

Intellectual Property

We protect inventions and other creations generated through our business and research and development activities as intellectual property, and aim to utilize them in our business.

Basic Policy

We aim to integrate business strategy, research and development strategy, and intellectual property strategy, promoting intellectual property activities across the entire Group that are directly connected to business management. This will enable us to share the latest technologies globally and provide them to our customers in each region as high-value-added engineering.

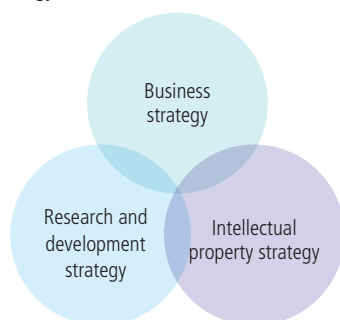
Promotion of Intellectual Property Activities

Setting forth our goal for 2035 to become a global engineering company dedicated to social sustainability, we aim to drive industrial innovation by leveraging green and smart technologies.

Additionally, we have adopted a technology strategy of creating innovation through the combination of core technologies and foundational technologies.

To realize the 10-Year Plan 2035 and this technology strategy, we need to integrate our business strategy, research and development strategy, and intellectual property strategy.

We will ensure that the outcomes of research and development are protected as intellectual property rights to secure our competitive advantage over other companies. Connecting these outcomes to our business operations will strengthen our sustainable revenue base.



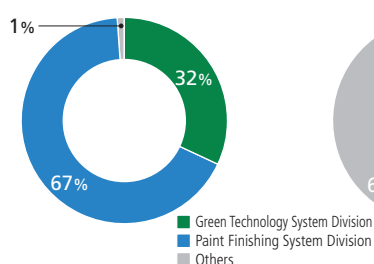
Protection and Utilization of Intellectual Property

Centered on the Intellectual Property Dept., we recognize “intellectual property rights” related to inventions, designs, and patents; “intellectual property” including brands, trade secrets, and know-how; and intellectual capital including human capital, business principles, customer networks, and skills as our unique intellectual assets. By organically harnessing these assets, we strive to enhance corporate value and strengthen profitability.

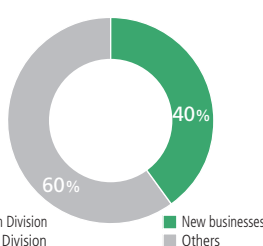
Inventions related to our proprietary technologies are incorporated into a patent portfolio as patent to protect our business and are utilized to secure our competitive advantages.

Inventions created through co-creation with third parties through open innovation are incorporated into a jointly developed patent portfolio with those third parties, supporting the creation of new businesses.

● Patent portfolio



● New patent application in 2024



Inventions that are difficult to verify are safeguarded as know-how, keeping them confidential to prevent others from following suit and to secure a competitive advantage.

We respect intellectual property of others and strive to reduce intellectual property risks, while preempting infringement and disputes. To achieve this, we monitor and evaluate the intellectual property of others.

Initiatives Toward the Creation of Innovation

■ Employee invention rules and award system

We revised our employee invention rules in 2022, significantly updating the provisions for paying rewards at the time of patent application, rights confirmation, and implementation. Furthermore, we aim to foster employees' creative motivation by presenting rewards to inventors and awarding certificates from the President during our annual foundation anniversary ceremony.



■ Implementation of intellectual property education

We implement intellectual property education for all employees to raise awareness and help them acquire knowledge of intellectual property and patents.

■ Handing Down Technology Project

We believe that passing on the technologies and skills to next generation will help differentiate us from competitors and enhance our corporate value. With this in mind, we launched the Handing Down Technology Project in 2023.

One of our initiatives involves compiling the technologies used at sites into video formats and sharing them internally as a method of improving quality and safety, and reducing workload at sites through front-loading. By converting the know-how (tacit knowledge) utilized by veteran employees into explicit knowledge and enhancing our technology platform, we aim to deepen our intellectual property activities.

