



JANOME REPORT

2021



# Message

Founded as Japan's first domestic sewing machine manufacturer, Janome celebrated its major milestone 100<sup>th</sup> Anniversary in October 2021. As expressed in our corporate philosophy, Janome has aimed to promote people's creativity and contribute to prosperity all over the world, and has worked to improve society and culture by consistently providing valuable products and services.

The Janome Group took this milestone opportunity of its 100<sup>th</sup> year since founding to change its company name to JANOME Corporation, representing our wish to become 'New Janome' with everlasting growth and development, which was announced in our Medium-Term Management Plan, "JANOME 2021 Navigation for the Future" coming to a close in this fiscal year end. The Janome brand has gained wide ranging support over the years. The new company name represents our resolution to continuously enhance Janome brand value, which has long been supported by our customers, and to extend the brand's reach into a wider customer base, as well as for our employees to be articulately connected to the name "Janome", both as a brand name as well as the Group name they belong to.

Household sewing machine business, the core business unit of Janome, has further consolidated its business foundation as the surge in so-called 'stay-at-home demand' since the spring of 2020 created by COVID-19 pandemic resulted in the rediscovery of the value of the sewing machine as a tool to enjoy time spent at home. On the other hand, our industrial equipment business, positioned as the second pillar of Janome business foundation, will



**Makoto Saito**

develop itself into a business unit capable to present, in the post COVID-19 world, solutions for improving production efficiency, and for coping with new environmental requirements as well as the work style reforms. While the COVID-19 vaccination development appears to be stemming the spread of the pandemic to some extent, future remains unpredictable with a lot of uncertainties about the virus. Under such an environment, the value of sewing machines is being rediscovered as instrument to enjoy handcrafting at home by any family member of different generations. Sewing is also regarded as one valid response to various SDGs targets. Industrial equipment, plagued as yet by the negative impact of the continuing COVID-19 pandemic, is seeing some positive signs for capital expenditure trends with increasing number of requests for pricing as well as concrete orders.

Janome is essentially a manufacturing company distributing the products it manufactures. The consistent business mix has driven Janome over the 100 years history to qualify as a so called “company of longevity”.

Looking beyond into the future, I am determined to grow the company and develop our human resources with care and attention along the philosophy of SDGs of both achieving sustainable growth of our own company and contributing to realize the sustainable society. Corporate management must accommodate any changes of the environment its businesses are involved in. I believe Janome has done so and prospered over-100 years by first asking ourselves what is best for our stakeholders—our employees and their families, business partners and shareholders in various countries in the world including Japan with extra care and attention to each and every local relationship that each stakeholder is a member to.

JANOME REPORT 2021’ is the third issue of our integrated report. I trust it will be of great help for you, investors and shareholders, to understand that the Janome Group’s corporate philosophy and management principles are structured to accomplish the goals as a manufacturer. I also hope this will help smooth our communication channels for the expansion of our corporate value beyond our 100<sup>th</sup> anniversary, the transit point of our path to everlasting growth. We will continue our efforts to fulfill our corporate social responsibilities and remain trustworthy for all the stakeholders. I would sincerely like to ask you all for your continued guidance and support for the Janome Group.

# Past 100 years

Janome appreciates unyielding support from various parties and individuals that has taken us for 100 years since its founding in 1921 as the first domestic sewing machine manufacture up until October 16, 2021 when the centenary was celebrated. We are resolved to make this historical milestone as a transit point of ongoing challenge for the next 100 years of prosperity by remaining loyal to your support.

1921



In Takinogawa, Tokyo, Yosaku Ose founds Pine Sewing Machine Factory with Shigeru Kamematsu and Kinichi Tobimatsu

1936

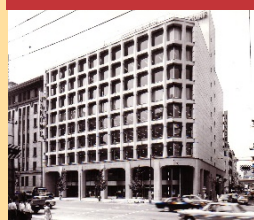


Completed the 1<sup>st</sup> domestic mass production factory in Japan, Koganei sewing machine factory.

1963

Listed its stock on the First Section of Tokyo and Osaka Stock Exchanges

1965



Head Office building completed in Kyobashi, Chuo-ku, Tokyo

1971



Celebrated the 50<sup>th</sup> Anniversary

1993



Completed Takao Factory, currently Tokyo Factory.

2012



Opened Bobinage in Kichijoji

1935



Company name changed to Teikoku Sewing Machine Co., Ltd. Registered Janome Sewing Machine as trademark.

1931

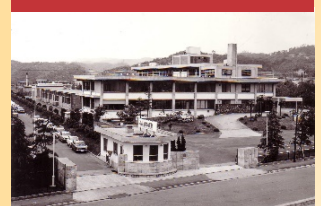


Company name changed to Kokusan Pine Sewing Machine Co., Ltd.

1954

Company name changed to Janome Sewing Machine Co., Ltd. to accentuate its manufacturing heritage.

1964



Technical Research Institute completed in Hachioji, Tokyo.

1969



Taiwan Janome Sewing Machine Co., Ltd. (currently Janome Taiwan Co., Ltd.) established

1988



Thai Janome Co., Ltd. (currently Janome Thailand Co., Ltd.) established.

2009

Head Office functions moved from Kyobashi, Chuo-ku, Tokyo to Hachioji City.

2019

Cumulative sewing machine production of 70 million units achieved.

2021

Company name changed to JANOME Corporation at its milestone centenary.



※Please see Steps Janome has taken on pages 83-84 for the timeline of our major sewing machine lineup.

# CONTENTS

## CONTENTS

Message	1
Past 100 years	3
Contents	4

### VISIONS & STRATEGIES

Corporate Philosophy	5
Corporate Value Creation Process	7
Management Vision	10
Actions taken to combat the COVID-19 pandemic	14
Medium-Term Management Plan	16

### BUSINESS SEGMENTS

Business Sector Applications	18
Overview of the Business Segments	20
Home Appliance Business	22
Industrial Equipment Business	27
Research & Development / Production System	30
IT Related Business	32

### ACTIONS TAKEN FOR ESG

Actions taken for ESG	33
Actions taken for Stakeholders	37
Corporate Governance	42
Environment Report	59

### Financial Data & Corporate Profile

Actions taken for Society	67
News & Topics	69
Financial Data	73
Corporate Information	78
Directors & Corporate Officers Directory	79
Sales & Service Network	81
Journey through the past 100 years	83

## Publisher's Notes

'JANOME REPORT 2021' is a comprehensive summary of our activities for the stakeholders—users of our products, shareholders, investors and business partners—to understand Janome better.

We are committed to tackling social challenges of the times through our normal course of business, while continuously seeking to expand our corporate value.

### **【Reporting Period】**

April 1<sup>st</sup>, 2020 to March 31<sup>st</sup>, 2020

\*includes certain activities and events after April 1<sup>st</sup>, 2021

### **【Issue Date (of the original version in Japanese)】**

November 29th 2021

### **【Scope of the Report】**

JANOME Corporation and its domestic and overseas group companies

### **【Accounting Standard】**

Japanese GAAP

### **【Reporting Vehicle】**

Published on our website

<https://www.janome.co.jp/ir/>

### **Notes on the forecast**

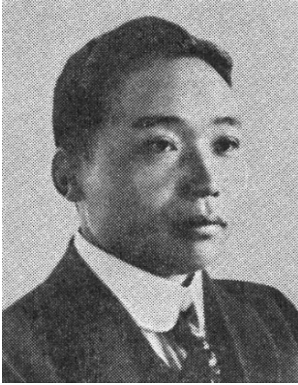
The descriptions in this report of the forecast for our future plans, targets and strategies are what we deem reasonable based upon currently available information and data, and may involve certain risks and uncertainties.

Please note that actual results and performances may differ due to various factors.

## Corporate Philosophy

1. Janome aims to promote people's creativity and contribute to prosperity all over the world.
2. Janome works to improve society and culture by consistently providing valuable products and services.

Since its founding in 1921, Janome has endeavored to develop and enhance clothing and fashion culture by manufacturing and distributing quality sewing machines to many households. In the absence of any domestic sewing machine manufacturer, Yosaku Ose, one of the founders of Janome, had a strong desire to create the first sewing machine made in Japan, at a time when the sewing machine market was dominated by foreign brands. In a time when clothing was far from abundant, sewing machines were gaining in presence as a must-have household appliance. This prompted Ose to found Janome with an unwavering determination that sewing machines must be domestically manufactured, which was also in line with the governmental goal of stimulating domestic industrial growth.



Founder Yosaku Ose

This is how the 100 year history of Janome started. Janome, founded with this determination of Ose, has since been a driving force in the industry to make clothing life better by manufacturing and distributing sewing machines with unyielding emphasis on technological innovations. Janome also played a prominent role in leading the industry to standardize the specifications of sewing machines in the 1940's.

Times have changed dramatically with regard to clothing supply, to the point where ready-made clothes abounded in the market. This has inevitably altered demand for sewing machines, prompting Janome to play a new role in terms of the value that sewing machines can offer to society. The sewing machine, once an appliance to support the household by making new clothes as well as mending old, has now become an appliance to quench the user's desire to create clothes or dresses to wear, to dress someone up, to simply possess, to give as a gift, and/or to simply show off. Research and Development has shifted its focus to technological innovations and functional development that can cater to sewers' expanding applications and needs.



1st domestically manufactured sewing machine  
'Model 53 Pine 500 type'

The Corporate Philosophy above is determined with the founder's beliefs and changing business focuses in mind, as well as the changing values and functions of the sewing machines. Janome not only wishes to present the appliances and services to enrich our customers' sewing lives, but also desires to actively support and facilitate the process whereby customers create whatever their imagination may guide them to and find sheer joy and fulfillment in their accomplished projects. Across all its businesses, Janome further desires to not only supply materials and functional products and services but also to engage universally in efforts to enhance societal and cultural development by bringing creative, original innovations to people's lifestyles and business activities.

**Main Businesses**

**Home Appliance Business**

Manufacturing and sales of household sewing machines & related products



**Industrial Equipment Business**

Manufacturing and sales of desk top robots, servo presses and die casting products



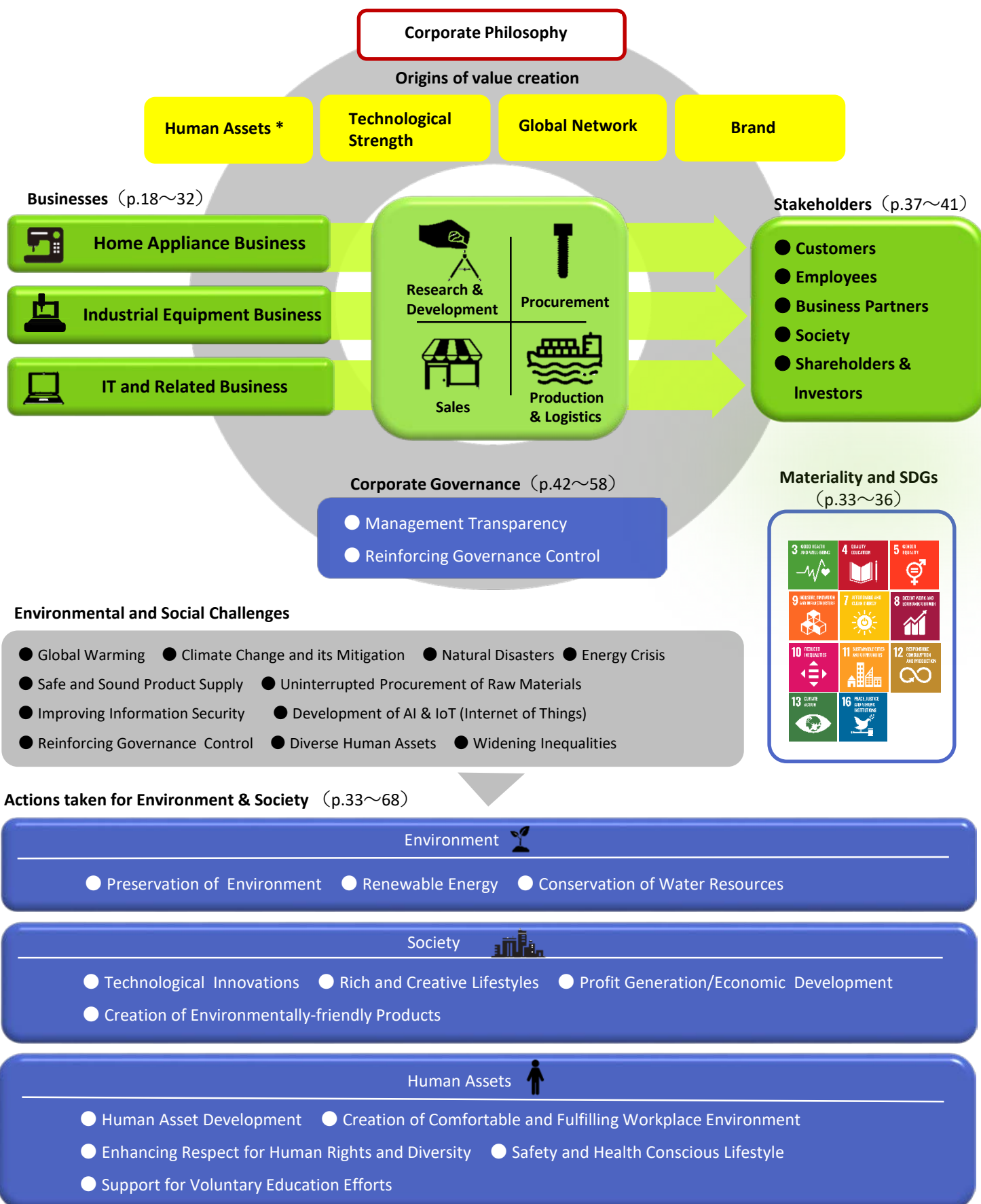
**IT & Related Business**

Systems integration & outsourcing, software development, sales & installation support



# Corporate Value Creation Process

The Janome Group has offered to all the stakeholders, rich and creative values by delivering top quality products and services supported by 'Human Assets', 'Technological Strength', 'Global Network' and 'Brand'. We are committed to expanding our corporate value further by responding to various social challenges, and contributing to the realization of sustainable society.



※Janome values employees as assets and describes them as such

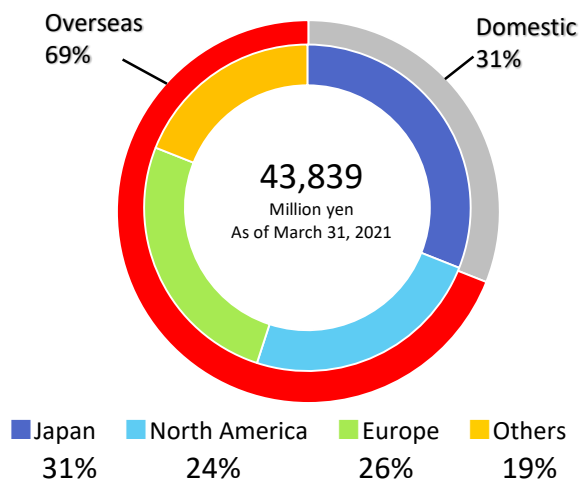


# Global network of production hubs and sales units

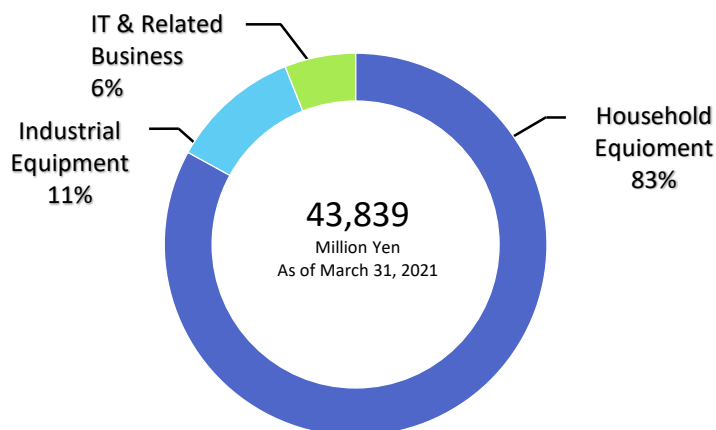
Janome has built a global distribution network so it can swiftly respond to wide ranging needs of the Janome users in the various markets around the world. 17 sales units, firmly supported by the Head Office Divisions--International Business Department of Home Appliance Division and Industrial Equipment Sales Division—work closely together to supply our products that satisfy our customer’s needs. Household sewing machine sales subsidiaries constitute a major engine of the Janome Group’s overseas sales activities. Headed by Janome America, Inc. with its long history going back to the 1960’s, overseas sales subsidiaries have long played key roles in executing localized marketing strategy mainly in the North American, European and Australasian markets. Industrial equipment sales subsidiaries, including Janome Industrial Equipment America, Co., Ltd., founded in 2007, mainly located in major industrial areas clustered by the automobile industry, are seeking to create and capture potential customer’s demands by making business proposals that illustrate the benefits and originality of our products. They are also engaged in after sales service activities.



**Sales by Region**



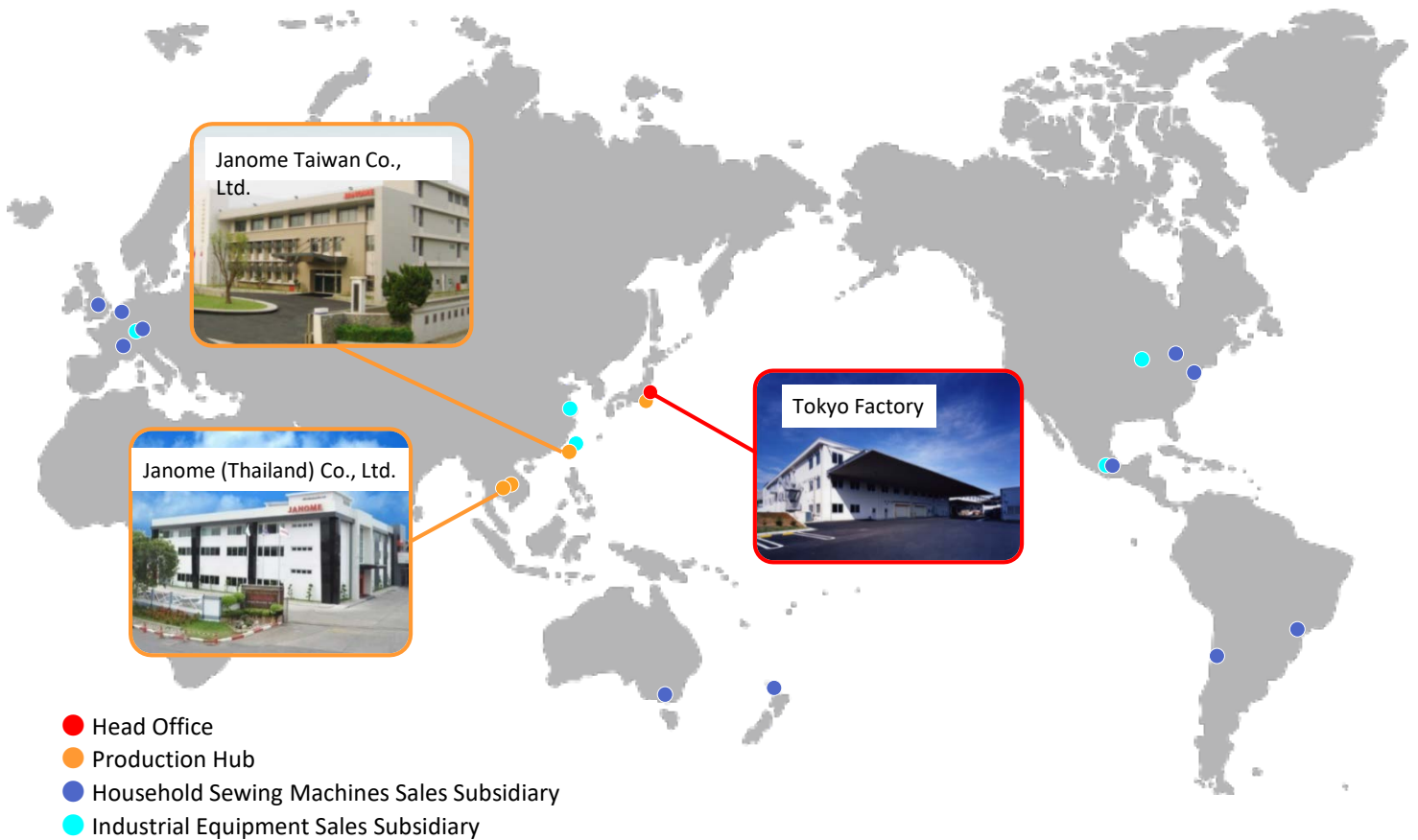
**Sales by Segment**



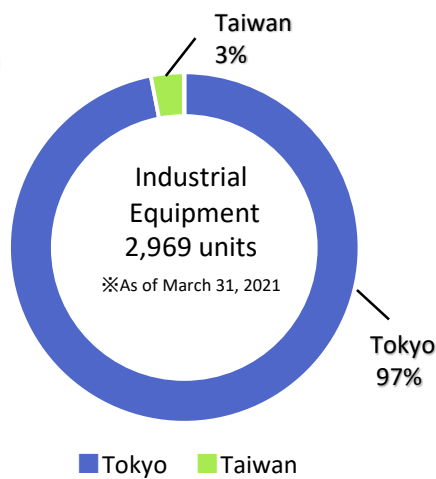
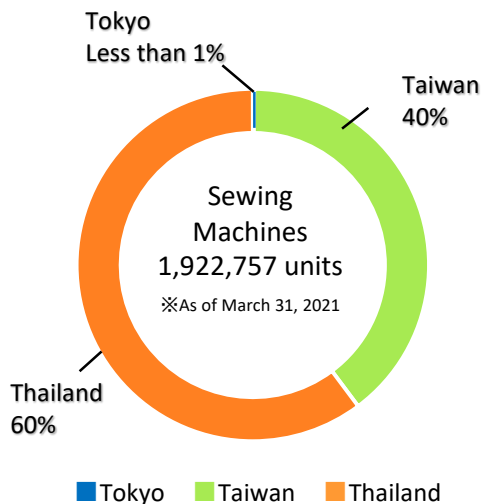
Janome products are manufactured in 3 production hubs—Tokyo Factory in Hachioji Head Office site, Taiwan and Thailand Factories. Tokyo Factory specializes in both top-end computerized sewing machines with embroidery functions and industrial equipment., as well as managing the production activities of Taiwan and Thailand Factories as Mother Factory.

While the former, Janome Taiwan Co., Ltd., our Major Factory, focuses on the major sewing machine lineups of mid to high end models, the latter, Janome Thailand Co., Ltd., our Strategic Factory, produces low-end models so that we remain strong in the price competition in its product lineup.

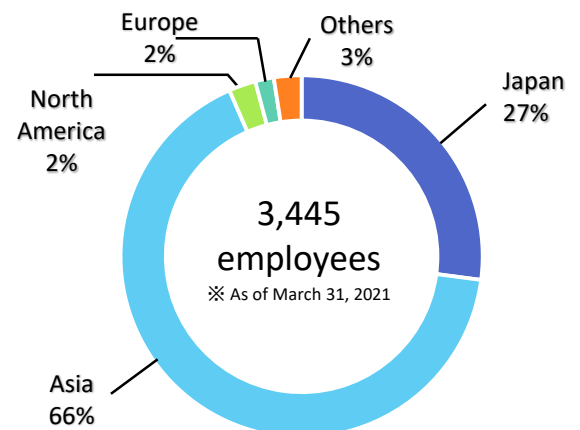
Research & Development /  
Production System⇒ p.30



**Production Allocation among 3 factories**



**Employees by Region**



We remain committed to expanding our corporate value for the next 100 years of all the stakeholders by flexibly responding to the rapidly changing society and environment



Makoto Saito  
Representative Director  
President & CEO

## Actions taken in the current business environment

It was the fiscal year to be remembered as the year plagued by the COVID-19 pandemic that the world has never experienced before. Triggered by the shortage of masks during the time of the initial rapid spread of the infection, followed by the prolonged extension of the time spent at home, demand for household sewing machines soared unprecedentedly, so much so that our production capabilities at one point in time were stretched to the point where we had to request our customers to wait for the products delivery. We have since suitably reviewed and updated our production processes so that the sewing machines are now delivered to our customers when they need them. In the uncertainties the COVID-19 pandemic created, we maintained our promotional activities to stimulate demand by launching model after model from entry-level to professional-level, including 100<sup>th</sup> Anniversary models.

While the world gradually appears to regain its normalcy showing some signs of business activity resumption aided by the worldwide vaccination development, demand for sewing machines remain buoyant mainly in the overseas markets backed by, I believe, the rediscovery of the machine's inherent value as tools to make users lives richer. Janome will promote to endeavor to expand the sales of higher value added products especially to those regions the machines' values are so recognized.

While the domestic market seems to have slowed down partly due to the reactionary decline of stay-at-home demand, Janome will continue to reassert the inherent value of the household sewing machine and to offer various help and support so that the new users who entered the sewing machine world remain engaged with the machines.

Industrial equipment business, on the other hand, continued to struggle due to the uncertainties created over the global economic recovery by the COVID-19 pandemic, resulting in the global recoil of capital expenditures in the corporate sector, just when the world was expecting a surge in demand thanks to the easing of US-China trade frictions. While the market environment gradually shows some signs of recovery, reduced production in the automobile sector, where our major business clients belong to, may suppress capital expenditure. Continuing restrictions on face-to-face interactions remain a roadblock to our traditional business style of going to the site and grasp the customer's needs for proposing the products and services actually needed.

While all the odds remain harshly against us due to the market conditions, some promising signs are on the horizon for potential business opportunities in the long run such as world-wide conversion from petroleum to electric vehicle and the factory automation needs as required by infection prevention. Janome will flexibly accommodate the changes of the times and environment by such measures as engaging web technologies to reinforce marketing activities.

In addition, Janome will allocate its resources to develop promising markets in South East Asia and other regions as specified in our Medium Term Management Plan, as well as making business solution proposals to wide ranging industries including medical institutions in our continuing effort to structure diverse distribution networks to many industries.

## **Medium-Term Management Plan: Progress and Challenges**

---

The Medium-Term Management Plan, 'JANOME 2021 Navigation for the Future', announced in the year 2019 presented what we aspire to be in the near future. The centerpiece of this plan is for Janome, widely recognized as a specialist household sewing machine maker, to propel itself on a flight of growth to 'New Janome', firmly supported by the second pillar of the Janome Group, that being our Industrial equipment business.

We achieved most of the numerical targets of the 2<sup>nd</sup> fiscal year of the Plan, mainly because the 'stay-at-home demand' triggered stable and buoyant performance of the Home Appliance business, while the Industrial equipment business struggled. Most of the key strategies, however, had to be kept on hold with little to show due to the various restrictions on business activities the COVID-19 pandemic forced the world to introduce.

