



SUSTAINABILITY REPORT 2025



PURPOSE

Topia will continue to **challenge** various changes and demands to accomplish a **prosperous future**

Achieving “carbon neutrality by 2050,” and the future beyond
Toward accomplishing a prosperous future, Topia will work together with stakeholders. At the same time, we will strengthen our sustainability management by being aware and responsible for changes and demands from the environment and society.

Management Principles



Spirit of the Wild Pigeon

Active management with the Spirit of the Wild Pigeon.
Unlike chickens, which are sheltered and waiting for food to be given to them, wild pigeons always fly freely in the sky in search of food. They find the vitality to survive with their own eyes and feet, and create new value.

Responsibility of An Emergency Hospital

We are committed to a customer-first spirit and are always fully prepared to accept customers even in times of emergency.
No matter what seems impossible, we will do our best to make it possible and build trust with our customers.

Spirit of Challenge

The challenge to the unknown and the challenge to excellence is the leap to tomorrow.
Under the recognition that entering the inexperienced zone is the breakthrough to the future, Topia will learn everything and take on any opportunity that comes our way.

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Editorial Policy

The external environment surrounding Topia has become increasingly diverse and complex. Therefore, it is difficult to predict situations, such as the worsening disasters caused by climate change, wars and trade tariffs and political instability. In this business environment, we hope that this sustainability report will help leaders understand our efforts for long-term growth, and that it will serve as an opportunity for discussions with all stakeholders.

Scope of this Report

Topia Co., Ltd. (including some of its subsidiaries)

Reporting Period

April, 2024 to March, 2025

Publication Date

September 2025

Referenced Guidelines

GRI Standards

Company Information

Topia is involved in all types of manufacturing, including automobiles, aircraft, and electric appliances. We deal directly with international, mainline, automotive manufacturers as the automotive market accounts for the majority of our sales.

Our strength lies in our design and analysis technologies using state-of-the-art equipment and digital technologies. We are also promoting concurrent engineering to improve quality and shorten development time.

In the field of prototyping metal products, we are proud to be top class in sales within the industry. Our products play a key role in the development of new models by automotive manufacturers.

Company Overview

Head Office	Suzuka City, Mie Prefecture
Date of Establishment	August 16, 1973
Consolidated Net Sales	29.2 billion yen (for the year ended March 31, 2025)
Consolidated Number of Employees	1,418 (as of March 31, 2025)

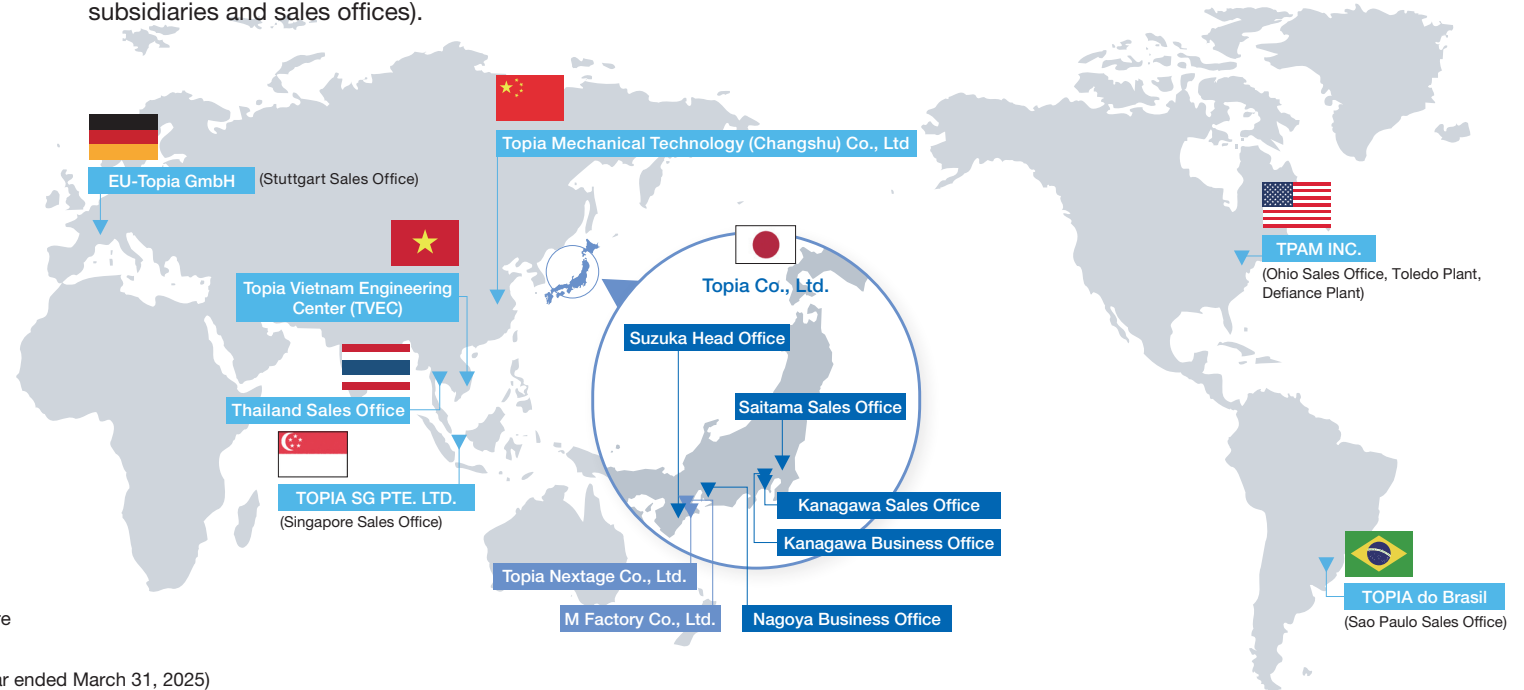
Business Content

We are engaged in new product development, prototyping, and small-lot mass production of parts in a variety of fields, including automobiles.

- Automobile design and analysis
- Fabrication and assembly of sheet metal prototype parts
- Mold manufacturing
- Assembly jig and inspection tool production
- Manufacturing of small-lot production parts
- Carbon composite production

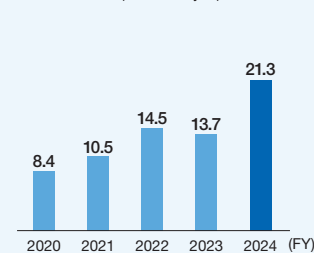
Business Sites

Topia operates its business globally with seven locations in Japan and nine overseas locations in seven countries (including subsidiaries and sales offices).

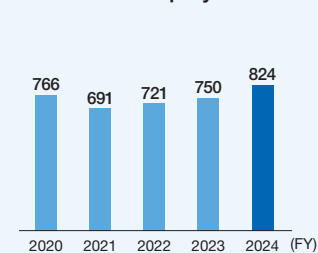


Financial Results and the Number of Employees at Topia Co., Ltd. (Non-consolidated)

Net Sales (billions of yen)

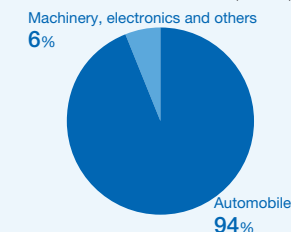


Number of Employees*

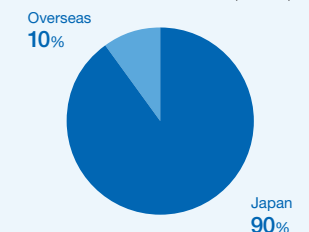


*Excluding directors and corporate auditors

Sales Composition Ratio by Market (FY2024)



Sales Composition by Region (FY2024)





Hideki Sasaki
President and CEO

**Expanding our business domain, streamlining operations,
and instilling sustainability management to enhance the
Topia Group's enterprise value**

Defining our ideal state that lies beyond sustainable growth

In 2024, the Topia Group published its first Sustainability Report. My goal in publishing this report was to accurately and carefully communicate to our stakeholders the Topia Group's policies, which place a particular emphasis on the environment as a central management issue from an ESG perspective. This was also because of my desire to communicate the Topia Group's thinking and efforts not only within the Group, but also to the local communities where we operate.

The business environment surrounding the Topia Group has changed significantly since the inauguration of the new U.S. administration in early 2025. In particular, there are concerns that the cost competitiveness of our bases in Japan and China will take a hit due to tariff hikes by the U.S. government. In response, the entire Group is considering various options, such as building a new supply chain in the U.S.

