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# ANNUAL REPORT 2022

Year ended December 31, 2022

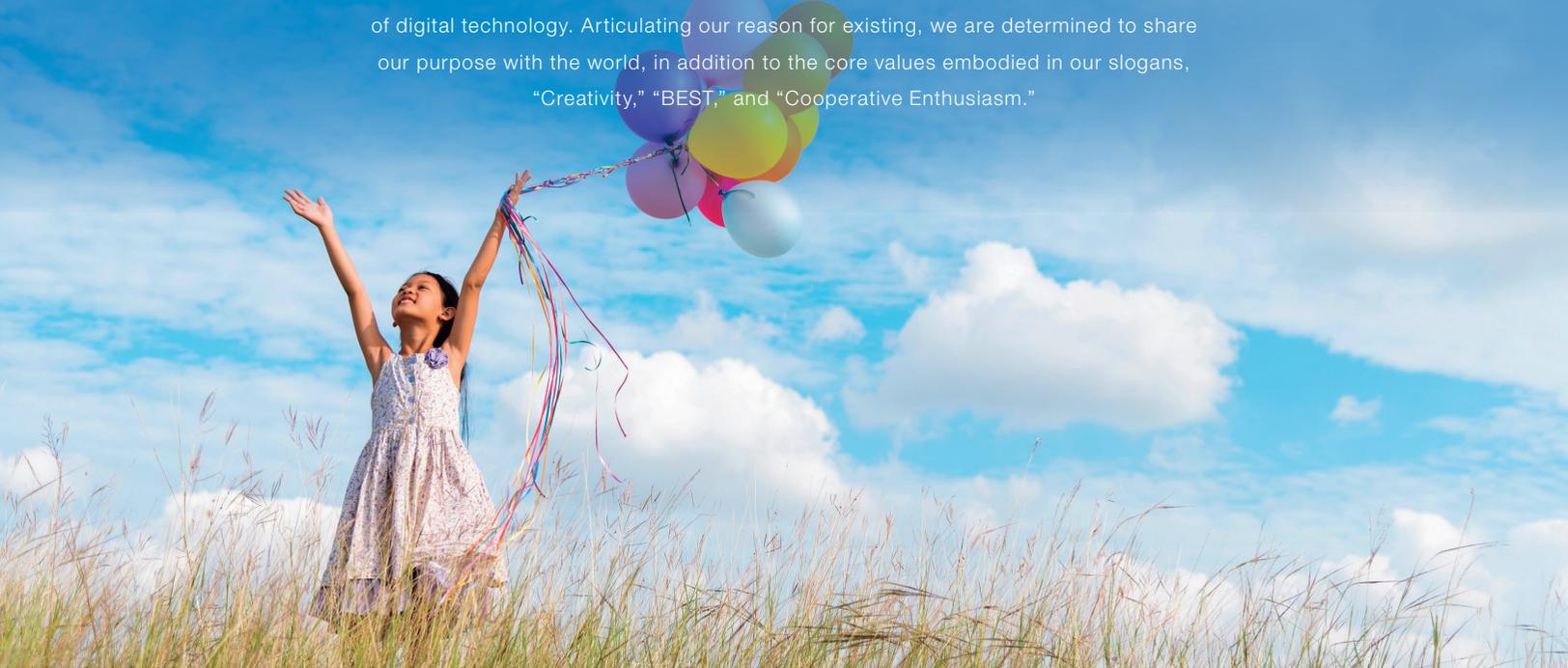


## Purpose

### To Empower Creativity and Excitement Worldwide

Through innovative digital solutions, we provide people around the world with the amazement and joy of creation, as well as the wow and excitement that result from it.

Ever since our foundation, we have not only provided products but also created markets and helped enrich our customers' lifestyles and the world through the power of digital technology. Articulating our reason for existing, we are determined to share our purpose with the world, in addition to the core values embodied in our slogans, "Creativity," "BEST," and "Cooperative Enthusiasm."



## Mission

**Bringing new opportunities to society through digital technology**

## Slogans

Inspire the Enjoyment of **Creativity**

Be the **BEST** rather than the **BIGGEST**

The Roland Family — Cooperative **Enthusiasm**

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### ESG Initiatives

#### *Environment*

Strengthening environmentally-friendly non-solvent ink solutions

Constructing Nearly ZEB certified new HQ building with 75% less energy consumption

\*Construction completion: July 2023(Plan)

Promoting Environment-friendly manufacturing

#### *Social*

Improving human health and safety through dental and medical support systems

Work style reform: Promoted work-from-home and flextime schemes

Promoting digital transformation of sales promotion and service activities

#### *Governance*

Separate monitoring and execution, delegate authority, and speed-up decision making

Management transparency:  
The Appointment and Compensation Committee, comprising half or more of which are Independent Outside Directors

Diverse composition of Board of Directors, with foreign nationals, women, and people with wide-ranging experience and knowledge

#### Forward-looking information

All statements on this report that are not based on historical fact, including performance forecasts, plans, and strategies, constitute forward-looking statements regarding future performance. These statements were prepared by Roland DG management using information available at the time and based on certain assumptions, and as such, are subject to risk and uncertainties. As actual performance may differ widely from these forecasts, we ask that you do not base your investment decisions solely on these performance forecasts.

## TOP MESSAGE

To our Shareholders and Investors

### To Our Shareholders and Investors

I would like to take this opportunity to thank our shareholders and Investors for your continued support.

During the fiscal year ended December 31, 2022, the outlook for the world economy remained uncertain partly owing to the prolonged invasion of Ukraine by Russia and soaring energy costs. However, we achieved our highest ever net sales thanks to the robust demand for capital investment, the launch of new products and the impact of a weaker yen. Concurrently, we were able to achieve significant progress in the “expansion of growth areas” that we are focusing on under the midterm business plan.

We will continue our efforts to transform the business portfolio by proactively investing management resources in growth areas to solidify the foundations for business growth.

In these endeavors, we look forward to the continued support of our shareholders and Investors.

*President, Representative Director*  
**Kohei Tanabe**



### Introduction of New Officers

Let us introduce a new Director and a new Audit & Supervisory Board Member whose election was approved at the 42nd Ordinary General Meeting of Shareholders held on March 24, 2023.

By increasing the number of outside officers, we aim to further strengthen corporate governance and enhance corporate value.



*Outside Director*  
Yasuhiro Kasahara

#### Profile

October 2006	Registered as Attorney-at-law
October 2006	Joined Nagashima Ohno & Tsunematsu
September 2012	Nagashima Ohno & Tsunematsu NY LLP
September 2014	Machado Meyer Sendacz Opice Advogados (Sao Paulo)
April 2016	Part-time Lecturer at the University of Tokyo, Faculty of Law
January 2017	Partner of Nagashima Ohno & Tsunematsu (current position)
April 2019	Visiting Associate Professor, The University of Tokyo, Graduate Schools for Law and Politics
March 2023	Director of the Company (current position)

#### Q What are your strengths and expertise?

Since becoming an attorney-at-law in 2006, I have been continuously engaged in legal affairs in the corporate and M&A fields. In Japan and internationally, I specialize in complex M&A transactions, business integration transactions, and start-up investments while also advising listed companies on governance. Drawing on my international experience, which includes working in the U.S. and Brazil, my forte is cross-border cases. My guiding principle is to offer clients advice that contributes to their business success by proactively presenting practical solutions in a timely manner, going beyond pointing out legal risks.

#### Q What is your impression of Roland DG?

Though headquartered in Japan, Roland DG, with an overseas manufacturing site and large overseas sales, strikes me as a global company. My impression is that Roland DG is a successful company boldly taking on the challenge of new markets, such as the dental field, and is not fearful of changes. With “global” and “taking on the challenge of new fields” as keywords, I would like to help Roland DG further enhance its attractiveness.

#### Q What role would you like to play as a Director?

I believe that an attorney-at-law serving as an outside director of a listed company is expected to make appropriate judgments regarding the company's compliance, governance, and other legal matters. Mindful that requirements concerning compliance and governance of listed companies are increasing year by year, I would like to do my utmost to enhance the compliance and governance of Roland DG as a whole. Moreover, rather than taking a short-sighted view of legal risks, I will always endeavor to be fully aware of the need to strike a balance between business and legal risks with a view to contributing to the enhancement of the company's corporate value.

#### Q Please send a message to stakeholders.

My goal as a corporate lawyer is to be management's most trusted and closest advisor. Having been appointed Outside Director, I am honored to have the opportunity to accomplish my goal by serving Roland DG. As a corporate lawyer who has been active at the forefront of the legal affairs field both in Japan and abroad, I intend to make the best use of the expertise I have cultivated over the years in order to fulfill the trust of our stakeholders.

### Q What are your strengths and expertise?

I believe my strength is a combination of empathy and objectivity. Having gained experience at auditing firms and a certified public tax accountant firm, I opened my own accounting firm and “Working together for your brighter future” has always been the firm’s policy. The English word “audit” is derived from the Latin word “auditus,” meaning “hearing” or “listening.” In my work, I emphasize listening with the utmost attention to the feelings of management. By doing so, I strive to help management enhance the quality of its decision-making by identifying issues concerning financial statements and working together with management on improvement measures.

### Q What is your impression of Roland DG?

My impression is that the Roland DG Group is a community of professionals in which everyone endeavors to cultivate organizational strengths of a high caliber. Previously, while involved in the Group’s accounting audit I had the opportunity to talk with many people in the Group and I was impressed by how they always answered my questions enthusiastically and accurately. On a recent visit to the head office, I was impressed by the company’s earnest desire to thrill and exercise the world through its products and services, based on its purpose, “To Empower Creativity and Excitement Worldwide.”

### Q What role would you like to play as an Audit & Supervisory Board Member?

I recognize that my role is to conduct effective audits based on the knowledge and experience I have gained as a certified public accountant. Currently, both in Japan and abroad, the initiatives to expand the disclosure of non-financial information are underway at a rapid pace. In view of these significant changes in the world of accounting, I believe it is incumbent on me to continuously hone my skills in regard to current trends in the accounting field.

### Q Please send a message to stakeholders.

I am honored to be appointed Outside Audit & Supervisory Board Member and humbled by the gravity of my responsibility. It is essential for companies to establish and strengthen appropriate corporate governance in order to achieve sustainable growth in an era in which social and economic conditions are rapidly changing. From my third-party perspective as an Outside Audit & Supervisory Board Member, I will make every effort to contribute to ensuring fair and highly transparent management leading to the enhancement of corporate value.



*Outside Audit & Supervisory Board Member*  
**Megumi Ikuma**

#### Profile

December 2005	Joined ShinNihon & Co. (currently Ernst & Young ShinNihon LLC)
January 2010	Joined Deloitte Touche Tohmatsu LLC
March 2013	Joined Tohmatsu Tax Co. (currently Deloitte Tohmatsu Tax Co.)
November 2013	Registered as Certified Public Accountant
January 2016	Established Megumi Accounting Office Representative of Megumi Accounting Office (current position)
March 2020	Outside Director of Auto Server Co., Ltd. (Audit and Supervisory Committee member) (current position)
August 2021	Representative Director of Empowering English Co., Ltd. (current position)
March 2023	Audit & Supervisory Board Member of the Company (current position)

VC-Sol

# TrueVIS VG3-640 / VG3-540 / SG3-540 / SG3-300

Released on March 23, 2022

The TrueVIS series are Roland DG's flagship wide-format inkjet printers and printer/cutters for producing signs and graphics using low-solvent inks. Since the launch of the first-generation models in 2016, more than 23,000 units of the TrueVIS series have been shipped. The four latest models of the TrueVIS series released simultaneously in markets worldwide include top-of-the-line VG3 series models with up to eight colors of ink as well as the attractively priced SG3 series models. Our never-ending quest to print the best image quality resulted in adoption of a new platform, achieving unequalled color matching and visual expression with a wider color gamut as well as smoother colors. With the new platform, we aim to enhance the efficiency of future product development and reduce development costs, while at the same time, we are striving to meet the needs of our customers by opening up new possibilities in the printing business.



VC-Other

# EU-1000MF

Sales started sequentially in various regions from March 30, 2022 onward

The EU-1000MF is a 4-color model of the EU series of large-format UV flatbed printers with the ability to print directly onto a variety of materials using UV inks. The 6-color model was first launched in Southeast Asia and Taiwan in July 2021, and now a 4-color model has been added. Moreover, Roland DG has added Latin America to its sales area. These models are suitable for a large variety of applications, including sign graphics, event and store displays, décor, and small-lot, high-mix custom goods. The new model is a powerful tool for business expansion and for new entrants in fast-growing economies where the demand is increasing for signs and graphics.



Dental

# DWX-53DC

Released on September 7, 2022

The DWX-53DC is the latest addition to the mainstay line of dental milling machines. Though compact, the DWX-53DC offers higher quality milling due to strengthened frame rigidity and higher productivity thanks to the incorporation of a high-speed disc changer.

Furthermore, linkage of the built-in camera with the DGSHAPE CLOUD suite of operation management applications enables users to monitor the operation status of the milling center from their smartphones and PCs, thus supporting formulation of milling and maintenance plans. Offering greatly improved milling quality and usability, the DWX-53DC will be marketed primarily in developed countries where productivity is emphasized.



**Topic 1 UV printer reproduces Katsushika Hokusai's largest ceiling painting**

Roland DG cooperated on a high-resolution digital reproduction of Katsushika Hokusai's Phoenix Glaring in All Directions, a painting adorning the ceiling of the main hall of Gansho-in Temple in Nagano Prefecture. The reproduced artwork was a highlight of the "Digital x Hokusai" Special Exhibition organized by Nippon Telegraph and Telephone East Corporation (NTT East) and planned and managed by NTT ArtTechnology Corporation. The digitalization of this painting and its high-resolution digital reproduction were accomplished as part of the Distributed Digital Museum, a regional revitalization initiative to digitalize cultural assets throughout Japan and offer an easily accessible environment so that, freed from constraints of space, distance, or time, everyone can enjoy art and culture. Phoenix, celebrated as a superb painting adorning the main hall of Gansho-in Temple, is a masterpiece painted by renowned Ukiyo-e artist Katsushika Hokusai, in his final burst of creativity, and moreover, is the largest painting of its kind (5.5 meters x 6.3 meters). The LEC2-640 UV printer capable of printing special effects was used to print the reproduction of this artwork as it was necessary to faithfully reproduce the vivid red of the phoenix, the texture of the paint, and the meticulous brushwork. In terms of its concept, the Distributed Digital Museum, which harnesses the power of digital technology to preserve the extraordinary inheritance embodied in art and culture, is a perfect fit with Roland DG, a business that attaches the highest value to human creativity. Participation in this project is of the greatest significance to all of us at Roland DG, giving added impetus to our efforts to expand the possibilities of UV printers far into the future.



**VersaUV LEC2-640**



For more details,  
please visit our blog.



**Topic 2 VG3 series unveiled at Japan's largest show for shop systems**

The VG3 series were unveiled at JAPAN SHOP 2022, one of Japan's largest exhibitions for shop systems and fixtures, held at Tokyo Big Sight from March 1 to 4, 2022. The Roland DG booth featured numerous examples of store and event signs and wallpaper printed with wide-format inkjet printers, as well as accessories that can be personalized in-store and on-demand using benchtop and desktop models. Thanks to the resumption of exhibitions following their cancellation during the COVID-19 pandemic, this was the first time in two years for Roland DG to host a booth at a face-to-face event. We will continue to participate in shows, whether the format be in person or online, seizing these opportunities to reach out to our customers through constructive dialogue and create value for them.



For more details,  
please visit our blog.



Topic 3

## Manufacturing subsidiary in Thailand receives the highest award for establishment and operation of safety management systems

Roland DG's Thai manufacturing subsidiary, Roland Digital Group (Thailand) Ltd., was awarded platinum, the highest rank for introduction of standards for occupational safety and health management systems at the 34th National Occupational Safety and Health Fair (Thailand Safe@Work #34) organized by the Thailand Institute of Occupational Safety and Health (T-OSH), a public organization under the supervision of the Ministry of Labour, Thailand. T-OSH holds an annual contest for companies throughout Thailand to raise awareness about occupational safety among employers, workers, and related parties, in both the public and private sectors. In this contest, contestants' organizations, systems, and operation are reviewed in accordance with the standards for occupational safety and working environment management systems, and the contestants are ranked in five levels: Platinum, Gold, Silver, Basic, and Start-up. In 2021, of the 177 participating companies, the 27 satisfying all evaluation criteria received the Platinum recognition. Committed to ensuring the safety and health of its employees, Roland Digital Group (Thailand) Ltd. will continue to promote OSH activities with the utmost vigor.



Topic 4

## Thailand Factory celebrates 10th anniversary

Roland DG's manufacturing subsidiary Roland Digital Group (Thailand) Ltd. celebrated its 10th anniversary and held a commemorative ceremony on September 21, 2022.

The Thailand Factory, which was Roland DG's first overseas factory, began mass production in October 2012 and held a grand opening in January 2013. Following projects to add floor space in 2014 and 2021, as part of the basic policy of the Midterm Business Plan, we decided in 2022 on a third project to expand the Thailand Factory's floor space in order to strengthen the production structure in line with consolidation of mass-production functions (Scheduled to start operation in 2023).

Damage caused by the major flooding in Thailand in 2011 and the Great East Japan Earthquake that occurred in the same year disrupted supply chains and greatly affected the Thailand Factory's production at its inception. Currently, in response to the persisting turmoil caused by difficulties in procuring parts due to the COVID-19 pandemic, we are focusing on production efficiency. Marking the 10th anniversary of the Thailand Factory, we are grateful to all our stakeholders and committed to continuing our efforts to enable our customers to transform their imagination into reality, together with our partners around the world.



All the staff in front of the Thailand Factory



For more details, please visit our blog.



Video will play.



## Financial Highlights

### Sales hit historical high partly thanks to FX Expand “Growth area” while solidifying “Maintain” area

During the fiscal year ended December 31, 2022, the world economy showed the progress in the prevention of a further COVID-19 pandemic and the normalization of economic activities. However, with factors such as the prolonged invasion of Ukraine by Russia, the zero corona policy in China, and soaring energy costs, the sense of economic slowdown has intensified.

During the fiscal year ended December 31, 2022, demand for capital investment in printers and output demand remained strong owing to the recommencement of face-to-face exhibitions and events and the further relaxation of restrictions on the number of attendees at such events resulting from the further relaxation of the impact of COVID-19 infections and normalization of economic activities. Meanwhile, in terms of supply, procurement difficulties with parts continued. In addition to making adjustments to our production processes, including flexibly reviewing production plans, we have also taken measures such as supplementing parts, so as to reduce the impact on production and supply. Also, during the third quarter of the fiscal year ended December 31, 2022, we revised the price of some products so as to optimize sales prices and secure revenue. As a result of these initiatives, net sales for the fiscal year ended December 31, 2022 increased by 11.9% compared with the previous term to 50,459 million yen. The ratio of cost of sales increased by 1.4 percentage points from the previous term mainly due to the impact of procurement difficulties with parts on production and soaring parts prices and marine transportation costs despite the consolidation effect of manufacturing bases to Thailand. Selling, general and administrative expenses were higher than the previous term due to an increase in advertising expenses, travel and transportation expenses, and personnel expenses, however, the ratio of selling, general and administrative expenses against net sales was in line with the previous term. As a result, operating profit increased by 0.5% compared with the previous term to 6,083 million yen, and ordinary profit increased by 0.7% to 6,126 million yen. Profit attributable to owners of parent increased by 15.9% compared with the previous term to 4,327 million yen (expenses associated with calls for early voluntary retirement of 1,237 million yen were recorded as extraordinary losses in the previous term).