The COVID-19 pandemic is exposing the risks various phases of our businesses possessed. Most affected are the logistics and supply chains. While Janome secures multiple substitute chains for emergency, spread of the pandemic in South East Asia precipitated certain authorities to resort to "lockdown" measures resulting in the disruption of our certain parts procurement. Global shortage of semiconductors and soaring raw material prices complicated the risks further, necessitating us to diversify further backup procurement routes and supply chains to reinforce our procurement capacities.

Faced with the ocean traffic stagnation, caused by the global container shortage, Janome is managing to divert the risk by utilizing air freight, which exacts hefty cost increase, requiring us further deliberation to combat this challenge.

Janome continues to tackle these manifested challenges during the fiscal year ending March 2022, final year of the Medium-Term Management Plan, while taking measures to maintain and increase strong demand for household sewing machines at the same time as endeavoring to realize the swift recovery of industrial equipment business. Our next Medium-Term Management Plan for the years 2022-2024 in the making should include plans to invest more in human resources development as well as to consolidate profitable business structure for the next 5 to 10 years to come. I am looking forward to presenting the Plan as soon as it's ready.

For Medium-Term management plan, see p.16

## Actions taken for ESG

---

We respect the importance of E (Environment), S (Social) and G (Governance), each of which is a fundamental management perspective Janome seeks to exemplify in our corporate activities.

Measures to reduce CO2 emission and to conserve resources and electricity are some of the environment related activities put in place for the production sector using ISO14001 as a guiding tool. Research and Development sector is actively engaged in developing products with substantial considerations to user safety on top of the environmentally-friendly development and production process based on our original evaluation guidelines.

For S (Sustainable) D (Development) Gs (Goals), in conjunction with ESG, we would like to use what is familiar to our employees—‘manufacturer’s responsibility’ and ‘fulfilling work’—as a pathway for this movement, and will associate these familiar terms with individual business activity so each can accomplish his or her own SDG individually. Such individual accomplishment, achieved by each employee turning a wheel of his or her own PDCA (Plan, Do, Check and Action) cycle, may seem small, but when combined across Janome should generate enormous momentum to turn the company’s engine of growth and will add substantial fuel to propel us in our challenge to contribute to the realization of sustainable society.

We respect and value our ‘human assets’ and aim to maintain lively working environment where each and every employee can realize his or her best potential. Measures are in place to reduce overtime work, to promote usage of paid leaves and to promote and improve child care and nursing care support—all geared towards each employee realizing his or her optimal work life balance. Diversity education activities in FYE ending March 2019 featured an LGBT seminar.

As noted earlier, in FYE March 2020 with little preparation, we implemented a working from home system, driven by the immediate need to maintain the health and safety of our employees in the face of the outbreak of the COVID-19 pandemic. This effort gave us a valuable opportunity to experience a flexible working style, and to review the personnel evaluation system in judging the effectiveness of working outside the office. While taking into account changes in the business environment, we will continue our review and retain the elements that work for Janome so that overall working style can be improved.

In terms of corporate governance, we are aiming to become a company with more transparency by which you can see what we are. Janome employs the corporate structure of a Company with Audit and Supervisory Committee. We believe the structure warrants reinforcing the Board of Directors’ authority to supervise and audit as well as to enhance fairness, transparency and efficiency of the management.

While there is no question about having to comply with the Corporate Governance Code, we should not be content with simply institutionalizing the code by documenting the rule book of governance for Janome along these lines. We should rather break away from adhering to the verbiage and make adequate adjustment in interpreting the code to reflect what’s different and original in Janome’s system. We will continuously endeavor not only to maintain a corporate environment of free discussion but also to improve business rules and executions with valuable input from outside directors.

We will continue to disclose the business strategies so determined as described above and the resulting financial information to all the stakeholders by various communication vehicles in a timely manner.

For Actions taken for ESG, see p. 33

## Upon reaching the 100<sup>th</sup> Anniversary since foundation

---

Janome changed its company name to JANOME Corporation upon reaching its 100<sup>th</sup> year since foundation in October 2021. This is a giant step to advance in our flight to ‘New Janome’ as emphasized in our Medium-Term Management Plan. The name change manifests the management’s resolution to break away from the past for the fundamental renewal of the company. We aim to cement the strength of Janome brand value to become an enterprise with further prospects for global expansion and growth by focusing on its major household sewing machine business, while accelerating the development of the industrial equipment business as well as introducing and investing in new products.

For a private enterprise to continue its existence, it is a legitimate obligation and mission to pursue both the realization of sustainable society and expansion of the corporate value. With the philosophy of ESG and SDGs firmly observed as the major corporate principles, we will constantly review and upgrade the corporate structure capable to quickly respond to the changes in society and environment.

I regard our employees as valuable assets of the company, where the biggest competitive edge of Janome originates. Janome managed to stay in business for a century by maintaining outstanding quality standards and by establishing trust with our customers. I believe that the driving factor behind all this accomplishment is our employees, each of whom took their task of the day with honesty and sincerity every day, the aggregation of which of all the employees for the long period of time is the very thing that materialized this great achievement. We will continue to allocate funds to invest in human resources development programs such as improving working environment and human asset training programs so that the employees are motivated to bring out their best performance and will always feel rewarded by fulfilling their task.

“Work slowly but steadily to complete a task” is a term sometimes used to describe our corporate culture. I believe this term represents another driving factor that has pulled Janome through the 100 years since foundation. We will continue our steady journey that bodes well with our corporate culture with a little more sense of speed upon passing the 100 year mark to seek expanding our corporate value for all the stakeholders—customers, shareholders, employees and others.

# Actions taken to combat the COVID-19 pandemic

## Impact of the COVID-19 pandemic

While the global COVID-19 vaccination development appears to be showing some signs to contain the spread of the virus, there remains some persistent concern that the resumption of normal economic activities may activate another wave of the spread of the virus, leaving us with uncertainties for the future outlook.

The Janome Group recognizes the pandemic not only as a risk but an opportunity to renovate ourselves and will take proactive actions for the sustainable growth of the group.

### Major Risks

- Development and production schedule delays caused by the supply chain turmoil leading to the delay in deliveries of the products and the services
- Restrictions on retail sales caused by lockdowns and stay-at-home decrees
- Reduction of face to face communication opportunities with customers
- Reactionary fall of sewing machine sales after stay-at-home demand deflated
- Decline in the corporate sentiment to invest in new production facilities caused by the prolonged pandemic

### Major Opportunities

- Sewing machine's value as an instrument to make life richer was rediscovered
- Increased demand for industrial equipment caused by accelerated factory automation needs
- Increased customer contacts through diverse communication vehicles such as social media
- Introduction of diverse working styles such as working from home and accompanying improved employees engagement
- Creation of new products, services and innovations

## Actions taken so far by the Janome Group

The Janome Group promptly established, at an early stage of domestic wave of the virus infection spread, the Headquarters to combat the COVID-19 pandemic, as required by the BCP (Business Continuity Plan) where updates of each Head Office Division and Subsidiary are compiled and shared. The Central Head Quarter makes swift decisions on the course of actions to take, as each division and subsidiary is required to comply with the requests of the respective governing organizations and local authorities.

Head Office puts the first priority to secure the safety of our employees and the business partners as well as to maintain our stable business activities and put into actions such measures as introducing working from home, staggered working hours, reduction and downsizing of major internal conferences and voluntary curtailment of business trips to the business partners and the customers. Basic infection prevention measures introduced to each business office include maintenance of social distance, installation of plastic sheets to contain the spread of the droplets.

Consequently, while we continue to identify optimal levels of restrictions on our business activities, we are keeping intact some measures to reduce human traffic such as working from home, as there remains some uncertainties about when the infection may finally be contained as we are witnessing repeated wave and flow of the virus infection.

Home appliance business focused on stable delivery of the products and services to satisfy continued heightened demand after the initial stay-at-home demand sparked sudden spotlight to the sewing machines.

Industrial equipment business struggled throughout the year with the bearish sentiment in the manufacturing sector to invest in new production facilities despite our proactive efforts to make entries in on-line exhibitions.

# Actions taken to combat the COVID-19 pandemic

---

## Actions to be taken in the new “With or Post COVID-19” era

With the global vaccination development, accelerated efforts are under way in many parts of the world to get back to the lifestyles that people are so accustomed to after almost 2 years since the world was engulfed in the COVID-19 pandemic. Some of the new lifestyles and values originated in the COVID-19 era, however, are expected to be retained at certain levels post COVID-19 pandemic is contained.

While the uncertainties remain until the COVID-19 pandemic is under control, the Janome Group will continue to employ the existing prevention measures thoroughly. With the prospect for the new ‘with or post COVID-19’ era in mind, Janome will take further steps toward the company-wide DX (digital transformation) introduction, while each business promotion division carefully weighs potential risks and opportunities the ‘new normalcy’ of society may present in pursuing new styles of business development.



# Medium-Term Management Plan

## Medium-Term Management Plan “JANOME 2021 Navigation for the Future” (FYE March 2020 to FYE March 2022)

Having passed our 100<sup>th</sup> Anniversary as a transit point, we aim to take on a flight of growth to  
“New Janome” with constant growth and development for the next century

### Basic Policies

#### 1. Flight to “New Janome”

- Reinforce the foundation of our main strength, household sewing machine business
- Establish our industrial equipment business as the second pillar of growth to take us forward from being a specialist sewing machine maker on a flight to “New Janome”

#### 2. Reinforce earning base by reducing manufacturing cost and marketing and administrative expenses

- Continue to confront the manufacturer’s eternal challenge of production cost-cutting, while maintaining high standards of quality.

#### 3. Accelerate the speed of product development and develop products anticipating potential demands

- Develop attractive products which anticipate potential customer demands and bring them to the market at a much faster pace

#### 4. Concentration and efficient utilization of the management resources

- Improve investment efficiency by identifying priorities and making selections accordingly

#### 5. Human asset development

- Educate and train employees and pass on the expertise and technological edge to the future generations

#### 6. Expand corporate value

- Improve the sound relationship further with all the stakeholders including shareholders and employees
- Improve the profit generating structure and reinforce the corporate health and fitness
- Medium term KPI (Key Performance Indicator) targets:  
Operating Income to Net Sales (Operating Margin): 8%  
Equity Ratio: 50%, ROE: 8%, ROA: 7%

### Key Strategies

Home Appliance Business (See p.22)	<ul style="list-style-type: none"><li>• Overseas : Drive the industry as a leading company and strive to improve the health of the market</li><li>• Domestic : Promote area marketing by utilizing existing domestic infrastructure to its fullest extent</li></ul>
Industrial Equipment Business (See p.27)	<ul style="list-style-type: none"><li>• Actively engage in identifying and developing promising and untapped overseas markets</li><li>• Promote package deals of products and associated equipment</li></ul>
Production Department (See p.30)	<ul style="list-style-type: none"><li>• Cost reduction by reviewing the existing suppliers and the procurement methods</li><li>• Reconfigure overall production system with a view to determining optimum production locations</li></ul>
Research and Development Department (See p.30)	<ul style="list-style-type: none"><li>• Accelerate the product development process and design with overwhelmingly high quality</li></ul>
All the Departments (See p.33)	<ul style="list-style-type: none"><li>• Centenary project</li><li>• Expansion of corporate value</li><li>• Promote CSR (Corporate Social Responsibility) activities</li><li>• Human asset development</li></ul>

## Numerical Targets and their Progress

(million yen)

	FYE March 2020 results	FYE March 2021 results	FYE March 2022 forecasts	FYE March 2022 targets
Net sales	<b>35,521</b>	<b>43,839</b>	<b>43,000</b>	<b>45,000</b>
Operating income	<b>1,158</b>	<b>4,931</b>	<b>4,000</b>	<b>3,600</b>
Operating income to net sales	3.3%	11.2%	9.3%	8.0%
Ordinary income	<b>1,049</b>	<b>5,032</b>	<b>3,900</b>	<b>3,500</b>
Ordinary income to net sales	3.0%	11.5%	9.1%	7.8%
Profit attributable to owners of parent	<b>424</b>	<b>3,945</b>	<b>2,500</b>	<b>2,300</b>
Total assets	49,360	53,674	—	52,000
Net assets (Equity ratio)	24,550 <b>49.7%</b>	29,359 <b>54.7%</b>	—	26,000 <b>50.0%</b>
ROE (Return on equity ratio)	<b>1.7%</b>	<b>14.6%</b>	—	<b>8.0%</b>
ROA (Return on asset ratio)	<b>2.1%</b>	<b>9.8%</b>	—	<b>7.0%</b>

※ See pages after 22 for our financial results of FYE March 2021

## KPIs (Financial Indicators)

The Janome Group has set forth the key financial ratios below as medium-term targets of 'Expansion of Corporate Value', one of the basic policies determined by the Medium-Term Management Plan.

Key financial ratios

Operating income to net sales (Operating margin): 8%

Return on equity ratio: 8%

Return on asset ratio (Ordinary income on net asset ratio): 7%

Operating income represents inherent profitability of our business activities, while ROE and ROA benchmark efficiency in utilizing equity for the former and asset for the latter. Janome evaluates its corporate value from a financial perspective by taking a comprehensive view of those basic financial ratios.

In FYE March 2021, the 2nd year of the Medium Term Management Plan, the home appliance business maintained the buoyant performance with substantial increase of sales in both domestic and overseas markets supported by heightened interest in household sewing machines triggered by 'stay-at-home demand'.

Industrial equipment business, on the other hand, recorded operating loss mainly due to the substantial reduction of orders for desk-top robots and servo presses in the prolonged capital expenditure restraint overshadowed by the pessimistic sentiment for new production facilities investment in the face of the uncertainties for the future outlook by the spread of the COVID-19 pandemic. Stellar performance of the home appliance business made up for the loss and Janome finished FYE March 2021 with operating profit margin of 11.2%, ROE of 14.6%, ROA of 9.8%--surpassing all the KPI targets of FYE March 2022.

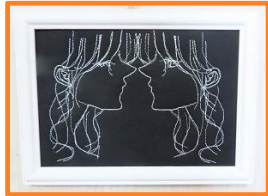
Consequently, we decided to keep the KPI targets of FYE March 2022 unchanged, so that we will seek to implement measures structured to consistently repeat the brilliant performance of FYE March 2021.

# Business Sector Applications

Janome products are already used in many scenes of your life as shown below.

## Sewing machine project samples created to enrich your life

Tapestry created with Digitizer, embroidery data digitizing software



Hat decorated with beads, sewn with beading foot



Quilt project



Embroidery couching with yarn



Tote bag embroidered with yarn



Dress



Lace embroidery



Accessories made with lace embroideries



Cushion decorated with applique



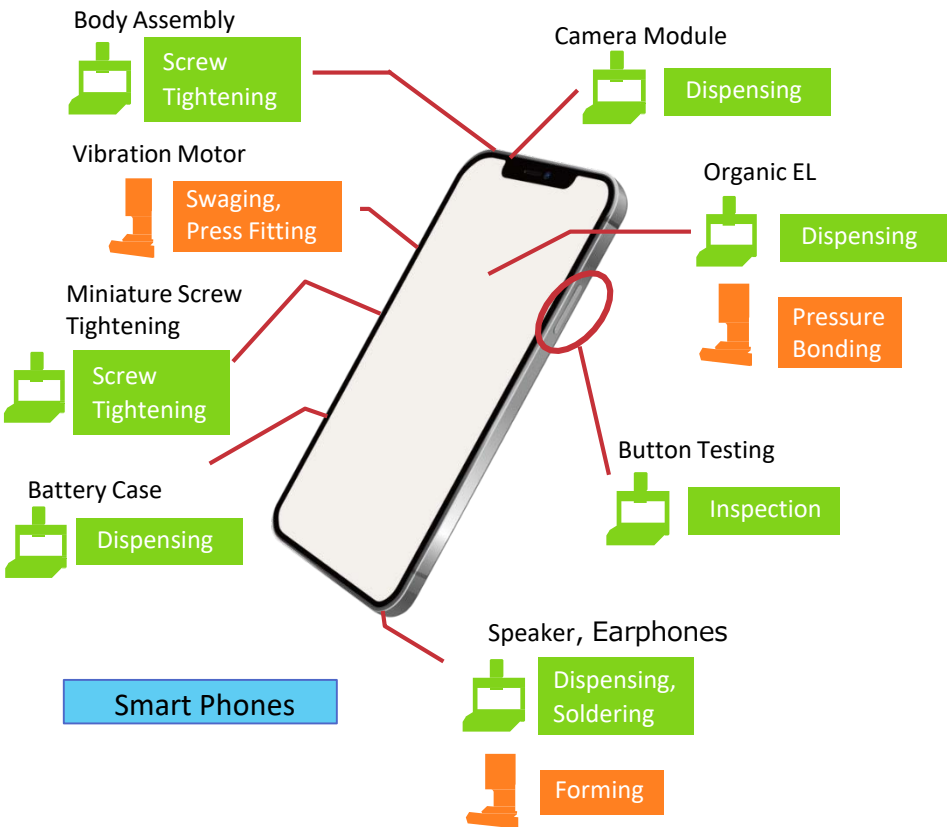
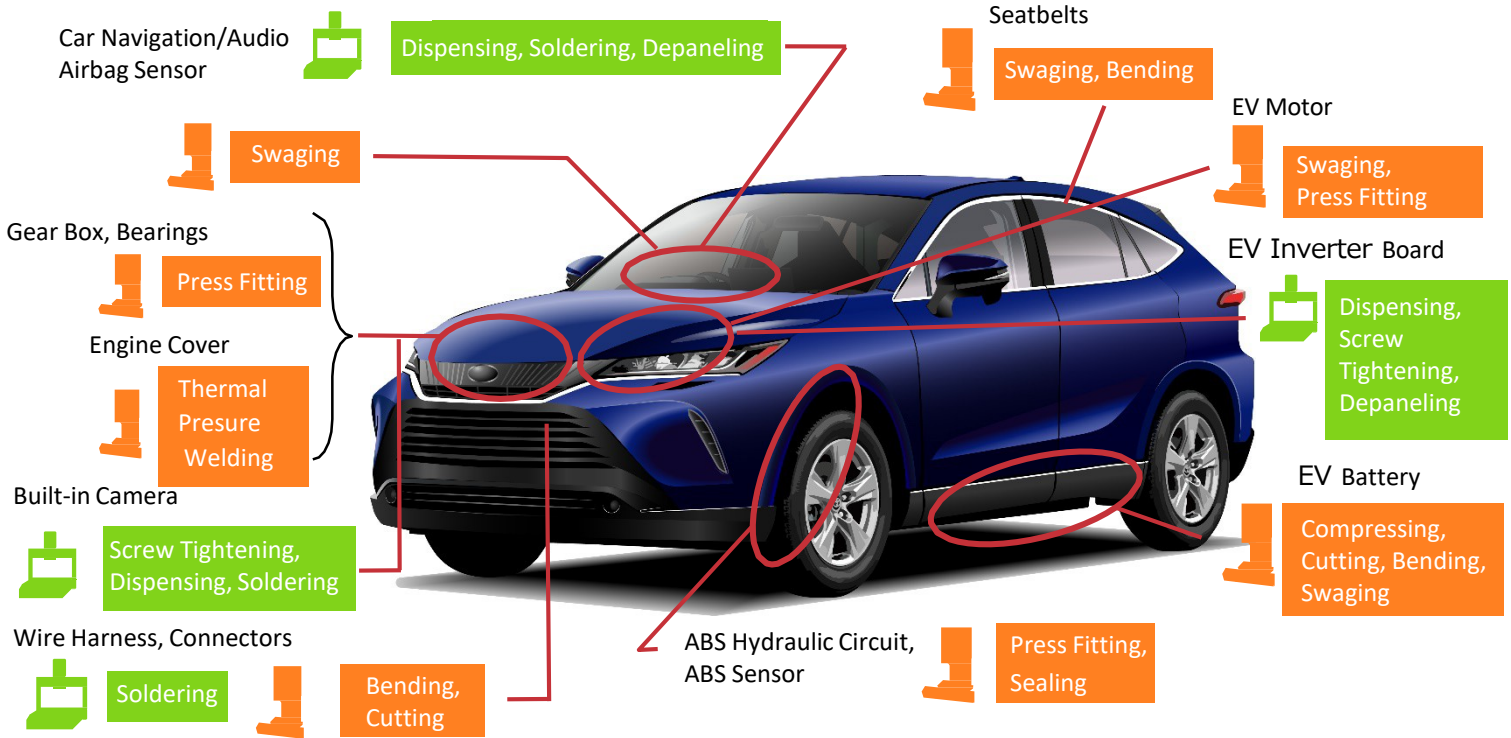
Pot cover



Book cover

# Robots & Servo Presses Serving at the Production Site

 Robot Application
  Servo Press Application



# Overview of the Business Segments

**FYE March 2021 Total sales: 43,839 Million yen**

## Home Appliance Business

Janome's Home Appliance Business offers a wide range of sewing machines from regular sewing to overlock and embroidery so that many sewers with varying applications and requirements can enjoy creating hand-made projects.

### ◆Overseas Sales

The Janome Group continuously develops new models, refreshes and expands its product lineup to satisfy the varying needs of our customers in more than 100 countries. Janome has expanded its reach into overseas markets as a leading household sewing machine company by establishing 13 overseas sales subsidiaries. While we continue to identify potential distributors for future expansion, we are also providing active support to sales agents and third party distributors.

North America is the largest market of all in the world where the entire range of sewing machines from top-end to entry level are distributed through two distribution channels: dealer network and mass merchandizers. Mid to upper range models are mainly distributed through specialized dealers with dedicated sales and service staff who provide sufficient advice and follow up support to customers, while entry level models are mainly distributed through mass merchandizers.

The Janome Group has also gained substantial level of support in European markets through its sales subsidiaries in UK, Germany, Netherland and Switzerland as well as OEM sales to several European brands. We are also looking to expand our share in other markets by actively promoting area marketing to suit individual needs of each market.

### ◆Domestic Sales

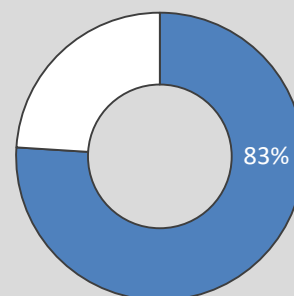
Janome covers the home country with its direct and owner branch network, providing customers with conscientious services and aiming to make the best use of face to face sales backed by profound knowledge and a local human network of experienced sales staff. Local community based staff listen closely to customers' voices to identify their potential needs, which sometimes leads to the development of brand new products. Janome also distributes through a wide range of other sales channels such as multi-brand sewing shops, mass merchandizers and internet. Janome also develops and sells special school models to more than 22,000 elementary to high schools across the country with after sales support provided by a group of specialist staff—thereby making substantial contributions to the school education.

We have also set up community spaces in and out of the branches to offer many of our customers opportunities to touch and actually use our sewing machines. We also organize from time to time sewing classes and workshops, conducted by sewing celebrities and invited experts.

Domestic Sales also include sewing related software and pattern paper and other wide-ranging life amenity products and services as we support rich and creative lifestyles.

※Janome ceased the sales of 24-hour bath system with remaining stock as of March 2021, as a result of the management review to select the optimal business mix and concentrate the management resources thereon.

**Home Appliance Business  
Division sales as % of total sales**



**FYE March 2021 sales 36,282  
million yen**



Sewing machine model  
for the overseas market



Sewing machine model  
for the domestic market



Overlock machine

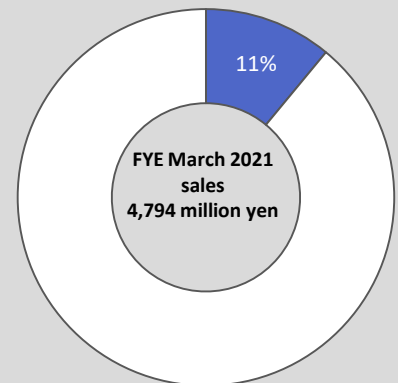
## Industrial Equipment Business

Janome continues to steadily expand our second pillar, the industrial equipment business. Built upon the high precision position control technology gained through Janome's long history of household sewing machine development, the Industrial Equipment Division is actively engaged in the development, manufacture and sale of industrial equipment and related parts. Servo presses, desktop robots, SCARA robots and Cartesian robots are Janome's main products, proactively marketed and sold to customers worldwide in manufacturing sectors such as IT, electronics, automobile parts production and more.

Domestic branches in Nagoya, Osaka and Fukuoka and overseas subsidiaries in the U.S., Germany, China, Taiwan and Mexico comprehensively support Janome's industrial equipment sales and customer service activities.

Janome Group companies also manufacture and sell precision die cast and plaster cast products to a strong customer base from a wide range of industries, including automobile parts and industrial equipment manufacturers. Leveraging the logistic advantage of our factory network with facilities in metropolitan Tokyo, metropolitan Osaka and Thailand, we continue to grow our die cast business.

Industrial Equipment sales as % of total sales



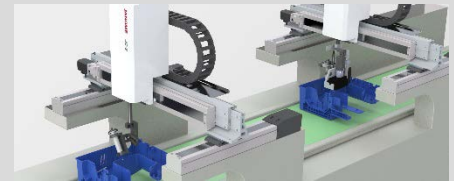
Servo Press



Desktop Robot



SCARA Robot



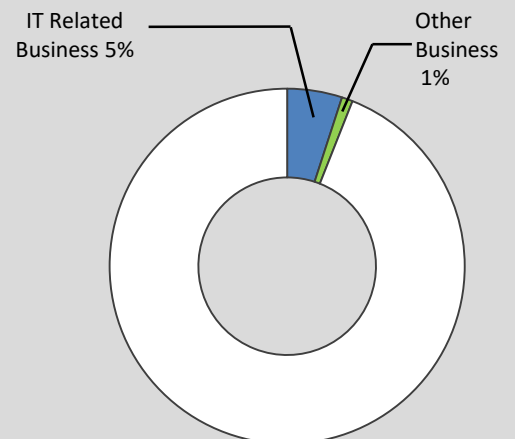
Automated facility system featuring Cartesian robots

## IT Related and Other Businesses

The Janome Group businesses expanded from home appliance and industrial equipment into IT and related business offering IT software and data processing services. Other businesses include maintenance services to support the clients of our sewing machines as well as real estate lease.



