T.RAD Co., Ltd.

SUSTAINABILITY REPORT 2026

Table of Contents

01

02 Advancing ESG -Environment-

03 Advancing ESG -Society-

04 Advancing ESG -Corporate Governance-

■Special Note Regarding Forward-Looking Statements / Disclaimer

This report contains forward-looking statements, including information regarding the Group's future outlook, plans, and forecasts. These statements are based on historical facts and information currently available to the Company and are subject to various risks and uncertainties, including changes in economic conditions and the business environment surrounding the Group. Actual results may therefore differ materially from those expressed or implied in such statements. While every effort has been made to ensure the accuracy of the information contained in this report, the Company does not guarantee its completeness, accuracy, or timeliness. The Company shall not be held liable for any trouble, loss, or damage arising from the use of, or errors or omissions in, the information contained herein.

■Inquiries

https://www.trad.co.jp/databox/data.php/contact05_en/code

Editorial Policy

T.RAD Co., Ltd.(hereafter referred to as , "T.RAD") reports its environmental, social, and governance (ESG) initiatives in this report and on its website. This report has been prepared with reference to the GRI Sustainability Reporting Standards. In addition, this report was issued following review and approval by the relevant departments, the Sustainability Committee, and the respective Activity Subcommittees.

Reporting organization

・Organization: T.RAD Co., Ltd., and its domestic and overseas consolidated subsidiaries

Reporting Period

・Reporting period: Domestic: April 2025 to March 2026
Overseas: January 2025 to December 2025
・Reporting cycle: Annual
・Previous Issue Date : End of July 2025

■Reference Guidelines

"GRI Sustainability Reporting Standards"
・ISO26000
・Ministry of the Environment, Environmental Reporting Guidelines (2018 Edition)
Ministry of the Environment, Environmental Accounting Guidelines (2005 Edition)

■Disclosure Framework

Financial Information

・Financial Results
・Securities Report
・Business Reports, etc.

Non-financial information

・Environmental and Social Initiatives
・Corporate Governance
・Environmental Data, etc.

T.RAD Sustainability Report 2026

Websiite: https://www.trad.co.jp/index.php/topic/home_en

■Company Information

Company Profile
Click here

Management Philosophy
Click here

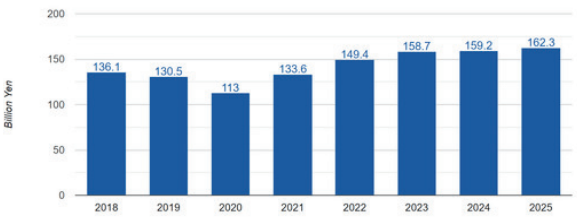
Company History
Click here

List of Locations
Click here

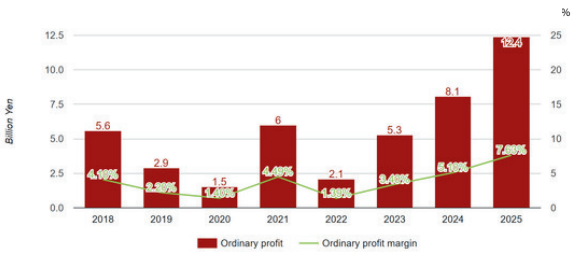
IR Information
Click here

T.RAD Management Index
As of May, 2026

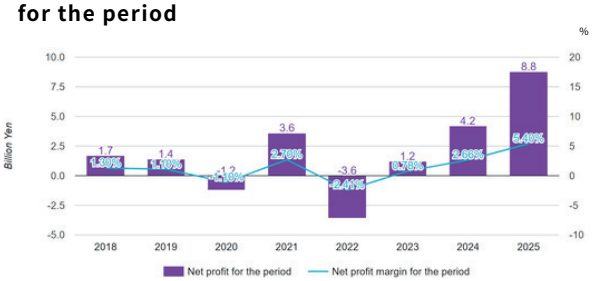
Amount of Sale



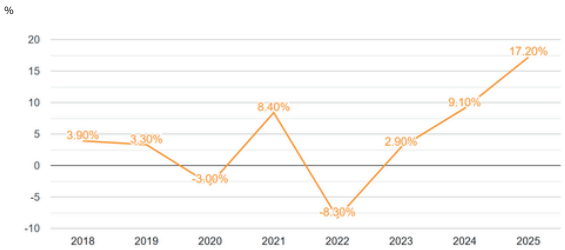
Ordinary profit / Ordinary profit margin



Net profit for the period / Net profit margin for the period



ROE



Company's History
89 years

Since established in 1936, our company has been developing along with Japan's economic growth, as a leading manufacturer of heat exchangers by foreseeing ahead of its time.

Based in
5 Hub System in the world

Having the base in Japan with our joint ventures in Europe, Asia, China and North America, we have established a strong global market system. Such venture companies have also been contributing to modernization of local industry.

Number of employees
4,000 or more

The number of group-wide employees (consolidated) is 4,000 or more. Thus, our business field is extensive around the world.

Employees' Average Age
41.4 years old

Even young employees are assigned to large projects depending on their capability. They are able to engage in work at their own discretion.

Number of Engineers
250+

T.RAD has more than 250 engineers who are making efforts for achieving development. At this scale, employees' proposals can be responded and realized at remarkable speed.

Holidays in a Year
121 days or more

In addition to five-day workweek, there are various holiday acquisition systems.

Contributing to a Sustainable Society Through Heat Exchanger Technologies Cultivated Since Our Founding

The global business environment continues to evolve rapidly, driven by geopolitical developments, foreign exchange fluctuations, and changing economic conditions. Against this backdrop, the assumptions underlying our business operations are constantly shifting. In fiscal 2025, we advanced initiatives aligned with the goals of T.RAD-2025 by leveraging the Group's core strengths and technological expertise.

To expand market share and enhance profitability, we are actively pursuing the expansion of production facilities and manufacturing capacity in the United States, Japan, and other regions. In the automotive industry, alongside the growth of battery electric vehicles (BEVs), we recognize the increasing importance of multi-pathway solutions that support diverse powertrain technologies. As a specialized heat exchanger manufacturer with world-class expertise and engineering capabilities, we continue to develop and supply advanced heat exchanger products compatible with a wide range of mobility solutions, contributing to the realization of carbon neutrality.

India remains one of our key growth markets. Our joint venture with the TATA Group, India's largest conglomerate, has a history spanning 28 years. By combining the strengths, resources, and expertise of both T.RAD and the TATA Group, we continue to expand our business and strengthen our presence in the region.

We are also exploring next-generation technologies and new business opportunities, including heat exchangers for AI-related data centers, humanoid robotics, and aerospace applications. In addition, we are promoting new business domains through the expansion of T.RAD Connect and the external deployment of digital transformation (DX) tools.

Our expertise in developing lightweight, high-performance heat exchangers directly supports the advancement of green transformation (GX). At the same time, we continue to promote carbon neutrality (CN) initiatives through the introduction of energy-efficient facilities and the expanded use of solar power generation. Furthermore, we are advancing circular economy (CE) initiatives by increasing the use of recycled materials such as aluminum and plastics, as well as nature-positive (NP) activities including water conservation and community cleanup efforts.

Since our founding in 1936, T.RAD has been a pioneer in heat exchanger manufacturing, providing products for a wide range of applications, including the automotive industry. Guided by our management philosophy of contributing to a sustainable society through outstanding thermal energy conversion technologies and services, we remain committed to supporting both industrial development and environmental sustainability.

In 2026, we will celebrate the 90th anniversary of our founding. Looking ahead, we will continue striving to create value for our customers, shareholders, employees, business partners, and local communities through manufacturing excellence and environmental contribution.

We look forward to your continued understanding and support.

President & CEO & COO

宮崎 富夫

TOMIO MIYAZAKI

Sustainability Basic Concept/Basic Philosophy

■Basic Approach to Sustainability

The sustainability management pursued by T.RAD Co., Ltd. (including its subsidiaries, hereafter, "T.RAD") aims to achieve both “contribution to a sustainable society” and “long-term sustainable growth.” In our existing businesses, we address social issues such as reducing CO_2 emissions, mitigating global warming, promoting a circular economy, preserving natural capital and biodiversity, and respecting human rights. Through these initiatives, we strive to contribute to the achievement of the Sustainable Development Goals (SDGs).Furthermore, in order to contribute to a sustainable society while achieving long-term sustainable growth, we have established a Basic Sustainability Policy based on our corporate philosophy. We believe that contributing to the sustainable development of society through our business activities represents the essence of our sustainability initiatives.

■Basic Philosophy on Sustainability

T.RAD embraces a management philosophy of contributing to the development of a sustainable society that is harmonious with both society and the global environment. Through our business activities, we strive to create value for society while pursuing the well-being of all stakeholders.To realize this philosophy, we are committed to contributing to the resolution of social issues and the sustainable development of society as a company trusted by our stakeholders, under an appropriate framework of corporate governance.

We also request our business partners to understand and support this policy and to act in accordance with the following principles:
▶ Comply with international rules and applicable laws and regulations, prevent corruption, and conduct business in a fair and sincere manner.
▶ Respect human rights, prohibit discrimination, and eliminate all forms of forced labor.
▶ Value dialogue with stakeholders and disclose information in a timely and appropriate manner.

■Action Guidelines on Sustainability

Global Environment	We will strive to minimize the environmental burden by promoting the development of superior thermal energy conversion technology to prevent global warming and environmentally friendly production activities. We will also contribute to the conservation of biodiversity and the realization of a sustainable society	
Customers	We will endeavor to prevent corruption, conduct business fairly and sincerely, and provide safe and secure products.	
Employees	We believe that the safety and health of our employees is the foundation of our growth, and we will strive to improve the working environment, emphasize diversity, respect the freedom of association and the right to collective bargaining.	
Business Partners	To open doors widely, regardless of country or size, and to reflect each other from a long-term perspective. We are committed to achieving this goal.	
Shareholders and Investors	Based on mutual dialogue, we aim to increase and return corporate value through long-term, stable growth.	
Local Communities	We will respect the culture and supervision of each country and region, and strive to contribute to the harmony and development of local communities.	

Sustainability Promotion Structure

To contribute to the realization of a sustainable society and achieve long-term sustainable growth, we have established the Sustainability Committee, chaired by the President, with four subcommittees operating under its framework. In collaboration with each division, the Committee promotes initiatives to address key sustainability issues.

Chairman:
President & CEO & COO
Tomio Miyazaki

Sustainability Committee

■Activities
- Resolution of the Basic Policies on Human Rights, Environment, Quality, and Occupational Health & Safety
- Approval of Medium- to Long-Term Plans
- Review and approval of the medium- to long-term visions and proposals of each subcommittee, as well as risk management

Business Administration Department

Managing Executive Officer
in charge of Production & Procurement
Hirokazu Urano

Managing Director in charge of
Sales, Technology and Quality
Tatsuya Kikuyama

Managing Executive Officer
in charge of Business Management
Yasushi Hotta

Green Office Subcommittee
Chair: Executive Officer in Charge of Production & Procurement

Participating Departments

Departments: Factory Management, Production, Production Technology, Business Management
Certified Energy Manager

Activities

- Reduce environmental impact from production activities (energy, water, waste)
- Implement equipment to improve production efficiency
- Enhance employee environmental awareness

Environmental Products Subcommittee
Chair: Executive Officer in Charge of Sales & Technology

Participating Departments

Departments: Production Technology, Development & Design, Sales, Procurement, Business Management

Activities

- Develop and validate environmentally friendly products
- Manage chemical substances and track sales ratios
- Promote systematization of CO_2 reduction data acquisition

GX Subcommittee
Chair: Executive Officer in Charge of Business Management

Participating Departments

Departments: Factory Management, Production, Sales, Development & Design, Procurement, Accounting & Finance, Business Management

Activities

- Actively and strategically disclose information based on TCFD (Task Force on Climate-related Financial Disclosures) and TNFD (Task Force on Nature-related Financial Disclosures).
- Present scenario analysis results to management.

Business Continuity Subcommittee
Chair: Executive Officer Responsible for Business Management

Participating Departments

Departments: Factory Management, Production, Production Technology, Production Coordination, Technology Management, Sales, Procurement, DX Promotion, Business Management

Activities

- Conduct business continuity drills (including evacuation drills)
- Implement disaster mitigation activities
- Review and improve BCM, BCP, and BIA
- Establish collaboration system across customers and the supply chain
- Reduce IT risks (cybersecurity measures)

※For certain material sustainability issues, including human rights, occupational health and safety, and diversity, responsible divisions have been designated to promote company-wide initiatives.

Value creation process

Our Group aims to establish a business structure that contributes to sustainable development by addressing various social issues through its business activities and promoting the creation of shared value with society. We also seek to contribute to the achievement of the relevant SDGs by addressing identified key issues.

T.RAD's Vision

We will continue to create new value by solving issues through our business activities in response to social issues surrounding the world.

Social Issues Needs

Economy	Environment	Technology	Labor
• Globalization of the economy • Polarization of society • Expansion of markets in emerging countries • Expansion of production in emerging countries	• Extreme weather events • Acceleration of environmental measures • Realization of a decarbonized society • Electrification of vehicles	• Digital transformation • Automation through AI • Robotization • Information connectivity via IoT	• Declining birthrate and labor shortage • Human rights and diversity • Improvement of education levels • Employees' work awareness contributing to mental satisfaction

- Management Philosophy
- Corporate Slogan
- Code of Conduct / Action Guidelines
- CSR Policy

Material Issues

• Strengthening overseas subsidiaries • Development of locally hired personnel • Redistribution of production	• Challenge to achieve zero CO_2 emissions in factories • Realization of energy-efficient production • Fully green procurement • Development of products for electric vehicles	• Energy- and cost-efficient production • Energy- and cost-efficient logistics • Improvement of efficiency in indirect operations • Workstyle reform through IT	• Creation of workplaces where employees can achieve self-fulfillment • Workstyle reform and improvement of workplace environment • Human resource development through manufacturing

Risk Analysis

Understanding the risks that exist for the company and how to manage them is a critical issue. Our company conducts risk assessments, and the management team uses the results as a guideline to inform policy formulation.

Input

Financial Capital	Manufacturing Capital Facilities, Equipment, & Manufacturing Technology	Intellectual Capital Research & Development & Intellectual Property
Human Capital Employee Skills and Experience	Social and Relationship Capita Collaboration with Stakeholders and Local Communitiesl	Natural Capital

Business Activities and Strategy

Corporate Vision

1. A company that realizes GX
2. A company that continues to earn satisfaction and preference of customers
3. A company trusted by its stakeholders
4. A company that values its people
5. A company that achieves stable profitability
6. 5C+2S+3R(*)

*Challenge, Change, Cooperation, Cocreation, Connect + Speed, Share + Reduce,Reuse, Recycle

Business Foundations

Medium- to Long-Term Vision
Sustainability Mid-Term Plan
ESG Initiatives

Output

Development and Proposal of Environmentally Friendly Products

Support for Various Components

+

Creation of New Businesses T.RAD Connect

Advance digital transformation, utilize IoT and AI in cloud applications, and generate innovative business solutions

Outcome

Financial Capital (FY ending March 2026)

Net Sales ¥159.2 billion

Ordinary Profit Margin 5.1%

ROE 9.1%

Social Value (Contribution to Stakeholders)

Natural Environment
- Mitigate global warming by reducing CO2 emissions
- Address climate change
- Consider biodiversity conservation

Business Partners
- Fair and Free Competitive Environment
- Proper Transaction Environment
- Responsible Procurement

Employees
- Create a Comfortable and Supportive Work Environment
- Promote Diversity & Inclusion
- Provide Opportunities for Skill and Career Development

Global Society
- Contribute to the Global Society through Business Activities
- Promote the Vitality of the Global Society

Continuous Corporate Value Enhancement through a Cycle of Value Creation

Materiality and SDGs

STEP.1

Identification and categorization of issues

Analyze social requirements based on GRI Standards, SDGs, ISO26000, and other international guidelines, as well as surveys by ESG assessment organizations, and identify the current status of our CSR activities.

STEP.2

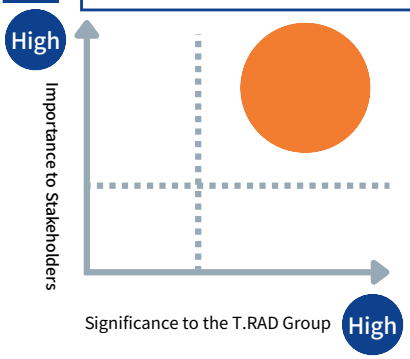
Prioritization

We comprehensively evaluated the issues identified in STEP.1 on the two perspectives:"importance to stakeholders" and "importance to our group“ taking into account both risks and opportunities. Based on this assessment, we identified the priority issues to be addressed.

STEP.3

Validation and Approval
≪Identification of Materiality≫

The materiality that summarizes the outcome of STEP.2 is discussed and approved by the Sustainability Meeting, which is chaired by the president (p.6).



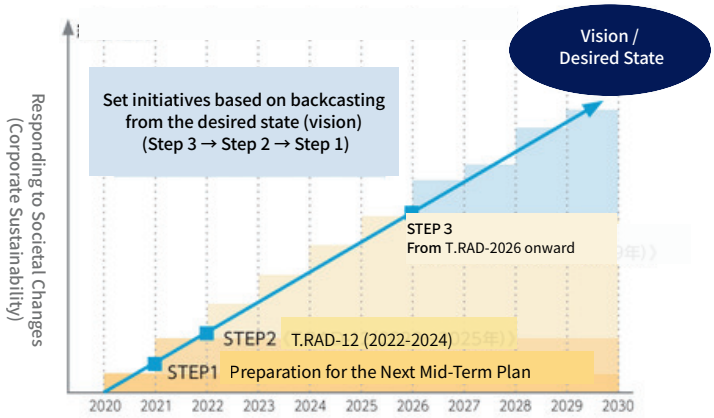
The most important issue for our company
(Corresponding SDG goals)

3 GOOD HEALTH AND WELL-BEING	Good Health and Well-Being for All	Management of health checkup findings rates and follow-up examination rates
5 GENDER EQUALITY	Achieve Gender Equality	Rebuilding personnel and compensation systems
7 AFFORDABLE AND CLEAN ENERGY	Affordable and Clean Energy	Promotion of solar power installation, Continuous implementation of energy-saving activities, Conversion to energy-efficient equipment.
8 DECENT WORK AND ECONOMIC GROWTH	Job satisfaction In economic growth	Management of health checkup findings rates and follow-up examination rates, utilization of group analysis results from stress checks, rebuilding personnel and compensation systems, improvement of labor productivity through IT utilization, reduction of overtime work, and promotion of paid leave utilization.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Industry, Innovation and Infrastructure	Increase in the sales ratio of environmentally friendly products.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Responsible Consumption and Production	Increase in the sales ratio of environmentally friendly products and reduction of industrial waste
13 CLIMATE ACTION	Take urgent action to combat climate change and its impacts.	Promotion of solar power installation Continuous implementation of energy-saving activities Conversion to energy-efficient equipment.