## Future Outlook

### Expected to increase sales and profits YoY

Regarding the outlook for the next fiscal year, we expect a continuation of both procurement difficulties and soaring parts prices, and anticipate that the severe situation with regard to production and supply will also persist. In terms of sales, we expect an increase in revenue as we proactively launch new products into growth areas whose launch had heretofore been delayed due to COVID-19 and in anticipation of future growth of sales channels in growth market regions. Despite the impacts of soaring parts prices, we expect profits to increase due to the increase in sales. Going forward, we will continue to strive to enhance corporate value both by securing profitability and by increasing capital efficiency, based on the basic policy of our medium-term business plan.

### Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2023

	Forecast (Millions of Yen)	YoY change (%)
Net sales	58,100	15.1%
Operating profit	7,000	15.1%
Ordinary profit	7,000	14.3%
Profit attributable to owners of parent	5,400	24.8%

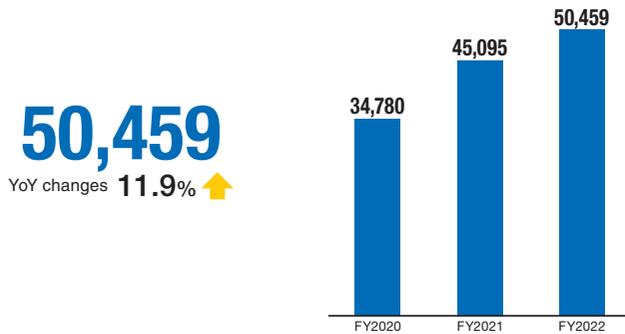
\*Estimated exchange rate : USD/JPY:125.00, EUR/JPY:135.00

# FINANCIAL SUMMARY

Financial Highlights / Future Outlook

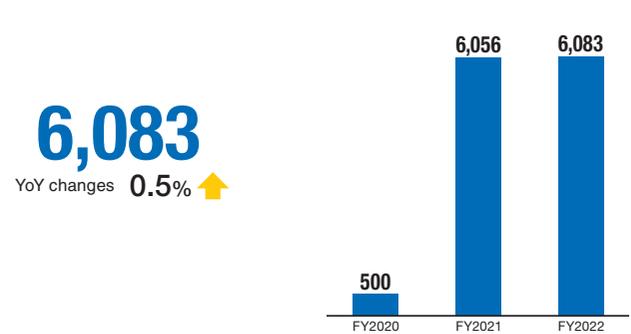
## Net Sales

(Millions of Yen)



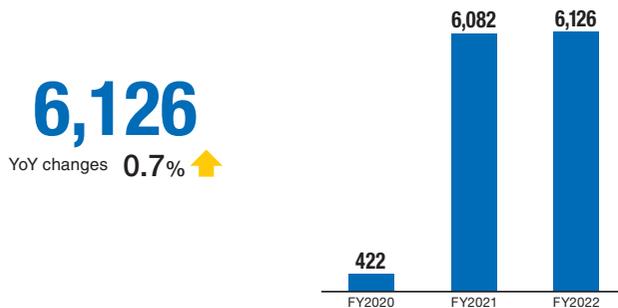
## Operating Profit

(Millions of Yen)



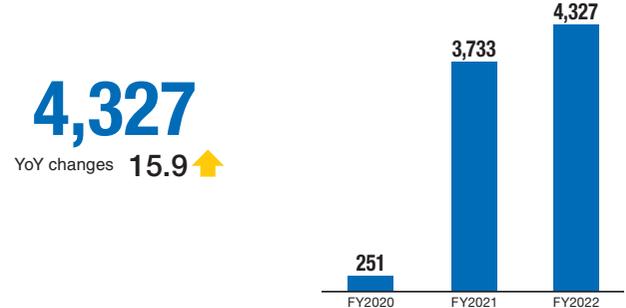
## Ordinary Profit

(Millions of Yen)



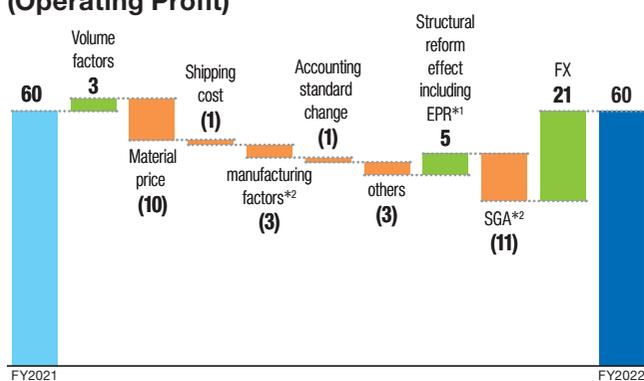
## Profit attributable to owners of parent

(Millions of Yen)



## Variance Analysis YoY (Operating Profit)

(Millions of Yen)

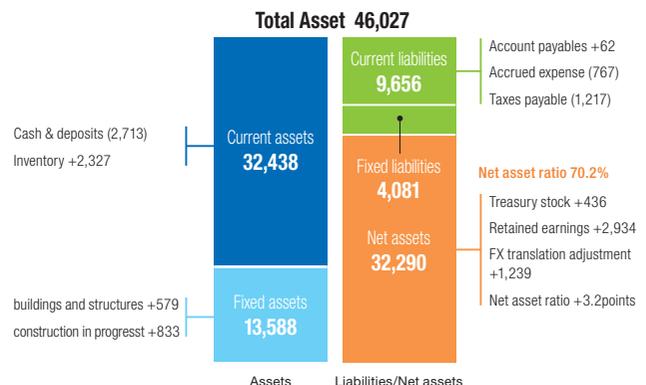


\*1 Early Retirement Program

\*2 Excludes personnel cost impact due to the Early Retirement Program

## Balance sheet

(Millions of Yen)

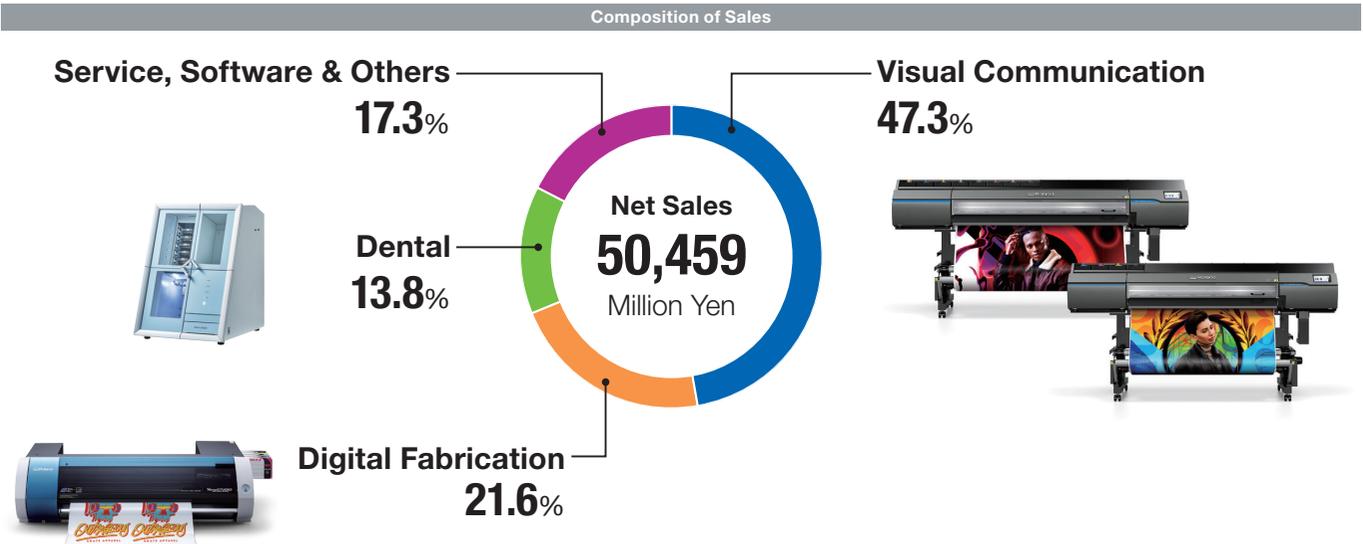


\* Change from the end of previous fiscal year

# OPERATING & FINANCIAL REVIEW

Net sales by market

## Net sales by market (FY2022)



VC

### Visual Communication

Visual Communication(VC) comprises our traditional eco-solvent printers (VC-Solvent) and non-solvent printers (VC-Other) such as UV printers and textile printers, and our aim in this area is to secure revenue by developing new markets and bolstering our customer base by offering an increased variety of inks and expanding the range of solutions we offer.

DF

### Digital Fabrication

In response to the rapidly growing demand for personalization in tune with the needs of each individual customer as well as to the demand for customization to satisfy niche needs, we offer the products. By adopting this approach, we aim to create new applications and new markets.

Dental

### Dental

We have separately categorized sales to the dental market. Since the launch of the first model, we have promoted the market expansion of dental milling machines mainly in developed countries. In recent years, sales opportunities are also expanding in emerging market countries where the digitalization of workflows in the production of dental prostheses has been progressing. Furthermore, as we expect more expansion into the dental clinic market, we intend to develop this business into a pillar of our businesses going forward as a field with high growth potential.

SSO

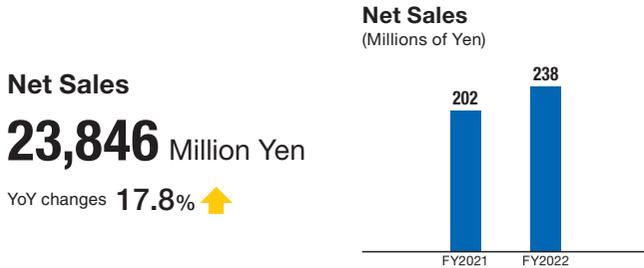
### Service, Software & Others

We aim to establish the software-as-a-service (SaaS) business by offering software-based connected services and related services in addition to the provision of service parts and maintenance services.

# OPERATING & FINANCIAL REVIEW

Net sales by market

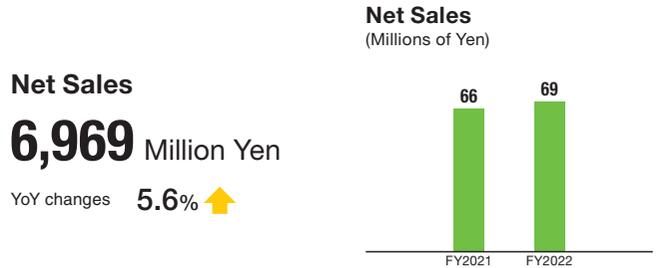
## Visual Communication (VC)



### Summary

- New Eco-Solvent printer for sign market TrueVIS series and eco-solvent in sales grew (VC-Solvent)
- LEC2 series and UV ink supplies increased mainly in Europe and the US (VC-Other)

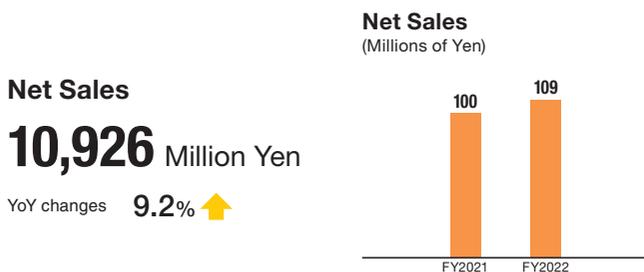
## Dental



### Summary

- The emerging market model DWX-52Di launched in FY2021 grew mainly in the Middle East, Latin America and Asia.
- In part of the areas, emerging market model replaced DWX-52D and DWX-52DCi which resulted in a YoY decline

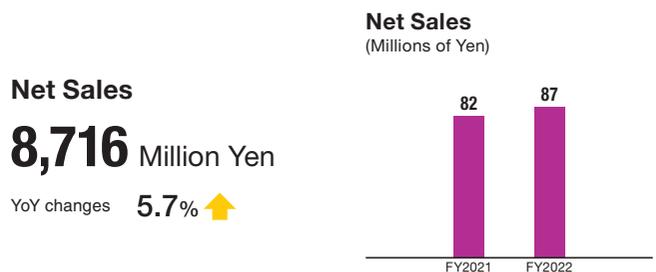
## Digital Fabrication (DF)



### Summary

- Sales of the BN-20A desktop eco-solvent printer that was launched in October 2021 were strong.
- Increase in Co-Creation model, LEC2 S Series, by sales geography expansion

## Service, Software & Others (SSO)



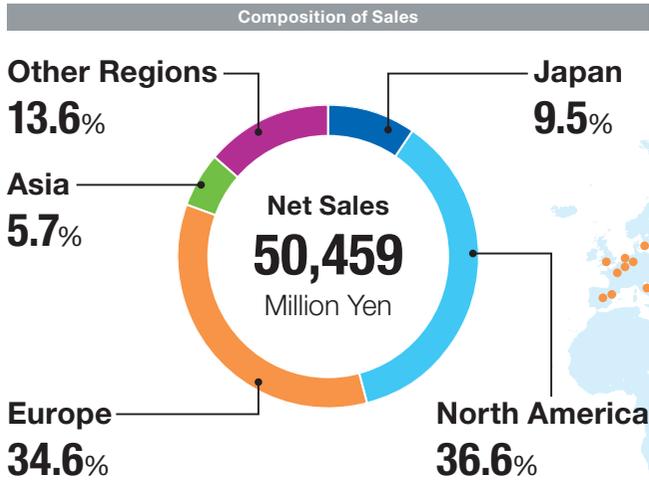
### Summary

- Service parts sales was flat YoY
- Other sales including logistics etc. increased

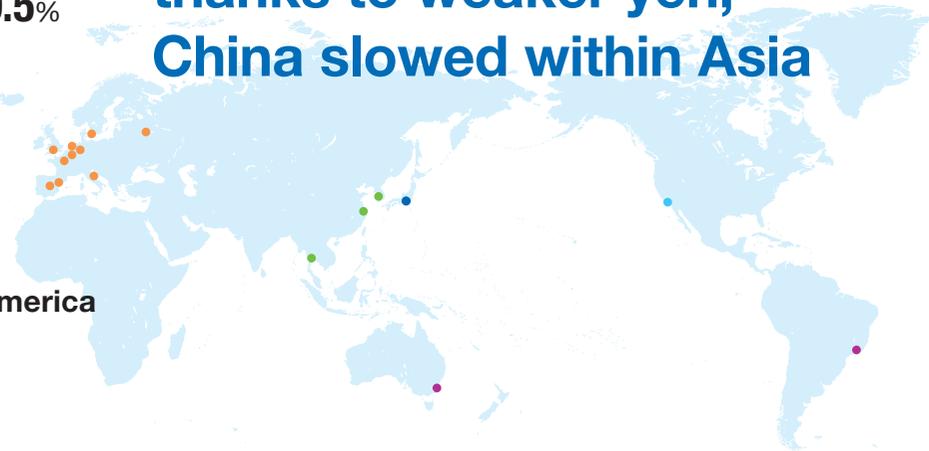
# OPERATING & FINANCIAL REVIEW

Net sales by region

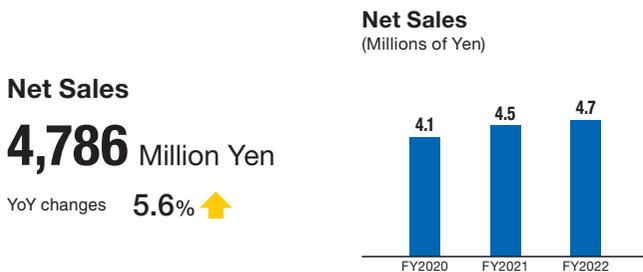
## Net sales by region (FY2022)



North America grew fast thanks to weaker yen, China slowed within Asia



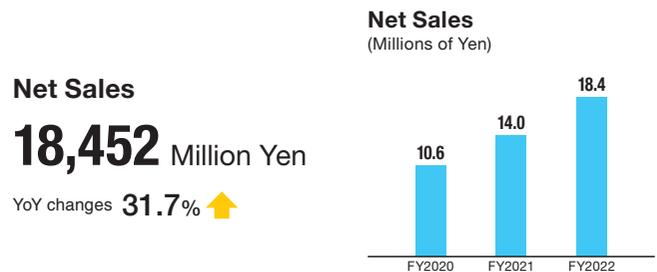
### Japan



#### Summary

- VC** New Eco-Solvent printer for the sign market and Roll-to-Roll UV printers grew
- DF** 3D milling machines increased
- Dental** DWX-4 sales grew due to expansion of insurance coverage range

### North America



#### Summary

- VC** New Eco-Solvent printer product for sign market and eco-solvent ink sales grew
- DF** BN-20A, Desktop Eco-Solvent printer, increased significantly
- DF** Flatbed and roll type Co-Creation UV printers grew
- Dental** Dental increased, partly due to launch the new product

# OPERATING & FINANCIAL REVIEW

Net sales by region

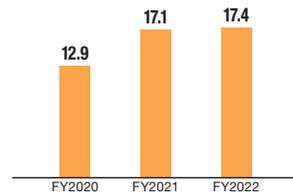
## Europe

### Net Sales

**17,444** Million Yen

YoY changes **1.6%** ↑

Net Sales  
(Millions of Yen)



### Summary

- vc** New Eco-Solvent printers for sign market increased
- DF** Flatbed type Co-Creation UV printers grew
- Dental** Dental sales shrunk YoY

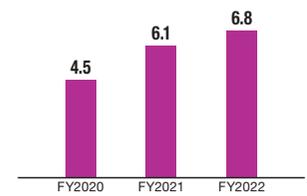
## Other Regions

### Net Sales

**6,885** Million Yen

YoY changes **12.0%** ↑

Net Sales  
(Millions of Yen)



### Summary

- Latin America incl Brazil grew YoY
- Dental milling machines grew in Australia and Middle East while Eco-Solvent printers for sign market declined

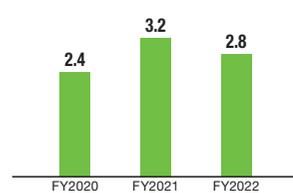
## Asia

### Net Sales

**2,890** Million Yen

YoY changes **10.5%** ↓

Net Sales  
(Millions of Yen)



### Summary

- Dental milling machines grew largely in India and Vietnam thanks to sales channel developed
- Sales slowed in China where the zero corona policy has been continued

