
Human Rights Report 2025

The TODA KOGYO Group (hereafter, “the Group”) has established the “TODA KOGYO Group Human Rights Policy” (hereafter, “the Policy”) based on the Guiding Principles on Business and Human Rights adopted by the United Nations Human Rights Council (UNGPs). The Policy was approved by the Board of Directors in April 2023 for its establishment and disclosure.

We always respect fundamental human rights. We support and respect the United Nations International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. The Policy applies to all directors, officers, and employees of the Group. We also expect all our business partners and other parties in the Group’s value chain linked to our business, products, and services to support and comply with the Policy.

>> [TODA KOGYO Group Human Rights Policy](#)

| Framework for Promoting Human Rights Initiatives

The Group’s Corporate Administration Division serves as the secretariat for promoting initiatives to respect human rights. The status of the initiatives is regularly reported to management and supervised by the President and CEO. We will continue to establish a more cross-functional structure to promote our human rights initiatives.

We receive expert advice from outside expert organizations, Tokio Marine dR Co., Ltd. (TdR), and Caux Round Table Japan (CRT Japan) through monthly regular meetings to ensure the objectivity and legitimacy of our initiatives to respect human rights.

Initiatives

Education and Training on Human Rights

The Group provides regular education and training on business and human rights to our directors, officers, and employees.

For management, we have training sessions with outside experts to deepen understanding of business and human rights, catch up with the latest trends, and strengthen commitment to efforts to respect human rights. In the training session in March 2023, the directors learned about domestic and global trends on business and human rights and responses required of companies and discussed the content of our human rights policy. In the session in January 2024, the officers reviewed the Group's initiatives and cultivated a better understanding on human rights due diligence.

For employees, we held a training program in February 2023 to deepen their understanding of business and human rights and how to engage as a practitioner. On the occasion of human rights due diligence workshop for division and department managers in October 2023, we invited Mr. Hiroshi Ishida, Executive Director of CRT Japan, to give a lecture to cultivate their understanding of the global trends regarding business and human rights.

From October to December 2025, with the goal of promoting human rights initiatives across the Group, we conducted e-Learning for approximately 500 employees, achieving a 100% participation rate. The program, developed in collaboration with CRT Japan, aimed to deepen employees' understanding of the 30 rights set out in the Universal Declaration of Human Rights, the current "Business and Human Rights" landscape, and how companies are expected to respond. It also enhanced employees' awareness of the Group's human rights initiatives to date. After completing the program, the employees took a comprehension test to reinforce their learning and to promote practical application of the knowledge acquired.