Long-Term Vision for 2030

For the "Sustainability Materiality" (Page 8), we have established a long-term vision and adopted a backcasting approach to define issues and milestones for each step toward achieving this vision. We have also established a promotion framework in which each Subcommittee ("Subcommittee," Page 6) undertakes initiatives related to these issues.

●Vision for 2030 (Proposed Vision)



■ Medium-Term Sustainability Plan

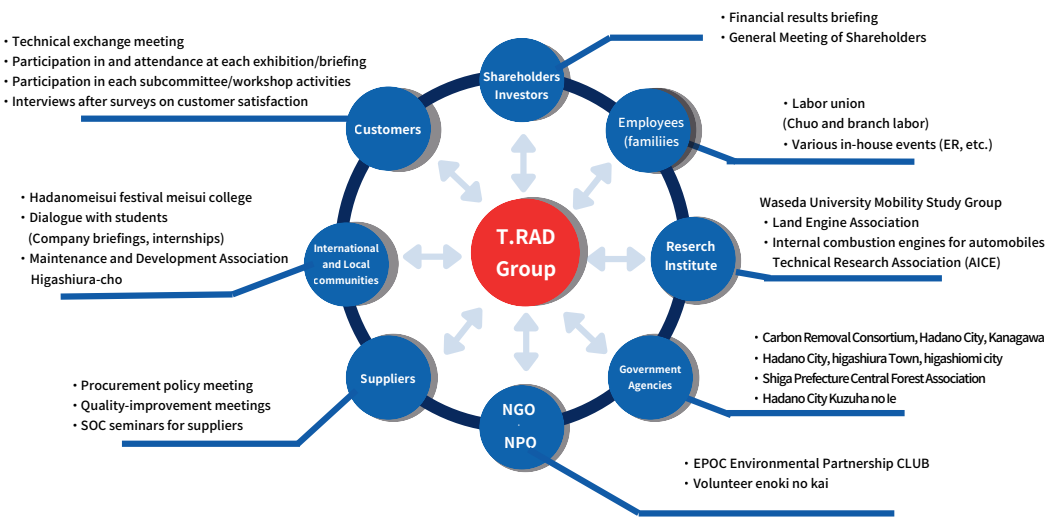
	Activity Goals (Medium- to Long-Term Plan) Long-Term Vision (Toward 2030)
Environment	• Continue energy-saving activities • Promote initiatives to raise employee awareness • Improve environmentally friendly production equipment • Electrify forklifts • Chamber-less conversion of helium gas leak testing equipment • Start self-generation of electricity using renewable energy • Increase in green spaces
	• Increase sales ratio of circular economy contributing products across the T.RAD Group • Enhance the sales ratio of environmentally friendly products company-wide and promote the expansion of HEV (hybrid vehicle), PHEV (plug-in hybrid vehicle), and BEV (electric vehicle) and FCEV (fuel-cell vehicles)
Society	■Health and safety • Enhancement of the safety and health activity system • Expansion of support follow-up for overseas regions • Safety and Health Support for Suppliers • We have implemented measures to improve engagement (motivation and attitude to contribute independently to work), Maximize output by improving work quality
	■Social Contribution • Promotion of volunteer activities • Promote environmental activities with suppliers to reduce environmental impact • Increase in the ratio of renewable energy adoption • To build a system that enables dialogue with local communities • Solving SDGs issues through business activities • Global Social Contribution Activities
Business Continuity	• Conduct risk assessments considering all hazards • Verification of MTPD (Maximum Tolerable Period of Disruption) and RTO (Recovery Time Objective) through continuous PDCA cycles

Medium-term management plan T.RAD-2026
Corporate Vision and Basic Strategy

In recent years, uncertainty in the world's outlook has risen further, as seen in the frequent occurrence of turmoil in the global situation, including politics and the economy, as well as weather problems that cause enormous damage. In this age of rapid change, management that responds swiftly and flexibly to change is essential, while taking a medium-to long-term perspective into account. We continuously review and optimize our management plan every year, focusing on our medium-to long-term strategy for achieving sustainable growth.

	Social Changes and External Issues as of 2030					Contributing to SDGs
	Rising of emerging countries	Abnormal weather, Environmental problems	Accelerating the digital revolution	Declining birthrate and changes in labor and values	Internal Issues	
1. Company that realizes GX						
(1)Development, production, marketing, and promotion of heat exchanger products for diverse power plants in the multipath way era (2)Realization of "energy-saving factories" by promoting compactness of production lines and utilization of natural energy (3)Promotion of manufacturing reforms through the realization of unrivaled products x unrivaled lines (4)Promotion of completion of in-plant operations and reduction of logistics through acquisition of external warehouses (5)To build and utilize solutions that improve productivity and reduce CO2	○	○	○		○	
2. Company that continues to be delighted and chosen by customers						
1)To provide products of optimal quality that are trusted by customers (2)Maintaining and securing production systems for business continuity (3)Strengthen T.RAD global sales promotion and R&D (4)Development and proposal of products tailored to the needs of customers, regions, and the environment due to the deepening and evolution of heat exchange technologies (5)Restructure global production system and promote local production for local consumption by optimizing production allocation (6)Challenges for New Businesses (New Energy-Conversion Technologies, Manufacturing X IT, etc.)	○	○	○	○	○	
3. Company trusted by stakeholders						
(1)Enhancing corporate governance (2)Raising corporate value (3)Grow together with suppliers (expand and strengthen collaborative activities in the supply chain)		○	○	○	○	
4. Company that value people						
1)Pursuing zero accidents through employee health and safe production activities (2)Reform of work styles and improvement of the work environment (3)Human Resources Development through Production (4)Development of local management human resources at overseas subsidiaries (5)Creating an Environment where Diverse Human Resources Can Work and Respect for Human Rights	○		○	○	○	
5. Company that achieves stable profitability						
(1)Promote cost reductions by improving productivity (utilizing TPS・IoT・AI, etc.) (2)Promote cost reduction by building a global supply chain system and strengthening procurement capabilities (3)Promotion of Monozukuri Innovation by Realizing X Dantotsu Lines for Dantotsu Products (4)Pursue vertical launch of new mass-produced products by strengthening the mother factory management system (5)Strengthen investment risk assessments and improve investment effects through thorough monitoring (6)Promotion of business innovation (DX) through IT technological utilization	○		○	○	○	
6. 5C+2S+3R(*) *Challenge, Change, Cooperation, Cocreation, Connect + Speed, Share + Reduce,Reuse, Recycle						
1)Culture that encourages employees to take on new challenges (2)Changes in the surrounding environment and activities that do not fear changing ourselves (3)Cross-divisional communication and cooperation (4)Speed-oriented activities (5)Promotion of /Reuse repeated use/Recycle reuse to reduce 3R(Reduce		○	○	○	○	

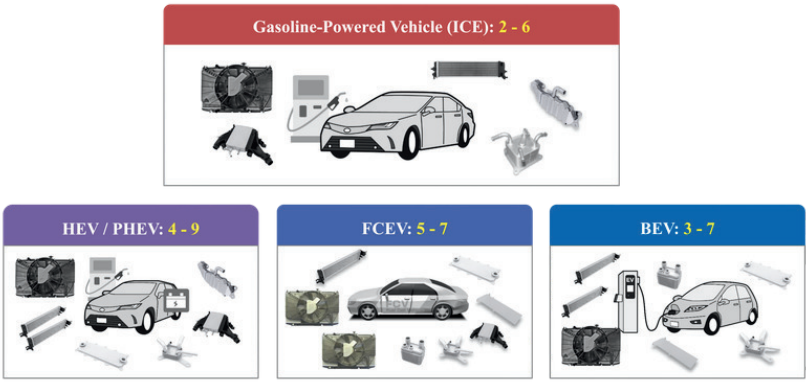
■Communication with Stakeholders



Changes in the Market Environment and Our Responses
Electric Vehicles and Eco-Friendly Products

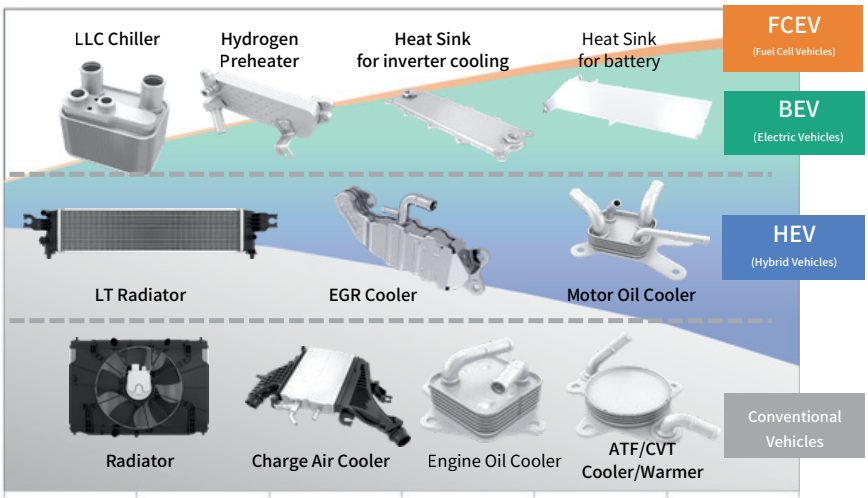
As vehicle electrification progresses in the future, the number of heat exchangers installed per vehicle, by powertrain type, is expected not to decrease but rather to increase. We see this as an opportunity to expand our market share.
On the other hand, increased production volume may lead to higher CO_2 emissions during manufacturing. To address this issue, we are implementing various reduction measures at all of our domestic and overseas sites and will continue contributing toward the achievement of carbon neutrality.

Impact of Vehicle Electrification on Heat Exchanger Demand



The number of heat exchangers tends to increase as vehicle electrification progresses.

Trend of passenger car sales

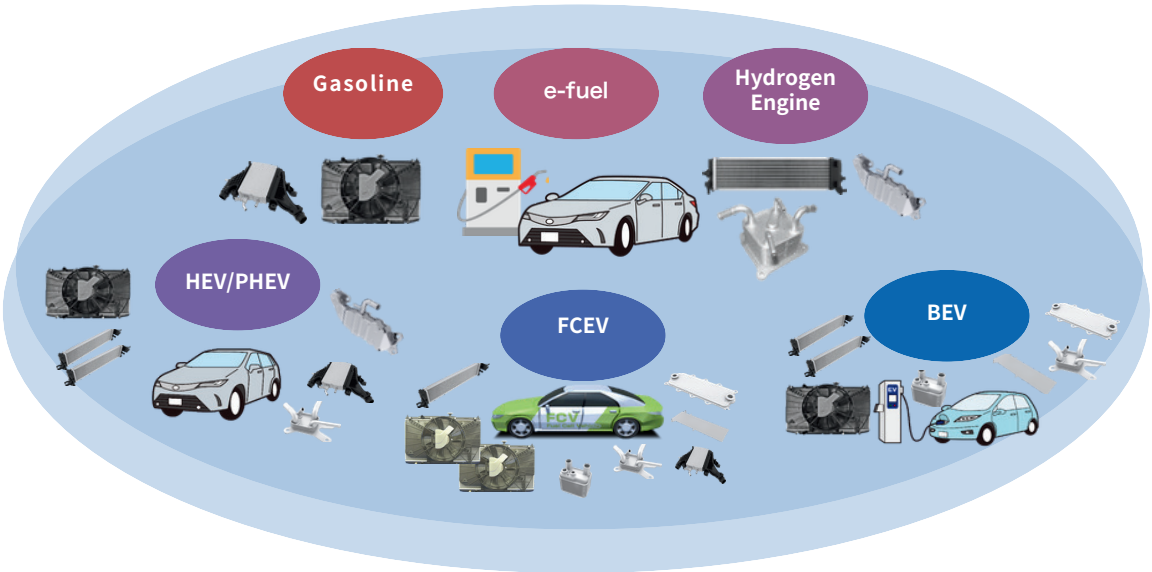


The automotive industry is undergoing a major transformation toward electrification. Leveraging the experience and technologies we have cultivated through heat exchangers for internal combustion engine vehicles, we are accelerating the introduction of heat exchangers for electric vehicles and fuel cell vehicles to the market. Heat exchangers are positioned as even more important components than ever before, and we will continue to fulfill our role in the market. Through these efforts, our products will make a significant contribution to technological advancements that help improve the global environment.

Adapting Thermal Energy Conversion to the Multi-Pathway Era

In order to realize a decarbonized society, an age of "Multi-Pathway" where several power sources coexist, such as gasoline, e-fuel, hydrogen engine, hybrid, fuel-cell, and battery EV, is progressing. Heat exchangers are an important component of any power source.

The performance and applications required for heat exchangers vary day by day, and the needs are diversifying. This change is a business opportunity for us, and we will refine our technologies and quality to meet the diverse demands of society and corporations.

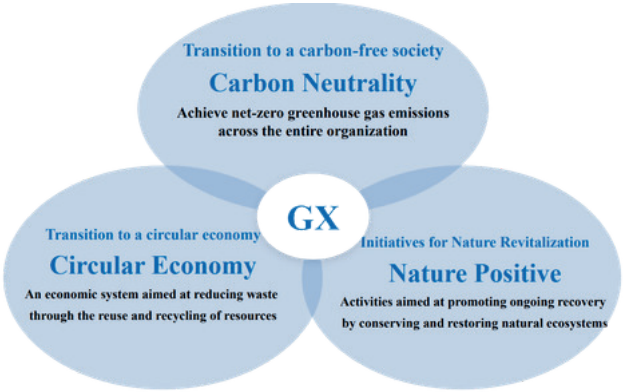


In the era of Multi-pathway mobility, the demand for heat exchangers will continue to diversify and grow.

For T.RAD, this represents a significant opportunity to expand the market !

Around the world, there is growing recognition that a Multi-pathway approach - offering a variety of powertrain options in addition to BEVs - is the fastest path toward achieving carbon neutrality.

GX (Green Transformation) Initiatives



Develop and expand sales of heat exchangers that can contribute to GX

We are promoting GX to realize a sustainable society. GX's three main initiatives are as follows..

- **Transition to a Carbon-free Society (Carbon Neutral)**
  We are aiming for a real greenhouse gas emissions of zero.
- **Transition to a cyclical economy (Circular Economy)**
  We are working to reduce waste through the reuse and recycling of resources.
- **Promotion of nature restoration (Nature Positive)**
  We are continuing to protect and recover nature.

Target

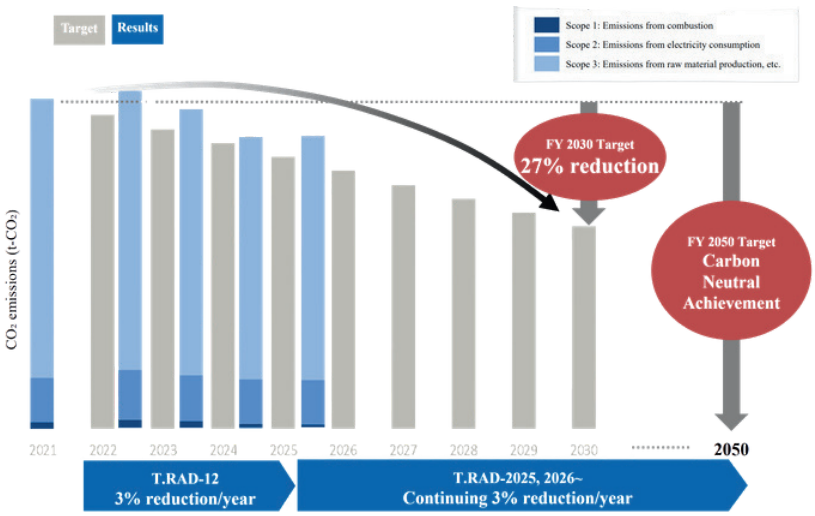
- Reduce CO_2 emissions by 3% annually
- Achieve carbon neutrality by 2050

Carbon Neutral (CO_2 Reduction) Targets and Activities

CO_2 Emission Reduction Target 2030 Goal

Entire Life Cycle Assessment (LCA)

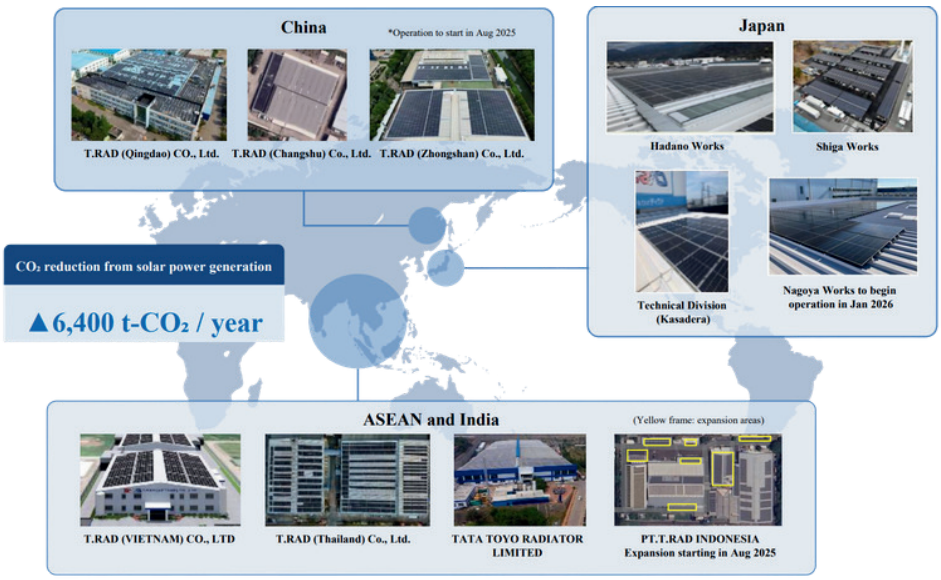
27% reduction compared to FY2021 (3% reduction per year)



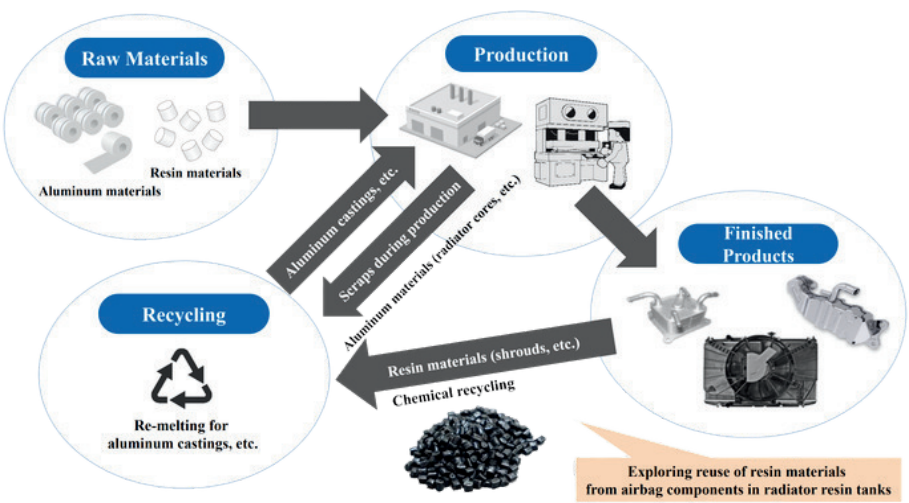
Carbon Neutrality Initiatives and Results (FY2025)

Realization of energy-efficient factories through the use of solar power generation, nitrogen generation systems, eco-friendly air conditioning systems, and other technologies— Continuous investment in securing competitive CO_2-free energy sources.