We are also working to further instill the idea of sustainability management, which is the starting point for responding to these environmental changes. The Topia Group has defined its purpose as "continue to challenge various changes and demands to accomplish a prosperous future." In addition to this purpose and corporate philosophy, in fiscal 2024 we formulated a new Mission, Vision and Values (MVV) covering the entire Group. With this, we have clarified our raison d'être as a company, our vision and our values, and are working to spread understanding. We are now sharing the MVV within the entire Group, deepening dialogue about the Topia Group's ideal state, and further defining our future direction and social raison d'être.

Pursuing growth and peace of mind from our initiatives to address the four material issues

The Topia Group has identified four material issues to resolve in order to boldly respond to the changing business environment and implement sustainability management. For each theme, we have set key performance indicators (KPIs) and mid-term targets for fiscal 2030, which we are now working to achieve.

Specifically, we have set quantitative targets in four areas: 1) targets for the ratio of renewable energy and reducing CO₂ emissions toward a decarbonized society; 2) targets for reducing waste generation toward realizing a circular economy; 3) targets for added value per employee in order to provide safe and high added-value products; and 4) targets for the ratio of female managers and the ratio of male employees taking childcare leave in order to realize a work environment where people can feel growth and peace of mind. These material issues and KPIs were identified from the unique perspective of the Topia Group as a manufacturing company.

In addressing these material issues and implementing sustainability management, the Topia Group aims to achieve sustainable growth and the resulting peace of mind from employment and day-to-day life. As the economic environment changes dramatically with inflation and rising wages, the entire Group will come together to face the challenges head on and steadily work towards achieving our targets, thereby contributing to a sustainable society.

Message from the President

Paving the way for the growth of the next generation using the power of our diverse human resources and technology transfers

The Topia Group is fully committed to pursuing efficiency and energy conservation in order to achieve sustainable growth. Based on Material Issue 2 - Contributing to a Circular Economy, we are advancing initiatives to realize a society that reduces the burden on the natural environment by using resources effectively and without waste by reducing industrial waste. Specifically, we are developing a system that enables us to accurately understand and quickly respond to constantly changing requirements, such as security and environmental regulations in Europe.

We consider the acquisition and development of human resources to be a key issue in achieving sustainable growth. In light of the impacts of the external environment, including the shortage of human resources and declining birthrate, we will flexibly promote measures toward Material Issue 4 - Creating a Workplace Where Every Employee Can Feel Growth and Peace of Mind. In particular, it is essential to develop talented human resources who will lead the next generation, and we will make every effort to deepen the understanding of the characteristics and technologies of the Topia Group through our own training programs for new employees.

We will strengthen the mid-level human resources necessary to achieve our future targets by utilizing various means, such as internal training, acquiring external human resources who can contribute immediately, and collaborating with external parties, to enhance our organizational capabilities. Furthermore, we are actively working to utilize overseas human resources and post-retirement-age employees. In particular, we intend to ensure that the experience, skills, and knowledge that post-retirement-age employees have amassed over many years within the Topia Group, as well as knowledge from outside the Group, are passed on to our young human resources who will lead the next generation. We are also working to transform this knowledge into the strength of each organization.

We intend to continue our proactive approach to capital investment to ensure our sustainable corporate growth. However, we also recognize that investing in human

resources is extremely important for future growth. Going forward, we will implement measures to create a an employee-friendly workplace where employees can feel a sense of growth and work with peace of mind.

Toward realizing our ideal state through a stronger earnings base and sustainability management

Topia Group continues to engage in prototyping, mainly for automobiles, tailored to the needs of our customers. We currently have nine bases in seven countries overseas and are expanding our business globally. By accurately pinpointing the ever-changing needs of our customers, proactively tackling various challenges and making them a reality, we have refined our unique processing and joining technologies. Making full use of cutting-edge equipment, we provide high-quality, high-difficulty products, and are now able to support every process when building new production lines for automobile manufacturers. These are the major strengths of the Topia Group.

Topia's origins lie in prototyping. Making the most of our many years of proven performance and experience, we aim to steadily expand our business domain from prototyping to small-lot production and then mass production, steadily growing our profits in the process. Furthermore, we will broaden our business fields from automobiles to semiconductors and others, and expand our business in growth fields that will be needed by the world in the future. At the same time, we will continue to develop new technologies and materials and build up our track record.

By expanding our business domain and fields in this manner, we will strengthen the Group's earnings base and work together as a team to implement sustainability management and realize the Topia Group's ideal state.

We hope to provide information on the Topia Group to all stakeholders through this report. Your continued support and understanding are much appreciated as we move forward.



Value Creation Model

From assembly development to casting, Topia aims to contribute to the development of a wide variety of manufacturing around the world.

PURPOSE

Topia will continue to challenge various changes and demands to accomplish a prosperous future

INPUTS

Financial Capital

- Consolidated equity ratio: 50% (as of March 31, 2025)

Manufacturing and Intellectual Capital

- [Japan]**
 - Plants: 2 locations
 - Sales Offices/Business Offices: 5 locations
- [Overseas]**
 - Plants: 3 locations in 2 countries
 - Sales Offices/Business Offices: 6 locations in 6 countries
- [Equipment and Technical Capabilities]**
 - Integrated Molding Hot Stamping Technology
 - STAF method
 - Introduction to Lightweight Technology

Human Capital

- Consolidated Number of Employees: 1,418 (as of March 31, 2025)

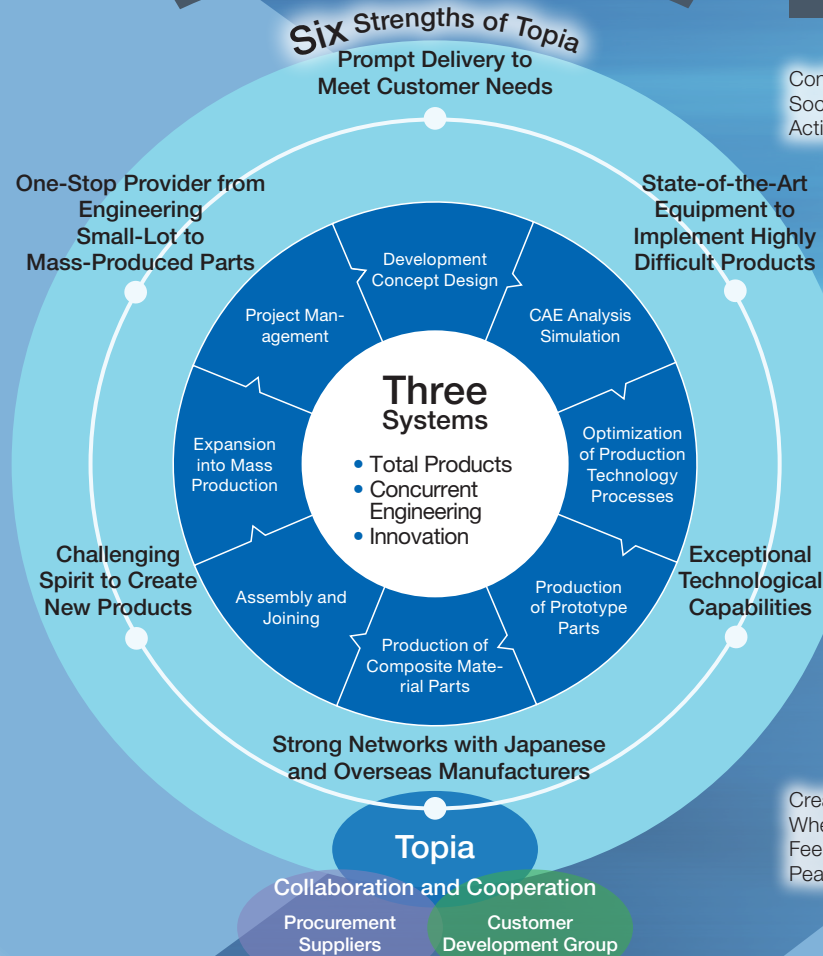
Social Capital

- Consigned Manufacturing Partners Promoting Manufacturing Together
- Building a Strong Work Relationship with Suppliers Through Assembly and Casting Manufacturing

Natural Capital

- Energy Consumption: 74,771 GJ
- Water consumption: 10,530 m³ (FY2024 Results)