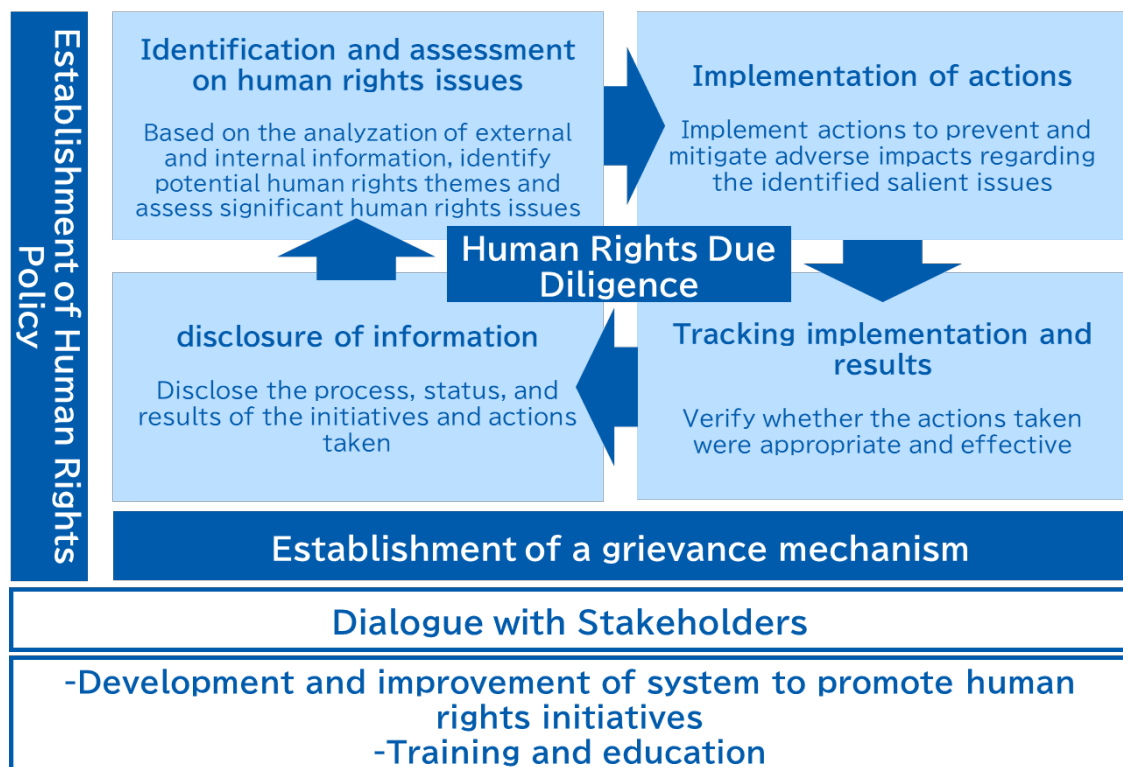
Human Rights Due Diligence

Basic Concepts and Approach

Through human rights due diligence efforts in accordance with the methods described in the UNGPs, the Group is building a management system that also takes into account external perspectives.

Specifically, we continuously implement a process that includes: identifying adverse human rights impacts in which we may be involved, assessing the actual situation regarding the identified impacts and taking appropriate measures to prevent and mitigate the impacts, tracking the implementation status and results of the measures, and disclosing the progress and results of the initiatives to the public.

<Human Rights Due Diligence Basic Flow>



Identification of Human Rights Themes (Implementation of Risk Assessment)

The Group analyzes information from both external and internal perspectives to identify potential human rights themes of concern in its business activities along the value chain.

From July to October 2023, we organized and analyzed information from an external perspective. We conducted a desktop survey on human rights risks and gathered information from international organizations, NGOs, government agencies, and other research organizations, as well as the insights of external experts. By cross-checking such information with the data regarding each basis of the Group and procuring raw materials that was collected with survey sheets, we identified potential human rights themes based on objective data. In this work, we analyzed information based on the types of risks proposed in the OECD “Due Diligence Guidance for Responsible Business Conduct” (sector risks, product risks, geographic risks, and enterprise-level risks). We have identified human rights issues in the chemical sector, the issues related to minerals as raw materials, and the issues in each country and region where the Group’s bases are located. This work was conducted by TdR and CRT Japan as third-party organizations and confirmed at regular meetings held by the Group.

As for organizing and analyzing information from an internal perspective, we held a human rights due diligence workshop for 29 practitioners, including managers from various departments and Group companies on October 31, 2023. At the workshop, participants shared with each other potential human rights issues and initiatives in the Group’s business activities. The participants discussed where and what issues exist in the Group’s value chain (such as development and design, procurement, manufacturing, logistics, sales, use, and disposal), and how they are proposed to be addressed, and identified potential human rights risks of concern from a practical standpoint. The results were reviewed by third-party organizations, TdR and CRT Japan, at regular meetings held by the Group.