Solar Power Installation Status



Initiatives for Circular Economy

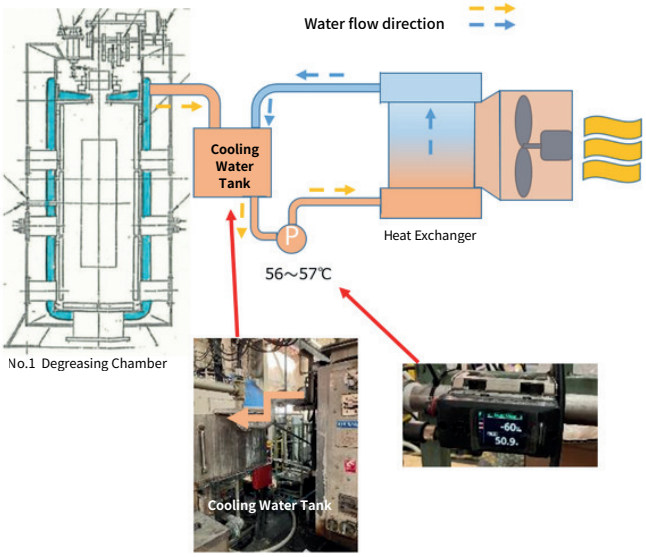


Contributing to a recycling-oriented society by promoting recycling, including aluminum materials and plastics

Renewable Energy and Energy Conservation Initiatives

Case 1: Factory heating utilizing waste heat recovered from heating furnaces@ Hadano Works

At our Hadano Works, waste heat from the cooling water generated in the VB furnace is utilized for factory heating. The waste heat from the cooling water used to cool the furnace body of the heating furnace (VB furnace) is transferred through a heat exchanger and used for heating purposes.

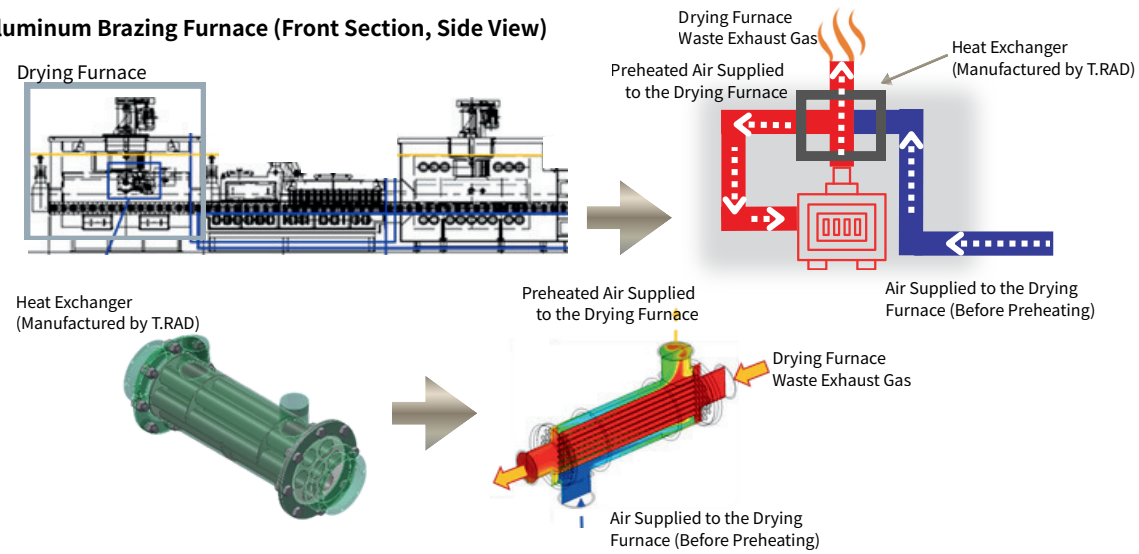


The recovered waste heat is converted into warm air and supplied to the factory for space heating.

Case 2: Preheating Burner Combustion Air Using Waste Heat from the Aluminum Brazing Furnace Drying Process (Nagoya Plant and Shiga Plant)

At the Nagoya Plant and Shiga Plant, waste heat from the drying furnace of the aluminum brazing furnace is efficiently recovered using a heat exchanger (manufactured by T.RAD). The recovered heat is used to preheat the combustion air supplied to the heating burners, reducing the burners' fuel demand and lowering natural gas consumption.

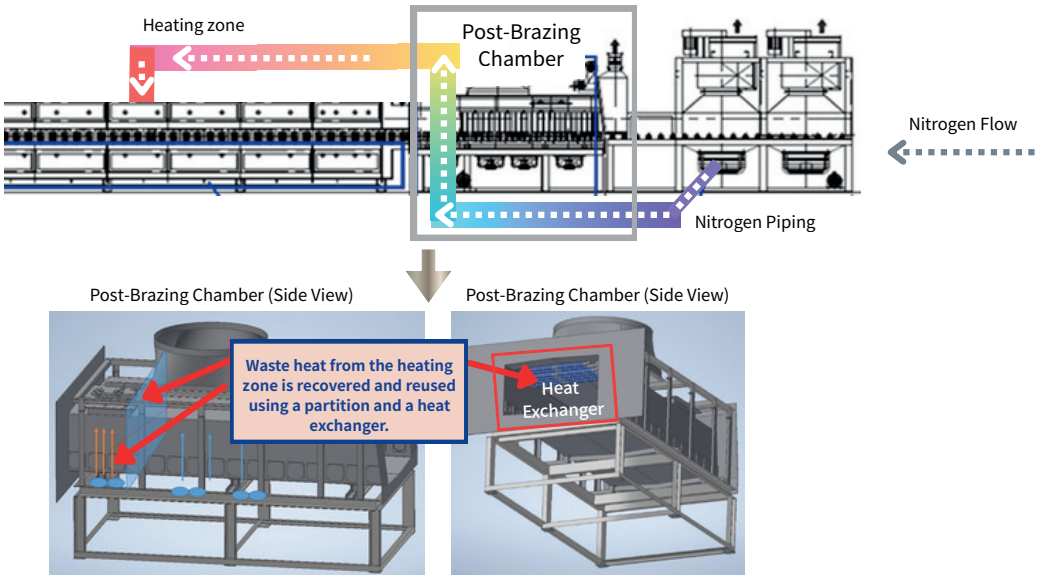
Aluminum Brazing Furnace (Front Section, Side View)



Case 3：Preheating Nitrogen with Recovered Indoor Waste Heat from the Aluminum Brazing Furnace　(Shiga Plant)

At the Shiga Plant, nitrogen supplied to the heating zone of the aluminum brazing furnace is preheated using waste heat recovered from the furnace. This reduces the operating time of the electric heater required to heat the nitrogen, thereby lowering electricity consumption.

Aluminum Brazing Furnace (Rear Section, Side View)



Examples of Carbon Neutral Initiatives

Recycling of plastic PA66

T.RAD is developing to collect and recycle airbags from the market and reuse them in the resin tank of radiators, and plans to mass-produce them in the future.

Nature Positive Initiatives

Activities ① Collaboration with Local Communities

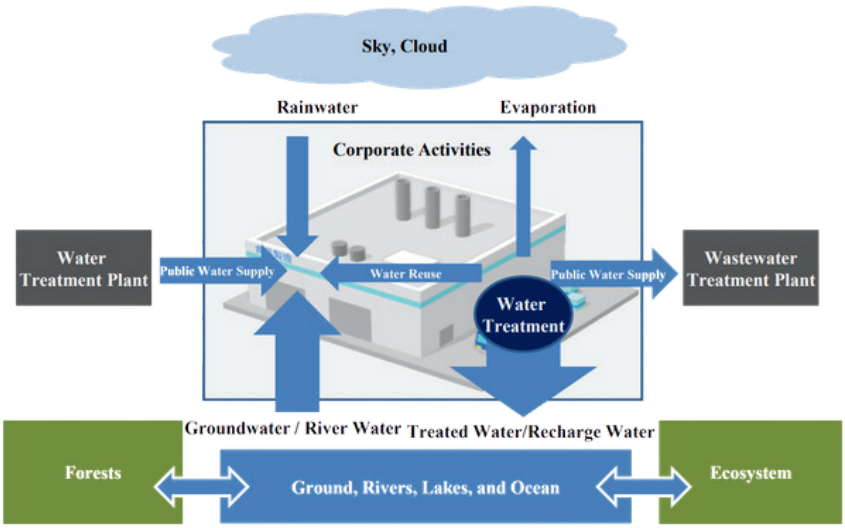
T.RAD actively participates in community meetings and beautification activities in order to cooperate with local communities.

Participation in decarbonization consortium

Partifcipation in river clean-up activities

Source: Hadano City website "HadanoDecarbonization Consortium 'Second Regular Council Meeting'"
https://www.city.hadano.kanagawa.jp/soshiki/7/1044/1/6/2369.html
(As of April 1, 2026)

Activities ② Water Risk and Conservation Initiatives



- **Reducing reliance on public water supply**
  Increasing the use of natural water sources
  and reducing dependence on public water supply
- **Groundwater recharge**
  Replenishing more water than the amount drawn
- **Wastewater management and conservation**
  Maintaining wastewater quality well below standard values
- **Biodiversity**
  River clean-up and forest restoration activities

Value Chain Supporting Sustainable Business Growth

We aim to build an ESG-conscious value chain and pursue sustainable growth together with all stakeholders.

	E Environment	S Social	G Governance
Product Development	• Development of Environmentally Friendly Products • Green Procurement	• Diverse Human Resources	• Enhancement of Corporate Governance
Procurement	• Environmental Management Structure • T.RAD Environmental Law Quick Guide	• Human Resource Development and Enhancement of Work Engagement • Promotion of Work-Life Balance • Respect for Human Rights	• Information Security • Promotion of Supplier Quality Improvement • Ensuring Compliance
Production	• Reduction of Environmental Impact at Factories • Biodiversity	• Promotion of Diversity • Contribution to Local Communities	• Business Continuity Planning (BCP) • Promotion of Dialogue with Stakeholders
Logistics	• Improvement of Logistics Quality	• Supply Chain	• Internal Control and Whistleblower Protection
Customer	• Product Responsibility • Improvement of Customer Satisfaction • Proposals for High Value-Added Products	• Employee Benefits	• Risk Management • Mutual Compliance Audits

Environmental Management

Background / Rationale

In order to realize a sustainable recycling-oriented society, we have established a basic environmental policy to promote the conservation of the global environment in all business fields and activities, and we operate an environmental management system to promote continuous improvement activities.

Linkage with the SDGs (Sustainable Development Goals)

Key Standards and Guidelines

Various laws and regulations, Environmental Reporting Guidelines 2018 Edition, ISO 14001/26000, and our company regulations

Participation and Support

Participation in various certification bodies, support organizations and companies, and attendance at lectures and seminars

Impact

● Impact on reliability from international and regional communities, impact on low-carbon and decarbonization activities, and impact on promotion of coexistence with the natural environment

Challenges

● Aiming for a transition to a recycling-oriented society while continuing its own economic activities

Opportunities

● Aiming to become a sustainable company through continuous improvement activities by creating new environmental value based on environmental conservation and nature protection activities

Management

● Investigation and promotion of activities by Green Office Subcommittee and Environment Products Subcommittee

Evaluation

● The results are reported to and evaluated by management through Top Management Reviews and Sustainability Committee meetings

Environmental Philosophy & Policy

Basic Philosophy (Guiding Principle)

T.RAD Co., Ltd. and the T.RAD Group aim to become the world's No. 1 heat exchanger manufacturer contributing to the realization of a carbon-neutral society. Each and every employee prioritizes environmental friendliness and is committed to environmental conservation, biodiversity preservation, water risk management, and nature conservation, thereby contributing to the progress of a prosperous and vibrant society.

Basic Policy (Code of Conduct)

To realize this philosophy, T.RAD Co., Ltd. and the T.RAD Group will predict and evaluate environmental impacts at every stage of the product lifecycle, establish objectives and targets for environmental protection, biodiversity conservation, and water risk management, and promote the utilization and continuous improvement of a company-wide environmental management system. Through these efforts, we pursue the sustainable growth of the Company and the well-being of customers, shareholders, employees, business partners, and local communities.

1. We will work in collaboration and cooperation with customers and business partners to prevent global warming by reducing greenhouse gas emissions and realizing carbon neutrality.
2. We will promote the development and sales of heat exchanger products compatible with diverse powertrains in the electrification era.
3. We will strive to prevent environmental pollution by reducing the emission of environmental pollutants.
4. We will promote the effective use of resources, reduce waste, and advance recycling and resource conservation initiatives.
5. We will actively engage with local communities and contribute to environmental conservation, biodiversity preservation, water risk management, and nature conservation.
6. We will comply with environmental laws, regulations, and other applicable requirements, establish voluntary management standards, and continuously improve the level of environmental protection.
7. We will strengthen and enhance our environmental management system and promote environmental education and awareness activities for all members of the organization.
8. We will proactively disclose environmental information and strive to foster mutual understanding with stakeholders.

ISO14001 Certification Acquisition

We strive to improve our environmental performance and continuously enhance our environmental management system. In Japan, we obtained company-wide integrated certification for ISO 14001 in 2011, while our domestic group companies have also acquired certifications such as Green Management and KES*1. In addition, our overseas production subsidiaries have obtained ISO 14001 certification as well.

* KES : Kyoto Environmental Management System Standard

Sites		ISO14001	
		Certification date	Next Renewal
JAPAN	T.RAD Co., Ltd.	Oct./2000	Jun./2029
America	T.RAD North America, Inc.	Oct./2001	Oct./2026
America	Tripac International Inc.	Sep./2018	Sep./2027
Czech	T.RAD Czech s.r.o	May/2007	May/2028
China	T.RAD (Zhongshan) Co., Ltd.	Feb./2011	Feb./2029
China	T.RAD (Changshu) Co., Ltd.	Nov./2015	Nov./2026
China	T.RAD (Qingdao) Co., Ltd.	Feb./2010	Oct./2027
Vietnam	T.RAD (VIETNAM)Co., Ltd.	Jan./2015	Jan./2027
Thailand	T.RAD (THAILAND)Co., Ltd.	Dec./2010	Apr./2029
Indonesia	PT.T.RAD INDONESIA	Jul./2013	Mar./2028

Identification of Material Environmental Issues

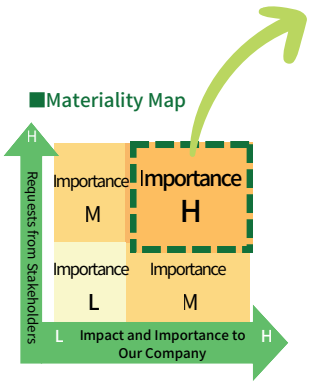
We have adopted both "requests from stakeholders" and "degree of impact and importance on us" as judgment criteria when identifying important environmental issues. Both of them identify high-level environmental issues as important environmental issues. From the perspective of promoting environmental improvement, we will identify and identify particularly important issues as materiality, and concentrate management resources to resolve those issues.

■Environmental Themes and Approaches

Activity Theme	Coverage	Importance	Response Method	Main Activities
Global Warming/ CO_2 Reduction	P	H		Continuous Improvement Activities
	D	H		Development of Environmentally Friendly Products
	SC	M		CO_2 Emissions Survey (to be Expanded to Reduction Activities)
Resource Depletion / Water Use Reduction	P	M		Reduction and Recycling of Water Usage
	SC	L		Promoting Awareness through the Green Procurement Guidelines
Resource Conservation / Reduction of Raw Material Waste	P	H		Activities to Reduce Defective and Scrapped Products
	D	H		Development of Environmentally Friendly Products
	SC	M		Proposals for Specification Changes and Consideration for Adoption
Soil Contamination	VA	L		Monitored through Environmental Compliance Audits
	SC	L		Promoted through the Green Procurement Guidelines
Hazardous Substance Management	VA	H		Establish standards / Investigation & substitution
	SC	H		Substance content survey and substitution across all suppliers
Biodiversity / Conservation Activities	VA	M		Dependency assessment and implementation (e.g., switch to green-compliant products)
Awareness Activities	VA	M		Continuing in-house environmental overview training
	SC	M		Awareness activities through the Green Procurement Guidelines

P：Production D：Development V：Voluntary Activities SC：Supply Chain

■Materiality Map

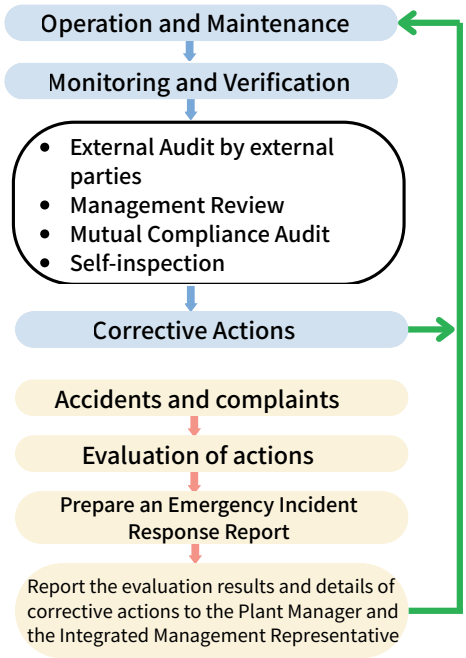


Environmental Risk Management

Internal and external audits check and inspect the status of compliance with environmental laws and regulations and the operation of the environmental management system. In particular, we are enhancing internal audits through our own check sheets and strengthening risk management, including environmental risks.