IT Related Business & Other Business sales as % of total sales



IT Related Business sales 2,100 million yen  
Other Business sales 661 million yen

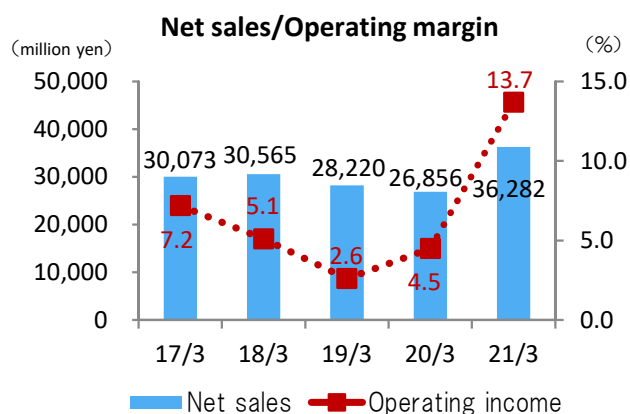


## Summary of FYE March 2021

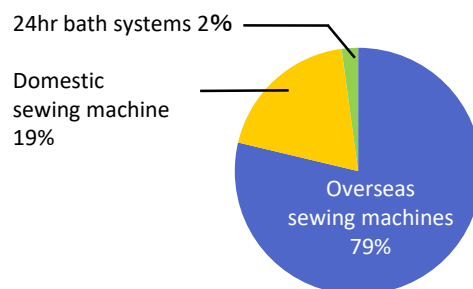
The home appliance business maintained the buoyant momentum of the preceding year with substantial increase of sales in both the domestic and the overseas markets supported by continued demand for household sewing machines triggered by the global trends of mask making and ‘stay-at-home’ demand. Sewing machine sales continued its surge aided in particular by entry level models via internet distribution channels in our essential markets of North America and Europe, followed by the increased sales of higher value added products in mid to high price range, enabling us to expand our reach into wider customer bases. Markets in other regions also enjoyed sales expansion.

The domestic sales force endeavored to revitalize the market demand by launching “Epolku” and “Hypercraft 850”, both models to commemorate our 100 year anniversary, as well as “Secio 9720P” in collaboration with the popular picture book character, Peter Rabbit. Efforts to increase active communication with Janome users and potential customers in such ways as spreading information via social and traditional media, and orchestrating sewing work shops resulted in increased number of sewing machine units sold.

Overseas production hub of Thailand and Taiwan continued their efforts to expand the production capacity and work force to secure stable delivery of the products, resulting in domestic and overseas sewing machine sales of 1.84 million units, up 0.5 million units from the same time last year and overall divisional sales of 36,282 million yen, up 9,426 million yen from the same time last year and operating profit of 4,985 million yen, up 3,775 million yen.



**Home Appliance sales mix**



※ Common expenses allocation standards were revised in FYE March 2019. Operating Income to Net Sales ratio of the terms preceding to FYE March 2018 are shown after revision by the same standards for reference purpose

## Expanding its global reach as a leading household sewing machine company

### Business Principles

- Put into practice \*'Sangen Principles' to enhance customer satisfaction
- \* 'Sangen Principles' mean to go to the site, make direct observations, and determine the facts
- Spin the \*'PDCA cycle' efficiently aiming to establish highly profitable structure
- \*PDCA stands for Plan, Do, Check and Action



### Strategies and targets

- Aim to expand the sales of high value added products in the essential markets of North America and Europe.
- Strengthen sales potential by improving service and support structure and by enhancing the brand image
- Endeavor to spread higher value added products sales to more households in Russia and India, while holding fast the No.1 share in these markets.
- Expand sales in rapidly growing Asian market of light alloy aluminum sewing machines, which have established the reputation for their excellent durability.

#### Business Environment: Opportunity and Risk

- Sudden spread of the COVID-19 infection left many people with more time to spend at home drawing their attention to crafts & hobby, part of which created unexpected surges in demand for household sewing machines.
- Ocean container shortage led to the global shipment delay
- Expansion of internet sales accelerated price competitions of the sewing machines
- Global economic instability plagued by trade frictions and US economic sanctions
- Gradual increase of customers using sewing machines to create handmade quilting and other projects as a hobby

#### Strengths

- Substantially rich product lineup to accommodate wide ranging customer requests from beginners to sewing veterans
- Fine sewing finish, excellent durability & high quality
- All sewing machines manufactured in-house without any outsourcing
- Only one among top sewing machine makers to produce (1)full aluminum body model with excellent durability that has been a long seller model and (2)flat-bed type machine operable with both treadle and electricity for emerging markets
- Promoting diversity by sending its staff overseas as trainees and employees irrespective of their age or sex

#### Current Actions

- Sending videos and conducting on-line classes for the first time buyers of sewing machines to realize the joys of sewing
- Making the active use of internet by launching new products and conducting regular TV conferences to maintain interfacing opportunities with our customers in the face of COVID-19 restrictions on human interactions.
- Offering support to online sewing machine purchasers by expanding online and social media education opportunities.
- Head Office accumulates and centrally controls an archive of the marketing contents and activities originated by the sales subsidiaries to make the best use thereof for new marketing activities elsewhere.

#### Challenges

- Help more customers learn the joy of creating something and the charms of sewing machines, thereby stimulating the sewing industry as a whole
- Feed R&D Division with market demands more closely and promptly to develop attractive new products with original features and designs not found elsewhere
- Endeavor to expand our market share by reinforcing dealer education and by improving the level of their service quality
- Articulate area and merchandizing for Janome and Elna brands in each market to improve brand recognition further and to enhance the images of both brands.



## Top domestic sewing machine maker supplying attractive products through multiple sales channels

### Business Principles

- Offer customers opportunities to enjoy sewing machines and attractive products and aim to expand sewing machine market

### Strategies and targets

- Create opportunities for customers to touch and feel the sewing machines such as exhibitions, sewing events and classes that should stimulate demand for sewing machines
- Cement the top domestic market share
- Offer individual merchandizing mix best suited for each distribution channel—direct & ownership branch network, internet and mass merchandizer



#### Business Environment (Opportunity and Risk)

- “Spending from home”, triggered by the spread of the COVID-19, resulted in increased demand for household sewing machines
- Stringent doorstep sales regulations and lifestyle changes dwindled target customers
- Accelerating price reduction due to the prevalence of internet sales
- Increasing demand for hobby and craft sewing such as quilts, cosplay and pet wear dress making

#### Strengths

- Utilizing various sales channels other than sewing machine specialty stores such as the internet and mass merchandizer outlets
- Face to face sales style at direct sales networks enables tailor-made offer and follow-up service fine-tuned for individual customers in each locality
- Reflect customers requests collected at direct & ownership branch networks directly in new products
- High quality products with excellent durability and superb ease of use
- Sales support specialist group offering new applications to existing functions and features that add new perspectives to the joy of creating your own project.
- Instill and foster familiarity with Janome brand as the first sewing machine to touch and feel, by making the best use of No.1 share in home craft classes at schools.

#### Current Actions

- Providing materials, such as videos and pattern paper to support making masks at home in response to the spread of the COVID-19. Offering environment conscious support such as videos and free kits for handmade reusable shopping bags to reduce plastic waste.
- Promoting area marketing to suite individual locality
- Displaying sewing machines at exhibitions and events as well as sewing classes at branch stores and antennae shops to demonstrate to the customers joy of creating their own projects.
- Stimulating demand by effectively utilizing social media platforms such as YouTube and Instagram.
- Keep an eye on school education front to maintain programs for the students to familiarize themselves from their childhood with sewing machines as something close.

#### Challenges

- Propose enjoyable project making with the sewing machines bought for the purpose of making masks so that those buyers can find the lasting joy of creating their own projects with the machines.
- Develop new sales support materials and store displays to entice those customers who have not had a chance to visit branch stores
- Recruit and train new sales staff to supplement the dwindling sales force due to aging
- Upgrade sales support structure for sewing machine specialty stores
- Offer high quality and high value added products to avoid price cutting contest with the competitors.
- Increase sales and follow up service and support to elementary, junior-high and high schools

## COVID-19 impact on our business

The global COVID-19 pandemic substantially increased the household sewing machine sales, triggered by the momentary shortage of masks. Prolonged pandemic left many people with abundant time to spend at home, as it turned people's attention to sewing machines, whose value to make life richer was rediscovered and reassessed. Demand for sewing machines still remain at a heightened level.

The Janome Group intends to take this "nesting demand", widely viewed as a passing fad, as a foothold to proactively spread and establish sewing cultures in many parts of the world.

### COVID-19 impact on our sewing machine business environment and Janome's actions in pre-COVID-19 and post-COVID-19 era

#### Business Environment

#### Actions

##### Pre-COVID-19

- Once a must-have item at home, the sewing machine is now widely regarded as a hobby seeking tool
- Global demand has been stagnant
- Gradual price reduction

- Reinforced area marketing strategy to satisfy varying needs of each locality
- Sponsored large scale exhibitions and events to demonstrate our commitment to and support for the dealer networks
- Organized domestic and overseas workshops to stimulate sewing demand from sewing machine users

##### COVID-19 pandemic

- "Spending from home" prompted the rediscovery of sewing machine's value, fuelling surge in demand for the machine.
- Sales of sewing machines expanded for a wide range of models from entry level to professional lines
- Reduced face to face communication opportunities with our customers

- Launched new models seamlessly in and out of the country, including 100 year anniversary models
- Continuously sent messages such as how to use videos via social media
- Made entry to workshops and exhibitions with full preventive measures against infection

#### Future actions with Post COVID-19 in mind

- Turn as many first time sewing machine users during the pandemic to regular sewers and endeavor to spread and establish sewing cultures in many parts of the world.
  - ▶ Endeavor to continue active two-way communication with our customers via social media
  - ▶ Stimulate demand by organizing sewing events including those on-line and exhibitions
- Business promotion activities utilizing diverse sales channels
  - ▶ Reinforce servicing after sales at brick and motor shops including direct branch network
  - ▶ Reinforce internet sales and increase and expand distribution network



## Supporting the joy of creation with pattern paper

Sun Planning Co., Ltd. designs, makes and distributes sewing patterns with the aim of guiding users with pattern papers to discover the joy of sewing, helping to enrich their lives and minds.

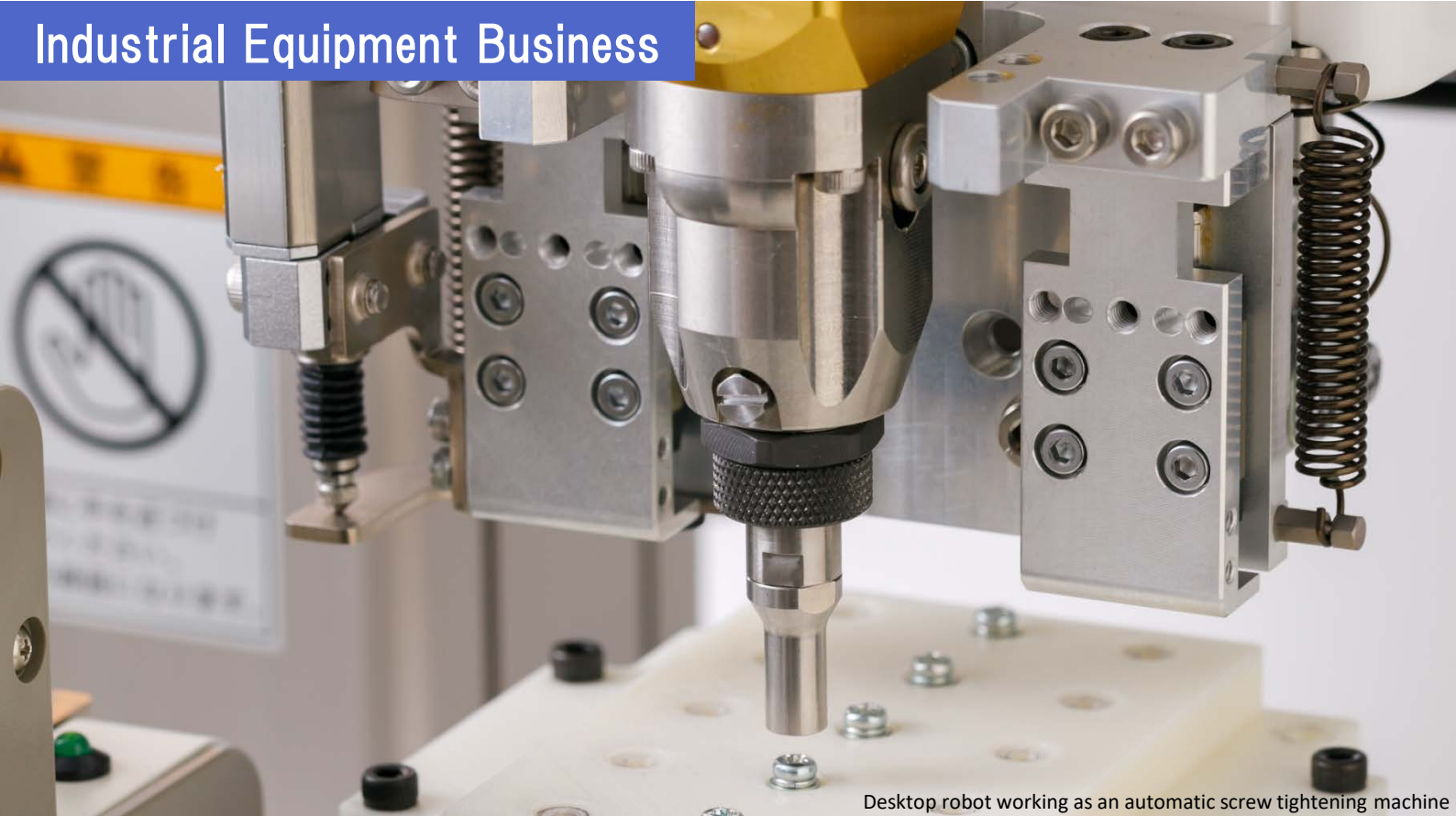
Distributed through national fabric and craft chains and mass merchandizers, it is the largest supplier of sewing patterns in Japan.

Sun Planning offers more than 300 kinds of sewing patterns ranging from patterns with high street designs using the hottest trends to those that help make sewing easy and fit various stages of your child's growth from toddler goods to enrollment ceremony necessities. Unlike those dress making magazine patterns that give you the trouble of having to transcribe patterns manually, our patterns can simply be cut out and sewn together easily. The instructions and graphic illustrations enclosed are so comprehensive that sewing with patterns seems so easy even for the first time sewer.



### Series of Sewing Patterns

- Fit Pattern Sun: real scale large patterns that are ready to be cut and used
- Simplicity: World's No.1 fashion patterns from New York
- Craft Paradise: Easy craft patterns to be transcribed on fabrics by ironing
- Patterns collaborated with M Pattern Laboratory
- Sewing patterns for house craft classes at schools

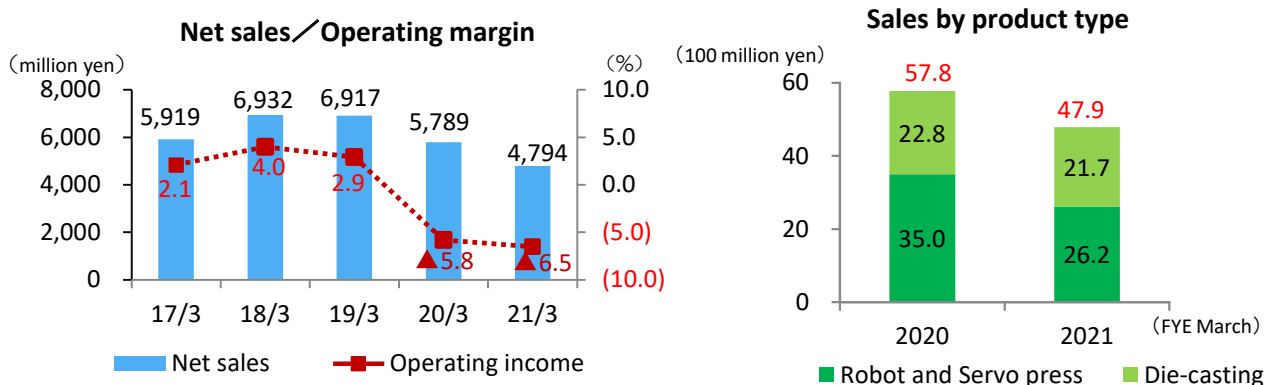


Desktop robot working as an automatic screw tightening machine

## Summary of FYE March 2021

Launching new products in response to customer demand, the Industrial Equipment Division actively pursued new opportunities, expanding its product lineup and offering equipment upgrades to automotive companies whose existing facilities are becoming obsolete. With the COVID-19 pandemic curtailing conventional customer interactions, we reinforced our customer support structure and secured product sales through new avenues such as online exhibitions and video conferences.

The prolonged pandemic forced many key customers to suspend their plans for new or upgraded production facilities and in spite of the various measures we undertook, sales of desktop robots and servo presses continued to face an uphill battle. Conversely our die casting business prospered, buoyed by a substantial increase of parts orders for Janome sewing machines. Overall, while the industrial equipment division recorded sales of 4,794 million yen, down 994 million yen from same time last year, we made a step toward recovery, reducing our operating loss to 311 million yen, compared to a loss of 335 million yen in the previous period.



※ Common expenses allocation standards were revised in FYE March 2019. Operating Income to Net Sales ratio of the terms preceding to FYE March 2018 are shown after revision by the same standards for reference purpose

# Industrial Equipment Business

Utilizing precision sewing machine technology to contribute to industrial development

## Business Philosophy

- Strengthen our sales capabilities as Janome Group's second pillar

## Strategy and Targets

### 【Servo Presses】

- As a lightweight servo press pioneer, further cement our position as a leader in the market
- Offer new products and functions to match automotive innovations such as EVs (electric vehicles), dashboard cameras, sensors and more

### 【Robots】

- Expand on our undisputed top position in the domestic desktop robot market
- Further strengthen sales of Cartesian and SCARA robots; key components in automated production lines

### Business Environment (Opportunity and Risk)

- Decline in capital expenditures during economic slowdown triggered by the COVID-19 pandemic.
- Servo presses are greatly used in the automotive industry, which is facing an innovative phase evidenced by the introduction of electric vehicles, automated driving and computerization. This is spurring a demand to refine precision assembly processes and quality control to swiftly respond to these vast changes.
- Technological innovations of information/communication networks by leading countries, such as 'Industrie 4.0', 'Made in China 2025' and 'Society 5.0'.
- Trend toward precision dispensing, volume control dispensing and variable control for optimal screw tightening with a growing demand to execute position correction and visual inspection in the same process.
- Concern over the negative impact on the Chinese market from its trade friction with the US.

### Strengths

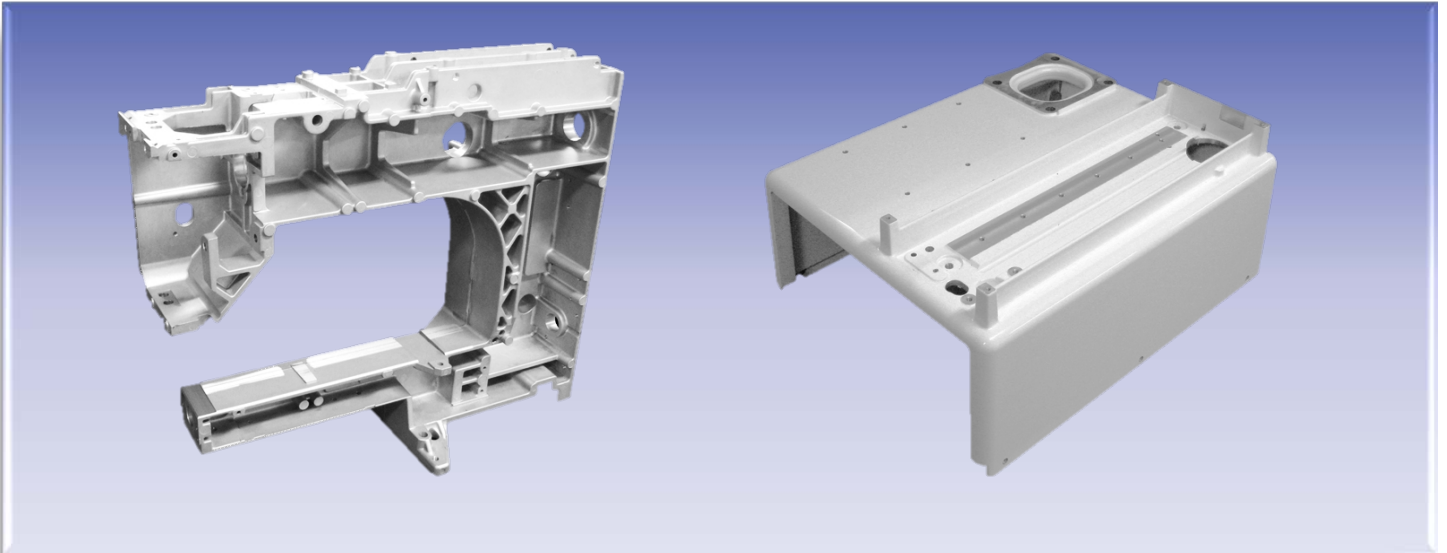
- Servo press offers an environmentally-friendly cleaner operating press-fitting method which also improves the level of quality control through press fitting load control.
- Products meet a wide range of global industrial standards.
- User-friendly operation through the application of technologies developed for the household sewing machine business.
- Top position in the domestic desktop robot market, offering various applications including dispensing, soldering, screw tightening, PCB depaneling and camera inspection.
- Developer and seller of the industry's first lightweight servo press and a leading seller of servo presses under 20 tons.

### Current Initiatives

- Enhancing Janome's brand recognition as an industrial equipment provider while progressively breaking ground in new fields.
  - Shortening the delivery lead time for die cast and related products with a high degree of precision and complexity.
  - Launching desktop robots which improve productivity while saving space.
  - Development and sale of automated machines such as the Tangless Insert Automatic Insertion Machine.
- \*"Tangless" is a registered trademark owned by Advanex, Inc. (Trademark no. 4477416)

### Challenges

- Improve our technological edge with a research and development capability a step ahead of market trends.
- Build up our sales and support force domestically and globally to drive up sales.
- Expand product lineup for automotive and electronics markets, with more products in conformity with domestic and European (CE) safety standards, such as a servo press operated by both hands.
- Promote packaged sales of products and related accessories.
- Reduce costs and shorten delivery lead times to stay ahead of the competition.
- Need to develop a process for even finer dispensing and a soldering process compliant with new environmental regulations.
- Improve human resource development.



## Seeking the limitless possibilities offered by state of the art die cast technology

An indispensable part of our lives, die cast products are widely used as components in a wide range of industries from transportation vehicles such as automobiles and motorcycles, personal computers and mobile phones, telecommunication and other precision devices.

Janome started manufacturing die cast parts when we introduced die cast machines in an effort to reduce the overall weight of the sewing machine. In-house manufacturing of die cast products soon followed. Janome later expanded its reach to include plaster casting, bringing about such benefits as sample evaluations against an optimal design from the early development stage and a reduction in the overall designing lead time by sharing design data with that used in die casting.

### ◆Die Casting: Integrated design, production process and quality assurance system to satisfy any customer requirement or specification

Die Casting is a high cycle, mass production process where molten aluminum is infused in a precision mold to manufacture products with high precision and a smooth casting surface finish. Its highly automated production process suits mass producing products with complex surfaces in a single process. Die cast parts are also lightweight, feature very high dimensional accuracy, and smooth casting surfaces allow for easy surface treatment such as painting. Combining state of the art technologies such as hyper speed die casting and vacuum die casting with time-proven technologies refined through years of sewing machine manufacturing, our production system satisfies any requirements or specifications customers may demand. We also accommodate magnesium alloy die casting for lightening part weights.



Production Facility

### ◆Plaster Casting Pioneer

Janome pioneered the substitution of plaster casting instead of metal casting to build a mold. Plaster casting offers the same level of smooth and thin casting surface finish and thin walls in a much shorter time than die casting. This enables prototype efficient production of die castings and small lot production of die cast level parts.



Plaster Casting



## From the household to the production floor, we support manufacturing culture with our proven technical capabilities

Janome established the world's first general research center for sewing machines in 1964, the 39th year of Showa era, and has since pursued its research and development of high quality and high value added products as a leading household sewing machine maker.

The industrial equipment segment of Janome's business, initiated by applying technological strengths nurtured over the history of successful household sewing machine production, expanded its technological reach from desk top robots into high-spec SCARA robots and servo presses, and has developed an industry customer base ranging from automobile and smart phone related precision mechanical equipment manufacturers to research institutes and universities, as well as the food industry.

Janome products, widely supported for having the 'Janome standard of quality' by many customers around the world, are produced in three factories, the Tokyo Factory, located within Janome Headquarters in Hachioji, Tokyo, Taiwan and Thailand.

Tokyo, as Mother factory, produces top-end household sewing machines and industrial equipment products. It also strictly monitors and controls the production progress in other factories so that all the factories maintain optimal production allocation. Manufacturing technological expertise amassed over the long history of the Tokyo factory have introduced to the Taiwan and the Thailand factories.

In this rapidly changing modern society, it is vitally important to accurately capture and whenever possible predict in advance, customer needs. We are taking every step to expedite the development and production cycles without compromising high quality standards so that we bring to the market those products that will satisfy our customers' needs.



## What Janome aspires to do

- To offer with speed attractive products accurately reflecting the market needs
- To continue to develop and produce products with excellent quality and durability that satisfy the 'Janome standard of quality' and maintain customer trust in our proven technological strength

### 3 pillars to support excellent Janome quality

#### • Product development format

Detailed standards are designated for individual product price points which work as guidelines for selecting optimal design and components, guaranteeing products with extensive capabilities, excellent durability and stable quality.

#### • Stable quality parts

Establishing a manufacturing hub in Taiwan in 1960's ahead of the competition, Janome has built close ties with key local parts suppliers, who enable Janome to maintain its attention to detail of each and every part selected. Automated production has been introduced for some internal part production as one step to improve the efficiency of the production system.

#### • Production structure

Manufacturing expertise and technological edges, amassed as the domestic pioneer household sewing machine maker, have been implanted and expanded on in overseas factories. An engineer exchange program is in place between Tokyo and Taiwan that has worked to improve the engineering expertise of both the operations.

## Global Production Allocation

### Tokyo Factory: 'Mother Factory'

#### Production Management Division

Governs overall production by monitoring the utilization rate, operational progress and profitability of each factory. It is an integral fortress of quality assurance, following up on updated information regarding various safety regulations and monitoring compliance therewith including performing inspections to protect Janome's high quality standards.

### Janome Taiwan: Main Factory

Compliments Tokyo Factory with the function of production technology division by facilitating minor changes of certain models so as to expedite the new product development process as well as to reduce development cost. It also integrates painting divisions and performs key functions as parts supply center to all the factories.

### Janome Thailand: Strategic Factory

Structured to produce affordably priced models efficiently to cope with the exacting price competition



## Challenges and Action Plans

- Securing parts procurement by diversifying supply chains

### Tokyo Factory

- Renovate production control system to increase output as well as to reduce time to delivery of industrial equipment
- Review production line layout to improve production efficiency
- Accommodate high mix small lot production
- Prevent careless mistakes
- Promote 5 S Activities (Sorting, Setting-in-Order, Shining, Standardizing and Sustaining Discipline)
- Promote succession of technology and prevent potential loss of production expertise contingently triggered by production relocation to overseas factories

### Janome Taiwan Factory

- Review production line configuration
- Promote further automation of operations including in-house parts production department
- Computerize information control such as 'tact time', or cycle time to reduce costs
- Improve quality and production efficiency.