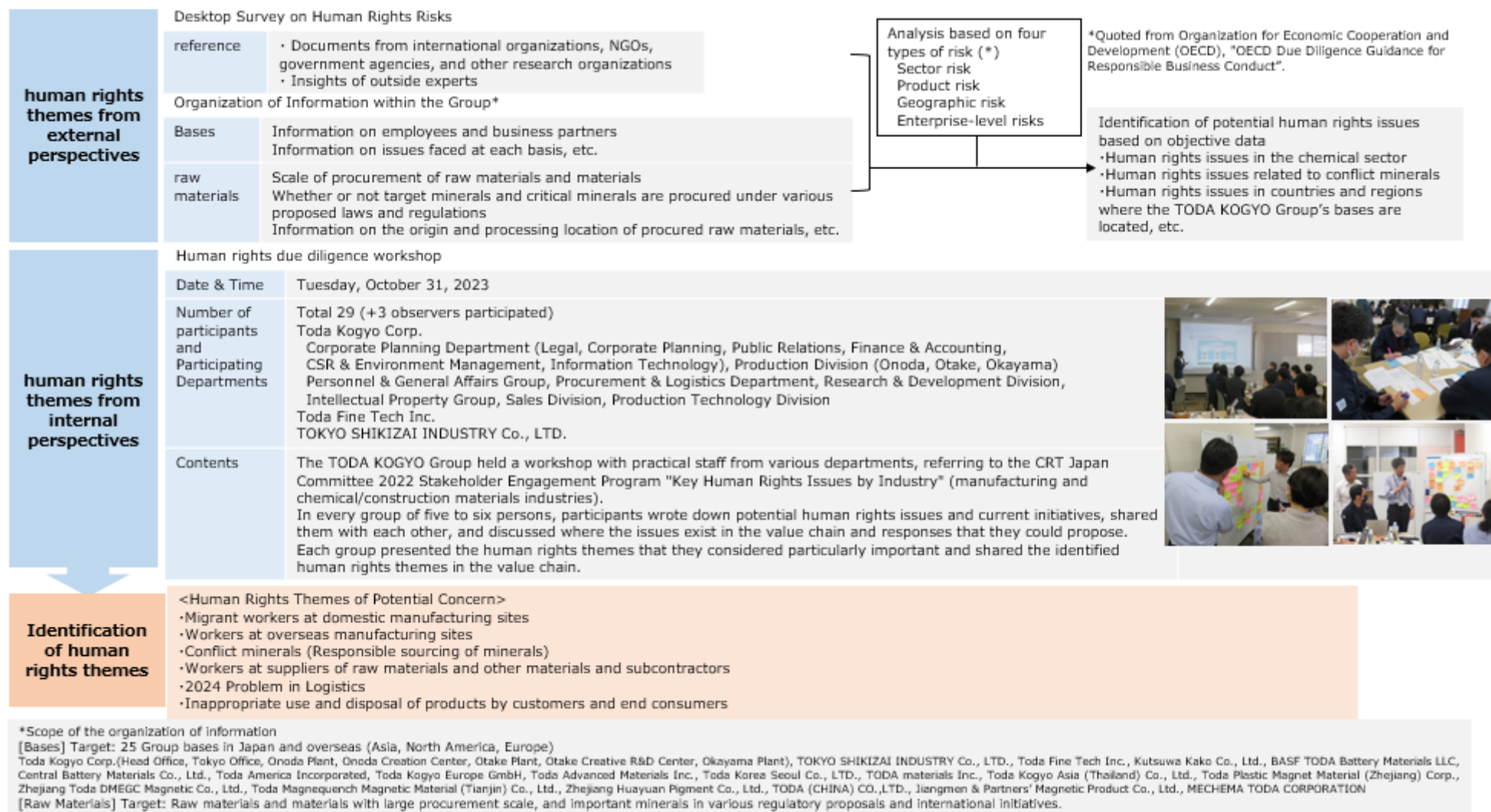
Based on the results of the above identification of human rights themes from both external and internal perspectives, and taking into consideration the opinions of external experts, we have identified the following human rights themes that are of concern for their potentially significant adverse impact on society.

<Human Rights Themes of Potential Concern>

- Migrant workers at domestic manufacturing sites
- Workers at overseas manufacturing sites
- Conflict minerals (Responsible sourcing of minerals)
- Workers at suppliers of raw materials and other materials and subcontractors
- 2024 Problem in Logistics
- Inappropriate use and disposal of products by customers and end consumers

Among these, we identified the following two priority themes: 1) Migrant workers at domestic manufacturing sites and 2) Workers at overseas manufacturing sites, based on their significance from a third-party perspective, the status of management measures for the issues, and the possibility of direct engagement and dialogue with rights-holders as assessed through a desktop survey. Following discussions with third-party organizations, TdR and CRT Japan, we decided to implement the full human rights due diligence process for 1) Migrant workers at domestic manufacturing sites from FY2024, subsequently expanding to 2) Workers at overseas manufacturing sites.