BUSINESS MODEL



Materiality

Contributing to a Decarbonized Society through our Business Activities



Contributing to a Circular Economy



Providing Safe, Valuable Products through Advanced Technologies



Creating a Workplace Where Every Employee can Feel Personnel Growth and Peace of Mind

OUTPUTS

Consolidated Net Sales

Target
100 billion yen

Major Business Clients

- Automobile Manufacturers in Japan
- Machinery Manufacturers in Japan
- Overseas Automobile Manufacturers

Mass-Produced "Topia Brand" Products

- Industrial Machine Enclosures
- Medical Related Parts
- CFRP Automotive Parts

Offering Value to Customers

- Handling Diverse Needs (Lightweight, High Durability)
- Shortening Development Lead Time
- Small Lot Production
- Implementing Outstanding, Cost-Effective Products
- One-Stop Solution

OUTCOMES

Reducing Environmental Impact

Promote resource and energy conservation, actively introduce renewable energy, and achieve a circular economy

Contributing to the Economy

Achieve a more comfortable and convenient society through technological innovation

Employee Well-Being

Create a workplace where diverse human resources can take on challenges and grow with peace of mind

Features of Business Model

Topia aims to contribute to the development of manufacturing by focusing on sustainability management and by enhancing corporate value and implementing our 6 Strengths and 3 Systems.

Three Systems

Total Products

- We do our best to provide maximum production efficiency by continuously improving productivity and securing stable earnings.
- In order to build a base for continuous, company growth, we engage in eliminating waste and loss throughout our entire facility.

Concurrent Engineering

- We believe that shortening the production period is essential. Therefore, a system has been put into place where each process is performed in parallel.
- The analysis during our design phase identifies problems at an early stage, which reduces processing time, speeds up development and reduces costs.

Innovation

- We believe that innovation in manufacturing processes will lead to unique, new, technologies, and we are committed to using innovation to solve the customer's problems.
- By combining the creation of new technologies from multiple directions and existing know-how, we can promote the use of our products in new fields.

Six Strengths



Prompt Delivery to Meet Customer Needs

We always strive to pursue the diverse needs of our customers with our "Customer First" principle. Topia's mission is to make maximum use of the group's management resources and deliver products in a short period of time, not to mention quality and cost, to satisfy customers.



State-of-the-Art Equipment to Implement Highly Difficult Products

In order to achieve products that have never existed in the world, we are actively promoting the installation of state-of-the-art equipment with manufacturers around the world, producing complex products and striving to fulfill customer requests and needs.



Exceptional Technological Capabilities

The foundation of Topia's growth from its establishment to today lies in the fact that Topia has responded to customer requirements with a variety of technological capabilities. These capabilities being molding, welding, and utilizing product weight reduction technologies. We will continue to provide value to customers through new manufacturing using sophisticated facilities and highly skilled personnel.



Strong Networks with Japanese and Overseas Manufacturers

Since its establishment, Topia has responded to the needs of customers in a wide range of markets. As a result, we have built up a global business and have built relationships of mutual trust with many customers. Based on this management foundation, we aim to pursue further corporate growth.



Challenging Spirit to Create New Products

One of our management philosophies is the "Challenge Spirit." Topia as of today is the result of overcoming difficult challenges and facing the unknown without fear of failure. Topia's growth in the future will continue to be driven by the "Challenge Spirit" which has remained unchanged since its establishment.



One-Stop Provider from Engineering Small-Lot to Mass-Produced Products

We are able to be a one-stop provider not only for "prototypes" to "shape" things that have never been seen before, but also for designing, manufacturing, and creating Body in White. Systems have also been established to mass-produce various small-lot products.

Messages from the Directors

Keita Sasaki

Director and Executive Vice
President
Sales Division



Taking on challenge to evolve toward a “100-year company”

The Topia Group shares its Management Philosophy, established more than half a century ago, and the Purpose, newly established last year, so that each and every employee continues to take on various challenges. This empowers us to further evolve and achieve sustainable growth, with the ultimate goal to become a “100-year company.”

To flexibly respond to the changing needs of today and tomorrow, it is imperative that we increase development speed and production efficiency. We will pursue maximum results by promoting labor-savings through the introduction of equipment, building a system and environment that allows us to work efficiently, and making effective use of current resources. One of my important roles is to clarify and regularly check our progress toward the key goal indicators (KGIs) and key performance indicators (KPI) that serve as guidelines.

Furthermore, as we move forward with our global expansion, we will strengthen the training of more employees who can thrive overseas and foster a corporate culture in which anyone with the motivation to take on challenges can do so fairly.

Tatsuhiro Kobayashi

Senior Managing Director
Finance Division
Planning and Administration
Division



Working to earn greater trust from society and increase enterprise value

I believe that the development of diverse human resources is important for achieving the sustainable growth and increasing the enterprise value of the Topia Group. Deepening communication among Group employees both in Japan and overseas and sharing the meaning and purpose of work will deepen understanding of the Topia Group’s manufacturing and become a driving force behind further growth.

Topia’s starting point is fairness in daily business activities. We engage in the B2B business, which is unfamiliar to the average consumer. Our aim is to become a company that is even more trusted by society by increasing awareness and building up our track record of success. In addition, we have been recognized as one of the Companies Driving Regional Growth and designated as part of a Special Zone to Create Asia’s No.1 Aerospace Industrial Cluster. Going forward, we will continue to contribute to local economies.

We will apply the technological foundation we have established in the automotive field to broaden the scope of our corporate activities, aiming to further expand our business and increase our enterprise value.

Tomohisa Sugiura

Managing Director
International Department
Engineering Solutions
Department



Creating business opportunities based on broad perspectives and original thinking

When expanding business globally, it is important to minimize the constraints of countries and regions and to smoothly advance business within the Group. Furthermore, I believe that achieving sustainable growth will require us to commercialize new mobility businesses.

It is important to take advantage of the Topia Group’s strength of rapid development and make these new businesses viable with unique designs and methods. At the same time, we must also establish a supply system that meets the demand in each country and region where we operate.

In recent years, regulations regarding material reuse and waste recycling have become even stricter. Topia shares these trends within the company and promotes sustainable manufacturing that incorporates unique ideas. In addition, we aim to create new value and expand business opportunities, based on the ideas of respect for human rights and environmental protection that are emphasized around the world.



Masato Sakurai
Director
Production Division

Tackling challenges in new domains utilizing our extensive track record and experience

We are currently working on a project to develop a new manufacturing method for large auto body parts that will both increase strength and reduce weight. Utilizing our accumulated technical data, including design analysis and cutting technology for consistent precision of large panels, we are reducing work hours and establishing our own proprietary technologies.

Our expertise in molding high-tensile strength steel materials and improving precision, coupled with our extensive data on molding methods for carbon fiber materials deliver lighter mobility solutions and contribute to sustainable manufacturing.

The auto body parts we manufacture are designed to reduce the burden on the environment by lowering energy consumption through reducing work hours with our manufacturing capabilities. Harnessing our unique and unrivaled new technologies, we aim to achieve both cost reduction and safety, and to build a production system that can meet the diverse needs of our customers, focusing on the transfer of technology and human resource development.



Norihiko Hoda
Director
Representative of TPAM INC.

Passing on original prototyping technologies and sensitivities to the future

TPAM INC. is working on a number of projects with overseas automakers, including those related to EVs. Specifically, in addition to reducing work hours with new technologies into production processes such as pressing, assembly, testing, and inspection, through these projects we are also striving to lower electricity consumption in each process.

The biggest challenge is to thoroughly eliminate waste. This means not simply replacing it with something else, but rather creating an environment that does not generate waste in the first place. We are systematically working to solve this problem.

Looking back at Japan's manufacturing technology from an overseas perspective, I have a strong sense of its outstanding technological capabilities. Unlike mass-production automation, I believe it is essential to pass on original prototyping techniques and sensitivities backed by individual experience and intuition to the next generation.

Even in the rapidly changing field of cutting-edge processing technology, we will continue to work diligently to train engineers with these basic skills.



Takenori Sasaki
Director
Procurement Department

Promoting sustainable management and BCP with renewable energy

The Topia Group is working to promote power efficiency and energy conservation through in-house power generation.

We are currently introducing more solar power generation capacity, primarily by installing more solar panels. In addition to reducing greenhouse gas emissions with these systems at our plants, we are also seeing environmental benefits such as heat shielding and insulation.

