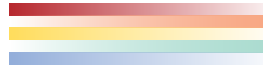


# TPR REPORT 2023



TPR Integrated Report 2023

# Founded on Technology, Passion, and Reliance, Create Tomorrow's World

Superior technologies in powertrains, diversified products, and advanced materials. Each employee's passion and the relationships of trust cultivated with numerous customers in diverse fields. Plus the network of TPR Group companies operating in six regions across the globe. Making the best use of this foundation and integrating its comprehensive capabilities, the TPR Group is pursuing further technological innovation, provision of high-value products, and cultivation of new fields to create tomorrow's world.

## T Technology

TPR is deploying its superior technological capabilities to respond to innovations in engines and new fuels. We are also engaged in multifaceted R&D and new business development. By further enhancing and combining the technologies we have cultivated, we will respond to various needs and nurture seeds in the market by offering products with superior environmental performance.

## P Passion

All of us at TPR are pursuing excellence in production, engineering, development, sales, or administration with vigor and enthusiasm, embracing new challenges. The global network we have built with our customers in regions worldwide is the fruit of TPR's passion.

## R Reliance

The trust of our customers around the world in TPR's commitment to *monozukuri* and quality is an irreplaceable asset that we have earned over a long period of time as attested by our proven track record. With that trust as our lodestar, we will strive to meet our customers' expectations and further deepen their trust as an enterprise with the flexibility and agility to win in the global market.

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# Realizing a Clean and High-quality Global Society

## Corporate Philosophy

With our origins in sophisticated powertrains, we shall try to achieve unlimited potential, and contribute to realizing a clean and high-quality global society by offering unmatched technologies and products with superior value.

## Management Attitude

We will create and meet expectations to win the highest trust of our customers.

We will expand and deepen our technologies to offer world-leading products.

We will develop and learn from people, and realize a meaningful and rewarding workplace together with our employees.

## Guiding Principles

With passion, we see things through to the end.

Challenge with passion. Pursue with passion.

Create with passion. Discuss with passion.

### Editorial Policy

This integrated report is a communication tool designed to provide shareholders, investors, business partners, local communities, employees, and other stakeholders with easy-to-understand information on TPR's management policies, business strategies, and financial information, as well as on TPR's various activities, including CSR activities aimed at realizing a sustainable society, to help them understand our corporate value, growth potential, and business continuity.

### Period Covered

Fiscal 2022 (from April 1, 2022 to March 31, 2023), in principle. (This report also introduces activities outside the period covered.)

### Scope

TPR Co., Ltd. and its consolidated subsidiaries (The content also covers other TPR Group companies in Japan to some extent.)

### Disclaimer

The information on the Company's current plans and strategies contained in this report is based on the information currently available to the Company. Therefore, actual results may differ significantly from the forecasts owing to various risks, uncertainties, and other factors.





Hiroshi Suehiro

Representative Director, Chairman & CEO

Kazumi Yano

Representative Director, President & COO

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## Two-wheeled Management to Seize Growth Opportunities and Contribute to a Sustainable Society

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The TPR Group is promoting two-wheeled management, with the powertrain business as one wheel and the diversification business and new business as the other wheel, in order to achieve continuous growth toward 2040, the centenary of the Company's foundation. Inheriting the aspiration to offer value to society that has animated the Company ever since its inception and leveraging our technological capabilities as well as the production and distribution system, we will endeavor to write the next chapter in the inspiring story of TPR's progress.



## Social Value Provided by TPR and Values TPR Has Inherited since Its Foundation

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TPR's Corporate Philosophy, Management Attitude, and Guiding Principles were established in 1991 through internal discussions, taking the opportunity of the 50th anniversary of the Company's foundation. Although established more than 30 years ago, they include environmental and social themes that anticipate the trend of ESG/SDGs management.

