ESG Initiative Social

Initiatives to Ensure Product Safety (Quality Assurance)

Basic Approach

Topia has established the following "Quality Policy" with the aim of creating quality that satisfies our customers. We do this by constantly striving to improve our technological capabilities and improve the quality of manufacturing operations. Based on this policy, each company under Topia will pursue and practice manufacturing in a fair and honest manner.

Quality Policy

Basic Philosophy

Based on our quality philosophy of "absolute quality," Topia strives to improve its technological capabilities and the quality of its work. We aim to be a company that can provide its customers with quality that satisfies them and gives them confidence.

Guidelines for Actions

Topia shall engage in the following activities through improving products and services.

- 1. We shall comply with customer requirements, legal requirements and regulatory requirements.
- 2. We shall set quality targets and promote improvements to achieve our quality goals.
- 3. We shall focus on the quality of our business practices for product and service provision and continually improve them.
- 4. We shall post the quality policy throughout the company to ensure that all employees understand and are aware of it.

Quality Assurance System



Guidelines for Actions

Topia acquired the ISO 9001 (Quality Management System) certification in August 2009 and the JIS Q 9100 (Quality Management System for Aerospace and Defense) certification in July 2011. Our company has continued to renew these certifications to date. We also implement the following activities to ensure and improve the safety of our products and services.







JISQ9100 registration certificate

Quality Process Patrol

At each work site, quality initiatives as well as the 5S activities, work environment, and worker awareness are checked through quality process patrols. Examples of improvements are shared with all divisions.



Quality Education Activities

Under the leadership of the Chief Quality Officer, we set up timely training themes for the purpose of quality improvement. In line with these themes, each department head conducts training as needed to raise department members' awareness and knowledge of quality.



Quality Slogans

Every year, all employees are invited to submit quality slogans, and one of the top prizes is displayed in each area of the company. We also carefully select and award 8 excellent prizes, 10 winners, and 20 honorable mentions in order to raise the quality awareness of each employee.



Develop High-Value-Added Products

Basic Approach

Making Things That Don't Exist in the World into "Forms"

We incorporate customer needs by creating specific construction methods, proposing optimal design and development, procuring parts and materials, and by manufacturing products at our own plants. Topia's unique technology and responsibility for the series of steps leading up to the quality assurance, enable us to provide good products through an integrated, in-house production system. This allows us to respond quickly to advanced requirements and project-related issues.

Diverse Equipment

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

We implemented a centralized, management system for production information using barcodes, and can manufacture more than 1,000 types of products per month. Its system provides real time progress management, and



Joining line

the accumulated production information enables process and cost management. By using a complex combination of in-house equipment, we are able to achieve manufacturing that cannot be achieved elsewhere and meet the needs of a variety of customers.

Establish Total Product System

Equipment and Manufacturing Capabilities from Single Products to Assembly

We provide various products backed by a proven track record of longstanding, business relationships.

We have established production and quality control technologies, and systems that ensure both industry-leading, short delivery times and quality.



BIW (Body in White)

We are able to cover the entire value chain from design to manufacturing to quality control in a one-stop service.

Propose Cost-Effective Weight Reduction

Propose Weight Reduction for a Wide Variety of Products

Our experienced designers and engineers offer lightweight solutions. We internally manufacture the most suitable facilities. A list of facilities we have manufactured include production, inspection, jig, and simulation facilities. In these facilities, we simultaneously conduct research on construction methods, mold design and jig design along with collaborate with material and equipment manufacturers.

Support Small-Lot Production

Establish a Production System That Can Handle Small-Lot Production

We have installed several state-of-the-art equipment from domestic and overseas manufacturers. These can handle small lots as well as specialize in prototypes.

In addition to focusing on the training for machining technicians in each process, we have many engineers dedicated to CAD/CAM. Our in-house integrated system can handle not only prototypes but also a wide variety of small-lot products while providing low cost and short delivery times.

Train Engineers

Make "Topia's Brand" Unmatched Compared to Competitors

We focus on skill-training programs, quality control regulations, and other

qualifications, as well as the use of external educational institutions like on-the-job training. For more difficult jobs, we are working to overcome physical and technical challenges by training skilled workers to provide high valueadded products.



Social Topia Group Value Creation Sustainability Environment Governance

Special Feature

Prototype Original EV Based on In-House Open Designs

We provide "One Product" that we are proud of.

Utopian Cars: Toward a Prosperous Future

In 2022, the design was carefully selected from internal applications and turned into an actual car.