### Janome Thailand Factory

- Promote production leveling to streamline output quantity and labor management efficiency

## Technological edge and characteristics of Janome products

### Home Appliances

- New element development in both structural and electrical areas is focused on ease of use that has led us to develop the breakthrough technologies for sewing machines substantially improving efficiency and ease for customers to create projects with the functions below.
  - ◇Wi-Fi communication function
  - ◇Editable embroidery design application
  - ◇Easy threading by breakthrough air pump method

### Industrial Equipment

- Vocal data entry saves time to kick start the operation.
- Products with environmental considerations by noise reduction and electricity saving functions
- Improving operational efficiency at the production site by products with high level of speed, accuracy and payload capacity.
- Monitoring through network equipment during operation to detect errors.
- ▶ Product development with considerations of the environment. (refer to page 64 for more details)



## Challenges and Action Plans

### Construct next generation development platform

- Reduce development lead time
- Structure the foundation to tailor products more closely in line with customer requests

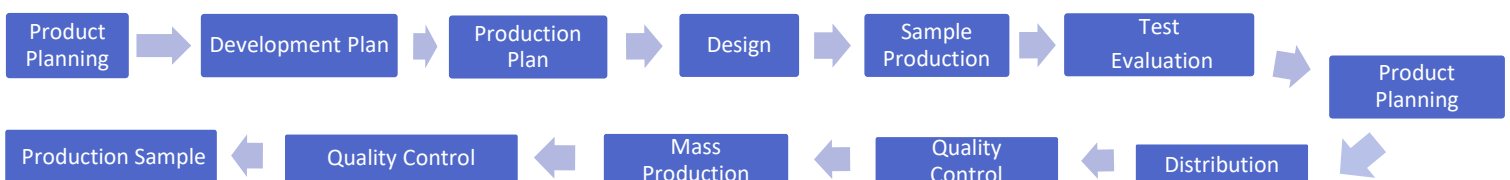
### Educate and train engineers

- Develop human asset aimed at improving overall technological strength
- Pass on the existing technological edges and expertise to future generations
- Document and organize operational manuals
- Expand employee reward system for voluntarily obtained licenses and qualifications

### Develop new technologies

- Utilize Artificial Intelligence and IoT (Internet of Things) Organize a project team and elaborate at workshops to develop breakthrough technologies that will capture the potential market demand which has not yet materialized. Organize and conduct seminars and voluntary learning sessions on new technologies

## Development / Production Flow Chart







## Proposing total solution packages employing IT

IT has become indispensable technology for various scenes in modern life and business. The Janome Group offers services for IT software development, data processing and outsourcing of system operations control.

The Janome Group has accumulated system development technologies and expertise from its own experience as a manufacturer, having built from scratch various IT systems such as order taking, merchandizing control and book keeping, that its operations required. Drawing on those technologies and expertise, the Janome Group, as a front runner of new ages, is now seeking solutions to many phases of the next generation IT system by offering systems and software construction across a wide range of industries and businesses such as distribution, construction, telecommunication and manufacturing.

In this modern society of rapidly evolving IT, Janome Credia aims to offer prompt services that accurately suit the changing circumstances and client needs by expanding its reach into various new frontiers.

### ◆Systems Integration

Janome Credia proposes optimal solutions and services to clients in a wide range of industries such as distribution, construction, telecommunication and manufacturing.

### ◆Outsourcing

Janome Credia provides total support to various business scenarios such as operational support and system monitoring, maintenance of the server and network devices, data entry processing relating to various administrative operations as well as all kinds of offline operations such as journal entry, stocking, packaging, dispatching and disposal.

### ◆Software Development

Janome Credia offers a competitive pricing system to match the client expectations by partnering from time to time with the best available hardware and software vendor completely free from any affiliation with the Janome Group companies.

# Actions taken for ESG



The Janome Group recognizes the essential importance of E (Environment), S (Social) and G (Governance) in managing our group companies, as we review and revise our organizational structure and actively engage in fulfilling our corporate social mission and in solving social issues. There is a limit to what a private enterprise can do on its own not only to remain a going concern but also to generate profit for its continuous growth. Maintenance of sound relationship with and recognition by society of its value for existence, earning trust for our products and services and contribution to the development of society, repetition of this chain of actions to co-create new values with society, which we firmly believe, is the one and only path to overcome the limit and stay on the course of sustainable growth for the Janome Group.

This is the belief that runs as undercurrent of various actions of the Janome Group companies including planning and executing the Medium Term Management Plan.

## Actions taken for Global Environment

Environmental issues of the earth are the global matters of concern. We strongly believe it is only natural for a private enterprise consuming sizable energy and resources for its business executions to engage in such activities as environmental load reduction and preservation of the environment.

The Janome Group would like to take this one step further to include environmental factors themselves directly in its business activities, so that environmental activities will be identified as business opportunities, achievement of which should directly expand our corporate value.

Sewing machines and industrial equipment, major products we manufacture and distribute, have inherent 'environmentally friendly and conscious' characteristics. We will improve those characteristics further in our future product development and modifications. Increased efforts will be made to promote environment related activities along the line of Janome's 'Environment Policy' and its bylaw 'Green Procurement Guidelines' on top of the factors regarding environmental load reduction already built-in from the supply chain and production phase to every other phase of our business activities.

## Actions taken for Social --Value Co-creation with Society and Human Asset D

Janome believes that it can continue to fulfill its role as a public institution of the society by establishing sound relationship with and by earning confidence and trust in us from many people at various scenes and phases of society.

We always endeavor to present valuable products and services to our customers, that impress, satisfy and give them comfort for ease of use, and we are eager to listen to their comments and requests which would give us good insight to be reflected in the quality enhancement of our products. To our shareholders and investors providing us with financial support for our business activities, we endeavor to expand in return our corporate value by reinvesting in strengthening our corporate structure and/or by increasing dividend payout to shareholders as well as to disclose adequate management information. We then put our management decisions dictating the balance of reinvestment and payout to the vote of confidence to our shareholders and investors. We appreciate our 'business partners' sharing the same motive to realize our corporate mission, for working closely together through fair and transparent trade to invigorate the functions of every step of the overall supply chain including procurement. With 'local community' we will be involved in various activities to support the development of each community.

Employees are the engines to facilitate all of those activities as each and every one of them sincerely and creatively demonstrates his or her ability in fulfilling the very business executions described above, thereby supporting the expansion of our corporate value. Janome specifically chooses the term 'Human Asset' to describe its human resources, because we regard an employee as human capital and asset, not as resources to be consumed and exhausted. We believe continuous cycle of education, training and on-the-job experience to develop and nurture human assets should directly and indirectly drive Janome to improve product quality and functions and bring out brand new products, and to ultimately present a new business model to the world, establishing its superiority as a private enterprise. Additionally, we are actively engaged in human rights education, work-style reform, women's participation and advancement in the workplace, all of which should help our employees to have better understanding of diversity as well as respect for individual personality and humanity, without which we cannot build a foundation to bind a great team of talent and to generate significant achievement.

## Actions taken for Corporate Governance

Janome recognizes upgrading corporate governance and controlling the risk management as well as reinforcing compliance as the crucial management tasks, if we are determined to execute our businesses sustainably to expand our corporate value further. We are committed to take actions to fulfill these tasks.

We understand the corporate governance should function as guide by which we make management decisions that are both transparent and fair, prompt and decisive for Janome to cement sound relationship with each stakeholder including investors to co-create the corporate value. On top of the general recognition of corporate governance as a structure for a private enterprise to avoid risks, to prevent scandals and to enhance transparency, Janome believes that pursuing better corporate governance gives management more incentives to take sound risks, to support our effort for sustainable growth and to realize medium to long term expansion of our corporate value.

Risk management is controlled by the 'Risk Management Committee' which identifies the risks we may face in pursuing sustainable expansion of our corporate value, grasps the potential impact of these risks and prepares measures in advance to prevent, minimize or diversify the losses. Each risk is scrutinized of its probability of occurrence and its potential impact to determine its gravity, according to which preventive measures are elaborated and implemented.

Compliance is required at Janome for observing corporate ethics and social norms not to mention laws and internal regulations. The compliance system is governed by the Compliance Committee, comprised of the directors. Internal Reporting Hotline is set up to ensure organic function of the system for early detection and correction of unfair practices.

### Contribution to achieve SDGs (Sustainable Development Goals)










Janome believes contributing to realize sustainable society is one of our corporate social responsibilities and will pursue achieving each goal of SDGs by executing business operations from each perspective of ESG.

Janome celebrated the 100th Anniversary of its founding in October 2021. We would not be here without a century of support by society, environment and people. It has been a century of incessant conflicts and war, famine and poverty in some parts of the world and human rights have sometimes been neglected. Along the process of industrial revolution and ensuing economic development, there occurred environmental destructions, pollution and waste of natural resources and social inequalities and injustices abounded in many forms and manners. Modern society faces a wide variety of challenges, which call for the global participation and cooperation of all the countries on the planet earth, if we seriously mean to solve them. Janome, as a corporate citizen, will tackle those challenges for solutions to ensure sustainable growth of our own as well as the realization of the sustainable society.



\*Sustainable development goals (SDGs) are the international commitment to realize sustainable and better world by year 2030, as documented in 'The 2030 Agenda for Sustainable Development', adopted at United Nations summit in September 2015.

## Measures to solve materiality (material issues) for sustainable growth

ESG allocation	Target theme	Major actions taken	Page	Targeted SDG s
<b>Environment</b> (Environment of the earth)	Considerations for environmental load	Renewal & retention of ISO14001 Certification	P.60	
		Environmental education	P.61	
	Conservation of resources	Chemical substance control	P.61	
		Promoting paperless campaign	P.66	
Energy efficiency improvement	Various actions at production operation sites Installation of solar power generation		P.65	
			P.66	
Renewable energy utilization				
	Preparation and actions natural disasters	Established Business Continuity Plan Self defense fire drill Safety confirmation system training	P.52 P.41	
<b>Social</b> (Value co-creation/Human asset development)	Sustainable economic growth	Proceeding with Medium term Management Plan	P.16	
		Women's career development	P.39	
		Rehiring staff post retirement, Hiring persons with disability	P.39	
		Child and nursing care institution	P.40	
		Prevention of long working hours	P.40	
	Stimulate innovation	Human asset development	P.41	
		Research and Development	P.64	
Workplace safety	Health and Safety Committee Safe driving lecture	P.41		
Technology succession	Improve product development capabilities	Quality control system	P.30	
		Customer support	P.37	
Social welfare activities	Participation to Pink Ribbon campaign Assisting children with sewing machines		P.67	
			P.68	
<b>Governance</b> (Corporate Governance)	Reinforcement of governance	Reinforcement of corporate governance	P.42	
		Risk management	P.52	
Compliance		P.54		
Respect for human rights/Peace and fairness	Human rights enlightenment program Fair trade and procurement Social contribution activities Exclusion of anti social forces, cooperation with Association of organized crime prevention		P.39	
			P.38	
			P.67	

# Actions taken for the stakeholders

## Actions taken for our customers



We have in place quality assurance and customer support systems to protect our customers and retain their confidence and trust in us.

### Quality Assurance

#### Quality Assurance System

Janome has long held ISO9001, internationally acclaimed quality management standard. As documented in our Quality Environment Policy statement, we are proactively promoting to improve customer's satisfaction with and trust in the attractive products and services we provide.'

The Quality Assurance Department leads various quality assurance activities across overall Janome Group, performing quality audit and maintaining quality control of the sewing machines and the industrial equipment manufactured by the Janome Group and its affiliated companies both domestic and foreign.



ISO 9001 Certificate

#### Customer Support System

Janome's Customer Support Department dedicates special staff who look after an annual average of approximately 22 thousand inquiries from customers all over the country about how to operate and repair sewing machines and so on. Inquiries of high frequency about sewing machine operations are listed along with the solutions on the Janome website as 'Frequently Asked Questions' for ready reference. Customer's comments on products are shared with the departments in charge and are referred to as valuable input for product development and operational guidance. Industrial Equipment Sales Department also dedicates special staff to swiftly respond to client's requests and follow-up services.

## Actions taken for shareholders and investors

Janome maintains management transparency by prompt and accurate disclosure of the key management and financial information to shareholders and investors.

The 95th General Meeting of Shareholders was held on Friday the 25th of June 2021 at Keio Plaza Hotel Hachioji for FYE March 2021 with 26 shareholders attendance. Lower attendance should be ascribed in part to our request to the shareholders to avoid physical attendance in the face of the New Coronavirus infection. Electronic exercise of voting rights was introduced instead as part of our efforts to expand opportunities for more active exercise of the voting rights. Shareholder newsletters summarizing our interim financial results were published in June and November of 2021.

Financial results briefings are conducted for mass media, securities analysts and institutional investors. Videos and media interviews are also utilized for additional disclosure measures.

## Actions taken for our business partners



We are engaged in activities to develop and maintain ‘fair and transparent corporate behavior’ as stated in ‘The Janome Group Code of Conduct’.

### Fair trade and procurement

#### Compliance with Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors

‘The Janome Group Code of Conduct’ clearly states in the bylaw that ‘we establish and maintain fair procurement policies’ and that ‘we do not abuse superior bargaining position to force unfair pricing on any purchasing party’. We have documented these policies in our internal guidelines for all the department activities to comply with, and are providing appropriate employee education to conduct compliant behaviors such as sending key staff to seminars organized by Fair Trade Commission and The Small and Medium Enterprise Agency.

#### Bribery Prevention

Janome has documented ‘The Basic Policies of Bribery Prevention’ to ban the employees from receiving and offering entertainment, gifts or monetary compensations to and from all the business partners, without limiting its target to domestic and foreign public servants, for the purpose of obtaining or maintaining unfair profit or preferential treatment. In practice, the Entertainment Guidelines clearly lay out the standards of conduct and Internal Audit Department performs audits as it sees fit to examine if the business activities are conducted according to these guidelines.

#### Actions taken for conflict minerals

Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Article 1502 ‘Conflict Minerals’ obligates those US listed companies to report to US Securities and Exchange Commission who are applying such minerals sourced from Democratic Republic of Congo and its neighboring countries as gold, tin, tantalum, tungsten etc., to their production process or their output products. This article aims to cut off funding source to militant forces in these conflict areas. We are actively engaged in supporting this act to fulfill our corporate social responsibility as we supply certain products to some of those affected US listed companies.

# Actions taken for the employees



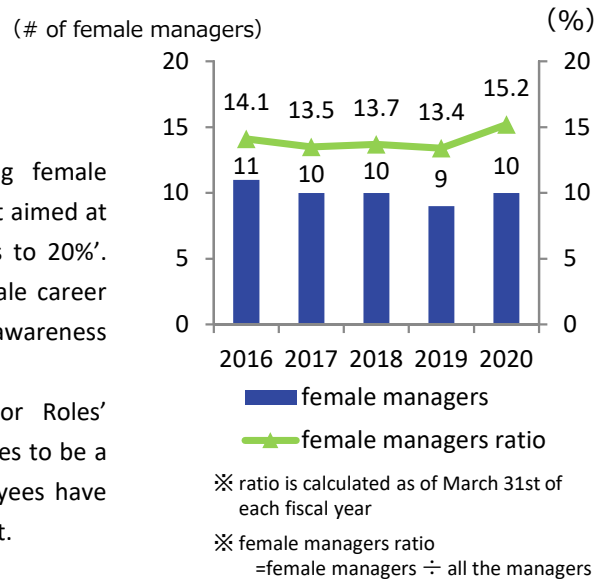
We aim to maintain a lively working environment for each and every employee.

## Respect for diversity

### Actions taken for female career development

Janome designed in 2020 'Voluntary Action Plan regarding promoting female employees to the managerial ranks including directorship', setting 'the target aimed at increasing by 2025 the ratio of female managers among all the managers to 20%'. Various opportunities are in place to help achieve the target, such as female career advancement seminars and training by different corporate ranks to enhance awareness and skills of female manager candidates.

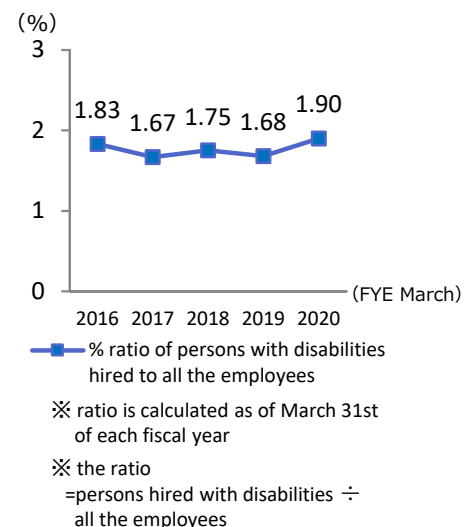
Janome's intranet site, 'Cheering for Women's Advancement to Major Roles' showcases such real life stories of Janome female employees as 'What it takes to be a female manager' and 'How to balance work and child care' so that employees have better understanding and enhanced awareness of female career development.



### Actions taken for rehiring retired staff and persons with disabilities

Janome introduced in 2006 'rehiring program for retired staff post retirement age' to offer those staff, having retired due to the retirement age of 60 and wishing to continue working, an option to extend in principle their retirement age to 65, thereby motivating those staff to continue their performance for Janome as well as to succeed their wealth of knowledge and expertise to future generations.

Janome is also reviewing its hiring practices and working environment of persons with disabilities in an attempt to promote hiring them to reach and exceed the legal rate of employment for the disabled of 2.2%. The target has not yet been met unfortunately, however, for which various measures are in place to satisfy such legal ratio. For example, we held in FYE March 2020 an in-house lecture to enhance employees' understanding of hiring persons with disabilities.



### Actions taken for human rights education

Janome has established an internal organization, 'Human Rights Education Promotions Committee', driven by the awareness that it is one of the corporate social responsibilities to promote human rights education activities. The committee is a driving force to stage human rights education seminars to enhance each and every employee's awareness of human rights, thereby creating a comfortable working environment for all to respect each other's human rights without prejudice to sex, age, sexual orientation or disability. As part of the promotions, lecturers are invited to conduct seminars on human rights education, and DVD viewing sessions are orchestrated for employees to casually learn that many things we do may involve human rights issues. One week in December is designated as The Human Rights Education Week, when we recruit from employees and their families a motto to promote the activity, and the internal competition winners' mottos are sent to external organizations for further competition. These are some of the activities we are engaged in our effort to enhance and spread awareness of human rights across the entire Janome Group.

Janome, as a member of 'Tokyo Board of Corporate Correspondence for Human Rights' as well as other boards, has been participating as a corporate citizen in the activities aimed at enhancing human rights awareness of society, with also a wish to establish respecting human rights as Janome's corporate culture.



## Work Life Balance

Janome has in place various measures to reduce working overtime, promote active usage of paid leaves and improve child care and nursing care support programs so that employees can realize appropriate work life balance.

### Actions taken for child care and nursing care leave program

Janome offers programs tailored to support different working styles that life stage changes may require.

#### ● Child care support program

Janome obtained in 2008 'Kurumin\* Mark', a certificate given by the Ministry of Health, Labor and Welfare to 'the company adequately providing next generation support'. Child care leave may be taken until the child reaches the age of 3, on top of which shorter working hour program may additionally be utilized until the child finishes the second grade of elementary school. Separately, nursing leave for a child not yet eligible for schooling may be taken up to 5 days a year in increments of half day until the child reaches eligible age for elementary school.

\*Kurumin comes from kurumu (meaning to wrap) and okurumi (meaning a warm cover to wrap a baby in as well as to protect), also from 'XX kurumi' (meaning a whole workplace dedicated as one team to support employees' child care needs).

● Birthers and nursing care leave takers		FY2017	FY2018	FY2019	FY2020
Nursing care leave takers/ Number of birthers	Female	6/6	1/1	4/4	2/2
	Male	0/5	0/2	1/9	2/6

#### ● Nursing care support program

Nursing care leaves may be taken up to the aggregate of 3 months for one member of a family who needs such care. When an employee needs to accompany a member of his or her family to a hospital, nursing care leave of half day may be taken up to 5 days a year.

Janome obtained in June 2020 'Tomonin' symbol mark, awarded to a company who promotes work place environment allowing the employees to continue pursuing their career development while being able to spend time for nursing care. Janome has actively engaged in structuring the support system to balance work and nursing care, periodically conducting a 'nursing seminar' since 2018 for employees to acquire the fundamental knowledge about nursing care and dementia



Tomonin symbol mark

### Actions taken to prevent extended working hours

Janome is taking measures to reduce extended working hours as well as to promote active usage of paid leaves, in an attempt to further contain overall working hours to an appropriate level. For the prevention of over time working, Wednesday is designated as 'no overtime work day of the week' where a head office announcement is made at the starting and closing hour to remind the workers to leave their office by the closing hour. Overtime work after 10 o'clock in the evening is prohibited and a warning is issued to the section supervisor whose staff's individual overtime exceeds that of a tolerance level, so that any further overtime may be discouraged. Various programs are in place to promote further usage of paid leaves, such as a program promoting taking consecutive annual paid leaves, an introduction of 'long service paid leaves for refreshment, or 'refreshment leave' and of a paid leave program in increments of an hour, or half day. All of those programs are meant to create an environment assuring employees to take paid leaves without hesitation and refresh their mind and body.

## Human asset development

Janome continuously provides all the employees including those in managerial ranks with education and training opportunities to develop the human asset, which we believe forms an integral part for us to put into actions our corporate philosophy of making contributions to society by consistently providing valuable products and services. One such opportunity is “Third year training” for employees with 3 years career with Janome, where the participants are asked to look back over their career to articulately grasp their skills and strengths and to recognize the importance of voluntary career development efforts, so that they can determine their own career development plans. Additionally, several online classes for voluntary training are offered such as e-learning and English conversation.

## Mental Health Care

### Stress check

“Mental Fitness Building Plan” was organized in 2012 as a step to make every workplace lively for every employee. An annual stress check is performed by every employee as an initial preventive measure against potential mental health issues yet to surface as problems. The stress check is expected to identify the stress he or she may have, to provide him or her with support to cope with the stress and to improve the office environment, if necessary.

### Employee Counseling Facility

Employee counselling facility was established in 2015 operated by an outside occupational physician in the Head Office building, which welcomes enquiries and counselling requests from the managers and the colleague of a potential patient on top of those directly from the patients themselves. Total gross number of 55 counselling was provided in the FYE March 2020.

## Occupational Health and Safety



### Health and Safety Committee Activities

Janome summons a member of each Head office division to organize monthly Health and Safety Committee in order to ensure that the safety and health of the working environment is maintained. Occupational safety and health and information is discussed and shared with the guidance of an occupational physician and occupational health counselor.

The committee members conduct a safety patrol, visiting the premises and physically inspecting any hint of a pending danger to the workers. On top of the safety patrol reports, the committee also discusses disaster illness accident reports, the occupational environment along with the improvement measures and the safety targets review.



Snapshot of Health and Safety Committee

Issues discovered by the committee that require rectifications are reported to the general managers in charge of the said workplace for immediate rectification, so that occupational health and safety of all the workplaces of Janome are continuously maintained.

### Self-defense fire drill and AED training

Janome conducts an annual self-defense fire drill and AED training with the participation of all the head office employees. ‘Action flows of self-defense fire drill’ were provided to the head office employees in place of the physical drill in the fiscal year 2020 as part of the preventive measures taken during the New Coronavirus pandemic.

Janome and the Janome Group companies are engaged in upgrading the Corporate Governance control to maintain sustainable growth as well as medium and long-term expansion of corporate value.

## Basic principles of Corporate Governance

Along the lines of the basic principles of corporate governance as laid out below, Janome is committed to continuously upgrade corporate governance practices, which are indispensable to fulfill its corporate social responsibility by (i) maintaining a fair and sound relationship with various stakeholders, (ii) securing adequacy of business executions and credibility of the financial reporting and (iii) strictly observing relevant laws and articles of incorporation etc.

- (1) We will continue to honor shareholder's rights, and will upgrade the environment for the shareholders to exercise their rights appropriately as well as to maintain substantive equality among the shareholders.
- (2) We will continue to fulfill our corporate social responsibility by acting in proper cooperation with various stakeholders in society such as the shareholders, the employees and the customers.
- (3) We will continue to maintain management transparency by actively disclosing management information including non-financial information based on the belief that disclosure is one of the most important management responsibilities.
- (4) We will secure opportunities for outside directors to make independent and objective proposals so that the Board of Directors will enhance efficiency of its function to supervise the executions of business activities.
- (5) We will continue constructive dialogues with the stakeholders to maintain sustainable growth as well as medium and long-term expansion of our corporate value. Each and every director and employee of all the Janome Group companies will continue to observe and respect our Corporate Philosophy and 'The Janome Group Code of Conduct', against which every action should be judged.