Our founder Gentaro Tanaka started out as a supplier of engine oil for aircraft. Prompted by his recognition that piston rings and cylinder liners have a decisive influence on engine performance, he launched a business that eventually became today's TPR. The manufacture and supply of these products remains at the heart of TPR's business. We have long been aware that it is our mission to contribute to environmental conservation and energy saving through the manufacture of products that improve engine thermal efficiency while reducing engine weight. The wording "realizing a clean and high-quality global society" in the Corporate Philosophy articulates this awareness. In the conduct of business, TPR's mission, which prioritizes benefiting the environment and society, remains as fresh and inspiring as ever.

The Management Attitude expresses our determination to meet stakeholders' expectations, build relationships of trust, and share prosperity through the provision of value by developing people and learning from them.

TPR has supported the growth of the automotive industry globally and developed hand in hand with the industry. Our deep engagement in manufacturing reflects our strong commitment and sense of responsibility. We seek to ensure not only the safety and durability required of critical parts but also high quality and stable supply. Furthermore, as a partner of automobile manufacturers, we are involved in engine development from the initial phase and have refined our technological and proposal capabilities to satisfy the requirements of our partners in the automotive industry. We take pride in this deep engagement, which has fueled TPR's continued development over the years.

The automotive industry is undergoing a multifaceted transformation centering on the shift to EVs. TPR's core business of powertrains involves the manufacture of piston rings, cylinder liners, and other parts for internal combustion engines. We have gained a high market share for these products, but the market is expected to shrink in the future owing to the mass adoption of EVs.

It is in this context that we are leveraging our prowess in technological development, mass production, and distribution systems, long cultivated in the powertrain business, and, looking beyond

engines, we will apply those capabilities to develop the diversification business and new business. We intend to provide social value through sophisticated powertrains, a keyword in the Corporate Philosophy.

Toward 2040, when TPR will celebrate its centenary, we will promote a growth strategy based on two-wheeled management of the powertrain business and the diversification business and new business to make a great leap forward. We have grown through business development in the engine area over the years. In order to continue to exist as a company that is needed by society, it is necessary for us to promote a change in the mindset of its people and take on the challenge of new areas, swiftly implementing initiatives.

## Two-wheeled Management Targeting Continuous Growth—Prospects and Issues

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Although the shift to EVs is underway, demand associated with the internal combustion engine is still booming, with production at an all-time high. By pursuing two-wheeled management, we are determined to capture this high demand. While maintaining the powertrain business as the earnings base, we will invest the profit from the powertrain business in the growth of the diversification business and new business, thus achieving medium- to long-term expansion.

In the powertrain business, we have secured a solid customer base, centering on Japanese automakers, and, by virtue of our quality and technological capabilities and stable mass production and supply systems, we have earned a high level of trust as a supplier. TPR has expanded its production and sales network, including joint ventures, to encompass six regions across the globe (Japan, China, Asia, North America, South America, and Europe). In particular, TPR maintains the top share of the global market for cylinder liners.

Meanwhile, regarding business development in the non-engine area, TPR invested in Faltec Co., Ltd., which is engaged in the manufacture and sales of automotive exterior resin parts, making it a subsidiary in 2012. In recent years, TPR has been executing projects in the diversification business and new business, ranging from EVs applications and rubber and resin parts to surface treatment, and materials development, including that of carbon nanotubes.

Since, in the powertrain business, growth in global demand for parts is expected to continue until circa 2025, TPR envisages maintaining the associated upward trend in sales and profit. However, in the medium to long term, the shift to EVs will accelerate, underpinned by governmental policy in Europe, the U.S. and China, and we project shrinking demand for powertrain parts in line with this trend. Based on these assumptions, TPR will promote two-wheeled



management and endeavor to increase net sales and profit in the runup to TPR's centenary. For the diversification business and new business, our target is net sales of 50.0 billion yen and operating profit of 5.0 billion yen in aggregate.

