CONTENTS

Message from the President	01
Value Creation by Techno Associe	·· 02
CSR Management	
Compliance	03
Risk Management	03
Respect for Human Rights	··· 04
Occupational Safety and Health	04
Quality and the Environment	
Quality and Environmental Management	07
Quality Assurance	09
Environmental Conservation	·· 12
Environmental Performance	·· 16
Targets and Results	·· 16
Actual Results of Reduction Activities	18
Stakeholders	
Together with Employees	··· 22
Personnel Policy	22
Diversity and Inclusion/Human Resource Development	·· 23
Achieving a Work-Life Balance	··· 26
Relationship with Shareholders and Investors	28
Relationship with Local Communities	29

Editorial Policy

This CSR Report contains major information on Techno Associe's basic approach to CSR, its fiscal 2018 results, and its future policies and plans.

- Organizations Covered
 All domestic business offices of Techno Associe Co., Ltd., one domestic affiliate
 (Tobutsu Techno Co., Ltd.), and some overseas offices
- Period Covered
 Fiscal 2018 (from April 1, 2018 to March 31, 2019)
 Data on actual results are for fiscal 2017. Activities described include some that pertain to fiscal 2019.
- Date of Publication September 2019
- Next Scheduled Publication Date August 2020



Aiming at a better future through business activities

Aiming to realize a sustainable society, Techno Associe is committed to solving the challenges of the international community.

We thank all of our stakeholders for their understanding and support in promoting our business activities.

The Techno Associe Group, as an "engineering company," is committed to providing solutions to challenges faced by customers and suppliers. It goes without saying that the backbone of our success is our long established and developed "Business Policy (Heart-to-Heart Bonds)." Our Group "Business Policy" adheres to: "(i) being creative so that we keep offering original proposals to customers," "(ii) being service-minded and willing to help customers," and last but not least, "(iii) being grateful to people supporting us."

Our 52 bases in 11 countries conduct business activities with the support of stakeholders, that is, customers, suppliers, shareholders, employees as well as central and local governments and communities. We treat all stakeholders with "a feeling of gratitude" at all times and take action in a manner that embodies such feeling. Over the past several years, the international community has grown keenly aware of its needs for upholding commitments in realizing a sustainable society, such as the adoption of the United Nations SDGs and COP 21 Paris Agreement, and our "sense of gratitude" also relates to such commitments.

In June 2019, Techno Associe signed the United Nations Global Compact* and declared that we will conduct business activities based on this international code of conduct. While committed to our legacy as an "engineering company" in providing solutions to the challenges faced by customers and suppliers, we will also actively work on providing solutions to the challenges of the international community, thereby aiming to become a company group that contributes to the realization of a sustainable society.

* United Nations Global Compact:

An international code of conduct announced by the UN Secretary-General Kofi Annan in 1999 that encourages commercial enterprises and other organizations to follow and implement ten principles in the areas of human rights, labor, environment and anti-corruption.



September 2019

Mamoru Moritani

President

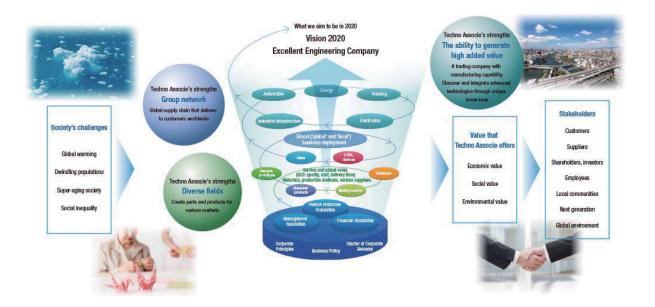




Value Creation by Techno Associe

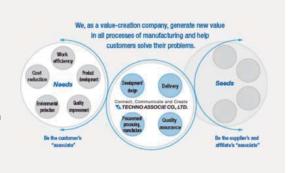
In the major market areas of automotive parts, electronics, housing, industrial infrastructure, and energy, we make the most of our knowledge accumulated over years of business, and our knowledge as an engineering company, to carry out business in a 'glocal' ('global' and 'local') way. We provide in-house developed, high-value-added products and services that solve customers' problems in terms of quality, cost, and delivery time for the core products of fasteners, metal products, chemical products, glass, LCDs, and devices. We strive to expand our business by being customers' first choice.

With a keen watch on demand trends around the world, we are stepping up the pace of our global growth and earnestly studying possible alliances, tie-ups, and joint ventures that will provide business opportunities and expand our market areas.



Management Foundation

The Techno Associe Group has always striven to be sensitive to customers' desires ('needs') and to develop and provide solutions that create new value for them. We do this by utilizing our knowledge of the technologies and products ('seeds') possessed by our wide range of suppliers around the world. We will continue to use our wide field of vision and our extensive expertise and capabilities to be a reliable partner that provides customers with valuable, satisfying solutions.



Compliance

TECHNO ASSOCIE's spirit of legal compliance

Techno Associe requires all of its executive officers and employees of the group to comply with laws and regulations, and distributes to each the "Compliance Manual," including such themes as compliance with the Anti-Monopoly Act, etc., prohibition against bribery and corruption, and respect for human rights. We also conduct optimum compliance education in e-learning and various compliance training group sessions.

Compliance management system

At Techno Associe, it is our top management issue to be in compliance not only with laws, regulations, and our company's articles of incorporation, but also with social norms and accepted social practices.

Chaired by the president, the Risk Management and Compliance Committee ("RC Committee") is in charge of compliance. It works to identify, analyze, and assess compliance risks across the entire Techno Associe Group.

In addition, we have established the <u>Charter of Corporate Behavior</u> to provide a basic policy for each one of our employees so that they may always act demonstrating the highest ethical standards.

Risk Management

Risk management system

The RC Committee plays a central role in risk management and other activities, and basic principles are established, and systems and measures to appropriately manage risks are maintained. Where an emergency response is required with the emergence of a serious risk, such as a natural disaster or information leakage, the president instructs the establishment of a task force, etc., in order to construct a framework for minimizing loss and damage.

Secure Export Control

Based on our Secure Export Control Rules, the Foreign Trade Administration Office leads efforts to implement secure export controls. All personnel in cargo exports and technical assistance are required to participate in e-learning courses related to security export control, and about 200 personnel whose work involves a high degree of export control awareness undergo intensive training to raise their awareness and knowledge level.

Information Security

In order to ensure information security, Techno Associe has established Basic Rules for Information Security that are commonly applied throughout the entire company and govern its business activities. Based on these Rules, each division or department has a set of procedures on the handling of confidential information according to the unique nature of its business in order to implement meticulous information control. As a measure against information leakage, all hard disks on company laptops are encrypted so that sensitive information is inaccessible if a laptop is lost or stolen. As well, company data can only be copied onto encrypted USB memory devices provided by the company. We also work to boost employees' awareness of information security by providing e-learning courses on information security on a regular basis, as well as training that simulates targeted e-mail attacks.

Respect for Human Rights

Human Rights Education

Techno Associe carries out human rights education with the goal of creating a corporate culture in which diversity is valued and employees have respect for each other's human rights.