Additionally, we will continue to promote manufacturing that makes use of our unique strengths, i.e., weight reduction and molding technologies, while also aiming to actively utilize renewable energy.

We are also considering the adoption and use of energy storage technology in the future, aiming to build a system that can contribute to optimizing power efficiency in normal times as well as during contingencies defined in our Business Continuity Plan. As a company that is trusted by and essential to society, we will work to promote future-oriented energy use and sustainability management in order to realize a sustainable society.

Sustainability Management

Basic Policy

Topia aims to be a company that grows and develops sustainably in harmony with society, and considers the practice of sustainable management as an important corporate social responsibility. We will sincerely address complex and rapidly changing issues such as climate change, human rights, and coexistence with local communities, while emphasizing dialogue and co-creation with all stakeholders. We aim to simultaneously achieve a sustainable society and enhance corporate value through honest and transparent corporate activities.

Basic Sustainability Policy

1. Contribute to Environmental Conservation

Through our business activities, we will work to protect the global environment by reducing CO₂ emissions, limiting energy usage, reducing waste, promoting recycling, and preserving biodiversity. We will also contribute to the achievement of a sustainable society in which people and nature coexist through the provision of environmentally friendly products and services.

2. Coexist with Society

As a corporate citizen, we will contribute to the revitalization of local communities and the creation of a richer living environment for people through our business and social contribution activities.

3. Create New Value

We will consistently pursue innovation, create new technologies, products, services that exceed customer expectations, actively contribute to solving social issues and realizing a sustainable future.

4. Human Resources Development and Activities

We aim to contribute to both the company and society by nurturing human resources who have the talent to tackle customer challenges and the ability to understand both viewpoints. We strive to create a rewarding work environment where employees can feel personal growth and pride.

5. Strengthening the Governance System

We will comply with laws and regulations and other social norms and build a transparent and sound management system. We will respond to the trust of all stakeholders and strengthen our governance system to support sustainable growth.

Basic Sustainability Policy

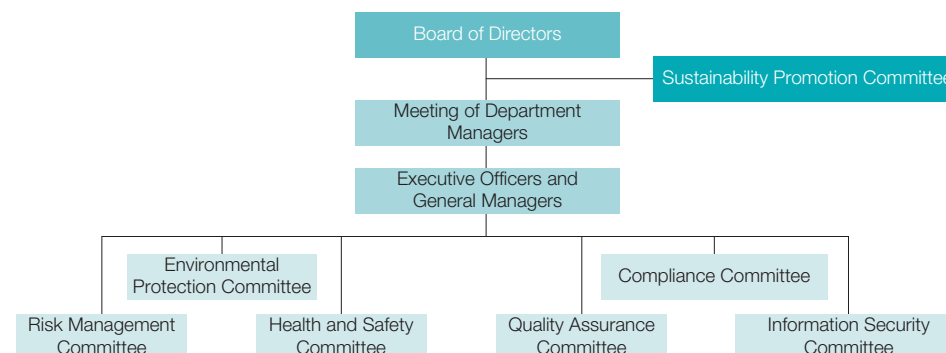
Topia places sustainability at the core of its management in order to be a company that continues to grow both as a business and with society. In order to help achieve a sustainable society in the company, we emphasize trust and co-creation and promote the “Basic Sustainability Policy” based on the following five viewpoints.

Sustainability Management Promotion System

In July 2021, Topia established the “Sustainability Promotion Committee,” lead by Topia’s CEO to promote sustainability management. The Sustainability Management System is coordinated with the six subcommittees. The Risk Management Committee, the Environmental Protection Committee, the Health and Safety Committee, the Quality Assurance Committee, the Compliance Committee, and the Information Security Committee.

Each committee sets numerous targets for the issues it is responsible for, examines specific initiatives, and manages the progress of those efforts. These activities are supervised by the “Sustainability Promotion Committee,” which oversees the implementation and continuous improvement of sustainability management throughout the group.

Sustainability Management Promotion System



Identification of Materiality

Materiality Decision Process

To balance corporate and societal values, Topia has identified the industry activities and relevant societal issues that contribute to “societal growth and being a sustainable enterprise” This process started in 2023.

Particularly, Four materiality candidate items were selected from the following two perspectives:

- (1) Environmental and social issues that makes sense for the company to address and where meaningful results can be obtained
- (2) Issues that we can address through developing and manufacturing prototypes.

STEP 1. Identify and Narrow Down Social Issues

Over 100 social issues were identified in reference to the main guidelines which are GRI Standards, the SASB Standards, and the UN SDGs, A list of items that were of particular relevance to Topia was compiled from this.

STEP 2. Conduct Evaluations from Our Stakeholders' and Topia's Perspective

To emphasize both objectivity and diversity we conducted a questionnaire survey targeting approximately 50 executives and employees to assess the importance of social issues. From our company's perspective, we have identified the mid- to long-term possibilities for our management plans. From the perspective of our stakeholders, we have taken into consideration the impact on the natural environment and requests from our business partners and local communities.

STEP 3. Formulation of Materiality

Based on the content of the President's review, a materiality map determined to be of high importance. The map was created through internal discussions such as the general manager's meeting.

STEP 4. Identification of Materiality

In the end, Topia's Board of Directors narrowed down the materiality issues to four.

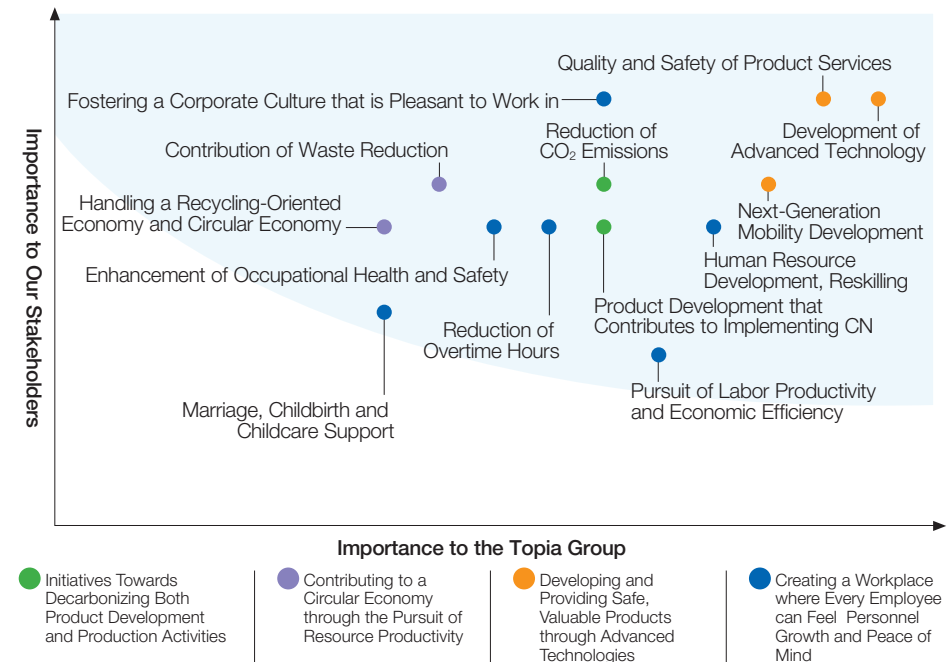
Mapping of Materiality

Topia has established the following four materiality items:

- 1) “Initiatives toward decarbonization in both product development and production activities”
- 2) “Contributing to a circular economy through the pursuit of resource productivity”
- 3) “Developing and providing safe, Valuable products through advanced technologies”
- 4) “Creating a workplace where every employee can feel personnel growth and peace of mind.”

In addition to our efforts in line with the four materialities, this Sustainability Report also describes our human rights and governance initiatives, which form the foundation of our business.

In addition, we will flexibly respond to changes in society and the environment by periodically reviewing our materiality to achieve sustainable improvements.



Materiality

Topia has identified four social issues to be addressed while prototyping a wide variety of industrial products.

We aim to resolve the issues demanded in current times, contribute to the development of new manufacturing worldwide, and achieve a sustainable future that enriches society.



Contributing to a Decarbonized Society through our Business Activities

Topia is aggressively promoting the introduction of renewable energy in order to reduce greenhouse gas emissions from its business activities. We are also aiming to implement a carbon neutral environment by reducing our environmental impact.



Contributing to a Circular Economy

We are working to recycle waste materials and steel materials generated from our business activities. Our plan is to also accelerate our paperless and digital transformation (DX) initiatives in order to take steps towards being a sustainable company.