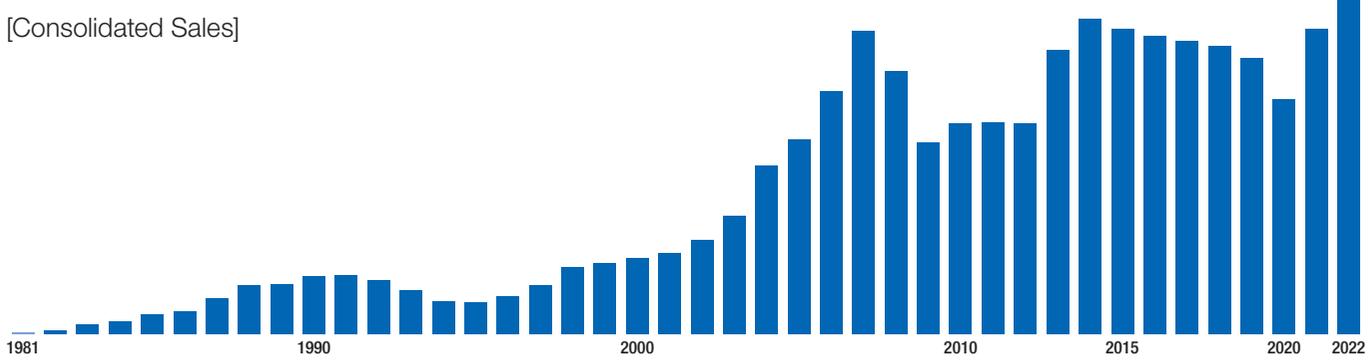
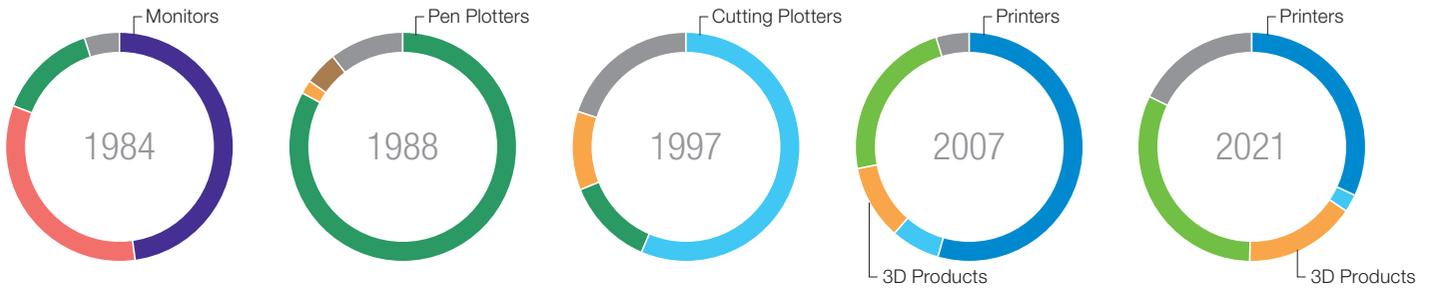
## Roots

Roland DG was established in 1981, during the advent of personal computing, with the goal of cultivating new markets with a product lineup that could “Transform Imagination into Reality” through the combination of cutting-edge technology and the manufacture of precision devices. The first products to be developed were a computer music peripheral that used a personal computer to create, edit and perform music, along with the **pen plotters** that sat beside it and connected to the computer to print out sheet music. CAD was spreading as a way to use personal computers to draw diagrams and designs, while pen plotters were growing popular in the manufacturing and construction industries for outputting blueprints. In addition, we used our experience with vertical and horizontal XY-axis positioning control on pen plotters, added a Z-axis for height, swapped the pen for a drill bit, and brought the world’s first **3D milling machines** to market. Then, we substituted the drill bit with a cutter and developed our **engraving machines**. We were able to cultivate new markets as these machines found use in prototyping for product development and design departments involved in manufacturing, as well as for applications in a variety of areas where engraving is necessary.

Then we took it one step further, and by swapping out a pen for a blade, we developed the **cutting machines** that could cut text and illustrations from vinyl sheets and rolls, which had applications in the creation of signage. Afterwards, as the image processing capability of computers continued to grow along with the proliferation of digital cameras, we developed the **wide-format inkjet printers** by replacing cutting blades with inkjet printing heads and sought to expand the Sign market with solutions to improve signage as a visual medium.

And now, we reset our business targets to “Digital Printing”, and “DGSHAPE.” By strategically allocating management assets and resources, we aim to accelerate new business developments in these growth markets.

### Paths to Sustainable Growth [Consolidated Sales by Category]



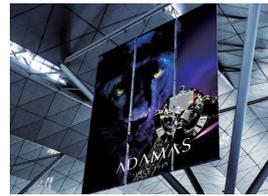
## Business Summary

### Digital Printing Business

Through solutions centered on wide-format inkjet printers, we are promoting process reform through digitalization in various printing markets, including the sign market which manufactures displays such as panels for advertising.

Our digital printing solutions cater to various customer needs and applications through quality-image, high-resolution printing leveraging a wide range of product lineups and color management technologies, including eco-solvent printers optimal for vinyl sheet printing, UV printers that enable printing on diverse materials such as plastics and leather, and dye sublimation textile printers for fabric printing.

#### Eco-Solvent Printers



Banners



Billboards



Car wrapping



Stickers

#### UV Printers



Glass signs



Photo frames



Smartphone cases



Prototyping

#### Textile Printers



Apparel



Interior decor



Soft signage



Personalized goods

# AT A GLANCE

Business Summary / DG Value

## DGSHAPE Business

The DGSHAPE Business markets 3D-milling machinery that cuts out shapes using blades, engravers for applications ranging from industrial equipment to gifts, dental milling machines for tooth-filling and covering materials, and metal printers that support the maintenance and management of medical equipment. With the product concepts “desktop”, “ease-of-use” and “affordable prices,” we will promote manufacturing that leverages digital data.

### Dental

Our lineup of dental milling machines are attuned to the latest dental materials with strengths in milling technologies using 3D data in an open system setting. We contribute to the digitalization and streamlining of dental lab work. We also aim to further improve customer satisfaction by supplying operation management software that can efficiently manage the operation of our products and calculate their cost effectiveness.



Dental restorations



Dental Milling Machines

### 3D Fabrication

Amid the growing momentum of Science, Technology, Engineering and Mathematics (STEM) education worldwide, we will leverage our strengths in additive and subtractive technologies to spread 3D digital fabrication. We aim to acquire new customer segments in the retail and service sectors for the use of metal printers and laser foil decorators.



Prototyping



3D Milling Machines



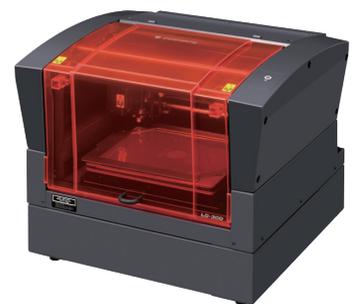
Personalizing pens, fountain pens and other stationery



Production of jigs



Decorating smartphone cases



Laser Foil Decorators

### Medical

With the purpose of solving the problems faced by hospitals nationwide, such as managing the history of use of surgical instruments and improving the quality and efficiency of maintenance work, we have developed a solution for the management of surgical instruments by applying the technology and know-how of Digital Yatai (digital cell production system) utilized at the Company's production sites. In addition to enhancing medical safety, we will help streamline hospital operations by looking at it from the standpoint of fabrication management.



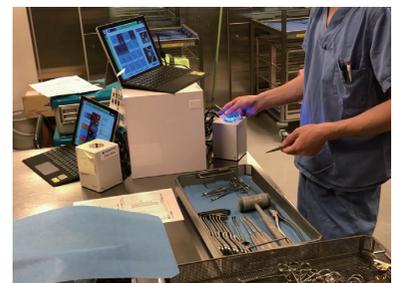
Digitalizing work instructions



Supporting management of each instrument



Visualizing aggregated data



## DG Value

### Digital Cell Production System (D-Shop)

The Company's products are built using a unique cell production system called Digital Cell Production System, or D-Shop. With D-Shop, instead of an assembly line, where multiple workers each contribute parts, each worker builds a full unit, from start to finish, on their own. A computer display shows the worker a 3D graphic manual, and an apparatus automatically rotates and delivers the rack of parts needed for each stage of assembly. A virtual manual guides the worker step-by-step as they use the electric screwdrivers to assemble the product. The guide and apparatus are set up so that the worker never receives incorrect parts or tools for the job at hand. Also the entire process is monitored to ensure product quality. Digital technology is utilized to assist the worker's memory and attentiveness, to achieve the highest quality and productivity.

A single D-Shop can perform all the functions necessary for production, so its key strength lies in the flexibility in regards to any changes that may be required. D-Shop is also employed at the Thailand factory, which began operation in 2012, and has enabled them to achieve a level of quality equal to that of products made in Japan.



D-Shop

#### History

- 2000 Commenced production with Digital YATAI (digitized cell production system).
- 2005 Established a new Miyakoda factory.
- 2006 Adoption of D-Shop, the advanced version of the new Digital YATAI.
- 2007 Introduction of the automated line.
- 2008 Completion of the expanded Miyakoda factory.
- 2011 Established the first foreign manufacturing subsidiary in Thailand.
- 2014 Completion of the expanded Thailand Factory.



3D Graphic Manual

Automatic Rotating Parts Rack

Cordless Electric Screwdrivers

### Worldwide Operations

Through a network of sales subsidiaries and dealers, the Company's products and services now reach 200 countries and regions around the world. Marketing and sales activity in each region is closely tailored to local culture and customs, and is headed up by a team of regional staff members to ensure a precise fit for the market and its customers.

At the same time, representatives from overseas sales subsidiaries regularly gather to create global marketing strategies and share best practices from their respective regions. This cooperation has built a corporate structure that produces the best solutions for delivering greater added value worldwide. Since 2012, GlobalOne corporate structural reform has formed the basis for a direct connection of sales and marketing with monozukuri. This has allowed product development to become united with the actions of the market.

In addition, having production, procurement, and product development handled by the Thailand factory allows for the further development of products to meet more diverse customer needs.

#### History

- 1985 Established a subsidiary in Belgium.
- 1988 Established a subsidiary in Australia.
- 1990 Established a subsidiary in the U.S.A.
- 2002 Established a subsidiary in the U.K.
- 2005 Established a subsidiary in Spain.
- 2006 Established a subsidiary in Italy.
- 2008 Established a subsidiary in Denmark.
- 2011 Established the first foreign manufacturing subsidiary in Thailand.
- 2012 Established a subsidiary in China.
- Established a subsidiary in Korea.
- Established a shared services subsidiary in Spain.
- 2013 Formed a subsidiary in Brazil.
- 2014 Established a subsidiary in the Netherlands, a holding company providing fund management for group companies in Europe.
- Formed a subsidiary in Russia.
- 2017 Transferred the 3D business to a newly-established subsidiary, DGSHAPE Corporation.
- 2022 Established a joint venture company engaged in binder-jet 3D printer business in China.

## Customer Support System

As the company handles many professional-use products, we provide service and support throughout the customer's business cycle to ensure the continued health of their business. This includes connecting people to their imaginations, unleashing new creative possibilities, and making sure issues like product failure never interrupt a customer's business activity.

### History

- 1996 Roland DGA Corporation establishes Roland University (now Roland DG Academy)
- 2008 Roland DG Mid Europe S.r.l. creates the first Roland DG Creative Center.
- 2012 Held a Creative Awards contest recognizing the creativity of Roland DG users worldwide.
- 2013 Held the first-ever SE Awards of the World contest.

### Creative Center



Roland DG Creative Centers are the Company's communication space for delivering the latest information to our customers. Many application samples created by using our products are on display to spark users' imaginations and allow them to see and experience the possibilities these products offer.

### Academy



At Roland DG Academy, the Company provides the necessary training and workshops to help fully unlock the potential of our products and related software. These spaces serve as an environment where users, beginners and professionals alike, can realize the best performance from their machines.

### Care



The Roland DG Care program is designed to ensure that the Company's products continue to operate as promised for as long as possible. With features such as post-installation maintenance and troubleshooting, as well as software and firmware updates and empty ink cartridge collection, Roland DG Care exists as a comprehensive service and support system that is finely-tuned to our customers' needs.



## R&D

Roland DG began with XYZ-axis control technology and has continuously challenged itself to create new products from original ideas. At our essence is a corporate culture that values the curiosity of R&D. We begin with a simple desire to develop a new useful feature and build upon that using core technology to create "world's first" and "industry first" innovations again and again. At the heart of this development process is always our company vision to "transform imagination into reality."

### History

- 1982 Released the computer music pen plotter.  
Released the pen plotter.
- 1983 Released monochrome monitors.
- 1986 Released the first of the 3D milling machines.
- 1987 Released the first of the engraving machines.
- 1988 Released the first of the cutting plotters.
- 1995 Released the world's first thermal transfer technology color printer/cutter.
- 1997 Released the world's first wide-format inkjet printer/cutter, capable of printing water-based pigment ink
- 2000 Released the photo impact printer capable of transferring photographs and illustrations onto metal and acrylic.
- 2001 Released the 3D laser scanner.
- 2003 Released the inkjet printer/cutter designed to enhance on-demand production of small jobs.
- 2005 Released the wax modeling jewelry machine.
- 2008 Released the UV-LED inkjet printer/cutter, capable of multi-layered printing on a wide variety of substrates.
- 2009 Released the world's first inkjet printer/cutter capable of printing metallic silver ink.
- 2010 Released the first of the dental milling machines.
- 2011 Released the digital hobby mill.
- 2012 Released the aqueous inkjet printer, targeting emerging markets.
- 2014 Released the company's first 3D printer, and a new milling machine.  
Released the dye sublimation transfer printer for exclusive use in textile printing.
- 2015 Released the company's first wet milling dental machine, and a new dry milling dental machine.
- 2018 DGSHPA released a dental milling machine with performance visualization software to help dental labs run a more productive and efficient business.  
DGSHPA released the world's first laser foil decorator.  
Released cotodesign design and print management software for customizing store merchandise on demand using customers' favorite designs and photos.
- 2021 Launched the free cloud-based Roland DG Connect service.

## Summary of Corporate Governance Structure

Our vision is that it is crucial to place emphasis on the health, transparency and efficiency of corporate management, as well as to establish a corporate structure that will allow us to respond expeditiously and appropriately to rapid changes in our business environments. Specifically, in addition to speeding up decision-making and implementing mutual supervision of Directors that are well-versed in the business, we have enhanced our ability to supervise our management from a third-party perspective by Outside Directors and Outside Audit & Supervisory Board Members. By introducing the delegation-based Executive Officer with title structure and a division / business division system, we work toward efficient business execution, while we have established the Management Meeting consisting of Executive Directors, including the President, Representative Director, and Executive Officers in order to execute business flexibly and promptly. We are also engaged in implementing and enhancing our structure to ensure more openness in our disclosure to shareholders and investors.

The Company Group places the following corporate ideals at the root of its management, making it the starting point for all corporate activities.

### Purpose

To Empower Creativity and Excitement Worldwide

### Slogans

- Inspire the Enjoyment of Creativity
- Be the BEST rather than the BIGGEST
- The Roland Family – Cooperative Enthusiasm

### Mission

Bringing new opportunities to society through digital technology

### Vision

Transforming your imagination into reality

## Information on Corporate Institutions

The Company adopts an Audit & Supervisory Board Members system. Details of the main bodies of the Company including the Board of Directors are as follows:

### a. Board of Directors

The Board of Directors consists of seven Directors (including four Outside Directors) and meets at least once every month to make decisions on crucial operational matters and oversee the execution of Directors' duties.

### b. Management Meeting

The Management Meeting consists of Executive Directors including the President, Representative Director and Executive Officers, is held typically once every month and supervise the business execution of Executive Officers by having Executive Officers explain deliberation proposals and report on business execution.

### c. Audit & Supervisory Board

The Audit & Supervisory Board consists of four Audit & Supervisory Board Members (including two Outside Audit & Supervisory Board Members) and meets in principle at least seven times a year to receive reports on important matters relating to audits, as well as carry out discussions and make resolutions on these matters. Additionally, a forum for sharing information and exchanging views, etc., among Audit & Supervisory Board Members will be installed as necessary, in order to contribute to the formulation of audit opinion and enhance the effectiveness of audits. In order to gain an understanding of important decision-making processes and the status of business execution, Audit & Supervisory Board Members also participate in Board of Directors meetings, Management Meetings, and other important meetings within the Company. Audit & Supervisory Board Members also conduct audits on various business locations and subsidiaries in addition to engaging in strengthening its function of monitoring the execution of Directors' duties.

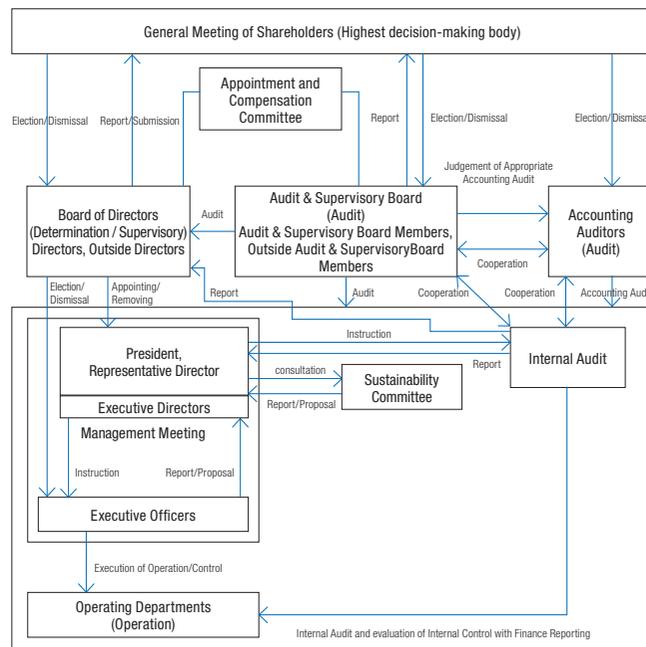
Members of each corporate institution are as follows:

✓ Chairman for corporation institutions, ✓ Member

Role	Name	Board of Directors	Management Meeting	Audit & Supervisory Board
President, Representative Director	Kohei Tanabe	✓	✓	
Director, Managing Executive Officer	Toshiharu Uwai	✓	✓	
Director, Managing Executive Officer	Andrew Oransky	✓	✓	
Outside Director	Osamu Hosokubo	✓		
Outside Director	Naoko Okada	✓		
Outside Director	Yasuhiro Kasahara	✓		
Outside Director	Brian K. Heywood	✓		
Audit & Supervisory Board Member	Masayasu Suzuki			✓
Audit & Supervisory Board Member	Naoki Nagano			✓
Outside Audit & Supervisory Board Member	Mitsuhiro Honda			✓
Outside Audit & Supervisory Board Member	Megumi Ikuma			✓

In addition to the above, the Management Meeting is made up of four Executive Officers.

## Corporate Governance Structure



### Other Matters Related to Corporate Governance

#### a. Status of the internal control system and risk management system

The Company carries out activities based on the "Basic Policies for Establishing an Internal Control System" which is resolved at the Board of Directors meeting each fiscal year. We have placed the corporate ideals at the foundation of our management, and use them as the starting point for all corporate activities.

To secure conformity with laws and regulations and the Articles of Incorporation for execution of business by Directors and employees, our compliance structure includes internal education activities on Codes of Conduct, and the whistleblowing system to promote compliance with laws and regulations within the Group.

