

SUSTAINABILITY REPORT

2024

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Make a Circle of Joy

Introduction

In this era efforts must be made across industries and positions to achieve humanity's common goal of carbon neutrality. As a leader in the resource recycling business, the ENVIPRO Group aims to contribute to create a sustainable society. In doing so, we strive to evolve beyond conventional boundaries.

The collection and resource recovery of waste materials go beyond just reducing environmental impact.

By circulating recycled resources, we aim to generate new manufacturing and revitalize local communities, ultimately bringing joy to all stakeholders.

The ENVIPRO Group is committed to being a driving force that drives this cycle of joy in the circular economy, looking into the future as we take on new challenges.

In the interest of "Make a circle of joy," we aim to bring smiles to the faces of all as we work together toward a society of sustainability and abundance.



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•Editorial Policy/ This Sustainability Report is issued by ENVIPRO HOLDINGS Inc. The report describes the corporate philosophy of the ENVIPRO Group and our overall activities in non-financial areas including business strategies and ESG aspects. Some business prospects, including future plans, are also presented here.

•Scope of Report/ The report presents the activities of ENVIPRO HOLDINGS Inc. and the following 10 subsidiary companies: ECONECOL Inc., NEWSCON Inc., Cytterrace Co., Ltd., Kuroda Recycle Co., Ltd., SYN ECO Inc., ASTOCO Inc., Toyo Rubber Chip Co., Ltd., Nitto Kako Co., Ltd., Bright Innovation Co., Ltd., and VOLTA Inc.

•Reporting Period/ July 2023 to June 2024 (The report covers some activities and plans outside this period.)

Our Concept

Mission Statement

Contribute to Create a Sustainable Society

Corporate Philosophy

Creative Company

Engage in the ongoing creation of businesses that society needs

Daily Entrepreneurship Engage in everyday work in the spirit with which the company was established

Create new businesses in the spirit of the founder for generations to come

Every employee to exert efforts to become the leading player of a business that suits them

Circular Company

Help others, get the best out of others, and share with others to make a constant loop of joy

Help each other and lend a hand to others to make your work more pleasant

Use every material repeatedly, preserving their value for as long as possible

Share the profit and joy with the people you live with

Company Pursuing Virtue

Pursue the virtue of companies and people, in perpetuity

Don't choose the easy path but choose the path which serves others

Do what others don't do by taking advantage of your distinctive qualities

Be grateful for your life and don't be arrogant

*Supervised by Yoshiharu Shimizu, Mirai Design Institute, Enishiya Established on March 20, 2004



The Key Values of the ENVIPRO Group, and Its Corporate DNA

Around 2000, the business environment began to undergo major changes. A growing awareness of a circular economy society and environmental issues spurred an understanding about the need for recycling and the establishment of various laws and regulations. The ENVIPRO Group is growing at an increasing rate. We are changing rapidly, and our employees are growing and beginning to expand across regions.

Around that time, we began to feel a vague sense of anxiety. Even though the company was beginning to develop well, we rediscovered what we had been searching for so long — that something that had been missing.

The tree grows and the trunk grows, and the roots that support it need to grow bigger.

In 2004, we established our corporate philosophy, rooted in a strong sense that we lacked a solid philosophy and principles that would remain unshaken by surface changes.

We spent a year weaving together the founder's life philosophy, principles, and the habit of saying, the life philosophy and thoughts of the executives, and other ideas inherent in the company and making them all explicit.

This is how we have developed our corporate philosophy, our "most valuable idea." It serves as our code of conduct and will remain intact no matter how much the environment around us changes. We anticipate a permanence that will last for the next 2,000 years.

HISTORY

History of the ENVIPRO Group

SANO MARUKA SHOTEN, the predecessor to the ENVIPRO Group, was founded as a ferrous scrap wholesaler in March 1950 by Katsuyoshi Sano (the father of Tomikazu Sano, the current president) in the city of Fujinomiya, Shizuoka Prefecture.

Established as a ferrous scrap wholesaler, the Group has leveraged its strength in metal recycling to expand its operations. In recent years, the Group has taken on a host of new business challenges to make the circular economy a reality.