<Risk Assessment Process Flow>



Assessment of Human Rights Issues (Impact Assessment)

In FY2024, of the two priority themes, we decided to start with Migrant workers at domestic manufacturing sites and specifically focus on technical intern trainees, who are likely to be placed in a vulnerable position due to the risks identified in external expertise. Although no technical intern trainees were confirmed as being employed by the Group, it was confirmed that our major business partner, KICHINAN GROUP, Inc. (the business partner), employed technical intern trainees, who were engaged in packaging and transportation work at Okayama, Otake, and Onoda plants, which are domestic manufacturing bases.

Therefore, in July 2024, we conducted an assessment of human rights issues (impact assessment) for technical intern trainees employed by the business partner and engaged in on-site work at Okayama, Otake, and Onoda plants, which are domestic manufacturing bases. TdR and CRT Japan, as third-party organizations, visited the sites and interviewed 20 technical intern trainees and their managers. The interviews were conducted in a group interview format in a private room with an interpreter present in Indonesian or Bengali, the trainees' native language, so that they could communicate smoothly and comfortably. During the interviews, participants were asked questions based on the Dhaka Principles to ascertain the work and living environment of the trainees. The Dhaka Principles are international principles for the responsible recruitment and employment of migrant workers developed by the Institute for Human Rights and Business (IHRB). In addition to conducting interviews, on-site visits to the trainees' workplaces and dormitories were also conducted to confirm the environment in which the trainees are placed.

As a result of the impact assessment, we confirmed that the technical intern trainees indicated few concerns or problems with their living and work environments and were satisfied with the support system provided by the company and the supervisory organization. No serious problems were identified with the employment contract and work system, and the payment of salaries and safekeeping of passports and other identification documents were properly managed. The dormitories and apartments provided were also properly managed. Appropriate training and protective equipment were provided for work, and any problems could be resolved through mutual support among the trainees and interaction with Japanese staff in the workplace. On the other hand, some concerns were voiced by some trainees about living insecurity due to the high cost of living and the weak yen currency, and also about the lack of language communication with Japanese staff. Although there were no complaints of problems from the trainees, some sites did not implement the following measures: the simultaneous use of their native languages in the pay slips provided and notices in the offices, safety education on chemicals, and the provision of prayer space for Muslims. To further respect human rights, the Group has provided feedback on the comments of the trainees interviewed to the managers of the business partner, and has worked together with them to make improvements.



Implementation of Actions and Tracking

Based on the results of the assessment of human rights issues (impact assessment) conducted in July 2024, the Group has been working with the business partner to implement measures in terms of living environment, language support, safety education on chemicals, respect for religion, dormitory environment, communication, and access to remedy for the technical intern trainees.

To verify the effectiveness of the measures, we have conducted two third-party tracking surveys to date. Based on the results, we endeavored to advance genuinely effective initiatives for respecting the human rights of technical intern trainees. For details of the initiatives, please refer to the table titled “Status of Actions and Tracking Survey Results.”

In a tracking survey in January 2025, TdR and CRT Japan, as third-party organizations, conducted online interviews with the technical intern trainees at the Okayama, Otake, and Onoda plants, focusing on those interviewed in the impact assessment, to evaluate the effectiveness of the initiatives.

As a result, it was confirmed that, although the progress of the initiatives differs from site to site, some of the plants have implemented the use of their native languages on pay slips and notices in the site, creating an environment in which the trainees can obtain accurate information without any misunderstanding. Japanese staff members consulted with the trainees regarding the use of native languages on warning signs, and it was clear that improvements were being made based on communication with the trainees. Other improvements were confirmed in the implementation of safety education for the trainees who handle chemicals, and in the awareness of the storage of valuables. In addition, it was confirmed that the trainees were aware of the consultation service

in their native language provided by the supervising organization and use it as a place to consult. On the other hand, some plants had not made sufficient improvements. Cases were identified where pay slips and warning labels were not provided in or alongside the trainees' native languages, which was recognized as an issue that should continue to be addressed. Some trainees said that safety training on chemicals, while meaningful in content, was difficult to understand in Japanese, and the Group and the business partner recognized the need for training that is more conscious of improving the trainees' level of understanding. In addition, some trainees continued to voice concerns about communication with Japanese staff, and we recognized the need to conduct harassment training and follow-up. The Group conducted harassment training in February 2025 after the tracking survey. Some trainees also voiced concerns about the infrequency of meetings with supervising organization personnel. Other concerns were raised about allowances for hazardous work and support for National Trade Skills Tests, which had not been voiced at the time of the impact assessment. We believe that these issues can be improved through adequate communication with the trainees. The Group has worked with the business partner to address the issues raised in the tracking survey.