The President, Representative Director assumes responsibility for the risk management structure as the Chief Risk Management Officer. The Board of Directors of the Company appoints the Risk Management Officer and the Risk Management Officer supervises and manages the Risk Management System of the Company and reports and proposes to the Board of Directors and the Chief Risk Management Officer on a regular basis. Additionally, a structure is established to receive periodic reports on risk management from subsidiaries, and matters related to the group-wide risk management are treated as risk management issues of the Company.

Furthermore, to secure the appropriateness of operations of the Group, we have defined "RULES FOR MANAGEMENT OF AFFILIATED COMPANIES", and while receiving reports on management status from subsidiaries, we supervise the management of key subsidiaries by seconding our Directors, etc., based on the business content and scope of subsidiaries. We secure appropriateness of operations by placing management advisory bodies at key subsidiaries to deliberate on significant management matters. With respect to the internal control reporting structure for financial reporting as required by the Financial Instruments and Exchange Acts, the management procedures and structure, etc., for development, operation and evaluation of the internal control system are defined, with the Finance & Accounting Department in charge. The evaluation of effectiveness is conducted through evaluation of the status of development and operation in each department and subsidiary, as well as independent evaluation by the Internal Audit Department.

Apart from the above, the following procedures have been developed to realize appropriate internal control and risk management: a structure to secure efficient execution of duties by the Directors of the Group; a structure related to storage and management of information regarding the execution of duties by the Directors; a structure for the Directors and employees to make reports to Audit & Supervisory Board members; a structure regarding employees to assist the duties of Audit & Supervisory Board Members should they request assistance from such employees; and a structure to ensure that persons making reports to Audit & Supervisory Board Members do not receive detrimental treatment as a result of such reporting.

Furthermore, we have defined "Basic Views and Maintenance Status Toward Elimination of Anti-social Forces" with respect to anti-social forces, and under the basic principle of "taking a firm stance and having no relationships, and not conducting any transactions," we strive to inculcate this to all employees while assigning the General Manager of the Corporate Affairs Department in charge of preventing wrongful requests, and through cooperation with related internal departments, we work to terminate relationships with anti-social forces across the entire company.

In addition to the above, in order to respond to various legal contingencies, we have in place advisory contracts with multiple law firms with whom we consult and develop solutions to issues as needed.

#### b. The fixed number of Directors

The Articles of Incorporation stipulate that the Company shall not have more than ten (10) Directors.

#### c. Requirements for resolution to appoint Directors

The Articles of Incorporation stipulate that the resolution for electing a Director shall be adopted by a majority of the voting rights held by the shareholders present, whose number shall constitute at least one-third of

the voting rights of all shareholders of the Corporation who are entitled to vote at the meeting and the resolution shall not be made by cumulative votes.

#### d. The decision-making body for interim dividend

In order to enable flexible return of profits to shareholders, the Articles of Incorporation stipulate that the Company may, by a resolution of the Board of Directors, distribute interim dividends with a record date being June 30 of each year.

#### e. The decision-making body for the acquisition of own stock

The Articles of Incorporation stipulate that the Company may, by a resolution of the Board of Directors, acquire its own stock through the market transactions, etc. pursuant to Article 165, Paragraph 2 of the Companies Act in order to enable the Company to flexibly acquire own shares.

#### f. Requirements for special resolutions at the General Meetings of Shareholders

The Articles of Incorporation stipulate that a special resolution as stipulated in Article 309, Paragraph 2 of the Companies Act shall be adopted by a two-thirds majority of the voting rights held by the shareholders present, whose number shall constitute at least one-third of the voting rights of all shareholders of the Corporation who are entitled to vote at the meeting.

#### g. Limited liability agreement with Nonexecutive Directors and Audit & Supervisory Board Members

The Company may enter into contracts, pursuant to Article 427, Paragraph 1 of the Companies Act, with Nonexecutive Directors and Outside Audit & Supervisory Board Members to the effect that, if such Directors are not aware of any problems and are not grossly negligent in performing their duties, the liability of the Directors under Article 423, Paragraph 1 of the same law shall be limited. The limited liability amount under such contracts shall be the minimum limited liability amount specified by the same law.

### The Status of Internal Audits, Audits by Audit & Supervisory Board Members, and Accounting Audits

With regard to internal audits, the Company has established the Internal Audit Department as an organization under the direct control of the President, Representative Director, which reports the results of internal control and internal audits of the fiscal year at the meeting of the Board of Directors. Audit & Supervisory Board Members and Internal Audit Department liaise on various matters, such as the development of audit plans, to improve the effectiveness and efficiency of audits. The state of audits by Audit & Supervisory Board Members is described in "c. Audit & Supervisory Board" presented in "Information on Corporate Institutions." Audit & Supervisory Board Members receive explanations of the audit plan and reports of audit results from, and exchange views and information as necessary with, accounting auditors. The Audit & Supervisory Board Members and Internal Audit department liaise on various matters, such as the development of audit plans, to improve the effectiveness and efficiency of audits. Full-time Audit & Supervisory Board Member, Mr. Masayasu Suzuki, has been involved in operations in a financial institution for many years as well as accounting operations in the Company, and Full-time Audit & Supervisory Board Member, Mr. Naoki Nagano, has been involved in operations in a financial institution for many years as well as corporate planning and accounting operations in the Company and also has an experience as the President of European subsidiary. Outside Audit & Supervisory Board Member, Mr. Mitsuhiro Honda, has abundant experience in international tax affairs, and Outside Audit & Supervisory Board Member, Ms. Megumi Ikuma, has many years of experience as a certified public accountant. All four individuals are well-versed in finance and accounting matters.

While the Company has no vested interest to be stated pursuant to the provisions of the Certified Public Accountants Act with the accounting auditor, Deloitte Touche Tohmatsu LLC, or its engagement partners, the two parties maintain close contact with each other so that the Company is able to receive appropriate advice on an ongoing basis. In addition, overseas subsidiaries of important consolidated subsidiaries are audited (only in accordance with the provisions of the laws and regulations of the country where they are located, which are equivalent to the Companies Act or the

Financial Instruments and Exchange Act) by persons other than our accounting auditor (persons with qualifications equivalent to certified public accountants or auditing firms in the country where they are located). Furthermore, the accounting audit for the fiscal year under review was conducted by Certified Public Accountants Messrs. Tadashi Nakayasu and Masanori Toyozumi who are designated limited liability partners and engagement partners. (As the number of consecutive years conducting audits is within seven years, the number of years is omitted.) Assistance for audit operations is provided by six Certified Public Accountants and fourteen other persons.

The Internal Audit department, Audit & Supervisory Board Members, and the accounting auditor hold joint meetings in principle two times a year to execute audits from their respective standpoints in collaboration with each other.

### Overview of Personal Relationships, Capital Relationships, or Transactional Relationships and other Interests between the Company and the Company's Outside Directors, or Outside Audit & Supervisory Board Members

Outside Director, Mr. Brian K. Heywood, is the CEO of Taiyo Pacific Partners L.P., a shareholder of the Company. The Company has entered into an advisory contract with said company for the purpose of mainly receiving counsel and suggestions on management and business strategies. However, the Company receives advisory services under the advisory contract from different members of said company.

Outside Director, Mr. Yasuhiro Kasahara, is a partner of Nagashima Ohno & Tsunematsu, a law firm with which the Company has business transactions including the receiving of various services that are based on our legal advisory contract. However, the Company receives legal advisory services from different attorneys of the said law firm.

Outside Audit & Supervisory Board Member, Mr. Mitsuhiro Honda, is an Outside Audit & Supervisory Board Member of YUASA TRADING CO., LTD with which the Company has business transactions including the sales of products.

Additionally, there are no personal, capital or transactional relationships and other interests with companies, etc., at which other Outside Directors and Outside Audit & Supervisory Board Members serve or served as executives or employees either at present or in the past. (The "past" is defined as within the past 10 years, pursuant to the "range of confirmation of affiliation information" stipulated by Tokyo Stock Exchange.)

### Views on the Functions and Roles of Outside Directors and Outside Audit & Supervisory Board Members in Corporate Governance of the Company, the Independence Standard or Policy for Selecting Outside Directors and Outside Audit & Supervisory Board Members and the State of Their Appointment, and Collaboration between the Outside Directors, Outside Audit & Supervisory Board Members and Internal Control Division and Audits

We expect Mr. Osamu Hosokubo, Outside Director, to leverage his knowledge and experience as a corporate executive and investor, and Ms. Naoko Okada, Outside Director, to leverage her knowledge and experience in corporate management and corporate communications, and Mr. Yasuhiro Kasahara, Outside Director, to leverage his extensive experience and insight in corporate legal affairs over many years in all aspects of our corporate management and provide independent oversight and counsel regarding our corporate operations as well as to contribute to enhancing the transparency of Board of Directors proceedings and our supervisory functions.

Additionally, Mr. Brian K. Heywood has knowledge and experience as a corporate executive and investor. We expect him to contribute to the enhancement of corporate value through providing advice on all aspects of our corporate management as a shareholder and investor.

Furthermore, we can expect two Outside Audit & Supervisory Board Members to work with our Full-time Audit & Supervisory Board Members, drawing on their extensive knowledge of accounting and tax matters, and execute objective and neutral audits in their independent capacities regarding all aspects of our corporate management as described in "c. Audit & Supervisory Board" in "Information on Corporate Institutions" and "The Status of Internal Audits, Audits by Audit & Supervisory Board Members, and Accounting Audits."

As such, we believe Outside Directors and Outside Audit & Supervisory Board Members in our current organization are able to fulfill the functions and roles that are required with regard to our corporate governance.

The Company has stipulated the "Standards Concerning Independency of Outside Directors and Outside Audit & Supervisory Board Members" which satisfies the requirements of independent officers stipulated by the Tokyo Stock Exchange, and posted it on the Company's website. We have judged that three of Outside Directors, Osamu Hosokubo, Naoko Okada and Yasuhiro Kasahara and two Outside Audit & Supervisory Board Members satisfy these standards and have secured adequate independence, and have reported three Outside Directors and two Outside Audit & Supervisory Board Members as independent officers.

### Directors' Compensation, etc.

#### Total amount of compensation and other remuneration for different officer categories, total amount of compensation and other remuneration by type, and the number of eligible officers (Results in the 42nd Fiscal Year)

Category	Total amount of compensation and other remuneration (Millions of yen)	Total amount of compensation and other remuneration by type (Millions of yen)			Number of recipients
		Basic compensation	Bonuses	Performance-linked compensation Share compensation	
Directors (excluding Outside Directors)	181	71	67	41	4
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	29	29	-	-	2
Outside Directors and Audit & Supervisory Board Members	29	29	-	-	5
<b>Total</b>	<b>239</b>	<b>130</b>	<b>67</b>	<b>41</b>	<b>11</b>

(Notes) The number of persons paid includes two Directors who retired at the conclusion of the 41st Ordinary General Meeting of Shareholders held on March 24, 2022, and excludes one uncompensated Outside Director.

#### The total amounts, etc. of consolidated compensation, etc. for each officer of the submitting company

This information is not included because there is no individual earning a consolidated compensation, etc. equal to or greater than 100 million yen.

#### Matters pertaining to the policy for the determination of the amount and the method for calculation of the compensation, etc. for Directors

Directors' compensation of the Company consists of basic compensation, officer bonuses, and performance-linked share compensation.

The Company's Board of Directors resolved the "Policy for determining the compensation, etc. for each Director," at its meeting held on February 17, 2021, which was revised at the Board of Directors meeting held on February 24, 2022, in accordance with the introduction of the delegation-based Executive Officer with title structure as of March 24, 2022.

The Board of Directors has determined that the content of compensation, etc. for Directors is in line with this policy, as it is determined by the Board of Directors' resolution on the proposed compensation standards for Directors, etc. determined by the President, Representative Director based on the report of the Nomination and Compensation Committee, a majority of whose members consist of Independent Outside Directors.

The content of the policy for the determination is as follows.

Policy for determining the compensation, etc. for each Director

##### 1. Basic policy

With regard to compensation for Directors, the Company has adopted a compensation system linked to business performance and shareholders' interests so as to fully function as an incentive to realize a sustainable increase in corporate value. When determining the compensation for each Director, the Company's basic policy is to set an adequate level based on the person's responsibilities. Specifically, the compensation for Executive Directors consists of basic compensation, bonuses for Directors, and performance-linked share

compensation, and for Outside Directors who have supervisory functions, the Company provides only basic compensation based on their duties.

For foreign Directors, the Company sets a level based on compensation levels in the country of origin as well as on their responsibilities.

### 2. Policy for determining the amount of basic compensation

#### 1) Policy for determining the total amount

With regard to basic compensation for Directors, the Board of Directors determines the total amount from April to March of the following year, based on the deliberation of the Nomination and Compensation Committee, with the majority of the committee members being Independent Outside Directors.

#### 2) Policy for determining the amount for each Director

With regard to the amount of basic compensation for each Director, the determination of amounts is delegated to the President, Representative Director by resolution of the Board of Directors, and the President, Representative Director determines amounts taking into consideration the post and responsibilities of each Director based on the compensation standards for Directors, within the limit for the compensation, etc. as resolved at the General Meeting of Shareholders. With regard to compensation standards for Directors, the President, Representative Director, based on reports of the Nomination and Compensation Committee, drafts the compensation standards for Directors, and the Board of Directors finalizes it by its resolution.

The Company provides basic compensation on a monthly basis.

### 3. Policy for determining the total amount of Executive Directors' and Audit & Supervisory Board Members' bonuses

#### 1) Policy for determining the total amount

When determining the total amount to be paid, the total amount shall not exceed 300 million yen, the approved amount of basic compensation and Executive Directors' and Audit & Supervisory Board Members' bonuses at the General Meeting of Shareholders, and shall comply with the numerical standards prescribed in the OFFICERS' BONUS PAYMENT RULES (the total amount of Executive Directors' and Audit & Supervisory Board Members' bonuses shall be up to 2% of operating profit and 3% of net income in the consolidated financial forecast). In addition, in the event that one of the following applies before the settlement of financial results, the Company will not pay Executive Directors' and Audit & Supervisory Board Members' bonuses pursuant to the OFFICERS' BONUS PAYMENT RULES.

- (1) If consolidated operating profit or net profit is in deficit
- (2) If the business results fall below the following criteria compared to the consolidated business forecast disclosed at the beginning of the term  
Net sales: 30%  
Operating profit, ordinary profit, and net profit: 50%
- (3) If the President, Representative Director decides to postpone payment even if the preceding item 2 does not apply. When paying a bonus, approval shall be obtained by the Board of Directors in advance.

#### 2) Policy for determining the amount for each Director

Bonuses to be paid for each Director shall be the amount obtained by multiplying the operating profit for the relevant business year by the coefficient for each role based on the OFFICERS' BONUS PAYMENT RULES. However, if the compensation limit for Directors (including bonus amount) approved at the General Meeting of Shareholders is exceeded, the coefficient for each position will be prorated and adjusted so that it falls within the approved limit.

Bonuses shall be paid within one month after the end of the Ordinary General Meeting of Shareholders for the relevant business year.

### 4. Policy regarding the determination of the contents and the method for calculation of the performance-linked share compensation

The performance-linked share compensation plan is a share benefit trust that covers the five fiscal years from the fiscal year beginning on January 1, 2019.

Under the plan, pursuant to the RULES CONCERNING PROVISION OF SHARES (FOR OFFICERS), eligible Directors receive points that are calculated by summing basic points based on their position and points (number of shares)

multiplied by a coefficient according to achievement level and weight (consolidated net sales 30%, consolidated operating profit 40%, ROE 30%) against a target value of consolidated net sales (growth), consolidated operating profit (profitability) and ROE (management efficiency). When said Directors will no longer be Directors or employees of the Company or its subsidiaries, such Directors will receive the Company's shares based on the points awarded (or in the event that the Company's shares cannot be delivered, the amount of money obtained through disposition of such shares, excluding expenses). If any of performance-linked indicators represents less than 80% of the achievement rate, the Company will not award points in that fiscal year.

### 5. Policy for determining the ratio by type of compensation, etc.

The ratio by type of compensation for Executive Directors is examined by the Nomination and Compensation Committee based on a compensation criterion taking as a benchmark companies with the same business scale as the Company and companies belonging to related industries and business categories. The Board of Directors respects report of the Nomination and Compensation Committee and decides compensation, etc. for Directors. The standard ratio for each type of compensation, etc. is as follows; (when KPI achievement rate is 100%).

Position	Basic compensation	Bonuses	Performance-linked share compensation
Executive Director	35%	35%	30%

### Standards Concerning Independency of Outside Directors and Outside Audit & Supervisory Board Members

The Company has defined the "Standards Concerning Independency of Outside Directors and Outside Audit & Supervisory Board Members" in order to clarify the standard for independency of Outside Directors and Outside Audit & Supervisory Board Members.

[https://www.rolanddg.com/-/media/corporate/ir/about-us/management/corporate-governance/pdf/governance\\_01.pdf?la=en&hash=DF880F4EF0AAC62C2582BC9960E70B1C6B4D72DE](https://www.rolanddg.com/-/media/corporate/ir/about-us/management/corporate-governance/pdf/governance_01.pdf?la=en&hash=DF880F4EF0AAC62C2582BC9960E70B1C6B4D72DE)



### Policy for Constructive Dialogue with Shareholders

With regard to dialogue with institutional investors and individual investors, the Company positively responds to them to a reasonable extent. Additionally, the Company has defined the "Policy for Constructive Dialogue with Shareholders" and discloses it on the Company's website.