The company's founder, who bought a pile of auctioned properties from a closed foundry



When our president Mr. Sano was still called "Tomikazu the scrap seller's son" (third from the left)

A Base for Business Expansion

1950

1960

1970

1980

1990

2000

The Group Continues to Expand

1950~

1950 ■ Katsuyoshi Sano (father of Tomikazu Sano, president of ENVIPRO HOLDINGS Inc.) established SANO MARUKA SHOTEN as a ferrous scrap wholesaler in the city of Fujinomiya, Shizuoka Prefecture.

1989 ■ Began management based on our management plan.

1992 ■ Launched a trading business.

1997 ■ Installed a large shredder at the head office plant.



Installation of large shredder



1989 Moved to the current industrial park.

2000~

2000 ■ Established Fuji Eco Cycle Co., Ltd. as a joint venture with Fujitsu General Limited.

2003 ■ Established ARBIZ CORPORATION as a joint venture with USS Co., Ltd.

2004 ■ Established corporate philosophy.

- Received ministerial authorization as a resource recovery facility for automobile shredder residue (ASR) pursuant to the Act on Recycling, etc. of End-of-Life Vehicles.

2006 ■ Established 3WM Co., Ltd. to engage in the used car and maintenance parts export business.

2008 ■ Acquired shares in Kuroda Recycle Co., Ltd (current ECONECOL Inc., Hakodate Branch), which engages in the resource recycling business, making it a subsidiary.

- 3WM Co., Ltd. established 3WM CHILE IMPORT EXPORT LIMITADA (Chile)

2010~

- 2010** ■ Established ECONECOL HOLDINGS Inc. (current ENVIPRO HOLDINGS Inc.)
- 2011** ■ Acquired shares in Recycle Support Service LLC (current ECONECOL Inc., Matsumoto Branch), which engages in the resource recycling business, making it a subsidiary.
- 2013** ■ Listed on the Second Section of the Tokyo Stock Exchange.
■ Established ECOMMIT Inc. (current ASTOCO Inc.) to provide welfare services for people with disabilities.
- 2015** ■ Acquired shares in Toyo Rubber Chip Co., Ltd. (current Nitto Kako Co., Ltd.), which engages in waste rubber recycling and manufacturing/sales of rubber products, making it a subsidiary.



Listing on the First Section of the Tokyo Stock Exchange



Establishment of ENVIPRO HOLDINGS and Its IPO

○ 2010

Taking on New Business Challenges

○ 2016

○ 2020

2016~

- 2016** ■ Established Bright Innovation Co., Ltd. to develop the Environment Management Consulting Business.
- 2018** ■ Established VOLTA Inc. to engage in the Lithium-ion Battery Recycling Business.
■ Listed on the First Section of the Tokyo Stock Exchange.
■ Joined the RE100 initiative.
- 2019** ■ Endorsed the TCFD recommendations
- 2020** ■ Took over the trading business of ECONECOL Inc. and established NEWSCON Inc.
- 2021** ■ ECONECOL Inc. acquired shares in Fujimi BMS Co., Ltd. (current ECONECOL Inc. Wood Recycling Center), a wood recycling company, making it a sub-subsiary.
- 2022** ■ ECONECOL Inc. absorbed Fujimi BMS Co., Ltd.
■ Moved listing to the Prime Market of the Tokyo Stock Exchange.
■ Established Cyterrace Co., Ltd. to take over the logistics agency business from 3WM Co., Ltd.
- 2023** ■ Acquired shares in Nitto Kako Co., Ltd. which manufactures and sells industrial rubber products and plastic products, making it a subsidiary.
- 2024** ■ Nitto Kako Co., Ltd. absorbed Shonan NTK Co., Ltd.
■ Established our sub-subsiary Ecodemo Inc. to strengthen the dismantling work business.
■ Established J-Cycle Co., Ltd. at VOLTA Inc.
■ ECONECOL Inc. absorbed Kuroda Recycle Co., Ltd. and SYN ECO Inc.
■ Nitto Kako Co., Ltd. absorbed Toyo Rubber Chip Co., Ltd.

TO CONTINUE