

# CSR Report 2024

CORPORATE  
SOCIAL  
RESPONSIBILITY



# Contents

## | Message from the responsible officer

Sustainability President's Message .....	1
Message from the Executive Officer in Charge of Quality and Environmental Management Department .....	1
Message from the Executive Officer, Product Technology & Innovation Division .....	2
Personnel & General Affairs Department Message from the Director in Charge .....	3

## | TEHNO ASSOCIE's view on sustainability

Toward the Realization of a Sustainable Society and Environment .....	4
CSR Material Issues .....	4
Eco Vadies .....	8

## | Quality and the Environment

Quality and the Environment Policy .....	9
Management System .....	9
Environmental Conservation .....	10

## | Society

Supply chain management .....	20
Diversity and Inclusion .....	21
Human Rights .....	29
Occupational Safety and Health .....	30
Social Contribution .....	33

## | Governance

Basic Concept .....	34
Compliance .....	34
Risk Management .....	35

### Editorial policy

This CSR Report contains major information on TEHNO ASSOCIE's basic approach to CSR, its fiscal 2022 results, and its future policies and plans.

#### ■ Organizations Covered:

TEHNO ASSOCIE Co., Ltd. and its Subsidiaries

#### ■ Period Covered

Fiscal 2023 (from April 1, 2023 to March 31, 2024)

Data on actual results are for fiscal 2023. Activities described include some that pertain to fiscal 2024.

#### ■ Date of Publication: December 2024

#### ■ Next Scheduled Publication Date: September 2025

# Message from the responsible officer

## Sustainability President's Message



President Tomoaki Nagano

### In line with the sustainable development of society

The TECHNO ASSOCIE Group has demonstrated its commitment to solving social issues through its Business Policy, Charter of Corporate Behavior and Medium-Term Management Vision“ Vision 2025.” Furthermore, in response to the recent growth in demand for companies to work for the sustainability of society, we established the TECHNO ASSOCIE Group Sustainability Basic Policy in March 2022 to clearly show our stance of contributing to the sustainable development of society and aiming to improve corporate value. Based on this basic policy, we are promoting initiatives to realize a sustainable society.

We are living in an era where there are endless problems that threaten the sustainability of society, such as climate change due to global warming, environmental pollution caused by waste, human rights abuses and conflicts. Even under these circumstances, the Group will firmly maintain its stance of addressing social issues, continue to be a corporate group that is needed by

society and aim to increase corporate value over the medium to long term.

## Message from the Executive Officer in Charge of Quality and Environmental Management Department



Senior Managing Director  
Nobuhisa Nagae

### We remain committed to contributing to society as a trusted, environmentally friendly company.

According to the WMO (World Meteorological Organization), 2023 was the hottest observed year in history, with the average world temperature up 1.45°C since the Industrial Revolution and July and August the hottest months in observed history. Furthermore, 2023 saw heat waves, droughts, and forest fires occur throughout the globe. These led to a severe situation with crop shortages, bringing a sharp rise in food prices. These are all attributed to a rise in CO<sub>2</sub> concentration in the atmosphere, which leads to global warming, making a speedy shift to a decarbonized society an important social issue. In addition to climate change, there is also a wide range of nature-related risks that have become pressing issues, such as loss of biodiversity, depletion of natural resources, and the pollution of underground water due to hazardous chemicals.

In order to do our part in solving these social issues, we have placed environmental initiatives as a priority management issue and are taking steps to strengthen the promotion of environmental management. As stated in our medium-term management vision,“ Vision 2025” , we are working to create environmental value and economic value by strategically allocating management resources to the growth areas we have identified, such as renewable energy-related areas launched for decarbonization and electrification areas in the automobile industry. Furthermore, in 2024, our headquarters converted all of its electricity usage to renewable power with non-fossil certificates in an effort to reduce the environmental burden that comes from business activities. Additionally, we are addressing regulations on products containing chemical substances that prohibit the use of hazardous chemicals, and we are contributing to the Green Fund of the National Land Afforestation Promotion Organization.

In terms of quality control, we have established quality assurance departments in each region and formulated a quality assurance system to ensure that we provide our customers with high-quality products. We also established internal regulations concerning quality fraud prevention last year in response to the recent societal problems surrounding the issue, implementing quality fraud prevention training and inspections for group companies that

have manufacturing divisions both inside and outside Japan Our employees in Japan and overseas will work together with the awareness of "environmental protection" and "quality first" to receive the evaluation from our customers that "TECHNO ASSOCIE can be entrusted with a sense of security" and we will contribute to the sustainable development of society as an environmentally friendly company trusted by society.

## Message from the Executive Officer, Product Technology & Innovation Division



Managing Executive Officer  
Takeshi Takahashi

### Promoting CSR Procurement throughout the Supply Chain

The TECHNO ASSOCIE Group is committed to “putting customers first” and doing our best to provide services that meet their needs, while expanding our business in Japan and abroad with products and quality that are environmentally friendly and safe. The importance of CSR initiatives in the international community is becoming increasingly diversified and sophisticated, including matters such as global warming prevention, environmental protection, and improving labor environments with respect for human rights, and the scope of these initiatives is expanding beyond our own efforts to include our entire supply chain.

In order to meet such social demands, the TECHNO ASSOCIE Group has established the “TECHNO ASSOCIE Group CSR Procurement Guidelines” which we use when engaging in CSR activities with all members of our supply chain. We are making ongoing efforts to strengthen communication with our business partners and promote initiatives aimed at solving social problems and enhancing corporate value, with our first priority being contribution to

a sustainable society. We are also conducting surveys to our major suppliers regarding their own CSR initiatives in order to gain an understanding of what efforts they are making and provide feedback on their status for the sake of making further improvements. We will continue to promote these initiatives throughout our supply chain.

TECHNO ASSOCIE will place particular effort on promoting proposals for environmentally friendly products that contribute to carbon neutrality, and will also work to improve customer satisfaction and protect the global environment, with the aim of becoming a company that plays an essential role in society. We would like to ask our business partners for their continued understanding of the TECHNO ASSOCIE Group’s efforts as well as for their ongoing guidance and encouragement.

## Personnel & General Affairs Department Message from the Director in Charge



Senior Managing Director  
Katsuhiko Nakajima

### People are the most important driving force for the development of the company

Since its establishment in 1946, TECHNO ASSOCIE has continuously proposed a variety of products, technologies, and solutions with new value, creating a diverse lineup of products that respond to the needs of our customers by combining the technologies and products (Seeds) of a wide range of suppliers with our knowledge and know-how that has been cultivated over many years. The development of our company is due to the power of the people responsible for this, and the importance of people is further increasing in the current business environment of globalized business and diversified needs.

In order to increase the power of people, the most important driving force for business development, we believe that the following two items are important:

- i. Environments that allow each person to fully demonstrate their capabilities
- ii. Initiatives to help each person strengthen their capabilities (= capacity development)

We regard the following three points as important elements for enhancing and improving environments and capacity development and are promoting initiatives for them:

- Development of a corporate culture where individuality and values are respected to strengthen the capabilities of the team as a whole
- Create a work environment that allows rewarding, challenging, and a personal growth.
- Corporate behavior that enables employees to work with pride.

Specific activities to create a comfortable work environment include the ongoing promotion of diversity and inclusion through the implementation of various types of training, realizing flexible working styles according to life stage, and efforts to promote the participation and advancement of women in the workplace. We are also taking steps to increase employee satisfaction and fulfillment by way of measures such as the introduction of a new next-generation personnel award system. We are also bolstering our efforts in activities relating to health promotion and workplace safety.

#### Commitment to “Business and Human Rights”

International norms such as the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct stipulate that corporations have an obligation to promote respect for human rights.

We clearly mention in our Charter of Corporate Behavior that we respect human rights. Based on the TECHNO ASSOCIE Group Human Rights Policy, we strive to spread awareness about preventing infringement of the human rights of people affected by our business activities, not only within our Group but also among all business partners, including our supply chain (suppliers and operations upstream from them). At the same time we conduct human rights due diligence.

Our Code of Conduct also recognizes respect for human rights in all local communities where we conduct business as one of the important themes for pursuing business with integrity, and we are committed to promoting it.

The TECHNO ASSOCIE Group will continue to pursue these kinds of human resource measures to support people-driven business activities and will create workplaces where each person can grow and fully demonstrate their capabilities.

# TEHNO ASSOCIE' s view on sustainability

## Toward the Realization of a Sustainable Society and Environment

### Sustainability Basic Policy

The TECHNO ASSOCIE Group has developed its business with an emphasis on ties with all stakeholders, based on its Corporate Principles and Business Policy “Heart-to-Heart Bonds.”

We will continuously aim to contribute to the sustainable development of society and improve our corporate value as a value-creating company that meticulously responds to social issues and customer needs.

We will actively promote initiatives to realize a sustainable society from the perspectives of “society,” “environment,” and “corporate governance.”

### CSR Sustainability Promotion System





We have established the Sustainability Management Committee, as an organization to promote our commitment to sustainability and CSR activities. The members selected from each division will work for company-wide initiatives.

## CSR Material Issues


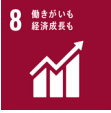







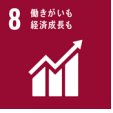



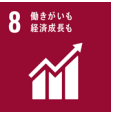












TECHNO ASSOCIE will strengthen its corporate sustainability initiatives in order to contribute to solving social issues through its business activities and to realize medium-to long-term enhancement of corporate value. As part of this effort, the “CSR Priority Issues” that are addressed on an important and priority basis are as follows.