1. Mutual Compliance Audits :
- We conduct mutual audits among blocks to assess whether they comply with laws and regulations and conduct appropriate risk managemen

2. Management Review :
- Management evaluates management problems and the appropriateness of the content of implementation on a company-wide basis.



●T.RAD Risk Management Structure

Re-verification of Compliance Assessment

① Advance cross-check of self-inspection results in mutual compliance audits

Starting in FY2015, we introduced mutual cross-checks of self-inspection results before compliance audits, which has led to fewer findings in the main audits.

② Integrating labor-related components into cross-compliance audits

From FY2016, labor-related items have been included in peer compliance audits and are being continued.

Compliance with Environmental Laws and Regulations

FY2025: Environmental Compliance and Accident / Complaint Data (Cases)					
	Head Office	Hadano Works	Nagoya Works	Shiga Works	Kasadera Office
Violations of Laws	0	0	0	0	0
Fines / Litigation	0	0	0	0	0
Accidents	0	0	0	0	0
Complaints	0	0	0	0	0
Leaks	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**
(For reference, FY2024)	0	0	0	0	0

Information Disclosure Based on the TCFD Framework

For us, climate change is one of the most important issues affecting business continuity. In April 2022, we endorsed the recommendations of the Climate-Related Financial Disclosure Task Force (TCFD)* aimed at reducing the risk of volatility in financial markets caused by climate change. We will analyze the risks and opportunities that climate change poses to our business and reflect them in our management strategies and risk management. We will also appropriately disclose the progress of these efforts and aim for further growth while contributing to the decarbonization of society as a whole.

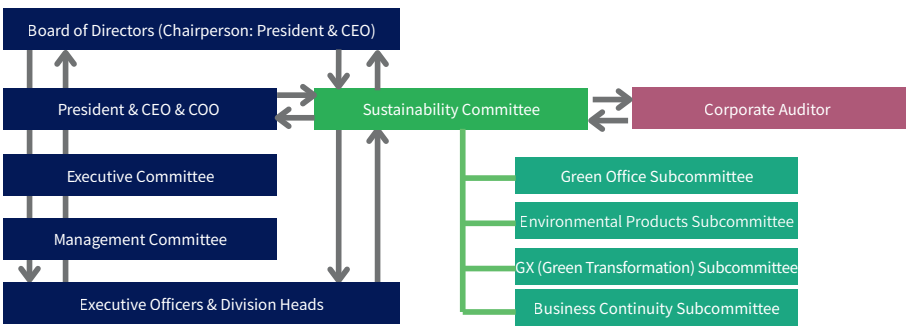
※Established in 2015 by the Financial Stability Board, an international organization. It recommends that a company assess its business risks and business opportunities arising from climate change, identify financial impacts, and disclose information.

Governance

Recommended Disclosure	Status of Response
a)The Board's oversight of climate-related risks and opportunities	A Sustainability Committee has been established as the body responsible for deliberating and making decisions on important climate change-related matters.
b) Management's role in assessing and managing climate-related risks and opportunities	The Sustainability Committee deliberates and makes decisions on important matters related to environmental management, while matters deemed to have a significant impact are submitted to the Board of Directors for deliberation.

We view climate change issues as one of the most important issues for us to fulfill our social responsibilities and achieve sustainable development, and we manage them at the Sustainability Meeting. The Sustainability Committee has been established as a committee that is responsible for unifying the corporate governance system. Chaired by the President and Representative Director, the Company's representative directors are also members, who discuss risks and opportunities, policy for initiatives, and targets related to climate change, and manage the progress of initiatives.

■Positioning of the Sustainability Committee within Our Company



Strategy

Recommended Disclosure	Status of Response
a) The climate-related risks and opportunities identified by the organization over the short, medium, and long term	Evaluate medium- to long-term climate-related risks and opportunities across the supply chain.
b) The impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Assess business and financial impacts of climate-related risks and develop and implement countermeasures.
c) The resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a scenario of 2°C or lower	Analyze transition risks, physical risks, and opportunities under 2°C and 4°C scenarios.

We analyze climate-related scenarios based on IEA (International Energy Agency) and IPCC (Intergovernmental Panel on Climate Change) and formulate strategic plans. Demand for xEV vehicles* is expected to grow more than several times in 2050. With increased demand, governments may strengthen energy regulations associated with fossil fuels. Excessive regulation can be a risk for us. On the other hand, appropriate regulations can serve as an opportunity for business expansion by encouraging the spread and expansion of products with superior environmental performance, which are our strengths.

*xEV vehicles: HEV, PHEV, BEV, FCEV

Information Disclosure Based on the TCFD Framework

Risk Management

Recommended Disclosures	Response Status
a. Processes for identifying and assessing climate-related risks	a. A GX Study Group (formerly the TCFD Scenario Study Group), comprising relevant internal departments, has been established to identify, assess, and evaluate climate-related risks and opportunities.
b. Processes for managing climate-related risks	b. Climate-related risks and response measures are discussed and resolved through the Sustainability Committee.
c. The extent to which processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management framework	c. Initiatives and recommendations for the prevention and mitigation of climate-related risks that have been discussed and approved by the Sustainability Committee are reported to the Board of Directors and incorporated into management policies and business strategies.

The risks and opportunities associated with climate change can be attributed to the transition to a decarbonized society, strengthening of regulations, technological developments, and changes in the market, or to the physical impacts of climate change, such asuch as the s acute abnormal weather and chronic warming. We categorize the factors behind various changes in the external environment caused by climate change into "transition risk" and "physical risk." We then assess the time perspective in three stages, long-, medium-, and short-term, and the business financial impact in three stages, large-, medium-, and small-to identify important risks and opportunities.

Category	Expected business impact		Time perspective Short, Medium, Long	Business / Financial Impact High, Medium, Low	Our response
Transition Risk	Climate Change Regulation	**• Increased tax burdens due to carbon pricing (carbon tax, fossil fuel tax, global warming countermeasure tax)** • Increased costs of low-carbon materials (green electricity, green materials) • Increased costs of complying with regulations	Medium	Medium	**• Passing increased costs on to prices** • Increased orders and profits through integration of secondary and tertiary suppliers with in-house production in mind • Utilizing renewable energy certificates (non-fossil fuel certificates, green power certificates) • Utilizing incentives such as investment tax credits
	Changes in Customer Behavior	**• Loss of orders due to delays in technology development and expansion of environmentally friendly products** **• Reduced price competitiveness due to increased costs to meet customers' low-carbon procurement requirements**	Short	High	**<Materials>** - Improve yield and reduce raw material usage through material substitution/ Lightweighting/ Technological development and adoption of recycled materials/ Reduced raw material costs and CO2 emissions through material changes **<Energy Conservation>** - Upgrade to energy-efficient furnaces and utilize waste heat, electrification and renewable energy use **<Sales>** -Expansion of sales through differentiation via technology development and environmentally friendly products, and enhanced price competitiveness /Utilize renewable energy certificates (non-fossil certificates, green power certificates)
	Changes in the Procurement Market	**• Fluctuations in fuel and electricity prices due to rising crude oil prices** • Increased material costs due to progress in low-carbon procurement requirements	Medium	Medium	• Switching to low-cost alternative energy sources **• Utilizing green electricity and green materials** • Securing low-cost suppliers
	Changes in Investor Reputation	**Decline in stakeholder trust due to insufficient climate strategy and disclosure**	Medium	High	• Enhanced information disclosure through sustainability reports, securities reports, and shareholders' meetings **• Engagement with stakeholders through proactive and strategic disclosure**

Information Disclosure Based on the TCFD Framework

Category	Expected business impact		Time perspective: Short, Medium, Long	Business / Financial Impact: High, Medium, Low	Our response
Physical risks, Natural disasters, etc.	Deteriorating working conditions	Reduced labor productivity due to heat stress, heatstroke prevention measures, and increased costs	Medium	medium	・Investment in air conditioning, insulation materials, and infection control measures to maintain and improve the working environment
	Changing weather patterns and more severe extreme weather	**・Disruptions to global supply chains and resource depletion** ・Increased supply disruptions due to damage to factories and facilities caused by natural disasters ・Production disruptions caused by power shortages	Short	High	**・Strengthening crisis management for production backup systems** ・Strengthening facilities and backup systems in preparation for climate-related disasters
Opportunities	Product demand	・Expansion in sales of. environmentally friendly products (such as electric vehicles) due to growing environmental awareness ・Reduction in production costs due to energy- and labor-saving measures. ・Increased demand for construction vehicles due to reconstruction in disaster- stricken areas and the expansion of disaster prevention facilities.	Medium	High	・Information gathering and development of environmentally friendly products (e.g., electric vehicles) ・Development and production of energy-saving, automated production equipment ・Strengthening price competitiveness by promoting production reallocation in response to increased demand
	Business Environment	**・Transition to a recycling-oriented society (CE)**	Medium	Medium	**・Creating new business areas that realize CE+3R (Reduce, Reuse, Recycle)**

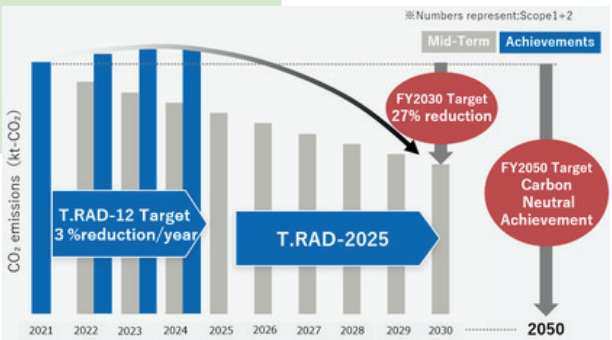
【Timeframe】
Short: Up to 2026
Medium : Up to 2030
Long: Up to 2050

【Business/ Financial Impact】
Low : Small impact expected (up to 1%)
Medium : Moderate impact expected (1-10%)
High : Large impact expected(10% or more)

Incicators and Targets

Recommended Disclosures	Response Status
a. The metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Medium-term Target (2030): 27% reduction in CO_2 emissions compared with the 2021 level
b. Scope 1 and Scope 2 greenhouse gas (GHG) emissions, and, if appropriate, Scope 3 GHG emissions and the related risks	
c. The targets used by the organization to manage climate-related risks and opportunities, and performance against those targets	

CO_2 emission reduction targets are incorporated into T.RAD-2025. We have also established metrics and targets for environmental activities, including climate-related initiatives, and regularly monitor progress toward their achievement.The T.RAD Group has set a target of reducing net CO_2 emissions by 27% by 2030 compared with the 2021 baseline and achieving net-zero CO_2 emissions by 2050.



Reduction Environmental Impact from Business Activities

Background / Rationale

As the impacts of climate change become increasingly serious, companies are required to take various measures. We aim to reduce greenhouse gas emissions, prevent global warming, effectively use resources, and reduce waste.

Linkage with the SDGs (Sustainable Development Goals)

Key Standards and Guidelines: Various laws and regulations, Environmental Reporting Guidelines 2018 Edition, ISO 14001/26000, and our company regulations

Participation and Support: Support agencies, companies, and communities

Impact
- Resource depletion, global warming, air pollution, water pollution, resource conservation

Challenges
- Contribute to a sustainable society by solving various environmental issues through business activities

Opportunities
- Conduct sustainable corporate activities and contribute to the realization of a sustainable society

Management
- Review and promote activities at Green Office Subcommittees

Evaluation
- The results are reported to and evaluated by management through Top Management Reviews and Sustainability Committee meetings

Environmental Key Performance

We are reducing the environmental impact of our business activities as part of our commitment to environmental considerations for our business activities and products.

Actual Results (2022–2025)

Climate Change Mitigation (CO_2 Emissions Reduction)	Baseline	Mid-Term Target	FY2021 Actual	FY2022 Target	FY2022 Actual	FY2023 Target	FY2023 Actual	FY2024 Target	FY2024 Actual	FY2025 Target	FY2025 Actual	FY2026 Target
CO_2 Emissions (Scope 1 & 2) (thousand t-CO_2)	34.5	BM:2021 ▲3%/year	- (34.5)	▲3% (33.5)	+4.5% (36.2)	▲6% (32.4)	+6.3% (36.7)	▲9% (31.4)	+9.2% (37.6)	▲12% (30.3)	+9.7% (37.8)	▲15% (29.3)
CO_2 Emissions Intensity (t-CO_2 / JPY million of value added)	1.20	BM:2021 ▲3%/year	- (1.20)	▲3% (1.16)	+5.8% (1.27)	▲6% (1.13)	+2.5% (1.23)	▲9% (1.09)	▲4.2% (1.15)	▲12% (1.06)	▲6.7% (1.12)	▲15% (1.02)
Logistics Energy Consumption Intensity (kL crude oil equivalent / JPY mio of prod.value)	0.020	BM:2021 ▲3%/year	- (0.020)	▲3% (0.0194)	▲1.0% (0.0198)	▲6% (0.0188)	▲10.0% (0.0182)	▲9% (0.0182)	▲9% (0.0182)	▲12% (0.0179)	▲15% (0.0170)	▲15% (0.017)
Energy Consumption Intensity (Electricity Equivalent) (MWh / JPY million of value added)	2.89	BM:2021 ▲3%/year	- (2.89)	▲3% (2.80)	+6.0% (3.07)	▲6% (2.72)	+5.2% (3.05)	▲9% (2.64)	▲0.6% (2.87)	▲12% (2.54)	▲1.0% (2.86)	▲15% (2.46)

Resource Conservation (Waste Reduction) Resource Conservation (Water Use Reduction)	Baseline	Mid-Term Target	FY2021 Actual	FY2022 Target	FY2022 Actual	FY2023 Target	FY2023 Actual	FY2024 Target	FY2024 Actual	FY2025 Target	FY2025 Actual	FY2026 Target
Waste Generation Intensity (Excluding Scrap Metal) (kg / JPY million of production value)	62.4	BM : 2021 ▲1%/year	- (62.4)	▲1% (61.8)	▲3.4% (60.3)	▲2% (61.2)	▲6.1% (58.6)	▲3% (60.5)	▲8.7% (57.0)	▲4% (59.9)	▲14.0% (53.7)	▲5% (53.0)
Waste Recycling Rate (%)	---	98%以上	%	98.0%	96.1%	98.0%	94.9%	98.0%	92.2%	98.0%	96.2%	98.0%
Water Consumption Intensity (m^3 / JPY million of value added)	7.34	BM : 2021 ▲1%/year	- (7.34)	▲1% (7.27)	▲6.1% (6.89)	▲2% (7.20)	▲5.3% (6.95)	▲3% (7.12)	▲13.2% (6.37)	▲4% (7.05)	▲23.2% (5.64)	▲5% (6.24)

Pollution Prevention (Chemical Substance Management)	Baseline	Mid-Term Target	FY2021 Actual	FY2022 Target	FY2022 Actual	FY2023 Target	FY2023 Actual	FY2024 Target	FY2024 Actual	FY2025 Target	FY2025 Actual	FY2026 Target
PRTR*1 Release and Transfer Intensity (kg / JPY million of production value)	0.68	BM : 2021 ▲1%/year	- (0.68)	▲1% (0.67)	▲5.9% (0.64)	▲2% (0.666)	▲25% (0.51)	▲3% (0.66)	▲24% (0.52)	▲4% (0.65)	▲12.2% (0.6)	▲5% (0.58)
VOC*2 Emissions Intensity (kg / JPY million of production value)	0.60	BM : 2021 ▲1%/year	- (0.60)	▲1% (0.59)	0% (0.60)	▲2% (0.59)	▲16.6% (0.50)	▲3% (0.58)	▲25% (0.51)	▲4% (0.58)	▲20.6% (0.48)	▲5% (0.51)

*1: Applies to chemical substances subject to reduction targets. PRTR (Pollutant Release and Transfer Register): Pollutant Release and Transfer Register system.
*2: VOC (Volatile Organic Compounds).
* Scope of data: Three domestic plants and the Technical Headquarters (Kasadera).

Climate Change Mitigation (CO_2 Emissions Reduction)	Baseline	Mid-Term Target	FY2021 Actual	FY2022 Target	FY2022 Actual	FY2023 Target	FY2023 Actual	FY2024 Target	FY2024 Actual	FY2025 Target	FY2025 Actual	FY2026 Target
CO_2 Emissions (Scope 1, 2 and 3 *3: Total for All Sites)	556	BM:2021 ▲3%/year	- (556)	▲3% (539)	+1.3% (563)	▲6% (523)	▲4.7% (53.0)	▲9% (506)	▲8.5% (509)	▲12% (489)	▲8.1% (511)	▲15% (473)

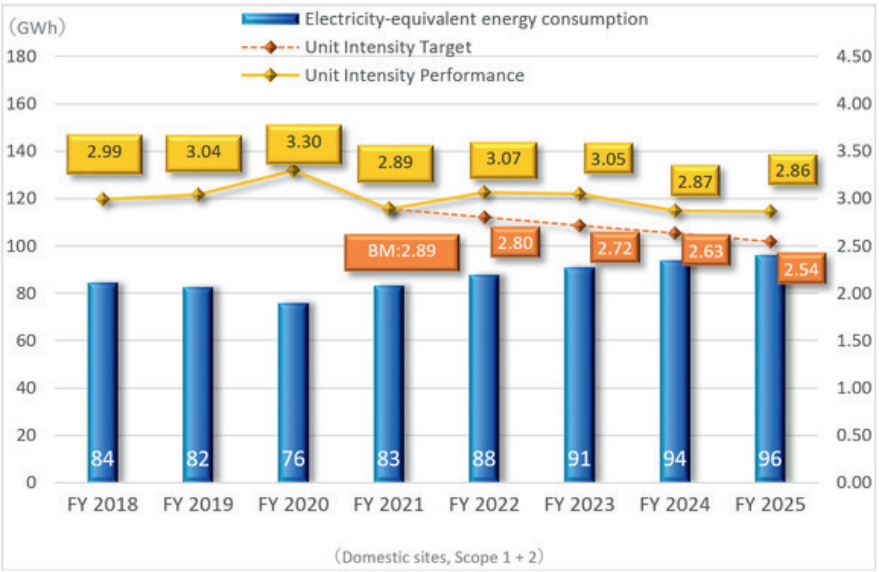
*3: Scope 3 includes Category 1 (Purchased Goods and Services – Materials) and Category 3 (Fuel- and Energy-Related Activities).
* Scope of data: All domestic and overseas sites (January–December 2025).