Watch your step

段差あり 足元注意

Hati-hati dengan langkahmu, karena masih ada langkah

একটি পদক্ষেপ হিসাবে আপনার পদক্ষেপ সতর্কতা অবলম্বন করুন

開放厳禁



粉じん拡散を防ぐため

Untuk mencegah debu menyebar
যাতে ধূলাবালি ছড়াতে না পারে

ドアを開けっ放しにしないこと
jangan biarkan pintunya terbuka
দরজা খোলা রেখে যাবেন না

開けたら必ずドアを閉めること
Selalu tutup pintu setelah membukanya
দরজা খোলার পর তা সবসময় বন্ধ করে দিন

ドアに足跡を付けないこと
jangan tinggalkan jejak kaki di pintu
দরজায় পায়ের ছাপ রাখবেন না

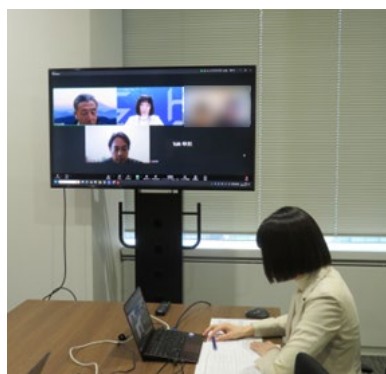
ドアを蹴ったりしないこと
jangan tendang pintunya
দরজায় লাথি মারবেন না

In next tracking survey in December 2025, as a previous survey in January, TdR and CRT Japan, the third-party organizations, conducted online interviews with the technical intern trainees to reconfirm improvement of the environment and the issues.

As a result, although many trainees were interviewed for the first time, they did not raise concerns or problems regarding living or workplace conditions. It was therefore indicated that the business partner continued to provide a highly satisfactory workplace environment, consistent with the previous year.

While steady improvements were observed in several areas, such as language support and safety education on chemicals, based on the trainees' feedback, other areas requiring continued attention remained, including provision of safety boxes and raising awareness of the consultation service. Safety education on chemicals was improved based on rights-holders' voices. In response to feedback that it was difficult for the trainees to understand the safety education in Japanese, safety education was provided in Indonesian. Following the tracking survey, measures were taken to again raise awareness among the trainees regarding the safety boxes and consultation service and to reinforce the improvements.

The Group will continue to communicate with the technical intern trainees and work with our business partners to implement measures and improve the environment. Furthermore, we will continue to build trust with trainees by providing feedback on the results of the interviews and the measures.



<Status of Actions and Tracking Survey Results>

Issues identified in impact assessment (as of July 2024)		Initiatives taken or under consideration (July 2024-December 2025) following an impact assessment (July 2024) and tracking survey (January 2025)	Issues identified and confirmed in 2 tracking surveys (January and December 2025)
Living environment	Due to the recent trend of high prices and a weak yen in the foreign exchange market, the technical intern trainees are having difficulty making a living on their basic salary alone. Many of them are requesting overtime work.	Making a more conscious effort to communicate with the trainees daily on their living conditions and health. This involves regularly visiting the trainees' dormitories and engaging in casual conversation.	Living conditions continue to be difficult due to the effects of high prices and the weak yen currency. It is desirable to continue to regularly check on the living conditions of the technical intern trainees.
Language support (pay slips)	Since pay slips are written in Japanese, the trainees use translation tools to check the contents.	Providing pay slip templates with explanations in the trainees' native languages and displaying them in the business office. Also providing information using communication tools and handing out printed copies to new trainees.	Identified some instances where explanations and information sharing were provided in the trainees' native languages. At the plants where no such measures were reported (by the trainees), it was advisable to verify whether the information reached everyone. Although some trainees did not seem to consider the absence of information sharing in their native languages to be problematic, this issue should be addressed to improve transparency. and the procedures for accepting new trainees.