### Material issues 2024


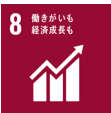






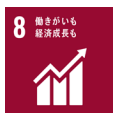






#### Quality and the Environment

Priority themes	Fiscal Year 2024 Main targets	Relation to SDGs
Quality and Environmental Management	Continued certification of the Quality Management System (ISO9001) Continue certification of environmental management systems (ISO14001)	<div>12 つくる責任 つかう責任 </div> <div>13 気候変動に 具体的な対策を </div>
Environmental Commitments	Control on hazardous substances : Storage, Usage, Disposal Control on Chemical Substances contained in products Control on Clean Water and Discharged Water Sales of environmentally-friendly products/Sales ratio of environmentally-friendly products 25% or more Reduction of waste and recycling/final landfill rate of waste 1.0% or less	<div>12 つくる責任 つかう責任 </div>
	Disclosure of Greenhouse Gases emission and setting target on the reduction of Greenhouse Gases emission Reduction of CO <sub>2</sub> emissions: CO <sub>2</sub> emissions per unit of sales of 2.05 tons or less	<div>13 気候変動に 具体的な対策を </div>

## Initiatives regarding Social Issues

Priority themes	Fiscal Year 2024 Main targets	Relation to SDGs
Supply Chain Management	Implementation of CSR Questionnaires and initiatives to eliminate risk on CSR activities.	      
Diversity and Inclusion	Disclosure of investment on human capital Promotion of Women's Participation and Advancement, appointment of foreign executives, etc. Promotion of employment of people with disabilities. Continue to develop human resources who can work globally	   
Work-life Balance	Establishment and promotion of a lively workplace and a work-life balance	   
Initiatives for Human Rights	Initiatives for Human Rights (Conducting human rights due diligence.)	   
Occupational Safety and Health	Realization of safety in the working environment through activities which aim to reduce the risk of accident.	 
	Zero occupational accidents (injuries) and reduction of material damage accidents in forklifts and company cars Promotion of safety activities by top management and continued implementation of safety patrols	  
Social contribution	Maintenance on policy and system for community contribution activities.	 

## Governance

Priority themes	Fiscal Year 2024 Main targets	Relation to SDGs
Compliance	Obedience to laws regarding security of products	
	Strengthen the system which make pass on rising costs to the suppliers properly done.	   
	Implementation of compliance training	   
	Enhancement of the awareness of the whistleblower system established to receive internal and external reports	  
Risk Management	Formulation of BCP and development of BCM	  
	Measures for Cybersecurity Continue to implement information security education Preparation of manuals for major disaster and infectious disease. Continued implementation of security export control education	



## Material issues 2023 and Initiatives

### ■ Quality and the Environment

Priority themes	Fiscal Year 2023 Main targets	Initiatives
Quality and Environmental Management	Continued certification of the Quality Management System (ISO9001)	We have received renewal audit in October 2023
	Continue certification of environmental management systems (ISO14001)	We have received renewal audit in October 2023
Environmental Commitments	Reduction of CO2 emissions: CO2 emissions per unit of sales of 2.10 tons or less	Result in FY2023: The intensity was 2.11 t /hundred million yen.
	Sales of environmentally-friendly products/ Sales ratio of environmentally-friendly products 25% or more	Result in FY2023:Sales ratio: 24.0%
	Reduction of waste and recycling/final landfill rate of waste 1.2% or less	Result in FY2023: Final landfill rate: 1.1%

### ■ Initiatives regarding Social Issues

Priority themes	Fiscal Year 2023 Main targets	Initiatives
Supply Chain Management	Implementation of CSR Questionnaires (with suppliers representing 70% of domestic procurement) and collaboration for promotion activities	We have implemented CSR Questionnaires with 110 suppliers, representing 70% of domestic procurement in amount, and collected 82.7% replies out of them, covering 63% of total procurement amount.
Diversity and Inclusion	Diversity and inclusion (Promotion of Women's Participation and Advancement, appointment of foreign executives, etc.).	We are promoting the development of an environment where female employees can work actively.
	Promotion of employment of people with disabilities.	The employment rate of people with disabilities is 2.4%.
	Continue to develop human resources who can work globally	We are continuing to implement training programs to develop personnel overseas.
Work-life Balance	Establishment and promotion of a lively workplace and a work-life balance	We are promoting the introduction of systems to promote a work-life balance. In FY2023, telecommuting system is implemented.
Initiatives for Human Rights	Implementation of risk surveys in the Group to respond to human rights due diligence	In FY 2023, we have conducted human rights due diligence throughout important suppliers of the Techno Associe Group. We will continue conducting human rights DD.
Occupational Safety and Health	Zero occupational accidents (injuries) and reduction of material damage accidents in forklifts and company cars	We have strengthened safety control in warehouse, including operation of forklift, and activities for accident prevention.
	Promotion of safety activities by top management and continued implementation of safety patrols	We have implemented walking accident prevention rules under the instruction of top management.
Social contribution	Promotion of community contribution activities for the realization of a better society	We have participated in cleaning up activities of community and have donated both to community and EXPO 2025 Osaka, Kansai, Japan.

## Governance

Priority themes	Fiscal Year 2023 Main targets	Initiatives
Compliance	Publication of the Code of Conduct and multilingual development	We have revised Code of Conduct in July 2023, in Japanese, English and Chinese.
	Implementation of compliance training (prevention of harassment and bribery)	We provide hierarchical training on compliance as priority training.
	Enhancement of the awareness of the whistleblower system established to receive internal and external reports	We have posted internal and external points of contact for whistleblowing on HP. Actual whistleblowing cases are disclosed internally.
Risk management	Preparation of manuals for major disaster and infectious disease.	We are reviewing disaster response and infectious disease control guidelines.
	Continue to implement information security education	We continue to provide information security education (e-learning) and to conduct training by sending e-mail.
	Continued implementation of security export control education	We have completely renewed e-learning contents, and implemented ""TA Security Export Control -Introduction"" as a first step.

## Evaluation of the Company's Efforts

### Eco Vadis

The Group has been evaluated for sustainability by Eco Vadis\*, an independent external organization, since 2020 and uses the evaluation results to make improvements. The 2023 results ranked us in the top 37% of companies in all industries worldwide, earning us a “Bronze” rating. Encouraged by this evaluation, we will put even more effort into our CSR activities and grow as a company trusted by our stakeholders and a company that contributes to the sustainable development of society.

\* Eco Vadis is an international assessment organization for corporate sustainability. The evaluation methods conform to international CSR standards such as the United Nations Global Compact, Global Reporting Initiatives (GRI) and ISO 26000.

\* Please note that the evaluation results for 2024 are currently under review.



# Quality and the Environment

## 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 Code of Conduct 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

We have obtained ISO 9001 certification, the international standard for quality management systems, for our Sales Division, Logistics Department, Development and Promotion Department, and Quality Assurance & Environmental Management Department, and ISO 14001 certification, the international standard for environmental management systems, for all of our domestic business bases.



## Audit Situation

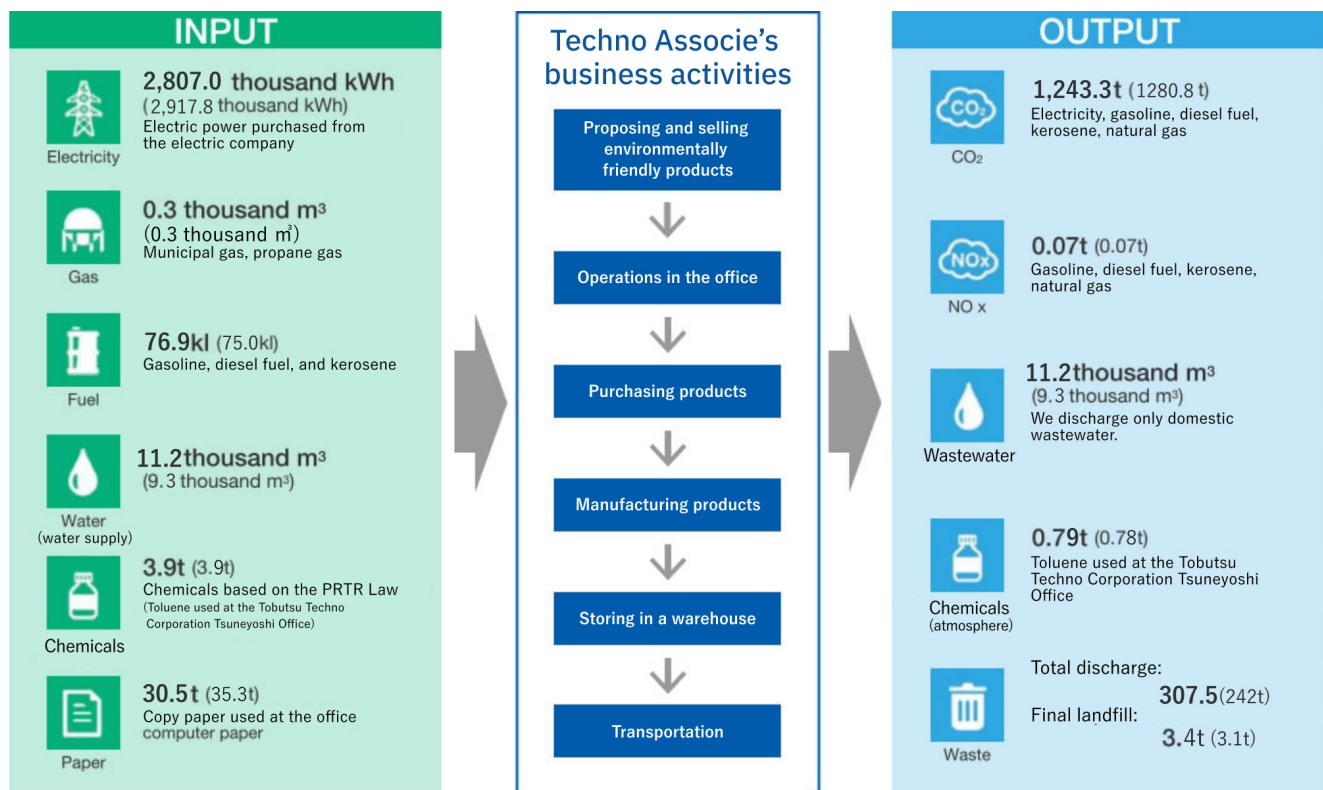
TECHNO ASSOCIE received renewal audits (which were conducted by JIC Quality Assurance Ltd. at our request) in October 2023 and there were no outstanding non-conformance items. And internal audits, including quality and environmental audits, were performed and corrective action was taken.