[https://www.rolanddg.com/-/media/corporate/ir/about-us/management/corporate-governance/pdf/governance\\_03.pdf?la=en&hash=F700DC60259B6112E68ABBC6AFA2735CC303CB09](https://www.rolanddg.com/-/media/corporate/ir/about-us/management/corporate-governance/pdf/governance_03.pdf?la=en&hash=F700DC60259B6112E68ABBC6AFA2735CC303CB09)



**Board of Directors** (As of March 24, 2023)



**Kohei Tanabe**

*President, Representative Director*



**Toshiharu Uwai**

*Director, Managing Executive Officer  
Assistant to President of the Company*



**Andrew Oransky**

*Director, Managing Executive Officer  
In charge of Sales and Marketing*



**Osamu Hosokubo**

*Director (Outside) (Independent)*



**Naoko Okada**

*Director (Outside) (Independent)*



**Brian K. Heywood**

*Director (Outside)*

# MANAGEMENT

Board of Directors

## Board of Directors (As of March 24, 2023)



**Yasuhiro Kasahara**

*Director (Outside) (Independent)*



**Masayasu Suzuki**

*Audit & Supervisory Board Member*



**Naoki Nagano**

*Audit & Supervisory Board Member*



**Mitsuhiro Honda**

*Audit & Supervisory Board Member  
(Outside) (Independent)*



**Megumi Ikuma**

*Audit & Supervisory Board Member  
(Outside) (Independent)*

## Executive Officers (As of March 24, 2023)



**Hisashi Bito**

*Managing Executive Officer  
In charge of Business  
In charge of Digital Transformation  
Division President of DP Business Division  
President, Representative Director of DGSHAPE  
Corporation*



**Kazuhiro Ogawa**

*Managing Executive Officer  
In charge of Administration and Back office  
In charge of Sustainable Management  
Division President of Corporate Division*



**Yuji Kurata**

*Executive Officer  
Division President of Production Division*



**Tony Miller**

*Executive Officer  
Division President of Global Sales & Marketing  
Division*

# MANAGEMENT

## Skill Matrix of Directors and Executive Officers

### Skill Matrix of Directors and Executive Officers

Name	Fundamental Skills					Strategic Skills					
	Corporate Management	Production, Engineering and R&D	Sales and Marketing	Finance and Accounting	Compliance and Risk Management	Open Innovation and New Business Creation	M&A and Alliance	IT/DX	Corporate Communication	Sustainable Management*	Global Experience
President, Representative Director <b>Kohei Tanabe</b>	●		●			●					●
Director, Managing Executive Officer <b>Toshiharu Uwai</b>	●	●		●	●				●		●
Director, Managing Executive Officer <b>Andrew Oransky</b>	●		●			●					●
Outside Director (Independent) <b>Osamu Hosokubo</b>	●			●	●	●	●				●
Outside Director (Independent) <b>Naoko Okada</b>	●		●		●			●	●	●	●
Outside Director <b>Brian K. Heywood</b>	●		●	●	●	●	●		●		●
Outside Director (Independent) <b>Yasuhiro Kasahara</b>	●				●	●	●			●	●
Corporate Auditors <b>Masayasu Suzuki</b>				●							●
Corporate Auditors <b>Naoki Nagano</b>				●	●						●
Outside Auditors (Independent) <b>Mitsuhiro Honda</b>				●	●					●	●
Outside Auditors (Independent) <b>Megumi Ikuma</b>	●			●		●					●
Managing Executive Officer <b>Hisashi Bito</b>	●	●				●		●			●
Managing Executive Officer <b>Kazuhiro Ogawa</b>	●	●	●	●	●	●	●		●	●	●
Executive Officer <b>Yuji Kurata</b>		●						●			●
Executive Officer <b>Tony Miller</b>			●			●	●				●

\*Sustainable Management includes the skills of Diversity & Inclusion, HR Development and SDGs

## Basic Policy on Sustainability

Roland DG's mission is to achieve a more affluent society by serving as the link between the rapidly evolving digital world and actual people's lives, as well as providing tools and services aimed at broadening the potential of their creativity.

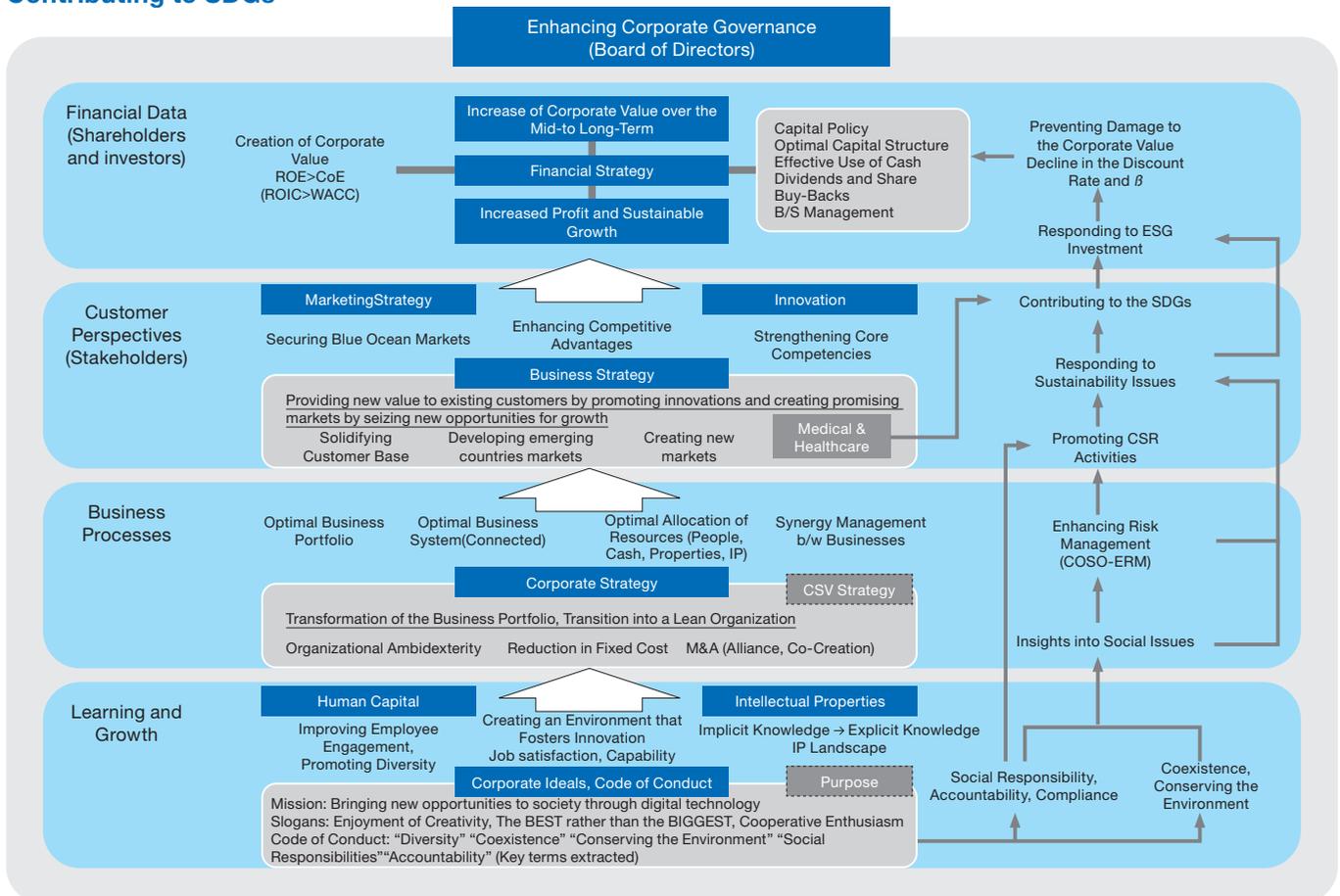
We set the basic policy on sustainability under which it gives top priority to firmly establish the corporate foundation and sustainably maximize corporate value. In order to achieve that, the Company positions customer value as the most important management issue, and strengthens its ability to provide new value to existing customers by promoting innovations, and to create promising markets by seizing new opportunities for growth.

In order to resolve these issues, it is important for us to foster the employee engagement and their abilities to create an environment in which innovation can occur through the fusion and aufheben (sublation) of diverse values. We will go one step ahead of sustainability issues, including fair and appropriate treatment of the workforce, caring for their health and working environment, and create corporate value through enhancing employee engagement and diversity.

As to shareholder value, we will secure technological uniqueness and the blue ocean markets by refining the creativity of combining the latest digital technology with our core technology of XYZ axis control technology and the marketing ability to develop a niche market utilizing the global network. At the same time as establishing a competitive advantage in the business, we will improve long-term profitability and capital efficiency by implementing optimal capital policies and financial strategies after accurately identifying the company's cost of capital.

As a public company, we recognize that it is our duty to comply with laws and regulations and fulfill our social responsibilities. Under one of our slogans, "cooperative enthusiasm," we engage in CSR activities such as effective use of resources and reduction of environmental impact in accordance with our Code of Conduct, and are working to build a relationship of mutual trust with our stakeholders in order to enhance our corporate value by collaborating with them. With regard to issues related to sustainability, we will clarify our priorities and proactively address them after carefully examining the impact on corporate value in terms of both risks and opportunities.

## Contributing to SDGs



## Sustainable Development Goals

### Contributing to SDGs

Roland DG's mission is to achieve a more affluent society by serving as the link between the rapidly evolving digital world and actual people's lives, as well as providing tools and services aimed at broadening the potential of their creativity. Roland DG views building relationships of trust with all stakeholders as essential for the growth of business—and will contribute to achieving SDGs through business to become a company that stakeholders can resonate with. Roland DG will harness its own digital technology to the utmost, while also driving forward open innovation through partnerships with the goal of both resolving social and environmental issues and boosting corporate value.

### Initiatives for SDGs

- Registered for the Hamamatsu City SDGs Promotion Platform in May 2020.

## Risks and Opportunities Related to Climate Change

We believe that climate change issues may lead to risks and opportunities for the Company as well, and are working to enhance the quality and volume of information disclosure while improving governance and risk management systems.

### Governance

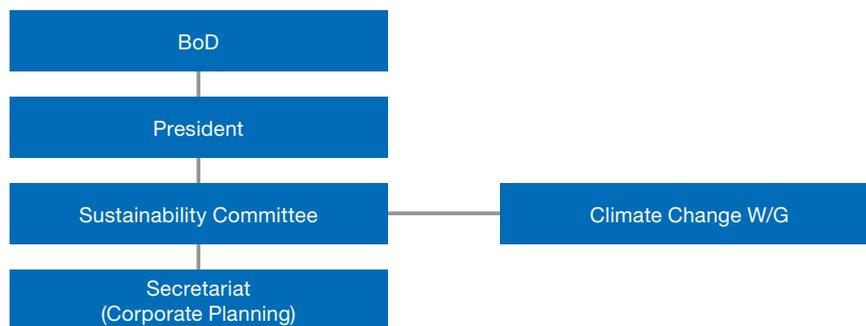
In September 2022, we established the Sustainability Committee, an advisory body to the President, as a platform for enhancing the effectiveness of sustainability transformation in terms of management supervision and business execution.

The Sustainability Committee is chaired by the Sustainability Promotion Administrator (Managing Executive Officer) appointed by the President. With the participation of the President, Director Managing Executive Officers and Executive Officers, the Committee discusses and determines policies, materiality, strategies, risk management, etc. related to sustainability issues including climate change based on proposals and reports from the Secretariat established within the Corporate Planning Division, and promotes cross-functional activities and initiatives.

Regarding the issue of climate change, the Climate Change Working Group, established under the Committee, monitors GHG emissions, analyzes risks and opportunities, and considers countermeasures, and reports its activities to the Sustainability Promotion Administrator.

The Sustainability Promotion Administrator reports the results of the activities of the Sustainability Committee and the Working Group to the President, and also reports on deliberation items.

Activities of the Sustainability Committee are reported to the Board of Directors through the President, and the Board of Directors supervises the initiatives. The first meeting of the Sustainability Committee was held in FY2022. Going forward, Committee meetings will be held at least twice annually.



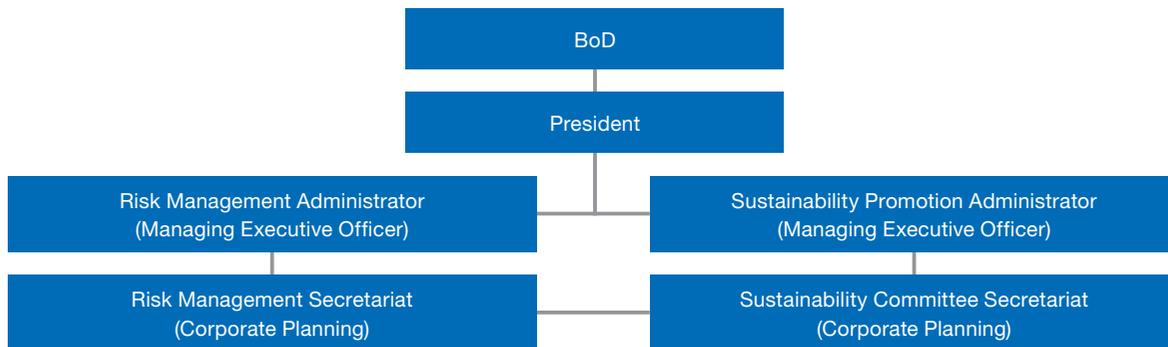
### Strategy

We identify risks and opportunities related to climate change using the 1.5°C and 4°C scenarios for all businesses. Our analysis indicates that in the 1.5°C scenario, the impact of risks associated with changes in laws and regulations is relatively large, whereas in the 4°C scenario, the impact of physical risks such as natural disasters is relatively large, and from the perspective of opportunities, the 1.5°C scenario will have a relatively large impact on the sales of products and services. In FY2023, we will continue to examine the specific details of the risks and opportunities related to climate change, and calculate their financial impact. Risks and opportunities identified through scenario analysis, as well as our response to them, will be addressed as part of our material sustainability issues (materiality) and reflected in our mid- to long-term business strategy and our next medium-term business plan, which will start in FY2024, to improve the resilience of the Company and its strategies.

## Risk Management

The Company's risk management system promotes risk management under the leadership of the President who has ultimate responsibility for risk management and the Managing Executive Officer serving as the Risk Management Administrator, together with the persons in charge at each department and BU as risk owners. The Risk Management Secretariat, established within the Corporate Planning Division, summarizes the status of management activities related to all risks, including strategic risks, reports to the Risk Management Administrator, and promotes on-site guidance and awareness-raising activities. The Risk Management Administrator regularly reports and makes proposals to the Board of Directors and the President regarding the status of risk management.

Regarding risks related to sustainability issues, including climate change, the Sustainability Committee Secretariat, established within the Corporate Planning Division, will analyze and examine the impact on management and business. The Sustainability Committee will then discuss and decide on material issues and policies to deal with them. These results will be disseminated to related departments and BUs and managed under their respective risk management activities. The Risk Management Secretariat also established within the Corporate Planning Division will comprehensively manage and monitor these efforts across divisions. The Sustainability Committee Secretariat and the Risk Management Secretariat will work in close cooperation to create a system for integrated risk management and monitoring from the perspective of ERM (Enterprise Risk Management).



## Metrics and Targets

In order to assess and manage the impact of climate change on our business, we have set a goal of reducing Scope 1 and 2 greenhouse gas emissions by 38% by FY2030 compared to FY2021 (annual reduction of 4.2%), which is consistent with the 1.5°C target.

For Scope 1 and 2 reductions, we set the ratio of renewable energy power in our group as a metric and are promoting replacement. In FY2022, we introduced CO<sub>2</sub>-free electricity in the Hamamatsu area (headquarters, Miyakoda Plant).

Regarding the transition plan for achieving the Scope 1 and 2 reduction goals, and the metric/target setting and transition plan for Scope 3 reduction, we will clarify the mid- to long-term initiatives for materiality and proceed with considerations in the process of formulating the next medium-term business plan.

We calculated our greenhouse gas emissions for the first time in FY2022. Scope 1, 2, and 3 greenhouse gas emissions results for FY2021 are as follows.

Scope 1	Direct greenhouse gas emissions by the reporting company itself (e.g. fuel combustion, industrial process)	919 tons
Scope 2	Indirect emissions from the use of electricity, heat, or steam supplied by others	2,435 tons
Scope 3	Indirect emissions other than Scope 1 and Scope 2 (Emissions by others related to the company's activities)	72,424 tons

## Scope 3

Category	Overview	tCO <sub>2</sub>	Calculation
1	Purchased goods and services	50,054	Calculated by multiplying the weight or amount of the purchased product or service by the emissions intensity based on IDEAv2 or the Ministry of the Environment's "Emissions Intensity DB for Calculating Greenhouse Gas Emissions of Organizations through the Supply Chain (ver. 3.2)"
2	Capital goods	1,735	Calculated by multiplying the amount of newly acquired fixed assets by the emissions intensity based on the Ministry of the Environment's "Emissions Intensity DB for Calculating Greenhouse Gas Emissions of Organizations through the Supply Chain (ver. 3.2)"
3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	598	Calculated by multiplying the amount of energy used by the emissions intensity based on IDEAv2 or the Ministry of the Environment's "Emissions Intensity DB for Calculating Greenhouse Gas Emissions of Organizations through the Supply Chain (ver. 3.2)"
4	Upstream transportation and distribution	7,734	Calculated by the ton-kilometer method or the fuel consumption method
5	Waste generated in operations	259	Calculated by multiplying the weight of waste by the emissions intensity based on the Ministry of the Environment's "Emissions Intensity DB for Calculating Greenhouse Gas Emissions of Organizations through the Supply Chain (ver. 3.2)"
6	Business travel	149	Calculated by multiplying the number of employees by the emissions intensity based on the Ministry of the Environment's "Emissions Intensity DB for Calculating Greenhouse Gas Emissions of Organizations through the Supply Chain (ver. 3.2)"
7	Employee commuting	2,066	Calculated by multiplying the amount of transportation expenses paid by the emissions intensity based on the Ministry of the Environment's "Emissions Intensity DB for Calculating Greenhouse Gas Emissions of Organizations through the Supply Chain (ver. 3.2)"
8	Upstream leased assets	1,071	Calculated by multiplying the warehouse area by the emissions intensity based on the Ministry of the Environment's "Emissions Intensity DB for Calculating Greenhouse Gas Emissions of Organizations through the Supply Chain (ver. 3.2)"
9	Downstream transportation and distribution	N/A	
10	Processing of sold products	N/A	
11	Use of sold products	8,394	Calculated based on the average power consumption of sold products, the number of units sold, and the power emission factor
12	End-of-life treatment of sold products	363	Calculated by multiplying the weight of the sold products by the emissions intensity based on the Ministry of the Environment's "Emissions Intensity DB for Calculating Greenhouse Gas Emissions of Organizations through the Supply Chain (ver. 3.2)"
13	Downstream leased assets	N/A	
14	Franchises	N/A	
15	Investments	N/A	

## CSR Activities

### CSR Activities at Roland DG

In recent years companies are increasingly being required to be part of international initiatives to address global social and environmental challenges, such as the UN Sustainable Development Goals (SDGs), and from an ESG perspective there is a growing movement to evaluate the efforts that companies make for social and environmental impact. In addition, as further advances are made in the field of digital transformation, there is increasing anticipation for our company with its mission as "Bringing new opportunities to society through digital technology" under the DG (Digital Group) name. As a public company that operates businesses globally, Roland DG is aiming to resolve social and environmental issues through its business operations by serving as the link between the rapidly evolving digital realm and the actual lives and businesses of people, while also enhancing corporate value over the medium and long term with all stakeholders in mind.

### Effective Use of Resources and Contribution to a Low-Carbon Society

In order to help create a society where sustainable development is possible, Roland DG has a range of initiatives aimed at reducing its environmental impact. Recycling efforts are being employed to reduce emissions and recycle resources, while energy creation activities with solar power generation are also being harnessed with the aim of effectively utilizing resources.

#### Recovering and Recycling Inkjet Cartridges

Roland DG collects inkjet cartridges free of charge (only available in Japan) from customers who purchase a Roland DG inkjet printer. Recovered inkjet cartridges are disassembled and sorted at Roland DG's recycling center before being delivered to recycling companies. The recycling companies then crush and grind the cartridge cases to be used again as new resin products. Ink remaining in cartridges is extracted and reused as fuel after specific chemical substances have been removed.

#### Promoting Recycling of Waste

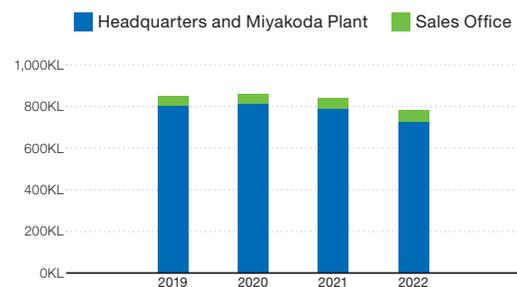
Roland DG actively promotes the recycling of waste with the aim of achieving zero emissions. Cardboard and old paper, steel, aluminum and electrical wiring (copper) are also processed by respective recycling contractors. Roland DG selects companies capable of reusing resources and turning them into new products as primary contractors for waste deliveries, and verifies directly whether or not their processes are feasible. The waste recycling rate is monitored and measured by the EMS (Environmental Management System) Committee, and targets have continually been met since 2011, when measurements first began, through to 2022.