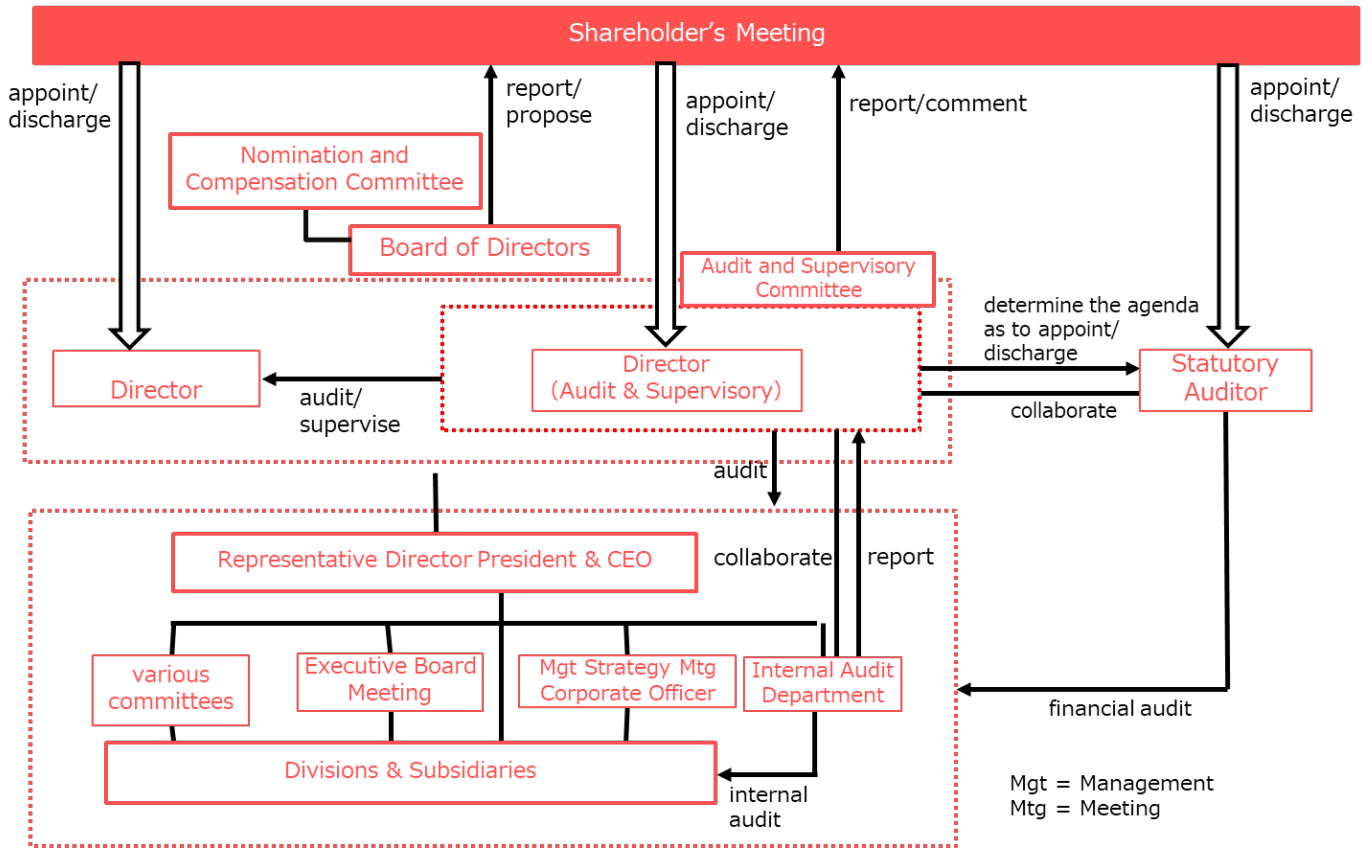
### Actions taken to strengthen Corporate Governance system

2021 ● Introduced policies to determine individual director's compensation package

2019	● Abolished Anti-takeover defense
2017	● Set up Nomination and Compensation Advisory Committee
2016	● Performed Efficiency Assessment of Board of Directors ● Corporate structure changed to Company with Audit and Supervisory Committee
2015	● Documented Basic Principles of Corporate Governance
2011	● Set up Risk Management Committee
2010	● Documented Janome Group Code of Conduct
2008	● Set up Internal Audit Department
2007	● Abolished Retirement Benefit System for Directors and Officers
2006	● Documented Basic Policies of Internal Control System ● Set up Compliance Committee and * Internal Reporting Committee
2005	● Set up Personal Data Protection Committee ● Reduced Director's tenure to one year
1999	● Introduced Corporate Officer system
1995	● Set up PL (Product Liability) Committee
1988	● Documented Corporate Mission

# Corporate Governance Structure

Corporate Governance structure flow chart



Janome adopted 'Company with Audit and Supervisory Committee' system as its governance structure. The system not only allows the Board of Directors to delegate authority to the Committee to expedite decision-makings and business executions but also reinforces the Board of Directors' authority to supervise and audit, thereby fairness, transparency and efficiency of the management are expected to be enhanced

The Board of Directors authorizes important management matters and supervises the execution of business activities. The current Board of Directors is comprised of nine directors of whom four are outside directors. With the abundant experience and expertise each outside director possesses in corporate management, legal affairs, finance, treasury and/or accounting, they fulfill adequate supervising functions by making comments and proposals to the Board of Directors from their independent and objective perspectives. Three outside directors satisfy Independence Criteria as determined by Janome. They are also registered with the Tokyo Stock Exchange as Independent Directors satisfying the requirements thereof.

The Executive Board Meeting, organized under the Board of Directors, deliberates important management matters and reports the matters of critical importance to the Board of Directors for further deliberation and final determination.

The Audit and Supervisory Committee, by way of exercising its authority to make a statement on voting rights exercised at the Board of Directors as well as the nomination and the compensation of the director candidates at the general meetings of the shareholders etc., audits legality and validity of the decisions of the Board of Directors and the executions of business activities by the executive directors. The committee ensures validity and efficiency of its audit by exchanging comments and insight as well as providing information to the periodical reports made by Internal Audit Department and Treasury Department.

The Corporate Officer system is introduced to separate business executions from their supervision. The system is designed to articulate its authority at the business front and to expedite business executions, thereby efficiency of the supervisory function of the Board of Directors is expected to be enhanced. A Management Strategy Meeting, consisted of the ranks above Corporate Officers, discusses and fully deliberates the pending challenges and issues of each business sector. The Janome Group Presidents meetings are periodically held to exchange information on respective business executions so that the Group as a whole shares the same level of motivation to maintain reasonable and compliant management.

The overseas subsidiaries meetings are also periodically held to exchange and share important matters and to standardize global operations at the appropriate level.

The Nomination and Compensation Advisory Committee is set up as an advisory committee to the Board of Directors, where important matters concerning the nomination and the compensation of the directors, etc. are deliberated and advised to the Board of Directors so that objectivity and transparency of the decisions are warranted.

Name of the institution	Directors
Board of Directors	Directors : Makoto Saito(Chairman), Toshiya Takayasu, Hitoshi Doi, Kazushi Kawaguchi, Mitsuhiro Sakizuki Outside Directors: Fumiaki Nakajima, Shinji Nakazawa, Keizou Tanaka, Kyo Kuriwa
Audit and Supervisory Committee	Director : Mitsuhiro Sakizuki (Commissioner) Outside Directors: Shinji Nakazawa, Keizou Tanaka, Kyo Kuriwa
Nomination and Compensation Advisory Committee	Directors : Makoto Saito (Commissioner), Mitsuhiro Sakizuki Outside Directors: Fumiaki Nakajima, Shinji Nakazawa

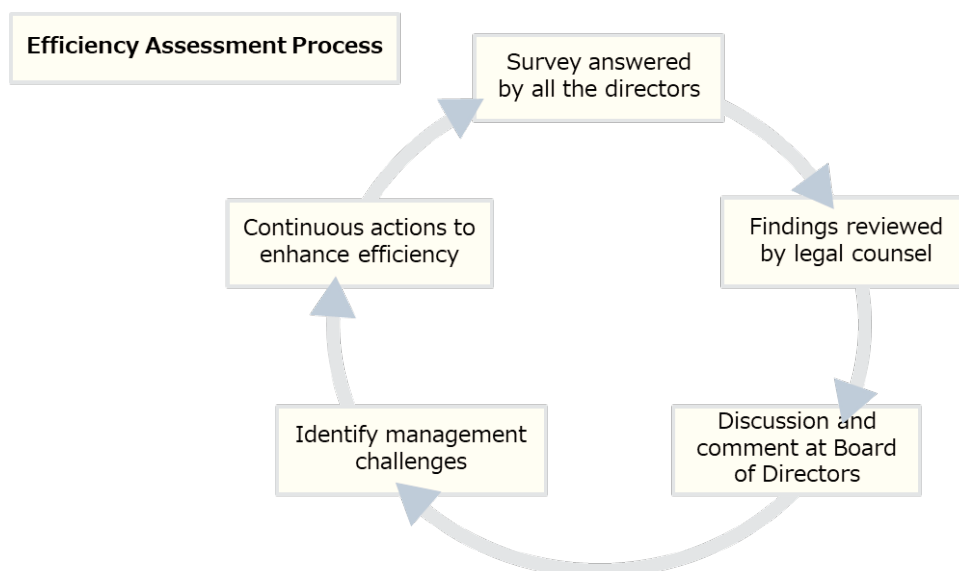
### **Number of meetings and committees for Fiscal Year 2020**

The Board of Directors assembled 18 times with all the outside directors' attendance, ensured the legality, fairness and efficiency of the director's fulfillment of their duties. Separately, the Board reached 3 more written resolutions by circulating the agenda on the documents. The Executive Board Meetings were held 24 times while the Management Strategy Meetings were held 19 times with all the Audit & Supervisory Directors attendance, and conducted strict audit by following the scheduled audit plan. The committee ensured the validity and efficiency of its audit by exchanging comments with and providing information to the periodical reports made by Internal Audit Department and Treasury Department.

The Nomination and Compensation Advisory Committee, an advisory body to the Board of Directors, assembled three times to deliberate on matters of importance concerning the nomination and the compensation of the directors and the corporate officers and advised the Board of Directors on these matters.

## Efficiency Assessment of the Board of Directors

Janome conducts an annual survey of the directors for the purpose of assessing the efficiency of the Board of Directors and endeavors to improve efficiency thereof by analyzing and assessing the survey results.



Below is the summary of the fiscal year 2020 survey and findings.

### ◆ Survey outline

Janome Board of Directors in March 2021 conducted a survey along the outline below and had a discussion in May 2021 for the purpose of improving the efficiency of the Board of Directors, based on the survey findings and the recommendations from our legal counsel.

- Focus of the survey structure, operation, role and responsibility of the Board of Directors, its supporting system, self-valuation of the directors, overall valuation of the Board of Directors
- Respondents: all the 10 directors including directors of Audit and Supervisory Committee.
- Evaluation system: 4 or 3 point scale evaluation and free comments
- Respondent's name: Anonymous

### ◆ Survey findings

We confirmed that efficiency is maintained at a reasonably adequate level from the findings that the Board of Directors consists of adequate number of persons with balanced diverse backgrounds and that a system is in place to stimulate communications between internal and outside directors, which forms a foundation for adequate discussions by the Board of Directors. On the other hand, needs for further elaboration were noted for the management strategy, medium-term management plan and ESGs. Additionally, the requirements for the continuous considerations were confirmed to invigorate discussions on and to secure transparency of the director's performance assessment method in the face of New Coronavirus pandemic which substantially restricts our communication effort with our shareholders. Our Board of Directors hereby announces our resolve to endeavor improving its efficiency based on these findings.

## Director's nomination policy

The candidates for the Janome directors are selected from a wide variety of the human assets. After discussion with and advice by the Nomination and Compensation Advisory Committee, final candidates are cautiously deliberated further by the Board of Directors before the nomination. The director candidates of those who are to be the directors of the Audit & Supervisory Committee require the prior approval of the Audit & Supervisory Committee.

An Executive Management member's selection is originated by the Representative Director from among the human assets with potential to contribute to both sustainable growth of Janome and the Group companies and medium to long term expansion of corporate value. The Board of Directors carefully deliberates Representative Director's selection and makes a nomination. In case a director fails to fulfill his responsibility in terms of financial performance, for example, the Nomination and Compensation Advisory Committee deliberates his discharge considering his overall performance and if the committee deems appropriate, may advise the Board of Directors of his discharge.

### Director candidate qualities and capabilities

1. Persons with abundant expertise and experience to execute and manage the businesses of the Janome Group
2. Persons with thorough understanding of their social responsibilities and missions as a director and sublime self-discipline to accurately and fairly pursue the executions and management of the businesses of the Janome Group.
3. Directors of the Audit & Supervisory Committee should possess capacity to supervise from fair and objective perspective the executive director's business executions thereby contributing to improve soundness and transparency of the management.

### Outside director candidate qualities and capabilities

1. Persons deemed to possess no potential reason to have any conflict of interest with the general shareholders of JANOME Corporation.
2. Persons with thorough understanding of their social responsibilities and missions as directors.
3. Persons who understand fully the role of the outside directors, possessing the capacity to supervise the internal directors and the management as well as to voice accurate and proper opinions and advice capitalizing on their profound expertise in corporate management, economics, legal affairs, accounting, tax practice and/or audit.
4. Outside directors of the Audit & Supervisory Committee should possess the capacity to supervise from fair and objective perspective executive director's business executions thereby contributing to improve soundness and transparency of the management.

Director's major area of expertise and specialty											
Name	Position at Janome	type of director		Area of expertise & specialty							
		out	indy	cm	rt	pp	ms	oe	fa	lm	hr
		*1	*2	*3	*4	*5	*6	*7	*8	*9	*10
Makoto Saito	Representative Director, President & CEO			○	○	○		○			
Toshiya Takayasu	Director & Executive Corporate Officer			○			○	○			
Hitoshi Doi	Director & Executive Corporate Officer						○		○		○
Kazushi Kawaguchi	Director & Executive Corporate Officer			○	○	○		○			
Fumiaki Nakajima	Outside Director	○	○	○					○		
Mitsuhiro Sakizuki	Audit & Supervisory Committee Member						○		○		○
Shinji Nakazawa	Audit & Supervisory Committee Member	○	○						○		
Keizo Tanaka	Audit & Supervisory Committee Member	○	○								○
Kyo Kuriwa	Audit & Supervisory Committee Member	○							○		

Legend	Full description
out	outside (director)
indy	independent (director)
cm	corporate management
rt	research & technology
pp	production & procurement
ms	marketing & sales
oe	overseas experience
fa	finance & accounting
lm	legal matter
hr	human resources & diversity

## Major activities of outside directors

	Name	Number of meetings attended		Major activities
		Board of Directors	Audit & Supervisory Committee	
Outside director	Fumiaki Nakajima	18/18	—	Capitalizing on his management experience and wide ranging expertise, he advises and makes proposals to the Board of Directors so that validity and adequacy of decision-makings is warranted.
	Shinji Nakazawa	18/18	21/21	Capitalizing on his professional expertise as certified public accountant, he advises and makes proposals to the Board of Directors so that validity and adequacy of decision-makings is warranted.
Outside director of Audit and Supervisory Committee	Keizo Tanaka	18/18	21/21	Capitalizing on his professional expertise as practicing lawyer, he advises and makes proposals to the Board of Directors so that validity and adequacy of decision-makings is warranted.
	Kyo Kuriwa	13/13	14/14	Capitalizing on his management experience and wide ranging expertise, he advises and makes proposals to the Board of Directors so that validity and adequacy of decision-makings is warranted.

Note 1. Mr. Kyo Kuriwa's attendance record shows the number of meetings held and attended after he assumed the Janome director's position on June 26<sup>th</sup>, 2020.



## Independence Criteria for Outside Directors

Janome documented the Independence Criteria for Outside Directors as below to maintain fairness and transparency in enforcing appropriate governance control. The directors satisfying those standards are registered with the Tokyo Stock Exchange as Independent Directors satisfying the requirements thereof.

Directors meeting none of the descriptions below shall be deemed to have adequate independence as outside directors of Janome.

1. Any person who used to belong or is currently belonging to JANOME Corporation and/or its consolidated subsidiary, hereinafter referred to as 'the Janome Group Company'
  - This category includes directors, corporate officers, fellows and employees, hereinafter referred to as 'the Business Executor' who used to belong or is currently belonging to the Janome Group Company
2. Any Major shareholder of JANOME Corporation and the Business Executor belonging to major shareholder
  - This category includes any shareholder possessing more than 1% of Janome stock with voting rights individually in his own name or collectively with other person(s)'s name(s), hereinafter referred to as 'Major shareholder', and in case such shareholder is an organization, the Business Executor belonging to such organization.
3. Any Business Executor belonging to major business partner of the Janome Group Company
  - This category includes the Business Executor belonging to major business partner of the Janome Group Company. Major business partner is defined as a business partner whose annual transaction value with the Janome Group Company exceeds 1% of the consolidated annual sales value of the Janome Group company.
4. Any Business Executor belonging to major lender to the Janome Group Company.
  - This category includes the Business Executor belonging to major lender, which is defined as a financial institution whose lending balance to the Janome Group Company as of the fiscal yearend of the Janome Group Company exceeds 5% of Janome's consolidated total asset.
5. Any certified public accountant belonging to the auditor in charge of accounting audit of the Janome Group Company.
6. Any professional such as the consultant, accountant, tax accountant, lawyer, judicial scrivener, patent attorney receiving any compensation or any other benefit with monetary value from the Janome Group Company.
7. Any person whose spouse, family member or relative within the second degree of kinship, or cohabitant who meets any of the above descriptions 1 to 6.
8. Any person who used to meet any of the above descriptions 2 to 7 within the past five years.
9. Any person who is deemed to possess any particular reason to have conflict of interest with the Janome Group Company.

## Director's compensation

Compensation for FYE March 2021 is as below.

Type of directors	Total compensation (in millions of yen)	Total compensation by kind (in millions of yen)		Number of directors in each category
		Fixed compensation	Performance linked bonus	
Directors (excluding Audit & Supervisory Committee Directors and Outside Directors)	101	101	—	6
Audit & Supervisory Committee Directors (excluding Outside Director)	19	19	—	2
Outside Directors	21	21	—	5

Note1. Above includes 2 directors who resigned at the closing of the 94th General Meeting of Shareholders held on the 26th of June, 2020.

Note2. Compensation for the director(excluding Audit & Supervisory Committee director) resigned and was appointed Audit & Supervisory Committee director at the 94th General Meeting of Shareholders held on the 26th of June, 2020 are included separately in each category.

Note 3. The 90th General Meeting of Shareholders held on the 17th of June, 2016 resolved that total annual compensation for directors (excluding Audit & Supervisory Committee director) shall not exceed 240 million yen and the same for Audit & Supervisory Committee director shall not exceed 80 million yen

Note 4. Remuneration for the employee portion of the employees also serving as directors is not to be included in the calculation above. Persons falling in this category do not currently exist in the company.

### Policies to determine individual director's compensation package

#### (1) Basic policy

- ① Compensation system of Janome directors is structured to assure the sustainable growth of the company as well as to contribute to mid to long term expansion of the corporate value of the company. Actual level of compensation is determined, on top of this structure, by the overall financial results of the company as well as the individual area of responsibility and performance thereof of each director.
- ② Director's compensation consists of a fixed salary and a performance linked bonus as an incentive.
- ③ Individual compensation shall be determined with adequate considerations so that the allocation of the latter is not excessive.
- ④ Maximum amount of aggregate compensation for the non- Audit & Supervisory Committee directors and the same for Audit & Supervisory Committee directors shall each be determined with the resolution by the General Meeting of Shareholders.
- ⑤ The Board of Directors is authorized to determine individual director's compensation within the maximum amount of the aggregate compensation for the non- Audit & Supervisory Committee directors as determined with the resolution by the General Meeting of Shareholders.
- ⑥ The Audit & Supervisory Committee directors shall determine each individual compensation package after deliberation among themselves within the maximum amount of the aggregate compensation for the Audit & Supervisory Committee directors as determined with the resolution by the General Meeting of Shareholders.

✕ continued on next page

## Policies to determine individual director's compensation package (continued from the previous page)

### (2) Policy to determine the fixed salary of an individual director, including its calculation method

- ① Representative Director drafts an individual fixed salary considering the individual performance, the contribution to the overall corporate performance, expectation for his or her future performance, years as a director, etc., of the non- Audit & Supervisory Committee directors.
- ② To secure transparency and fairness, said draft is sent to the Nomination and Compensation Advisory Committee, where it is deliberated along with the hearing of Audit and Supervisory Committee.
- ③ The Board of Directors determines the final amount by its resolution.
- ④ The fixed salary portion of an individual director shall be paid regularly in increments within his tenure.

### (3) Policy to determine the performance linked bonus of an individual director, including its calculation method

- ① The performance linked bonus shall be determined in accordance with the guidelines resolved by the Board of Directors and be paid after deliberation by the Nomination and Compensation Advisory Committee. Candidates for the bonus shall include corporate officers and fellows.
- ② The performance linked bonus shall benchmark the non-consolidated net income after tax to boost directors' motivation to improve the fiscal year performance and to achieve numerical management targets. The maximum aggregate remuneration of directors shall remain within 5% of the said benchmark.
- ③ The individual compensation of the non- Audit & Supervisory Committee directors shall be allocated pro rata to the fixed salary amount of each recipient, subject to the Board of Directors' resolution.
- ④ The performance linked bonus shall be paid to the directors, corporate officers and fellows who remain on these positions at the end of the final day of the preceding fiscal year. Actual payment shall be made during a certain period of time or shall not be made at all depending on its inherent nature.

## Basic profit distribution policy

Janome's basic profit distribution policy is to reinforce the sound financial foundation by maintaining a strong equity base at the same time as seeking to maximize the shareholder profit by pursuing to improve capital efficiency.

Target dividend payout ratio to the shareholders is set at 30% of the fiscal year end consolidated net profit attributable to owner's parent, as we determine the actual payout considering overall capital position by taking into account exercising various options including stock repurchase.

### Per share fiscal year end dividend trend

	March 2018 92nd	March 2019 93rd	March 2020 94th	March 2021 95th	March 2022 96th
Dividend (¥)	10	15	15	25	40(forecast) *1
Consolidated Net Profit (¥in mil) belonging to the shareholders of the parent company	1,391	880	424	3,945	2,500 (forecast)
Payout Ratio	13.9%	32.9%	68.4%	12.2%	30.9% (forecast)

※ Note on \*1

15 Yen of the dividend was paid out as interim dividend to celebrate 100<sup>th</sup> Anniversary since founding.

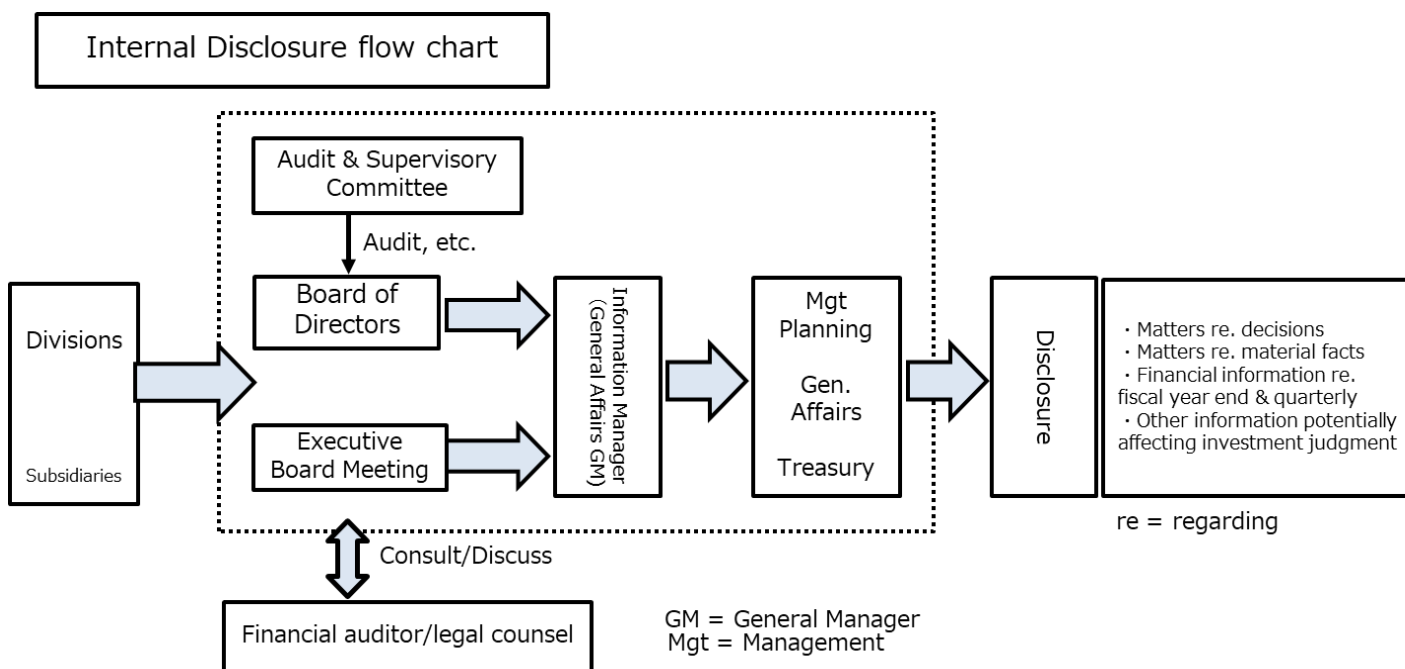
## Adequate Disclosure

Janome recognizes the importance of prompt and accurate disclosure to all of our stakeholders including customers, shareholders, investors and business partners so that we retain trust from society and continue to be rewarded with the proper market valuation that we deserve.

In this context, in addition to timely and adequate disclosures dictated by relevant laws and regulations such as Company Law, Financial Instrument and Exchange Law and Timely Disclosure Rules of the Tokyo Stock Exchange, we are making, in strict observance of the Fair Disclosure Rule, active and fair disclosure of all the information including negative ones, which we trust is of use for all the stakeholders to understand the Janome Group Company better.

In the FYE March 2021, we issued in June and November Shareholder Newsletters that summarized the combined financial results, etc. In November, the JANOME REPORT, a comprehensive summary of Janome was issued for the second time in a row.

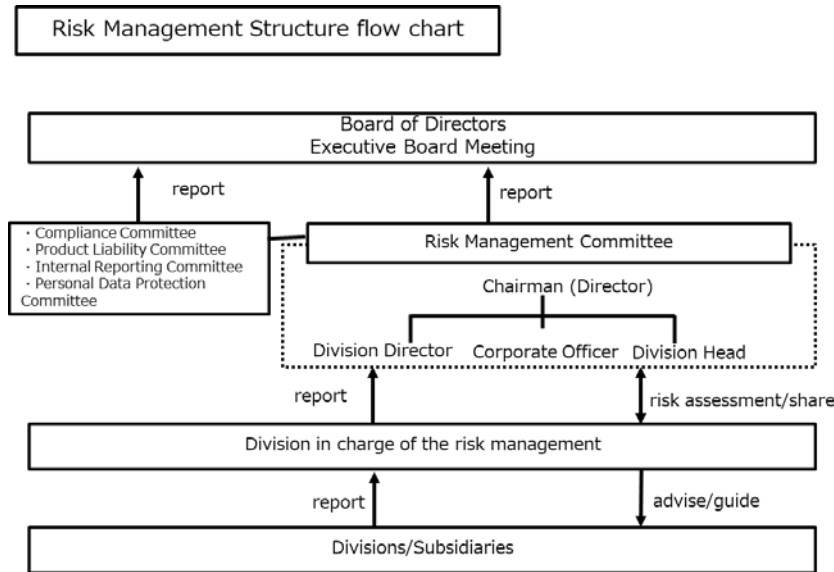
Financial results briefings we have regularly conducted for the media, securities analysts and institutional investors had to be cancelled for FYE March 2021 due to the New Coronavirus pandemic. We instead uploaded financial results as well as Investor Relation information in our continued efforts to expand our disclosure contents.



# Risk management

## Risk management systems

The Risk Management Committee is organized to identify and proactively deal with the potential risks Janome and the Group Companies may be involved in and to minimize its impact, in case the risk is materialized, for our swift recovery back to the normal course of the business. The committee is chaired by the Division Director with the members consisting of those above the manager ranks. It is responsible for collecting information, developing the risk management systems and training employees. The committee monitors and conducts risk evaluation of Janome and the Group Companies, with whom it shares these findings so the risk shall be monitored and reduced. The Compliance Committee and the other committees, organized for each purpose as described below, collectively with the Risk Management Committee compose the system to monitor and control the overall risk of the Janome Group Companies.



### <Compliance Committee>

The Division Director chairs the committee with the participation of division corporate officers. The committee deliberates important compliance matters.

### <Internal Reporting Committee>

The Division Director chairs the committee with the participation of the outside legal counsel. The committee promptly deliberates and processes an internal report in strict accordance with the internal rules and regulations.