[ISO 9001 Certificate of Registration \(PDF: 2,1MB\)](#)

[ISO 14001 Certificate of Registration \(PDF: 2MB\)](#)

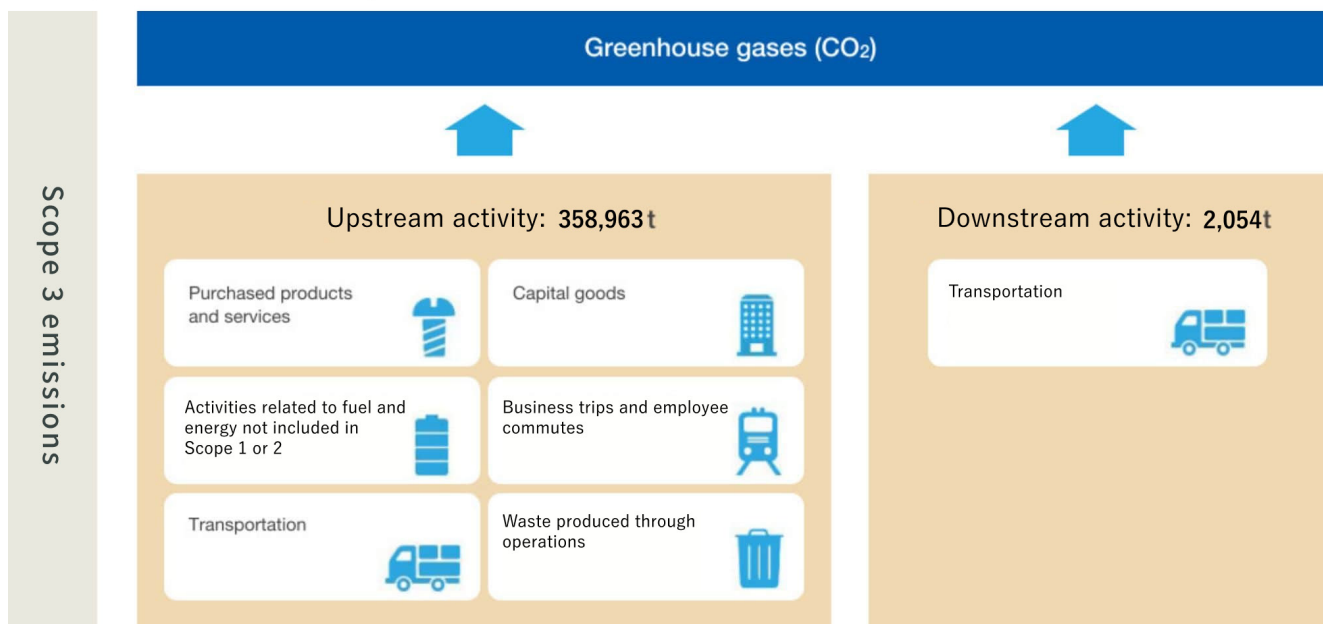
## Environmental Conservation

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



Numbers in parenthesis are actual results from the 2022 fiscal year

Note: We have no SO<sub>x</sub> emissions sources.



## Environmental Performance

### List of Targets and Actual Results for Environmental Conservation Activities

\* Combined value of TECHNO ASSOCIE and TOBUTSU TECHNO (Tsuneyoshi Office and Yao Office)

Environmental aspect		Results in FY 2022	Targets in FY 2023	Results in FY 2023	Increase/decrease rate	Self evaluation *4	Targets in FY 2024
Increase the sale of environmentally friendly products and parts		11.92 billion yen (20.6% of overall sales)	At least 25.0% of overall sales	13.84 billion yen (24% of overall sales)	Increase in sales by 19.2 billion yen (share increase by 3.4%)	😊	At least 25% of overall sales
CO <sub>2</sub> emissions* <sup>1</sup> (Emissions intensity: CO <sub>2</sub> emissions per 100 million yen of sales)		1280.8t (Emissions intensity: 2.15t/100million yen)	Emissions intensity 2.10 or less	1243.3t (Emissions intensity: 2.11t/100million yen)	decrease in emissions by 2.9% (improvement of emissions intensity by 0.04 points)	😊	Emissions intensity 2.05 or less
Breakdown	Electricity* <sup>2</sup>	1102.9t		1061.0t	Down 3.8%		
	Gasoline, diesel fuel* <sup>3</sup>	140.5t		144.4t	Up 2.8%		
	Consumption of kerosene and gas	37.4t		37.9t	Up 1.3%		
Final disposal rate (through waste recycling)		1.3%	Final disposal rate of 1.2% or less	1.1%	Down 0.2points	😊	Final disposal rate of 1.0% or less

\*1 Coefficient of CO<sub>2</sub> 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."

\*2 Electricity means the electricity purchased from the electric company.

\*3 Gasoline and diesel fuel are used for company vehicles and do not include consumption by consignment to transportation companies.

\*4 Self-evaluation standards: Environmentally friendly products

😊=Achieved targets    😊=Although targets were not Achieved, share increased from previous year  
 😞=Targets were not achieved and emissions increased from previous year

### FY2023 Domestic Subsidiary Environmental Impact

Location	CO <sub>2</sub> emission	Electricity consumption	Fuel consumption	Waste volume	Water consumption
	unit : ton	unit : MWh	unit : KL	unit : ton	unit : ton
TECHNO ASSOCIE	1121.4	2490.3	59.6	294.6	10.8
TOBUTSU TECHNO CO., LTD.	121.9	316.7	0.9	13.0	0.4
SILICONE TECHNO CO., LTD.	360.1	938.6	2.3	30.2	743.0
TSUKASA INDUSTRY CO., LTD.	128.6	219.9	1.7	20.0	715.0
Total	1732.0	3965.5	64.5	357.8	1469.2

## ■ FY2023 Overseas Subsidiary Environmental Impact

Location		CO <sub>2</sub> Emission	Electricity consumption	Gasoline	Waste Volume	Water consumption
		unit: ton	unit: MWh	unit: KL	unit: ton	unit: ton
East Asia	TECHNO ASSOCIE TAIWAN CO., LTD.	13.9	24.5	1.4	—	346.5
	TECHNO ASSOCIE HONG KONG CO., LTD.	10.5	17.3	—	1.7	—
	TECHNO ASSOCIE (GUANGZHOU) CO., LTD.	57.0	93.5	18.6	15.3	889.0
	TECHNO ASSOCIE SHANGHAI CO., LTD.	70.9	116.4	22.2	0.0	—
	* NETTFORM TECHNOLOGY (SHANGHAI) CO., LTD.	2911.8	4,781.2	12.6	29.9	6,252.0
	* ACCURATE METAL MACHINING CO., LTD.	3495.1	5,739.0	19.6	231.1	5,980.0
	TECHNO ASSOCIE (DALIAN F.T.Z.) CO., LTD.	14.0	23.0	2.9	0.7	51.3
Southeast Asia	TECHNO ASSOCIE SINGAPORE PTE.LTD.	12.1	31.6	2.7	—	30.4
	TECHNO ASSOCIE VIETNAM CO., LTD.	17.7	31.5	12.1	0.1	2.1
	TECHNO ASSOCIE (THAILAND) CO., LTD.	14.2	30.3	23.3	0.03	—
	* TA AUTOMOTIVE PARTS (THAILAND) CO., LTD.	452.9	971.2	130.0	467.0	2,708.0
North America	T.A. AMERICA CORPORATION	144.9	393.5	27.6	449.5	890.0
	TECHNO ASSOCIE DE MEXICO, S.A. DE C.V.	450.0	1,105.3	65.6	133.3	2,687.0
Europe	TECHNO ASSOCIE CZECH s.r.o.	4.40	10.5	3.6	—	61.3
	TECHNO ASSOCIE EUROPE GmbH	—	—	3.3	—	—
Total		7669.4	13368.8	345.4	1328.6	19897.6

\* " - " means that the data has not been collected.

\* \* Manufacturing location

## Results in Fiscal 2023

We work to reduce the environmental impact associated with business activities while determining environmental goals for each fiscal year and formulating an implementation plan to achieve the goals. The Quality and Environmental Management Department is mainly committed to the introduction of energy-saving equipment such as LED lighting and fuel-efficient vehicles. Each business site also takes specific initiatives such as power-saving efforts including the turning off of lights when not in use and thorough control of the temperature of air conditioners, as well as regular patrols to check the status of waste separation and beautification and cleaning activities around the site.

We aim to reduce CO<sub>2</sub> emission in fiscal 2030 by 46% compared with fiscal 2013. CO<sub>2</sub> emissions in fiscal 2023 were 1,243 tons, a decrease of 697 tons, or 36%, from the fiscal 2013 level. We will continue to work on energy-saving activities as we anticipate increases in energy consumption due to the expansion of our business scale in the future. In addition, we are working on the reduction of waste through thorough sorting to promote recycling while aiming to reduce the final landfill rate. In fiscal 2023, the final landfill rate was 1.1% (a decrease of 0.2 points from the previous fiscal year) and we achieved the target of a final landfill rate of 1.2% or less.

We also aggregate data on environmental impact for our overseas bases and plan to set environmental targets and engage in activities to reduce environmental impact on a Group-wide basis in the future.

## Target in Fiscal 2024

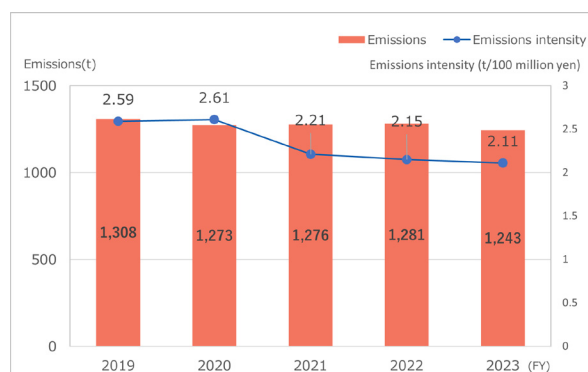
In fiscal 2024, we will continue to work on the reduction of CO<sub>2</sub> emissions, the promotion of waste recycling and the expansion of sales of environmentally friendly products and parts as main subjects. As to the reduction of CO<sub>2</sub> emissions for the prevention of global warming, while we aim to meet the target of keeping the per-unit emissions below 2.05 tons/100 million yen, our medium- and long-term target is to reduce CO<sub>2</sub> emissions by 46% from the fiscal 2013 level in fiscal 2030 as set by the Japanese Government to achieve carbon neutrality in the country.

