

Code of Conduct

The Toho Titanium Group established Code of Conduct with 31 items to embody Fundamental Policies.

Code of Conduct

1. Usefulness in society

We produce and offer products and services that are useful in society through innovation.

2. Protection of human rights and the working environment

2.1 Respect for human rights

We respect human rights and diversity, and will not discriminate against people according to gender, age, race, nationality, belief, religion, disability, social status, sexual orientation, or the like. We also take measures for preventing acts of ignoring human rights, such as harassment, unfair treatment, and discrimination at workplaces and in business.

We respect international standards regarding human rights, and will not allow child labor, forced labor, or slave labor or make any transactions that would induce such labor. We manage working hours appropriately, and strive to actualize good work-life balance.

We respect workers' rights to organize and bargain collectively, and secure smooth communication between labor and management.

We respect privacy and manage the personal information of stakeholders appropriately.

2.2 Occupational safety and health

In order to actualize a safe, hygienic, comfortable working environment with worthwhile jobs, we will strive to secure and maintain appropriate working environments and conditions and prevent industrial accidents and diseases.

So that chemicals included in our products or used in our production processes do not endanger the health or safety of people, we will manage chemicals and disclose information to supply chains properly in accordance with laws and regulations in each country.

3. Fair business activities

3.1 Compliance with laws and regulations

We will operate business activities while following the laws and regulations in each country.

3.2 Quality and safety of products

We will create value for meeting customers' expectations and offer safe, high-quality products and services.

3.3 Fair transactions

We will compete with other companies in a sound manner and make fair transactions while observing the competition law in each country, without making profits with improper or unfair means

We will foster win-win, fair business relationships with suppliers.

We respect the intellectual property of third parties.
We will observe the regulations on trade control in each
country, and will not be involved in any transactions that would
endanger peace or safety.

We will not make any transactions that could fuel regional conflicts or infringement of human rights, such as the procurement of conflict minerals.

We will not have any relationships with antisocial forces or take part in money laundering.

3.4 Prevention of corruption

We will not promise or offer to give economic benefits or other benefits or grant permission to civil servants, business partners, or the like or receive such benefits from them beyond the scope of laws or social norms.

We will fulfill our duties in good faith, and will not commit any act for pursuing our own or a third party's interests against the interests of the company

3.5 Accounting, tax affairs, financial information, etc.

We will conduct appropriate accounting, recording, and tax payment, in accordance with laws, regulations, accounting standards, and in-company rules.

We will disclose financial information and other corporate information timely and appropriately, in accordance with laws, regulations, rules stipulated by stock exchanges, etc. We will not commit insider trading or any acts that would induce it.

3.6 Management and utilization of corporate assets and information

We will make efforts to appropriately manage and effectively use assets and information our company holds, in order to create value and offer it to society through business activities. We will not use corporate assets for private use or other non-business purposes.

We will strictly manage confidential information, and take measures for preventing the leakage of such information.

3.7 Protection of whistle-blowers

We will maintain the confidentiality of whistle-blowers and will not conduct any acts that would cause a detriment to whistle-blowers

4. Environmental protection and coexistence with society

4.1 Environmentally friendly business activities

We will make efforts to reduce environmental burdens in all business activities, including planning, procurement, production, delivery, sale, and storage by effectively using resources, saving energy, recycling more items, etc. while cooperating with supply chains.

In order to conserve regional environments, we will strictly prevent environmental pollution. We will also contribute to the beautification of regional environments.

4.2 Information disclosure and communication

We will promote communication with stakeholders, including customers, business partners, shareholders, employees, governments, and local communities, enhance the transparency of our business administration, and fulfill accountability.

4.3 Harmony with and contribution to local communities

We will respect the cultures and customs in respective countries and regions, when conducting business activities there.

We will contribute to local communities as a good corporate citizen.

We will implement anti-disaster measures in cooperation with local communities as a member thereof. In addition, we will take measures for fulfilling our duty to supply products as a supplier even if a disaster happens.

If any of these codes of conduct is violated, a disciplinary penalty may be imposed in accordance with in-company regulations of group companies.

Customer support / quality control

Initiatives to improve customer satisfaction

The Toho Titanium Group is committed to providing products and services that place the highest priority on quality in order to continue earning the trust of our customers. We aim to improve customer satisfaction by accurately identifying customer needs and continuously realizing improvements in our products and processes. We also consider the environmental impact from the research stage and work to reduce the impact throughout the product lifecycle.