In the powertrain business, setting “develop environmentally conscious products and maximize profits” as our theme toward 2040, we will promote the development of products that contribute to engine thermal efficiency of 50% or higher and products for next-generation engines ready for new fuels that will help reduce CO<sub>2</sub> emissions. At the same time, utilizing our global network of sites across six regions, we will establish the optimal production and supply system that is responsive to risks and geared to further cost reduction through regional diversification, and moreover, we will endeavor to improve production efficiency and achieve rationalization of our mother factories in Japan, thus maximizing profit.

In the diversification business and new business, we intend to achieve early commercialization and business expansion by leveraging our strengths in technologies related to sliding, sealing, heat control, and surface treatment for smooth movement, which we have cultivated in the powertrain business, as well as in quality control know-how for high-mix, high-volume production. In particular, the transition from metal parts to ones made of rubber and resin and the use of nanomaterials (carbon nanotubes and nanoporous materials) for thermoelectric power generation and fuel cells are priority investment targets. Regarding the supply of parts for EVs, TPR ARN (Anhui) New Energy R&D Co., Ltd. (TANE), a new joint-venture R&D center established with a local partner in the Chinese market, where the shift to EVs is occurring ahead of other markets, will spearhead development of technologies and products.

There is no doubt that the medium-to long-term expansion of the EVs market is a huge growth opportunity for TPR. However, we have been enhancing our value proposition by exploring every avenue to maximize value in the manufacturing of

engine parts, mainly piston rings and cylinder liners. In order to apply the expertise we cultivated in the engine area to diverse non-engine areas, that is, by shifting from vertical deployment to horizontal deployment, it is essential that we embrace change. Going forward, we need to secure and train human resources capable of working effectively in the diversification business and new business. In addition, we must cultivate a corporate culture predisposed to taking on challenges leading to creation of new business, and moreover, efficiently allocate management resources, not least by shifting human resources from existing fields to growth fields.

### Progress of the Mid-term Management Plan and Key Points in the Final Year

We are currently implementing a four-year Mid-term Management Plan whose final year is fiscal 2023. Under this plan, financial goals on a consolidated basis for fiscal 2023, a milestone on the path to 2040, are net sales of 180.0 billion yen, ordinary profit of 21.0 billion yen (ordinary profit margin of 11.6%), ROE of 10% or more, and an equity ratio of 45% or more as well as stable shareholder returns.

Qualitatively, we have positioned “secure a commanding position in powertrain products,” “speed up our active development of new business,” “thoroughly maintain safety, environmental, and disaster prevention standards,” and “create a motivating work environment” as four pillars. Pursuing a growth strategy based on two-wheeled management, we have achieved progress with respect to each of these pillars.

However, in regard to financial goals, progress in terms of profit is not in accordance with the plan owing to the COVID-19 pandemic and sharp increases in raw material and energy prices triggered by the Russo-Ukraine conflict, which were not anticipated when the plan was formulated. To compensate for the shortfall, we will strive for further production rationalization in fiscal 2023.

In the final year of the plan, in the powertrain business, in parallel with the implementation of measures to cope with rising costs, we will review global business development with an eye to the future. In doing so, we would like to identify promising regions on which we should focus in pursuit of future growth, and establish a framework geared to the next round of growth.

In the diversification business and new business, we will verify and judge the feasibility and growth potential of the new business and new product themes on which we have been working and then promote initiatives. Since investments in the diversification business and new business are geared to returns over the longer term, it is difficult to evaluate these

businesses based solely on progress to date. We intend to gather detailed information on trends in advanced technologies and market needs, and then use the information as the basis for verification and judgment. It is in these circumstances that our new R&D center (TANE) in China, a country that plays a pivotal role in the EVs market, is participating in development projects. Indeed, related to the outcomes of this R&D, we have received several orders for mass production. In the carbon nanotube business, we are making progress in commercialization, including application proposals. These initiatives are scheduled to take off within fiscal 2023.