Language support (warning signs at work sites)	At some sites, the native language of warning signs is not compatible with some languages, which may be difficult for the trainees to understand.	Gradually increasing dual-language signs alongside the trainees' native languages.	Some plants were confirmed improvements in dual-language signs through communication with the trainees. In other plants where such improvements were not confirmed, this issue should be continuously addressed to improve.
Safety education on chemicals	The trainees do not understand the details of the chemicals they are handling.	Gradually implementing safety education on hazardous materials. Based on tracking surveys, we are making efforts to deepen the trainees' understanding by utilizing materials and videos in their native languages published by the Ministry of Health, Labour and Welfare in Japan.	The first tracking survey confirmed that the safety education was implemented. Further education would focus on improving the trainees' understanding. The second tracking survey confirmed that safety education was implemented in the trainees' native languages at several plants. At plants where no such safety education was confirmed, no issues were reported by the trainees.
Hazardous work		Following feedback from a tracking survey, the managers have ensured that the trainees were fully informed about the safety of the work. As long as the procedures are followed and multiple people are present to verify, there is no danger. Trainees can be exempted from work if they request it.	The impact assessment confirmed that the trainees understood they would be safe as long as they wore the provided protective gear properly and followed the procedures although the work involved hazardous work and heavy labor. The first tracking survey identified that some trainees had reported feeling unsafe during certain work. The second tracking survey identified no such issues.

Religion (Prayer area)	While there are Muslims among the trainees and the practice of praying, the prayer area is not often used. At some plants, the prayer area is part of the locker room.	To promote awareness of the prayer area and consider changing the location of the prayer area if it is located in a locker room that is also used by employees.	Although the trainees have not voiced any concerns, there has been no change in their perception of prayer locations. It is desirable to continue to consider the location and usage through communication with the trainees.
Dormitory (storage of valuables)	There is a locked storage area (safety box) in the dormitory for storing valuables, but most of the trainees do not use it. The safety boxes are not fireproof.	Safety boxes are provided and made known to the trainees, but their use is not enforced. To consider taking measures if the trainees wish to have fireproof safety boxes.	Dormitory (storage of valuables) Compared to the time of the Impact Assessment, it was confirmed that awareness and use of the safety boxes have progressed. Since some trainees believed they were not provided with a safety box, it is advisable to verify whether all trainees had been provided, and to re-notify the information.
Communication	Some trainees raised concerns about communication with Japanese staff.	Regularly conduct harassment training at our plants. The business partner also regularly conducts harassment training.	The first tracking survey, concerns continued to be raised and actions were considered necessary. This included conducting training not yet implemented and periodically monitoring the trainees. The second tracking survey identified no particular issues.
Access to remedy (Consultation Service)	When the trainees have problems in their work or life, they try to resolve them through communication with their colleagues in the workplace. There is no contact point where they	Promoting awareness and use of the consultation services provided by the supervising organization and the business partner, instead of setting up third-party contact points. The supervising organization provides and promotes a consultation service in	The first tracking survey confirmed that many trainees were aware of and used the consultation services provided by the supervising organization, but not those provided by the business partner. Some trainees asked TdR and CRT Japan

	can file a complaint anonymously with a third-party organization.	the trainees' native language. Although the business partner provided its own consultation services, they were not well informed, therefore, we are working to raise awareness.	about how to contact third-party organization. The second tracking survey identified that some trainees were still unaware of the consultation service provided by the supervising organization. Continued action is desired regarding the consultation services.
Access to remedy (meeting with supervising organization)	At some plants, there appears to be a lack of regular meetings with the supervising organization's staff, and there are concerns about the care provided for the trainees.	Discussed with the business partner to improve the frequency of meetings between the supervising organization and the trainees. As the supervising organization's staff was unable to have meetings with trainees on the night shift, it was decided they would check the trainees' work schedules in advance and arrange visits accordingly. We are following up so the meetings take place.	The first tracking survey identified that regular meetings with the supervising organization's staff had not been conducted in some plants since the impact assessment. The second tracking survey confirmed that regular meetings with the supervising organization's staff had been conducted at all plants.