With respect to waste, we will work to promote recycling by thoroughly sorting waste and reviewing disposal contractors and strive to achieve a final landfill rate below 1.0%.

## Actual Results of Reduction Activities

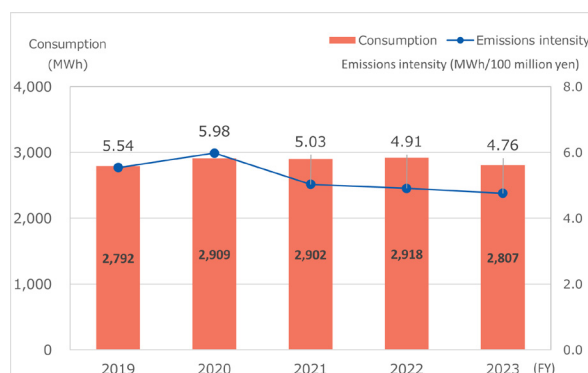
### ■ Reducing CO<sub>2</sub> Emissions

The use of electricity and gasoline by TECHNO ASSOCIE accounts for about 96% of the company's total CO<sub>2</sub> emissions. We are therefore focusing efforts on reducing their use. In fiscal 2023, setting an emissions intensity target of 2.10 t or less (per hundred million yen in sales), TECHNO ASSOCIE was actively involved in conserving electricity and also in cutting gasoline use. As a result, our annual emissions were 1,243 metric tons (a 3.0 % decrease from the previous fiscal year). The emissions intensity was 2.11 t/hundred million yen.



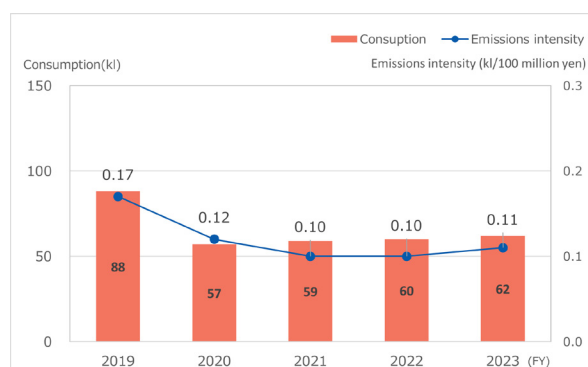
### ■ Reducing Electricity Consumption

TECHNO ASSOCIE strives to save energy by turning off lights during employee break times, managing air conditioner settings, and improving operational efficiency by reducing overtime, which includes the scheduling of 'no overtime' days. In fiscal 2023, while we set a target of reducing electricity use by 2.0% from the previous fiscal year, our power consumption decreased by 111 MWh (a decrease of 3.8% from the previous fiscal year) to 2,807 MWh. The per-unit electricity consumption was 4.76 MWh/100 million yen.



### ■ Reducing Gasoline and Diesel Fuel Consumption

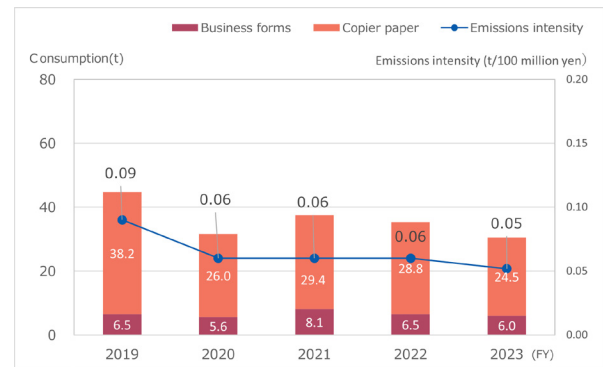
TECHNO ASSOCIE nearly halved the number of commercial vehicles in its possession, which was 237 in 2009, to 111 in March 2024 by reviewing surplus vehicles, sharing company-owned vehicles, using rental cars or car-sharing, promoting the use of public transportation, and so on. However, gasoline consumption increased by 2.9% from the previous fiscal year to 62 kl. The ratio of cars that meet the Eco Standards (Fuel Efficiency Standards for fiscal 2020) in the number of cars owned is 97.1% in March 2023.





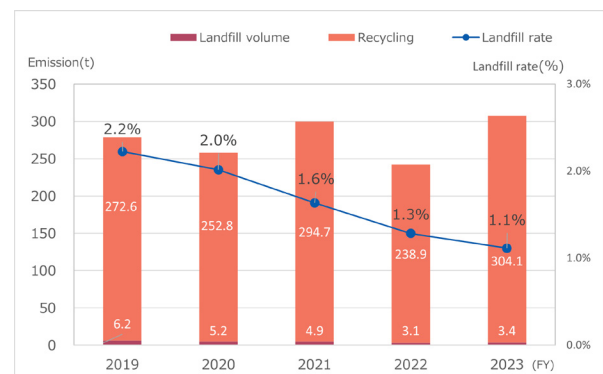
## ■ Reducing Paper Consumption

We are working to reduce the use of copy paper by using its backside and going paperless through the use of projectors at meetings, and in result, 30.5 tons of paper, including forms and slips, was used (a decrease of 13.4% year-on-year) in fiscal 2023 and 24.5 tons of it was copy paper (a decrease of 14.8% year-on-year).



## ■ Increasing Recycling and Reducing Waste

TECHNO ASSOCIE strives to reduce the 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. In fiscal 2023, we set a final landfill rate target of 1.2% or less and switched to industrial waste disposal contractors with higher recycling capabilities. The final landfill volume was 3.4 tons, a 10.2% increase from the previous fiscal year, but we still met our target with a final landfill rate of 1.1%. The total amount of waste discharged was 307.5 metric tons (up 27.1% from the previous year).

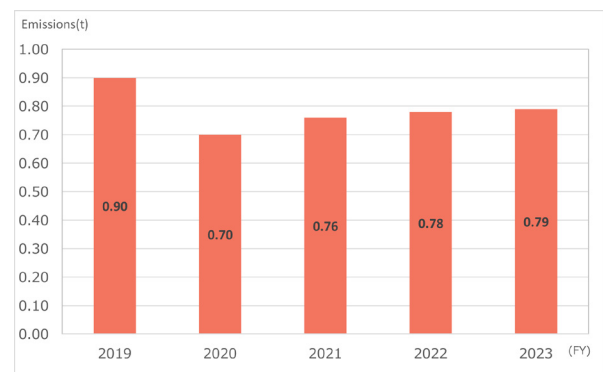


## ■ Managing and Reducing Chemical Substances

The Tsuneyoshi Office of our subsidiary Tobutsu Techno Co., Ltd. uses toluene, a substance restricted under PRTR\*, for manufacturing thread-locking adhesive to prevent screws and bolts from loosening.

In fiscal 2023, toluene emissions were 0.79 tons (an increase of 1.7% year-on-year) due to the growth of the operation.

\* 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.



## ■ CO<sub>2</sub> Emissions in Scope 3

TECHNO ASSOCIE views environmental conservation efforts as a top-priority management issue. In order to realize a low-carbon society, we ascertain not only directly produced Scope 1 and 2 CO<sub>2</sub> emissions, but also emissions throughout the entire value chain.

Total CO<sub>2</sub> emissions in fiscal 2023 were 362,260 (t-CO<sub>2</sub>).

The breakdown is as follows:

Scope 1 • • • 182 (t-CO<sub>2</sub>)

Scope 2 • • • 1,061 (t-CO<sub>2</sub>)

Scope 3 • • • 361,016 (t-CO<sub>2</sub>)

and TECHNO ASSOCIE recognizes that Scope 3 has a considerable impact on CO<sub>2</sub> emissions, and Category 1 (purchased products and services: 98.4%), in particular, account for a large portion of emissions.

TECHNO ASSOCIE will continue to review the calculation methods and data extraction methods to improve accuracy.

Category		CO <sub>2</sub> emission amount (t)	Proportion	Calculation method of Scope 3 (reason if not calculated)
Emissions from the Company				
	Scope 1 (direct emissions)	182.2	0.05%	
	Scope 2 (energy-derived indirect emissions)	1,061.0	0.29%	
Scope 3 (other indirect emissions)				
1	Purchased products and services	355,132.3	98.03%	Emission amount = CO <sub>2</sub> emissions of purchased products = Cost of purchased products × emissions intensity * Calculated for each product classified according to "Input- Output Table- Based Emissions Intensity"
2	Capital goods	932.4	0.26%	Emissions = Amount expended by acquiring tangible fixed assets × Emissions unit value * Using the "emissions unit value per price of capital goods"
3	Fuel- and energy-related activities not included in Scope 1 or 2	99.4	0.03%	Emissions = Annual use of electricity × Emissions unit value * Using the "emissions unit value per use of electricity/heat."
4	Transportation and delivery (upstream)	4,344.3	1.20%	Emission amount = Externally paid logistics costs (shipping charges, warehousing, business outsourcing) × emissions intensity * Emissions intensity is determined according to "emissions intensity per unit of heat/electricity used"
5	Waste generated in operations	80.2	0.02%	Emissions = Amounts of waste generated × Emissions unit value * Using the "emissions unit value by type of waste."
6	Business travel	264.8	0.07%	Emissions = Business travel expenses paid (by mode of transport) × Emissions unit value * Using the "emissions unit value per transportation expenses paid by transport category."
7	Employee commuting	163.1	0.05%	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."
8	Leased assets (upstream)	0	0.00%	Not calculated: Emissions from leased assets (commercial vehicles, PC, etc.) are calculated under Scope 1.
9	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			

## Proposals and Sales of ECO Products

To contribute to the environment through our business activities, we are working to expand sales of environmentally friendly products and parts (eco-products) that conserve resources, reuse and recycle, conserve energy, and eliminate hazardous chemical substances, etc. In fiscal 2023, our share of sales was 24.0% (an increase of 3.4% from previous year), increasing every year.