Providing Safe, Valuable Products through Advanced Technologies

We will contribute to the improvement of safety performance by increasing the added value of our products and services, establishing an educational system and an environment that will improve the skills of all employees.



Creating a Workplace where Every Employee can Feel Personal Growth and Peace of Mind

Creating a good working environment for employees is essential for smooth operation of business activities. We will continue to promote not only to improve the environment, but also to encourage personal growth of our employees.



KPIs and Targets Based on Materiality

Materiality	Risks and Opportunities	KPI	Mid-term Targets (FY2030)	Strategies	FY2023 Results	FY2024 Results
Contributing to a Decarbonized Society through our Business Activities 	【Risks】 • Increased operating costs due to the inability to respond to industry trends toward carbon neutrality • Declining customer confidence 【Opportunities】 • Increase customer confidence through proactive efforts to achieve carbon neutrality and disclosure • Expand business by developing new technologies that contribute to customers' carbon neutrality	Scope1 and 2 emissions	Reduce by 21% from FY2021	Reduce total CO ₂ emissions at our own plants and offices by 3% per year over a 7-year period starting in FY2024	6,928t-CO ₂	7,725t-CO ₂
		Scope 3 emissions Zinc alloy purchase rate	Continue 10% or less	Promote recycling of zinc alloy used in prototype mold manufacturing to minimize new purchases	8.6%	26.5%
		Renewable energy ratio	Increase by 30% from FY2021	Actively switch in-house power consumption to electricity derived from renewable energy	3.2%	6.1%
		EV ratio (commercial vehicles)	Achieve 100% HV and EV ratio	Switch company owned commercial vehicles to EV and HV vehicles	85.4%	87.2%
Contributing to a Circular Economy 	【Risks】 • Increased operating costs and decreased customer confidence due to continued large-scale waste disposal 【Opportunities】 • Contribute to a recycling-oriented economy through reduction of industrial waste, reduction of chemical load, prevention of air and water pollution, and an effective use of resources	Amount of waste generated Sand recycling ratio	Continue 95% or more	Promote recycling of sand materials used in the production of prototype molds, and minimize the amount of waste	97.2%	97.5%
Providing Safe, Valuable Products through Advanced Technologies 	【Risks】 • Declining customer confidence due to non-conforming products 【Opportunities】 • Expand business and increase customer confidence by developing safe, high-quality products that respond to diverse values and social issues	Amount of added value per employee	Increase by 5% from FY2021	Maximize profits through high value-added businesses	65.0%	59.3%
Creating a Workplace where Every Employee can Feel Personnel Growth and Peace of Mind 	【Risks】 • Decreased productivity due to lower employee engagement • Increased cost of recruiting human resources and difficulty in recruiting 【Opportunities】 • Improve productivity by increasing employee engagement • Enhance the ability to respond to issues through the active participation of human resources with diverse values	Percentage of female managers	20%	Promote the establishment of workplaces where employees can demonstrate their abilities regardless of gender	7.5%	8.1%
		Percentage of male employees taking maternity leave	85%		38.5%	63.6%
		Number of work-related accidents	Zero	Further improve internal health and safety and reduce the number of work-related accidents	1	0
		Overtime work hours	25 hours or less per month	Improve operations through DX, etc.	23.4 hours	25.7 hours
		Japanese Language Proficiency Test certification rate (N3 or higher)	75%	Support foreign employees and trainees to take and pass the Japanese Language Proficiency Test	32.3%	33.3%

Initiatives for Environmental Protection

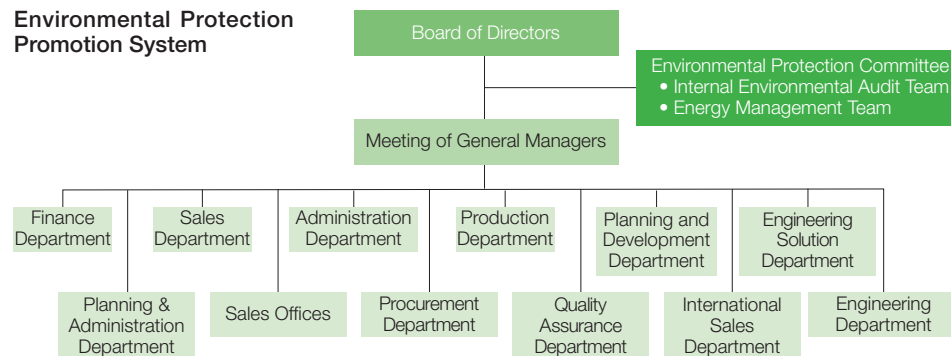
Environmental Policy (Basic Philosophy)

Topia recognizes that maintaining the global environment in a sustainable state is an important task for mankind. We will contribute to the future of mankind and the earth by reducing environmental impact through our business activities.

Guidelines for Actions

1. Compliance with environmental-related laws and regulations
2. Promotion of resource and energy conservation (promotion of a decarbonized society)
3. Contribution to the establishment of a circular society
4. Prevention of environmental pollution
5. Initiatives toward international community goals
6. Promotion of the environmental policy
7. Awareness and understanding of the environmental policy
8. Disclosure of the environmental policy

Environmental Protection Promotion System



Efforts of the Environmental Protection Committee

An important mission of the Environmental Protection Committee is the maintenance, energy management and promotion of ISO14001: Environmental Management System (EMS). We are working to protect the environment and reduce greenhouse gases by strengthening EMS operations, investigating and improving energy consumption.

Efforts to Maintain and Promote EMS

- Implementing internal and external maintenance audits and environmental patrols

In order to maintain ISO14001 international certification, internal audits, external audits, and management reviews are regularly conducted to set, evaluate, and improve environmental goals. When nonconformities occur, they are promptly corrected to ensure continuous improvement of EMS and to maintain a reliable operating system.

We also conduct monthly environmental patrols from the viewpoints of the environment, safety, and 5S practices. We then share the results of these patrols, and promptly implement corrective and improvement measures to maintain the workplace environment and raise awareness.



ISO14001
Registration
Certificate

Efforts to Strengthen Energy Management

- Having diagnosis conducted by a qualified energy manager

In addition to surveying the actual power consumption and changes at each plant, we also seek advice from an energy manager to get an idea of our energy consumption and activate energy conservation activities.

Comply with Environmental Laws and Regulations

Topia is aware of environmental laws and regulations related to its business activities, including the Waste Management Law, the Chemical Substance Release Monitoring and Management Promotion Act, the Noise and Vibration Control Law, the Fluorocarbons Control Law, and the Global Warming Countermeasures Law. We are working to maintain and strengthen its compliance system. We regularly check compliance through internal patrols, internal and external audits in order to prevent violations of laws and regulations and to promote continuous improvement.

Initiatives to Achieve a Decarbonized Society

Basic Approach

Topia considers climate change countermeasures an important responsibility and is working to reduce greenhouse gas emissions. Not only are we introducing renewable energy within the group and reviewing production processes, but we are also aiming to reduce environmental impact throughout the entire supply chain. Through collaboration with all stakeholders, we aim to create sustainable value in order to build a society that the next generation can be proud of and continue to take on the challenges of achieving a carbon-neutral society.

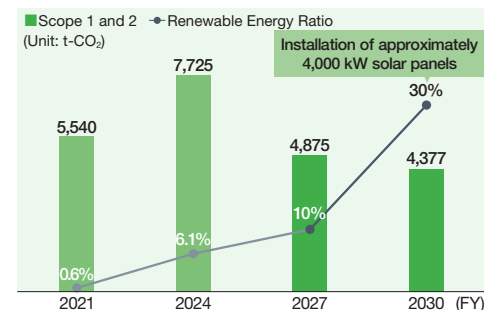
Contribute to a Decarbonized Society



Scope 1, 2 and 3 Calculation Results and Reduction Targets

Scope 1 and 2 from FY 2024 to FY 2030, we have set a target of 21% reduction compared to FY2021 (3% reduction per annum). With regard to Scope 3, while there are many issues, we will continue to improve and upgrade the system to enable continuous calculation.