Toho Titanium Group Basic Policy for Quality

We recognize that it is our social mission to continuously provide excellent products and services. Therefore, we set this basic policy for quality and follow it to contribute to the realization of a sustainable society.

1. Compliance We thoroughly comply with legal requirements and maintain a deep sense of ethics.

2. Meeting customer expectations We will accurately grasp customer needs and provide precise information on quality, and also offer products and services that are trusted and satisfying.

3. Continuous improvement We operate a quality management system and promote continuous quality and service

improveme

4. Development of human resourcesWe strive to develop human resources who have a high level of awareness and responsibility regarding quality and services and actively take action for achieving high quality.

5. Care for safety and the environment, and provision of information We create products while considering safety and environmental protection and provide appropriate information.

Quality Control Initiatives

We have acquired ISO 9001 certification, an international standard for quality management systems, and have established a world-class quality management system that is appropriate for a global company supplying products that customers can use with confidence. In particular, we have obtained certification under JIS Q 9100, one of the international standards for quality control systems, for our titanium sponge and titanium ingots, enabling us to guarantee stable quality that meets the high quality control requirements of the aerospace industry and other industries.

ISO 9001 Certification

Starting with ISO 9002 certification of our Catalyst Division in 1996, we achieved ISO 9002 certification for all titanium divisions in 1998, and by 2001, we had expanded certification to ISO 9001 for our main titanium and electrical materials products, with certification for the scope of registration shown on the right.

We will continue to expand our quality management system, promote certification, and strive to further build trust and increase satisfaction among our customers.

Business Sites Certified under ISO 9001:2015

Headquarters, Chigasaki Plant, Hitachi Plant, Yahata Plant, Wakamatsu Plant, and Kurobe Plant

Scope of Certification

Design, development and manufacture of titanium tetrachloride, titanium sponge, high purity titanium(sponge, ingot, billet), titanium and titanium alloy ingot, high purity titanium oxides, catalysts for propylene polymerization, ultra-fine nickel powder, magnesium chloride, titanium trichloride aqueous solutions, titanium tetrachloride aqueous solution and toll melting service of high purity metal and contract manufacturing service of high purity chloride.

Implementation of a Quality Management System for the Aerospace Industry

We received JIS Q 9100 certification one of the quality system standards for aerospace applications for titanium sponge in 2003, and in 2010, we expanded the scope of certification to include titanium ingots. We will continue our efforts to provide better quality and service.

Business Sites that Have Obtained JIS Q 9100:2016 Certification

Headquarters, Chigasaki Plant, Yahata Plant, and Wakamatsu Plant



Manufacture of titanium sponge and titanium ingot

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Supply Chain Management

Respect for Human Rights in the Supply Chain

The Toho Titanium Group is committed to respecting human rights in keeping with the United Nations Guiding Principles on Business and Human Rights. In addition to the human rights guarantees described in the International Bill of Human Rights and the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO), we have

clearly stated respect for human rights and diversity in our Code of Conduct and are striving to ensure compliance and thoroughness under the leadership of top management.



Detailed information are listed in the Corporate Management Policy page on our website.

https://www.toho-titanium.co.jp/en/csr/social/

Strengthening Linkage and Collaboration with Business Partners

Based on the Code of Conduct for Transactions and Promises to Business Partners (Principles for Transactions) within our Basic Policy for Purchase, the Toho Titanium Group will strive to build relationships of trust with business partners through fair and equitable transactions as well as legal compliance and environmental conservation.

Basic Policy for Purchase Code of conduct for Transparency We are open and transparent in our transactions. Fairness The selection of business partners is based on a fair evaluation. Compliance with laws and regulations We will comply with relevant laws and regulations and respect not only all the provisions of the law, but also the spirit of the law when carrying out our business Environmental conservation We place importance on the environment and actively promote green procurement. We build a relationship of trust through transactions based on equal partnerships with our business Mutual trust We will maintain appropriate relationships with our business partners based on strict ethical standards. We will cut off relationships with antisocial forces and conduct sound purchasing activities We will not use our dominant bargaining position to make any business transaction that would create unfair Promises to Fair entry opportunity We will provide a fair entry opportunity for those wishing to be one of our business partners, and we will business partners (principles for The selection of business partners is based on a fair evaluation of factors such as quality, price, delivery Fair evaluation date, and performance Management of confidential information We will manage the information obtained in the tasks related to purchasing transactions with the utmost care and strive to maintain confidentiality Clarification of the reason for the selection For business partners who were not selected as suppliers due to competitions and such, we will clarify the

CSR Survey

Using the CSR Procurement Self-assessment Questionnaire published by the Supply Chain Subcommittee of the Global Compact Network Japan (GCNJ), the Group conducts surveys of suppliers in each of its Business Divisions to confirm that the suppliers meet the standards set by the Group. Based on the results from suppliers, we confirm their efforts to reduce CO₂ emissions, waste, electricity, water, and energy consumption, and work to reduce the environmental impact of the supply chain as a whole.