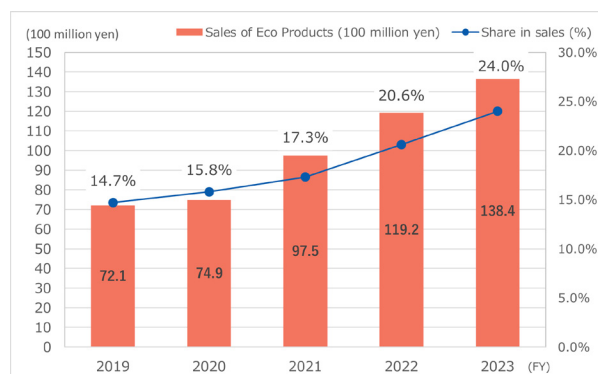
### Sales of ECO-Products

TECHNO ASSOCIE worked to boost sales of eco-products, i.e., merchandise and parts for products that contribute to the five defined items below, Achievement in

fiscal 2023 is as follows;

Target: More than 25% of total net sales

Achievement: 24.0% of total net sales (an increase of 3.4% from the previous fiscal year) Net Sales 13.93 billion yen (an increase of 16.9% from the previous fiscal year.)



## Definition of eco-products

edo	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 <sub>2</sub> emissions)	Reducing CO <sub>2</sub> 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 CO <sub>2</sub> Emissions

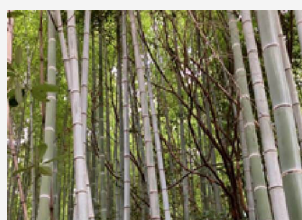
## Example of product development contributing to recycling and reduced energy use

TECHNO ASSOCIE' s Development and Promotion Department is engaged in developing products that use activated carbon from bamboo to contribute to the social problem of bamboo damage and CO<sub>2</sub> emissions reduction.

Activated carbon is a material with countless minute holes that can be used for a wide variety of purposes such as deodorization, water purification, battery terminals, dioxin removal, mercury vacuum deposition, and gas separation. However, the process of producing this from materials such as coal and coconut shells emits a large amount of CO<sub>2</sub>.

Our proposed activated carbon is made from bamboo, which reduces CO<sub>2</sub> emissions. Bamboo has grown all over Japan since ancient times, but in recent years, abandoned bamboo thickets have caused problems such as landslides and the intrusion of wild animals. The process of making activated carbon from bamboo utilizes the CO<sub>2</sub> thermal energy, resulting in zero CO<sub>2</sub> emissions.

We are currently developing products that use activated carbon from bamboo as odor filters, with plans to develop acoustic materials that utilize the porous nature of the activated carbon in the future.



Bamboo damage  
Reducing CO<sub>2</sub> emissions



Activated carbon from  
bamboo



Odor filter

## Use of renewable energy

TECHNO ASSOCIE has purchased green power certificates from 2017 through 2022. Starting in fiscal 2024 , however, we switched to introducing “Renewable Energy ECO Plan” that makes use of the Kansai Electric Power Company' s renewable non-fossil fuel certificates for our electricity consumption (about 1,050 MWh per year)in our headquarters. This will allow us to reduce our CO<sub>2</sub> emissions by 396 tons per year.

## Addressing climate change

We recognize the influence of the risks and opportunities that arise from stricter regulations on the emissions of greenhouse gas and are taking steps to address them.

Risk	Tightening restrictions on emissions of greenhouse gases, such as the Paris Agreement and the carbon tax
Impact	Carbon taxes, taxes on energy and fuels, and mandatory emissions trading could increase operating costs and possibly impact business management.
Correspondence	Strengthen efforts to reduce electricity and gasoline usage (Use of LEDs for lighting at business sites, introduction of eco-friendly vehicles in sales vehicles, replacement of office automation equipment such as air conditioners and multifunction devices with energy-saving products, etc.)
Opportunity	Rising demand for energy-saving products to meet the stricter emission regulations for greenhouse gases
Impact	As a response to the tightening of emission regulations of greenhouse gases, we have an opportunity to expand the sales of parts for related products because the demand for energy-saving-related products manufactured by our customers increases.
Correspondence	We will actively propose parts that can be supplied through our network to energy conservation-related products manufactured by our customers, and strengthen sales activities that lead to the receipt of orders.

## Commitment in Response to Environmental Control (Fluorocarbon Emissions, Soil Contamination Countermeasures)

In Japan, as part of efforts to prevent global warming, which has become a global problem, the “Act on Rational Use and Proper Management of Fluorocarbons” went into effect on April 1, 2015, with the purpose of controlling the emissions of CFCs which have high greenhouse effects. In connection with this enforcement, each manufacturer has decided to produce refrigerators and air conditioners using earth-friendly gases. In addition, each company, including us, is required to carry out periodic inspections and dispose of them to specify contractors. 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.

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

We provide education and training on biodiversity conservation as part of our environmental education. It is intended to provide opportunities for all employees to understand why the preservation of biodiversity and ecosystems is important for the formation of a sustainable society, and to share opportunities to think about what each person should do in order to realize this, and to provide opportunities for self-development. Also, TECHNO ASSOCIE makes donations to the “Green Fund” 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.



## Management of Chemical Substances Contained in Products

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.

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.

\* ChemSHERPA is a scheme for communicating information on chemical substances contained in products, and aims to reduce the burden on both the providers and recipients of information. It has been operated by the article management promotion council since April 2016.



In fiscal 2023, we received 1,079 requests from customers to investigate chemical substances contained in products and responded for a total of 11,751 products.

In FY2023, 14 analyses were conducted for confirming the content of “four phthalate esters”.

## Supply chain management

It is absolutely essential for the smooth operation of our business to be supplied with excellent technologies and services from our business partners. We are committed to ensuring fair transactions and appropriate procurement, and to working together to resolve various social issues.

[Procurement Policy \(PDF : 421.1KB\)](#) 

[CSR Procurement Guidelines \(PDF : 241.5KB\)](#) 

### Responsible Raw Materials Sourcing

We have established the “Guidelines for Responsible Minerals Procurement” in recognition of the risks listed in Annex II of the due diligence guidance of the Organization for Economic Cooperation and Development (OECD) (conflict minerals in countries surrounding the Congo, cobalt-related child labor concerns, human rights abuses and labor issues in conflict zones and high-risk areas (CAHRAs), etc.) as a serious social issue in our supply chain. We respond to customers’ requests for surveys by conducting risk analysis and assessment in cooperation with our suppliers.

\*We use the Conflict Mineral Reporting Template (CMRT) and the Cobalt Reporting Template (CRT), Mica Reporting Template (MRT), Extended Minerals Reporting Template (EMRT) issued by the Responsible Minerals Initiative (RMI) as research tools. Actual number of responses to request for surveys from customers through the TECHNO ASSOCIE Group in fiscal 2023; total 295 requests (146 for CMRT, 16 for CRT, 15 for MRT and 118 for EMRT)

### Communication with Business Partners

In line with the TECHNO ASSOCIE Group CSR Procurement Guidelines, we conduct awareness-raising activities that take into consideration the actual conditions of each supplier, and for those suppliers that we have identified as requiring support for improvement based on the results of the CSR Procurement Survey, we communicate with them and make proposals for improvement. Also in fiscal 2023, we held CSR procurement briefing sessions for main suppliers to inform them of the importance of working together throughout the supply chain to promote responsible procurement activities, including human rights due diligence measures.

## Diversity and Inclusion

TECHNO ASSOCIE considers human resources to be its most important assets and aims to be a company where everyone working for it can feel proud and rewarded. We help each employee improve and apply their knowledge and capabilities to achieve their own growth, as well as growth of the company, and ultimately contribute to society.

### Work – Life Balance

#### Introducing a system to address diverse work styles and work-life balance

In order to accept the diversity of work styles and address the work-life balance, we are flexibly and swiftly examining and introducing systems, by considering the family circumstances and life stability of our employees, corresponding to the changes in society. In July 2023, we officially introduced the telecommuting systems that began as measures against the spread of COVID-19, allowing us to support flexible work styles while improving productivity. Furthermore, in April 2024, we introduced the System for leave during spouse's overseas assignment and Other Situations, allowing continued employment even when a spouse is relocated overseas. As part of our consideration for the stability of our employees' lifestyles and family circumstances, we will continue to review and evaluate our systems flexibly and promptly in accordance with the changing times and in response to emergency situations when necessary.

#### Examples of system introduction

Examples of system introduction	Introduction of Regional limited course, transfer deferment system, job return system
Systems to Promote a Work-Life Balance	Telecommuting system, Staggered working hours system, short-time working system, System for leave during spouse's overseas assignment
System to encourage leave-taking	Personally planned annual leave, Accumulated leave, Hourly paid leave system, Volunteer leave
Addressing societal demands	Promotion of employment of people with disabilities, extension of the retirement age

## Proper management of working hours

At TECHNO ASSOCIE, labor and management work hand in hand to ensure appropriate working hours with the aim of supporting employee health and creating a workplace where they can work without any concern. To that end, we use an attendance management system that has been put in place to accurately monitor and manage employee working hours. We also lay emphasis on the proper management of working hours: for example, industrial physicians interview, and check the health of, employees having worked long hours; and based on the findings, we take steps to reduce working hours, such as instructing their superiors to prevent the subordinates from working long hours. Furthermore, every year we provide supervisors with labor management training so that they can manage the working conditions of their subordinates in an accurate and appropriate manner.

### Actual annual working hours per regular employee

	FY2021	FY2022	FY2023
Employees (general employees)	1,772	1,734	1,728
Employees (supervisors)	1,754	1,754	1,754

[Calculation formula] Total annual actual working hours = Annual scheduled working hours + Annual unplanned working hours - Annual paid leave accrual - Other leave accrual

### Number of regular employees who worked more than a certain number of hours in excess of the statutory limit (FY2023)

	0 times	1 time	2 times	3 times	4 times	5 times or more
Regular employees who have completed 45 hours per month (person)	278	11	6	0	2	0

### Regular employees who annually worked more than 360 hours in excess of the statutory limit (FY2023)

	Number of people
Regular employees who annually worked more than 360 hours in excess of the statutory limit (person)	9

## 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.

The average overtime in fiscal 2023 was 9.50 hours/month. While the length is returning to the level before the COVID-19 pandemic, it continues to be below the overtime of 12.80 hours/month in fiscal 2017.