#### Energy-Saving Activities

Measures to conserve electricity are being implemented, including making adjustments to the air-conditioning temperature, to reducing the time employees spend at offices for overtime or similar purposes. Lighting within company buildings is gradually being changed over to LED, and company vehicles are being switched to "eco-cars" such as

electric vehicles or hybrids as part of efforts to reduce CO<sub>2</sub> emissions. In fiscal 2022, The Hamamatsu headquarters and the Miyakoda factory in Hamamatsu has switched its business operations to CO<sub>2</sub>-free electricity.

#### Trend in Power Consumption



#### Energy Creation Activities

Solar power generation is being harnessed as part of efforts to create clean energy from environmentally friendly, sustainable resources. A solar power generation system (approx. 50 kWh size) has been installed on the roof of the Miyakoda Plant, with generated power used for lighting inside offices as well as production with "Digital YATAI (digital cell production system)."



## Reducing Environmental Impact Through Product Lifecycles

Limiting consumption of resources by taking an environmentally conscious approach during the development of products is considered one of Roland DG's core missions on the way to achieving a sustainable society. Roland DG focuses on the conservation of energy and resources during each stage of a product's lifecycle—from design and development through to transportation, use and disposal—with the aim of achieving a low-carbon society and recycling-oriented society.

### Energy-Efficient Designs for Products

Roland DG's products are used in countless day-to-day operations, and as such they are designed and developed with energy-efficient operation in mind. An example that demonstrates this are the TrueVIS VG2-640/540 large-format inkjet printer/cutters that have a maximum operating power of 1,060W. Even with additional options, power consumption remains below 1,800W to achieve both energy-saving operation and a high level of quality. Additionally, all Roland DG printers feature sleep mode, which is designed to minimize power consumption as much as possible when in standby.



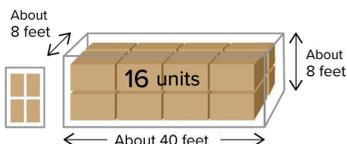
### Resource-Efficient Products

To ensure that products continue to be resource-efficient, targets for new products are set during the planning stage with the aim of reducing the product weight and the number of parts compared to the previous model. For example, a weight reduction target was set for the VersaUV LEC2-300 UV printer/cutter released in 2019, and various ideas were implemented into the design of parts to help reduce weight by 21.6% compared to the previous model. A target was also set to reduce the number of parts used in the wet dental mill launched in 2018, with the final model using 26.9% fewer parts compared to the previous model.

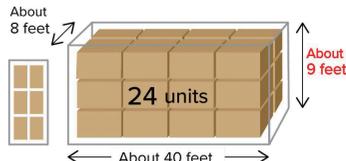
### Transporting Products in an Environmentally Friendly Manner

The size of product packaging is designed to achieve optimal loading in containers transported by ship, as part of efforts to cut down CO<sub>2</sub> emissions during transportation.

#### 40-foot container



#### 40-foot High Cube container



### Reducing the Amount of Ink Used by Inkjet Printers

Roland DG's proprietary ink dot control technology limits the amount of ink used while maintaining high-definition print quality. This can be seen with the amount of ink used per 1 m<sup>2</sup> by the VersaUV LEC2-300 UV printer/cutter, which is less than half that of the previous model.



### Reducing the Amount of Wasted Ink

The inside of inkjet heads need to be cleaned regularly using fresh ink so that inkjet printers can continue to be used in prime condition. Improvements are constantly being made to the operating sequence of Roland DG inkjet printers so that the minimum amount of waste ink is generated during cleaning.



### Printer Chassis Designed for Easier Maintenance and Recycling

Printer bodies use screws for joints to eliminate welding where possible. This design makes disassembly easier, which results in easier maintenance and better recyclability.

### Lower Environmental Impact with Pouch-Type Ink

A pouch-type design has been used for the containers of SBL3 ink released in 2015. This is more than 30% lighter in weight per 1cc of ink compared to cartridge-type designs, which not only helps cut down CO<sub>2</sub> emissions during transportation, but also makes sorting and disposal of used inks easier and significantly reduces the amount of waste. Use of this pouch-type design has been expanded and used in TR and TE inks in 2016, and TR2 and TE2 inks in 2019.



## Managing Chemical Substances

Every effort is made for the appropriate management of chemical substances to protect the health of all operators and to reduce the impact on the environment.

### Ink Designed to Reduce Impact on Health and the Environment

Roland DG markets the ECO-SOL MAX series of eco-solvent ink that is environmentally friendly and designed to reduce the impact on operator health. The SF-200 inkjet printer launched in Europe and America in 2019 for decorations of toys, food containers and other applications, uses ink that complies with European safety standard EN71-3\* and has no adverse health effects when items containing the ink are touched or accidentally ingested by children.

\*EU standard EN71 - Part 3 (Safety of toys - Migration of certain elements): dissolution test to determine whether or not 17 heavy metal elements (19 items) are present in toys at levels that may pose a health hazard if touched or ingested.

### Comprehensive Management of Chemical Substances

During the development and manufacturing process, inspections performed with inkjet printers use ink. A small quantity of controlled chemical substances designated under the PRTR Law\* is contained in ink, so the amount of ink is verified every year.

\* PRTR Law (Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof): Law specifying the system where business operators are required to identify and report to the government the amounts of chemical substances hazardous to health and the environment to be released to the atmosphere, water bodies or soil, and the amounts transferred outside of business sites.

### Disclosure of Safety Data Sheets (SDS)

Information pertaining to the safe and appropriate handling of ink and other chemical substances is made available on the websites.

<https://www.rolanddg.com/en/about-us/sustainability/safety-data-sheet>

## Social Contribution Through Business

### Supporting Traceability Management and Maintenance Work of Medical Instruments

In recent years there have been increasing efforts throughout the medical field to revise conventional management and maintenance methods for medical instruments in order to prevent the spread of infections in hospitals and to ensure the safety of patients. To achieve this, regulatory authorities around the world are stepping up initiatives for more comprehensive management of instruments used at medical institutions.

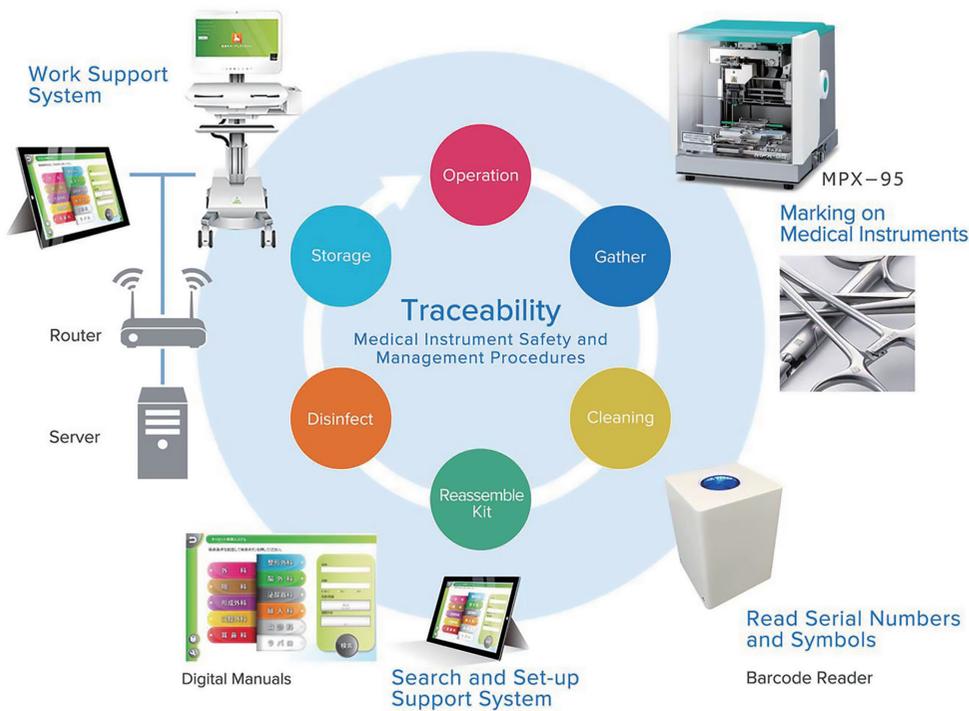
In response to these moves, Roland DG in 2012 launched direct part marking devices for imprinting two-dimensional barcodes on medical instruments to allow traceability management, and has been promoting the devices mainly to manufacturers of medical instruments and medical institutions in Japan and around the world.

The "Digital YATAI\* (digital cell production system)" used by Roland DG at production sites is also being applied to enhance the efficiency of specialized operations including disassembly, cleaning, set assembly,

and sterilization of medical instruments and equipment after surgery, as part of joint research efforts with the Hamamatsu University Hospital of Hamamatsu University School of Medicine to develop optimal solutions.

Traceability management of medical instruments involves managing the inventory and location of instruments to achieve a better understanding of usage conditions as a way of preventing the spread of infections in hospitals and ensuring the safety of patients. Maintenance support systems using digital manuals aim to transform the implicit operating knowledge of experienced staff to explicit knowledge and bolster that with information technology, to eliminate operations only available to certain individuals and help resolve labor shortages.

This overall system has already started being used at private hospitals in Hamamatsu City, and its usefulness will be enhanced further through cooperation and collaboration with hospitals, with the view of expanding business to hospitals around the world.



\* Digital YATAI: Roland DG products are assembled with a digital cell production system originally developed by Roland DG. Operators follow the 3D graphical manual displayed on their PC screen and take out components required for each process from a parts bin. They then use the electric screwdriver instructed in the graphical manual to assemble the product. This concept not only prevents incorrect parts or screwdrivers from being used, but also allows quality inspections to be conducted for each process, which ensures that quality is maintained through each step of assembly. The system harnesses digital technology to support the operator's memory and attentiveness, and one characteristic is that the system is capable of achieving both a high level of quality and productivity. Log data of operations performed at each cell is stored on a server to give site supervisors better insight into work progress, and data analysis can be used to make improvements. Another major feature is that the system allows optimum control of production, not only of individual cells but across the entire production plant.

## Together with Suppliers

To supply customers with high-quality products while maintaining a low environmental impact, forging partnerships with suppliers that constitute the supply chain is essential. Based on the spirit of mutual trust and mutual growth, Roland DG is committed to developing a sustainable supply chain by focusing on open and fair transactions, reasonable costs and excellent quality, and procurement methods that have a low environmental impact.

### Compliance with Environmental Regulations

As a global corporation, Roland DG complies with the requirements set forth by the European RoHS Directive and the REACH regulation, and keeps up-to-date with the ongoing changes being made to various applicable laws and statutes. REACH is a particularly strict set of regulations governing chemical substances, and as it requires thorough management of information on chemical substances contained in materials procured through the supply chain, Roland DG is working on enhancing collaborative efforts of the overall supply chain. Efforts are currently being made to meet GHS,\* with full compliance attained in more than ten countries including Japan—which established the earliest deadline for compliance—and China, Korea and Europe. Developments are also gradually being made in other regions to meet requirements. Roland DG will continue to further strengthen relationships with suppliers, overseas subsidiaries and

distributors to enhance collaborative efforts throughout the supply chain with the aim of complying with globally standard environmental regulations.

\* GHS (Globally Harmonized System of Classification and Labelling of Chemicals): a system of international standards for hazardous material classification and labeling schemes (labels and SDS) relating to chemicals requiring hazard (toxic) classification.

### Green Procurement

Roland DG has established green procurement guidelines and, with the understanding and cooperation of suppliers, is expanding efforts to reduce hazardous chemical substances contained in parts and materials during the procurement stage. The prohibited, restricted and controlled substances defined in the guidelines are being further tightened to comply with REACH regulations and other chemical substances regulations in each country.

### Verifying Sustainability with Suppliers

Before beginning any transactions, suppliers are screened by applying the "Supplier Acceptance Guide." In addition to verifying the financial condition of suppliers, this guide also serves to assess the physical condition of managers, whether any successors have been appointed and their level of training, as well as any potential earthquake and flood risks of business sites, to ensure a sustainable level of mutual cooperation and growth is viable.

## Diversifying Parts Procurement Sources and Risk Hedging

Roland DG is headquartered in Hamamatsu City in Shizuoka Prefecture—one of the manufacturing industry's leading hubs in Japan—and ever since its establishment, has maintained close communication with local suppliers based in Hamamatsu with the aim of achieving mutual growth. In recent years, Roland DG has been expanding its network of suppliers beyond Japan and into the Asia region, with Roland Digital Group (Thailand) Ltd. established in 2011 as the first overseas manufacturing base. Extending the geographic scope of suppliers and increasing the number of production sites serve as part of efforts to develop a business continuity plan (BCP) to fall back on in case a major natural disaster strikes. In addition to manufacturing, Roland Digital Group (Thailand) Ltd. has also been expanding its scope

of procurement by increasing its local-content rate, and from 2015 almost all parts for inkjet printers, with the exception of print heads, were sourced locally. This mutually complementary relationship will continue to be developed moving forward as part of risk hedging efforts.

## More Paperless Operations

Roland DG rolled out a Web-EDI system from 2001 in a move to paperless operations for parts orders. A 100% paperless rate of operations have been achieved for product drawings by making shared 3D CAD design data available, which helps to save resources and increase production efficiency in machining and manufacturing processes of steel and metal parts.

## Together with Employees

### Nurturing Human Resources

Roland DG puts the management strategy and business strategy derived from its corporate philosophy and vision into effective practice for the training of human resources capable of generating corporate value, while also accommodating opportunities where each and every employee can maximize their own abilities based on their individual career vision.

### Human Resources Training System

A training system has been developed that includes grade-based courses, objective-based courses and selective courses with the aim of boosting employee leadership skills and expertise, as well as supporting their self-development. Grade-based courses are designed for employees to acquire the awareness, knowledge and skills required for each employee rank, while also fostering individuality and independence in line with the management philosophy and standards of behavior. Roland DG implemented multiple-track personnel promotion system for the training of specialists with high levels of expertise in specific fields. Performance assessments and behavioral assessments based on MBO are coordinated with capacity development systems, and feedback received from superiors allows employees to verify this against their own career vision and utilize objective-based courses and self-development programs to build up any areas they are lacking in. Roland DG is also actively engaged in selection training to develop the next generation of leaders.

### Re-skilling

Transforming Roland DG's business portfolio and creating new forms of innovation for a new era through DX (digital transformation) calls for the training of personnel who have an eye to the future,

equipped with the skills and capabilities for responding in anticipation of potential changes. In fiscal 2022, Roland DG launched an online learning platform available to all employees, including part-time and temporary workers, for studying a wide range of the latest technologies. This platform forms part of Roland DG's efforts for investing heavily in human resources, with the aim of promoting the development of employees and boosting organizational capabilities.

### Diversity and Inclusion

Creating a workplace environment where employees can work in a lively manner and apply their skills to the maximum is considered to be a way of spurring innovation and creating new added value. With this in mind, Roland DG is involved in developing a broad range of activities based on diversity and inclusion.

### Promoting Advancement of Women in the Workplace

Roland DG has been focusing on creating a workplace environment that provides female employees greater peace of mind for continuing work, with initiatives such as expanding its support program for balancing work and childcare, and providing better systems around maternity and childcare leave. Following the Act on Promotion of Women's Participation and Advancement in the Workplace, Roland DG has been making greater efforts so female employees can focus on advancing their careers, by rolling out workstyle reforms that providing underlying support for initiatives such as setting targets for increasing the proportion of women in management, raising company-wide awareness, assisting with career development, and improving training for candidates of female managers.

In addition, Roland DG obtained the highest certification "Eruboshi Level 3" based on the Act on Promotion of Women's Participation and Advancement in the Workplace as the first in the manufacturing industry in Shizuoka Prefecture with the highest level. Roland DG met the requirements for all five evaluation criteria: "recruitment," "continued employment," "way of working such as working hours," "proportion of women in managerial positions," and "various career options."



#### Average Years of Services:

	FY2021	FY2020	FY2019
Male employee (general, management position)	15.0 years	15.0 years	14.9 years
Female employee (general, management position)	10.9 years	11.8 years	11.1 years
Male employee (dedicated manufacturing operator)	-	6.0 years	5.0 years
Female employee (dedicated manufacturing operator)	14.3 years	14.0 years	13.1 years

#### Number of Hired New Graduates and Experienced Workers, and Recruitment Competition Rate (excluding dedicated manufacturing operator):

	FY2021	FY2020	FY2019
Male employee (general, management position)	13	20	23
Female employee (general, management position)	6	4	7
Male employee (general, management position)	15.4x	8.4x	12.6x
Female employee (general, management position)	17.1x	9x	10.1x

\* Recruitment competition rate is calculated by number recruited / (number of new graduates accepted for first round screening + number of experienced workers accepted for preliminary screening)

#### Number and Percentage of Women in Management Positions:

	FY2021	FY2020	FY2019
Number of women in management positions	6	6	5
Percentage of women in management positions	5.7%	5.7%	5.1%

\* Numbers as of end of December

#### Promoting Advancement of Persons with Disabilities

Roland DG is aiming to be a company where both healthy people and persons with disabilities can work together to the best of their individual personalities and abilities. The Human Resources Department creates various opportunities that can fully utilize the individual capabilities of persons with disabilities. To help persons with disabilities integrate with work more smoothly, Roland DG encourages specific HR employees to acquire certification as intra-firm workplace coaching assistants (job coach) or workplace and lifestyle consultant for persons with disabilities, and also organizes training sessions for persons with disabilities to acquire business skills and other experience.

#### Number and Proportion of Employment of Persons with Disabilities

	FY2021	FY2020	FY2019
Number of persons with disabilities	11	12	12
Percentage of employment of persons with disabilities	2.15%	2.04%	2.31%

\* Numbers as of end of December

#### Promoting Advancement of Foreign Nationals

Roland DG has grown to include 15 subsidiaries in 14 countries, with overseas sales accounting for almost 90% of its consolidated operating revenue. Even at the head office in Hamamatsu City, Roland DG has forged a corporate culture based on tolerance towards differences in language, culture and religion, and is progressing with a focus on inclusion of foreign workers. Further efforts will continue to be made moving forward, such that diversity like this is applied for generating additional corporate value.

#### Number of Foreign Nationals:

	FY2021	FY2020	FY2019
Number of foreign nationals	10	9	9

\* Numbers are the total of full-time workers and temporary workers at Japanese offices of Roland DG Corporation and DGSHAPE Corporation as of end of December

#### Promoting Advancement of Retired Persons

Roland DG has developed a system that provides the opportunity of continued employment up to the age of 65 years old to workers who are seeking re-employment after reaching retirement age (60 years old). This not only allows them to continue working by applying their workplace experience, job performance, knowledge and expertise they have developed over the years, but also contributes to training of younger employees, turning implicit knowledge to explicit knowledge and inheriting corporate culture through guidance and support programs, as part of efforts to maintain and bolster corporate value.