Green Procurement

As part of our efforts to conserve the environment, the Group promotes environmental conservation activities together with its business partners based on its Green Procurement Guidelines. Through these activities, we are reducing the environmental impact related to manufacturing, usage, and disposal of all materials and equipment we procure as well as the environmental impact related to the provision of services to the Group. We strive to purchase goods that have less impact on the global environment and procure from partners that are proactive about environmental measures.

Procurement BCP Initiatives

The Group is working on procurement BCP to prepare for the risk of business shutdown due to natural disasters such as earthquakes, windstorms, and floods, as well as fire, explosion, and power outages. We are advancing the diversification and multiple decentralization of procurement sources to minimize procurement risks.

Fair Trade

(Activities for Compliance with the Subcontracting Law)

In order to conduct fair transaction with business partner subject to the Subcontracting Law, the Group complies with the Subcontracting Law and builds and deepens relationships of trust based on appropriate and smooth operations with our business partners.

Initiatives to Eliminate Antisocial Forces

The Group is continuously working to eliminate antisocial forces. Under the fair transactions clearly mentioned in our Code of Conduct, we conduct surveys of business partners on the status of implementation of measures to prevent involvement with antisocial forces, and follow up with them on an ongoing basis in order to determine that all partners are capable of conducting sound transactions.

Declaration of Partnership Building

The Group declares that it focus on the following items in order to build new partnerships by promoting cooperation, coexistence and co-prosperity with our supply chain business partners and other value-creating businesses.

- Coexistence and co-prosperity throughout the supply chain and new cooperation beyond size and affiliation
- 2. Compliance with Promotion Standards
- 3. White Logistics

March 15, 2024)



Participation in the "White Logistics" Promotion Movement

In March 2022, we endorsed the objectives of the White Logistics promotion campaign developed mainly by the Ministry of Land, Infrastructure, Transport and Tourism in collaboration with the Ministry of Economy, Trade and Industry, and the Ministry of Agriculture, Forestry and Fisheries, and submitted a Declaration of Voluntary Action. The White Logistics promotion campaign is an initiative aimed at realizing a healthy and safe working environment in the logistics industry. The campaign aims to address the growing shortage of truck drivers, secure stable logistics services necessary for people's daily lives and industrial activities, and contribute to the growth of the economy. Through the campaign, we are working to (1) improve the productivity and efficiency of transportation and (2) create labor environments that are comfortable for all workers,

including female and elderly (over 60) drivers. Participating companies are required to formulate, declare, and implement a Declaration of Voluntary Action, which includes itemized and detailed voluntary efforts to improve logistics. Approximately 3,000 companies are expected to have endorsed the campaign

by the end of FY2025 (with 2,665 companies endorsed as of

To propose the improvement of logistics and cooperate in it

- To separate the work other than driving
 To improve the facilities of shippers
- Modal shift to vessels and railroads
- Adoption of a fuel surcharge
 Consideration of the status of legal
- 7. Active utilization of logistics service providers that are reforming their workstyles, etc.

 8. Safety measures for cargo handling
- (Excernt)



Responsible Mineral Sourcing

Our Group's basic policy entails never procuring or using minerals with OECD Annex II risk (i.e., [1] human rights abuses associated with the mining, transportation, and trade of minerals; [2] direct or indirect support for non-government armed groups; [3] illegal acts by public or private security forces; [4] bribery and misrepresentation of mineral origin; [5] money laundering; [6] non-payment of taxes, fees, and mining rights fees to the government) in conflict areas and high-risk

areas (CAHRAs), including tin, tantalum, tungsten, gold, cobalt, and mica. We confirm the presence of the above risks at the time of procurement. If any risks are found in the supply chain, corrective actions will be taken.

In order to comply with this policy, we have requested that our business partners understand the Group's thinking and commit to responsible mineral sourcing. We will also disclose appropriate information about these efforts to all stakeholders.

Coexisting with Local Communities

The Group is committed to building relationships of trust in harmony and cooperation with local communities at each of its production sites and aims to achieve sustainable development together with local communities. As a member of the local

community, our employees are committed to supporting local revitalization through proactive actions and communication, including social contributions such as event activities and volunteer work, as well as exchange through sports.

