping to vitalize the local community and educate the public about the SDGs, were recognized with the award.

The Hometown Enterprise Award ceremony

• Hanamaki Biomass Power Generation commended for its contribution to school lunches

Hanamaki Biomass Power Generation Co., Ltd. was commended by the Iwate Prefecture School Lunch Association for its contribution to enriching the lunches served at local schools. The company was highly evaluated for embodying “local production for local consumption” of electricity, in which it utilizes thinned timber from forests in Iwate for its woody biomass power generation and supplies the generated electricity to local elementary and junior high schools, as well as providing wood ear mushrooms cultivated using residual heat from power generation as ingredients for school lunches and continuing to host facility tours for local elementary schools as part of food education initiatives.


The certificate of appreciation presented by the Iwate Prefecture School Lunch Association

• TRE HOLDINGS becomes season partner of “League H” professional handball league

TRE has signed a season partnership agreement with the Japan Handball League (League H). League H is working to support the Hokuriku region, which suffered damage from the 2024 Noto Peninsula Earthquake, through fundraising activities and panel exhibitions. In addition to supporting disaster waste treatment, the TRE Group will also contribute to the recovery and revitalization of the Hokuriku region from a different perspective: promoting handball. A match held in Kanazawa City, Ishikawa in February 2025 was named “TRE HOLDINGS Special Day,” with TRE HOLDINGS’ CEO MATSUOKA Naoto delivering a greeting to attendees. Furthermore, during the inaugural League H playoffs held in June 2025, TRE hosted an exhibition booth where visitors could play a voting game using plastic bottle caps. With many attendees stopping by to participate, the event was very well received.

League H playoffs in June 2025

TRE’s booth at the arena

Partnership with local communities

• TRE exhibited a corporate booth at 24th Soma Citizens’ Festival

TAKEEI CORPORATION’s Circular Economy Promotion Division presented a corporate booth at the 24th Soma Citizens’ Festival held in Soma City, Fukushima. TAKEEI’s booth, which featured a soap-making workshop for children, was a resounding success, with approximately 690 keen participants taking part on the day. An employee who staffed the booth commented, “I was very moved to learn that some members of the community were already familiar with our disaster response efforts and other initiatives.” Going forward, the TRE Group will continue to cherish our relationships with local residents and strive to promote understanding of our corporate activities by participating in a range of community events, while further pursuing initiatives in partnership with local communities.


Hosting a soap-making workshop for children

• Hosting a tour for local after-school center

In August 2024, Shinshu Takeei Co., Ltd. welcomed children from Suwakko Home, a local after-school and developmental support center in Suwa City, Nagano, as part of the center’s summer vacation excursion program. It was a simple question from the children—“What’s inside that building over there?”—that led to the tour. On the day of the visit, the children’s eyes sparkled as they admired the array of heavy machinery and the facilities. “I’ve seen this SDGs initiative before!” “Wow, there are so many kinds of cars!” “What do I need to do to work here when I grow up?”—their voices were filled with curiosity and wonder during the lively session. The children later sent Shinshu Takeei a heartfelt message board expressing their gratitude—a heartwarming gift that deeply resonated with the company’s employees.


The children tour the facility

The message board of appreciation from Suwakko Home

Promoting environmental education among local residents

• Hosting plant tours for local high school students

As part of its efforts to engage with the local community, Shinshu Takeei Co., Ltd. actively welcomes tours of its facilities by students and young children. In FY2024, the company hosted first-year students from Suwa Futaba High School in Suwa City, Nagano, as part of a program designed to introduce them to local businesses. The tour included discussions on a wide range of topics related to society, such as Shinshu Takeei’s business objectives, its vision for the future, and the realities of recycling. In addition, employees working at the plant spoke to the group, and the tour also introduced environmental actions that high school students could take, leading to an active discussion from many different perspectives. The students shared their impressions, commenting, “I learned that reducing waste lessens the burden on the environment,” and “I realized the importance of sorting waste properly and being environmentally-conscious.” Seeing the enthusiasm of the younger generation, who represent the future, to learn about environmental challenges and take ownership by tackling them through their personal actions, inspired the company’s employees to redouble their efforts. Shinshu Takeei will continue working together with the local community to help create a sustainable society.