Priority Theme 2: Workers at overseas manufacturing sites

We identified “Workers at overseas manufacturing sites”, as one of the priority themes, based on the risk assessment conducted in FY2023. The Group recognized that our understanding of the living and working conditions of workers at our overseas sites was insufficient and decided to conduct an assessment of human rights issues (impact assessment) specifically targeting workers at manufacturing sites in Asia, where a significant number of human rights issues had been identified during a desktop survey.

In September 2025, we initially conducted online interviews with managers at one of our group companies, Toda Kogyo Asia (Thailand) Co., Ltd. After sharing information regarding business and human rights as well as the Group's initiatives in advance, we interviewed both the Japanese Managing Director and the Thai Managers to confirm the management status of workers employed at the Thai site. An interpreter was present during the interview with the Thai manager, and the interview was conducted in Thai language.

Through this interview, we gained an understanding of the

organizational structure, employees and the state of communication among employees at the Thailand site. We also established a cooperative relationship for the future impact assessment. We will continue to work closely with the local partners to prepare for an on-site visit and the impact assessment in FY2026.

Future Initiatives

The Group will continue to work with the business partner to address the human rights issues identified through the impact assessments and tracking surveys with regard to the theme of Migrant workers at domestic manufacturing sites, while engaging in dialogue with the technical intern trainees as rights-holders.

We will also conduct an impact assessment on “Workers at overseas manufacturing sites,” the second priority theme, and check on the existence or possibility of human rights violations through direct dialogue with rights-holders. If we recognize an existence or possibility of adverse impact on human rights, we will take action to prevent or mitigate it. We also track the effectiveness of the actions we have taken. We will also extend the knowledge gained from the establishment of the management system based on external perspectives through human rights due diligence to our entire value chain, including our business partners.

The Group will repeatedly and continuously implement these human rights due diligence processes and disclose the progress and results of our efforts to external parties. As part of our efforts to build a relationship of trust with rights-holders, we will also promote the development of grievance mechanisms.

| Stakeholder Dialogue

Since FY2024, the Group has held dialogues with overseas experts with expertise in business and human rights for the purpose of improving our human rights initiatives and obtaining advice.

Initiatives for FY2024

As a result of a stakeholder dialogue held on October 21, 2024, it was confirmed that there are no problems in the way the Group is proceeding with its efforts to respect human rights based on the UNGPs, and the Group was commended for setting up questions based on the Dhaka Principles in the interview survey for the assessment of human rights issues (impact assessment).

The experts advised that regular follow-up is important in dialogue with rights holders, that education on cross-cultural understanding is important in light of the increasing number of migrant workers in Japan, and that it is desirable to expand the efforts of individual companies to the entire industry and supply chain.

On October 25, the project leader of the Group gave a presentation at the 13th International Conference on Business and Human Rights in

Tokyo, hosted by CRT Japan, where he shared information on the Group's efforts to respect human rights.

<Summary of Stakeholder Dialogue>

Date and time	Monday, October 21, 2024, 13:00-14:30
Venue	AP Tokyo Marunouchi
Overseas experts	•Mr. Guna Subramaniam Southeast Asia Regional Advisor, Migrant Workers Programme Institute for Business and Human Rights •Ms. Talya Swissa Engagement Manager, World Benchmarking Alliance •Dr. Bonny Ling Executive Director, Work Better Innovations •Ms. Lailani Tolentino-Rahon Country Manager, The Mission to Seafarers •Mr. Rishi Sher Singh Supply Chain Sustainability Expert, Advisor of Caux Round Table Japan



Initiatives for FY2025

Initiatives for FY2025 On October 20, 2025, similar to the previous fiscal year, we held a dialogue with overseas experts to discuss the Group's initiatives regarding respect for human rights. The experts commended our efforts to respect human rights, which were being advanced in accordance with the UNGPs. They emphasized the importance of continuing our human rights due diligence initiatives and sharing the insights gained within the Group. Given that we were planning an impact assessment in Thailand in the next fiscal year, and issues had been raised in Thailand regarding migrant workers from Myanmar, the experts emphasized the importance of recognizing such region-specific issues and engaging in dialogue with rights holders. Regarding grievance mechanisms, we were advised that building trust and accumulating experience through human rights due diligence efforts would encourage rights holders to voice their concerns more easily.