Fostering a Toho Titanium Mindset

Toho Titanium Soccer Club

Established in 1955, the Toho Titanium Soccer Club has a long history and has players who have played in the professional J League and various other categories. Players work at either the Chigasaki Plant or the Yokohama Headquarters, and all are employees who balance work and soccer. Since 2002, we have planned and managed the boys' and girls' soccer tournament the Toho Southern Cup, and since 2016, we have continued to support the healthy growth and development of children through soccer by holding soccer clinics in the Chigasaki and Samukawa areas, and we are growing as a community-based team.





Contributing to the Local Community Through Proactive Communication

In addition to inviting local elementary, middle school, and high school students to our company on plant tours, our employees also provide classes at local high schools. While contributing to children's education, the program provides an opportunity for children to deepen their understanding of our business and safety initiatives.

The Toho Titanium Soccer Club also promotes harmony with the local community through volunteer activities such as monthly community trash-picks and cleanups by staff and players.





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Appealing workplace

Improving Occupational Health and Safety in the Workplace

Based on our basic policy of prioritizing safety, our Group is engaged in a variety of activities to ensure a comfortable working environment and achieve zero work-related accidents.

We also believe that it is an important matter in management to create an environment in which all employees

can maintain good health at all times and work to the best of their abilities. We implement a variety of measures to maintain and improve the health of our employees, such as providing various types of health maintenance support, including mental health care, and regular physical fitness tests.

Diversity and Inclusion

Our Group aims to achieve diversity and inclusion in the workplace.

Training to promote active participation by women

Based on the Law Concerning the Promotion of Active Participation by Women in the Workplace, our Group has formulated a General Business Owner Action Plan to support the development of the next generation.

Employment of people with disabilities

Our Group is working on recruitment activities and improving the work environment in response to the nationally mandated legal employment rate.

Senior employees in action

From April 2023, our Group has extended the retirement age from 60 to 65. We will pay more attention to the health and physical strength of our senior employees than ever before, and create an environment where they can continue working for a long time with peace of mind.

TOPIC

Continuing to learn about catalysts to bring value to my team and the Company

I am in charge of the Catalyst Business at Toho Titanium America Co. Ltd., our U.S. base.

My job is to import catalysts from Japan and conduct sales activities in the U.S.

I had known about the Catalyst Business of Toho Titanium (the Company), and after joining the Company, I learned about catalyst manufacturing processes anew and further deepened my knowledge.

The Company is one of the pioneers in the field of olefin polymerization catalysts and has the potential to expand at a faster pace than our competitors. We have a great organization, friendly employees, and a great work environment.

I dream of the day when the Company becomes the largest player in the production and supply of polyolefin catalysts. In order to achieve this dream, I would like to continue learning, take on positions of responsibility eventually and bring a lot of value to my team and the Company.



Padavattan Govindaswamy

Creating a Supportive Work Environment

We have introduced a system that allows each employee to flexibly choose a wide range of work styles according to their individual life experiences and the stage of life they are in. A Parental / Nursing Care Leave System is also in place to help employees balance work and family life, as well as a Flex-Time System and an Accumulated Annual Leave system in case of illness, etc.

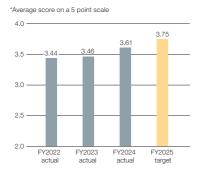
Employee satisfaction survey

We have been conducting a satisfaction survey of all Group employees since FY2022.

The results obtained are used to promote improvements in the workplace environment.

Development and Operation of Various Systems

Key Features
Work location can be restricted within a specified area.
Reemployment is made available within a specified period of time in the event of unavoidable discontinuation due to childcare, nursing care, spouse's transfer, etc.
Annual paid leave days which ordinarily lapse and are ineligible for carryover can be accumulated separately
Enables moving in with low out-of-pocket expenses (subject to occupancy conditions)
Provides semi-annual recreation subsidies to employees and others to promote fellowship in the workplace
Refreshment Bonus for employees completing 10 years and 20 years of service



Better treatment

We are working to improve various systems through repeated discussions with the labor union. We will continue to make improvements in FY2024 with the aim of enhancing employee satisfaction.

ystem	Revision Details
Maternity leave	Increase in number of days, relaxation of conditions for application
Inaccompanied ssignment	Increase in the amount of allowance for unaccompanied assignment and transportation expenses for returning home
lelocation llowance	Increase in relocation allowance
lormitory / company housing	Relaxation of conditions for dormitory entry and double loans
ccumulated nnual Leave nolidays)	Relaxation of conditions for application

Human Resource Development

Our Group believes that human resources are the source of our competitiveness. We have formulated a human resource development plan to strengthen and establish a human resource base to support our medium- to long-term business strategies.