Learn about waste treatment facilities

• Waste management lecture for Ichihara Citizens’ University

In November 2024, REVER CORPORATION’s Ichihara Plant presented a lecture and tour of its waste treatment facilities as part of the 10th Ichihara Citizens’ University Specialist Program, Environment Course, organized by the Ichihara City Board of Education’s Lifelong Learning Center. This lecture series is organized by Ichihara City to promote residents’ awareness of environmental issues. Seventeen local residents participated in the event, which featured a tour of the home appliance recycling plant. This was followed by a brief lecture on waste treatment and environmental issues, during which participants were shown samples of actual waste that had been recycled. The participants showed a keen interest, asking many questions during the subsequent question-and-answer session. The TRE Group will continue actively engaging with the local community and working to raise awareness of environmental issues through its business activities.


Local residents listening to a presentation at the Ichihara Plant

Financial highlights (consolidated)

	Company name	FY03/2021*1 *2	FY03/2022*2 TRE HD	FY03/2023 TRE HD	FY03/2024 TRE HD	FY03/2025 TRE HD
Net sales (Millions of yen)	REVER HD	36,203	68,234	90,712	92,860	**118,678**
	TAKEEI	42,062				
Ordinary profit (Millions of yen)	REVER HD	4,131	7,547	7,600	7,787	**22,487**
	TAKEEI	3,893				
Profit attributable to owners of parent (Millions of yen)	REVER HD	3,135	4,742	5,197	3,623	**12,285**
	TAKEEI	2,272				
Comprehensive income (Millions of yen)	REVER HD	3,121	4,833	5,348	4,071	**12,607**
	TAKEEI	2,438				
Net assets (Millions of yen)	REVER HD	18,731	64,173	67,137	69,083	**75,426**
	TAKEEI	34,505				
Total assets (Millions of yen)	REVER HD	30,561	129,524	132,290	142,159	**162,047**
	TAKEEI	87,806				
Net assets per share (Yen)	REVER HD	1,093.74	1,218.70	1,275.04	1,306.98	**1,499.17**
	TAKEEI	1,196.98				
Earnings per share (Yen)	REVER HD	183.06	110.79	101.20	70.54	**241.86**
	TAKEEI	89.07				
Diluted earnings per share (Yen)	REVER HD	–	–	–	–	**–**
	TAKEEI	–				
Equity ratio (%)	REVER HD	61.3	48.3	49.5	47.2	**45.1**
	TAKEEI	37.6				
Return on equity (%)	REVER HD	17.9	9.9	8.1	5.5	**17.5**
	TAKEEI	7.5				
Price-earnings ratio (times)	REVER HD	7.07	17.9	14.1	16.9	**6.7**
	TAKEEI	14.5				
Cash flows from operating activities (Millions of yen)	REVER HD	5,249	11,017	9,184	12,194	**19,835**
	TAKEEI	7,401				
Cash flows from investing activities (Millions of yen)	REVER HD	(65)	(2,149)	(6,693)	(16,819)	**(12,082)**
	TAKEEI	(13,607)				
Cash flows from financing activities (Millions of yen)	REVER HD	(3,107)	(3,700)	(2,827)	1,609	**1,506**
	TAKEEI	5,458				
Cash and cash equivalents at end of period (Millions of yen)	REVER HD	8,315	24,014	23,678	20,663	**29,922**
	TAKEEI	10,282				
Number of employees (Average number of temporary employees)	REVER HD	–	2,103 (225)	2,169 (231)	2,300 (263)	**2,393 (310)**
	TAKEEI	–				

*1 Fiscal year-end REVER HD (currently REVER CORPORATION): June, TAKEEI: March.
*2 TRE HOLDINGS CORPORATION was established on October 1, 2021 as a joint holding company of TAKEEI CORPORATION and REVER HOLDINGS CORPORATION through the business integration of the two companies. As TAKEEI CORPORATION was the acquiring company at the time of establishment, consolidated operating results are based on the 12-month consolidated operating results of TAKEEI CORPORATION, the acquiring company, and REVER HOLDINGS CORPORATION's consolidated operating results for the corresponding six-month period.