In fiscal 2023, we will formulate our next Mid-term Management Plan, which will be the next milestone on the path to TPR's centenary. Under the current plan, we have been greatly affected by the COVID-19 pandemic and the Russo-Ukraine conflict, neither of which had been anticipated when the plan was formulated. In the current era typified by lack of clarity and deepening uncertainty, it is difficult to anticipate the medium-term outlook and formulate a realistic plan. However, formulation of a plan on a medium-term time axis is effective for organizing growth strategies linked to a vision of the future, and, in particular, for sharing the orientation of management resource allocation necessary for two-wheeled management. We believe it is meaningful to implement a mid-term management plan while continually reviewing it in light of the changing environment.

## Value Inherent in TPR Recognized by All Stakeholders

The continued existence of a company is predicated on the continued support of numerous stakeholders and the company develops together with them by sharing the achievements of its business with them. From this perspective, it is only natural for us at TPR to position our contribution to sustainability through ESG/SDGs management at the heart of our corporate activities. As mentioned at the outset, TPR's Corporate Philosophy and related principles encompass environmental and social themes linked to ESG/SDGs management, and express TPR's approach to sustainability. We recognize the need to promote ESG/SDGs management in line with the changing times and to communicate this corporate posture to our stakeholders with a high degree of transparency.

TPR contributes to environmental conservation through its business activities, such as by creating products that improve engine thermal efficiency and reduce weight, and by responding to the shift to EVs. Having set ourselves the goal of achieving carbon neutrality by 2045, we are introducing solar power generation, purchasing renewable energy, and reducing electricity consumption in production processes to achieve this goal. In May 2022, we announced our

endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and are endeavoring to disclose information based on these recommendations.

We intend to provide stable and sustainable shareholder returns for investors and shareholders. While maintaining a total payout ratio of 30%, comprising dividends and flexible share buybacks, we will also endeavor to increase shareholder value over the medium to long term.

Moreover, we hold townhall meetings (dialogue meetings between employees and management) to enhance engagement of employees and encourage them to demonstrate their full potential, while promoting understanding of two-wheeled management and awareness of sustainability throughout TPR. The townhall meetings are functioning effectively, serving as a forum where management and employees share ideas and management can hear the authentic voices of front-line employees. The results of employee engagement surveys, which we conduct alongside the meetings, show a trend toward improvement.



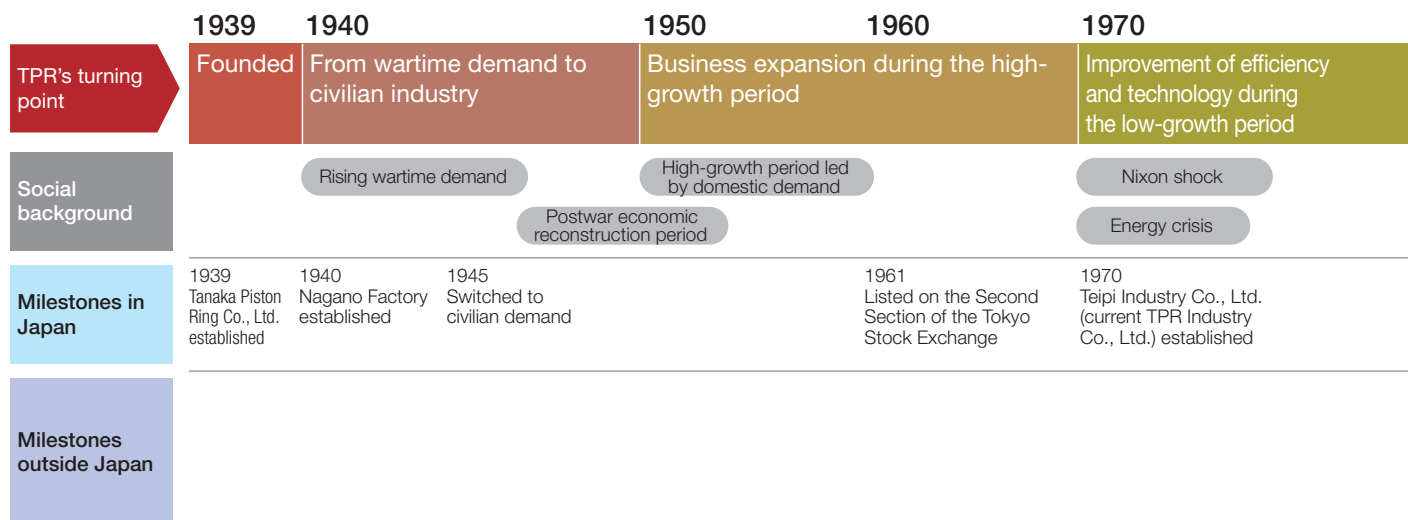
In addition to these efforts to strengthen internal communication, we are also striving to revitalize TPR as a whole through initiatives related to human capital, such as by enhancing the education and training system and soliciting ideas from our employees on the development of the diversification business and new business. We are convinced that TPR's human capital management should seek to maximize employee happiness through manufacturing by "people" so that we can offer society value suffused with happiness and thus achieve continuous growth.