Preventing Harassment

Techno Associe considers sexual harassment and abuse of authority serious infringements on human rights, and is committed to controlling their occurrences and providing prompt and appropriate solutions through in-house newsletters, hierarchical and promotional compliance training and e-learning. As part of management level training, harassment training has been implemented continuously.

Whistleblowing and Counseling Contact

At Techno Associe, we have contacts inside and outside the company to whom fraudulent acts and law violations can be reported and from whom counseling may be sought.

The internal contact is placed under the charge of the Human Resources Group Manager. Whistleblowing support is also assigned to the Manager of the Audit and Supervisory Board Members' Office (who is independent from company management). The external contact is placed under the charge of the company's legal advisor.

Our Regulations for the Whistleblower System ensure that people who report suspected illegal action or who seek counseling will not be subjected to dismissal or other unfair treatment because of their actions.

Occupational Safety and Health

Basic Philosophy on Safety

Like compliance, safety is one of the core issues of operations at Techno Associe.

All those in a management position in the company follow the creed of 'safety above all else'.

They strive to implement occupational safety and health activities with the understanding that safety is critical to all work processes.

Occupational Safety and Health Policy

Employees' occupational safety and health constitutes the basis for a company's existence and a company has a social obligation to guarantee such safety and health. At Techno Associe and its partner companies, we respect each individual employee and put their safety and health at the core of our occupational safety and health philosophy. To put this philosophy into action, we implement the following policies.

- 1. Continuously improve occupational safety and health in company work processes and in the workplace environment, and build a healthy, productive workplace free of work-related accidents.
- 2. Comply with legal stipulations of laws related to environmental safety and health, as well as with in-house regulations, standards, and rules.
- 3. Provide education and drills to all employees (including those of partner companies) in order to boost their sensitivity to and knowledge of occupational safety and health.

This occupational safety and health policy will be periodically revised to ensure its effectiveness and its compliance with laws.

Occupational Safety and Health Slogan

Boost workplace occupational safety and health through resolve and action

Examples of Activities to Raise Awareness of Occupational Safety and Health

1) Safety patrols by top management

Every July, during the National Occupational Safety Week, the top management of Techno Associe tours the company's major bases in Japan. During safety patrols, the top management gives all warehouse staff and office workers "safety lectures" to improve knowledge and awareness of safety and health, and makes efforts to establish a comfortable work environment by patrolling workplaces and offering recommendations and guidance for reduction of risk.

2) Enhancing education

Each year we conduct safety and health training at all levels from new employees to management to improve overall awareness. In particular, the most common occurrence accidents at our company involve traffic accidents during operations; therefore, employees who drive company-owned cars are provided with a "traffic safety and safe driving class" to eradicate traffic accidents.

When it comes to health, the proceedings of our Safety and Health Committee meetings are relayed to bases and domestic affiliates that employ fewer than 50 employees. These offices and companies are not obliged to have their own safety and health committee. These communications help to raise awareness of health across the entire Techno Associe group.

(3) Commitment to mental healthcare

Thinking that it is important for each one of our employees to recognize his or her stress levels and for workplace supervisors to take appropriate action for mental health, we are committed to the following:

1) About self-care

Mental health checks are conducted every year and all employees can use the services including domestic affiliates and small-scale enterprises of less than 50 people under no legal obligations and an "external counseling contact for mental health" that all employees and their families can use at any time has been established to promote self-care.

2) About line care

Emphasis is also placed on the line care of each workplace, and training is provided for supervisors. Workplaces with good ventilation so that people do not get sick have been created and action is being taken in conjunction with personnel managers and industrial physicians.







Safety and Health Committee

Disaster drill

Safety lecture given by an executive officer

Quality and Environmental Management

Quality and the Environment Policy

Basic Philosophy

At Techno Associe, our top priorities are to improve the level of customer satisfaction and fulfill our corporate social responsibility while at the same time protecting the environment. Techno Associe is dedicated to using its technology and know-how to provide the best products and services possible and thus bridge the needs of customers and suppliers.

At the same time, we continuously strive to reduce our environmental impact and comply with laws and regulations so that we can contribute to the safe and sustainable development of society.

Quality and the Environment Policy

- 1. As an engineering company that specializes in metal and chemical compound components, Techno Associe strives to promote products and improve distribution activities to meet the quality and environmental requirements of its customers, while ensuring strong quality assurance and reducing environmental impact.
- 2. Techno Associe sets its goals and targets in conformity with its Quality and the Environment Policy, and conducts its activities in an organized manner. At the same time, it strives to make ongoing improvements to its Quality and the Environment Management System through reassessment and expansion.
- 3. In the course of its activities, Techno Associe complies with laws, regulations, ordinances, and the Compliance Manual established by the Company in an effort to fulfill its corporate social responsibility and improve customer satisfaction. In addition, it strives to reduce the environmental impact of its business activities by conserving resources and energy, recycling, reducing waste, and protecting biodiversity.
- 4. Techno Associe ensures that all its employees are thoroughly familiar with its Quality and the Environment Policy, and it educates employees in order to raise their awareness of quality control and environmental preservation.
- 5. Techno Associe shall disclose its Quality and the Environment Policy to the general public upon request.

Management System

Our Techno Associe Management System (TMS) encompasses systems for managing quality and environmental matters and information security.

As of the end of fiscal 2018, all Sales Units, the Logistics Department, the Development and Promotion Division and the Quality Assurance & Environmental Management Department have been certified for the ISO 9001 standard for quality management systems. And all bases in Japan have been certified for the ISO 14001 standard for environmental management systems (except the Fukuoka Sales Office and Yamaguchi Sales Office that were established in fiscal 2018).

· Establish quality, environmental, and information security policies Allocate necessary resources Top Management · Appoint Quality, Environmental, and Information Security Officer and committee members Quality and Environment Committee Information Security Committee Approve manuals and standards General Manager of Quality Assurance and Environmental Management Officer Conduct management reviews Information Management · Oversee quality, environmental, and information security management system · Plan internal auditing and appoint internal auditors Internal Auditors · Conduct internal auditing and follow-up audits ninistration Office (Quality Assu irronmental Management Depa HR & Administration Departme Information Systems Departm · Provide information necessary for management reviews Develop and revise quality, environmental, and information security management system for the entire company Division General Managers · Support educational activities on quality, environment, and information security External communication concerning the environment Department General Managers

TMS Framework

Audit Situation

Following the completion of transition to the 2015 editions of ISO9001 and ISO14001 in April 2018, Techno Associe received conformity audits (which were conducted by JIC Quality Assurance Ltd. at our request) in October and there were no outstanding non-conformance items.

In fiscal 2018, internal audits, including quality and environmental audits, were performed for all bases and corrective action was taken.

Quality Assurance

Quality Assurance System

To maintain and enhance the quality of products to be delivered to customers, sales personnel hold discussions with customers, carefully confirm the key aspects of quality management, and relay these to suppliers. When we place a new order from a supplier for the manufacture of products, quality assurance managers conduct a quality inspection at the supplier company to determine whether the supplier is qualified to manufacture the products in question. Group companies that manufacture and process components also have a quality assurance system in place for implementing quality control.