Reduction Target of Greenhouse Gas (t-CO₂/year) for the Group Companies in Japan



Introduction to Renewable Energy

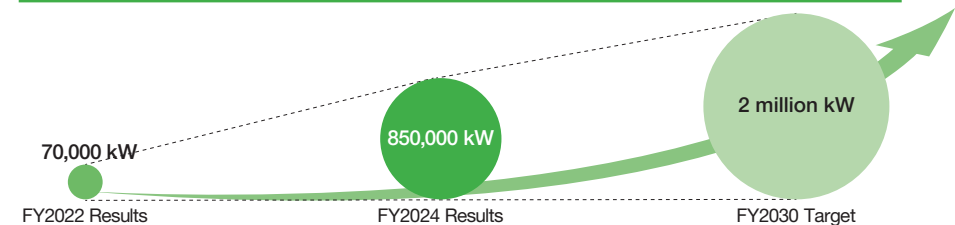
Topia is working to reduce greenhouse gas emissions by using renewable energy as part of the energy used at its plants. At the Suzuka head office plant, which is the main plant in Japan, we gradually installed more solar power generation facilities for our own consumption, and achieved a reduction of greenhouse gas emissions of approximately 320 t-CO₂ in fiscal year 2024.

We will continue to install photovoltaic power generation facilities at our business sites and increase the amount of CO₂ reduction through renewable energy to approximately 7,560 t-CO₂ by fiscal 2030, thereby promoting business activities that take the global environment into consideration.



Last year, we started installation of solar panels at the No.10 and No.13 plants

Targets and Achievements for the Spread of Renewable Energy



Energy Conservation Activities at our Plants

We have established an energy conservation promotion organization to promote energy conservation activities under the suggestions and guidance of energy managers.

Specifically, we are working to optimize energy consumption by improving the efficiency of air conditioning and equipment, adjusting the setting for the pressure and operating time of compressors. We are simultaneously working to reduce rotation time, investigate, repair air leaks in plants, and improve air piping systems.



Air leak examination

Efforts to Achieve a Decarbonized Society

Co-creating a Sustainable Society Through Technological Innovation

As global warming increases the risk of disasters caused by climate change, achieving a decarbonized society has become an important mission for companies. Topia is working to reduce CO₂ emissions and improve energy efficiency by introducing renewable energy and reviewing production processes. As a “company that coexists with society,” we aim to achieve a balance between reducing environmental impact and enriching lifestyles. We will continue making further progress toward a sustainable future.

Efforts to Optimize Production Processes

Topia has developed a new method for improving the strength and weight of parts such as large vehicle bodies by freely using its original simulation technology. By differentiating ourselves from other companies in terms of equipment, construction methods, and analysis technology, we are simultaneously reducing man-hours and improving the safety of product accuracy. As a result, advanced cutting technology, adjustment power and evaluation technology have been developed, enabling the establishment of new technologies, cost reduction and improvement of safety. In addition to pursuing improvements in quality, we are also working to improve production efficiency in a sustainable manner, responding to the demands of decarbonization, renewable energy, and other efforts to reduce environmental impact.

Establishing an In-House Power Generation System

To achieve a decarbonized society, we are working to strengthen our in-house power generation system, focusing on the use of renewable energy and the promotion of energy conservation. We have already installed photovoltaic power generation facilities and are promoting the stable supply of electricity and the efficient use of it. We are building a system that both reduces environmental impact and complies with our BCP (Business Continuity Plan). Through these efforts, we will fulfill our responsibility for a sustainable future and aim to be a company trusted by society.

Efforts to Achieve a Circular Economy

Promotion of Recycling at our Plants

Topia’s environmental guidelines include the concept of “building a recycling-oriented society,” and promoting efficient use and recycling of resources to reduce environmental impact. In order to effectively restrict the use of resources, we will promote measures to reduce waste generated in the manufacturing process through the introduction of production equipment. This equipment reduces the input of raw materials facilitates the recycling of materials.

Recycling the Materials Used in Prototyping Molds

There are two types of press molds: mass-production molds and trial molds for prototype parts. While mass production molds use hard material such as iron casting materials, trial molds use a soft material called zinc alloy (ZAS), and are cast in our melting furnace. ZAS casting has been carried out in-house since its establishment and is also reused.

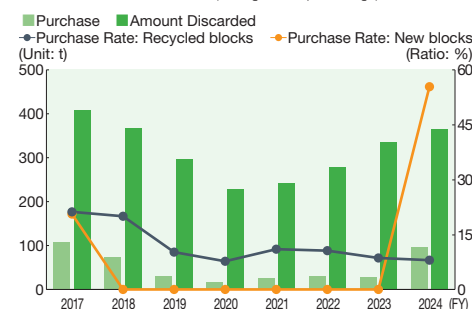
In addition, the sand required in the casting process has been treated in the past as industrial waste because it becomes solid due to the effects of hardening agents. In fiscal 2012, however, we introduced a sand agitator for casting to reuse sand, thereby contributing to waste reduction.



Mixer for recycling casting sand

Circulation of ZAS and Casting Sand

Circulation of ZAS (average value/percentage)



Circulation of Casting Sand (average value/percentage)



Initiatives towards Ensuring Product Safety (Quality Assurance)

Basic Approach

Topia is never satisfied with the status quo and constantly strives to improve its technological capabilities and manufacturing operations. We aim to provide safe, high-quality products that satisfy our customers, and promote our efforts on a daily basis under common, quality awareness. As part of our efforts, we strive to become a company trusted by all stakeholders through continuously renewing our quality management system certifications.

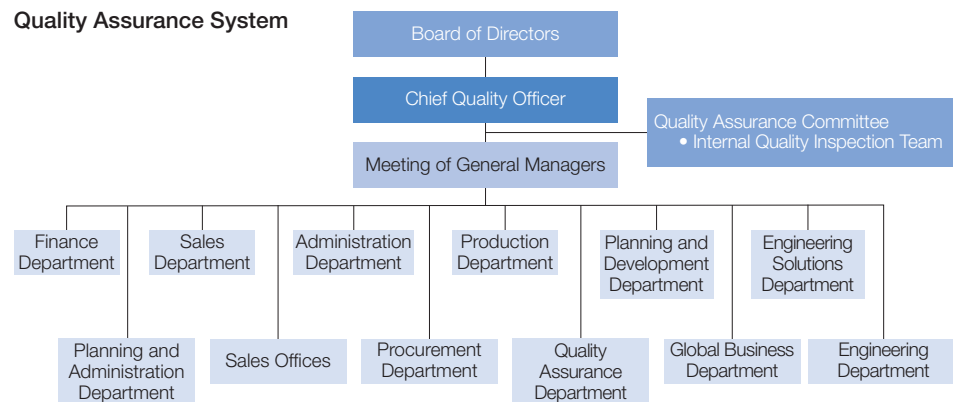
Establishment and Maintenance of our Quality Management System

For the purpose of improving both product and service safety and quality, Topia has obtained the following certifications: ISO9001 (Quality Management System) in 2009 and JIS Q 9100 (Aerospace and Defense Quality Management System) in 2011.

In order to continually operate these quality management systems, we maintain our certifications and promote improvement through periodic internal and external inspections.



Quality Assurance System



Creating a System to Support Continuous Quality Improvement

- **Quality Patrol Centered around Organizational Quality Improvement Initiatives**
Quality control is conducted at each manufacturing process, and the Quality Department regularly conducts patrols to check work procedures, the 5S, work environments, and changes at each site. Once the patrol is completed, the Quality Department shares examples of potential quality improvements throughout the company. Data relating to non-conformities is also analyzed to prevent relapse or even the chance from anything happening.

- **Creating a System for Quality Assurance**

In order to thoroughly implement quality assurance for each manufacturing process, we use a management system at our offices and utilize procedures that are standardized and clarified. We aim to achieve stable product quality, so one procedure is that we minimize discrepancies through the visualization of management items. We also strive to continuously improve and verify our system's validity through periodic audits. We hope that through quality education and our in-house, quality slogan competition, each employee can gain more awareness and improve Topia's quality.

Message



Mineyuki Deguchi

Quality Assurance
Department
Executive Officer

An Approach to Global Quality Assurance

With the purpose of delivering high-quality, safe products, we are building both a domestic and international quality assurance system. In order to meet customer requirements, we are strengthening cooperation between departments, implementing proactive discussions with sites and bases and understanding the process and quality concerns through measurements.

Between our experience in overseas quality and utilizing our product changes and characteristics, we will improve quality precision and pursue higher-quality manufacturing.