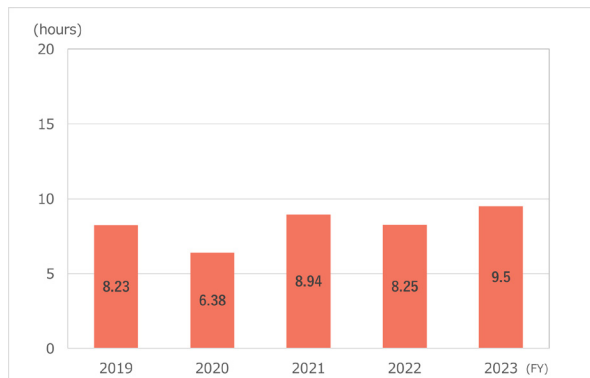
#### ●Flex-time system:

As of fiscal 2022, the system has been revised to allow for more flexible and autonomous work styles by increasing the number of flex-time working hour patterns from 10 to 13.

●Reduced hours system for childcare: Employees with a child or children in third-grade at elementary school or younger can use this system by submitting applications to the company.



### ■ Per-capita average overtime/month



2023:9.50h/month

### 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. We have also been expanding our leave system program since fiscal 2016, and our annual paid leave utilization rate has steadily increased.

- Personally planned annual leave ( “My Day-off Plan” annual leave)

A system that allows employees to make plans to take five days of the annual paid leave granted each fiscal year on the dates of their choice

- Accumulated leave

A system that allows expired paid leave to be used for childcare, caregiving, and nursing care (as well as non-occupational injury and illness, etc.)

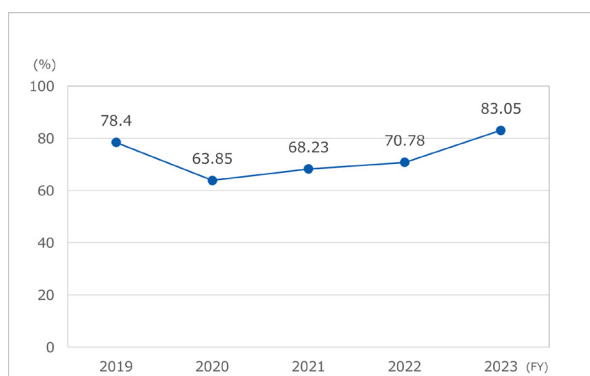
- Hourly paid leave system

A system allowing employees to take paid leave in one-hour increments (up to five days per year) was introduced in April 2022.

- Volunteer leave

In April 2023, a system was newly established to allow employees to take paid leave for the purpose of engaging in activities that contribute to society and local communities in addition to regular paid leave.

### ■ Per-capita average rate of taking paid leaves



2023 : 83.05%

### ■ The use of the childcare leave support system

	Scope	FY2023
The use of the childcare leave support system (person)	Male	4
	Female	11
	Total	15

## Communication with Employees

In the Group, we respect the freedom of association and the right to collective bargaining based on the laws and regulations of each country, and labor-management consultations about working conditions, welfare benefits, etc. are held on an equal footing. In recent years, we have placed a great emphasis on listening to candid opinions at our domestic sites through roundtable discussions and by holding individual interviews with young employees. The general manager of our Human Resources & General Affairs Department then confirms all the content of the hearings, and if necessary, we take measures to resolve issues that arose in order to promote the revitalization of workplaces.

## Maximizing Talents of Women

### Certification as a Leading Company for Promotion of Women's Participation and Advancement in the Workplace

In fiscal 2017, we were certified as a Leading Company for Women in Osaka City and Aichi Women's Brilliance Company.



## TECHNO ASSOCIE' s General Employer Action Plan under the Act on Promotion of Women' s Participation and Advancement in the Workplace

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 positioned promoting diversity as one of our key management strategies to maximize abilities of our diverse employees, and is working to promote female employee' s active participation and advancement in the workplace. In accordance with the said Act, we have formulated the following action plan

■ up to 31st March 2027 in order to develop an employment environment where female employees can play an active role and build a “workplace that is rewarding” for employees.

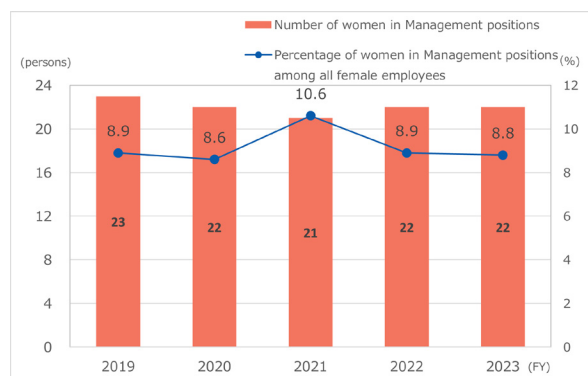
Issues at the Company	Numerical targets	Details of initiatives	Conducted period
1. There is a lack of systems that allow both men and women to balance work and family life, and insufficient use of such systems.	To increase the percentage of male employees' taking childcare leave to 50% or more.	Provide individual explanations on childcare leave to male employees whose spouses have given birth	From April 2024
		Establishment of a consultation service for female employees during pregnancy and after returning from maternity or childcare leave	From April 2024
		Strengthen individual follow-up for employees under childcare leave	From April 2024
		Consideration of introduction of flextime system	From April 2024
		Introduction of system for leave during spouse' s overseas assignment	From FY2024
		Introduction of system for short time working during gestational period	From FY2024
		Relaxation of requirements for taking nursing care leave and consideration of expanding the period during which it can be taken	From FY2024
2. There are few women in career-track positions. There are also few women in management positions.	Increase the percentage of new graduate female employees in career-track position from the current 30% to 40%.	Strengthen awareness of the system for transferring from general office work positions to career-track positions	From FY2024
		Promote awareness and strengthen job return system	From FY2024
3. It is difficult to understand the career advancement system for employees in general office work positions.	Increase the percentage of female employees in management positions from the current 8% to 10%.	Expansion of training on diversity promotion	From FY2024
		Strengthen support for settling in after employment	From FY2024

### ■ Percentage of Management Positions Occupied by Female Employees (As of March 31, 2024)

Number of women in Management positions: 22

Percentage of women in Management positions among all female employees: 8.8%

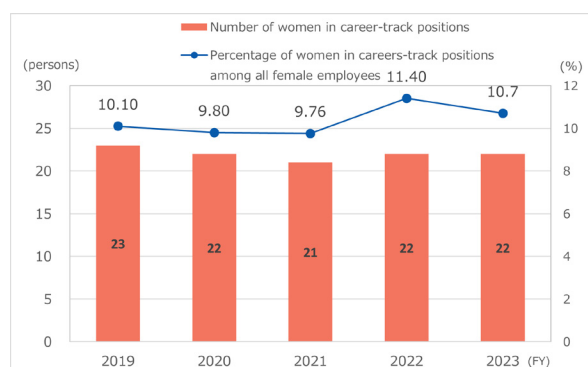
\* non-consolidated



### ■ Number and Percentage of Women in Career-Track Positions among All Female Employees (As of March 31, 2024)

Number of women in career-track positions: 22 Percentage of women in career-track positions among all female employees: 10.7%

\* non-consolidated



### ■ Data of Employees(As of March 31, 2024)

	Number of employees (consolidated)	Number of employees (non-consolidated)	Average years of service of employees	Average age of employees
Male	797	322	19.33 years	–
Female	525	192	16.50 years	–
Total	1,322	514	18.4 years	43.56

\* Years of service, average annual salary, and average age are non-consolidated figures.

## Commitment to Human Resource Development

We provide hierarchical training, which must be received on a position basis by all employees from executives to new employees, as well as thematic training, which aims to have trainees obtain specific knowledge and skills required in each section, and global human resource development training.

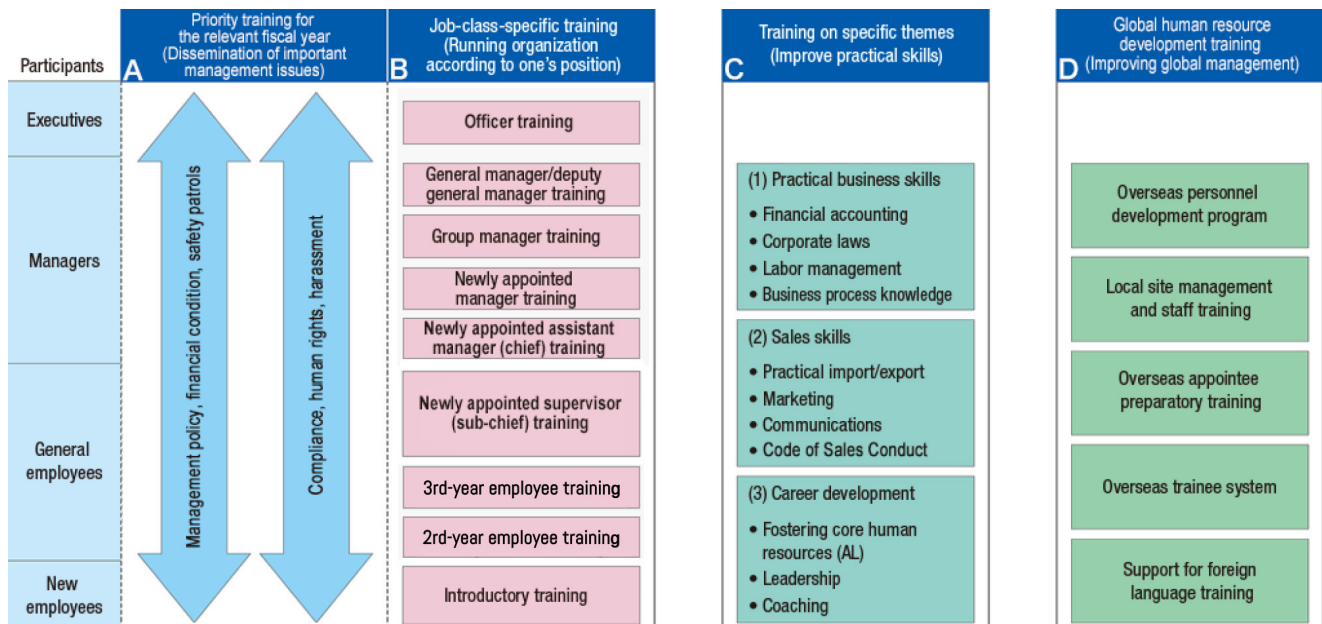
In addition, we position Corporate Principles and Business Policy, management policies and business conditions, safety patrols, compliance, human rights and harassment (including CSR) as priority training subjects and incorporate them into the curriculum of the training programs.