Net sales and operating profit by segment

(Millions of yen)

	FY ended March 31, 2025 Full-year results		
	Net sales	Operating profit	Operating profit margin
Consolidated	118,678	22,983	19.4%
Waste Treatment & Recycling*1	52,100	19,713	37.8%
Resource Recycling*2	42,357	3,485	8.2%
Renewable Energy*3	13,820	114	0.8%
Other Environmental Engineering Environmental Consulting	11,552	819	7.1%
Adjustments	(1,152)	(1,149)	–

*1 Includes the handling of waste associated with the recovery and reconstruction support project for the 2024 Noto Peninsula Earthquake. Includes goodwill amortization of 14 million yen.
*2 Includes goodwill amortization of 178 million yen incurred at the time of business integration.
*3 Includes goodwill amortization of 372 million yen incurred from the acquisition of Green Power Ichihara Co., Ltd.

Results by business segment

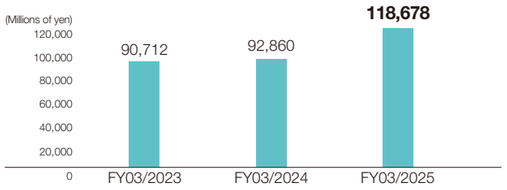
(Millions of yen)

		FY03/2023 (actual)		FY03/2024 (actual)		FY03/2025 (actual)	
		Apr. 2022–Mar. 2023	YoY	Apr. 2023–Mar. 2024	YoY	Apr. 2024–Mar. 2025	YoY
Consolidated	Net sales	90,712	+0.1%	92,860	+2.4%	118,678	+27.8%
	Operating profit	7,509	-27.3%	7,769	+3.5%	22,983	+195.8%
	Operating profit margin	8.3%	–	8.4%	–	19.4%	–
Waste Treatment & Recycling*4	Net sales	25,662	+2.1%	26,916	+4.9%	52,100	+93.6%
	Operating profit	4,210	-17.7%	4,068	-3.4%	19,713	+384.5%
	Operating profit margin	16.4%	–	15.1%	–	37.8%	–
Resource Recycling*5	Net sales	44,866	-3.3%	43,416	-3.2%	42,357	-2.4%
	Operating profit	3,139	-42.4%	2,761	-12.0%	3,485	+26.3%
	Operating profit margin	7.0%	–	6.4%	–	8.2%	–
Renewable Energy*6	Net sales	13,794	+9.3%	14,429	+4.9%	13,820	-4.2%
	Operating profit	688	–	1,201	+74.6%	114	-90.5%
	Operating profit margin	5.0%	–	8.3%	–	0.8%	–
Other Environmental Engineering Environmental Consulting	Net sales	7,374	+3.8%	8,477	+15.0%	11,552	+36.3%
	Operating profit	325	-26.3%	587	+80.6%	819	+39.4%
	Operating profit margin	4.4%	–	6.9%	–	7.1%	–
Adjustments	Net sales	(986)	–	(383)	–	(1,152)	–
	Operating profit	(852)	–	(849)	–	(1,149)	–

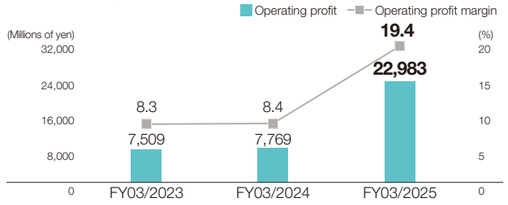
*4 FY03/2025 includes the handling of waste associated with the recovery and reconstruction support project for the 2024 Noto Peninsula Earthquake. Includes goodwill amortization (13 million yen in FY03/2023, 14 million yen in FY03/2024, and 14 million yen in FY03/2025).
*5 Includes goodwill amortization (178 million yen in FY03/2023, 178 million yen in FY03/2024, and 178 million yen in FY03/2025).
*6 Includes goodwill amortization associated with acquisition of Green Power Ichihara Co., Ltd. (378 million yen in FY03/2023, 378 million yen in FY03/2024, and 372 million yen in FY03/2025).

