



[Provisional Translation Only]

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## Sustainability Actions to Reduce Environmental Impacts at JDI Fabs

Japan Display Inc. (JDI) became a signatory of the United Nations Global Compact in 2021 and has set <u>GreenTech & Sustainability</u> as one of its core strategies in its METAGROWTH 2026 growth strategy announced on May 13, 2022. JDI is committed to working to create a better world and contributing to society through JDI's Global No. 1 technologies. It has also embarked on multiple initiatives to reduce the environmental impacts of its manufacturing processes to realize a sustainable society and contribute to the achievement of the SDGs.

As one example of JDI's sustainability initiatives, JDI is working on the recovery and treatment of wastewater with Kurita Water Industries, Ltd. ("Kurita), which provides ultrapure water used at JDI fabs. This includes reducing water consumption by promoting wastewater recovery at JDI's Tottori Fab and reducing chemicals and waste by controlling chemical use at JDI's Mobara Fab.

- 1. Wastewater Recovery and Reuse at Tottori Fab
- (1) Wastewater recovery and reuse by modifying the wastewater treatment flow using solid-liquid separation tanks

The water used at the fab is treated in multiple drainage tanks and receiving tanks and is eventually discharged into the sewer. Currently, JDI recovers and reuses wastewater by modifying a portion of the existing wastewater tanks as a batch-type solid-liquid separation tank (separating solids such as sludge from wastewater with one tank). The system has been operating for over a year with stable operations and the amount of recovered water has increased step by step, equivalent to 18% of the discharged water being recovered and reused.

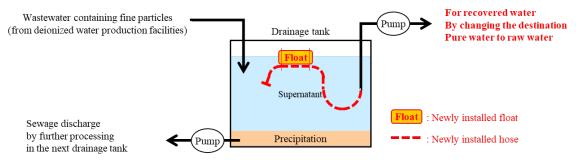


Figure 1. Using the Drainage Tank as a Batch-type Solid-liquid Separation Tank

(2) Recovery and reuse of fluorine wastewater by modifying operation of existing RO membrane (reverse osmosis membrane) equipment

Until now, fluorine wastewater from abatement facilities has been treated as wastewater. JDI expects to be able to recover and reuse this wastewater by modifying and utilizing the existing RO membrane (reverse osmosis membrane) equipment. Since advanced technology is required to realize this, JDI conducted verification tests using a test machine and solved the problem of RO film clogging caused by fluorine compounds and silica compounds. Through this method, additional wastewater of approximately 18% will be recovered and reused.

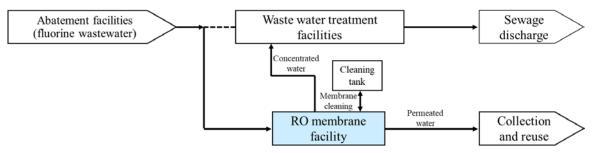


Figure 2. Flow Chart of Recovery and Reuse of Fluorine Wastewater



**RO** Membrane Facility

In both projects above, JDI is effectively utilizing existing facilities without installing new facilities and contributing to the effective use of water resources and to the reduction of sewage treatment costs by remodeling.

2. Chemicals and Waste Reduction through Optimal Control of Chemicals at Mobara Fab

JDI's Mobara Fab has set reduction targets for various items such as reduce waste emissions, thorough management of chemical substances, and promoting reduction and substitution, and is continually promoting environmental activities to achieve its targets.

Since Mobara began operations, JDI has worked with Kurita to reduce the environmental burden by using chemicals to detoxify wastewater generated in the production process, thereby reducing the amount of wastewater discharged to below the legal standards. In this process, many industrial wastes are generated as reaction products due to the large amount of chemicals used.

JDI expects to reduce the volume of industrial chemicals used for detoxifying and stabilizing wastewater by constantly monitoring the quantitative injection process with Kurita's "S. sensing CS" sensors (Automatic Chemical Reduction Injection System). As a result, JDI expects to reduce usage of 55% of the chemicals, 10% of the industrial chemicals, 55% of the sludge and waste generated from the industrial chemicals, and 2% of the sludge across all JDI fabs. In addition to reducing chemicals and waste, JDI is also contributing to the reduction of chemical solution costs and sludge disposal costs. Going forward, JDI plans to develop an automatic injection system to reduce the environmental impact of these chemicals in other wastewater systems.

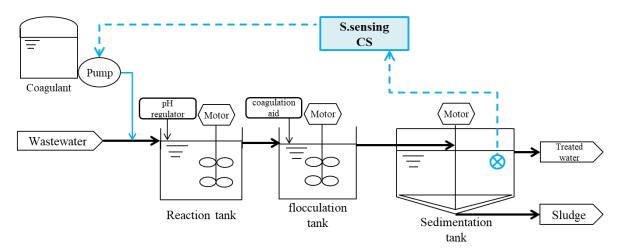


Figure 3. Flowchart for Automatic Chemical Reduction Injection System in Wastewater Detoxification



Wastewater Treatment Facility

JDI will continue to implement measures to reduce its environmental impacts and generate a virtuous cycle for the environment and the economy, with the goal of realizing a sustainable society that contributes to the achievement of the SDGs.