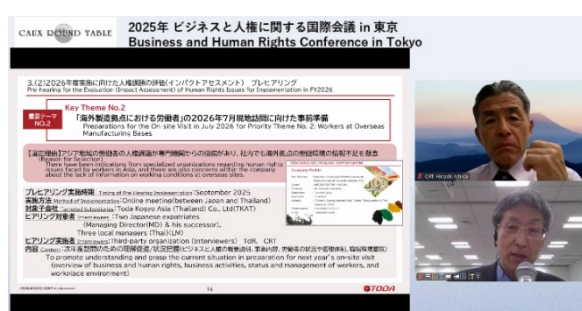
On October 24, the project leader of the Group gave a presentation at the 14th International Conference on Business and Human Rights in Tokyo, hosted by CRT Japan, where he shared information on the Group's

efforts to respect human rights, and also deepened understanding of the latest international trends on business and human rights shared by the experts on the panel, as well as the latest efforts by Japanese companies to promote business and human rights through presentations by other panelists.

The Group will continue to promote respect for human rights, drawing on the lessons learned from these dialogues with external stakeholders.

<Summary of Stakeholder Dialogue>

Date and time	Monday, October 20, 2025, 13:00-14:30
Venue	AP Tokyo Marunouchi
Overseas experts	•Mr. Neill Wilkins Independent Business Advisor, Ethical Impact, Advisor of Caux Round Table Japan •Dr. Bonny Ling Executive Director, Work Better Innovations •Ms. Lailani Tolentino-Rahon Country Manager, The Mission to Seafarers •Mr. Rishi Sher Singh Supply Chain Sustainability Expert, Advisor of Caux Round Table Japan



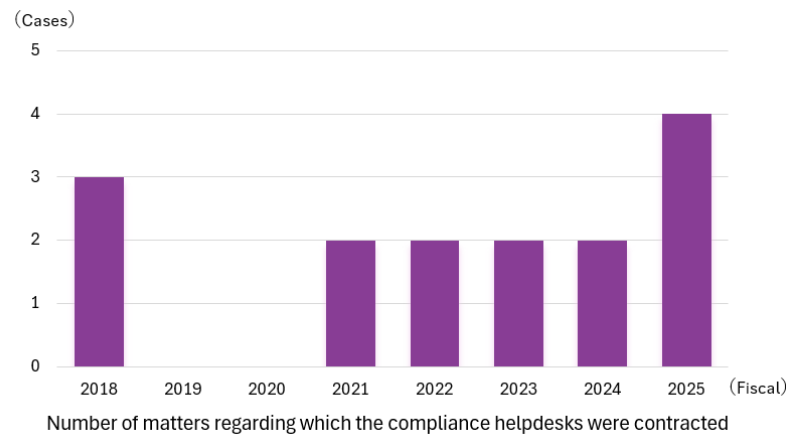
Grievance Mechanism

The Group has established the following whistleblower systems.

Compliance Helpdesks

We have established compliance helpdesks both internally and externally. Internal personnel including the full-time Audit and Supervisory Committee member work for the internal helpdesk and our legal advisors are available for the outside helpdesk. Each helpdesk has at least one female member. To facilitate contacts and to protect those who do contact helpdesks, we provide a broad range of options for contact, including oral communication, phone, e-mail, and writing. The helpdesks also accept anonymous contacts. The fact that any of the helpdesks is contacted and the information provided is treated as confidential information and under strict control to prevent those who make contact from being disadvantaged.

From FY2018 onward, the results are as follows, including those related to harassment.



Harassment Helpdesk Program

We have set up helpdesks at the department in charge and at an outside law firm. These helpdesks receive inquiries and complaints about acts of harassment and abuse and take proper actions in accordance with the Harassment Prevention Regulations.

In accordance with the UNGPs, the Group will gradually establish a grievance mechanism targeting rights holders who may be negatively affected by corporate activities, including those outside the Group, while engaging in dialogue with rights holders through Impact Assessments and other initiatives.

—— Contact: Personnel & General Affairs Department ——