Developing High-Value-Products

Basic Approach

Product Development through Collaborations with Stakeholders

Topia reflects on opinions starting with our customers to various stakeholders in order to innovate and improve quality. By deepening mutual understanding and collaboration with stakeholders, we will continue to address social issues, develop high-value products for customers, and create value.

Diverse Equipment

From One-Of-A-Kind to Small-lot Products

Building a stable production system requires not only skilled staff, but also investment in state-of-the-art equipment. By having an integrated in-house production line that assembles not only small parts but also a single vehicle, and having equipment capable of small-lot mass production, we are able to expand the possibilities of manufacturing and solve problems. Amid intensifying global development competition, we will strengthen facilities to maintain our competitive advantage.



Joining line

Development of a New Integrated Molding Method that Reduces Both Process Implementation Time and Weight

Contribute to a Decarbonized Society by Meeting New Demands and Needs

By using an integrated press process, we have established an integrated system from die manufacturing to the completion of a single vehicle, contributing to decarbonization through this new approach which is the first of its kind in Japan.

Based on analytical simulations, we are striving to reduce overall CO₂ emissions by using a number of joining technologies other than welding high-tension materials, which lead to shorter processing times and light weight.



BIW (Body in White)

Proposing Cost-Effective Weight Reduction

Proposing Weight Reduction for a Wide Variety of Products

Demand for lighter weight and smaller size is not limited to the automobile industry. We train designers and engineers who are familiar with all types of materials and propose optimization solutions to customers. In addition to in-house simulation of production and inspection equipment, we also work to achieve high-quality, low-cost manufacturing through simultaneous die and jig design and collaboration with materials and equipment manufacturers.

Supporting Small-Lot Production

Establishment of a Production System that Can Handle Small-Lot Production

We have introduced a number of state-of-the-art equipment in Japan and overseas to achieve multi-product, small-lot production. We use our equipment in a planned and efficient manner and flexibly secure workplaces for emergency situations. In addition to focusing on training machining technicians in each process, we have also trained a number of CAD/CAM specialists, and have achieved low cost and short delivery times through an integrated in-house system.

Engineer Training

Providing “Topia Brand” Products Built on Proven Technology

We are focusing on technical training programs, support for obtaining official qualifications necessary for work, use of external educational institutions, and on-the-job training to develop our engineers. For more difficult jobs, we are working to overcome physical and technical challenges by training skilled workers to provide high value “Topia Brand” products.



Creating a Workplace that Enables Employees to Achieve Personal Growth (Human Capital Management)

Basic Approach

The Topia Group respects the fundamental human rights of all employees and stakeholders and complies with international human rights standards. We also strive to maintain and improve the working environment and to provide equal opportunities and fair treatment. By eliminating child labor and forced labor, implementing ethical hiring practices, preventing discrimination and harassment, and promoting diversity and inclusion, we aim to create a working environment in which employees can enjoy a richer and more secure work environment, leading to growth.

[Main Initiatives in Human Capital Management]

- | | |
|--|---|
| (1) Respect for human rights | (4) Develop global human resources |
| (2) Create an environment where each employee can experience growth | (5) Promote occupational health and safety management |
| (3) Create a workplace where diverse, capable employees can flourish | |

Efforts towards Respecting Human Rights

Topia considers respect for human rights to be one of the most important responsibilities of a company. We have established the Topia Group Sustainability Guidelines, and the directors and employees work together to implement them. These guidelines clearly define policies regarding respect for human rights and a fair work environment. As an enterprise with global operations, the guidelines are based on internationally recognized human right norms such as the Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights. The guidelines stipulate the prohibition of child labor, payment of appropriate wages in accordance with relevant laws and regulations, the observance of legal working hours, fair hiring, evaluation, the prohibition of discrimination and harassment, and respect for diversity.

Creating an Environment Where Each Employee Can Experience Growth (Personnel Development)

Topia promotes the development of skilled workers with diverse personalities, skills, and experiences in order to address social issues. We focus on creating a work environment in which employees can experience a genuine feeling of self-growth through a variety of opportunities, including daily operations, education and training programs.

	Education by level	Basic to applied skills	Education by theme	Company-wide common training (including subsidiaries on a global basis)	External	OJT
Senior management	New general manager training New manager training	Occupational safety and health training Environmental protection promotion training Quality manufacturing training	Sustainability training Human rights and harassment training Disaster prevention and crisis management training	Safety and health training Mental health training Compliance risk management training Information security training	Public qualification system Technical training	Daily guidance by superiors and senior employees
Mid-level management	Leader training Mid-level employee training					
General employees	Subordinate training					
New employees	Business etiquette training Follow-up training					

• Skill Training

We set goals for each employee, so that they can grow every year. By holding regular meetings with department managers to confirm and support their progress, we encourage them to improve their operations, increase engagement and achieve growth.

• Human Rights and Harassment Prevention Training

Topia continuously conducts human rights and harassment training from external instructors to help employees acquire correct knowledge and practice considerate behavior. We will continue to work to create a workplace culture where employees can work with peace of mind, raise awareness and establish a strong working culture.

• Information Security Training

Topia has established a security management system under the guidance of the Information Security Committee, distributes handbooks and conducts education for all employees on an ongoing basis. We are also strengthening our management system to reduce the risk of cyber attacks and data leaks.

Create a Workplace that Achieves Growth (Human Capital Management)

Fostering a Diverse and Inclusive Workplace

Topia is promoting various initiatives to foster a corporate culture in which diverse employees can play an active role. This includes active participation by women, employing people with disabilities, active participation from foreign employees, and having a better understanding of the LGBTQ+ community. We are working to foster a corporate culture in which employees respect each other's personality and individuality, and where there is no discrimination based on race, religion, nationality, gender, age, or disability.

Promoting Women's Participation

Topia considers participation from women to be one of its key measures, and aims to create a workplace and company where all employees can continue to work with an ambitious attitude. We plan to increase the ratio of women in managerial positions to 20% by 2030.

Acquisition Rate for
Childcare Leave

	Male	Female
FY2021	42.9%	100.0%
FY2022	66.7%	100.0%
FY2023	38.5%	100.0%
FY2024	63.6%	100.0%

Disability Employment Promotion

Topia strives to create a rewarding work environment in which people with disabilities can work with peace of mind while also making use of external support. We intend to increase the employment rate of people with disabilities above the legal employment rate, and actively promote cooperation with employment support organizations and Hello Work.

Disability Employment Rate

	Statutory Employment Rate	Results
FY2020	2.0%	2.1%
FY2021	2.1%	2.1%
FY2022	2.2%	2.2%
FY2023	2.3%	2.3%
FY2024	2.5%	2.5%

Promoting Participation from Foreign Employees

We are working on developing employees by utilizing the Technical Intern Training System, which is an opportunity for employees from overseas and local subsidiaries to learn Japanese and Topia management techniques while working at our business sites in Japan. We are also working on developing employees overseas by utilizing the Specified Skilled Worker System in anticipation of an increase in demand for employees in the manufacturing sector.

Efforts for Occupational Health and Safety Management

To protect the safety and health of all employees and the local community, Topia is striving to create a work environment in which employees can work with peace of mind. The diverse range of implementations include equipment that require legal qualifications. In addition, we work to prevent accidents caused by falling or tripping while transporting products and materials, and to strengthen the risk assessment system through external guidance.

TOPICS

OSHMS International Certification Obtained

We have acquired a variety of certifications as of December, 2024 including ISO45001 for the occupational health and safety management system (OSHMS), ISO9001 for the quality management system and ISO14001 for the environmental management system. These certifications enabled Topia to establish a management system for occupational health and safety. We put effort into protecting the safety and health of our employees and creating a safer, more comfortable, and healthier work environment by identifying work accident risks and implementing appropriate measures.

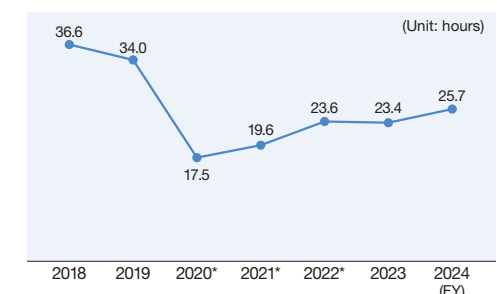


ISO45001 certificate

Promoting Health Management

We believe that the mental and physical health of each and every employee is important for the business performance and sustainable growth of the company. Therefore, we conduct stress checks based on laws and regulations, take measures to combat long working hours, and actively promote a wide range of health promotion measures.