### <Product Liability (PL) Committee>

The Division Director chairs the committee with the participation of the relevant division/department head in charge. The committee holds a monthly meeting to deliberate product safety issues.

### <Personal Data Protection Committee>

The Division Director chairs the committee with the participation of certain members across Janome. The committee develops the personal data protection plan in accordance with the internal rules and conducts audit and internal training for the employees.

## Business Continuity Plan (BCP)



Janome documented in April 2012, the Business Continuity Plan in preparation for such emergency situations as a massive earthquake strike with its epicenter right beneath the Tokyo Metropolitan Area, an outbreak of infectious disease such as the New Coronavirus and an internal information system breakdown. The plan defines how precautionary measures should be prepared and deliberated as well as what actions and procedures should be followed upon the actual disaster situations.

Additional measures developed to secure the safety of the employees in emergency situations are (1) Disaster Response Manual laying out the points to remember and the basic responses to take in disaster situations, (2) Emergency Essentials Takeout Box containing minimum supply of essentials, delivered to each and every employee on top of an additional supply of essentials and protective goods stored at appropriate locations and (3) Employee Safety Confirmation System, periodically tested for its validity and employee's awareness of risk preparation.

## Major business risks

In reference to the risks which may potentially impact its management results, stock price and financial positions, Janome separately discloses the 'individual risks' inherent to particular businesses and the 'universal risks' prevalent in all its businesses in its Securities Reports and will aim to avoid the occurrence of those risks and to minimize the impact at the time of their occurrences. Listed below are the 'universal risks'.

Risks and its impact
<p>【Currency fluctuation risk】 : Active overseas business expansion of the home appliance and the industrial equipment has kept the overseas sales ratio to consolidated total sales at around 70%. While currency fluctuation risk is minimized by active use of forward contracts as well as foreign currency nettings between Janome and its overseas subsidiaries, we cannot totally escape the adverse effects of currency fluctuation on the Janome Group business performance as the substantial portion of the overseas sales are transacted in the local currencies.</p>
<p>【Purchasing cost increase risk】 : Coupled with the efficient production allocation among the production facilities in Japan, Taiwan and Thailand reflecting the changes in global trend of demand, the global parts procurement helps reduce and stabilize overall purchasing costs. While the Production Management Division supervises both domestic and foreign production facilities to continuously strive to minimize the impact of increases in purchasing cost, increase of raw materials such as iron, aluminum, copper and resin may adversely impact the Group business performance.</p>
<p>【Country risk】 : Each country where we possess a production facility as well as sales/distribution network is exposed to the potential changes in the political system, legal and regulatory environment, political climate and economic conditions, occurrence of earthquakes, typhoons and other natural disasters, outbreak of war and terrorist attacks which may disrupt the continuation of business activities and adversely impact the Group business performance.</p>
<p>【Quality control risk】 : Janome products are backed by a long history of manufacturing know how. The PL (Product Liability) Committee is set up to monitor the safety of our products, and any issues identified are deliberated at a monthly meeting. The Quality Assurance Department leads the companywide activities to promote quality control across entire Janome Group and strives to grasp the progress on quality audit and pending quality issues of the sewing machines and the industrial equipment produced by Janome and the Group Companies in both domestic and overseas markets. Should a serious quality issue arise, the Group business performance may be exposed to the adverse impact of having to sustain the cost associated with recall of the product and/or damage to the brand.</p>
<p>【Market environment change risk】 : Whilst we cannot escape battling against the competitor threats in our effort to maintain and expand our business, we continuously strive to improve the quality of our products and services by combining our resources and strength of development, production and sales to withstand and cope with such threat. Substantial changes in the market environment, however, such as steepening competition may adversely impact the Group business performance.</p>
<p>【Interest rate change risk】 : Some of our interest bearing debt is subject to interest rate changes. Rise in the market interest rate shall increase our interest payment burden and may adversely impact the Group business performance and financial positions.</p>
<p>【Fixed asset impairment risk】 : The Janome group owns significant amount of tangible and intangible assets, investment and other assets that are subject to the impairment cost recognition. In case such recognition is required, it may adversely impact the Group business performance and the financial positions.</p>
<p>【Risk associated with the financial covenants of the debt instruments】 : Some of our debt instruments bear certain financial covenants, which, if triggered, may lead the lenders to pursue the acceleration of the entire debt.</p>

## Compliance

'The Janome Group Code of Conduct' is documented as the basic principles of compliance of the Janome Group companies along which each and every director and employee must conduct sound business practices with sublime ethical standards and endeavor to achieve sustainable growth as well as to expand corporate value.

'The Group Compliance Rules' are also documented for the Janome Group to maintain and improve the compliant business executions.

Based on the rules, the Compliance Committee is established to upgrade the group compliance system, to collect information and to educate employees so that non-compliance may be prevented in advance.

### TOPICS

#### Compliance promotion activities

Various activities are in place to enhance employee's awareness to observe compliance in our daily business practices. Some of these activities are displaying compliance posters, sending out email magazine named compliance news letter, delivering to every employee a compliance handbook, conducting compliance seminars and compliance awareness surveys. The 'Internal Reporting Hotline' is a highly accessible communication vehicle set up for anyone working at Janome and the Group Companies, a director, an employee, a retiree, or a part-time and/or a temporary worker or whoever that may be to connect directly with an external lawyer to report and consult individual or organized legal violations and problematic conducts in terms of corporate ethics.



Compliance Newsletter

## Personal Data Protection

Janome thoroughly protects and controls personal data in strict observance of the Personal Data Protection Policy. The Personal Data Protection Committee leads the activities based on this policy to establish 'The Personal Data Protection Plan' and conducts audit and internal education so that 'proper personal data protection' as defined in 'The Janome Group Code of Conduct' is achieved.



### **Significance of ESG in the pursuit of Corporate Value Expansion**

I assumed an outside directorship of Janome by the resolution at the General Meeting of Shareholders of Janome Sewing Machine Co., Ltd.(currently JANOME Corporation) in June of 2019. While the New Coronavirus pandemic continued to drastically alter society and the market environment during the second year of new Medium-Term Management Plan 'JANOME 2021 Navigation for the Future', Janome recorded by far the better profit owing much to the tremendous efforts at every business execution front. ESG is gaining further significance in the rapidly changing circumstances as an indispensable factor for a private enterprise's survival and corporate value expansion.

I believe the best way to detect a private enterprise's resilience, i.e. the capacity to respond to any changes, is to look closely at its non-numeric, invisible value, in other words, human assets or resources. Employee's value as a human asset is included in a portion of 'S (society)', while directors' composition is represented in 'G (governance)'. Janome, passing its 100<sup>th</sup> anniversary of founding, has accumulated a century of business practices by which it has naturally structured how human assets should be developed and treated as represented, for example, in its respect for diversity. Janome has integrated all the manufacturing, sales and engineering (R&D) functions in Hachioji, in the outskirts of Tokyo. The comfortable natural environment this area offers along with the solar power generation facilities built on

the site must be substantially contributing not only to reduce overall CO2 emission, but to improve work life balance, or work style reform as well as to help promote employees health management, including for example avoiding the 3 Cs (closed spaces, crowded places and close-contact settings), a crucial tactic to cope with the challenges of the New Coronavirus pandemic. For a company like us, being supported by many people in various walks of life, health management of the environment with and post-New Coronavirus, I believe, will be posing major challenges to the management.

### **Governance system and efficiency assessment of the Board of Directors**

The Governance system of Janome as a Company with Audit and Supervisory Committee is firmly secured by the composition of directors and establishment of the Nomination and Compensation Advisory Committee. Numerical targets are in place to monitor how female employees are fostered and promoted to the positions including those at managerial level. I intend to keep a close look at how those targets are observed and developed, which I recognize as one of the management challenges with increasing significance. As an independent outside director, my main focus is to observe if the company possesses a structure which identifies management challenges inherent in business execution sites, and if identified, to be reported without delay to the management ranks. In that sense, my trip in February of 2020 to the mass production factories in Taiwan and Thailand gave me a great opportunity to feel what's in the air at the operational front of both factories.

It makes a big difference to sit on the Board of Directors with or without real experiences at the operational front. I will continuously endeavor to avoid making general observations and comments to satisfy my own interests, but will engage everything I have learned in my career to be reflected in my comments and statements at the Board of Directors and the Strategic Management Meetings.

One thing I am making a point of disciplining myself is to avoid using the phrase 'in my previous company' as much as I possibly can. Utterance of such a remark is inappropriate for Janome in



---

my judgment, as it would only discourage, if it doesn't deny, the dedication and commitment of the executive directors and officers in charge of such business execution, who are aiming to create the best value with great respect and pride to the history and tradition of the company.

More opportunities for open-ended discussions on the management challenges will be necessary, I feel, on top of the currently scheduled reporting and resolution, if Janome is to improve efficiency of the Board of Directors.

While I appreciate the top management's welcoming remark for me 'Do not hesitate to express your views', I am always aiming to make my comments precise and articulate with advance preparation in depth as an outsider with due respect for those involved in the front line with daily business executions.

As the substantial transformation of Japanese capital market is around the corner, we are called for a close review and revision of our strategies and tactics to expand our corporate value. While the New Coronavirus pandemic seems nowhere near subsiding, industrial equipment market is showing some signs of hope for improvement. I will dedicate my resources to help Janome protect and develop, as an industry leader, the culture and value of the household appliances rediscovered by the 'Spending from home' demand.

While the environment surrounding Janome is posing bigger challenges for the management at the helm, I would like to actively engage in and elaborate the discussions for the future of Janome at the Board of Directors.



## Need to structure a governance system geared toward ESG management

A private enterprise used to be able to focus its effort on the pursuit of maximizing its business profit. Time has changed rapidly recently, when it became indispensable for a private enterprise to not only pursue its business profit, but also to act in an environmentally friendly manner as well as responsibly as a corporate citizen in its business activities involving its environment and society, if it intends to expand its corporate value continuously for mid to long term with sustainable growth. There is also an immediate need to structure a governance system so that the corporate behavior is effectively monitored. Janome has proactively progressed to implement measures to suit the changing business environment.

Janome changed its corporate structure to a Company with Audit and Supervisory Committee in the year succeeding to 2015, when the Corporate Governance Code was announced and the revisions to the Companies Act were enforced. Janome established the Audit and Supervisory Committee comprised of multiple independent outside directors and an outside director, as well as full time executive directors well versed in the actual business executions of the Janome Group, so that audit structure is reinforced. In 2017 the Nomination and Compensation Committee was set up to secure transparency and validity in the nomination and compensation of its directors, followed by the participation of an independent outside director in 2019 who brought with

him to the committee a wealth of knowledge and expertise of what it takes to manage a company as well as a third party objective perspective to monitor if the company possesses a governance system with a structure to control whether the company is properly and effectively managed.

## Effective governance execution and the role of independent outside director

Janome Audit and Supervisory Committee, in close cooperation with the Accounting Auditor and Internal Audit Department, examines abundant and detailed information on the business executions of the Janome Group offered by full-time Audit and Supervisory Committee director, and the Committee goes so far as to directly request face to face explanations about the matters of particular concerns. Speaking as someone who assumed a position as an independent outside director with legal qualifications, active exchange of opinions are being made, from different perspectives of each member of Audit and Supervisory Committee, on such broad issues as internal control, compliance, validity of financial data, risk management issues elaborated at various committees and governance matters concerning the nomination and the compensation. Additionally, regular meetings are in place to exchange views with independent outside directors excluding members of Audit and Supervisory Committee so that the outside directors share where the company stands on various management matters.

The Board of Directors today is required in earnest to possess an effective authority to conduct substantial debate and deliberation on matters of fundamental significance, as a group of chosen corporate management experts entrusted to execute the shareholder rights, as well as to audit the fairness and validity of the decision-makings by the management. The Board of Directors at Janome perfectly fits the characteristics detailed above, conducts debate and deliberation on significant management matters in the environment that encourages the participants including outside directors to express his views without reservations.

---

I regard my main function as an expert on legal matters of the Board of Directors, expected to focus on adequacy of business executions and risk management, however, I do not hesitate to express my views on those matters outside my expertise when there exists some sort of concerns. Janome, celebrating 100<sup>th</sup> anniversary in 2021, got off to a fresh start seeking further prosperity for years to come with a new company name. On top of the management strategies with proactive insight into the future, I believe Janome is required to structure a governance system, built and executed along the principles of 'Independence and Diversity' such as performing audit with further autonomy and inclusion of human assets with broader diversity, if Janome seeks to expand its medium to long term corporate value along the line with the mission statement of ESGs. Moreover, management commitment is required for our sustainable growth to uninterruptedly foster and train human resources as candidates for the management who will be steering the company to the right directions in the future. While corporate management judgment never ceases to be challenging in a world with complex societal changes, I intend as always to exhaust my resources to contribute to Janome's quest to secure adequacy and validity in its business management.

# Environment Report

Janome defined the Group Environment Policies as below and is engaged in environmental consideration activities based on the environment management system built around ISO14001 and Eco Action 21 so that we contribute to protect the global environment.

## Group Environment Policies

### 【Philosophy】

The Janome Group is resolved to conduct its corporate activities while paying appropriate attention to conserve the natural environment as well as to contribute to sustainable development of society, based on the recognition that one of the most significant universal challenges to mankind is to 'conserve the global environment where man lives in harmony with nature'.

### 【Policies】

1. Janome takes on a challenge to reduce CO<sub>2</sub> (carbon dioxide) emissions in every phase from the production to delivery of its products and services.
2. Janome promotes the 3R movement, namely 'Reduce', 'Reuse' and 'Recycle', in every phase of its business process to conserve resources as well as to reduce energy consumption.
3. Janome also aims to contribute to society from an environmental perspective, by creating products and services that help reduce environmental load.
4. Janome maintains strict control of hazardous substances that are detrimental to people and the environment, thereby aiming to reduce environmental risks.
5. Janome proactively discloses its overall environmental consideration activities.

JANOME Corporation  
Representative Director, President and CEO  
Makoto Saito

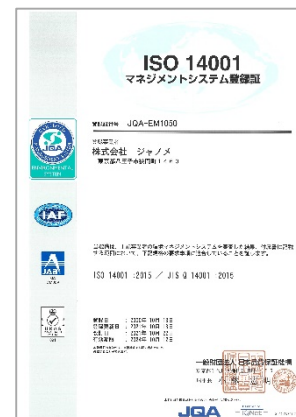
## Renewal and Retention of the ISO14001 Certificate



Every production unit of the Janome Group maintains a certificate of ISO14001 or ECO Action 21 and independently operates and monitors each environment management system.

The Representative Director and President, CEO, who has the ultimate authority and responsibility, summons the environment officers appointed by the management to report the ISO activities for discussions at the Quality/Environment Committee meeting.

Environment Management System dictates the daily activities, which are subject to annual external review by the authorizing body as well as by the internal audit. These activities are reported to the management at the annual management review and are put through the PDCA cycle for improvement.



ISO14001 Certificate

### 《ISO certificate update of Janome and the group companies》

Company Name	ISO14001	ISO9001
JANOME Corporation	○	○
Janome Diecasting Co., Ltd	— *Eco Action 21	○
Janome Taiwan Co., Ltd	○	○
Janome Thailand Co., Ltd	○	○
Janome Diecasting (Thailand) Co., Ltd	○	○

\*Janome Diecasting Kansai factory maintains ISO14001

## Observance of Environmental Laws and Regulations

The Janome Group observes all the relevant environmental laws and regulations as well as the ordinances of the local governments, which are periodically updated and compared against the data obtained from the in-house voluntary environmental measurements to ensure our observance thereof. When deemed necessary, we request a third party analyzing agency to perform environmental measurements to ensure our observance of the regulation values.

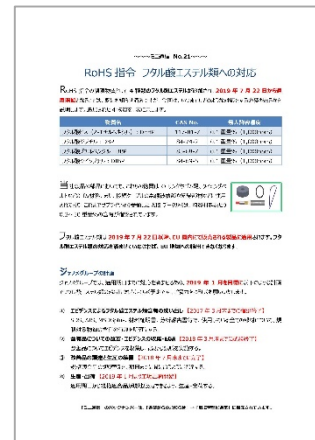
## Environmental Education



Environmental education for the employees begins as part of the new recruits training sessions where all the new recruits learn an overview of ISO14001. The employees are subsequently provided with different types of environmental training as their job descriptions and/or managerial duties call for and/or certain laws and regulations require certain qualifications to be registered with the relevant authorities.

Scheduled training of fiscal year 2020 for the internal environmental auditors had to be cancelled due to the New Coronavirus pandemic. Internal Audit Department instead provided timely follow up to over 90 of the internal environmental auditors so that internal audits maintain and improve the audit quality.

In addition, Intranet Portal Site periodically posts 'Mini Correspondence on chemical substance and hazardous material', correspondence on the issues of the time such as new regulations on chemical substance control and information on hazardous materials.



Mini Correspondence

### TOPICS

#### Activities to enhance the awareness of the environmental issues

Janome Diecasting (Thailand) Co., Ltd. organizes seminars on waste separation which is prone to invite human error, in order to educate its employees on how much damage industrial waste can exert on the environment and to enhance employees' awareness on the importance of waste separation in terms of how much contribution waste separation is adding to preserve the natural environment.



Environment seminar at Janome Diecasting (Thailand) Co., Ltd.

## Chemical Substance Control



The Janome Group appropriately monitors and controls the chemical substances detrimental to human bodies and the environment, in observance of the relevant environmental laws, regulations and internal guidelines. Equipment and devices containing PCB<sup>※</sup>, polychlorinated biphenyl, are stored under proper surveillance in accordance with 'Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes'. These affected equipment and devices shall be disposed of in observance of the schedules and policies of the PCB treatment facilities governed by the administrative authority. Asbestos remaining in certain buildings is periodically monitored and properly controlled.



PCB waste transport operation

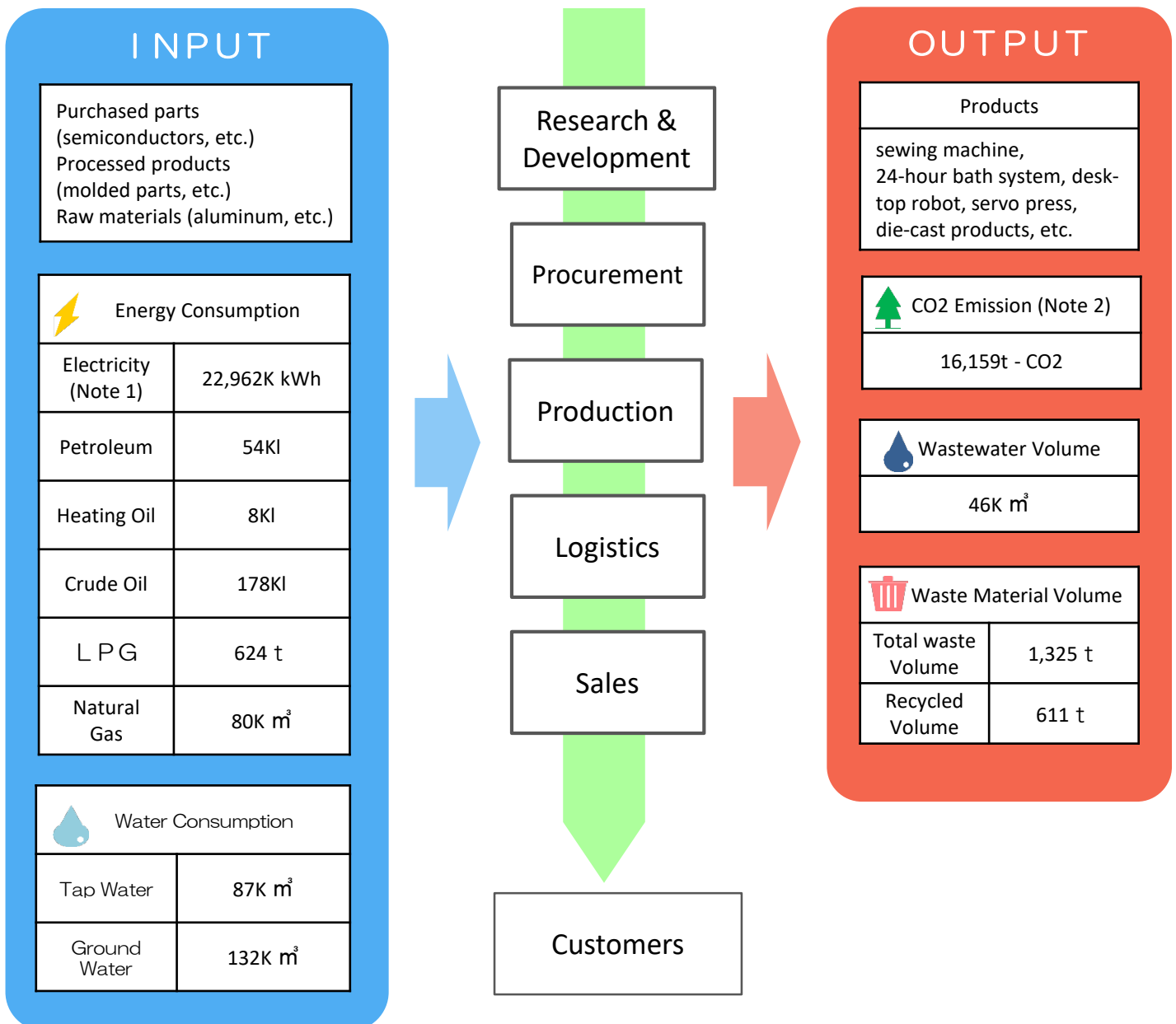
※ PCB, with its electrical insulation and non-flammable characteristic, has been widely used as insulating oil for electrical transformer etc. Its toxic hazard became a public concern in the late 1960's until in the 1970's its production, import or use were completely banned.

# Environmental Performance of FYE March 2021



Janome grasps environmental load of its business operations in numerical terms, against which various activities are staged to reduce the load.

## Environmental Load of Janome's Business Operations at a glance (Material Balance)



Scope of Business Operations covered to calculate environmental load/JANOME Corporation /Janome Diecasting Co., Ltd./Janome Taiwan Co., Ltd./Janome Thailand Co., Ltd. /Janome Diecasting (Thailand) Co., Ltd.

Note 1 : Electricity consumption includes that of the buildings owned by Janome and by its direct and owner branch network.

Note 2 : CO2 Output calculation is based on 'GHG Protocol' and 'GHG Emissions Accounting and Reporting Manual (Manual for Calculating and Reporting Greenhouse Gas Emissions Ver 3.2) of the Ministry of the Environment and the Ministry of Economy, Trade and Industry: 2011'.

## Key Environmental Objectives and Achievement

Environmental objectives are determined in numerical terms overall for the Janome Group as well as individually for each business entity. Activities are engaged to achieve the targets with the results shown below.

※ Achievement Evaluation legend : ○ = Target achieved, △ = Target yet to be achieved with certain improvement, × = Target not achieved

Themes	Key Environmental Objectives	Site (Note 2)	Milestone Achievement	Achievement Evaluation
Promote 3Rs (reduce, reuse, recycle) Conserve Energy and resources	Recycle by strict waste separation	All sites	Installed recycle boxes at every business unit in the Head Office building Recycled used polypropylene bands & cardboard boxes (Janome Diecast Kansai Factory)	○
	Energy conservation by individual business and operation unit	All sites	Introduced & replaced with LED (light emitting diode) Replaced with environment-conscious equipment, etc.	○
Reduce CO2 output volume	Lower than the preceding fiscal year results	Head office	Reduced by 9.3% (energy type calculated: electricity, petroleum, heating oil, LPG)	○
	3% equivalent of turnover *reduction (Note 1) from the preceding fiscal year result	Diecast	Increased by 2.35% (energy type calculated: electricity, petroleum, crude oil, diesel oil, heating oil, LPG)	×
	Lower than the preceding fiscal year results (electricity)	Taiwan	Increased by 14.9% (energy type calculated: electricity)(Note 3)	△
	3% reduction (electricity) from the preceding fiscal year result	Thailand	Increased by 28.1% (energy type calculated:(electricity) (Note 3)	△
	10% reduction (electricity) from the preceding fiscal year result	Diecast Thailand	Increased by 12.7% (energy type calculated: electricity) (Note 3)	△
Develop environment-conscious products	Mainly sewing machines & industrial equipment	Head office	Activities at Research & Development (detailed on page 59)	○
Toxic substance control	Reduce the quantity of chemical substance usage	All sites	Reduced industrial petroleum usage (Janome Taiwan) etc.	○
Disclosure of information	Publication of JANOME REPORT	Head office	Published 'JANOME REPORT 2020'	○
Maintain and improve environmental management system	Renew and retain certificate of ISO14001 and Eco-action 21	All sites	Renewed and retained certificates of ISO14001 and Eco-action 21	○
	Educate candidates to qualify for internal environmental auditor	Head office	Environmental Education activities (detailed on page 56)	△
	Comply with the environmental laws and regulations of the countries we have business operations in	All sites	Complied with all the laws and regulations on air and water pollution and noise control of each country where we have business operations in	○

Note 1 : Turnover equivalent is calculated by dividing (total CO2 output) by (turnover) as compared with that of the previous year.

Note 2 : Abbreviations read as below

Head office ⇒ JANOME Corporation/Diecast ⇒ Janome Diecasting Co., Ltd./

Taiwan ⇒ Janome Taiwan Co., Ltd./Thailand ⇒ Janome Thailand Co., Ltd./Diecast Thailand ⇒ Janome Diecasting (Thailand) Co., Ltd.

Note 3 : Increase at Janome Taiwan, Janome Thailand and Janome Diecast(Thailand) is mainly due to the unexpected increase in electricity usage caused by the rapid expansion of the household sewing machines production



## Environmental consideration activities at respective business operations



Shown below are some of our environmental consideration activities at respective business operations.

### Actions taken for Research & Development Operations

In our effort to reduce the environmental load of our products, Janome takes on such challenges as below in the research and development stage of our home appliance and industrial equipment products.



Secio 14000 equipped with LED lights

- Natural resources conservation: Weight reduction, volume downsizing, parts sharing, maintaining ease of disassembling
- Electricity conservation: Reduction of electricity consumption in standby and in power mode
- Products life span extension : Introduction of highly durable parts and upgrading the current version by external connection
- Reduction of hazardous substance usage: Compliance with the regulations on chemical substances contained in the products

Amount of ABS resin (Note 1 below) usage in externally procured parts for certain recently developed sewing machines is reduced as compared to that of the existing models. Promotion is under way to introduce/replace with the energy conserving and long-life LED lights.

Note 1. ABS resin is a collective term of acrylonitrile butadiene styrene copolymerized synthetic resin

On top of the universal challenges above, original evaluation standards are employed for industrial equipment development to give further consideration to the environment as summarized below.