Sales Division Logistics Department Customers Top Management Suppliers Promoting Depart (Offices, Sales Offices) Quality and environmental policy Quality and environmental objectives Requirements on Specify and review quality, delivery time, and cost products Registration as a certified supplier Evaluation and quality check of supplier **Ordering** Purchase details Delivery Pre-delivery inspection Internal auditing Management review

Quality and the Environment Quality Assurance System

Quality Control Guidelines

The philosophy of Techno Associe's quality control is articulated in the Quality Control Guidelines. Intended as a quality improvement manual for the company and its suppliers, this booklet describes concrete mechanisms, implementation methods, and guidelines of quality assurance.

In January 2018, the content was reviewed and revised.

Collaborating with Suppliers

The industrial parts we handle are made using a diverse range of materials and production methods. To ensure the stable supply of these products at an optimal level of quality, we must cooperate with suppliers. Our collaborations with suppliers are therefore of great value to us.

Techno Associe's quality assurance managers support suppliers in their quality improvement actions. In the event of a defective product, quality assurance managers thoroughly discuss the matter with the supplier's quality manager until both sides reach an understanding. And both sides join forces to steadily implement countermeasures in all relevant departments.



In October 2018, a quality rally was held with the participation of major suppliers to share information on quality conditions and complaint cases. Also, commendations were awarded for quality posters and quality slogans submitted for Quality Month in November.

Product Quality Assurance

We are constantly striving to help customers improve their designs and achieve greater product functionality.

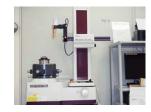
To achieve this, the products that we supply to themwhich cons titute the material of customers' productsmust exhibit everhigher precision. That's why our Quality Control Department conducts tests, measurements, and other assessments of products to ensure that they meet our customers' requirements.

Physical analysis and testing devices



3D coordinate measuring machine

Having independent scales along the X-, Y-, and Z-axes, the machine can obtain X-, Y-, and Z-coordinate values in space. Unlike calipers and micrometers, not only can dimensional measurements be taken but also shapes of things (geometric properties) can be assessed.



No02

Roundness measuring machine

Having a rotating mechanism, the machine measures changes in the circumferential direction or axial direction of a measuring object with the contact-type detector. Geometric properties of a circle or cylinder can be obtained.



No03

Contour shape measuring machine

By tracing the surface of a measuring object with the probe, the measuring machine records its contour on the PC as it is enlarged. Recording the contour enables dimensional measurements.



UAD4

Screw tightening measuring machine

The machine measures various forces related to screw tightening. (It is mainly used for nuts and bolts compliant with the JIS B 1084 standard. * A torque analyzer is used for tapping screws.) 1) tightening torque 2) axial tightening force 3) thread torque 4) tightening rotation angle 5) bolt elongation



No05

Surface roughness measuring machine

By tracing the surface of a measuring object with the probe, the machine measures the degree of projection and depression. According to the degree of projection and depression, parameter values (Ra, Ry, Rz, etc.) can be measured.



No06

Automatic microhardness testing system

The system measures material hardness. The inspection surface is given a small indentation to calculate hardness, where the press force to give the indentation is small (microforce, approx. 5gf to 1kgf). What is different from common micro Vickers hardness testers is full automation (automatically taking measurements in preset patterns and making the distribution graphically confirmable).



No07

Image dimension measuring system (image measure)

Dimensional measurements of various parts can be taken. Simple placement and push enable collective measurements up to 99 places. No additional positioning jig is needed.



No08

Scanning electron microscope

By using a short electron beam, a nanometer-size structure can be observed, and the structure of the surface of a highly irregular specimen can be observed in three-dimensional image as it is enlarged.

Other testing machines

Rockwell hardness tester Micro Vic Tension/compression testing machine

Micro Vickers hardness tester

PC torque analyzer

Digital microscope

Dynascope

Chemical analysis and testing devices



Fluorescence X-ray spectrometer (EDX)

Types of elements constituting a specimen and their contents can be measured through analysis of the fluorescence X-ray energy (wavelength) and strength generated by irradiating the specimen with X rays. Constituent elements of solids, powders, liquids and other materials can be analyzed in a non-destructive manner (requiring no advance preparations, such as cutting the specimen, etc.).



NoU2

Fluorescence X-ray film thickness gauge

The plating film thickness on a metal surface can be measured.



No03

Salt spray test chamber

Salt-water is sprayed all over a test object to test corrosion resistance (whether it is resistant or sensitive to rusting).



004

Combined cycle salt spray test chamber

Results obtained by this corrosion resistance tester are closer to outdoor corrosion (severer than common salt water spray used to test only whether it is resistant or sensitive to rusting).



No05

Thermal desorption mass spectrometer

The equipment screen-tests the "four phthalate esters" that will newly be restricted by the EU RoHS Directive in July 2019.



Portable fluorescence X-ray analyzer

Constant temperature and humidity chamber

Ultraviolet-visible spectrophotometer

Stepping Up Education and Boosting Quality

Techno Associe holds lectures on quality topics and conducts e-learning courses via the company's intranet. Currently, 16 quality-related e-learning courses are offered. In fiscal 2018, the courses "Overview of 4M change application" and "Overview of past problems checklist" have been added to our curriculum of e-learning courses.

Main quality e-learning	starting fiscal year	Number of participants
Introduction to FTA/FMEA	2016	375
Quality Control Guidelines; 5th edition	2018	280
Introduction to QC process flowcharts	2017	442
Case studies on complaints	2016	500
Outline of self-process guarantee (preventive activities)	2017	262
Overview of 2015 editions of ISO9001 and 14001	2017	744
Complaint report - guidebook for preparation/close examination	2018	273
New Overview of 4M change application	2018	262
New Overview of past problems checklist	2018	247

^{*} Number of trainees from opening year.

Environmental Conservation

Management of Chemical Substances Contained in Products

Techno Associe Environmental Standards

In order to respond to regulations on chemical substances contained in products, such as the EU RoHS Directive, ELV Directive and REACH Regulations, we have established "Techno Associe Environmental Standards" and released the environment standards on our website, and we request understanding and compliance from our suppliers.

Transmission of chemical substances contained in products

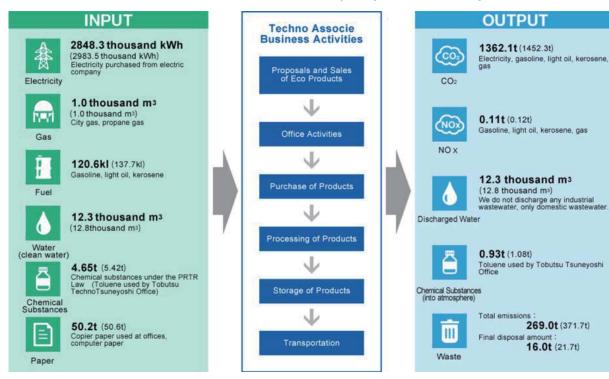
For response to regulations on chemical substances contained in products, it is absolutely necessary to procure and transmit accurate information on chemical substances contained in products throughout the supply chain. In order to comply with various domestic and international regulations and to meet customer needs, Techno Associe gains the cooperation of suppliers for surveys on chemical substances contained in products. In fiscal 2018, we received requests from 543 customers for surveys on chemical substances contained in products, and answered 15,728 items in cooperation with 1307 suppliers.