Financial highlights (consolidated)

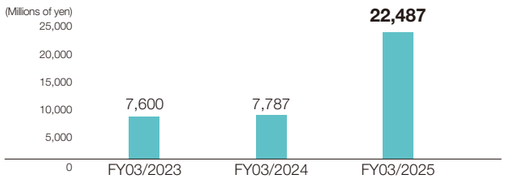
Net sales



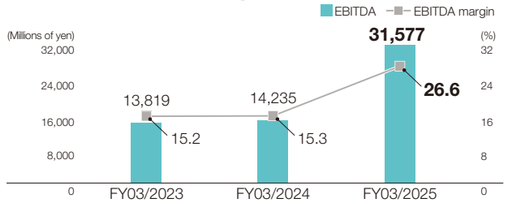
Operating profit / Operating profit margin



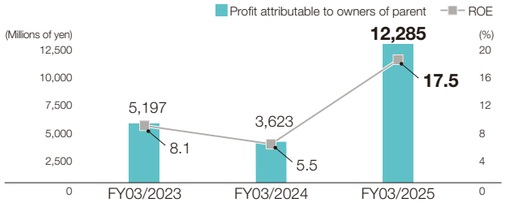
Ordinary profit



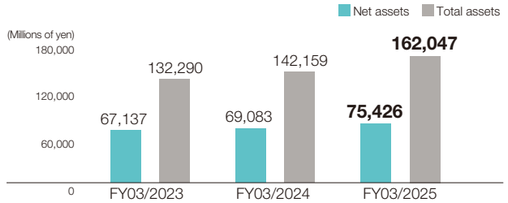
EBITDA / EBITDA margin



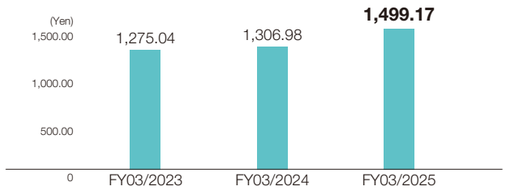
Profit attributable to owners of parent / ROE