The entire process, from design, metal processing, resin processing, to assembly jig, was integrated in-house. A group of workers skilled in material properties verified the process through assembly using the most appropriate method. Topia's accumulated technologies have reached the realm of constructors from planning and development.

Message from the Head of the Original EV Development



Tomohisa Sugiura Managing Director Topia Co., Ltd.

Topia will Continue to Run Toward a Sustainable Future

It was not a simple matter of materializing the image, but rather a company-wide effort to complete the project. Our mission was to be "A company that can create attractive, electric vehicles in-house for the next generation." In order to create more originality, we solicited designs within the company. Each member of our company drew a picture with Topia's image and put it into a flexible style centered on a rounded design.

A variety of cutting-edge materials were used such as carbon sheet molding compound (SMC), hot stamp materials, a wide range of welding machines, machines

for joining different materials, and manufacturing methods using steel tube air forming (STAF) equipment, developed by Sumitomo Heavy Industries, Ltd. Everything here resulted in our EV. Our completed vehicle was exhibited at various trade shows and has received favorable reviews from those who attended. As a result, Topia's recognition as a company specializing in lightweight technologies has increased dramatically, and the project was filled with a sense of accomplishment. We will continue to explore and embody opportunities of new development.

The original EV "Grand HUVO," which was completed after reviewing numerous designs submitted from the company.





Completed Original EV "Grand HUVO"

Create a Comfortable Work Environment for Diverse Human Resources (Occupational Health and Safety)

Basic Approach

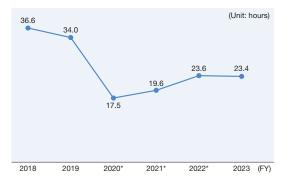
In order to minimize the impact on health and safety for all employees and the local community, we aim to create a comfortable, working environment by thoroughly implementing health and safety management in our corporate activities.

Promote Health Management

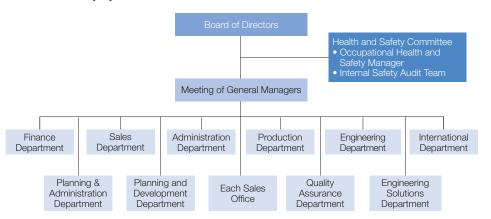
We have established an overtime application approval system. We would like to improve the health of all employees by strictly controlling overtime work in addition to complying with the 36 Agreement.

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

Average Overtime Working Hours (Per Employee)



Health and Safety System



Initiatives for Fire and Disaster Prevention

Regular evacuation drills and first-aid training are conducted to create an environment in which appropriate and proper responses can be taken in the event of a disaster. We also conduct monthly factory inspections to reduce the risk of disasters.





Disaster prevention training

Lifesaving training

Initiatives for Occupational Health and Safety

We ensure that appropriate methods are followed in transporting products and materials in order to prevent accidents.

With the guidance of external consultants, the risk assessment system was strengthened to eliminate risk factors in the workplace.



Forklift safety training

Initiatives for Traffic Accident Prevention

We conduct traffic safety patrols four times a year to raise traffic safety awareness and ensure compliance with traffic rules.



Traffic safety patrol

Create a Comfortable Work Environment for Diverse Human Resources (Diversity Promotion)

Basic Approach

Topia is committed to prohibiting unfair discrimination. We respect the personalities and individualities of all employees with respect to each other. We also promote fair recruitment and utilization of human resources regardless of race, religion, nationality, gender, age, or disability.

Promote Active Participation of Female Employees

Topia is working to create an environment in which it is easy to balance work with childcare by fostering a favorable workplace culture and enhancing various systems. For example, the shorter working period for childcare is set at "the period until entering elementary school," which exceeds the legal limit. We also aim to

Acquisition Rate of Childcare Leave

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

increase the ratio of women in managerial positions to 20% by 2030.

Initiatives to Employ People with Disabilities

Topia aims to create a workplace where both people with disabilities and able-bodied people can work together with vigor and enthusiasm. In FY2023, we achieved the legally required employment rate of 2.3% for the physically challenged. We solve problems in company life and daily life not only within the company, but also with the cooperation of external parties.

Employment Rate of Persons with Disabilities

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

Promote Participation of Foreign Employees

At Topia, foreign employees account for more than 10% of total employees. We invite outside instructors to provide Japanese language education twice a week to help employees achieve the N3 level of the JLPT. N3 is the level at which daily conversation is possible. For employees who wish to further improve their Japanese language skills, we also provide training to obtain N3 or higher certifications.