Analytical verification of substances subject to environmental regulations

We are expanding a lineup of devices to analyze contained chemical substances. We verify that no hazardous substances are contained through periodic analysis of parts with use of a "fluorescence X-ray spectrometer" to determine whether prohibited substances are contained in a non-destructive manner and an "ultraviolet-visible spectrophotometer" to quantitatively analyze the amount of hexavalent chromium eluted. In May 2018, a thermal desorption mass spectrometer was introduced to establish a system that verifies the inclusion of "four phthalate esters" that will be newly restricted by the EU RoHS Directive from July 2019. In 2018, we analyzed 34 cases.

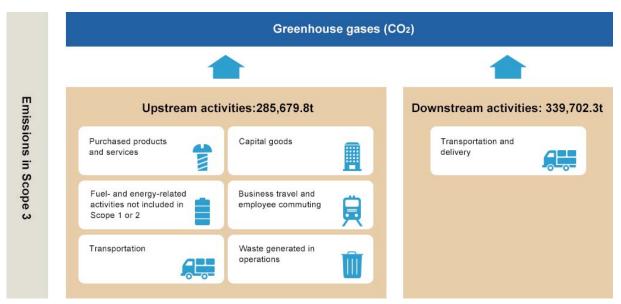
Environmental Commitments

Overview of Environmental Impact (INPUT/OUTPUT) Overview of Environmental Impact (INPUT/OUTPUT)



() shows the results in fiscal 2017 $\,$

Note: Techno Associe has no SOx emission source.



Introduction of "Green Power Ceniictte"

In 2018, Techno Associe purchased a Green Power Certificate for 230,000 kWh, corresponding to about 8% of the electricity consumed by us in fiscal 2018.

Moving beyond conventional activities to cut electricity use, Techno Associe will contribute to preventing global warming by making positive use of natural energy.

* "Green power" is environmentally-friendly power generated by renewable natural energy, such as wind power, solar or biomass (biological resources).



Environmental Communication

Joined "Environmental Reporting Platform (ESG Dialogue Platform)" *

Techno Associe has joined the "Environmental Reporting Platform Development Pilot Project" hosted by the Ministry of the Environment, aiming to make our environmental activities known to more people.

* For information registered in the "Environmental Reporting Platform (ESG Dialogue Platform)," please access the following URL. https://envreport-entry.secure.force.com/corplist/

Joined "Japan Climate Initiative"

In January 2019, Techno Associe joined the "Japan Climate Initiative (JCI)," a domestic network established in 2018 for the exchange of opinions and the dispatch of information with regard to measures against climate change.

By joining the JCI, while sharing information with other participating companies and organizations, we will bolster our commitment to reducing greenhouse gas emissions and other measures against climate change, thereby facilitating a shift towards a decarbonized society as required by the Paris Agreement.

Commitment in Response to Environmental Control

Fluorocarbon Emissions

In Japan, although emissions of CFCs that have an effect on depletion of the ozone layer are decreasing, in response to the rapid increase in the emissions of CFCs with a high greenhouse effect, the "Act on Rational Use and Proper Management of Fluorocarbons" went into effect on April 1, 2015. In connection with this enforcement, companies that use refrigerator-freezers and air-conditioners are required to prevent CFCs from leaking by periodic inspections, etc.

In response to this, Techno Associe has listed all devices that are subject to periodic inspections and performs voluntary inspections every three months. In fiscal 2017, periodic inspections by specialist contractors were also performed for 27 large devices.

It is not mandatory for us to report to the government because the total number of devices in our possession is small and possible leakage quantities of fluorocarbons are not exceedingly large.

Soil Contamination Countermeasures

Techno Associe has no land on which there is a danger of contamination. If contamination is discovered on or around our land and we are deemed responsible, we will conduct a soil survey (an overview survey or detailed survey).

Biodiversity

Employees are provided with education and training on biodiversity protection. It is intended to provide an opportunity for understanding why it is important to preserve biodiversity and ecosystems in creating a sustainable society and for thinking about what each individual person can do in operations and daily life to realize this.

Also, Techno Associe makes donations to the "<u>Green Fund</u>" of the National Land Afforestation Promotion Organization. We are engaged in the prevention of global warming by providing cooperation in developing healthy forests through fund-raising activities for biodiversity and ecosystem protection.

Evaluation of Commitment

22nd Environmental Management Survey by Nikkei Inc. (published in the Nikkei Business Daily on May 27, 2019)

ranking in trading company category			score breakdown				
		score	Environmental management promotion system	Pollution- and biodiversity-related measures	Resource recycling	Global warming countermeasures	
21st	12th place	306	78	93	70	65	
22st	8th place	328	85	93	78	72	

Environmental Performance/Targets and Results

Targets and Results of Environmental Conservation Activities < Domestic>

Enviro	onmental aspect	Results in fiscal 2017	Targets in fiscal 2018	Results in fiscal 2018	Increase/ decrease rate	Self evaluation*4	Targets in fiscal 2019
Increase the sale of environmentally friendly products and parts		63.5 billion yen (12.0% of overall sales)	at least 15.0% of overall sales	72.0 billion yen (14.0% of overall sales)	Up 13.4%	©	Sales of environmentally friendly products and parts account for at least 15.0% of overall sales
CO ₂ emissions *1 (Emissions intensity: CO ₂ emissions per million yen of sales)		1452.3t (Emissions intensity: 2.74t/100 million yen)	Emissions intensity:	1362.1t (Emissions intensity: 2.57t/100 million yen)	Down 6.2%		Emissions intensity:
	Electricity *2	1127.8t	2.69t/100 million yen or less	1076.7t	Down 4.5%	\odot	2.57t/100 million
Breakdown	Gasoline, light oil*3	271.0t		243.1t	Down 10.3%		yen or less
	Consumption of kerosene and gas	53.5t		42.4t	Down 20.8%		
Final disposal rate (through waste recycling)		5.8%	Final disposal rate of 5.0% or less	5.9%	Up 0.1 points	(3)	Final disposal rate of 5.0% or less

^{*1} Coefficient of CO2 emissions is in accordance with the "Ministry of the Environment: Draft Ver. 1.6 of Guidelines for Calculation Method of Greenhouse Gas Emission by Entities."

=Targets were not achieved and share decreased from previous year

CO₂ emissions and final disposal rate

eachieved targets = Although targets were not achieved, emissions reduced from previous year

=Targets were not achieved and emissions increased from previous year

List of Environmental Impacts Caused by Overseas Bases < Overseas>

area	base	Electricity consumption	gasoline consumption	Water consumption	waste volume
		unit:thousand kWh	unit:KL	unit:ton	unit:ton
North America	T.A. AMERICA CORPORATION	472.2	45.1	1,600	382.1
	TECHNO ASSOCIE (DALIAN F.T.Z.) CO., LTD.	16.6	3.2	120	6.2
	TECHNO ASSOCIE (GUANGZHOU) CO., LTD.	86.8	34.8	682	9.8
	TECHNO ASSOCIE SHANGHAI CO., LTD.	73.6	34.4	-	_
	F&T KUNSHAN TECHNO CO., LTD.	155.7	1.6	2,474	15.0
	TECHNO ASSOCIE TAIWAN CO., LTD	18.0	2.7	407	_
	TECHNO ASSOCIE (THAILAND) CO., LTD.	35.7	36.7	-	-
Asia	PT. TECHNO ASSOCIE INDONESIA	9.7	6.3	-	-
	*NETTFORM TECHNOLOGY (SHANGHAI) CO., LTD.	5,188.2	15.1	16,380	261.8
	*ACCURATE METAL MACHINING CO., LTD	3,498.3	12.4	13,293	266.8
	*TA AUTOMOTIVE PARTS (THAILAND) CO., LTD.	1,263.8	26.2	3,512	553.9
	*MALAYSIAN PRECISION MANUFACTURING SDN. BHD.	2,228.3	43.7	6,065	39.9
Europe	TECHNO ASSOCIE CZECH s.r.o.	9.1	7.2	52	_
Total		13,056.1	269	44,585	1,536

^{*} Data relating to the amounts of electricity, gasoline and water purchased and the amount of waste disposal were collected by each overseas base and aggregated by the Quality Assurance & Environmental Management Department.