#### Number of Re-Employed Retired Persons:

	FY2021	FY2020	FY2019
Number of re-employed retired persons	12	6	8

\* Numbers as of end of December

#### Workstyle Reform

Roland DG is implementing workstyle reforms with the aim of creating a workplace environment where a diverse range of employees can work in a lively manner with a healthy work and lifestyle balance. Roland DG has developed a more flexible approach to work with more efficient use of time and location, and have created a workplace environment where a diverse range of employees are able to continue working by not only encouraging employees to take paid leave, but also being made available the flextime system, the work-from-home program and the hour-based paid leave system, etc.

#### General Position, Average Hours of Overtime:

	FY2021	FY2020	FY2019
General position, average hours of overtime	14.3hours	8 hours	18 hours

#### Average Rate of Taken Paid Leave:

	FY2021	FY2020	FY2019
Average rate of taken paid leave	67%	70%	83%

## Childcare and Nursing Support

To ensure that employees are able to raise their children with peace of mind, Roland DG has developed a childcare leave system that is available up until children turn two years old, as well as a parental shortened working time system where employees can work for around six hours a day until the end of the fiscal year that their children are in third grade elementary school. Support is also available for employees who need to provide nursing care while working, with the nursing care leave system that can be used for up to one year, and the nursing care shortened working time system that allows for shortened working times.



Discussion on childcare



Seminar on family nursing care

## Occupational Safety Management

Roland DG acknowledges that protecting the safety and health of employees is its highest priority challenge. Under the initiative of the Health and Safety Committee, surveys are conducted of dangerous and hazardous conditions throughout the workplace followed by deliberation of appropriate measures, causes of work-related injuries are identified and measures put in place to prevent them from recurring, and safety and health-related activities are planned and proposed. Company-wide efforts are made to ensure that every employee is assured a safe and healthy place to work in by continuously implementing PDCA activities for implementation, evaluation, and improvement of the plan.

### Number of Occupational Accidents:

	FY2021	FY2020	FY2019
Number of occupational accidents	2	3	2

## Maintaining and Promoting Health

Health nurses are stationed at Roland DG workplaces to help maintain and promote health and provide mental health care.

In addition to health checkups held once a year, employees aged 35 years or older are encouraged to have thorough physical examinations. Employees who have accrued more than 80 hours of overtime work in a month are checked up by an industrial physician, and employees with a high risk of adult-onset diseases are provided with individual health support and guidance by a health nurse.

As a way of addressing mental health Roland DG regularly gives consideration to the health of employees such as Stress checks, individual interviews and support with health nurse are also available during health checkups.

## Pursuing Employee Satisfaction

Employees being able to work in a lively manner boosts the level of satisfaction of all stakeholders, and in turn leads to enhanced corporate value and brand value. One of Roland DG's corporate slogans is "Inspire the Enjoyment of Creativity." In light of this, Roland DG considers it essential to cherish open-minded imagination free of conventional constraints, as well as creating an environment that inspires and motivates each and every employee to harness the full potential of their diverse capabilities. Roland DG runs an employee satisfaction survey once every year to identify the best possible approach to human resources and corporate culture for delivering creativity and innovative value, and applies the results in various types of action to boost employee engagement.

### Results of Employee Satisfaction Survey (maximum score of 5):

	FY2021	FY2020	FY2019
Employee satisfaction level	3.40	-	3.17

## Human Rights

Roland DG respects the rights of each and every employee, and is committed to creating a workplace environment with no unjustifiable discrimination that ensures freedom based on race, religion, nationality, gender, age and other qualities.

## Preventing Harassment

So that each and every employee is respected as an individual and is able to work with peace of mind without facing any form of harassment, Roland DG's working regulations clearly prohibit harassment, and to prevent any incidents from occurring, the regulations outline the swift and appropriate measures that are taken in the event that an incident does occur. Initiatives are developed to raise awareness amongst employees, and all company employees are required to take an education course once a year to prevent harassment. An internal and external harassment hotline has also been established in order to implement swift and appropriate measures if necessary.

## Preventing Child Labor and Slave Labor

Roland DG is expanding business on a global scale, and is committed to the appropriate management of human resources based on the laws of countries and regions where overseas subsidiaries are located as well as its own internal regulations. Incidents involving child labor and slave labor have not occurred throughout the Roland DG Group.

## Respecting Basic Labor Rights

Roland DG is in constant communication with labor unions as part of efforts to resolve a range of problems that can occur between labor and management. Members of executive management participate in labor-management consultations that are held every month for exchanging ideas and information. Roland DG has favorable relations with labor unions and is committed to maintaining sound labor-management relations.

## Initiatives at Group Companies

### Roland Digital Group (Thailand) Ltd.

Peace of mind for employees and protection of their mental and physical health are core principles of business activities conducted at Thailand subsidiary Roland Digital Group (Thailand) Ltd. To achieve this, every effort is being taken to create a safe and lively workplace for all.

When manufacturing was transferred from the Miyakoda factory in Hamamatsu, Japan in fiscal 2021, there were concerns over the heightened risk of accidents or disasters due to the increase in the production models and volume as well as the greater number of employees. In light of this, efforts have been made to enhance the risk assessments as a priority, in order to identify and reduce the underlying risks associated with work.

#### Risk assessments

Roland Digital Group (Thailand) Ltd. has appointed a safety officer who conduct risk assessment activities. The safety officer is equipped with the required fundamental knowledge and skills for identifying, estimating and assessing potential risks, and implementing the appropriate measures as a way of preventing unexpected industrial accidents. In addition to the conventional assessments related to facilities, the scope of assessments was expanded from fiscal 2021 to encompass chemical substances management including ink, with the aim of preventing a broader range of risks in a proper manner. External audits have been conducted anew from this fiscal year by independent organizations. Responding properly to risks that are unforeseeable with internal checks, and making improvements with corrective actions and following them up are part of initiatives toward creating a workplace free of industrial accidents.

#### Routine for promoting safety culture

Efforts are being made by Roland Digital Group (Thailand) Ltd. to focus on promoting safety culture through activities related to safety and health. It understands that integrating the 5S principle (Sort, Set in Order, Shine, Standardize, Sustain) is the key to ensuring safety throughout the workplace. To achieve this, all employees set aside five minutes every morning before starting work as a way of cutting down wasteful movement and preventing unexpected accidents or problems from occurring.

Signboards and floor signs have been produced internally using the company's own printers, outlining at a glance the specific actions that each employee should take—this ensures that order and discipline are always maintained at workplaces.

Kiken Yochi Training (KYT: Training for hazard prediction) and Quality Problem Yochi Training (QYT: Training for quality problem prediction) have continued to be implemented from fiscal 2020—these give employees the opportunity to contemplate common risks and

problems and discuss them with others, as a way of boosting the sensitivity toward risks by each and every employee.

A number of unique songs created by Roland Digital Group (Thailand) Ltd. are played daily on a rotating basis when conducting 5S activities, and KYT/QYT activities involve team-based competitions to generate a game-like mood. These are part of efforts to integrate safety with an element of fun, making the most of the Thai peoples' love of anything related to entertainment.

As a result of implementing these initiatives, Roland Digital Group (Thailand) Ltd. has achieved the milestone of zero minor and major workplace accidents to date through fiscal 2022. With these efforts, Roland Digital Group (Thailand) Ltd. has been recognized throughout society as a company striving to improve and maintain excellent health and safety standards, including earning the highest award in health and safety audits conducted by the Thailand Institute of Occupational Safety and Health (T-OSH) in fiscal 2022.



Risk assessment training



DGT on Big Cleaning Day

### Roland DGA

At Roland DGA Corporation, Roland DG's U.S.-based marketing, distribution and sales arm, we prioritize positive company culture and believe that happy, engaged employees, help cultivate happy, engaged customers. Below are some of the ways in which DGA tries to create fulfillment, inclusion and collaboration in our workplace.

#### Fulfillment

Fulfillment is the satisfaction that results from someone achieving some desirable thing in their life. In the workplace, that desirable thing often relates to development of one's skills, career advancement, or engaging in a meaningful activity.

DGA supports employees developing their individual skills by encouraging and paying for employees to attend trainings and certifications in their given fields or leadership trainings at a local university. We also provide employees with a subscription to LinkedIn Learning to develop their skills flexibly, regardless of time or location.

We also foster career development through "Career Interviews." Under this program, every employee gets to meet with a member of DGA's Sr. Management team to discuss their career goals. From there, DGA explores different ways to help the employee pursue those career goals. Career advancement can be a challenge at DGA due to our size and streamlined operations. One thing we do is to give priority to existing employees over outside candidates whenever new positions open.

In the workplace, meaningful activity ranges from having genuine and fun relationships with colleagues to helping in our local communities or at charities. DGA has an events committee that hosts fun events throughout the year to encourage personal interactions amongst employees. We have a BASE team that hosts quarterly social events that creatively reinforce our core values and celebrate employees that have best exemplified those core values. We have a social responsibility committee that hosts events that support causes or charities that are important to our employees.



DGA team enjoying watching a baseball game



Celebrating Halloween in costume

## Inclusion

At DGA, we strive to be inclusive of individuals from all walks of life. It is important to create an environment where everyone feels welcome and safe to not only express themselves, but to also share any feedback or concerns. DGA fosters this by such simple things like periodic employee surveys, quarterly all-employee meetings, or even

the Career Interview program mentioned above. Roland DGA values opportunities for dialogue with its employees and strives to eliminate all caste-like system and create the workplace without barriers in order to create a workplace where all-employee can work comfortably.

## Collaboration

Collaboration is a natural outflow of a healthy company culture, and the inclusiveness mentioned above. We actively try to avoid working in silos. We encourage employees of various levels from different departments to work together. We have monthly meetings where managers from all departments provide updates about their departments and brainstorm together. We have created cross-departmental "tiger teams" to take on special projects throughout the year.

In closing, the importance of a positive company culture cannot be overstated. A positive culture is a continual work in progress which requires us to constantly revisit our policies and programs. By making culture one of our top priorities, DGA can quickly adapt and create the best environment for success. These efforts have been highly evaluated by employees, and Roland DGA has been named as a "Best Workplace" by the Orange County Business Journal almost every year.

## Information Security

Roland DG utilizes digital data in a wide range of applications including sales support and company-wide management. There have been an increasing number of problems in recent years involving the leakage of information due to cyber-attacks or security breaches such as the transmission of targeted emails. Roland DG has defined rules and is developing a system for information security to ensure appropriate protection of information related to customers and suppliers as well as company business with the aim of maintaining smooth business operations.

### Global Information Security Policy

The Global Information Security Policy has been defined as the guiding principles for information security throughout the Roland DG Group. This policy sets out compliance rules that form the core of information security measures for the Roland DG Group, and is designed to maintain and protect the confidentiality, integrity and availability of information resources including personal information. This serves to prevent business losses of the Roland DG Group and erosion of social credibility, and provides an environment where employees are able to perform their duties with peace of mind.

### Establishing and Implementing Internal Regulations

Roland DG has established "Information Management Regulations," "Information Systems Management Regulations/Global Information Security Management Regulations" and "Information Equipment Security Regulations" in line with the Global Information Security Policy. Information Management Regulations outlines definitions for the information being handled, including confidential information, internal information and business information, and sets forth rules on their disclosure, inspection, distribution, reproduction, storage, disposal, and other methods of handling the information. Rules also cover how to respond to incidents like information leakage as well as auditing and inspection methods, review methods for handling information, and internal education and guidance. Information Systems Management Regulations outlines rules for handling information equipment and systems, as well as rules for their proactive "utilization" to achieve management goals in addition to their "protection."

## Information Security Management System

The RULES FOR INFORMATION MANAGEMENT appoint the President and Representative Director as the Chief Information Officer, and the Director in charge as the Information Management Officer. A system has been established where the department in charge of information management is the principle, and the related departments provides support for the principle.

## Organizing Ongoing Inspections and Training

Once every year, Roland DG conducts inspections of information it handles. Training for information management is also organized

regularly to provide guidance on information management to ensure that each and every employee has a thorough understanding of the basic principles of information security.

## Compliance with Laws Regarding Personal Information Protection

Roland DG ensures compliance with the General Data Protection Regulation (GDPR) of the EU. Compliance is progressing with the coordination of local law firms and sales subsidiaries. The Company also complies with the Protection of Personal Information Act of Japan.

## Guiding Principles and Policies on Environment and Product Quality

### Guiding Principles

Under our "environmental policy," Roland DG endeavors to develop a sustainable society worldwide.

Roland DG has developed its own Management System processes, including an EMS (Environmental Management System) and a QMS (Quality Management System).

To implement our environmental policy and achieve our objectives and goals, each and every department and employee is required to consider the relationship between their work and the environment, and to devise a plan to reduce their impact on the environment.

QMS is aimed at reducing environmental impact through design concepts and the selection of part materials, and Roland DG will continue pursuing a level of quality based on the following quality policy so as to better satisfy customers that Roland DG is a company they can trust.

Roland DG also coordinates and complies with safety and health activities when conducting its business.

### Environmental Policy: We Keep Environmentally Friendly Manufacturing in Mind.

Roland DG ensures compliance with legal and other requirements, and we are also continuously improving the effectiveness of our Management System in an effort to improve the quality of business operations.

Roland DG endeavors to reduce waste and focus on recycling as well as to make effective use of resources and prevent environmental pollution caused by chemical substances.

Roland DG also develops and designs goods and products that are environmentally friendly by including resource-efficient and power-saving features.

### Quality Policy: We Produce Reliable Products for Our Customers

Roland DG understands the importance of meeting customer requirements, and ensures compliance with legal and other requirements while providing reliable products. We are also continuously improving the effectiveness of our Management System in an effort to improve the quality of business operations.

### ISO certification

Roland DG and the Roland Digital Group (Thailand) Ltd. (our plant in Thailand) fulfilled the international requirements set by ISO, by achieving and maintaining "ISO9001" certification in 1999 for its Hamamatsu Headquarters and subsequently for its other business site, followed by "ISO14001" certification in 2000.

## ISO14001:2015, ISO9001:2015

### Certification registration number

ISO9001:2015 09539-A

ISO14001:2015 09539-B

### Offices/location

Roland DG Headquarters

1-6-4 Shinmiyakoda, Kita-ku, Hamamatsu-shi, Shizuoka-ken, 431-2103 Japan

Roland DG Miyakoda Plant

1-1-3 Shinmiyakoda, Kita-ku, Hamamatsu-shi, Shizuoka-ken, 431-2103 Japan

### Scope of certification

Design, development, production, installation, maintenance, repair and supply of service parts of computer peripheral machinery and optional consumables

### Offices/location

Roland DG Tokyo Office

1-6-31 Kounan, Minato-ku, Tokyo, 108-0075 Japan

### Scope of certification

Sales



ISO 9001:2015 認証取得  
ISO 14001:2015 認証取得

## Certification status ISO9001:2015

### Certification registration number

ISO9001:2015 C2017-0028

### Offices/location

Roland Digital Group (Thailand) Ltd.

30/122 Moo1, Sinsakhon Industrial Estate, T.Khok Kham, A.Muang, Samutsakhon 74000 Thailand

### Scope of certification

Manufacture of computer peripherals and accessories

(Notes) DGSHAPE Corporation\*

DGSHAPE Corporation attained ISO14001 and ISO9001 certification in June 2017 as part of Roland DG operations.

Scope of certification covers the design, development, production, installation, maintenance, repair, supply and sales of service parts of computer peripheral machinery and optional consumables.

\* DGSHAPE Corporation is a subsidiary of Roland DG established in April 2017 to conduct 3D business operations.

# FINANCIAL HIGHLIGHTS

Roland DG Corporation and Consolidated Subsidiaries

## Roland DG Corporation and Consolidated Subsidiaries

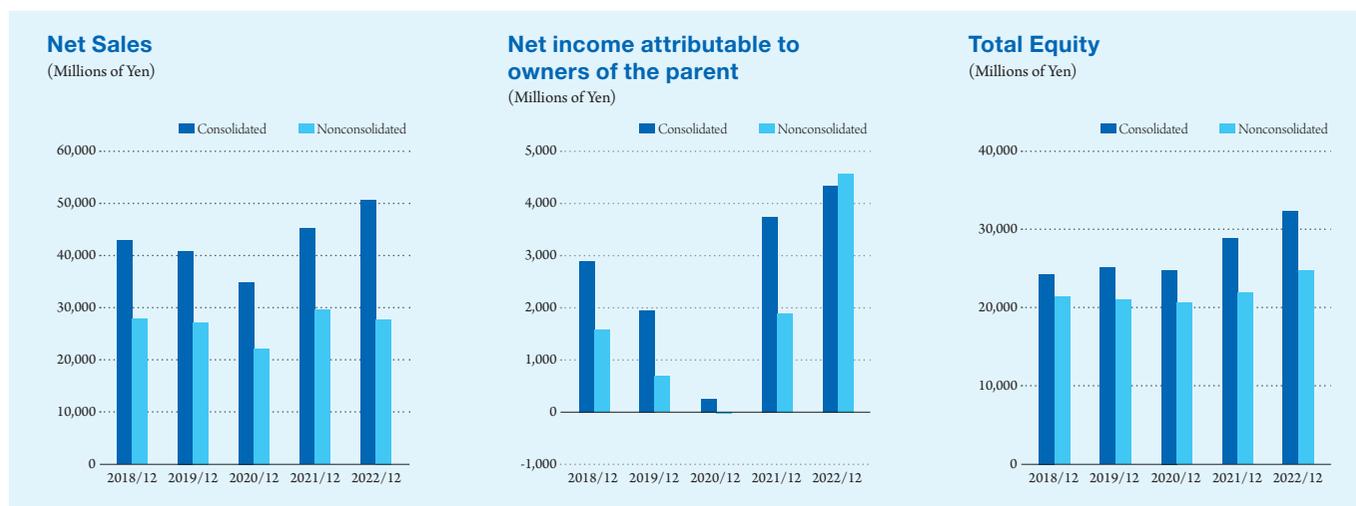
Years Ended December 31

### Consolidated

	Millions of Yen				
	2022/12	2021/12	2020/12	2019/12	2018/12
<b>Operating Results</b>					
Net sales	¥ 50,459	¥ 45,096	¥ 34,780	¥ 40,795	¥ 42,775
Operating income	6,084	6,056	500	2,794	4,250
Net income attributable to owners of the parent	4,327	3,734	251	1,945	2,882
Net cash provided by (used in) operating activities	2,679	5,365	4,003	2,534	4,348
<b>Financial Position</b>					
Total equity	32,290	28,797	24,738	25,048	24,182
Total assets	46,027	42,969	36,301	38,446	36,711
Yen					
<b>Per Share Data</b>					
Net income attributable to owners of the parent	¥ 347.69	¥ 299.88	¥ 20.17	¥ 155.39	¥ 229.66
Equity	2,622.20	2,311.49	1,900.89	2,005.60	1,926.09
Cash dividends applicable to the year	130.00	100.00	10.00	50.00	70.00