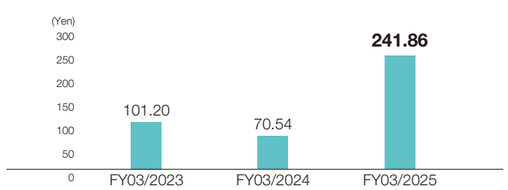
Net assets / Total assets



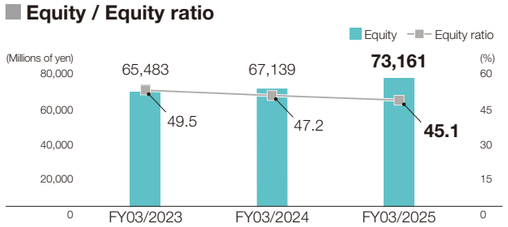
Net assets per share



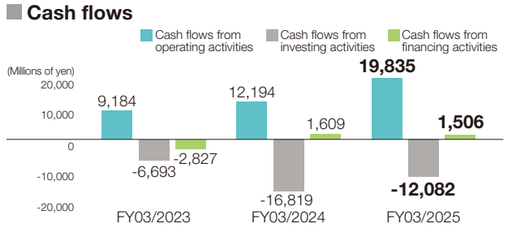
Earnings per share



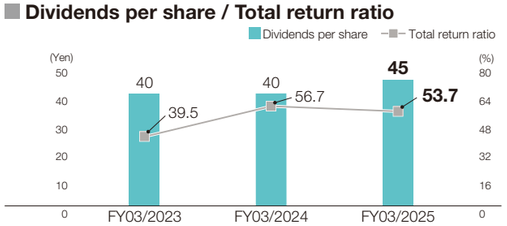
Equity / Equity ratio



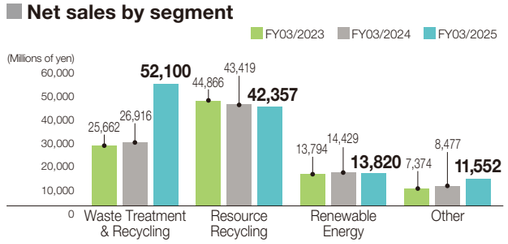
Cash flows



Dividends per share / Total return ratio

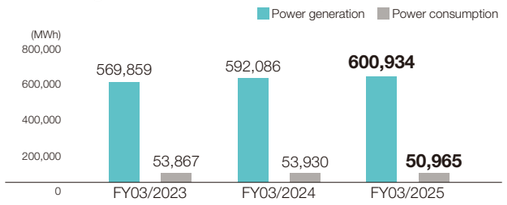


Net sales by segment

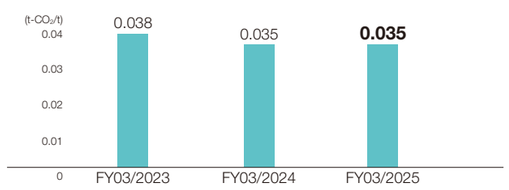


Non-financial highlights (consolidated)

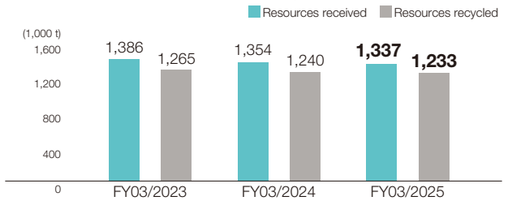
Power generation and consumption



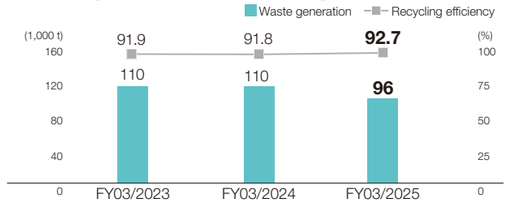
CO_2 emissions per resource received (per unit)



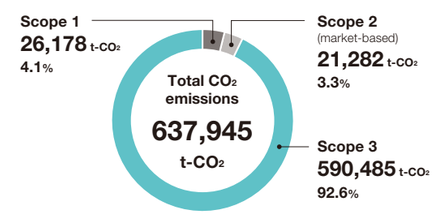
Resources received and recycled



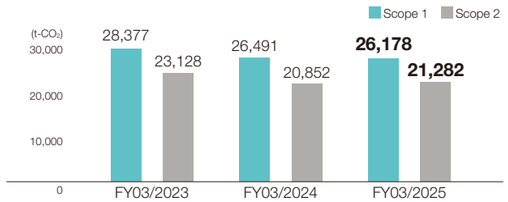
Waste generation and recycling efficiency



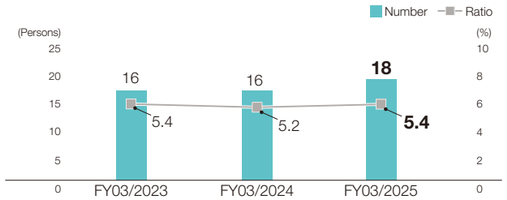
Breakdown of CO_2 emissions (Scope 1 to 3)



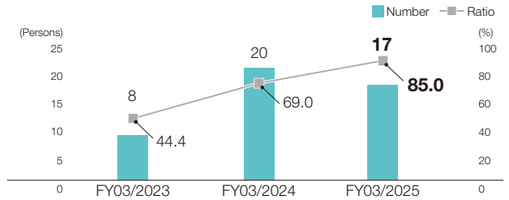
CO_2 emissions (Scopes 1 and 2)