^{*2} Electricity means the electricity purchased from the electric company.

^{*3} Gasoline and light oil are used for company vehicles and do not include consumption by consignment to transportation companies.

^{*4} Self-evaluation standards: Environmentally friendly products

 $[\]ast$ "-" means that the data has not been collected.

^{* *} Production bases

Results in Fiscal 2018

To minimize the environmental impact of the company's business activities, Techno Associe sets yearly environmental conservation objectives and formulates specific implementation plans. The Quality Assurance & Environmental Management Department plans the introduction of energy-efficient equipment such as LED lighting and fuel-efficient cars. Each base plans and carries out activities such as regular checks of turning off lights when not needed and waste sorting status. Cleanups of areas surrounding bases are also planned and carried out.

Furthermore, in line with the Paris Agreement, Techno Associe has set a long-term CO₂ emissions reduction target for fiscal 2030 of a "30 percent reduction compared fiscal 2013." CO₂ emissions for fiscal 2018 were 1362.1 tons, which is a 90.2 ton (6.2%) reduction from the previous fiscal year and a 577.9 ton (29.8%) reduction from fiscal 2013. As the scale of our business grows, energy consumption is expected to increase in the future and we therefore will continue our efforts to save energy. With regard to our commitment to waste reduction, Techno Associe is taking action to ensure appropriate sorting of waste to facilitate recycling towards a goal of reducing the final disposal rate. In fiscal 2018, due to an increased proportion of waste plastics with low recycling rates, the final disposal rate was 5.9%, up by 0.1 percentage point from the previous fiscal year's rate of 5.8%.

At this time, we began to collect data relating to environmental impacts caused by major overseas bases within the Techno Associe Group. We will further increase the number of overseas bases whose data is collected so that we can set the environmental target for the entire Techno Associe Group and invigorate action by the entire Group.

Target in Fiscal 2019

In fiscal 2019, Techno Associe will continue to focus on CO₂ emissions reductions, promoting waste recycling, and increasing the sales of environmentally-friendly products and parts. With regard to CO₂ emissions reductions to stem global warming, Techno Associe will maintain its current status through efforts to save electricity and aim at a CO₂ emissions intensity of 2.57 t/hundred million yen or less.

With regard to waste, Techno Associe is committed to promoting recycling by ensuring appropriate sorting of waste and reviewing waste disposal contractors, aiming at a final disposal rate of 5.0% or less.

Environmental Performance/Actual Results of Reduction Activities

Actual Results of Reduction Activities <In Japan>

To minimize the environmental impact of the company's business activities, Techno Associe sets yearly environmental conservation objectives and formulates specific implementation plans. The Quality Assurance & Environmental Management Department plans the introduction of energy-efficient equipment such as LED lighting and fuel-efficient cars. Each base plans and carries out activities such as regular checks of turning off lights when not needed and waste sorting status. Cleanups of areas surrounding bases are also planned and carried out.

Sales of Environmentally-Friendly Products

Techno Associe strives to expand the sales of environmentally-friendly products and parts (eco products) as an environmental contribution by business activities. Defining eco products as parts for goods and products that contribute to the following five defined items, in fiscal 2018, we carried out sales activities by setting their sales target at a 15% or more share of overall sales throughout the company. As a result, sales increased to 7.2 billion yen, but their share of sales was only 14.0%.

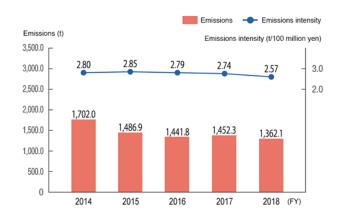


Definition of environmentally friendly products

Code	Environmental aspect Definition (examples)		
1)	Resource-efficient products (make effective use of resources)	Using resources effectively by reducing the amount of raw materials and packaging or by extending the service life of parts	
2	Reusable/recyclable products (reduce waste)	Reducing waste by using recycled materials or by reusing a part of or all of the product and packaging	
3	Energy-efficient products (reduce CO ₂ emissions)	Reducing CO ₂ emissions and energy consumption during manufacture, transport, and use	
4	Products that use non-toxic chemicals (prevent environmental pollution)	Preventing environmental pollution and minimizing the effect on ecosystems by eliminating or reducing the use of toxic chemicals	
(5)	Products that contribute to energy conservation when used	Products used in eco-friendly vehicles, high-efficiency water heaters, LED light-related products, fuel cell installations, battery storage for natural energy, and eco-houses	

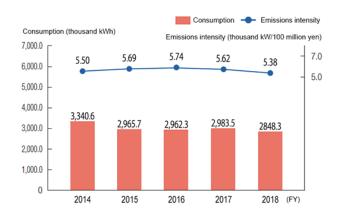
Reducing CO₂ Emissions

The use of electricity and gasoline by Techno Associe accounts for about 96.5% of the company's total CO₂ emissions. We are therefore focusing efforts on use reduction the use of these. In fiscal 2018, setting a CO₂ emissions target at a unit value of 2.69 t or less (per hundred million yen in sales), Techno Associe was actively involved in conserving electricity by introducing LED lights and improving operational efficiency, and also in cutting gasoline use, for example, reducing commercial vehicles and introducing fuel-efficient vehicles. As a result, our annual emissions were 1362.1 tons (a 6.2% decrease from the previous fiscal year). With a unit value of 2.57 t/hundred million yen, we successfully exceeded our unit value target by 4.2%.



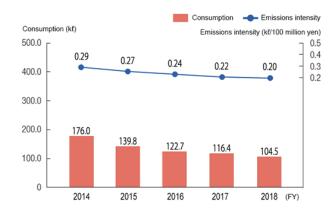
Reducing Electricity Consumption

Techno Associe strives to save energy by turning off lights during employee break times, managing air conditioner settings, and improving operational efficiency in reducing overtime, including the scheduling of 'no overtime' days. The target for fiscal 2018 was to reduce electricity consumption by 2.0% (-59,700 kWh) from the previous fiscal year by introducing LED lights and other means. As a result, it decreased by 135,200 kWh (a 4.6% decrease) from the previous fiscal year. The unit value was 5,380 kWh/hundred million yen, which was a 4.2% decrease from the previous fiscal year (5,620 kWh/hundred million yen).