Prevention of Global Warming

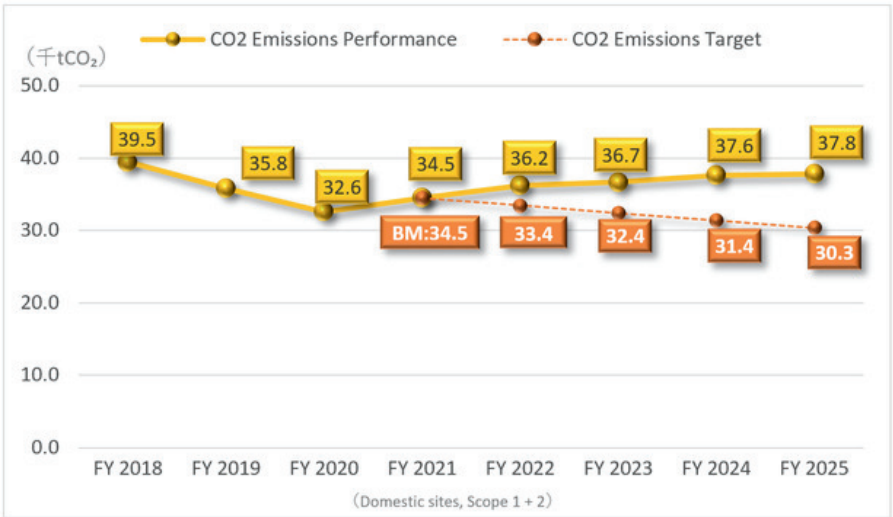
■Energy Consumption and CO_2 Emissions from Business Activities

We have established targets for energy consumption (electricity-equivalent basis) and evaluate progress on a monthly basis. In FY2025, the energy consumption intensity on an electricity-equivalent basis was reduced by 1% (2.86) compared with FY2021, against a target reduction of 12.0%. Although energy intensity has decreased through continuous initiatives such as the consolidation and optimization of brazing furnaces, additional measures to reduce CO_2 emissions are required. Accordingly, from FY2025, we have been implementing further initiatives, including the introduction of renewable energy sources such as solar power generation.

■Trends in Electricity-Equivalent Energy Consumption and Electricity-Equivalent Energy Consumption Intensity



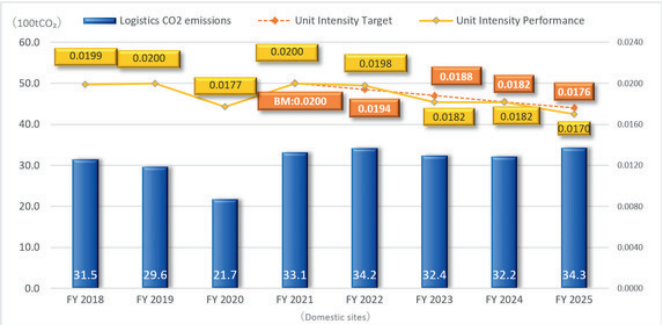
■Total CO_2 Emissions



■Energy Consumption and CO_2 Emissions from Logistics

In FY2025, logistics energy intensity remained at 0% (0.0182) versus FY2021, against a -9.0% target. Together with logistics partners and shipping departments, we are working on improvements, focusing on load efficiency, transport routes, and vehicle optimization. Partners also provide eco-driving training for drivers.

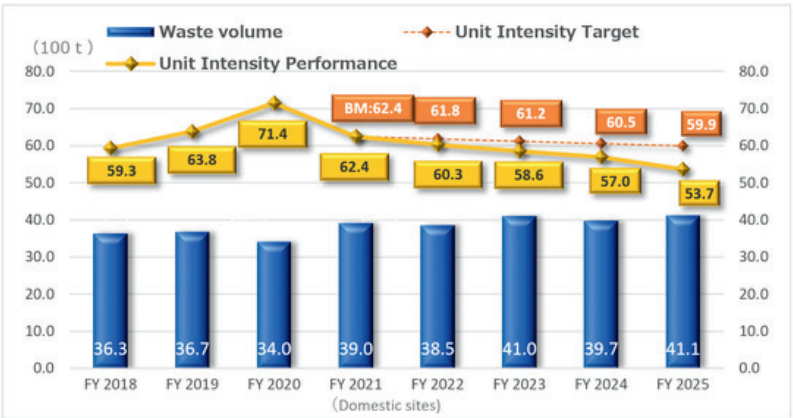
■Trends in Logistics CO2 Emissions and Emission Intensity



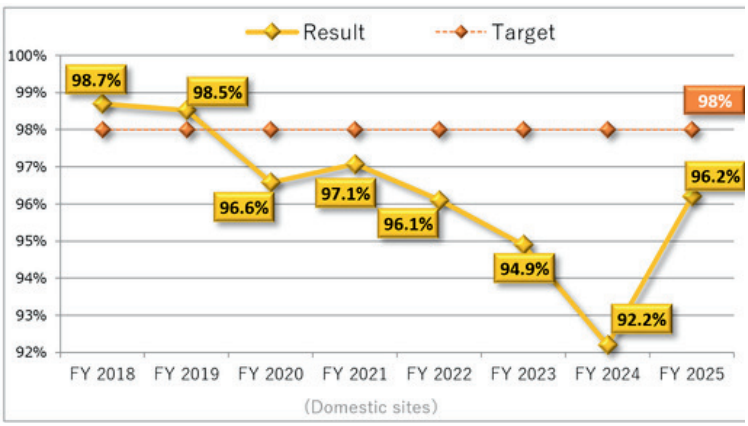
Waste Reduction

We promote waste reduction and recycling. In FY2025, waste intensity (excluding iron scrap) improved by 8.7% (57.0) vs. FY2021, exceeding our target of 3.0%.

■Trends in the volume of waste (excluding scrap metal) and the waste generation intensity



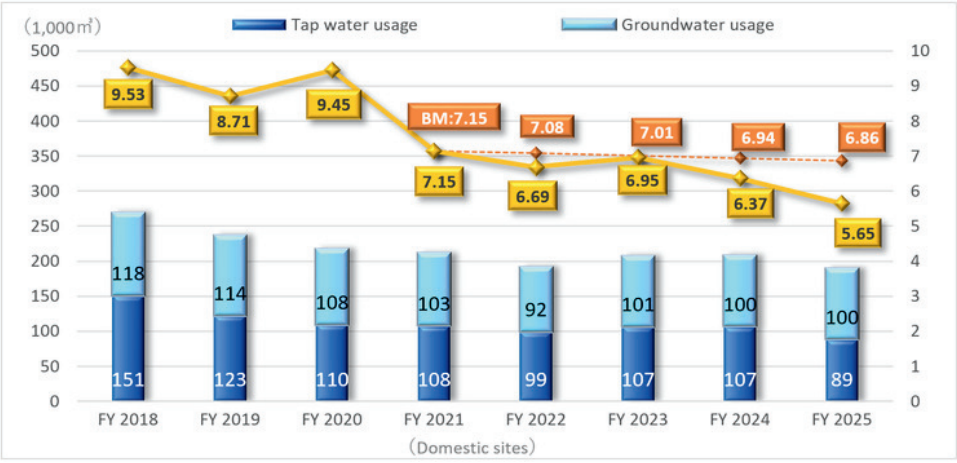
■Resource Recovery Ratio



Reduction of Water Resource Impact

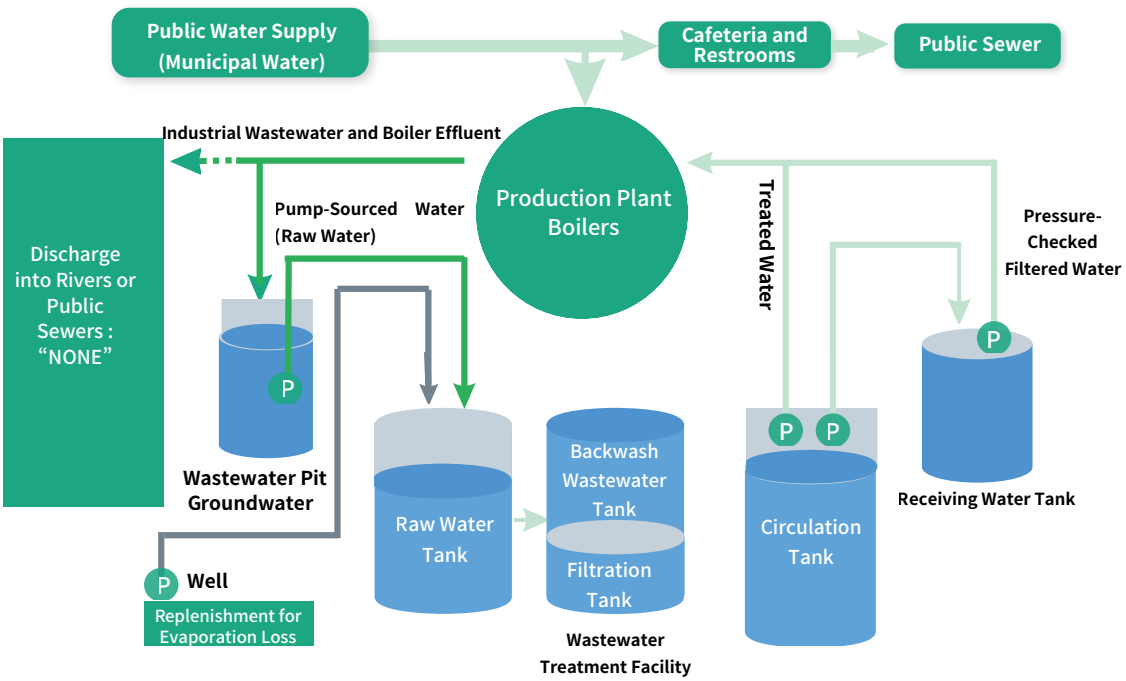
The FY2025 target for water consumption intensity at our domestic manufacturing sites was a 4.0% reduction compared with FY2021. Actual performance achieved a 23.2% reduction (5.65), exceeding the target. This achievement was driven by various water conservation measures, including the reduction of pressure testing processes that require water usage, as well as other detailed initiatives to reduce water consumption.

■Trends in Water Usage and Water Usage Intensity



Environmental Consideration

All wastewater generated from production activities at the Shiga Plant is properly treated and reused within a closed-loop recycling system. As a result, no industrial wastewater is discharged from the plant into rivers or public sewer systems.



Management of SOC Reduction for Environmentally Hazardous Substances

We thoroughly manage chemical substances at all stages, from design to procurement, manufacturing, and shipment.
We manage our suppliers appropriately under our own Green Procurement Guidelines

Pollution Prevention Management Regulations

- Listing of Relevant Laws and Regulations
- Identification of Responsible Personnel
- Specification of Management Methods (Inspections, Measurements, Record-Keeping, Government Correspondence, Remedial Actions, Information Management, etc.)

Guidelines for Management of Environmentally Hazardous Substances

- Clarification of Company-Wide Management Methods

Procedures for Verification of Environmentally Hazardous Substances (SOC)

- Specification of SOC Management Standard Values*
- Clarification of Methods for Confirming SOC Content

Technical Standards

Environmental Substance Control Standards (Threshold Values)

- List of Controlled, Prohibited, and Monitored Substances
- Specification of SOC Control Standards (Threshold Values)

* Details of Controlled Substances and Standard Values Specified in the Procedures

In order to respond swiftly to the laws and regulations of each country and business partner, we are promoting the enhancement of our management system and switching to safe materials, and are promoting the reduction and elimination of environmentally hazardous substances used in our products.

	Regulations	Transition Schedule		
		FY2023	FY2024	FY2025
Prohibited Substances	● RoHS Directive (including amended RoHS) and ELV Directive ● REACH Regulation – Authorization Substances Added from Time to Time ● Prohibited Substances Added through Regulatory Revisions	●Automotive and Electrical/Electronic Industries: Compliance Completed (excluding certain exemptions) Elimination and Phase-out Measures		FY2025：0% (Continued compliance with prohibited substances added since FY2022)
Monitored Substances	● REACH Regulation, SVHCs (Substances of Very High Concern) Added from Time to Time ● Declarable and Monitored Chemical Substances ● Chemical Substances Added under Other Regulations	Ongoing Response		

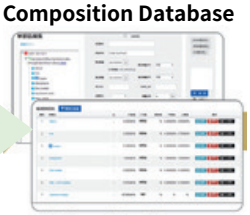
Details of the prohibited substances and monitored substances managed by T.RAD can be found on our website under the Supplier Information section: "Green Procurement Guidelines" → "Environmental Hazardous Substance Management Standards."
https://www.trad.co.jp/databox/data.php/supplier_benchmark_ja/code

T.RAD has established and operates a database system for managing information on substances of concern (SOCs). This system enables the efficient utilization of such information across various business processes. As a result, we are able to respond more effectively and efficiently to various SOC-related surveys and requirements, including IMDS and JAMA reporting, as well as declarations of non-use (non-inclusion) of regulated substances.

Material Data
- Constituent material
- Chemical substance content

Our Products
- Part No.
- Weight
- Number

■ Product Material Composition Database



- **Material data→Approx.1,500**
- **Product data→Approx. 37,000**

CUSTOMERS

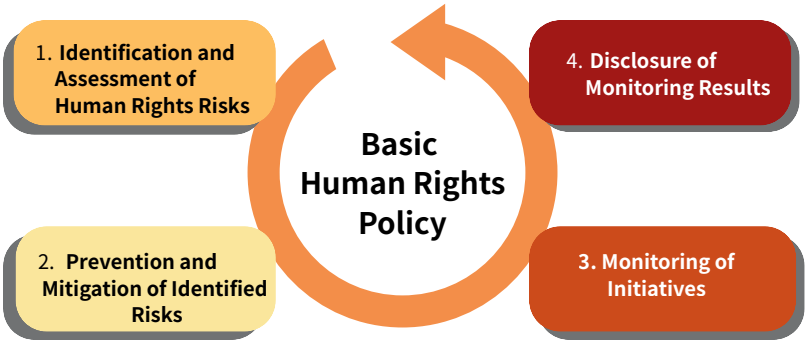
Human Rights Initiatives

Basic Concept of Human Rights

In May 2024, we and our group adopted the Basic Policy on Human Rights at the Board of Directors meeting. This policy is based on the United Nations Guiding Principles on Business and Human Rights, and as a group of us that operates on a global scale, we have established respect for human rights as a corporate culture and express our intention to promote business activities that respect human rights throughout our business activities. Based on this policy, we will comply with international norms and the laws and regulations of each country, and will work on the establishment of a human rights system throughout the Group, implementation of human rights due diligence, and appropriate education for executives and all employees.

・Basic Human Rights Policy (Click here to view the policy)

PDCA cycle of Human Rights Due Diligence



Human Rights Initiatives

1) Human rights due diligence

We are working to establish a human rights due diligence framework.

■FY2025

We conducted human rights risk assessments for the entire Group, including overseas sites. No serious human rights violations were identified, but the following were identified as risks to be addressed in a priority manner.

① Harassment of employees and business partners
② Risks of Forced and Child Labor in Raw Material Procurement

■FY2026

We will continue to promote education targeting suppliers as a means of preventing and mitigating risks identified in fiscal 2025. At the same time, we will assess and identify the impact of the corporate activities of the entire Group on human rights based on the Basic Policy on Human Rights. We will also work to prevent and mitigate such risks, rectify them, monitor them, and disclose information.

2) Human rights education and awareness

Based on our Basic Policy on Human Rights, we are working to raise awareness of human rights by providing education and training for all directors and employees.

■FY2025

To promote understanding of respect for human rights, we provided basic training to employees in the administrative and technical divisions. The training covered an overview of social trends related to human rights, our initiatives, and human rights due diligence. We also translated the training materials into English and deployed them to our overseas bases. In addition, on January 1, 2026, we conducted training on the Act on Ensuring Proper Transactions Involving Specified Entrusted Business Operators for employees in the administrative and technical divisions in order to address Risk ① (shown on the previous page), which has been identified as a priority issue.

■FY2026

In FY2025, we implemented basic human rights education for employees in the technical divisions. We also plan to implement unconscious bias training for those who completed basic education in the previous fiscal year (employees in the administrative and technical divisions) as an individual initiative for the risks ① (shown on the previous page), that should be addressed preferentially.

3) Providing consultation service

We have established a consultation desk for all aspects of compliance, including human rights. We have introduced an internal reporting system to promptly detect and resolve illegal acts. As internal reporting methods, in addition to reporting to the compliance promoters in each department, we have established a WEB website that allows employees to report directly to the president and the Internal Audit Office via a PC or smartphone at any time, and we have also established an external reporting system to a counsel as an external contact point. Anonymous reporting is also permitted, and the protection of whistleblowers is stipulated in the company regulations so that whistleblowers will not be disadvantaged in any case.

4) Expansion to Suppliers (Supply Chain)

As part of our efforts to respect human rights, we have established our Supplier CSR Guidelines and are expanding them to our main domestic suppliers. At the same time, each company is asked to comply with the guidelines. In addition, we regularly check the status of compliance and take necessary measures based on the results.

■FY2025

We conducted surveys and site visits to suppliers, with the cooperation of our major suppliers, to understand the status of human rights initiatives and gather information on best practices.

■FY2026

Based on the progress of our initiatives through FY2025, we plan to conduct human rights seminars at supplier meetings in collaboration with our procurement departments. We will continue regular monitoring and work to promote respect for human rights throughout the supply chain.

Human Capital Initiatives

Basic Approach to Human Assets

We regard our employees not as a “cost,” but as “human capital” that enhances corporate value, and we define them as “human assets.” We will strengthen investment in human capital in alignment with our management strategies. Through strategic talent development, appropriate job placement based on individual aptitude, and fair evaluation systems, we will foster human resources while promoting compliance and building trusting workplace relationships. In addition, by respecting employees’ career aspirations and life plans, we will strive to create a workplace where employees feel motivated to continue working, thereby improving employee engagement.

Diversity, Equity & Inclusion

■Basic Concept

We believe that it is essential for the sustainable development of a corporation to respect and recognize each other the diversity and individuality of its human resources and to maximize the abilities of individuals by setting forth the "Principles of Fairness" as a personnel philosophy, which does not discriminate on the basis of age, gender, educational background, beliefs, nationality, etc., and strives to realize the corporate philosophy and management policies, and to carefully treat those who have produced results.

■Advancement of Women in the Workplace

We face the challenge of making it difficult to image our own career because the ratio of female employees to all employees is still low and the number of female managers is small. In order to create an employment environment in which women can play an active role, we have set up an action plan for the end of March 2028 to raise the ratio of women in administrative engineers to 30% or more, and are working to create a system that promotes a balance between working life and the home environment.