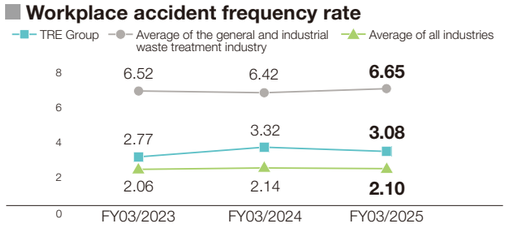
Number and ratio of women in managerial positions



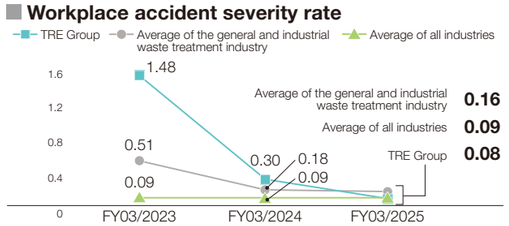
Number and ratio of male employees taking childcare leave



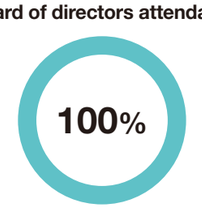
Workplace accident frequency rate



Workplace accident severity rate



Board of directors attendance rate



Corporate governance structure (number of people)

Board of Directors

Directors (male: 3, female: 1)

Outside directors (male: 1, female: 2)

Audit and Supervisory Committee

Director (male: 1)

Outside directors (male: 1, female: 2)

Nomination and Compensation Committee

Directors (male: 2)

Outside directors (male: 1, female: 2)

Company information (as of March 31, 2025)

Company name: TRE HOLDINGS CORPORATION

Date of establishment: October 1, 2021

Address: 15th floor of Tokyo Sankei Bldg., 1-7-2 Otemachi, Chiyoda-ku, Tokyo, 100-0004

Contact information: Tel : +81-3-6327-2620 (main)
Fax: +81-3-3277-3273

Capital: 10 billion yen

Group businesses: Waste treatment and recycling, resource recycling, renewable energy, environmental engineering, environmental consulting

Number of employees: 2,393 employees (on a consolidated basis)

Share information (as of March 31, 2025)

Stock exchange listing: Tokyo Stock Exchange Prime Market

Securities code: 9247

1 share-trading unit of stock: 100 shares

Total authorized shares: 200,000,000 shares

Total shares issued: 52,610,712 shares
(including 3,010,909 shares in treasury stock)

Number of shareholders: 11,623

Settlement date: March 31

Interim dividend record date: September 30

Year-end dividend from surplus (dividends) record date: March 31

Ordinary general meeting of shareholders: June

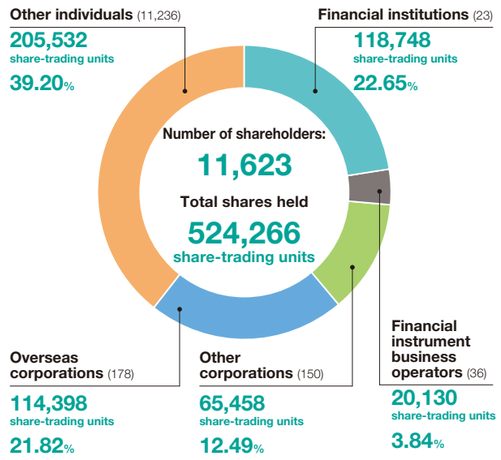
Administrator of Shareholders' Register: Mitsubishi UFJ Trust and Banking Corporation

Major shareholders (as of March 31, 2025)