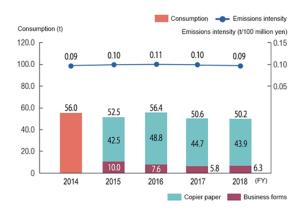
Reducing Gasoline and Light Oil Consumption

Techno Associe approximately halved the number of commercial vehicles in its possession, which was 237 in 2009, to 114 in March 2019 by reviewing surplus vehicles, sharing company-owned vehicles, using rental cars or car-sharing, promoting the use of public transportation, and so on. As a result, gasoline consumption was 104.5 kl, which was a 10.2% decrease from fiscal 2017. Furthermore, Techno Associe increased its share of vehicles in compliance with ecocar standards among all vehicles in our possession from 77.5% in fiscal 2017 to 88.6% as of March 2019 by upgrading eco-car standards to the fiscal 2020 fuel economy standards in April 2018.



Reducing Paper Consumption

By using the reverse side of copy paper and going paperless with use of projectors at meetings, Techno Associe has reduced the amount of copy paper it uses. In fiscal 2018, the consumption of paper, including forms and slips, was 50.2 tons (a 0.8% decrease from the previous fiscal year), in which copy paper was 43.9 tons (a 1.8% decrease from the previous fiscal year).



Increasing Recycling and Reducing Waste

Techno Associe strives to reduce waste it generates in offices by separating paper garbage as much as possible, and in warehouses by reusing cardboard boxes for packaging and using returnable boxes. Our fiscal 2018 target for the final disposal rate was 5.0% or less. By switching to industrial waste disposal contractors capable of higher recycling rates, we were able to reduce final disposal to 16.0 tons, down by 26.3% from the previous fiscal year. However, due to an increased proportion of waste plastics with low recycling rates, the final disposal rate was 5.9% and we were unable to achieve our target. The overall industrial waste disposal was 269.0 tons, which is a significant reduction (down by 27.6%) from the previous fiscal year.

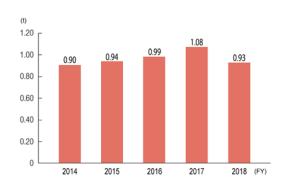


Managing and Reducing Chemical Substances

The Tsuneyoshi Office of group company Tobutsu Techno Co., Ltd. uses toluene, a substance restricted under PRTR*, for manufacturing locking of bolts (fastener adhesive). We have installed activated charcoal filter devices to reduce toluene emissions into the atmosphere.

Toluene emissions in fiscal 2018 were 0.93 tons, a 13.9% decrease over the previous fiscal year.

* PRTR: Under Japan's PRTR (pollutant release and transfer register) system, businesses handling a certain amount of any of the 354 substances designated by the authorities are obligated to report on the amounts of these substances that are released and/or transferred.



CO₂ Emissions in Scope 3

In order to realize a low-carbon society, we grasp not only CO₂ emissions in Scope 1 and 2, but also emissions throughout the entire value chain.

Total CO₂ emissions in fiscal 2018 were 626,744 (t-CO₂).

The breakdown is as follows:

Scope 1 · · · 286 (t-CO₂)

Scope 2 · · · 1,077 (t-CO₂)

Scope 3 · · · 625,382 (t-CO₂),

and Techno Associe recognizes that Scope 3 has a considerable impact on CO₂ emissions, and Category 4 (transportation and delivery: 56.9%) and Category 1 (purchased products and services: 42.4%), in particular, account for large fractions.

Techno Associe will continue to review the calculation methods and data extraction methods to improve accuracy.

	Category	CO ₂ emission amount (t)	Proportion	Calculation method of Scope 3 (reason if not calculated)
Emissi	ons from the Company			
	Scope 1 (direct emissions)	286	0.05%	
	Scope 2 (energy-derived indirect emissions)	1,077	0.17%	
Scope	3 (other indirect emissions)			
1	Purchased products and services	265,594	42.38%	Emissions = CO ₂ emissions of purchased goods = Monetary value for purchased products × Emissions unit value * Calculated by classifying the purchased products into five graps and applying each "emissions unit value based on the inter-industry relationship table."
2	Capital goods	2,637	0.42%	Emissions = Amount expended by acquiring tangible fixed assets × Emissions unit value * Using the "emissions unit value per price of capital goods"
	Fuel- and energy-related activities not included in Scope 1 or 2	101	0.02%	Emissions = Annual use of electricity × Emissions unit value * Using the "emissions unit value per use of electricity/heat."
	Transportation and delivery (upstream)	356,410	56.87%	Emissions = (Logistic ton-kilometers transported when products are purchased × Emissions unit value) + (Ton-kilometers transported for delivery to client companies × Emissions unit value) * Using the emissions factor (ton-kilometer method) related to [transportation] in "the Mandatory Greenhouse Gas Accounting and Reporting System based on the Act on Promotion of Global Warming Countermeasures." (Emissions from our own trucks are calculated under Scope 1.)
5	Waste generated in operations	73	0.01%	Emissions = Amounts of waste generated × Emissions unit value * Using the "emissions unit value by type of waste."
	Business travel	407	0.06%	Emissions = Business travel expenses paid (by mode of transport) × Emissions unit value * Using the "emissions unit value per transportation expenses paid by transport category."
	Employee commuting	160	0.03%	Emissions = Transportation expenses paid for commuting (by mode of transport) × Emissions unit value * Using the "emissions unit value per transportation expenses paid by transport category."
	Leased assets (upstream)	0	0.00%	Not calculated: Emissions from leased assets (commercial vehicles, PC, etc.) are calculated under Scope 1.
	Transportation and delivery (downstream)	0	0.00%	Not calculated: Emissions from our warehouse activities are calculated under Scope 1. For commissioning to external warehouses, the calculation method will be considered in the future.
10	Processing of sold products	0	0.00%	Not calculated: Determines that it is outside of our control.
11	Use of sold products	0	0.00%	Not calculated: Because most of the sold products are processed/assembled (applicable to Category 10).
12	Disposal of sold products	0	0.00%	Not calculated: Sold products, if disposed of by returning to us, are calculated under Category 5. If disposed of due to the expiration of useful life after processing, sold products shall not be subject to calculation because they are outside of our control.
13	Leased assets (downstream)	0	0.00%	Not calculated: Not applicable
14	Franchises	0	0.00%	Not calculated: Not applicable
15	Investments	0	0.00%	Not calculated: Not applicable
	Others			
	Total	626,744	100.00%	

Together with Employees/Personnel Policy

Techno Associe believes human resources are its most important asset. We aim to provide our employees with rewarding work and be a company they are proud to work for. Our goal is to improve employees' level of knowledge and ability and achieve personal growth and company growth so as to contribute to society.

Message from the Senior Managing Director

Senior Managing Director in charge of HR & Administration Department Jun Ito

Promoting Diversity & Inclusion

Fifteen years have passed since the concept of "diversity" was first introduced to Japan. Nowadays, everyone understands that "diversity" means "tayosei" in Japanese. In managing a company, importance has been placed on the recruitment of talented personnel regardless of gender, age, nationality or disability, and the commitment to promoting advancement of women, active employment of seniors after the mandatory retirement age of 60, and the development of full-time employees locally hired by overseas group companies, as well as the opening of senior management offices to them.