■Employment promotion for persons with disabilities

In order to realize a society in which people with disabilities can fully utilize their abilities and aptitudes and play an active role in accordance with the characteristics of their disabilities, we are also working to hire people with disabilities.

In fiscal 2026, we will continue our recruitment activities, strengthen our support system for people with disabilities, and cut out work that matches the characteristics of those with disabilities. We will continue to work to maintain and improve the legal employment ratioe.

■Supporting Diverse Work Styles

To enable employees to work with a sense of rewarding and fulfilling, and to live healthy and affluent lives that take the hours of childcare and nursing care, as well as the time spent in their homes, communities, and individuals involved in self-development, we are developing and expanding various systems, including the Flex Time System, the Remote Work System, the Family Care Leave System, the Maternal Health Management System, the Child Care Leave System, the Volunteer Leave System, and the Half-Day Paid Leave System.

Framwork for Human Resource Development

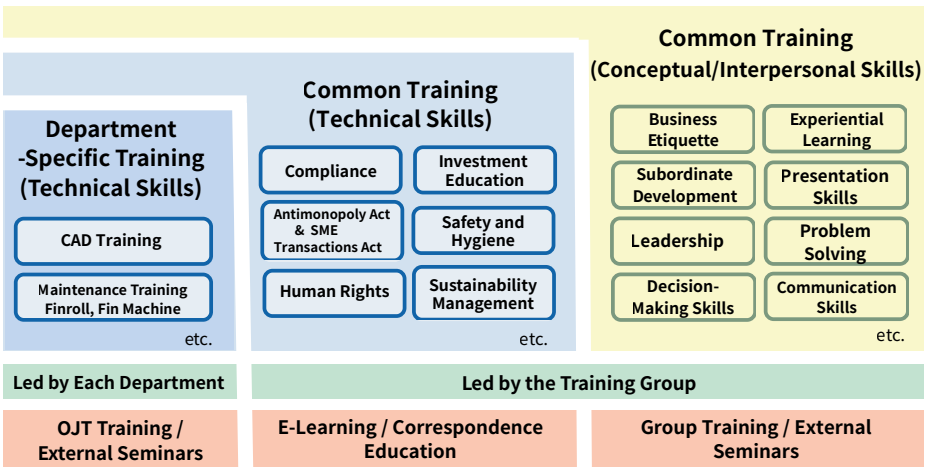
We consider human resources to be corporate assets and value them as human assets. We have established an education and training system so that each employee can maximize his or her abilities while achieving self-realization.

The Human Resources and General Affairs Department plays a leading role in supporting the promotion of OJT in each department. The department also formulates an annual education program for cross-departmental education, and conducts systematic education.

In addition, we support the improvement of employee professionalism and career development through education prior to the appointment of an executive position and education for the acquisition of skills and qualifications directly connected to the manufacturing line. We will continue our efforts to develop human resources that will lead to the enhancement of the competitiveness of the entire organization through the growth of our employees.

Carrier Development and Training System

The system of education and training that we plan is represented by the following figure.



- Conceptual / Interpersonal Skills: Conceptualization, Interpersonal, and Relationship Skills
- Technical Skills: Specialized Professional Skills

We systematize knowledge and skills according to each level, and support employee growth through education prior to appointment as an officer and education to acquire manufacturing skills and qualifications.

Examples of Human Asset Development Initiatives

We implement a variety of human resource development programs, with a particular focus on training young employees from their first to fifth year with the company.

In addition to gaining an understanding of the processes from product development to manufacturing and internal systems, employees can gradually acquire fundamental business skills such as business etiquette and logical thinking.Through these initiatives, we support the steady growth of each employee.

Labor Practices

Basic Policy for Occupational Health and safety

Basic philosophy (guidelines)

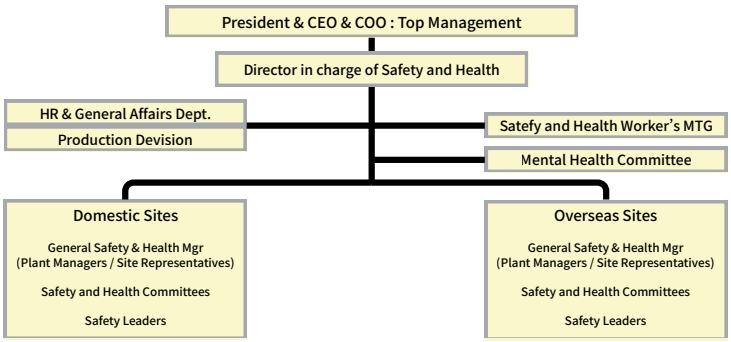
T.RAD Corporation and the T.RAD Group will pursue the well-being of employees and their families and strive to be "a company that values people" based on the basic philosophy that "safety and health are the highest priority in all activities."

Basic Policy (Code of Conduct)

We will pursue safe manufacturing activities and zero-accident activities through safety and health activities that all employees participate in based on 5C+2S+3R.

1. Creating a safe and 5S work environment where employees can work with peace of mind.
2. Utilizing the Safety and Health Committee and other means to achieve good communication between workers.
   ※Workers = Employees, including management, visitors, and construction workers
3. Maintain and improve a comfortable working environment by maintaining and promoting mental and physical health on a daily basis.
4. Promote education and other activities to prevent accidents and disasters in the workplace.
5. Clarify roles and responsibilities related to safety and health within the company.
6. Clarification of safety standards for equipment, etc. and implementation of risk assessment to reduce the risk of industrial accidents
7. Investigation of causes, identification of problems, and implementation and thorough implementation of improvement measures in the event of an occupational accident.
8. Comply with laws and regulations related to occupational safety and health and with internal regulations.
9. Continuously improve Occupational Health and Safety Management (OSHMS).
   ※Acronym for OSHMS=Occupational Safety and Health Management System

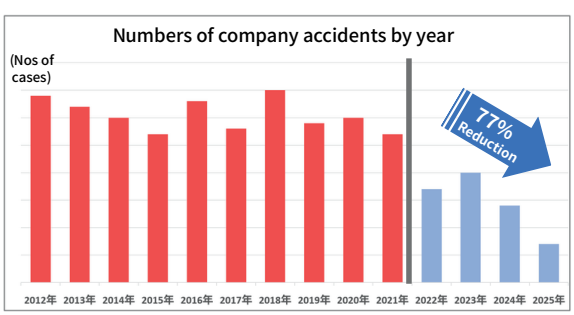
Safety and Health Promotion and Management System



Safety Initiatives

Reforming the safety promotion system

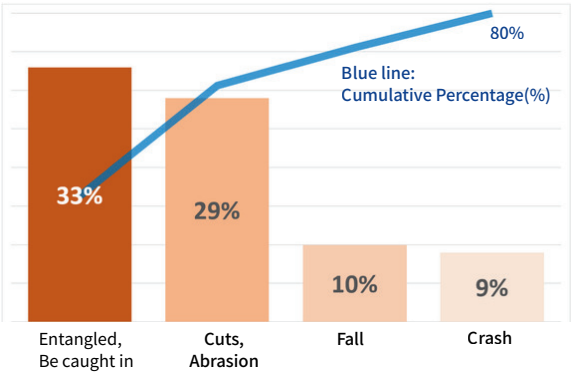
Our basic philosophy is to place top priority on safety and health in all of our activities. Our goal is to create a workplace that places safety first. Our goal is to pursue zero accidents through our employees' health and safe production activities. We have implemented organizational reforms to develop safety and health activities centered on those who know the actual situation at the production site. As a result of our safety and health activities, we were able to achieve a 77% reduction compared to before the organizational reform, with the aim of revitalizing the activities of the entire company as a whole, with the three main objectives of "safety promotion activities that clarify the system of instruction orders," "safety and health committees in each region where all divisions participate," and "education and practical activities for all employees and high safety awareness."



Future safety initiatives

Among all past workplace accidents, 74% occurred during non-routine work, while 67% occurred during abnormal situations. By accident type, the most common were caught-in and entanglement accidents, followed by cuts and abrasions. To eliminate these accidents, we will continue to conduct special safety patrols, identify potential hazards, and implement horizontal deployment of improvement measures across the Group, including subsidiaries.

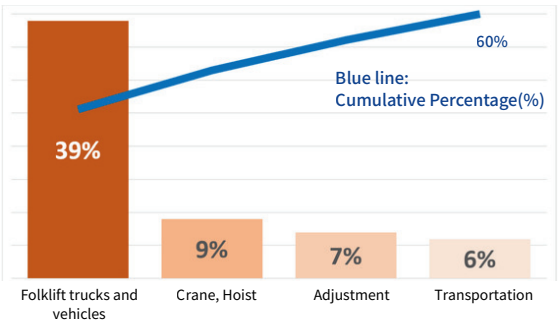
Incident Rate by Disaster Type



■Eliminating hazards through special safety patrols

As fires and explosions continue to occur, we conduct fire and explosion prevention training as well as special safety patrols. Continuous monitoring and safety awareness are also required for forklift- and crane-related accidents, which are common in the manufacturing industry.
In 2025, we will continue preventive activities, including employee education and special safety and health patrols, to prevent serious cases of heat-related illness.

Incidence of Serious near-misses



■Eliminating Human Error through the Introduction of AI and Collaborative Robots

As part of our long-term initiatives, we will:
-Reduce risk-taking behavior and human error by replacing certain manual operations with robots
-Prevent hazards through AI-based image analysis and detection
We will continue to promote these initiatives to create a safer workplace.

■Utilization of information deployment tools for health and safety activities

We have established a system that allows all employees to use the "T.RAD CONNECT" portal site using PC and smart phones distributed to all employees. As a result, safety data can be checked at any time, and safety information can be quickly disseminated. In addition, using the "Work-related Accident Dashboard" function within the T.RAD Connect, we have been able to collect data on work-related accidents and near-miss data and to grasp the data globally in real time, and are now being used for disaster analysis, countermeasures, and improvement activities.

Employee Health and Well-being Initiatives

In order to maintain and improve the mental and physical health of our employees, we are taking the following measures.

■Industrial nurses are stationed permanently at all domestic plants, and the Health Management Office is established

The Health Care Office handles the health management of employees (general medical examinations, special medical examinations, etc.). We also receive counseling on mental and physical health issues, and are working to maintain and improve health. We are also promoting similar activities in some regions overseas.

■Strengthening follow-up meetings through collaboration between industrial physicians and the Health Management Office

In addition to ensuring follow-up after medical checkups by nurses who are stationed in areas where it is difficult for industrial physicians alone to deal with them, we are working to expand the scope of interviews and provide careful care in response to individual situations. We are also working with the Health Insurance Association to prevent illnesses among our employees.

■Implementation of education on hygiene, health, and mental health by nurses

Nurses are responsible for lecturers, and education is systematically provided on mental health and the maintenance and promotion of health. The "Health Management Office," a consultation service for mental and physical matters, is made known by nurses as lecturers, in addition to explanations of specialized areas. This encourages the use of consultations by general employees and managers, and leads to the early detection and response of problems.

■Promotion of mental health promotion centered on the Mental Health Committee

We have established the Mental Health Committee as a company-wide council on mental health. This committee promotes the mental health of employees and enhances mental health activities. The committee members consist of nurses, general affairs managers, and managers. Through continuous study, the committee is working to improve the level of activities and response skills.
In addition, stress checks are conducted under the leadership of the committee, and efforts are being made to improve the workplace environment, including the use of the results of collective analysis.

■Enhancement of internal and external mental health consultation services

As a mental health consultation service, we have established an external mental health consultation service by outsourcing to nurses and industrial physicians, as well as a specialist company in mental health care. In addition, we are enhancing our consultation desks by training and educating members of the Mental Health Committee.

Suppliers

Basic Approach to Supply Chain

Our basic philosophy is to contribute to the realization of a sustainable society that is friendly to the global environment by providing excellent thermal energy conversion technologies and services. Based on this philosophy, we are promoting open doors, mutual trust, and green procurement, promoting local procurement, ensuring compliance with laws and regulations, and ensuring thorough confidentiality and disaster risk management. To this end, we are engaged in CSR of parts, materials, and auxiliary materials required to produce automotive radiators, oil coolers, charge air coolers, cooling COMP for construction machinery, and heat exchanger elements for air conditioning.

Basic Approach to Supply Chain

Basic procurement concepts

We are conducting procurement activities for a wide range of suppliers based on the following basic concepts, including the components, materials, and auxiliary materials required to produce automotive radiators, oil coolers, charge air coolers, cooling COMP for construction machinery, and heat-exchange elements for air conditioning.

1) Open Door

We conduct procurement activities with a fair and impartial stance, both domestically and internationally, in search of a wide range of suppliers. In the selection of suppliers, we make comprehensive judgments by focusing on quality, technology, cost, and delivery time, as well as on the attitude and system to make continuous improvements with speed.

2) Mutual Trust

We believe that it is important to develop mutually through transactions with suppliers as equal partners.
We will actively engage in improvement activities in collaboration with suppliers.

3) Promotion of Green Procurement

In order to realize our social mission of providing superior products and contributing to the advancement of society, which is consistent with our management philosophy, we are actively procuring environmentally friendly parts and materials.

4) Encouragement of Local Procurement

We are actively engaged in local procurement in the development of our corporate activities on a global scale.

5) Ensuring Compliance and Confidentiality

We comply with relevant laws and regulations. We also pay close attention to the handling of confidential information that we have learned through our business transactions.

6) Thorough Disaster Risk Management

We are promoting risk management with a focus on thorough implementation of "Safety First."

・Green Procurement Guidelines (click here to view the guidelines)

Promotion System for Procurement

In order to respond to global production activities, we are building partnerships with our business partners on a global basis and promoting procurement activities that pursue lasting development and the well-being of our customers, shareholders, employees, business partners, and local communities in concert with our business partners.

Responding to Supplier Human Rights Issues

In recent years, legislation and regulations have been enacted in countries that require companies to engage in human rights initiatives, and the need to respond to human rights risks in the supply chain has rapidly increased. We have also established human rights policies in accordance with international standards, including the United Nations Guiding Principles on Business and Human Rights (UNGPs), and we are engaged in dialogue with our business partners to investigate and respond to human rights due diligence.

Product Liability

Quality Philosophy and Policy

T.RAD Co., Ltd. and the T.RAD Group are committed to manufacturing safe, reliable, and industry-leading products. To ensure customer trust and satisfaction and contribute to the realization of Green Transformation (GX), we utilize and continuously improve our Quality Management System (QMS). Based on our principle of “Quality First” in both products and operations, we are fully committed to delivering products with confidence in their quality throughout every stage of the value chain, from development and production to sales.

Quality Philosophy and Policy

■Basic philosophy (guidelines)

T.RAD Co., Ltd. and the T.RAD Group are committed to manufacturing safe, reliable, and industry-leading products, ensuring customer trust and satisfaction while contributing to the realization of Green Transformation (GX).

■Basic philosophy (code of conduct)

In order to realize its basic philosophy, T.RAD Co., Ltd. and the T.RAD Group are committed to quality management in compliance with applicable standards.
The following items shall be actively implemented in addition to the utilization and continuous improvement of the system.
We will strive to develop, design, prepare for production, and produce products that satisfy the needs and expectations of our customers based on the concept of "quality first" and provide products that satisfy our customers.

Quality Management Structure

To strengthen quality governance, T.RAD has established a Quality Division reporting directly to the executive officer responsible for quality. The Quality Assurance Department, formerly under the Corporate Headquarters, the Quality Control Department, formerly under the Production Headquarters, and the Procurement Quality Team, formerly under the Procurement Headquarters, have been reorganized as independent functions within the Quality Division.
To further strengthen the global quality assurance framework, a Global Quality Team has been established within the Quality Division, and quality staff have been assigned to each overseas location to enhance coordination and collaboration across the Group.

ISO9001/IATF16949 Certification

We are working to improve quality performance and continually improve our quality management system.
Overseas subsidiaries have also obtained certification.

Overseas Sites		ISO9001		IATF16949	
		Certification date	Next Renewal	Certification date	Next Renewal
JAPAN	T.RAD Co., Ltd.	Mar/2001	May/2027	May/2018	Mar/2027
America	T.RAD North America, Inc.	Jan/2003	Oct/2026	Oct/2017	Oct/2026
America	Tripac International Inc.	Aug/2004	Aug/2028	--- *1	--- *1
Czech	T.RAD Czech s.r.o	May/2007	Apr/2027	May/2018	Apr/2027
China	T.RAD (Zhongshan) Co., Ltd.	Feb/2011	Feb/2029	Apr/2018	Apr/2027
China	T.RAD (Changshu) Co., Ltd.	Sep/2014	Sep/2026	Jan/2025	Jan/2028
China	T.RAD (Qingdao) Co., Ltd.	---	---	Dec/2016	Feb/2027
Vietnam	T.RAD (VIETNAM) Co., Ltd.	Jan/2015	Jan/2027	--- *1	--- *1
Thailand	T.RAD (THAILAND) Co., Ltd.	Aug/2009	May/2027	May/2018	May/2027
Indonesia	PT.T.RAD INDONESIA	Jul/2018	Jun/2027	Jul/2018	Jun/2027

* 1 ⋯IATF 16949: Not obtained, since no products are subject to the automotive sector standard.

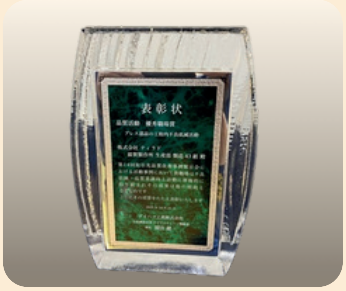
Customer Awards

Toyota Industries Corporation Toyota L&F Company

Received an award from Toyota Industries Corporation, Toyota L&F Company in recognition of achieving zero defective deliveries in FY2024.

Daihatsu Motor Co., Ltd.

Received the “Excellent Workplace Award for Quality Activities” from Daihatsu Motor Co., Ltd. in recognition of proactive initiatives and achievements in defect reduction and quality awareness improvement activities.



Nissan Motor Co., Ltd.

Received a Certificate of Appreciation for Excellent Quality from Nissan Motor Co., Ltd. in recognition of our quality performance in FY2024.

Kubota Corporation

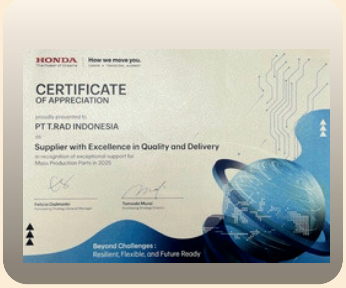
Received the “2025 Best Supplier” award from Kubota Corporation in recognition of outstanding overall performance in QCD and other areas based on Kubota’s KPA evaluation criteria for FY2025.