### 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."

#### In-house training system



#### Training hours per employee

	FY2022	FY2023
Overall	6,133	7,404h
Per employee*	10.6h	13.3h

\* Calculated based on training organized by the Human Resources & General Affairs Department (h) and the number of employees (persons), excluding contract employee

## Sales ability improvement training

This training is for employees between second and fifth years at the company, and they learn about sales step by step.

Training is mainly given by guest lecturers and through lecture and roll-playing, employees learn about company explanation, product PR and closing. Improvement of sales ability such as skill in business negotiation of young employee is expected.

## Training for Overseas Personnel Development

This training was started in fiscal 2016, aiming to nurture employees suitable for overseas business in middle and long term.

Assuming business scene in abroad, employees learn practical theme such as sales activities in abroad, writing e-mail in English, participate in and manage meeting and negotiation through role-playing.

By joining this training, our employees are expected to smoothly adapt to business circumstance at assigned country and/or area.

A total of 66 employees from five groups have participated in the training, and nearly half of them, 30 employees, have been posted overseas.

## OJT trainer training

This training is provided to senior employees (on-the-job training (OJT) staff) in departments to which new employees are assigned, with the aim of improving the education level on the site. Through lectures and group work, trainees learn instruction methods such as coaching, teaching and counseling, as well as the basics of management. The curriculum is designed to encourage senior employees to grow while also nurturing junior employees in the workplace.

## Mentor program

TECHNO ASSOCIE has introduced a program to support new employees (mentees). A senior employee, in principle outside of the mentee's assigned department, serves as a mentor to provide one-on-one support to the mentee for one year from the time of main assignment of the mentee in the fiscal year in which the mentee joins the company.

On-the-job training (OJT) staff (senior employees) at workplace, supervisors, mentors, and the Human Resources Department that coordinates these efforts all work together to ensure that new employees can make a smooth start to their professional lives, which goes a long way toward improving employee retention. Additionally, by aiming to improve the communication and basic management skills of the senior employees who serve as mentors for new employees, it can also promote the growth of both parties, which will in turn revitalize the workplace.



## New employee training

This training is designed to help new employees learn about our company and switch their awareness and way of thinking from that of a student to that of a working adult. Starting with about a month of initial training that starts on their first day at our company, new employees will learn everything ranging from business skills to basic practical knowledge over a period of roughly four and a half months, which ultimately deepens their awareness of their current situation and allows them to set future goals for their thoughts and actions. During this period, there are also programs such as logistics operations training at our warehouses, factory tour both to our suppliers and our subsidiaries, and technical training at factories of our parent company (manufacturing training), which allow employees to learn about our business processes by experiencing them first-hand. In this way, our training gets new employees ready for their first assignments by preparing them with knowledge from a variety of perspectives.

### TECHNO ASSOCIE Group Human Rights Policy

TECHNO ASSOCIE' s universal basic policy is to conduct fair business activities under high corporate ethics based on our basic spirit of Business Policy, Corporate Principles, and Charter of Corporate Behavior. We recognize that all of our business activities must be conducted based on the premise of respect for human rights as we continue to develop together with the global society, and we will continue to promote initiatives to respect human rights throughout the Group to fulfill our responsibilities.

[TECHNO ASSOCIE Group Human Rights Policy \(PDF:290.2KB\)](#) 

### Human rights due diligence

Based on the “TECHNO ASSOCIE Group Human Rights Policy” , we conduct human rights due diligence throughout the TECHNO ASSOCIE Group and are carrying out further efforts to promote respect for human rights within the Group. After fiscal 2022 , we put the focus on child labor, forced labor, and migrant labor with our affiliated companies and principal suppliers. Upon conducting an investigation, we addressed and corrected management practices in accordance with international human rights standards wherever risks were identified. We will continue to implement measures to improve human rights and work closely with our suppliers to ensure ongoing progress.

[FY2023 initiatives \(PDF: 301KB\)](#) 

### Human Rights Education and Training, Preventing Harassment

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.

As part of the effort, we engage in continuous education and awareness-raising on the relationship between corporate activities and human rights through various in-house training programs (including e-learning).

Issues such as race, gender (including sexual minorities such as LGBT), religion, nationality, sexual harassment and abuse of authority are dealt with in the programs to strengthen the literacy of employees and teach how to respond when harassment actually occurs or is reported.

### Implementation of Fair Recruitment

TECHNO ASSOCIE hires people in a fair and equitable manner to offer a variety of career opportunities, regardless of race, ethnicity, nationality, religion, age, gender, gender identity, sexual orientation, disability, etc. Recruiters participate in new appointment and basic training for staff in charge of promoting fair screening for recruitment and human rights enlightenment sponsored by Osaka Prefecture and incorporate what they have learned in their recruitment activities.

Basically, we are working on the premise that (1) we give opportunities to applicants widely and (2) we do not recruit employees based on anything other than the abilities and suitability of the applicants.

### Human Support Contact

TECHNO ASSOCIE has established the “Human Support Contact” from the perspective of protecting human rights of employees, and worked to make it known to employees as well as appropriately solve issues. We have set up human support counselors at all of our domestic sites and hold training sessions every year at the area and organizational level to raise skills of employees in charge of the contacts and to enhance cooperation with the HR & Administration Department, an administrative office, in order to develop a system to allow employees to easily seek advice. Harassment Counselors Training was conducted where counselors learned how to prevent harassment from occurring by appropriately engaging with others, the importance of communication based on mutual understanding, and appropriate responses when receiving harassment consultation through role-playing as counselors. This training enables them to utilize what they have learned when they actually respond to consultations.

## Occupational Safety and Health

### Basic Philosophy on Safety

Safety is one of the core issues of operations at TECHNO ASSOCIE, together with compliance.

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, upholding slogans and adhering to the Occupational Safety and Health Policy and Occupational Safety and Health Regulations.

### 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.  
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.
- ③ 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**

### Safety patrols by top management

Every year during the National Safety Week in July, the company director in charge of safety and health gives a talk on safety in order to raise employees' safety awareness. Directors also conduct annual work site inspections, with improvements made on items pointed out during the inspections in an effort to prevent accidents and create a more comfortable work environment.

### Enhancing education

All new employees and mid-career employees receive safety and health training at the time of joining the company to enhance their awareness of safety. While a common type of accidents in our company was those involving property damage during work (company cars and forklifts), with regard to company cars, the number of such accidents has substantially declined recently as a result of providing annual e-learning training on safe driving to all drivers among our employees and organizing safe driving practical training at driving schools for young employees who are inexperienced drivers to help them improve their driving skills.

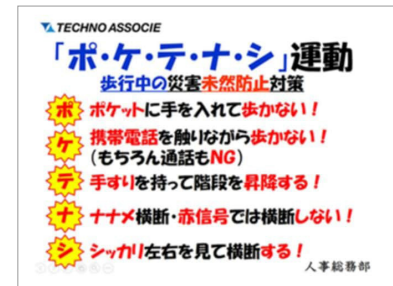
We have also taken continuous initiatives related to forklifts, such as regular lectures given by instructors from forklift manufacturers and improvement activities in warehouses, and the number of relevant accidents has significantly decreased as well.

All of our bases and affiliates in Japan take health-related initiatives including the activities of the Safety and Health Committee and health education by industrial physicians in an effort to raise awareness of health across the TECHNO ASSOCIE Group.



## Preventing accidents while walking

Even in offices and other workplaces where there is nothing in their surroundings that causes serious occupational accidents, trips and falls on steps or other objects may result in unexpected injuries and accidents. In light of that, since 2018 we have been running a walking accident prevention campaign in an endeavor to raise employee awareness by reminding them of dos and don'ts while walking — namely, do not put hands in pockets, do not use a mobile phone, hold handrails on stairs, do not jaywalk, and look both ways before crossing.



## Safety and health initiatives at warehouses

Warehouses are workplaces that demand special attention to safety and health. To ensure the safety and health of employees working at warehouses and help create a better working environment, we have established Occupational Safety and Health Guidelines pursuant to our Occupational Safety and Health Regulations.

These guidelines primarily cover management structures, roles, education, guidance, and measures to be taken when injuries and other accidents occur, placing particular emphasis on the prevention of (i) heatstroke, (ii) backache, (iii) wounds from knives and other sharp objects, and (vi) trips and falls. Specific measures taken to prevent heatstroke include the installation of a clock with a wet bulb globe temperature (WBGT) monitor at each warehouse to alert workers of heat levels, taking breaks at appropriate intervals, replacing regular work clothes with those with excellent breathability and quick-drying properties, and providing neck cooling devices, air-conditioned clothing with fans, oral rehydration solutions, salt candy, etc. We are also working to prevent workers from suffering backache by supplying back belts, power-assisted suits and other tools. Thus, we are committed to reducing risks and preventing accidents.

For workers using machinery and other equipment, we have developed a safety management manual for each machinery and operation, which workers are required to comply with to work safely.

To familiarize workers with these initiatives, we continue endeavoring to raise safety awareness and improve working methods and environments by pursuing activities to enhance warehouse safety levels.

## Health management initiatives

To enhance and support employee health, we undertake the initiatives outlined below.