On the other hand, it is said that the promotion of "diversity" also requires the realization of "inclusion." Even when corporate diversification exists within a company, if a hostile environment persists and employees act in a non-unified manner, diversity will not work. "Inclusion" literally means "hogan" in Japanese, but it is also used as a business term that refers to a state in which all variety of people who belong to the organization are involved in work and have opportunities to contribute to results and the entire organization operates with a "sense of unity" while fully reflecting the uniqueness and attractiveness of individual people.





※ Partial extract from "Youth" Author: Samuel Ullman (1840-1924)

Youth is not a time of life; it is a state of mind; it is a matter of the will, a quality of the imagination, a vigor of the emotions. Youth means a temperamental predominance of courage over timidity of the appetite, for adventure over the love of ease.

.

Nobody grows old merely by a number of years. We grow old by deserting our ideals. Years may wrinkle the skin, but to give up enthusiasm wrinkles the soul.

"Inclusion" is in fact hiring personnel who offer a variety of experience, expertise and uniqueness (ideas) to draw out and make use of their respective "abilities" "strengths" and "uniqueness" through a spirit of mutual respect. This is truly an "ideal state" for us, as our employees in Japan as well as the global Techno Associe Group, under common "Corporate Principles" and "Business Policy," boldly tackle on challenges in their work, constantly keep in mind the mantra, "We are a Team!"

With proper understanding of the meaning and importance of the two words "diversity" and "inclusion," we will improve and enhance our business performance and work environment together with all employees encouraging "dream" and " passion" like that described in the poem "Youth" \times by Samuel Ullmann.

Together with Employees/Diversity and Inclusion/Human Resource Development

Respect and Utilize Each Employee's Uniqueness

Techno Associe strives to create workplaces in which each employee can make the most of his or her unique abilities. As we may even be involved in manufacturing by customers while offering proposals and solutions to challenges, the practice of thinking outside the box and creating an organizational culture conducive to new ideas directly relates to boosting our corporate value and competitive strength.

To this end, we believe we must hire a diverse range of people - regardless of gender, nationality, age, educational background,

Introduction to Regional Positions

From fiscal 2018, we introduced "regional positions" for the purpose of securing excellent human resources. We believe that this system will also function as a support system for existing employees in the event that individuals are unable to relocate due to personal circumstances.

Maximizing Talents of Women

Under the "General Employer Action Plan" established under the Act on Promotion of Women's Participation and Advancement in the Workplace, which came into effect in Japan in April 2016, Techno Associe has made efforts to create a structure and systems amenable to working women. As a result, we have seen an increase in the number of women attain career-track positions, which reached 21 as of the end of fiscal 2018. Based on these achievements, we received certification as a "Leading Company in Women's Advancement in Osaka City" and recognition as an "Aichi Josei Kagayaki Company (company where women can work with brightness and liveliness)" in fiscal 2017.

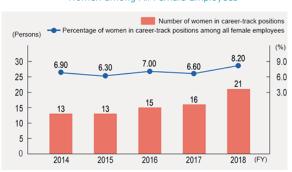
As of March 31, 2019

Number of Women in Career-Track Positions:21
Percentage of women in career-track positions among all female employees:8.2%





Number of Women in Career-Track Positions, Percentage of These Women among All Female Employees



Commitment to Human Resource Development

In-house training system

Our in-house training system consists of the following four training:

- A) "Priority training for the relevant fiscal year" (Dissemination of important management issues);
- B) "Hierarchical training" (Organization management according to one's position);
- C) "Training on specific themes" (Improving practical skills); and
- D) "Global human resource development training."

We also focus our energies on raising the levels of employees' business skills and human skills.

Training System Job-class-specific training **Participants** R Executives Officer training General manager/deputy general manager training patrols Compliance, human rights, harassment Management policy, financial condition, safety Group manager training Managers Newly appointed manager training Newly appointed assistant manager (chief) training Newly appointed supervisor (sub-chief) training General employees 3rd-year employee training New Introductory training employees

Training on specific themes (Improve practical skills) (1) Practical business skills • Financial accounting · Corporate laws Labor management · Business process knowledge (2) Sales skills Practical import/export Marketing Communications Code of Sales Conduct (3) Career development · Fostering core human resources (AL) · Leadership Coaching



Sales Personnel Development

Aiming to develop sales personnel, Techno Associe has started to provide practical training targeting personnel on the front lines of sales by use of in-house support materials, "Code of Sales Conduct and Code of Sales Manager Conduct" developed by in-house project members. Lectures are provided by officers and such topics as human skills and competencies necessary to enhance their sales ability are covered using concrete examples.

Overseas Personnel Development

Launched in fiscal 2016, the overseas personnel development program has already sent 14 trainees out of 32 trainees so far to North America, China, Southeast Asia, and Europe. The program offers lectures with a focus on the development of global human resources, including the acquisition of practical knowledge necessary for overseas sales, work experience of those having experience in overseas assignments, actual business transactions related to trading, presentation exercises in English, and cross-culture experiences to gain the basics of practical management ability and problem-solving ability in an intercultural environment. In fiscal 2019, our third year of employing trainees, the program will offer "brush-up" training with an emphasis on enhancing the ability to communicate in business English, and we will actively promote the development of global human resources that can demonstrate Techno Associe's strengths.

Action Learning (Core Human Resource Development)

In fiscal 2015, we launched our Action Learning (core human resource development program) to provide managers with opportunities to consider management issues. In addition to fostering a belief and a sense of responsibility as "future leaders of the company," this program allows participants to acquire the ability to analyze, consider, and make policy decisions regarding problems and challenges while maintaining an appropriate perspective.

In fiscal 2018, 12 trainees selected from employees, who will be responsible for the next generation of business, worked for about four months on the two themes, "Ideal for Domestic Sales Offices" and "Expansion of Business of Overseas Sales Companies," which are key management issues for our continued growth and expansion. In February 2019, the relevant reporting session was held which took the form of "recommendations to our company."

VOICE

Overseas Personnel Development Program

Techno Associe (Guangzhou) Co., Ltd. Deputy General Manager of Sales, Kota Takeshita



"Training" and "Actual Practice"

I took the 2nd "Overseas Personnel Development Training" offered in fiscal 2017, and then I was transferred to Guangzhou City, China. It was hard work to participate in the one-year training program that was conducted 10 times over 49 lectures while conducting routine work. However, I could listen to the stories of people with whom I do not communicate with on a daily basis, and I could also share information with other trainees, which gave me a good opportunity to review may own situation. And having spent time with colleagues who share objectives is still a source of growth.