In addition, we are building a work environment and corporate culture through the multilingualization of work manuals, internal rules, and the use of images.



VOICE



Mr. Shen Deputy General Manager, Parts Department. Topia Mechanical Technology (Changshu) Co., Ltd

Develop Teams at Overseas Sites by Utilizing Skill Training Experience in Japan

I participated in the training because I was interested in new things, especially how high-quality Japanese products are made. Although I was worried about the language barrier, I was impressed by the wealth of Topia's corporate culture, the strong sense of responsibility, and the hard work that goes into working with rules.

After returning to China, I trained a team of technical personnel. I learned the importance of having clear work goals and gained a better understanding of manufacturing, which I am now applying to cost reduction in my current work.

Create a Workplace that Achieves Growth (Human Capital Management)

Basic Approach

Since its founding, Topia's management philosophy (Spirit of the Wild Pigeon, Responsibility of An Emergency Hospital, and Spirit of Challenge) has been the basis for employee decision-making. By acting in accordance with this management philosophy, we believe that our operations will become more efficient and drive our growth.

Company-Wide Cleanup

Topia conducts a company-wide cleanup once a month, including at each of our sites in Japan.

The scope of this cleanup activity, which is conducted by all employees, extends beyond Topia's own premises and to the surrounding areas.



Greeting Campaign

As a part of our efforts to promote communication, Topia has designated June and October as "greeting promotion months." Senior employees and new employees line up at the entrance to the company's premises for one week to greet employees before work begins.

We believe that fostering a corporate culture that encourages employees to greet each other willingly will lead to smooth execution of work at the workplace, with business partners, and with various other related parties.



Education and Training Systems

Action Plan

Topia has established a training system for employees in their second year of employment and thereafter. This system sets out their own growth strategies in relation to the policies and themes of each department based



on the President's Policy. For each theme, superiors give their subordinates tasks to accomplish, and interviews with superiors are held three times a year to achieve the goals and to develop employees.

Trainee Education System

Topia strategically trains new employees as trainees during their first year with the company. Monthly discussions on safety, quality, 5S, and other topics are held to help employees acquire a "sensitivity to awareness".

Through these efforts, we aim to guickly acquire the mindset of a member of society and the knowledge necessary for manufacturing.

VOICE



Ms. Deguchi Engineering Assistant Engineering Div. TPAM INC.

Short-term Dispatch to the U.S. to Experience a Wide Range of Practical Work

When I joined the company, I had a strong desire to work overseas, so I thought it would be a good opportunity to make the most of my experience at the head office.

In Japan and the United States, customer requirements are different, and in the United States, there are many opportunities to refer to the quality regulations. The greatest feature is the wide range of work that can be entrusted to us. My work outside of my assigned department has been helpful in my current department.

While there are differences in operations in both Japan and the U.S., the goal is the same. I would like to further devote myself to this project without forgetting my gratitude to those who helped me.

Contribute to Society

Basic Approach

Since its establishment in 1973, Topia has grown with the support of its neighboring communities. We will continue to communicate closely with local communities and engage in social activities that enrich both "people and society."

Accept Internships

Topia offers an internship program for students in neighboring areas. Aiming to help students choose their future careers, we have prepared a program that allows them to actually experience Topia's state-of-the-art technologies, facilities and take on the challenge of creating prototypes.



A look at the internship

Sponsor Local Sports Teams

Topia, headquartered in Mie Prefecture, has been sponsoring local sports teams such as Iga FC Kunoichi Mie since 2017 and Atletico Suzuka Club since 2021. We will continue to support the revitalization of local communities and the development of young people through sports.





2nd Topia Match Day (September 2023)

Donating Foot-Operated Disinfectant Stands

We manufactured and donated Topia's original disinfectant stands to the Suzuka City Hall, Yokkaichi City Hall, Suzuka City Medical Association, and neighboring communities. The disinfectant stands were designed and produced in the hope of providing some assistance to medical and government institutions suffering from the COVID-19 pandemic. A total of 300 units were donated.





At Suzuka City Hall

At Yokkaichi City Hall

Aim to be a Company that Grows with Local Communities

We promote SDGs initiatives as a SDGs Promotion Partner in Mie Prefecture. We have also been selected as a "Regional Future Leader," and we consider it our mission to create a company that grows together with the local community.