JATCO Ltd.

Received the QCDS Overall Excellent Supplier A Rank Award from JATCO Ltd. Only 4 suppliers were selected for the award out of 105 suppliers.

P.T. Honda Prospect Motor

Received the “2025 Quality & Delivery Excellence Award” from P.T. Honda Prospect Motor in recognition of achieving zero quality defects and zero delivery delays for mass-production parts.



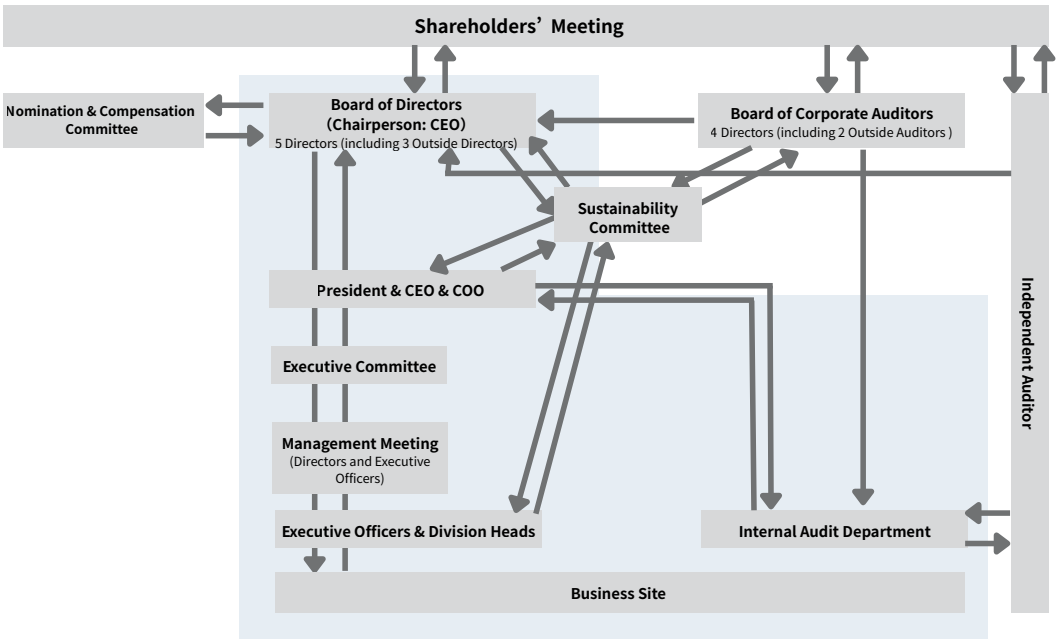
Corporate Governance

Basic Approach to Corporate Governance

Our corporate philosophy is to "contribute to the realization of a sustainable society that is friendly to the global environment by providing superior thermal energy conversion technologies and services. We will pursue the sustainable development of our company and the happiness of our customers, shareholders, employees, business partners, and local communities." Our management goal is to achieve perpetual development while enhancing corporate value, aiming to become a company trusted by stakeholders, which is one of these corporate philosophies and one of our corporate visions. In addition, in order to increase corporate value, the Company has established a management control system, and is working to enhance auditing and supervision of corporate management and improve the transparency of management activities. In particular, the Company actively implements various measures to enhance corporate governance, considering the establishment of compliance as a corporate culture as a priority issue.
To realize compliance as one of our measures, we have established and disseminated T.RAD Code of Conduct as a code of conduct for the daily activities of all of our employees.

Corporate Governance System

In addition to the General Meeting of Shareholders, the Board of Directors, and the Board of Corporate Auditors, which are stipulated by the Companies Act, we have established the Executive Committee, the Executive Committee, and other important meetings with the aim of contributing to flexible management decision-making on important management issues.



■ Executive Committee

The Board of Directors shall, in accordance with the Regulations Governing the Board of Directors, resolve important matters and other matters stipulated by law and the Articles of Incorporation, and supervise the execution of duties. The Board of Directors is chaired by the Representative Director and comprises two internal directors and three external directors, thereby establishing a management oversight system. All directors, including representative directors, and all corporate auditors attend the Board of Directors meetings, which are held once a month, and as necessary. Audit & Supervisory Board members attending meetings of the Board of Directors receive reports on important matters, such as compliance, management strategies, business risks, and financial conditions. In addition, they directly check the status of business execution, including interviews with directors and officers and employees.

■ Board of Corporate Auditors

The Board of Corporate Auditors works closely with the Internal Audit Department, and has established a system to receive necessary information in a timely manner in order to ascertain and monitor internal controls and discuss issues. Furthermore, in order to conduct independent and fair audits, two of the four corporate auditors are outside auditors.

■Executive Committee

In accordance with the regulations of the Executive Committee, the Executive Committee establishes the overall management policy of the Company and makes decisions on important matters. The committee is composed of a full-time director and a senior executive officer, and is held once a week in principle with the participation of related parties.

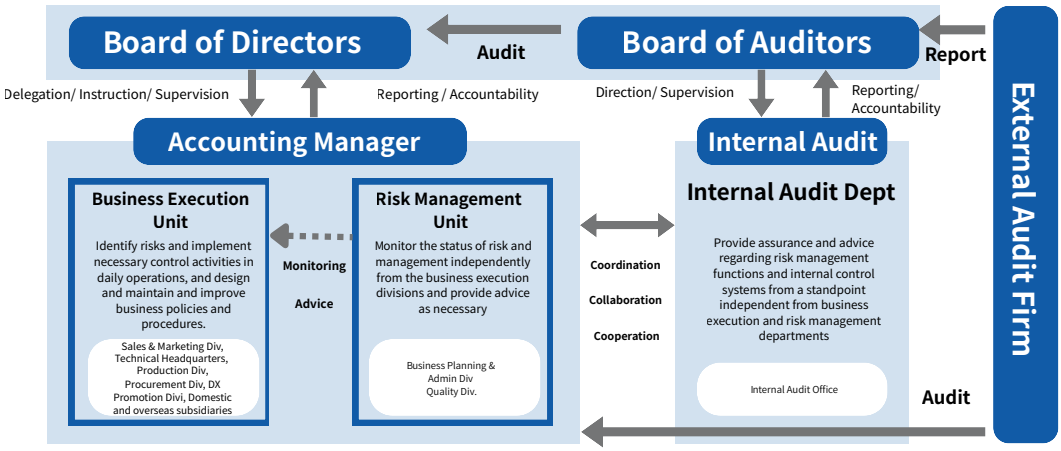
■Nomination and Compensation Committee

As an advisory body to the Board of Directors, we have established the Nomination and Compensation Committee, which is composed of a majority of outside directors. The appointment of directors and executive officers and the remuneration of directors are determined fairly and appropriately by consulting with the Committee in advance and deliberating at the Board of Directors meetings.

Internal Control

Internal control supports the maintenance and enhancement of management quality and can be regarded as an integral part of corporate management itself. As a foundation of corporate governance, T.RAD has established and deployed internal control systems throughout the Group, including its subsidiaries and affiliates, to ensure the legality, appropriateness, and efficiency of business operations. We conduct company-level and process-level internal control evaluations of our overseas subsidiaries in accordance with the requirements of Japan's Financial Instruments and Exchange Act.

By promoting the development and implementation of internal control systems across all subsidiaries, we aim to further strengthen corporate governance throughout the Group. In response to the increasing globalization of our business, we are building and operating our internal control system based on the Three Lines Model, consisting of operational departments, management and oversight functions, and the internal audit function. Through this framework, we strive to ensure appropriate risk management and enhance the Group's medium- to long-term corporate value.

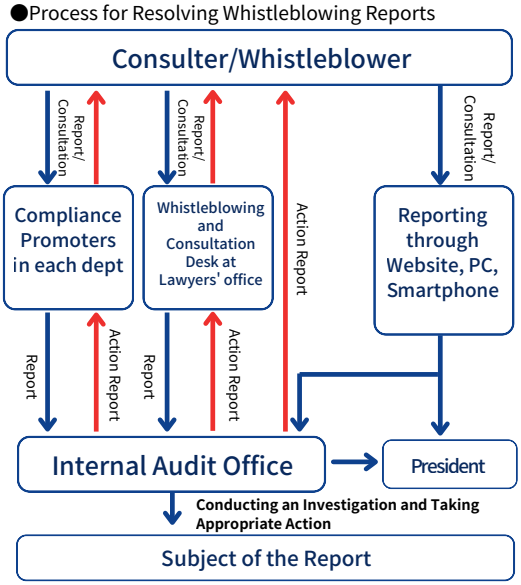


Whistleblowing and Reporting System

T.RAD has established an internal whistleblowing system in accordance with its internal regulations (Compliance Regulations and Compliance Management Procedures) to facilitate the early detection and resolution of violations of laws, regulations, and other misconduct. Employees may report concerns not only to the compliance promoters in their respective departments but also directly to the President and the Internal Audit Department through a dedicated web-based reporting system that is accessible at any time via computers and smartphones. In addition, an external reporting channel has been established through the Company's legal counsel. Anonymous reporting is permitted, and the protection of whistleblowers is stipulated in the relevant regulations to ensure that no disadvantageous treatment is imposed on any person who makes a report.

Information regarding the whistleblowing system is made available through the Company intranet (Compliance Information) and the T.RAD Handbook. The Company also promotes awareness and understanding of the system through ongoing compliance training and education programs for employees.

●Process for Resolving Whistleblowing Reports



Compliance

Compliance Initiatives

■T.RAD Code of Conduct

We believe that the faithful implementation of the “T.RAD Corporate Philosophy” is the very means by which our Company fulfills its social responsibilities. In putting this philosophy into practice, our employees are expected to fully understand the Code of Conduct in advance and regard it as the highest priority in their actions. Through such conduct, we are confident that the value of our Company and the outcomes of our business activities will be further enhanced, thereby earning the trust of all our stakeholders.

■Compliance Training Programs

T.RAD provides compliance training for newly hired and mid-career employees both at the time of joining the Company and again six months after employment. The training covers not only fundamental compliance principles and the importance of adhering to rules and regulations, but also specific legal and regulatory requirements, including information management, The Act on Proper Transactions with Small and Medium-Sized Entrusted Business Operators (hereinafter referred to as “ SME Transactions Act"), internal controls, J-SOX, and intellectual property management. We continuously improve our training programs based on feedback received through participant surveys. In addition, compliance training conducted by external legal counsel is provided to directors and senior management at the headquarters. Through these programs, the management team works to stay informed of the latest compliance developments and further strengthen compliance awareness.

■Ensuring Compliance with Labor Regulations through Mutual Audits

In accordance with internal regulations, each business site conducts self-assessments of compliance with labor-related laws and regulations using the Labor-Related Legal Compliance Assessment Sheet. Following the self-assessments, mutual audits are conducted by General Affairs Managers and responsible personnel from different sites. No major non-conformities have been identified at any site. For items requiring improvement, follow-up audits are conducted within the fiscal year, and corrective actions are monitored until completion. To further strengthen our compliance framework, we will continue to promote these initiatives throughout the Group.

Fair Transactions

■T.RAD Procurement Policy

- Promote Growth Together with Our Suppliers
- Selection of Competitive Suppliers
- Promote Streamlining and Integration of Parts Procurement, and Standardization of Components
- Establish a Global Procurement System and Develop Global Talent

T.RAD Procurement Policy
Click here to view the policy

Based on the procurement policy described above, we are committed to strengthening relationships with our suppliers and promoting mutual growth through various initiatives. These include enhancing supply chain resilience and safety, promoting legal compliance through supplier compliance audits, supporting suppliers' quality improvement activities through monthly supplier quality meetings at each manufacturing site, and conducting disaster risk reduction activities based on questionnaire surveys and subsequent audits. To provide fair business opportunities, we operate a supplier portal on our website where we disclose procurement items and accept proposals related to Green Procurement and our Supplier CSR Guidelines.

In addition, to ensure fair transactions with suppliers and subcontractors, we provide employee training on SME Transactions Act and conduct departmental audits for transactions with companies subject to the Act, thereby promoting greater compliance awareness throughout the organization. Furthermore, following the identification of a violation of the SME Transactions Act related to mold storage fees, we implemented corrective measures, including the payment of outstanding fees. We have also strengthened internal training programs and reviewed our transaction management system to prevent recurrence and further enhance compliance.

Risk Management

■Basic Philosophy (Guidelines)

In order to realize its corporate philosophy, T.RAD Co., Ltd. and T.RAD Group appropriately manage the wide range of risks that may arise in the course of business activities, including economic, social, and environmental risks. We strive to eliminate risks as much as possible, and in the event that a risk does occur, we will promptly implement appropriate countermeasures tailored to the characteristics of the risk.
Furthermore, we will continue to provide education and awareness-raising activities so that each and every employee is able to take timely, appropriate, and accurate action when risks arise.

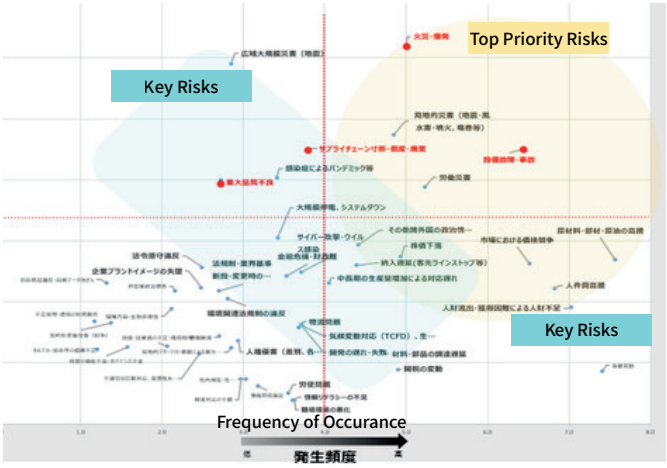
■Basic Policy (Code of Conduct)

1. Ensure the safety of human life and health, and respect human rights.
2. Comply with all applicable laws and internal regulations, and promote transparent and sound management and business operations.
3. Strive to ensure the quality and safety of products and services, as well as their stable supply.
4. Act in good faith to eliminate or mitigate factors that may hinder the interests of stakeholders surrounding the Company.
5. Each employee shall take responsible action in addressing risks.

Risks related to business activities

We conduct a comprehensive risk analysis once a year to identify risks related to our management and business activities, and to categorize them into critical risks and significant risks. These risks are visualized for clarity and prioritization.
Risk mitigation activities for critical and significant risks are incorporated into our medium-term management plan and annual business policies. The progress of these activities, as well as the outcomes, are monitored under the Business Continuity Subcommittee of the Sustainability Committee to ensure effective implementation and tangible results.

Risk Analysis Results with Risk Map Image



■Risks from Climate Change

Climate change-related risks that may affect the Group's business include both transition risks associated with the shift to a decarbonized society and physical risks arising from climate change.The primary transition risk is the potential decline in sales if our products are unable to respond appropriately to increasingly stringent fuel efficiency and emissions regulations, as well as the accelerating shift toward vehicle electrification.Physical risks include disruptions to production activities caused by the increasing frequency and severity of extreme weather events, such as floods, which may lead to factory shutdowns and interruptions in the supply chain.To address these risks, we conduct climate change scenario analyses to assess their potential impacts on our business. Based on the results of these analyses, we implement appropriate countermeasures and continue to disclose relevant information in a transparent manner.

■Information Security

The T.RAD Group utilizes a wide range of information technology systems to improve operational efficiency. To address cybersecurity risks, we have strengthened measures to prevent and detect external cyberattacks, while also enhancing employee awareness and training programs related to information security.We are promoting cybersecurity initiatives on a global basis and continuously reviewing and improving our security standards. As cyber threats continue to increase in both frequency and sophistication, we are committed to establishing a resilient security framework that enables us to continue delivering value to our customers without interruption.

■Anti-Corruption

T.RAD recognizes corruption and bribery as significant risk factors that can seriously undermine corporate credibility. To maintain sound relationships with stakeholders and prevent entertainment, gifts, or other practices that could give rise to public suspicion or distrust, we have established the following principles in our Code of Conduct and ensure that all employees are fully informed of and comply with them.

・Donations and contributions are made in accordance with the laws and regulations of Japan and the relevant countries in which we operate. We strive to maintain transparent and fair relationships with political, governmental, and public institutions and organizations.

・We do not offer bribes or any other improper benefits to public officials (including foreign public officials and deemed public officials), nor do we provide entertainment, gifts, money, or other benefits to any person for the purpose of obtaining or retaining improper advantages or preferential treatment.

Business Continuity Plan (BCP)

We believe that the ability to respond effectively during emergencies is an essential aspect of quality, just as important as manufacturing excellence. To ensure business continuity while minimizing losses to stakeholders under any emergency situation, we focus on the following three pillars:

1. Implementation of the PDCA cycle centered on emergency response drills and continuous improvement.
2. Promotion of disaster mitigation measures for factories, offices, and IT infrastructure.
3. Strengthening of supply chain resilience and information-sharing systems.

■Planned Emergency Response Drills

In addition to natural disasters, we prepare for various emergency scenarios, including equipment failures, fires, and transportation disruptions. Each site develops and implements annual plans tailored to its specific risks and circumstances.

■Promotion of disaster mitigation measures

1. Disaster Mitigation Measures for Factories, Offices, and Equipment at Each Site

For factories and offices, we identify hazardous locations and areas requiring corrective actions from the perspectives of preventing falling objects, preventing equipment from tipping over, and preventing the scattering of materials. Based on the identified risks, we develop multi-year roadmaps according to priority, allocate budgets, and implement corrective measures.In addition, each site formulates annual plans to address equipment-related risks, including measures to deal with aging facilities, prevent equipment from tipping over, and remove unnecessary items, and steadily implements these initiatives.

2. Building Safety Assessment

To ensure building safety, we identify potentially hazardous areas through routine safety patrols and in accordance with the Guidelines for Emergency Building Inspections by Facility Managers Immediately Following a Major Earthquake, issued by the Cabinet Office of Japan in 2015. We promote improvements in these areas and maintain lists of restricted-entry zones to be enforced during emergencies in order to protect employee safety.

3. Promotion of Large-Scale Earthquake Countermeasures for IT Systems

- Power Switching Drills During Power Outages and Securing Emergency Power Supplies

We conduct regular drills to verify that emergency power systems operate properly and can maintain critical systems in the event of a power outage. In addition, emergency power sources are secured for production systems to ensure that essential information remains accessible without system downtime.