Members of Techno Associe (Guangzhou) Co., Ltd. to which Mr. Takeshita was transferred (Person at the extreme left is Takeshita)

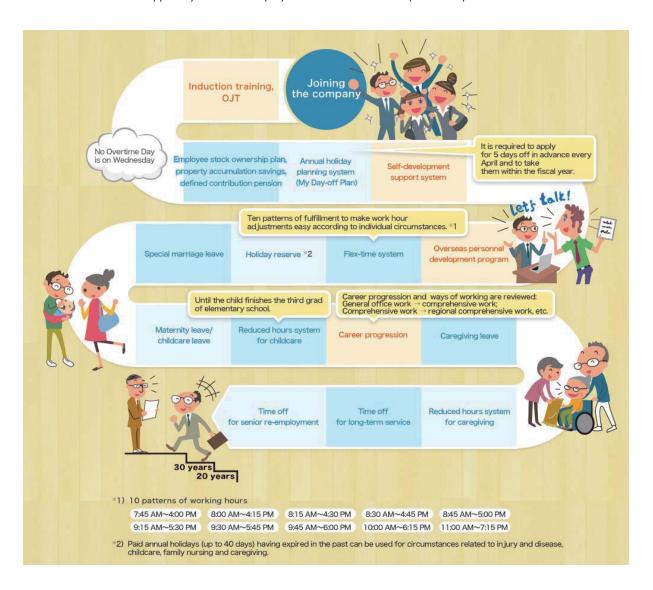
The training content that was useful for me after having actually transferred overseas was "notes and precautions and mental attitude at the time of working overseas," which was based on actual stories of those having experience in overseas assignments. The local situation changes on a daily basis, but fundamental principles, that is, "safety first" and "when in Rome, do as the Romans do" never changes. Since I was transferred to China, I believe the business customs and practices in China that were taught by the Chinese instructors are especially useful in doing business with Chinese companies.

Without limiting the focus to overseas assignments, I realized that we can develop learning as habits by combining "training" with "actual practice."

Together with Employees/Achieving a Work-Life Balance

TA Career and Life Assistance

Techno Associe have various support systems for employees to enhance and keep a healthy work-life balance.



Systems to Promote a Work-Life Balance

We believe creation of a work environment where employees can work comfortably a top priority management issue. In order to enhance compatibility between "work" and "life," establishment of a system that allows each employee to work with peace of mind and evolves in response to changes in the times will be promoted.

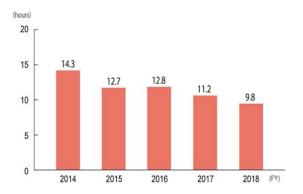
Commitment Related to Working Hours

Since fiscal 2017, we have improved our system in which employees facing family circumstances, such as childcare or caregiving, and employees who experience chronic overtime work as a result of work related to overseas base operations and time zone differences can realize a more efficient and reasonable work schedule.

- Reduced hours system for childcare:
 preschool →→ up to the third grade of elementary school
- Flex-time system:3 patterns →→ 10 patterns

Also, we have set every Wednesday as "no overtime day" to encourage all employees to leave the office on time. This effort has applied a brake to overtime work, and reduced overtime work hours in fiscal 2017.

Per-capita average overtime work hours

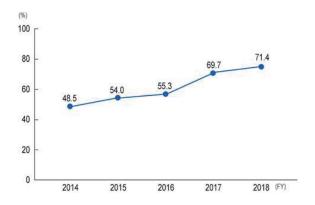


Commitment Related to Leave Privileges

In order to maintain a comfortable work environment, employees must be able to take a leave of absence with peace of mind to refresh his or her mind and body.

Since fiscal 2016, Techno Associe has implemented an annual holiday planning system "My Day-off Plan," which allows employees to take 5 days off out of their annual paid holidays granted each fiscal year during any time of the year they choose based on planning. Also, since fiscal 2017, Techno Associe has implemented a "holiday reserve" system, in which paid annual holidays having expired due to employee regulations and company policies can be accumulated so that these days can be used for reasons of childcare, caregiving, and nursing (and non-occupational injuries and diseases, etc.). These efforts have undoubtedly raised the rate of employees taking annual paid holidays.

Per-capita average rate of taking paid holidays



Relationship with Shareholders and Investors

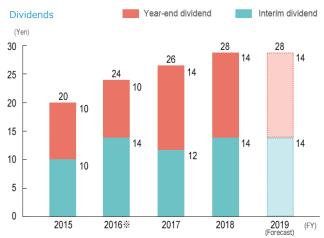
Information Disclosure

Techno Associe has stipulated in our Charter of Corporate Behavior that we will disclose information to shareholders and other stakeholders in an appropriate manner, thereby striving to promote communication with society. We will comply with applicable laws, regulations and rules, including the Financial Instruments and Exchange Act and rules established by the Tokyo Stock Exchange, and will disclose information in a timely, appropriate and fair manner.

Profit Distribution

A key focus of Techno Associe is to steadily grow and progress as a company by making the sharing of profits with shareholders and the raising of corporate value important management policies. Our basic stance is to continue paying all shareholders stable dividends while considering our business environment and performance prospects.

The board of directors is the decision-making body for decisions on the interim dividend, and the general meeting of shareholders is where the year-end dividend is decided on.



^{*} The interim dividend of 14 yen for fiscal 2016 includes a commemorative dividend of 4 yen to celebrate the 70th anniversary of the foundation.

Open General Meeting of Shareholders

Early dispatch of convocation notice

Techno Associe dispatches a convocation notice of the annual general meeting of shareholders 16 days prior to the meeting and discloses on our website 5 days before dispatch.

Avoidance of heavy concentration shareholder meeting days

For fiscal 2018, Techno Associe held an annual general meeting of shareholders on June 15. We schedule shareholder meetings to avoid conflicts with heavy concentration shareholder meeting days of other companies so that as many shareholders as possible can attend.

Commitment to proceedings

Before the start of shareholder meetings, we introduce our company's history with a video. Also, in order to present our shareholder meetings in an easy to understand and easy to listen to explanation format, business performance is reported by PowerPoint presentation with narration.

Relationship with Local Communities

Community Service Activities in Japan

In fiscal 2018, we, as part of community service activities, support and make donations through various organizations as shown in the following table.

Community Service and Support in Fiscal 2018

Charity activity	Number of times	Amount
Support for development of the next generation	1	1,000,000 yen
Support for culture and the arts	1	500,000 yen
Support for regional activitation	17	173,000 yen

Support for Environment/Nature Protection Organization

National Land Afforestation Promotion Organization [Green Fund]

For the protection of biodiversity and ecosystems, we make donations to the National Land

Afforestation Promotion Organization's <u>"Green Fund."</u> Through this donation, we are cooperating in the development and growth of healthy forests and helping to curb global warming.



Interact with Communities

Support for Local Summer Festival

As a member of the local community, we offer the public a space on the premises of the head office for the "Goryo-jinja Shrine summer festival," an event held by the residents' association in the community where the head office is located. The space is used as a place to rest during the Mikoshi Togyo Parade.







Newspaper donations to elementary schools and summer greeting cards

We make newspaper donations to elementary schools around the head office, and summer greeting cards through the Osaka City Board of Education. Even with today's ubiquitous use of the Internet and SNS, we continue to make donations with the intention of triggering children's interest in social issues outside of their own interests by becoming interested in social issues by making contact with and learning to read newspapers, and encouraging them to communicate feelings and their own unique personalities through hand-drawn pictures and hand-written characters.

Clean-up activities

The head office carries out clean-up activities in surrounding neighborhoods once a month.

The clean-up areas include those around the bus stops and crossings where people tend to be lax in management, and we will continue clean-up activities as a community environment preservation and maintenance activity.

Clean-up activities in fiscal 2018

Number of participants	Time required	Annual performance	Total
188	30 min	12 times	94 hrs



Wheeled platforms with boxes for trash sorting (general waste, waste plastic, cans and bottles) mounted to collect trash



Check and collection of trash in gutters and ditches



The clean-up areas include areas on a nearby bridge where traffic is heavy