Recyclability	percentage usage of recyclable ferrous metal parts and renewable resin parts to the total parts
Compliance with the safety regulations	Structure and design in compliance with the laws and regulations that the intended destinations require such as RoHS Directive, REACH Regulation, UL Standards, CE Marking, KCs Mark (Korean Certification Mark), OSHA, etc.
Other	Promote unitization further, improve the assembly capabilities, increase the exchangeability of maintenance parts



New servo press models were put to the tests of the evaluation standards of existing models and fared the same, equally or better than the existing models in all the standards. Those models are equipped with two-hand control devices, 'Switch Boxes'—additional safety feature for the operator in compliance with EN574. While giving those environmental and safety considerations, we do not compromise the functions and the features—the fundamental value of the industrial equipment.

※ EN574 dictates safety requirements for designing and selecting two-hand control devices.

### Actions taken for Procurement Operations

The Janome Group documented 'The Green Procurement Guidelines' in 2011, and has been monitoring, in coordination with each production business unit, to remain compliant with various regulations such as RoHS Directive (Note 1) and REACH Regulation (Note 2) regarding certain chemical substances contained in our products. Using the guidelines as benchmarks, we are in close communications and co-operations with the suppliers to make sure that all the procured parts are in compliance with the relevant regulations. Researches are conducted with the suppliers to monitor that the prohibited substances are not used at all or are used to the extent allowed.

Note1 : RoHS Directive is an EU directive which came into effect in July 2006 restricting the usage of certain hazardous substances in certain electrical and electronics equipment. The substances restricted the usage thereof are lead, mercury, cadmium, hexavalent chromium, PBB (polybrominated biphenyls), PBDE (polybrominated diphenyl ether), DEHP(di-2-ethylhexyl phthalate), BBP (butyl benzyl phthalate), DBP (dibutyl phthalate), DIBP (diisobutyl phthalate).

Note2 : REACH Regulation is an EU regulation which came into effect in June 2007 laying out the comprehensive rules and regulations on registration, evaluation, authorization and restriction of chemical substances.

## Actions taken for Production Operations

Each production unit is taking various steps daily to streamline its operation with reduced manufacturing cost, at the same time as to maximize energy efficiency with reduced electricity consumption in an attempt to strengthen its production system which is both energy efficient and environmentally-friendly.

Janome Thailand Co., Ltd. installed ventilation ducts in its storage facility, resulting in improved air circulation and lowering of the temperature by 3°C, as well as effectively helping to fend off airborne infections.

Increasing sewing machine production lines with accompanying workers was expected to raise the effective temperature of the workers potentially resulting in deteriorating operational efficiency. The factory installed 30 units of inverter type air conditioners, replacing the conventional ones to maintain and improve workplace comfort at the same time as to take environment conscious action to reduce CO2 emission by reducing its annual electricity usage cost amounting to 1.7 million yen.



Newly installed ventilation ducts in Janome Thailand Co., Ltd.

Janome Taiwan Co., Ltd. continued its environment conscious actions to replace existing facilities with energy saving types such as installation of solar power generation facilities and LED lights in place of incandescent lights. It also monitors daily air conditioning temperature to avoid excessive usage of electricity.

Additionally, each production hub replaced and repaired obsolete facilities as needed to maintain and improve operational efficiency as well as to reduce electricity consumption.

### TOPICS

#### Planting trees to help preserve environment

Janome Diecasting (Thailand) Co., Ltd. periodically engages in planting trees in an attempt to help prevent global warming. In fiscal year 2020, 50 mango trees were planted in their corporate site. Additionally, in a joint effort with neighboring companies in Sahapatana industrial complex, where Janome Diecasting (Thailand) Co., Ltd. resides, planted 200 saplings of padoauk, rosewood and other native South East Asian trees in the neighboring golf course site.



Tree planting activities by Janome Diecasting (Thailand) Co., Ltd. employees

## Actions taken for Distribution Operations

Janome is engaged in various environmental consideration activities in its distribution sector to reduce CO2 output ranging from introduction of electric forklifts, delivery routes integration, cargo space optimization and inventory control optimization aimed at reducing emergency air freight.

### Replacing conventional pallets with returnable steel pallets

The Janome Group has been gradually expanding its use of returnable steel pallets for the finished products and the parts delivered from Janome Taiwan Co., Ltd, a production subsidiary, to Tokyo Factory, as part of its effort to reduce distribution cost. Nearly 70% of total delivery from Taiwan in FYE March 2020 employed returnable pallets instead of conventional pallets, which would have been discarded otherwise. These pallets, on their way back to Janome Taiwan Co., Ltd, are stored in free space of a container of the parts shipment to Taiwan to avoid extra shipment for them.



Returnable steel pallets

## Actions taken for other areas

### Installation of solar power generation system

Janome installed solar power generation system on the rooftop of Tokyo Factory Building No.2, which has generated 118,367 kWh in the fiscal year 2020. The power generated equates to CO2 reduction of 54,094 kg-CO2, equivalent to annual CO2 absorption by roughly 3,860 cedar trees (Note 1).

Note 1: Calculation is based on annual CO2 absorption capacity of a 50 year old cedar tree at 14kg absorption per tree—as quoted from Forestry Agency Kanto Regional Office home page.



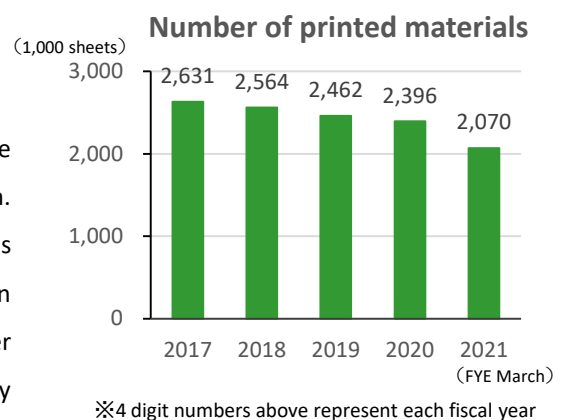
Solar power generation system

### Promoting Paperless Campaign

Janome designated as part of the overall company target of ISO14001 to promote conservation of natural resources as well as reduction of the energy consumption. Paperless campaign, aimed at reducing overall usage of paper as well as optimizing business executions, is one of the activities Janome has been promoting as part of its effort to achieve ISO14001 target above. Employing paper saving copying techniques and replacing printed materials prepared specifically for business

meetings with electronic blackboard are examples of the efforts made for paperless campaign at the head office building. Thanks to these efforts, total printed material volume of the fiscal year 2020 was reduced by approximately 326,000 sheets, equivalent of 13.6% reduction, from that of the fiscal year 2019.

Monthly usage by individual copiers and multifunction copiers is publicized in-house along with the comparison to that of the same month previous year, so that every business unit has a clear understanding of its usage volume of the printed materials.



# Actions taken for society

Janome values involvement with society and actively engages with various stakeholders in society.

## Social contribution activities



### Participation in the Pink Ribbon campaign

Pink Ribbon is a global campaign to spread correct understanding of the breast cancer aiming for example to increase its screening rate at an early stage of the disease. Janome has been making a donation to 'Eliminate breast cancer and smile fund' operated by the Japan Cancer Society, a public interest incorporated foundation, proceeds of which are mainly used to procure screening/testing equipment such as mammography and educating and training doctors and radiographers as well as to support the patients.



### Actions taken for the Pink Ribbon Month

Janome America, Inc. sets up an employee on-line donation account every year in the Pink Ribbon Month of October (Cancer Prevention and Enlightenment Month). The money pitched in by employees are donated to the American Cancer Society. The proceeds of the donations are used to fund cancer research, to support the cancer patients and to provide information for prevention of the disease.

As part of the participation to the campaign, on the 'Lee National Denim Day' in the Pink Ribbon Month of October, a fashion contest is organized for Janome America employees to compete with each other, wearing something pink and something made of denim. The contest works to remind the employees of their awareness of and participation to the campaign.



Lee National Denim Day

## Janome staff helped 5<sup>th</sup> graders at sewing classes of elementary schools in Hachioji

Janome sent its staff to elementary school in Hachioji and helped the students learn how to use the sewing machines in their home craft classes from January to March of 2021.

Children in the 5<sup>th</sup> grade, when the first home craft education starts using sewing machines, participated in the 2 hour classes where Janome staff demonstrated the basic operations focused on using sewing machines safely and properly.



Snapshot of a sewing class for 5<sup>th</sup> graders

## Janome Canada donates sewing machines to ILFP

Janome Canada Ltd. donated 60 sewing machines along with the sewing kits to ILFP, I Love First Peoples, program assisting sewing education activities for the children of indigenous people living in isolated locations.

Janome Canada Ltd. intends to continue supporting this activity, which offers the first peoples' children and young generation the opportunities to gain access to education as well as to foster their creative capacity, which should give them a certain competitive edge in society.



Donated sewing machine model '2030QDC-B'

## Thanks to your patronage, Janome reached the 100<sup>th</sup> year since founding

### Let's make a new start with a new company name

'New Janome', our corporate slogan, represents our wishes, no matter what business segments or dealings we are involved in with you, to remain a versatile partner by your side in various phases of your life and social activities. We took this memorial centenary in October 2021 as the prime opportunity to change the company name to JANOME Corporation and announced to the world that Janome is determined to make a new start with a new name.

Janome Sewing Machine Co., Ltd.  **JANOME Corporation**

Well established brand '**JANOME**' is used in the new company name to show our aspiration to become a household name and to enhance the global brand recognition further.

Janome and its group companies made a new start with the new company name for further expansion of our businesses as well as our corporate value.

### Centenary Memorial Dividend

Janome paid centenary memorial dividend as of the record date of September 30, 2021 with sincere gratitude to our shareholders.

With your patronage and support, Janome will continuously seek to maximize the shareholders profit.

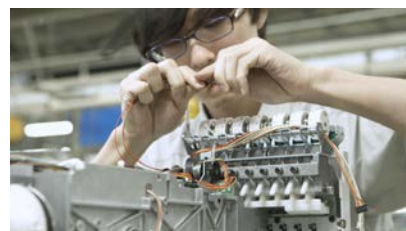
#### Descriptions of the Memorial Dividend

Record date	September 30, 2021
Dividend per share	15 Yen
Total dividend	289 Million Yen
Effective date	November 29, 2021
Dividend resource	Retained earnings

### TOPICS Corporate site renewal and corporate profile video now available

The Janome corporate site in Japanese was renewed to coincide with the company name change. The design and the composition of the site were entirely renewed so that the viewers should enjoy the site with more ease and comfort. We will endeavor to post useful information and constantly review and update the contents.

Moreover, a corporate profile video in English is now available for the public to view, so that New Janome is known to a wider audience. You can easily access the video from our corporate site, 100<sup>th</sup> anniversary special site and official YouTube channel.



## Centenary memorial campaign, Sew and Connect (to the next centenary)

We staged a centenary memorial campaign, calling for sewers to send us mini tapestries made with the sewing machines. Sew and Connect (to the next centenary), as the campaign is called, requested a sewing machine made mini tapestry, size 15cm X15cm, to be (1)embellished with applique or embroidery designs related to sewing such as a sewing machine, thread top or bobbin and (2)to somehow use Janome's symbol color red.

445 mini tapestries were sent in, each filled with fun of sewing, cheers for Janome and/or affections for the sewing machines. All of those tapestries were then sewn and connected together into one large piece of tapestry. For those who are interested, all the original tapestries are posted on our sewing machine site with the sewers' comments.



## Centenary memorial campaign, episode of sewing machine and myself

We requested our customers to send in their episodes associated with the sewing machines or Janome in the past 100 years. The episodes sent to us seem to illustrate that so much of the memories associated with the machines are connected to the loved ones, good old days, happy moments in the past or the dreams about the better future. Some of the episodes are posted on the sewing machine site.



### New! Launched 100 year anniversary models

- 'Anniversary Hyper Craft 850' launched on December 11, 2020.

Designed after Japan's first computerized sewing machine launched in 1979 by Janome, it is designed with simple and serene appearance. This new computerized model comes with embroidery functions.

Major features:

- 176 built in embroidery designs
- Capable to embroider large design up to the maximum 170mm×200mm
- 'SECIO 9720P', launched on December 1, 2020.

Computerized model with embroidery functions designed in collaboration with Peter Rabbit illustrations.

Major features:

- 100 built in Peter Rabbit embroidery designs.
- 200 built in stitch designs



BEATRIX POTTER™ ©Frederick Warne&Co.,2021

## 'Epolku' hands-on learning work shop events

Janome organized the hands-on learning event using Epolku, our 100th anniversary model for a total of 6 days from November 27 to 29 and December 11 to 13, 2020 at the work shop on the 1<sup>st</sup> floor of Tsutaya Electrics Futagotamagawa.

The work shop used LIBERTY fabrics to make 'Mini shoulder bag with embroidery' in the morning session and 'Eco bag with inner pocket' in the afternoon session. Both sessions were preceded by the basic lesson for how to sew with the sewing machines so that beginners can also enjoy the experience. Minimum age cutoff was set at 5 years old for the morning session and 18 years old for the afternoon session for many people in the broad generations to be able to participate.

On September 8, 2021, another work shop was staged at GREEN SPRINGS in Tachikawa-shi in Tokyo to make original tote bags with printed fabrics. Ricoh Japan Co., Ltd. offered 'garment printer' to be used for the occasion.

Garment Printer, used with the special PC application, lets you print photographs and original illustrations on fabrics. Various designs built in the application inspired the participants to come up with the original layout to be printed on fabric, which was then sewn into tote bags with our anniversary model sewing machine 'Epolku'. The comments from the participants included 'Thanks for the fun time' and 'The event made me want to replace my sewing machine with this model'.



## Collaboration event with 'Chikusen', established dyed yukata(casual summer kimono) brand with a long history

Janome organized a work shop event on October 16, 2021 at Kichijoji Bobinage with Chikusen, long established dyed yukata, casual summer kimono, brand.

As Japan's first household sewing machine manufacturer, Janome has pulled the industry through with a buzzword 'Good quality goes a long way'. Since its founding in Edo era, which perfected a recycling-based society where everything was taken good care of, Chikusen has carried its spirit and art of manufacturing through its existence. The event indeed was orchestrated by the two established brands with long histories.

Using fabrics known for the unique finish only Chikusen handmade can accomplish, and sewn with the Janome's Epolku, the participants created 'Clasped pouch' designed after Japanese casual summer kimono and 'Clutch bag' made for convenient 3 way use.

Fabrics used in the work shop are the waste pieces after yukatas were cutout, which would have been thrown away otherwise. In this sense, the event also drove home the awareness about SDGs and ethical consumption to the mind of the participants.





# Janome exhibited at the 3<sup>rd</sup> Automotive World Nagoya

October 21 to 23, 2020 Portmesse Nagoya in Aichi Prefecture

The exhibition in Nagoya showcased the automobile industry's cutting-edge technologies, including autonomous driving, electrification & computerization, connected vehicle and weight reduction. The event attracted most major manufactures of the automobile & automotive component in Chubu and Kinki regions who ran their booths to display their products. Janome displayed wide range of main line products such as the screw tightening robots and a facility to demonstrate an automated robot system employing 4 types of robots, namely servo press, desk top, Cartesian and SCARA.



## New!

### A servo press 'JP Series 5' two-hand switch model launched on February 25, 2021

Servo press switch boxes, newly developed for operational safety and certified by the domestic specification authority, are loaded on this two hand switch model.

#### 〈Main features〉

- The servo press switch box, developed by Janome for the operational safety in the two-hand switch model, makes existing safety devices such as area sensors redundant, resulting in the cost saving as well as offering additional safety and broader work space to the operators.
- In compliance with OSHA and CE Marking regulations
- Interface functions enable various data, sampled with high velocity, to be transferred and controlled in remote locations.



### ※Tangless Insert Automatic Insertion Machine launched on September 30, 2021

A new application performed by "JR3000 Series" desktop robot lineup entered the market. Tangless Insert is a component used to strengthen screw holes in normally weaker base materials such as aluminum.

#### 〈 Main features〉

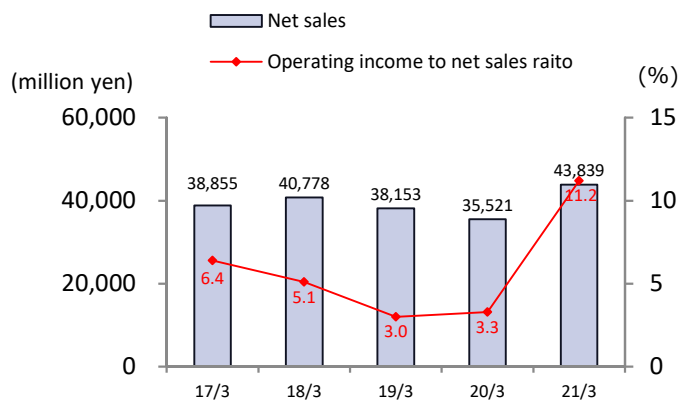
- Automatic insertion process improves productivity compared to the conventional manual insertion using an electric screwdriver.
- Mechanical control ensures exact vertical insertion into tapping holes for stable production and improved quality.
- Automatic missing coil detection function <optional> engages contact sensor measuring coil height after insertion to detect floating or missing coils.



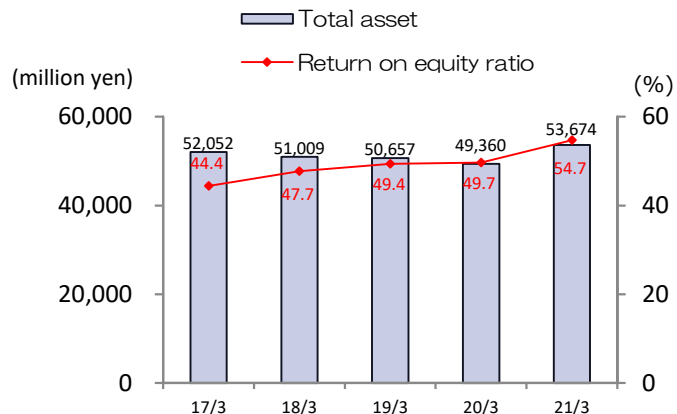
\*"Tangless" is a registered trademark owned by Advanex, Inc. (Trademark no. 4477416)

## Financial Highlights \*numbers under each bar designate "fiscal year ending March of XXXX"

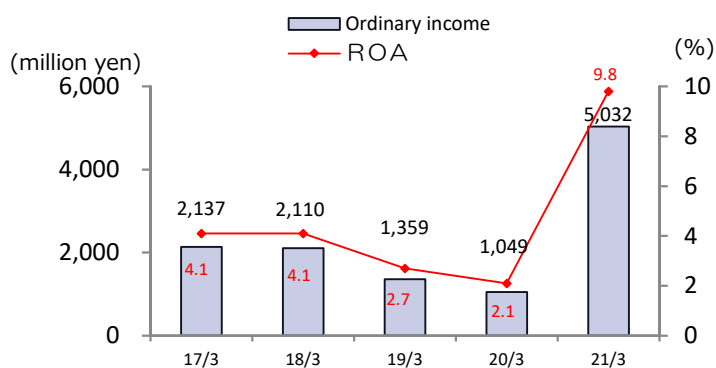
### ● Net sales • Operating income to net sales ratio (Operating margin) ※<sup>1</sup>



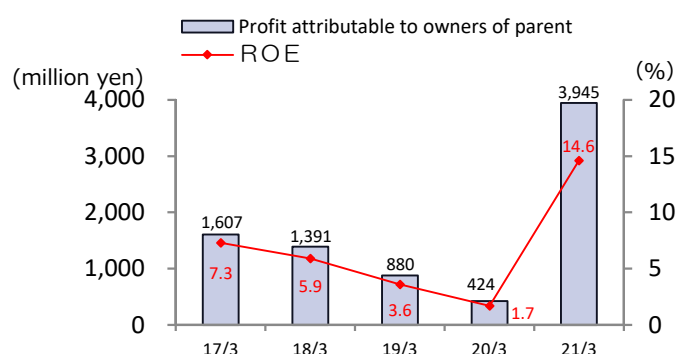
### ● Total asset • Equity ratio



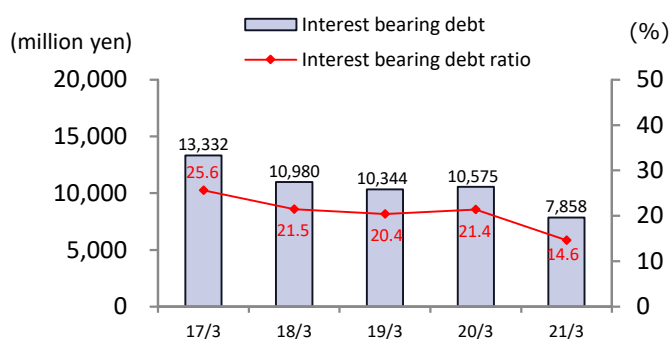
### ● Ordinary income • Return on asset ratio (ROE) ※<sup>2</sup>



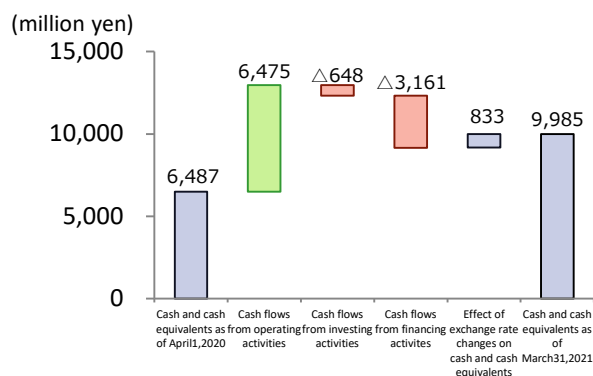
### ● Profit attributable to owners of parent • Return on equity ratio (ROE) ※<sup>3</sup>



### ● Interest bearing debt • Interest bearing debt ratio ※<sup>4</sup>



### ● Cash flow factor analysis



※<sup>1</sup> Operating income to net sales ratio = (Operating income) ÷ (Net sales) × 100

※<sup>2</sup> Return on assets (ROA) = (Ordinary Income) ÷ (Total assets) × 100

※<sup>3</sup> Return on equity (ROE) = (Net income) ÷ (Equity) × 100

※<sup>4</sup> Interest bearing debt ratio = (Interest bearing debt) ÷ (Total assets) × 100

# Consolidated Financial Highlights

(Unit : Million Yen except for per share data)

	FYE March 2020	FYE March 2021
<b>Profit and Loss Situation (financial year)</b>		
Net sales	35,521	43,839
(Overseas sales to net sales ratio)	66.1%	69.0%
Gross profit	14,272	18,494
Operating income	1,158	4,931
Ordinary income	1,049	5,032
Profit attributable to owners of parent	424	3,945
Purchase of property, plant and equipment	709	439
Depreciation	1,407	1,103
Research and development (outlay)	1,384	1,438
<b>Financial Position (fiscal year end)</b>		
Total Assets	49,360	53,674
TOTAL NET ASSETS	25,381	30,316
Net Assets (Net Equity – Non-controlling interests)	24,550	29,359
<b>Financial Ratio</b>		
Equity ratio	49.7%	54.7%
ROE (Return on Equity)	1.7%	14.6%
<b>Cash flow situation (financial year)</b>		
Cash flows from operating activities	1,512	6,475
Cash flows from investing activities	△677	△648
Free cash Flow	834	5,826
Cash flows from financing activities	△298	△3,161
<b>Per share data (unit in Yen)</b>		
Net asset per share (BPS)	Yen1,269.95	Yen 1,518.73
Net income per share - basic	Yen 21.94	Yen 204.12
Dividend per share (DPS)	Yen 15	Yen 25

# Consolidated Balance Sheets

(unit : million yen)

	FYE March 2020	FYE March 2021		FYE March 2020	FYE March 2021
<b>ASSETS</b>			<b>LIABILITIES</b>		
<b>Current assets</b>			<b>Current liabilities</b>		
Cash and deposits	6,886	10,901	Notes and accounts payable	2,084	2,862
Notes and accounts receivable-trade	6,650	6,865	Short-term loans payable	10,575	7,858
Merchandise and finished goods	4,934	5,598	Income taxes payable	243	817
Work in process	594	644	Provision for bonuses	508	629
Raw materials and supplies	2,727	2,744	Provision for directors' bonuses	—	83
Other	506	538	Other current liabilities	2,147	2,946
Allowance for doubtful accounts	△221	△277	<b>Total current liabilities</b>	<b>15,559</b>	<b>15,197</b>
<b>Total current assets</b>	<b>22,078</b>	<b>27,016</b>	<b>Fixed liabilities</b>		
<b>Fixed assets</b>			Deferred income taxes for revaluation	3,420	3,387
<b>Tangible fixed assets</b>			Net defined benefit liability	4,052	4,002
Buildings and structures (net)	5,818	5,546	Other fixed liabilities	946	769
Machinery, equipment and vehicles (net)	1,155	991	<b>Total fixed liabilities</b>	<b>8,419</b>	<b>8,159</b>
Land	14,374	13,961	<b>TOTAL LIABILITIES</b>	<b>23,979</b>	<b>23,357</b>
Construction in progress	14	36	<b>Net Assets</b>		
Other tangible fixed assets (net)	1,333	1,265	Shareholders' equity		
<b>Total tangible fixed assets</b>	<b>22,696</b>	<b>21,800</b>	Capital stock	11,372	11,372
<b>Intangible fixed assets</b>			Retained earnings	7,967	11,611
Other intangible fixed assets	849	758	Treasury stock, at cost	△325	△325
<b>Total intangible fixed assets</b>	<b>849</b>	<b>758</b>	<b>Total shareholders' equity</b>	<b>19,015</b>	<b>22,658</b>
<b>Investments and other assets</b>			<b>Other comprehensive income</b>		
Investment securities	1,452	1,538	Valuation difference in other marketable securities	54	117
Deferred tax assets	1,724	2,003	Land revaluation difference	6,630	6,643
Other	578	593	Foreign currency conversion adjustments	△927	154
Allowance for doubtful accounts	△20	△36	Adjustment of defined benefit plans	△222	△215
<b>Total investments and other assets</b>	<b>3,735</b>	<b>4,098</b>	<b>Total other comprehensive income</b>	<b>5,534</b>	<b>6,700</b>
<b>Total fixed assets</b>	<b>27,281</b>	<b>26,658</b>	Non-controlling interests	831	957
<b>Total Assets</b>	<b>49,360</b>	<b>53,674</b>	<b>Total Net Assets</b>	<b>25,381</b>	<b>30,316</b>
			<b>Total Liabilities and Net Assets</b>	<b>49,360</b>	<b>53,674</b>

# Consolidated Statement of Income

## Consolidated Statements of Comprehensive Income

(unit: million yen)