Average Overtime Working Hours (per employee)



* During the three-year period from FY2020 to FY2022, overtime work hours temporarily decreased due to the COVID-19 pandemic.

Social Contribution Activities

Basic Approach

Since its establishment in 1973, Topia has grown with the support of local communities from our business bases and group companies. We will continue to contribute to a sustainable society that enriches both people and society through close communication and active participation in various activities involving environmental conservation, disaster assistance, employee development, and community contribution.

Vaccine Support through Recycling

Since 2023, PET plastic bottle cap collection boxes have been installed at the head office, domestic offices, and sales offices. Approximately 800 caps are enough to pay for 1 dose of polio vaccine in developing countries, protecting children's lives.



PET plastic bottle cap collection box

Donation certificate

Sponsoring Sports Teams

Topia sponsors various sports teams in Mie Prefecture and actively supports their activities. Since 2021, we have supported local teams such as Atletico Suzuka Club, Iga FC Kunoichi Mie, and Mie Violet Iris, as well as motor sports teams such as SUBARU BRZ GT300. Topia organizes hands-on sports activities and other events aimed at children, in hopes of nurturing children and revitalizing sports.



Football match day



SUBARU BRZ GT300

Initiatives for Regional Development

To contribute to the local community, we work with universities, high schools, and

local governments in Mie Prefecture. As an employment promotion committee member of Suzuka City, we conduct education and employment support activities every year for local students and adults. We also cosponsor athlete support organizations and support the development of local athletes and children.

• Cultural Promotion

When students from universities located near our U.S. subsidiary visited Japan, we offered them the opportunity to learn about Mie Prefecture's traditional culture.



• Fireworks Festival

Since 2014, we have supported the Suzuka Genki Fireworks Festival, which is held every year in Suzuka City, Mie Prefecture.



• Tokowaka Athletes

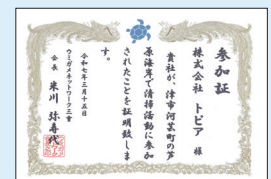
Topia supports budding athletes in Mie, in a program supported by Mie Prefecture and the Mie Prefectural Sports Association since 2014.



TOPICS

Coastal Cleanup to Protect Sea Turtles

In March 2025, we participated in a coastal cleanup activity at Marina Kawage in Tsu City, Mie Prefecture. The coast of Ise Bay is known as a spawning ground for sea turtles, and conservation activities have continued here for many years. It is a small step, but we realized the importance of preserving the natural environment and having a relationship with the community through environmental protection and loyalty towards our prefecture. We will continue these activities to create a sustainable future.



Cleanup participation certificate

Corporate Governance

Topia Group recognizes the importance of developing and strengthening its corporate governance system. This system ensures transparency in corporate management, respects the rights and positions of all stakeholders, and enhances corporate value over the medium to long term. Although an adequate system has not yet been established, Topia considers it an important issue that should be addressed as soon as possible by the entire group. We are currently preparing for the introduction of an internal control system which is planned to expand to group companies in the future. In addition, we aim to create a governance system that is transparent, fair, and trustworthy by incorporating the perspectives of external experts and management, including outside directors.

Compliance

Topia aims to achieve maximum corporate value through the implementation of its management philosophy, building good relationships with all stakeholders, and pursuing long-term, stable growth and development. We have also established our Compliance Basic Policy to promote fair and transparent management as a company trusted by the international community.

Topia Group Compliance Basic Policy

Topia Group regards compliance as an important issue that underpins its management, and strives to establish a system in which all directors and employees within the group are aware of their corporate social responsibilities and take the initiative to conduct themselves in accordance with laws and ethics.

1. Basic Concept

(1) Topia engages in various business activities based on its management philosophy, and we place compliance at the core of our management and promote honest corporate activities through thorough legal compliance and corporate ethics.

(2) Compliance refers to “To comply with all laws and regulations and internal rules (Hereinafter, “laws and regulations, etc.”) related to the business activities of Topia, and to act honestly and fairly in response to the expectations and demands of society.”

2. Standards of Conduct for Directors and Employees

(1) Sincere Behavior

- 1) We comply with laws and regulations. When we discover any violation of laws and regulations, we will gather the courage to point out such violations and correct them in cooperation with relevant parties.
- 2) When we are in doubt about what we should do, we ask ourselves whether we are in the right, whether there is no ethical problem, whether we can confidently explain to family and friends, and whether we will not damage the trust and brand of Topia.
- 3) We will treat everyone in every situation with integrity and fairness.

(2) Actions to Support Appropriate Business Activities

- 1) We will not engage in unfair transactions and restricting competition such as bid-rigging or using our trading positions to gain unfair profits.
- 2) We protect intellectual property rights and do not infringe on the intellectual property rights of others.
- 3) We strictly manage customer information obtained in the course of our business operations and do not use it for purposes other than those specified.
- 4) We will take a firm stance against antisocial forces and will not respond to unjust or unfair demands.
- 5) We will appropriately manage conflict of interest transactions so that the interests of our customers are safeguarded.
- 6) We will ensure the appropriateness of transactions when conducting intra-group transactions and business alliances.
- 7) We will ensure management transparency by disclosing information in a timely and appropriate manner.
- 8) We will not engage in insider trading (trading of stocks, etc. using important undisclosed information).
- 9) We will properly manage group company assets, important information, trade secrets, etc.
- 10) We will not engage in private profiteering by taking advantage of our business position.

(3) Respect for Human Rights and Ensuring a Satisfactory Work Environment

- 1) We will respect human rights and refrain from discrimination or harassment based on race, nationality, gender, age, occupation, region, creed, disability, etc.
- 2) We will ensure a safe and comfortable work environment.

Anti-Corruption Initiatives

Topia does not engage in bribery, illegal political donations, intimidation, coercion, embezzlement, money laundering, illegal international remittances, funding anti-social forces, or any other illegal or unjust provision of benefits. We strive to comply with anti-corruption laws and regulations in all countries and regions where we conduct business.

Risk Management

Basic Approach

In order to minimize various risks, Topia is working to strengthen its risk management as part of its internal controls. We will appropriately identify and manage risks relating to our business activities by working to minimize human, economic, and social damage, and by striving to recover quickly and prevent recurrences.

Strengthening Our Information Security and Management Systems

Topia plays a part in the planning and development processes of new customer products. This makes the importance of appropriately handling customer information and strengthening information security extremely high. With this in mind, we have established and are continuing to strengthen our security policy. We have also obtained certification (TISAX — Trusted Information Security Assessment Exchange) based on the information security evaluation standards established by the German Association of the Automotive Industry. Topia maintains a high level of information security and is working to continuously educate and raise awareness among its employees.



• Improving Distribution of Security Awareness Information

Under the leadership of the Information Security Committee, we implement employee education as needed to strengthen awareness of the importance of confidentiality. Specifically, the Information Security Committee meets monthly to share problems and improvements, decide on specific actions, conduct security education, distribute e-mails, report at various meetings, and share information through bulletin boards to improve the overall level of security. Employees are also provided with education from departmental managers about confidentiality and quality as needed during various regular meetings. This is to increase their knowledge and awareness on these matters.

Strengthening Initiatives Relating to the Business Continuity Plan (BCP)

In preparation for disasters such as large-scale earthquakes and pandemics, we have established a Business Continuity Plan. Based on this plan, we will clarify our policies, procedures, and operational systems to ensure that important business activities are not interrupted, and that even if they are interrupted, they can be restored as soon as possible. We will work to restore important business activities as soon as possible, while giving the highest priority to employee safety.

• Introduction of the Safety Confirmation System

As part of our BCP, we have introduced a safety confirmation system. In the event of actual damage, such as a natural disaster or epidemic, we have established a system to promptly ascertain the safety and damage of employees and their families in remote locations. They will be provided the necessary support and system in cooperation with the company.



• Implementation of Disaster Drills

Under the guidance of the fire department, we regularly conduct earthquake safety training and tsunami evacuation drills. In the most recent drills, we conducted safety training based on an earthquake scenario. Right after the quake was assumed to have subsided, employees moved to an evacuation site based on the assumption that a fire had broken out, and conducted fire extinguishing training using water extinguishers.



• Preparation of Disaster Stockpiles

We have prepared disaster stockpiles such as water and food for employees at each site, to be prepared for a natural disaster. In addition to these stockpiles, we have also established a system for using vending machines and in-house stores as stockpiles in the event of a disaster.