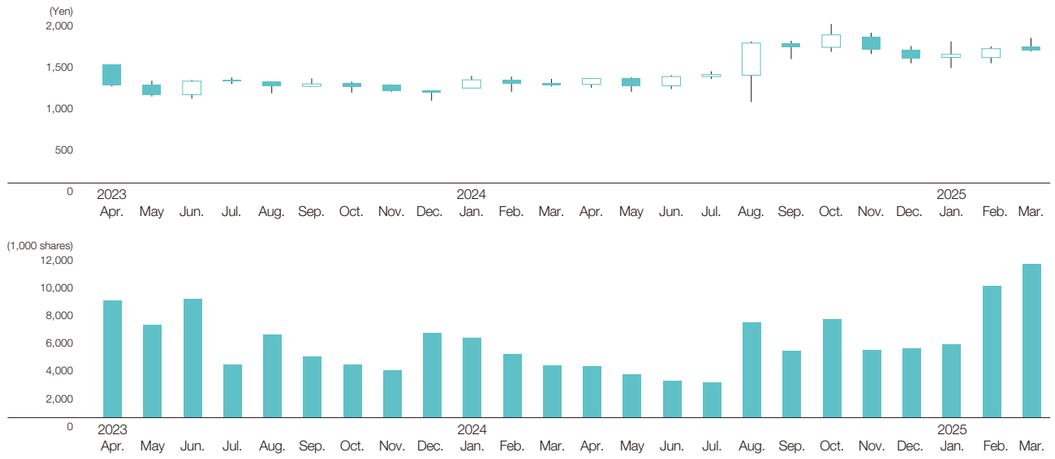
Name or title	Shares held (1,000 shares)	Percentage of shares owned (%)
The Master Trust Bank of Japan, Ltd. (trust account)	7,067	14.25
Custody Bank of Japan, Ltd. (trust account)	2,970	5.99
MITSUMOTO Mamoru	1,976	3.99
Mizuho Leasing Company, Limited	1,578	3.18
Government of Norway	1,398	2.82
Besterra Co., Ltd.	1,168	2.35
SUZUKI Toru	1,050	2.12
TREHD Employee Shareholding Association	1,011	2.04
State Street Bank and Trust Company 505223	807	1.63
Custody Bank of Japan, Ltd. (trust account E)	798	1.61

Notes: 1 Number of shares held is rounded down to the nearest thousand shares, and percentage of shares owned is rounded to two decimal places.
2 The Company owns 3,010,909 shares as treasury stock, but percentage of shares owned is calculated excluding treasury stock. Treasury stock does not include 798,000 shares of the Company's stock held by Custody Bank of Japan, Ltd. (trust account E) related to the Board Benefit Trust (BBT).

Shareholder distribution (as of March 31, 2025)