### 1) Regular checkups

All employees must undergo regular health checkups in Japan. In particular, employees aged 40 or older are required to undergo comprehensive health checkups to examine more items in detail. Tumor marker tests, gynecological exams (cervical and breast cancer screening), etc. are also added to the test items to help detect lifestyle and other diseases at an early stage. If regular checkups detected potential problems in employees, we urge them to undergo a thorough checkup in collaboration with industrial physicians. In that way, we seek to make a regular checkup the opportunity for employees to look after their own physical health and start treatment early, rather than a once and done event. At our bases engaged in organic solvents and other operations that statutorily obligate the employer to conduct special checkups, we provide such checkups as required by the law.

### 2) Health management education

Educational sessions by industrial physicians are provided during monthly Health and Safety Committee meetings. In conjunction with this event, we are taking measures to maintain and promote the health of our employees by giving them opportunities to learn about health management, covering topics such as preventing heatstroke, influenza, and other infectious diseases, pollen allergies, and more.

## Commitment to mental healthcare

Thinking that it is important for each one of our employees to recognize his or her stress levels (i.e., self-care) and for workplace supervisors to take appropriate action for mental health (i.e., line care), 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 those of domestic affiliates, 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 a comfortable and friendly atmosphere so that people do not get sick have been created and action is being taken in conjunction with personnel managers and industrial physicians.

## FY2023 Occupational Accident Data (Non-consolidated)

Indicator	FY2022	FY2023
Frequency rate of work-related injuries* <sup>1</sup>	2.01	2.81
Severity rate of work-related injuries* <sup>2</sup>	0.00	0.05

\*1 Frequency of work-related injuries and fatalities per 1 million total working hours

\*2 The number of days lost due to work-related injuries per 1000 total working hours

## Social Contribution

### TECHNO ASSOCIE Group Social Contribution Policy

The TECHNO ASSOCIE Group will not only contribute broadly to society by providing products, technologies, and services that are useful to society through its business activities but also actively engage in social contribution activities as a member of society for the realization of a better society in accordance with the “Corporate Principles,” “Business Policy,” and “Charter of Corporate Behavior.”

#### Community Service and Support in Fiscal 2023

Charity activity	Number of times	Amount
Support for Sports, Culture and the Arts	4	925 thousand yen
Support for Environmental Conservation	2	1,016 thousand yen
Support for Regional Activation	23	20,405 thousand yen
Support for Response to Humanitarian Crises	14	4,393 thousand yen
Support for Health/Social welfare	2	130 thousand yen
Others	2	27 thousand yen

#### Donation Activities for Developing Countries

TECHNO ASSOCIE’s headquarters proudly supports the efforts of TABLE FOR TWO International, a specified non-profit organization that has been donating funds to cover the costs of providing school lunches in developing countries (Uganda, Rwanda, Ethiopia, Kenya, Tanzania, Philippines) since 2019. In this program, 20 yen (enough to pay for one school lunch) is donated for every healthy menu item sold in employee cafeterias. In fiscal 2023, donations from TECHNO ASSOCIE were enough to provide approximately 14,441 school lunches (more than 280,000 yen).



#### Support for Environment/Nature Protection Organization

We are making donations in support of the National Land Afforestation Promotion Organization’s “Green Fund” and the World Heritage and National Treasure Kamomioya-jinja Shrine and the Tadasu no Mori (Tadasu Forest) National Historic Site environmental preservation and cultural asset conservation and repair project.

The Green Fund is working to create healthy forests that are connected to air and water, and to nurture the next generation through forests.

The Tadasu no Mori (Tadasu Forest), located in the Shimogamo Shrine in Sakyo Ward, Kyoto City, has the same vegetation as the original forest of the 3rd century B.C. The beautiful landscape that has been passed down for over 2300 years, and even buildings designated as national treasures and /or important cultural properties, which are in excellent traditional architectural styles from the Heian period, are in danger of being severely affected by rapid temperature changes and urbanization in recent years. We believe that the preservation of the natural environment is also important to protect the precious World Heritage sites for the next generation.



緑の募金

# Governance

## Basic Concept

Under our Corporate Principles and Business Policy, TECHNO ASSOCIE has an unwavering commitment to contributing to society through fair business practices. We have also formulated the Charter of Corporate Behavior as a set of basic rules for earning the trust and confidence of society.

Guided by a shared awareness of these principles, we have established a framework for decision-making that ensures sound management as well as legal, appropriate, and efficient execution of business. We are also strengthening our system for monitoring and revising the aforementioned framework in an effort to raise corporate value.

Fully aware of our mission in society as a corporate entity, we will contribute to the sustainable development of society. We will do so through ongoing initiatives aimed at protecting the environment and reducing the environmental burden of our business activities.

## Compliance

TECHNO ASSOCIE sees compliance as “meeting society’s expectations.” For us compliance goes beyond complying with laws and regulations; we are aware of society’s expectations of our company and expect all employees to have the mindset to meet those expectations. In order to continue to be a scandal-free group, we expect every single employee to act with honesty and integrity, and carry out initiatives to strengthen compliance throughout the entire Group to ensure that we comply with laws and regulations and fulfill our ethical responsibilities.

### Compliance Promotion System (Risk Management System)

TECHNO ASSOCIE’s Compliance Risk Management Committee handles risk and compliance matters across the Group. It carries out activities such as analyzing risks, discussing preventative measures, and issuing directions on specific recurrence prevention measures.

### Whistleblower (Hotline) System

The Group provides internal and external points of contact for whistleblowing in each country to receive information on illegal acts, violations of laws, etc. We have formulated whistleblower system regulations to protect the confidentiality of those who report or consult and prevent them from being treated unfavorably.

Whistleblowing cases in FY2023: 6

### Compliance Training

As an initiative to enhance compliance, we provide compliance training as a priority training program for each of the positions, which are new employees, general office work positions, managerial positions and managers, in Japan.

### Initiatives for Anti-corruption

In order to maintain and strengthen our relationship of trust with business partners through fair business practices, we put utmost effort into activities to prevent corruption (bribery, illicit payoffs, and conflicts of interest) and competition law violations (influence peddling, dumping, price fixing, unfair trade practices, and unfair restraint of trade), and ensure that everyone in the Group is aware of these activities. We have also issued TECHNO ASSOCIE Group CSR Procurement Guidelines for business partners to promote fair business practices with our suppliers, who are our business partners, and grow together with our stakeholders.

### Basic Philosophy on and Measures for Eliminating Antisocial Forces

In our Charter of Corporate Behavior, we clearly state a basic policy to stand decisively against anti-social forces that threaten the order and safety of society.

Our HR & Administration Department works to gather information from relevant government organizations and other sources, has established an antisocial forces elimination system in collaboration with other relevant departments in the company, and ensures that employees are aware of such information through efforts such as providing internal training courses.

### Risk Management System (Compliance Promotion System)

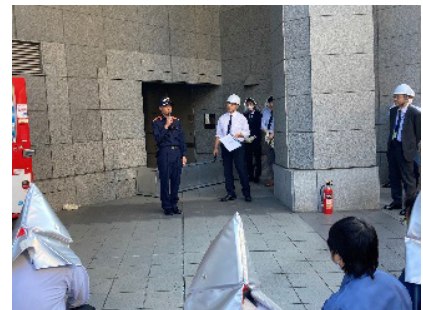
TECHNO ASSOCIE's Compliance Risk Management Committee handles risk and compliance matters across the Group. It carries out activities such as analyzing risks, discussing preventative measures, and issuing directions on specific measures to prevent the recurrence of risks.

### Actions Against Natural Disasters

In response to the risk of natural disasters, we have formulated disaster response guidelines based on the basic policies of ensuring safety of human life, stable supply of products and services, compliance, and corporate social responsibility.

The guidelines stipulate the establishment of disaster response headquarters in the event of a major disaster, and in the event of an earthquake with a seismic intensity of 5 or higher, the safety confirmation system automatically sends emails to employees at the seismic center to confirm the safety of themselves and their families as well as damages to their residences. Disaster drills are also conducted on a regular basis, based on disaster scenarios according to the risk of crisis occurrence at each site, and in preparation for the occurrence of natural disasters, we stockpile emergency supplies, including food for three days per person, at all bases and regularly update them. We have also deployed emergency storage batteries as backup power sources that allow printers used in operation to operate at our headquarters, and emergency magnesium-air batteries, primarily for charging smartphones, at each of our sites as a countermeasure in the event of a power outage.

In fiscal 2024, four-part disaster drills were conducted at the headquarters to assume large-scale earthquakes or fires. The drills included 1) roll-call training, 2) tsunami evacuation training, 3) notification, early-stage fire fighting, and evacuation route training, and 4) evacuation drills. Additionally, in response to overflowing rivers due to severe rainfall in recent years, waterproof panel installation training was held after the evacuation drill in the northern public grounds on the first floor of the main building, as a measure against the rising floodwaters. Training for installing stockpiled sandbags and water-absorbing handy sandbags was also held. As a result of these efforts and the review of reports from each location, we are verifying and updating our guidelines and incorporating non-scenario-based training, injured-person transportation by stretcher, and disaster preparedness video sessions. Our goal is to improve the training content to raise awareness of fire prevention and disaster preparedness, ensuring we are well-prepared for any emergency.



Disaster prevention training

### 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. Information security measures include reinforced security measures for computers, servers, and networks to prevent information leaking from within the company and unauthorized access from outside. All laptop hard disks are encrypted as well, to prevent leakage of confidential information in the event that one gets lost or stolen. In the telework environment that has been introduced with the spread of COVID-19, VPN and multifactor authentication have been implemented to ensure security against unauthorized access during remote operations. 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.

Furthermore, in an effort to counteract targeted attacks and daily evolving malware, we are introducing next-generation antivirus tools and managing computers (software) used at affiliated companies, both domestically

and internationally. We are also strengthening security measures for servers for external use and improving the management of confidential information.

### **Security Export Control**

In accordance with the Foreign Exchange and Foreign Trade Act and other laws and regulations, we have established “Security Export Control Rules” which the Foreign Trade Administration Office follows as it takes the lead in proper operation of Security Export Control. All personnel involved in cargo exports and technical assistance are required to participate in e-learning courses related to Security Export Control, and for employees engaged in trading operations, a separate training course is held on classifying the applicability of List Controls.