In addition to on-site skills training to pass on and acquire advanced technical skills and individual theme training to acquire knowledge and foster awareness, we are engaged in human resources development by assigning instructors to new employees based on targets and training plans tailored to each individual. We have also introduced group education to inculcate the abilities and knowledge required for each position, as well as a short-term study-abroad program and selective education to foster global and innovative human resources from the earliest stages. In addition, various self-development programs are

available to improve the skills of each and every employee.

We also carry out 360-degree evaluations in managerial positions with the objective that the person being evaluated becomes aware of the gap between their own perceptions and those of people around them, which leads them to change their behavior and improve their management skills

Furthermore, we have introduced new initiatives below to promote human resource development and career development support since FY2024:

- 1. Posting system (internal recruitment system): A system whereby employees can apply for positions that the company is recruiting for.
- 2. Career challenge: A system whereby employees inform the company of their desire to be transferred to a new position.

Company-wide Education System Chart

Category	Focused education	Education by job level	English education	Knowledge enhancement	Awareness enhancement
General Manger	Selective education to General Manager	Training upon promotion to General Manager	English education	And the second s	Awareness enhancement
Senior Manager	Selective education to Senior Manager	Training upon promotion to Senior Manager	service)	ation / agemen t preven GM and	on OBIS, S.
Assistant Manager	Selective education to Assistant Manager	Training upon promotion to Assistant Manager	arning	Evaluation man assment in a fortunation for the althought of the althought	education (GLC
Team Leader	ation fo	Operational issues presentation meeting Training upon promotion to Team Leader	TOEIC	lab hare trail Mental It	idence (
Leadership position	New employee with a bachelor's (graduate) degree 4th year operational issues presentation meeting New employee with a bachelor's (graduate) degree mentor system New employee with a bachelor's (graduate) degree orientation	Training upon promotion to Leadership position	o) Sapuri (o	Labor ma harassmer training fo	Correspor
General staff	High-school graduate employee follow-up training High-school graduate employee mentor system New high-school graduate employee orientation		Ste.		Business

TOPIC

Practicing flexible work styles to suit my own life stage



Haruna Ohashi General Affairs and Personne

I am in charge of legal affairs in the General Affairs and Personnel Department. My main jobs include acting as shareholder meeting secretariat and other stock practices, management of internal rules and regulations, and governance development

I have 2 children, and immediately after returning from childcare leave, I continued to work using the shortened working hour system and the overtime exemption system. Because both my husband and I work, I am still dealing with irregularities and making adjustments even now that my children are 8 and 4 years old. How are the children feeling when they wake up in the morning? Will they go to preschool without any complaints? Will I receive a message about an early pickup? Will they take tomorrow off if they leave early? If any of them stumbles, I need to rearrange my work schedule. I am making full use of various systems to get through the day, such as changing my work hours to flexible hours, fullday off/half-day off, or teleworking. Since I have to work within a limited time frame, I believe I become more conscious of time versus effectiveness.

Taking on the responsibilities of work and family life can be challenging at times, but it is also satisfying to feel "I am alive!" I hope that our Company will be a place where various lives come together—not only from those involved in childcare but also from those who are passionate about their work and those with significant personal goals.

Approach to Recruitment

At Toho Titanium, we are striving to secure talented human resources who can play an active role globally, regardless of gender, nationality, or whether they are new graduates or in their mid-careers. We are particularly focusing on expanding internships that mainly include on-the-job training and observations of actual equipment at factories and research institutes. By providing work experience based on the job seeker's field of expertise and future career vision, we are able to prevent early post-recruitment job turnover that can result from ill-matched assignments. In addition, our 5 year retention rate for new university graduates is 92%.

In accordance with the Law Concerning the Promotion of Active Participation by Women in the Workplace, we have set a target of hiring 20% or more female employees in order to steadily increase the number of female employees and quickly develop female managers. Over the past 5 years, the percentage was 21.8%.

Number of Employees Hired in the Past 5 Years (New Graduates and Careers)

	FY2019	FY2020	FY2021	FY2022	FY2023	For 5 years
Male	5	10	9	14	23	61
Female	3	3	2	4	5	17
Female ratio	37.5%	23.1%	18.2%	22.2%	17.9%	21.8%
Total	8	13	11	18	28	78

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