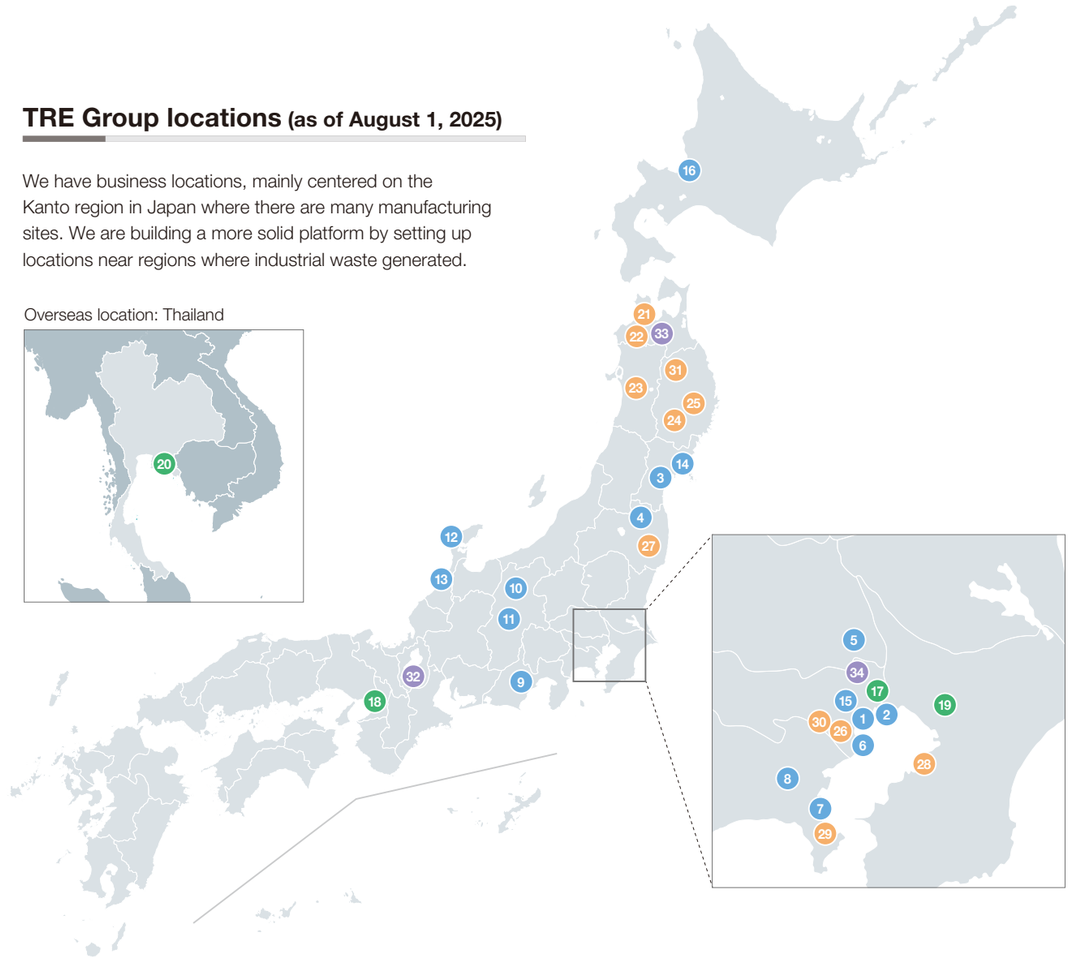


Share price and trading volume



TRE Group locations (as of August 1, 2025)

We have business locations, mainly centered on the Kanto region in Japan where there are many manufacturing sites. We are building a more solid platform by setting up locations near regions where industrial waste generated.



Waste Treatment & Recycling Business

1. TAKEEI CORPORATION
2. TRE GLASS CORPORATION
3. Green Arrows Tohoku Co., Ltd.
4. Tohoku Koueki Recycling Technology Co., Ltd.
5. Gypro Co., Ltd.
6. Takeei Energy & Park Co., Ltd.
7. Green Arrows Kantou Co., Ltd.
8. Ikeda Construction Materials Co., Ltd.
9. Takeei Metal Co., Ltd.
10. EQUAL ZERO Inc.
11. Shinshu Takeei Co., Ltd.
12. Monzen Clean Park Co., Ltd.
13. Hokuriku Environmental Services Co., Ltd.
14. TAG Co., Ltd.
15. METREC Co., Ltd.
16. E&M Co., Ltd.

Resource Recycling Business

17. REVER CORPORATION
18. Sunny Metal Corp.
19. ITSUMO Corp.
20. HIDAKA SUZUTOKU (Thailand) Co., Ltd.

Renewable Energy Business

21. Tsugaru Biomass Power Generation Co., Ltd.
22. Tsugaru Eneveg Co., Ltd.
23. Daisen Biomass Power Generation Co., Ltd.
24. Hanamaki Biomass Power Generation Co., Ltd.
25. Hanamaki Biomass Chip Co., Ltd.
26. TAKEEI Forestry Co., Ltd.
27. Tamura Biomass Power Generation Co., Ltd.
28. Green Power Ichihara Co., Ltd.
29. Takeei Green Recycling Co., Ltd.
30. Takeei Denki Co., Ltd.
31. Izumiyama Forestry Co., Ltd.

Environmental Engineering Business / Environmental Consulting Business

32. Fuji Car Manufacturing Co., Ltd.
33. Environmental Conservation Co., Ltd.
34. Earth-Appraisal Co., Ltd.