	FYE March 2020	FYE March 2021		FYE March 2020	FYE March 2021
Net sales	35,521	43,839			
Cost of sales	21,249	25,345			
Gross profit	14,272	18,494			
Sales, general and administrative expenses	13,114	13,563			
Operating income	1,158	4,931			
Non-operating income					
Interest income	20	7			
Dividend income	50	38			
Exchange rate gains	—	40			
Other	141	138			
Total non-operating income	211	224			
Non-operating expenses					
Interest expenses	108	78			
Foreign exchange losses	126	—			
Other	86	45			
Total non-operating expenses	320	123			
Ordinary income	1,049	5,032			
Extraordinary profits					
Gain on sales of fixed assets	4	88			
Total extraordinary profits	4	88			
Extraordinary losses					
Loss on sales and retirement of noncurrent assets <sup>9</sup>		91			
Impairment loss	43	90			
Loss on valuation of investment securities	6	—			
Loss on litigation	72	—			
Total extraordinary losses	131	182			
Income before income taxes	922	4,937			
Income tax, resident tax and business tax	378	1,203			
Income tax adjustment	82	△338			
Total taxes	460	865			
Profit	461	4,072	Profit	461	4,072
Profit attributable to non-controlling interests	37	126	Other comprehensive income		
Profit attributable to owners of parent	424	3,945	Valuation difference on available-for-sale securities	△59	63
			Foreign currency translation adjustment	△594	1,115
			Adjustment of defined benefit plans	23	7
			Total other comprehensive income	△630	1,186
			Comprehensive income	△169	5,258
			Comprehensive income attributable to:		
			owners of parent	△180	5,099
			non-controlling interests	11	159

# Consolidated Statement of Cash Flows

(unit: million yen)

	FYE March 2020	FYE March 2021
<b>Cash flows from operating activities</b>		
Income before income taxes	922	4,937
Depreciation	1,407	1,103
Impairment loss	43	90
Increase/ (decrease) in allowance for doubtful accounts	△49	67
Increase/ (decrease) of employees retirement benefits	22	△89
Interest and dividend income	△70	△45
Interest expenses	108	78
(Increase)/ decrease in accounts receivable	5	△37
(Increase)/ decrease in inventories	239	△277
Increase/ (decrease) in accounts payable	△530	723
Other	△143	633
Sub total	1,954	7,186
Interest and dividends received	70	46
Interest paid	△108	△78
Income taxes paid	△404	△678
Net cash generated by operating activities	1,512	6,475
<b>Cash flows from investment activities</b>		
Payments into time deposits	△204	△1,017
Proceeds from withdrawal of time deposits	383	424
Purchase of investment securities	—	△299
Proceeds from sale of investment securities	—	300
Purchase of property, plant and equipment	△709	△439
Proceeds from sales of property, plant and equipment	19	560
Purchase of intangible assets	△173	△92
Others	7	△84
Net cash generated by investing activities	△677	△648
<b>Cash flows from financing activities</b>		
Net increase/(decrease) in short-term borrowings	259	△2,628
Cash dividends	△287	△289
Cash dividends paid to non-controlling interests	△33	△33
Others	△237	△209
Net cash used for financing activities	△298	△3,161
<b>Effect of exchange rate changes on cash and cash equivalents</b>	△140	833
<b>Increase/(decrease) in cash and cash equivalents</b>	395	3,498
<b>Cash and cash equivalents at beginning of period</b>	6,091	6,487
<b>Cash and cash equivalents at end of period</b>	6,487	9,985

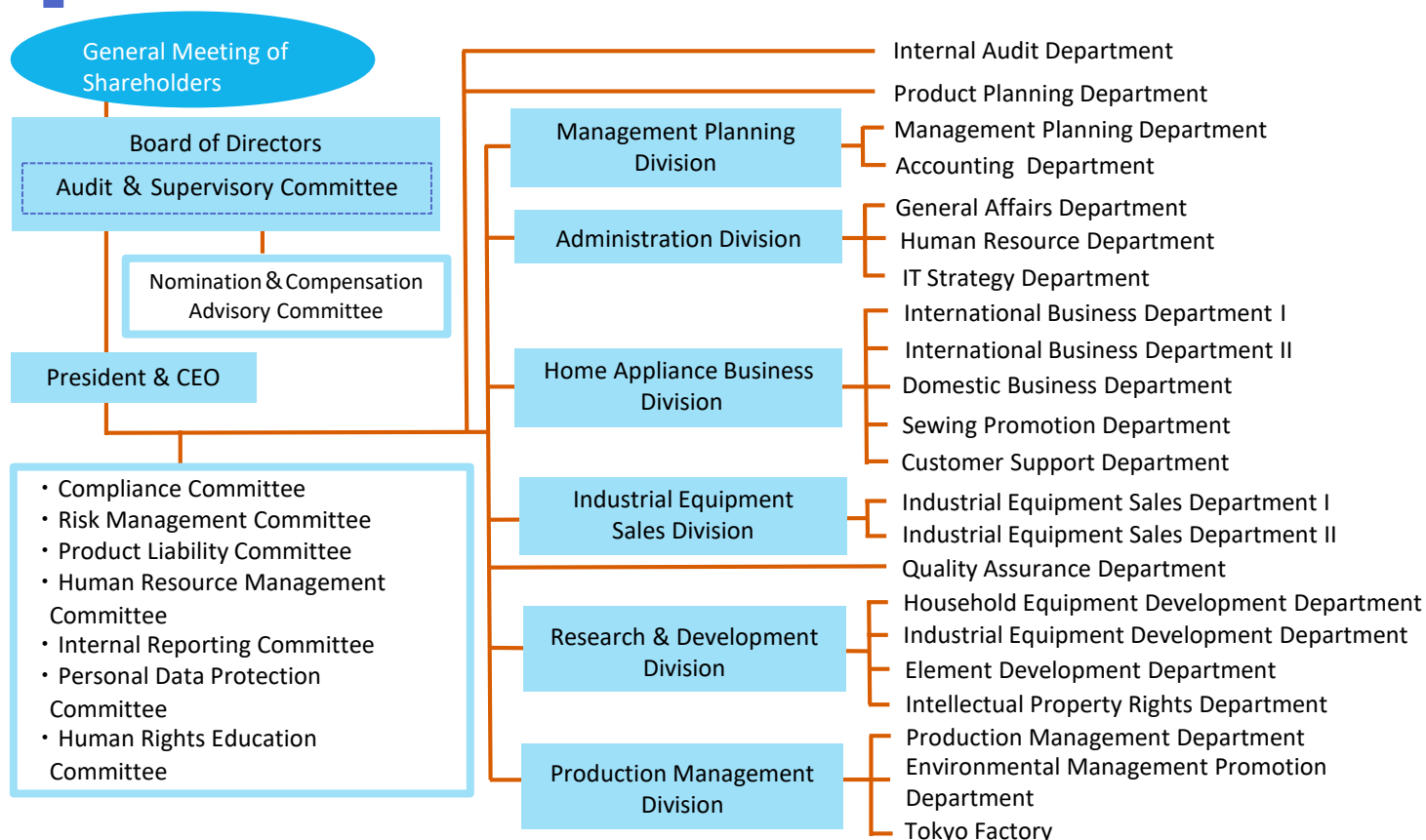
# Corporate Information

## Company Overview

Company Name	JANOME Corporation
Founded	October 1921
Incorporated	June 1950
Head Office	1463 Hazama-machi, Hachioji, Tokyo, Japan
Paid-in Capital	11,373 million yen (as of March 31, 2021)
No. of Employees	3,445 (as of March 31, 2021)
Fiscal Year End	March 31



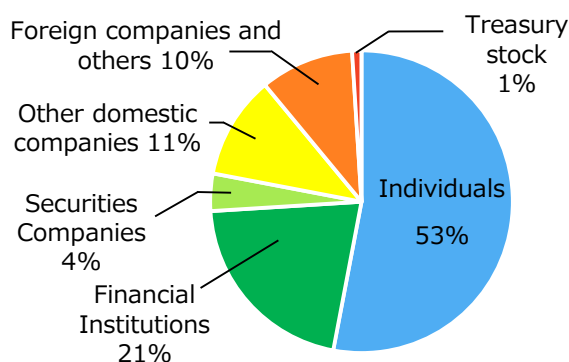
## Organization (as of October 1, 2021)



## Stock Information (as of March 31, 2021)

Number of shares issued	19,521,444
Number of shareholders	13,713 (up 1,524 from March 31, 2020)

Shareholder Composition expressed by investment ratio (based on number of shares held)



## Directors

Representative Director  
President and CEO

### Makoto Saito

In charge of Internal Audit, Product  
Planning Department



April 1978 Entered Janome Sewing Machine Co., Ltd.  
April 2011 Corporate Officer  
April 2015 Senior Corporate Officer  
June 2017 Director  
April 2018 Executive Corporate Officer  
June 2019 Representative Director & President COO  
in charge of Internal Audit Department (current)  
June 2021 Representative Director & President  
in charge of Product Planning Department (current)

Director  
Executive Corporate Officer

### Kazushi Kawaguchi

In charge of Research & Development Division,  
Production Management Division Head,  
in charge of Quality Assurance Department,  
President of Janome Taiwan, Co., Ltd.



April 1982 Entered Janome Sewing Machine Co., Ltd.  
April 2016 Corporate Officer  
April 2019 Senior Corporate Officer  
June 2019 Production Management Division Head,  
President of Janome Taiwan, Co., Ltd. (current)  
June 2020 Director (current), in charge of Quality Assurance  
Department (current)  
April 2021 Executive Corporate Officer (current)  
June 2021 in charge of Research & Development (current)

Director  
Executive Corporate Officer

### Toshiya Takayasu

Industrial Equipment Sales Division  
Head



April 1987 Entered Janome Sewing Machine Co., Ltd.  
April 2013 Corporate Officer  
April 2016 Senior Corporate Officer  
June 2016 Director (current)  
April 2018 Executive Corporate Officer (current)  
June 2021 Industrial Equipment Sales Division Head (current)

Outside Director  
(Independent)

### Fumiaki Nakajima



April 1983 Entered Showa Electric Wire and Cable Co., Ltd.  
(now SWCC Showa Holdings Co., Ltd.)  
June 2012 SWCC Showa Holdings Co., Ltd. Director  
June 2016 SWCC Showa Holdings Co., Ltd. Representative  
Director and President  
June 2019 Janome Sewing Machine Co., Ltd., Director (current)  
Feb. 2020 Senshu Electric Co., Ltd. Advisor  
April 2020 Tokyo Water Co., Ltd. Outside Director (current)  
April 2021 Senshu Electric Co., Ltd. Corporate Officer (current)

Director  
Executive Corporate Officer

### Hitoshi Doi

In charge of Administration Division,  
Home Appliance Business Division  
Head



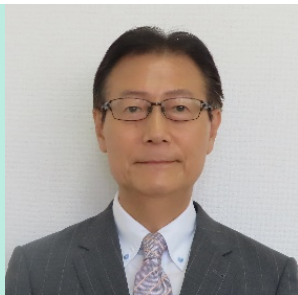
April 1985 Entered Saitama Bank, Limited (currently Resona Bank, Limited)  
April 2013 Saitama Resona Bank, Limited, Corporate Officer  
April 2017 Resona Card Co., Ltd., Executive Director  
April 2020 Entered Janome Sewing Machine Co., Ltd.  
Senior Corporate Officer  
June 2020 Director (current)  
April 2021 Executive Corporate Officer (current)  
June 2021 in charge of Administration Division, Home Appliance  
Business Division Head (current)



## Directors

Director  
Audit & Supervisory Committee  
Member

### Mitsuhiro Sakizuki



April 1978 Entered Saitama Bank, Limited (currently Resona Bank, Limited)  
April 2005 Entered Janome Sewing Machine Co., Ltd.  
April 2011 Corporate Officer  
April 2015 Senior Corporate Officer  
June 2017 Director (current)  
April 2019 Executive Corporate Officer  
June 2020 Audit & Supervisory Committee Member (current)

Outside Director  
Director / Audit & Supervisory  
Committee Member  
(Independent)

### Keizo Tanaka



April 1994 Registered as attorney  
April 2001 Opened Tanaka Law Firm  
June 2011 Auditor  
June 2016 Director / Audit & Supervisory Committee Member (current)

Outside Director  
Director / Audit &  
Supervisory Committee  
Member (Independent)

### Shinji Nakazawa



August 1982 Registered as Certified Public Accountant  
January 1989 Opened Nakazawa Certified Public Accountants' Office  
June 2001 Auditor  
June 2016 Director / Audit & Supervisory Committee Member (current)

Outside Director  
Director / Audit & Supervisory  
Committee Member

### Kyo Kuriwa



April 1976 Entered Saitama Bank, Limited (currently Resona Bank, Limited)  
May 2004 Entered Daiei Real Estate & Development Co., Ltd.  
(referred to as Daiei RE&D)  
April 2007 Daiei RE&D Corporate Officer  
June 2010 Daiei RE&D Senior Corporate Officer  
June 2012 Daiei RE&D Director (current) Administration Division Head(current)  
June 2014 Daiei RE&D Senior Managing Executive Officer  
June 2016 Daiei RE&D Executive Corporate Officer (current)  
June 2020 Director / Audit & Supervisory Committee Member (current)

## Corporate Officers & Fellows

### Senior Corporate Officers

#### Yukio Hosaka

Research & Development  
Division Head,  
President of Janome Industrial  
Equipment, Shanghai Co., Ltd.

#### Takeyuki Oshima

Administration Division Head,  
General Manager of Human Resource  
Department

#### Akio Amemiya

Vice President of Janome Taiwan Co., Ltd.

#### Shinichiro Seki

President of Janome  
America Inc.

#### Hiroaki Kinoshita

Home Appliance Sales  
Division Vice Head  
(Domestic Sales)

### Corporate Officers

#### Koichi Kuroda

President of Janome Thailand  
Co., Ltd.

#### Satoru Ishikawa

Research & Development  
Division Vice Head,  
Household Equipment  
Development Division Head

#### Hiroyuki Kobayashi

Management Planning Division  
Head, General Manager of  
Treasury Department

#### Hideki Iwama

Managing Director of Janome U.K.  
Ltd.,  
Managing Director of Janome  
Europe B.V.,  
Managing Director of Janome  
Deutschland GmbH

#### Shinichiro Yamamoto

Home Appliance Business Division Vice  
Head (Overseas Sales)

#### Seiichiro Shitama

Industrial Equipment Sales Division  
Vice Head  
General Manager of Industrial  
Equipment Sales Department I  
President of Janome Industrial  
Equipment America Co., Ltd.

#### Shinji Tsunoda

General Manager of Product Planning  
Department

## Domestic Direct Sales Network

The domestic direct sales network has grown to cover the whole country, winning support from more than ten million cumulative Janome sewing machine dedicated fans. The network, built to suit a face to face sales style, provides customer-oriented services and also offers 'Janome Sewing Classes' where you enjoy learning what sewing machines can do for you. We remain by your side to listen directly to what you need so that we continue to provide support for your rich and creative lifestyles.



### ● Hokkaido Area

Sapporo

### ● Tohoku Area

Sendai • Koriyama • Fukushima • Aizuwakamatsu •  
Yamagata • Morioka • Ichinoseki • Aomori • Hirosaki •  
Hachinohe

### ● Tokyo

Tokyo • Nishi Tokyo • Setagaya  
Kanamachi • Tachikawa • Machida  
Kumegawa

### ● Kanto Area

Kawasaki • Yokohama • Hirastuka •  
Omiya • Kasukabe • Kawagoe • Kumagaya •  
Chichibu • Chiba • Matsudo • Takasaki • Ota • Mito

### ● Hokuriku • Koushinetsu

Kanazawa • Toyama • Fukui • Niigata • Nagaoka • Iida •  
Nagano • Kofu

### ● Tokai Area

Nagoya • Handa • Toyohashi • Toyota • Shizuoka •  
Hamamatsu • Numazu • Tsu

### ● Kinki Area

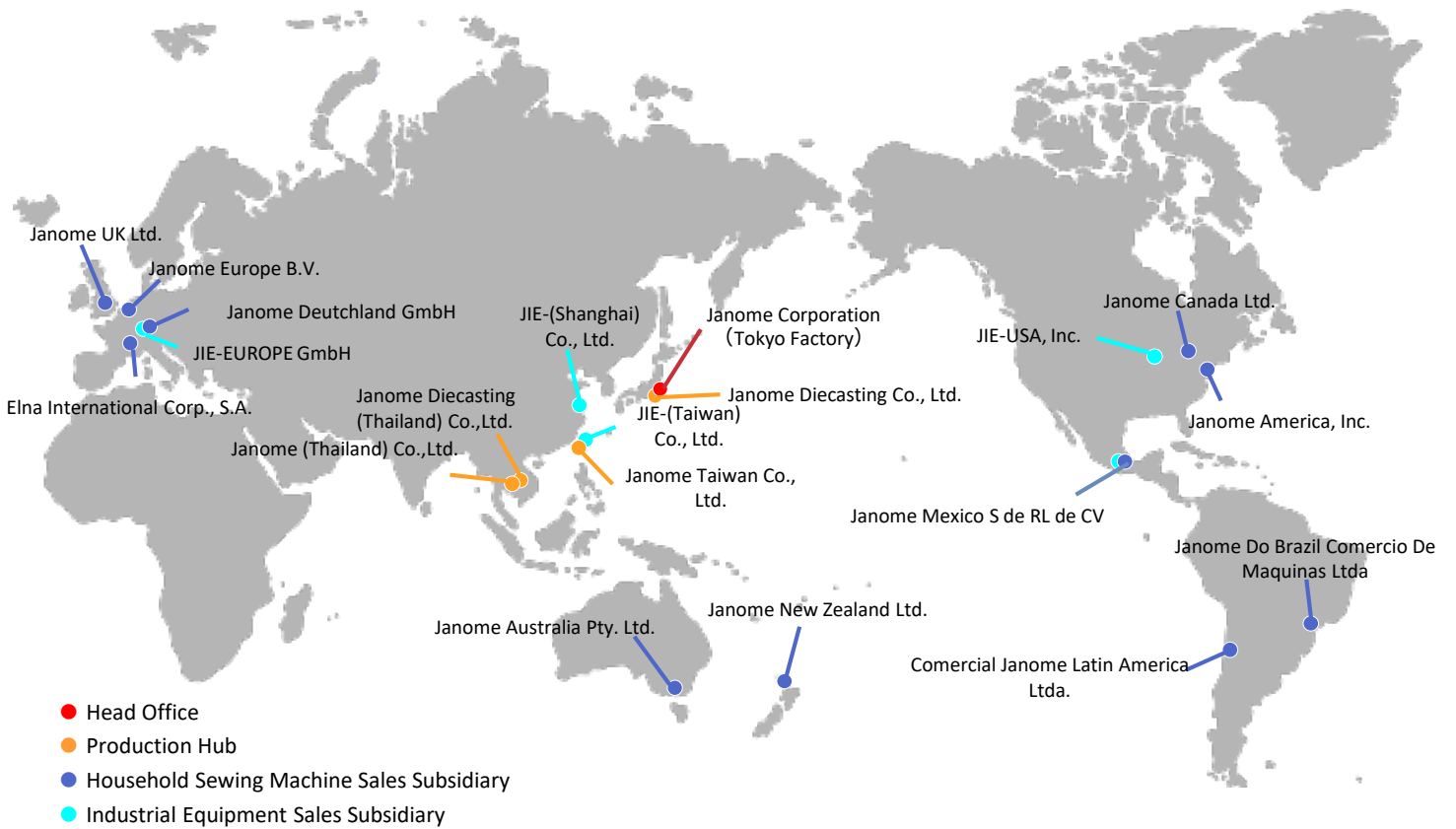
Osaka • Juso • Takatsuki • Fujiidera • Wakayama •  
Narakoriyama • Kyoto • Otsu • Kawanishi • Kobe •  
Kakogawa

### ● Chugoku • Shikoku Area

Hiroshima • Okayama • Kasaoka • Shimonoseki •  
Yonago • Saijo • Kan-onji • Tokushima • Kochi

### ● Kyusyu • Okinawa Area

Fukuoka • Yame • Nagasaki • Kagoshima • Kumamoto •  
Oita • Naha



## Production Hubs

- Tokyo Factory Hachioji-shi, Tokyo
- Janome Taiwan Co., Ltd. Taichun, Taiwan
- Janome (Thailand) Co., Ltd. Sriracha, Thailand
- Janome Diecasting (Thailand) Co., Ltd. Kabinburi, Thailand
- Janome Diecasting Co., Ltd. Tsuru-shi, Yamanashi, Japan

## Overseas Major Sales Subsidiaries

- Janome America, Inc. New Jersey, U.S.A.
- Janome Canada Ltd. Ontario, Canada
- Janome UK Ltd. Stockport, UK
- Janome Europe B.V. Nieuw Vennep, The Netherland
- Janome Deutchland GmbH Morfelden-Wardorf, Germany
- Janome Australia Pty. Ltd. Cheltenham, Australia
- Janome New Zealand Ltd. Auckland, New Zealand
- Comercial Janome Latin America Ltda. Santiago, Chile
- Janome Do Brazil Comercio De Maquinas Ltda. Sao Paulo-SP, Brazil
- Elna International Corp., S.A. Geneva, Switzerland

## Head Office

- JANOME Corporation Hachioji-shi, Tokyo

## Service Hubs

- Janome Credia Co., Ltd. Chuo-ku, Tokyo
- Janome Service Corporation Hachioji-shi, Tokyo
- Sun Planning Co., Ltd. Hachioji-shi, Tokyo

- J I E- Janome Mexico S de RL de CV Ciudad de Mexico, Mexico
- J I E- USA, Inc. Illinois, U.S.A.
- J I E- Europe GmbH Bickenbach, Germany
- J I E- (Shanghai) Co., Ltd. Shanghai, China
- J I E- (Taiwan) Co., Ltd. Hsinchu, Taiwan

※'JIE' stands for Janome Industrial Equipment

# Journey through the past 100 years

Janome has aimed to enhance rich and creative lifestyles for people around the world since it was founded in 1921 as the first domestic sewing machine manufacturer in Japan.

Added to the home appliance business, the industrial equipment business that started in the 1980's has steadily grown as the second pillar of Janome's growth.

Having passed the 100th Anniversary in October 2021 as a transit point, we renewed our resolve to continue our never ending journey with our customers, providing products and services to satisfy the changing needs that social development creates.

## 1921~1950's



1921 Model 53 (Pine 500 type)



1948 Model 102 (HA-1 type)



1929 Model 30 (Pine 100 type)



1954 Model 320

## 1960~1970's



1961 Model 560



1976 Model 813, Excel



1964 Model 670, High Dream



1979 Model 5001, Memory 7



1971 Imprinter

- Succeeded in producing the first domestic household sewing machine
- Sewing machines spread widely as Western clothing became popular
- The Sewing machine caught the government's attention as a major export product after World War II

- Accelerated overseas expansion
- Expanded domestic direct sales network
- Launched Imprinter
- Launched computerized sewing machine models

- 1921 In Takinogawa, Tokyo, Yosaku Ose founds Pine Sewing Machine Factory with Shigeru Kamematsu and Shoichi Tobimatsu.
- 1929 Pine Sewing Machine Co., Ltd. was founded
- 1931 Company name changed to National Pine Sewing Machine Co., Ltd.
- 1935 Company name changed to Teikoku Sewing Machine Co., Ltd.
- 1949 Company name changed to Janome Sewing Machine Co., Ltd.
- 1950 Janome Sewing Machine Co., Ltd. was succeeded to (establish) Janome Industrial Co., Ltd.
- 1954 Company name changed to Janome Sewing Machine Co., Ltd.
- 1956 Janome product given the first certification in the sewing machine industry as a JIS standards conformed product, and was allowed to indicate JIS certification mark on its products.

- 1960 Acquired New Home Sewing Machine Co., Ltd., a well-established American sewing machine company with a long history. (Currently Janome America, Inc.)
- 1963 Listed its stock on the First Section of the Tokyo Stock Exchange.
- 1964 Technical Research Institute completed in Hachioji, Tokyo.
- 1965 Head Office building completed in Chuo-ku, Tokyo.
- 1969 Taiwan Janome Sewing Machine Co., Ltd. (currently Janome Taiwan Co., Ltd.) established.
- 1971 Launched Imprinter.
- 1979 Launched Memory 7, the first programmable computerized sewing machine in Japan.

## 1980~1990's



1983 Memory Craft (6000)



1991 Secio (8100)



1984 JP-20  
(Electro Press  
(servo press) No. 1)



1993 JR500  
(Desktop Robot No. 1)



1988 Yuagari-Bijin



1998 JSR4400 Series  
(SCARA Robot)



1990 Yu Meijin

## 2000~ Present



2001  
Super Secio 9500



2013 Horizon Memory Craft 15000  
(overseas model)



2018 JS3 Series  
(SCARA Robot)



2008 Yu Meijin Super CT



2013 JC-2 Series  
(Cartesian Robot)



2018 MYLOCK AIR2000D  
(AirThread 2000D,  
overlock sewing machine)



2009 Secio 11500



2014 JR3000 Series  
(Desktop Robot)



2019 Horizon Memory Craft  
9450QCP



2012 DC6030



2015 Secio 14000  
(Horizon Memory Craft 14000)



2019 Continental M7  
Professional (Overseas model)

※2021 March Discontinued 24-hour hot bath sales

- Commenced development of industrial equipment and 24-hour bath system
- Developed computerized sewing machine with embroidery functions
- Production site automation
- Business diversification

- Developed sewing machines with built-in WiFi functions
- Role of sewing machines expanded from daily necessity to devices inspiring creative instinct.
- Expanded utilization of IoT (internet of things)



2020 Epolku

- 1984 Launched electro press (servo press)
- 1988 Thailand Janome Co., Ltd. (currently Janome Thailand Co., Ltd.) established.
- 1990 Launched 24-hour bath system 'Yu-meijin', through direct sales network
- 1990 Merged Janome Seiki, Janome Denki, Janome Seimitsu and Janome Kinzoku and integrated into Janome Sewing Machine Co., Ltd.
- 1991 Launched Secio, Memory Craft 8000, a computerized sewing machine with embroidery functions
- 1993 Launched desk top robot
- 1993 New production facility completed in the premise of Takao Factory in Hachioji
- 1998 Koganei Factory integrated into Takao Factory to be named Tokyo Factory.
- 1998 Launched SCARA robot

- 2008 Cumulative sewing machine production of 50 million units achieved.
- 2009 Head Office functions moved from Kyobashi, Chuo-ku, Tokyo to Hachioji City.
- 2010 Horizon Memory Craft 7700 and ME830 won 2010 Good Design Award.
- 2012 DC6030 sewing machine for domestic market won 2012 Good Design Award and was also selected among Good Design Best 100.
- 2013 Launched Cartesian Robot
- 2018 Computerized sewing machine, Memory Craft 6700 Professional and overlock machine, MYLOCK AIR 2000D won 2018 Good Design Award.
- 2019 Cumulative sewing machine production of 70 million units achieved.
- 2020 Launched a 100<sup>th</sup> year memorial model, 'Epolku
- 2021 Celebrated 100 years since founding Company name changed to JANOME Corporation

# **JANOME**