- File Server Backup and Data Protection

Critical data is backed up daily to protect against data loss caused by damage, corruption, or operational errors. Furthermore, file server data is stored simultaneously at two separate locations to enhance data security and business continuity.

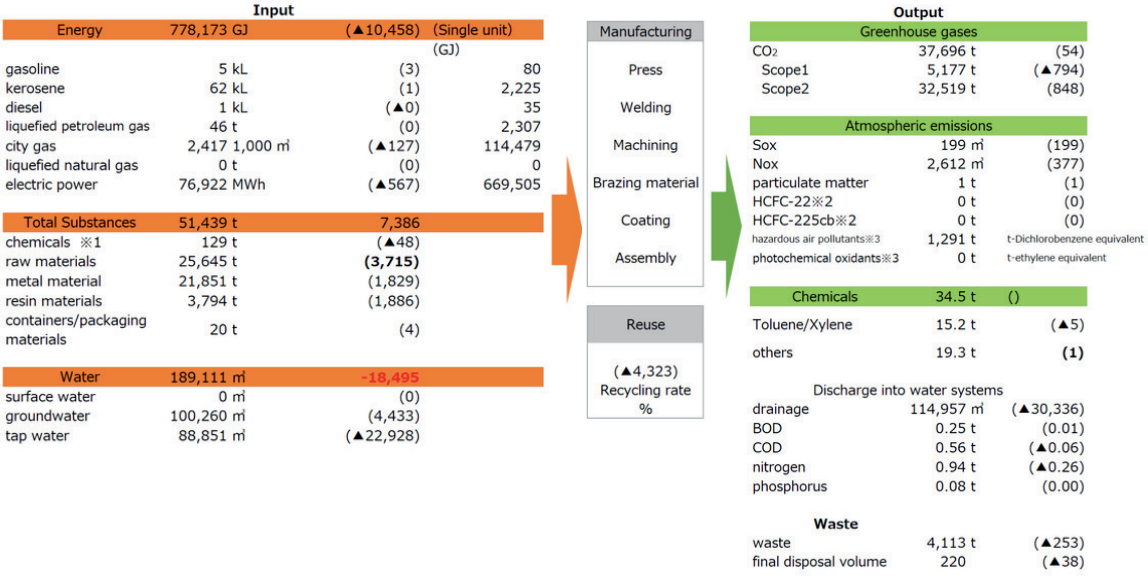
4. Maintenance and Management of Emergency Stockpiles

In accordance with guidelines issued by the national government, prefectural governments, and local authorities, we maintain essential emergency supplies, including food, daily necessities, and sanitary products.Looking ahead, we are considering expanding our stockpile program with the aim of supporting coexistence and mutual assistance with local communities during disasters.Since FY2019, we have also implemented an initiative to donate emergency supplies to non-profit organizations (NPOs) and local governments through a matching system before the expiration of their shelf life. Through this initiative, we help reduce waste and contribute to addressing food loss and poverty-related issues.

Environmental Data

Overview of the environmental impact of business activities in fiscal year 2025

(period: April 2025 to March 2026, scope: three domestic manufacturing plants, Kasadera)



() indicates the increase or decrease from last year.
*The Sales, Technology, and Procurement divisions are collectively referred to as "Kasadera."

※1：This includes chemical substances other than the 12 substances for which reduction targets have been set.
※2：HCFC-22 and HCFC-225cb are ozone-depleting substances.
※3：The calculation is based on "JEPIX Simple Calculation Sheet 2_2." It also uses the amounts of chemical substances, SOx, and NOx that are subject to calculation in this tool.
Energy: Amount used x unit calorific value, CO2: Electricity used x carbon dioxide emission coefficient,
Other fuels: Amount used x unit calorific value x carbon emission coefficient x 44/12
(Source of unit calorific value: "Enforcement Regulations of the Law Concerning the Rational Use of Energy")
Gasoline 34.6GJ/kL, kerosene 36.7GJ/kL, diesel 37.7GJ/kL, LPG 50.8GJ/t,
daytime electricity purchase 9.97GJ/MWh, nighttime electricity sales 9.28GJ/MWh

City gas calorific value: 45GJ/1,000m3 for three domestic plants and the Sales and Technology Headquarters (Hadano Gas, Toho Gas, Osaka Gas)

- Source of emission coefficient: "Ministry Ordinance on Calculation of Greenhouse Gas Emissions Associated with Business Activities of Specified Emitters, Appendix 1"
  Gasoline: 0.0183tC/GJ, Kerosene: 0.0185tC/GJ, Diesel: 0.0187tC/GJ,
  LPG: 0.0161tC/GJ, City gas (Shiga Plant, Technical Headquarters): 0.0136tC/GJ
- City gas and other sources: Hadano Plant, Sales and Technology Headquarters (Kanagawa) (Hadano Gas) and Nagoya Plant, Sales and Technology Headquarters (Aichi) (Toho Gas) 0.0139tC/GJ

Electricity: Emission coefficients by electric utility company
("Emission coefficients by electric utility company (for calculating greenhouse gas emissions from specified emitters) FY 2019 results" Published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry on January 24, 2023
https://policies.env.go.jp/earth/ghg-santeikohyo/calc.html
: Hadano Plant, Sales and Technology Headquarters (Kanagawa) 0.431tCO2/MWh (Tokyo Electric Power Company)
: Nagoya Plant, Kasadera (Aichi) 0.421tCO2/MWh (Chubu Electric Power Company)
: Shiga Plant 0.419tCO2/MWh(Kansai Electric Power Co.)

Environmental Accounting

- Scope : April 1, 2025 to March 31, 2026 (FY2025)
- Scope of Accounting: Headquarters, three domestic factories (Hadano, Nagoya, Shiga), Sales Headquarters, Technology Headquarters, and Procurement Headquarters (hereinafter referred to as Kasadera)

The calculation items are based on the Ministry of the Environment's Environmental Accounting Guidelines 2005, and do not include travel expenses.

Environmental conservation costs Unit: million yen
(scope of calculation: Head office, three domestic manufacturing plants, Kasadera)

classification		main initiatives	investment amount	cost amount
(1) Business area costs	(1)-1 Pollution prevention costs	Improvement, inspection, and testing of pollution prevention equipment	11.133	42.49893
	(1)-2 Global environmental conservation costs	Installing LED lighting and upgrading to energy-saving equipment	261.633	242.5282
	(1)-3 Resource circulation costs	Waste disposal costs	0	30.1621
(2) Upstream and downstream costs		—	0	0
(3) Activity management costs		Examination fees, report preparation, education, greening, etc.	197.502	17.3365
(4) Research and development costs		Research and development costs for environmentally friendly products	0	0
(5) Social activity costs		Donations to environmental conservation organizations	0	0
(6) Environmental damage response costs		—	0	0
		Total	470.268	332.52573

Environmental conservation effects
(scope of calculation: Head office, three domestic manufacturing plants, Kasadera)

classification	environmental performance indicators	FY2023	FY2024	Conservation effect
Environmental conservation effects related to resources used in business activities	Total energy input (GJ)	788,631	778,173	(▲10,458)
	Input by type: Electricity (MWh)	77,489	76,922	(▲567)
	Kerosene (kL)	61	62	1
	Gasoline (kL)	2	5	2
	City gas (1,000 ㎥)	2,554	2,417	(▲137)
	liquefied petroleum gas (t)	46	46	0
	Water usage (㎥)	210,544	189,111	(▲21,433)
Environmental conservation effects related to environmental impacts and emissions from business activities	CO_2 emisshions (tCO_2)	37,642	0	(▲37,642)
	CO_2 emissions per unit of production (tCO_2/Processing amount million yen)	1.15	0.00	(▲1.15)
	PRTR substance emission/transfer amount (t)	38	0	(▲38)
	Amount of waste (t)	4,343	4,113	(▲229)
	Final disposal volume (t)	330	220	(▲110)
Other environmental conservation effects	Noise (dB) (maximum value)	68	186	118
	Vibration (dB) (maximum value)	45	76	31

Economic benefits of environmental conservation measures Unit: million yen
(scope of calculation: Head office, three domestic manufacturing plants, Kasadera)

Contents of the effect		Effect amount
revenue	Profit from sales of valuables	568.5471
cost reduction	Reduce energy costs through energy conservation	61.6587
Total		630.2058

		Factory name (location)	Hadano Factory (Hadano City, Kanagawa Prefecture)	Nagoya Factory (Higashiura-cho, Chita-gun, Aichi Prefecture)
Comprehensive environmental data				
input		Energy consumption (GJ)	232,848	161,381
		Water intake (㎥)	122,254	10,642
		Amount of chemical substances handled (t)	81	1
output	greenhouse gases	CO2:Scope1,2(tCO2)	10,552	7,986
		CO_2 in logistics(tCO_2)	0	1,182
	atmosphere	particulate matter (t)	—	1
		Nox (㎥)	—	1,638
		Sox (㎥)	— (No occurrence in the process)	199
	water	emissions (㎥)	86,306	7,981
		Drainage destination	Kuzuha River (Kaname River system)	River
	water quality	BOD (t)	0	0
		COD (t)	0	0
		nitrogen (t)	1	0
		phosphorus (t)	0	0
	chemicals	Amount of chemical substances released and transferred (t)	34	0
	waste	Total amount of waste (t)	719	720
		Final disposal volume of waste (t)	159	22

*The amounts of chemical substances handled, released, and transferred include those other than the 12 substances for which reduction targets have been set. (Related: Page 50)
*ND means not detectable due to low value.

	Factory name (location)	Hadano Factory (Hadano City, Kanagawa Prefecture)			Nagoya Factory (Higashiura-cho, Chita-gun, Aichi Prefecture)		
Drainage							
item	unit	Regulation value	Achievements		Regulation value	Achievements	
			minimum	maximum		minimum	maximum
Hydrogen ion concentration	pH	5.8~8.6	7.6	7.9	5.8~8.6	6.9	7.8
Amount of suspended solids (SS)	mg/L or less	70	<2.0ND	29	30	Less than 1	9
Biochemical Oxygen Demand(BOD)	mg/L or less	25	<1.0ND	7.7	30	Less than 0.5	3.3
mineral oils	mg/L or less	5	-	-	—	—	—
animal and vegetable oils	mg/L or less	—	-	-	—	—	—
Chemical oxygen demand(COD)	mg/L or less	25	1.7	7.6	30	4	16
Normal hexane extractable substance content	mg/L or less	5	<1.0ND	<1.0ND	—	—	—
Nitrogen content(T-N)	Less than mg/L	100	3.6	11	120	2	43
Phosphorus content(T-P)	Less than mg/L	16	0.08	0.9	16	0.2	6.1
Lead and its compounds	mg/L or less	0.1	<0.01ND	0.07	—	—	—
copper and its compounds	mg/L or less	1	<0.05ND	<0.05ND	—	—	—
Zinc and its compounds	mg/L or less	1	<0.05ND	0.25	—	—	—
Soluble Manganese Content	mg/L or less	1	<0.02ND	<0.02ND	—	—	—
Iron and its compounds (soluble)	mg/L or less	1	<0.02ND	<0.02ND	—	—	—

		Factory name (location)	Hadano Factory (Hadano City, Kanagawa Prefecture)			Nagoya Factory (Higashiura-cho, Chita-gun, Aichi Prefecture)		
atmosphere								
item		unit	Regulation value	Achievements		Regulation value	Achievements	
				minimum	maximum		minimum	maximum
painting booth	benzene	ppm	10	—	—	—	—	—
	toluene	ppm	100	0.2	0.9	—	—	—
	xylene	ppm	150	1	31	—	—	—
boiler	Particulate matter amount	g/h	Since fiscal 2011, the plant has been converted to LNG and its combustion capacity has been reduced, making it exempt from the law.			—	—	—
	Sulfur oxide amount	㎥N/h				—	—	—
	sulfur oxide concentration	ppm				—	—	—
	Nitrogen oxide amount	㎥N/h				—	—	—
	Nitrogen oxide concentration	ppm				—	—	—
NB/TAB furnace	dust concentration	g/㎥N	0.2 or less	<0.001ND	0.0061	0.2 or less	Less than 0.002	0.008
	sulfur oxide		5ppm or less	-	-	Discharge volume less than 0.252 m3N/h	Less than 0.0009	Less than 0.006
	Nitrogen oxide concentration 11% equivalent value of oxide concentration	ppm	Under 180	<2ND	21.7	Under 180	Less than 20	Less than 40
	Fluorine compound concentration	mg/㎥N	2.5 or less	<0.5ND	2.2	Under 10	Less than 0.8	4.3

	Factory name (location)	Hadano Factory (Hadano City, Kanagawa Prefecture)			Nagoya Factory (Higashiura-cho, Chita-gun, Aichi Prefecture)		
PRTR							
item	unit	Regulation value	Achievements		Regulation value	Achievements	
			Discharge	transfer		Discharge	transfer
Water-soluble zinc compounds	kg	2,132	2.9	450	0	0	—
ethylbenzene		14,905	14,688.8	216	16	6	—
xylene		15,762	15,512.0	216	66	25	—
Dichloromethane		—	—	—	0	0	—
Chromium and trivalent chromium compounds		14,101	2.9	0	0	0	—
Chlorodifluoromethane		—	—	—	0	0	—
1,1-Dichloro-1-fluoroethane		—	—	—	0	0	—
toluene		2,460	2,241.6	216	97	30	—
Lead and its compounds		14,908	0.6	407	0	0	—
nickel		12,057	2.9	0	0	0	—
Benzene (gasoline)		0	0.0	0	7	0	—
1,2,4-trimethylbenzene		2,600	0.2	0	0	0	—

		Factory name (location)	Shiga Factory (Higashiomi City, Shiga Prefecture)	Kasadera (Nagoya City, Aichi Prefecture)
Comprehensive environmental data				
input		Energy consumption (GJ)	377,918	60,808
		Water intake (㎥)	40,545	19,877
		Amount of chemical substances handled (t)	50	0
output	greenhouse gases	CO_2:Scope1,2(tCO_2)	16,228	3,411
		CO2 in logistics(tCO2)	528	—
	atmosphere	particulate matter (t)	0	—
		Nox (㎥)	974	—
		Sox (㎥)	—	—
	water	emissions (㎥)	9,784	10,886
		Drainage destination	public sewer	sewer
	water quality	BOD (t)	—	—
		COD (t)	—	—
		nitrogen (t)	—	—
		phosphorus (t)	—	—
	chemicals	Amount of chemical substances released and transferred (t)	0	0
	waste	Total amount of waste (t)	2,091	69
		Final disposal volume of waste (t)	125	2

*The amounts of chemical substances handled, released, and transferred include those other than the 12 substances for which reduction targets have been set. (Related: Page 50)
*ND means not detectable due to low value.

	Factory name (location)	Shiga Factory (Higashiomi City, Shiga Prefecture)			Kasadera (Nagoya City, Aichi Prefecture)		
Drainage							
item	unit	Regulation value	Achievements		Regulation value	Achievements	
			minimum	maximum		minimum	maximum
Hydrogen ion concentration	pH	5.0~9.0	—	—	5 or more	6.9	6.5
Amount of suspended solids (SS)	mg/L or less	Less than 600	—	—	Under 600	Less than 1	210
Biochemical Oxygen Demand(BOD)	mg/L or less	Less than 600	—	—	Under 600	Less than 1	540
mineral oils	mg/L or less	5 or less	—	—	Under 50	Less than 0.5	1.7
animal and vegetable oils	mg/L or less	20 or less	—	—	Under 50	Less than 0.5	6.5
Chemical oxygen demand(COD)	mg/L or less	—	—	—	—	—	—
Normal hexane extractable substanc	mg/L or less	—	—	—	—	—	—
Nitrogen content(T-N)	Less than mg/L	Less than 60	—	—	—	—	—
Phosphorus content(T-P)	Less than mg/L	Less than 10	—	—	—	—	—
Lead and its compounds	mg/L or less	—	—	—	—	—	—
copper and its compounds	mg/L or less	—	—	—	—	—	—
Zinc and its compounds	mg/L or less	—	—	—	—	—	—
Soluble Manganese Content	mg/L or less	—	—	—	—	—	—
Iron and its compounds (soluble)	mg/L or less	—	—	—	—	—	—

		Factory name (location)	Shiga Factory (Higashiomi City, Shiga Prefecture)			Kasadera (Nagoya City, Aichi Prefecture)		
atmosphere								
item		unit	Regulation value	Achievements		Regulation value	Achievements	
				minimum	maximum		minimum	maximum
painting booth	benzene	ppm	—	—	—	—	—	—
	toluene	ppm	—	—	—	—	—	—
	xylene	ppm	—	—	—	—	—	—
boiler	Particulate matter amount	g/h	—	—	—	—	—	—
	Sulfur oxide amount	㎥N/h	—	—	—	—	—	—
	sulfur oxide concentration	ppm	—	—	—	—	—	—
	Nitrogen oxide amount	㎥N/h	—	—	—	—	—	—
	Nitrogen oxide concentration	ppm	—	—	—	—	—	—
NB/TAB furnace	dust concentration	g/㎥N	0.2	<0.005	0.029	0.1	Less than 0.002	Less than 0.002
	sulfur oxide		17.5(K value)	<0.11	<1.12	0.112~0.198	Less than 0.0007	Less than 0.0007
	Nitrogen oxide concentration 11% equivalent value of oxide concentration	ppm	180	<5	9	150~180	Less than 40	Less than 40
	Fluorine compound concentration	mg/㎥N	3	<1.0	34	—	—	—

	Factory name (location)	Shiga Factory (Higashiomi City, Shiga Prefecture)			Kasadera (Nagoya City, Aichi Prefecture)		
PRTR							
item	unit	Regulation value	Achievements		Regulation value	Achievements	
			Discharge	transfer		Discharge	transfer
Water-soluble zinc compounds	kg	0	0	0	0	0	0
ethylbenzene		22	3.57	0	0.31	0.031	0
xylene		89.6	4.4	0	1.44	1.44	0
Dichloromethane		0	0	0	0	0	0
Chromium and trivalent chromium c		16,630	0	0	0	0	0
Chlorodifluoromethane		0	0	0	0	0	0
1,1-Dichloro-1-fluoroethane		0	0	0	0	0	0
toluene		167.64	6.28	0	3.12	3.12	0
Lead and its compounds		0	0	0	0	0	0
nickel		33,197	0	0	0	0	0
Benzene (gasoline)		11.8	0.04	0	0.22	0.22	0
1,2,4-trimethylbenzene		76.027	0.03	0	0.97	0.97	0

T.RAD Co., Ltd.