### Nonconsolidated

	Millions of Yen				
	2022/12	2021/12	2020/12	2019/12	2018/12
<b>Operating Results</b>					
Net sales	¥ 27,798	¥ 29,569	¥ 22,176	¥ 27,087	¥ 27,713
Operating income (loss)	2,635	3,780	(83)	720	2,353
Net income (loss)	4,568	1,893	(14)	690	1,582
<b>Financial Position</b>					
Total equity	24,710	21,970	20,582	20,962	21,310
Total assets	33,361	30,064	27,643	29,749	30,269
Yen					
<b>Per Share Data</b>					
Net income (loss)	¥ 367.08	¥ 152.01	¥ (1.15)	¥ 55.10	¥ 126.09
Equity	2,006.66	1,763.54	1,656.38	1,678.45	1,697.35



# FINANCIAL SECTION

## Consolidated Balance Sheet

### Consolidated Balance Sheet

Roland DG Corporation and Consolidated Subsidiaries

December 31, 2022

#### ASSETS

	Thousands of Yen	
	December 31, 2022	December 31, 2021
<b>Current assets</b>		
Cash and deposits	¥ 11,362,258	¥ 14,075,701
Notes and accounts receivable - trade	5,796,564	4,627,044
Merchandise and finished goods	8,471,192	7,309,375
Work in process	146,623	35,939
Raw materials and supplies	4,584,100	3,529,463
Other	2,132,408	1,782,398
Allowance for doubtful accounts	(54,724)	(48,355)
Total current assets	32,438,423	31,311,567
<b>Non-current assets</b>		
Property, plant and equipment		
Buildings and structures	7,541,328	7,218,003
Accumulated depreciation	(4,716,767)	(4,972,964)
Buildings and structures, net	2,824,560	2,245,039
Machinery, equipment and vehicles	1,055,159	961,561
Accumulated depreciation	(741,000)	(709,363)
Machinery, equipment and vehicles, net	314,158	252,198
Tools, furniture and fixtures	4,439,330	4,050,425
Accumulated depreciation	(3,639,943)	(3,433,568)
Tools, furniture and fixtures, net	799,386	616,856
Land	3,158,234	3,121,218
Leased asset-use rights	1,649,201	1,342,745
Construction in progress	1,141,326	307,913
Total property, plant and equipment	9,886,868	7,885,972
<b>Intangible assets</b>		
Goodwill	—	40,302
Software	894,722	680,730
Telephone subscription right	7,406	7,616
Total intangible assets	902,128	728,648
<b>Investments and other assets</b>		
Investment securities	200	200
Deferred tax assets	1,933,132	2,166,891
Other	867,580	875,935
Allowance for doubtful accounts	(1,051)	—
Total investments and other assets	2,799,861	3,043,026
<b>Total non-current assets</b>	13,588,858	11,657,648
<b>Total assets</b>	¥ 46,027,282	¥ 42,969,215

# FINANCIAL SECTION

## Consolidated Balance Sheet

### LIABILITIES

	Thousands of Yen	
	December 31, 2022	December 31, 2021
<b>Current liabilities</b>		
Notes and accounts payable - trade	¥ 3,923,387	¥ 3,320,694
Short-term borrowings	5,104	—
Accounts payable - other	1,508,569	2,275,852
Lease liabilities	484,350	329,490
Income taxes payable	247,111	1,464,790
Provision for bonuses	652,466	670,298
Provision for bonuses for directors (and other officers)	67,631	4,000
Provision for product warranties	680,335	576,245
Other	2,087,047	2,237,366
Total current liabilities	9,656,004	10,878,740
<b>Non-current liabilities</b>		
Lease liabilities	1,232,934	1,051,742
Provision for employee stock ownership plan trust	143,943	132,686
Provision for share awards for directors (and other officers)	152,132	106,228
Retirement benefit liability	867,632	559,494
Long-term accounts payable - other	93,899	63,728
Other	1,590,531	1,379,411
Total non-current liabilities	4,081,074	3,293,293
<b>Total liabilities</b>	13,737,079	14,172,033

### NET ASSETS

<b>Shareholders' equity</b>		
Share capital	3,668,700	3,668,700
Capital surplus	3,700,608	3,700,608
Retained earnings	25,168,080	22,233,208
Treasury shares	(952,632)	(516,151)
Total shareholders' equity	31,584,756	29,086,365
<b>Accumulated other comprehensive income</b>		
Foreign currency translation adjustment	904,524	(335,055)
Remeasurements of defined benefit plans	(199,230)	45,757
Total accumulated other comprehensive income	705,294	(289,297)
<b>Non-controlling interests</b>	151	113
<b>Total net assets</b>	32,290,202	28,797,181
<b>Total liabilities and net assets</b>	¥ 46,027,282	¥ 42,969,215

# FINANCIAL SECTION

## Consolidated Statement of Income

### Consolidated Statement of Income

Roland DG Corporation and Consolidated Subsidiaries

Year Ended December 31, 2022

	Thousands of Yen	
	December 31, 2022	December 31, 2021
<b>Net sales</b>	¥ 50,459,277	¥ 45,095,845
<b>Cost of sales</b>	25,399,417	22,032,172
<b>Gross profit</b>	25,059,860	23,063,673
<b>Selling, general and administrative expenses</b>		
Transportation and storage costs	1,153,015	973,295
Advertising and promotion expenses	1,159,309	768,851
Provision of allowance for doubtful accounts	23,060	15,629
Provision for product warranties	5,563	68,252
Salaries and bonuses	7,780,224	7,098,799
Provision for bonuses	398,174	394,346
Provision for bonuses for directors (and other officers)	67,631	4,000
Provision for employee stock ownership plan trust	6,504	14,719
Provision for share awards for directors (and other officers)	65,182	50,956
Retirement benefit expenses	245,613	291,920
Travel and transportation expenses	462,344	180,029
Depreciation	903,814	828,012
Commission expenses	1,590,042	1,407,176
Research and development expenses	3,134,608	3,106,757
Other	1,980,772	1,804,591
Total selling, general and administrative expenses	18,975,861	17,007,337
<b>Operating profit</b>	6,083,998	6,056,336
<b>Non-operating income</b>		
Interest income	13,646	12,279
Dividend income	3,304	3,462
Gain on valuation of investments in money held in trust	—	54,217
Foreign exchange gains	39,434	72,416
Other	79,193	86,339
Total non-operating income	135,577	228,715
<b>Non-operating expenses</b>		
Interest expenses	39,310	30,602
Sales discounts	—	119,671
Loss on valuation of investments in money held in trust	47,635	—
Other	6,000	52,712
Total non-operating expenses	92,947	202,986
<b>Ordinary profit</b>	6,126,629	6,082,064
<b>Extraordinary income</b>		
Gain on sale of non-current assets	19,340	109,934
Gain on sale of investment securities	—	750
Total extraordinary income	19,340	110,684
<b>Extraordinary losses</b>		
Loss on sale and retirement of non-current assets	60,260	43,034
Impairment losses	—	315,651
Extra retirement payments	—	1,237,736
Total extraordinary losses	60,260	1,596,423
<b>Profit before income taxes</b>	6,085,709	4,596,325
<b>Income taxes - current</b>	1,350,747	1,757,621
<b>Income taxes - deferred</b>	407,921	(894,825)
<b>Total income taxes</b>	1,758,669	862,795
<b>Profit</b>	4,327,039	3,733,530
<b>Profit attributable to non-controlling interests</b>	18	10
<b>Profit attributable to owners of parent</b>	¥ 4,327,021	¥ 3,733,519

# FINANCIAL SECTION

Consolidated Statement of Comprehensive Income

## Consolidated Statement of Comprehensive Income

Roland DG Corporation and Consolidated Subsidiaries

Year Ended December 31, 2022

	Thousands of Yen	
	December 31, 2022	December 31, 2021
<b>Profit</b>	¥ 4,327,039	¥ 3,733,530
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	—	249
Foreign currency translation adjustment	1,239,599	530,340
Remeasurements of defined benefit plans, net of tax	(244,987)	298,765
Total other comprehensive income	994,611	829,355
<b>Comprehensive income</b>	¥ 5,321,651	¥ 4,562,885
<b>Comprehensive income attributable to</b>		
Comprehensive income attributable to owners of parent	¥ 5,321,613	¥ 4,562,875
Comprehensive income attributable to non-controlling interests	37	10

# FINANCIAL SECTION

## Consolidated Statement of Changes in Equity

### Consolidated Statement of Changes in Net Assets

For the fiscal year ended December 31, 2022

(From January 1, 2022 to December 31, 2022)

	Thousands of Yen									
	Shareholder's equity					Accumulated other comprehensive income				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
Balance at beginning of period	¥ 3,668,700	¥ 3,700,608	¥22,233,208	¥ (516,151)	¥29,086,365	¥ (335,055)	¥ 45,757	¥ (289,297)	¥ 113	¥28,797,181
Changes during period										
Dividends of surplus			(1,392,149)		(1,392,149)					(1,392,149)
Profit attributable to owners of parent			4,327,021		4,327,021					4,327,021
Purchase of treasury shares				(455,572)	(455,572)					(455,572)
Treasury stock transfer of stock ownership plan trust				19,091	19,091					19,091
Net changes in items other than shareholders' equity						1,239,579	(244,987)	994,592	37	994,630
Total changes during period	—	—	2,934,872	(436,481)	2,498,390	1,239,579	(244,987)	994,592	37	3,493,020
Balance at end of period	¥ 3,668,700	¥ 3,700,608	¥25,168,080	¥ (952,632)	¥31,584,756	¥ 904,524	¥ (199,230)	¥ 705,294	¥ 151	¥32,290,202

For the fiscal year ended December 31, 2021

(From January 1, 2021 to December 31, 2021)

	Thousands of Yen										
	Shareholder's equity					Accumulated other comprehensive income					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
Balance at beginning of period	¥ 3,668,700	¥ 3,700,608	¥19,132,487	¥ (644,762)	¥25,857,034	¥ (249)	¥ (865,396)	¥ (253,007)	¥(1,118,653)	¥ 103	¥24,738,483
Changes during period											
Dividends of surplus			(632,798)		(632,798)						(632,798)
Profit attributable to owners of parent			3,733,519		3,733,519						3,733,519
Purchase of treasury shares				(284)	(284)						(284)
Treasury stock transfer of stock ownership plan trust				128,895	128,895						128,895
Net changes in items other than shareholders' equity						249	530,341	298,765	829,356	10	829,366
Total changes during period	—	—	3,100,720	128,611	3,229,331	249	530,341	298,765	829,356	10	4,058,698
Balance at end of period	¥ 3,668,700	¥ 3,700,608	¥22,233,208	¥ (516,151)	¥29,086,365	¥ —	¥ (335,055)	¥ 45,757	¥ (289,297)	¥ 113	¥28,797,181

# FINANCIAL SECTION

## Consolidated Statement of Cash Flows

### Consolidated Statement of Cash Flows

Roland DG Corporation and Consolidated Subsidiaries

Year Ended December 31, 2022

	Thousands of Yen	
	December 31, 2022	December 31, 2021
<b>Cash flows from operating activities</b>		
Profit before income taxes	¥ 6,085,709	¥ 4,596,325
Depreciation	1,320,966	1,245,830
Impairment losses	—	315,651
Amortization of goodwill	42,642	80,234
Increase (decrease) in allowance for doubtful accounts	1,866	(32,159)
Increase (decrease) in provision for bonuses	(21,533)	88,225
Increase (decrease) in provision for bonuses for directors (and other officers)	63,631	4,000
Increase (decrease) in provision for product warranties	29,380	93,478
Increase (decrease) in provision for employee stock ownership plan trust	12,131	17,614
Increase (decrease) in provision for share awards for directors (and other officers)	64,120	56,204
Increase (decrease) in retirement benefit liability	(41,145)	74,773
Interest and dividend income	(16,950)	(15,741)
Interest expenses	39,310	30,602
Loss (gain) on sale and retirement of intangible assets	9,131	343
Loss (gain) on sale of property, plant and equipment	31,789	(67,243)
Extra retirement payments	—	1,237,736
Loss (gain) on sale of investment securities	—	(750)
Decrease (increase) in trade receivables	(723,951)	(36,170)
Decrease (increase) in inventories	(1,133,932)	(2,277,009)
Decrease (increase) in other current assets	(218,388)	(223,177)
Decrease (increase) in other non-current assets	69,818	(33,269)
Increase (decrease) in trade payables	484,158	898,186
Increase (decrease) in accounts payable - other	(416,971)	376,054
Increase (decrease) in other current liabilities	(136,661)	206,051
Increase (decrease) in other non-current liabilities	140,713	51,507
Other, net	1,011	38,087
Subtotal	5,686,847	6,725,386
Interest and dividends received	38,056	26,166
Interest paid	(40,393)	(32,097)
Extra retirement payments	(455,104)	(780,632)
Income taxes paid	(2,549,878)	(574,235)
Net cash provided by (used in) operating activities	2,679,527	5,364,587
<b>Cash flows from investing activities</b>		
Payments into time deposits	—	(85,150)
Proceeds from withdrawal of time deposits	97,450	—
Purchase of property, plant and equipment	(2,256,532)	(1,016,896)
Proceeds from sale of property, plant and equipment	36,978	144,417
Payments for retirement of property, plant and equipment	(140,846)	(5,037)
Purchase of intangible assets	(449,147)	(344,436)
Purchase of investment securities	(12,254)	—
Proceeds from sale of investment securities	—	4,710
Other, net	(635)	—
Net cash provided by (used in) investing activities	(2,724,987)	(1,302,391)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	5,713	—
Repayments of long-term borrowings	—	(1,440,000)
Repayments of lease liabilities	(372,769)	(350,445)
Purchase of treasury shares	(456,347)	(284)
Dividends paid	(1,391,192)	(632,342)
Net cash provided by (used in) financing activities	(2,214,596)	(2,423,072)
<b>Effect of exchange rate change on cash and cash equivalents</b>	(364,470)	(106,753)
<b>Net increase (decrease) in cash and cash equivalents</b>	(2,624,527)	1,532,369
<b>Cash and cash equivalents at beginning of period</b>	13,966,394	12,434,024
<b>Cash and cash equivalents at end of period</b>	¥ 11,341,867	¥ 13,966,394

# CORPORATE DATA

Company Outline / Group Companies

## Company Outline (As of December 31, 2022)

### Name

Roland DG Corporation

### Founded

May 1, 1981

### Common Stock

¥3,669 million

### Net Sales for FY2022

¥27,798 million (Nonconsolidated)

¥50,459 million (Consolidated)

### Number of Employees

420 (Nonconsolidated)

1,177 (Consolidated)

### Main Products

Wide-format Color Inkjet Printers, Inkjet Printer/Cutters, Vinyl Cutting Machines, 3D Milling Machines, 3D Printer, Engraving Machines, Dental Milling Machines, Dental 3D Printers, Photo Impact Printers

### Headquarters

1-6-4 Shinmiyakoda, Kita-ku, Hamamatsu-shi, Shizuoka-ken, 431-2103, Japan  
Phone: +81 53 484 1200 Fax: +81 53 484 1227  
Website: [www.rolanddg.com/](http://www.rolanddg.com/)

### Branch Offices in Japan

Tokyo, Osaka, Nagoya, Fukuoka

### Number of Shareholders

19,415

### Stock Exchange Listing

Tokyo

### Stock Transfer Agent

Mitsubishi UFJ Trust and Banking Corporation

### Independent Auditor

Deloitte Touche Tohmatsu LLC

### Executives (As of March 24, 2023)

President, Representative Director	Kohei Tanabe
Director, Managing Executive Officer	Toshiharu Uwai
Director, Managing Executive Officer	Andrew Oransky
Outside Director	Osamu Hosokubo
Outside Director	Naoko Okada
Outside Director	Brian K. Heywood
Outside Director	Yasuhiro Kasahara
Audit & Supervisory Board Member	Masayasu Suzuki
Audit & Supervisory Board Member	Naoki Nagano
Outside Audit & Supervisory Board Member	Mitsuhiro Honda
Outside Audit & Supervisory Board Member	Megumi Ikuma
Managing Executive Officer	Hisashi Bito
Managing Executive Officer	Kazuhiro Ogawa
Executive Officer	Yuji Kurata
Executive Officer	Tony Miller

## Group Companies (As of December 31, 2022)

### Sales

#### DGSHAPE Corporation

1-6-4 Shinmiyakoda, Kita-ku, Hamamatsu-shi, Shizuoka-ken, 431-2103 Japan  
<https://dgshape.com/ja/home-jp/>

#### Roland DGA Corporation

15363 Barranca Parkway, Irvine, CA 92618, U.S.A.  
<https://rolanddg.com/>

#### Roland DG EMEA N.V.

Bell Telephonaan 2G, 2440 Geel, Belgium  
<https://www.rolanddg.eu/nl/>

#### Roland DG (U.K.) Ltd.

Griffin House, Windmill Road, Clevedon Business Park, Clevedon, North Somerset BS21 6UJ, U.K.  
<https://www.rolanddg.eu/en-gb/>

#### Roland Digital Group Iberia, S.L.

Carrer Font de Can Mas 9-11 Poligono Industrial El Martinet 08291 Ripollet Barcelona, Spain  
<https://www.rolanddg.eu/es-es/>

#### Roland DG Mid Europe S.r.l.

Via Leonardo da Vinci 1/b  
63030 Acquaviva Picena (AP), Italy  
<https://www.rolanddg.eu/it/>

#### Roland DG North Europe A/S

Farum Gydevej 71, 3520 Farum, Denmark  
<https://www.rolanddg.eu/en/>

#### Roland DG Australia Pty. Ltd.

Allambie Grove Business Park Unit 14,  
25 Frenchs Forest Rd, Frenchs Forest, NSW 2086, Australia  
<https://www.rolanddg.com.au/?>

#### Roland DG (China) Corporation

Shanghai Mart, 2111-2112 Room,  
No.2299, Yan'an Road West, Shanghai, 200336, China  
<https://www.rolanddg.com.cn/?>

#### Roland DG Korea Inc.

#1207, TRIPLEX, Mullaebuk-ro 116, Yeongdeungpo-gu, Seoul, 07293 Korea  
<https://www.rolanddg.kr/?>

#### Roland DG Brasil Ltd.

Rua San José, 780, Parque Industrial San José, CEP 06715-862 Cotia, São Paulo, Brazil  
<https://www.rolanddg.com.br/?>

#### Roland DG Deutschland GmbH

Halskestraße 7, 47877 Willich, Germany  
Phone: +49 2154 8877 95 Fax: +49 2154 8877 96

#### Roland DG RUS LLC

Nizhnyaya Syromyatnicheskaya st., 10, Building 2, office 39.6/1 105120, Moscow, Russia  
Phone: +7 495 981 2307 FAX: +7 495 981 2307

#### Roland DG France SAS

2 avenue du prieuré 77700 serris, France  
Phone: +33 1 60 07 9049

### Production

#### Roland Digital Group (Thailand) Ltd.

30/122 Moo 1, Sinsakhon Industrial Estate  
Tambol Khok Kham, Ampur Muang, Samutsakhon 74000, Thailand

### Shared Services

#### Roland DG EMEA, S.L.

Carrer Font de Can Mas 9-11 Poligono Industrial El Martinet  
08291 Ripollet Barcelona, Spain

Roland DG Corporation