We will maintain the tempo of our efforts so that all our stakeholders recognize the value inherent in TPR. In all our endeavors, we will greatly appreciate your continued support.

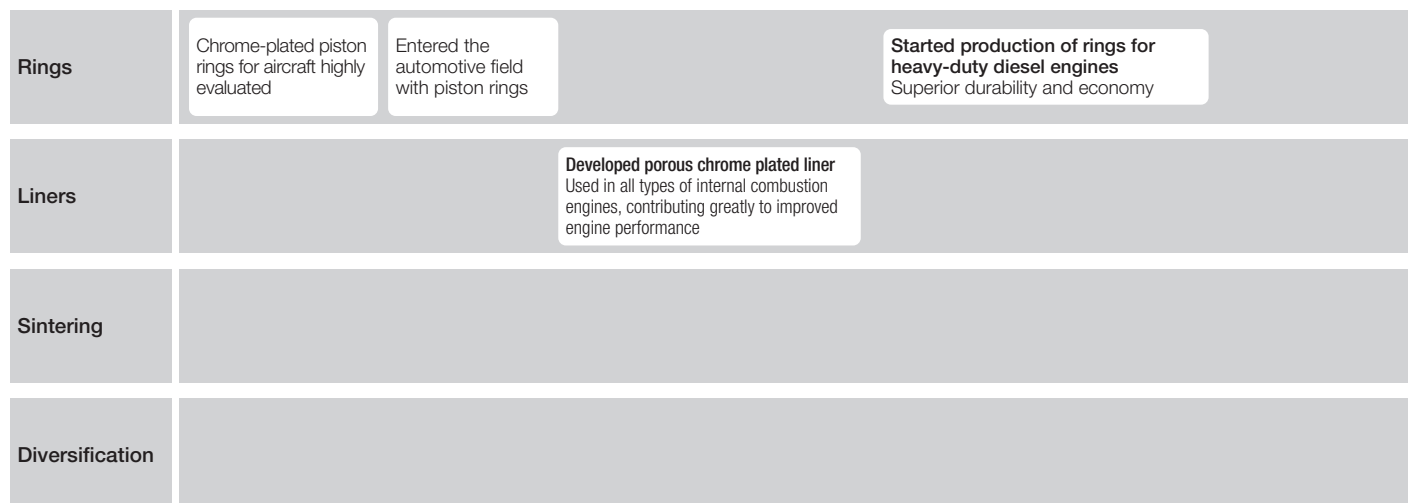


## TPR's History

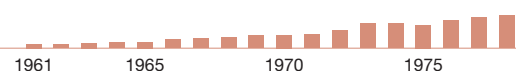
TPR has been striving to contribute to the realization of a clean and high-quality global society by offering unmatched technologies and products with superior value.



### History of Technological Development and Value Provided



### Net Sales

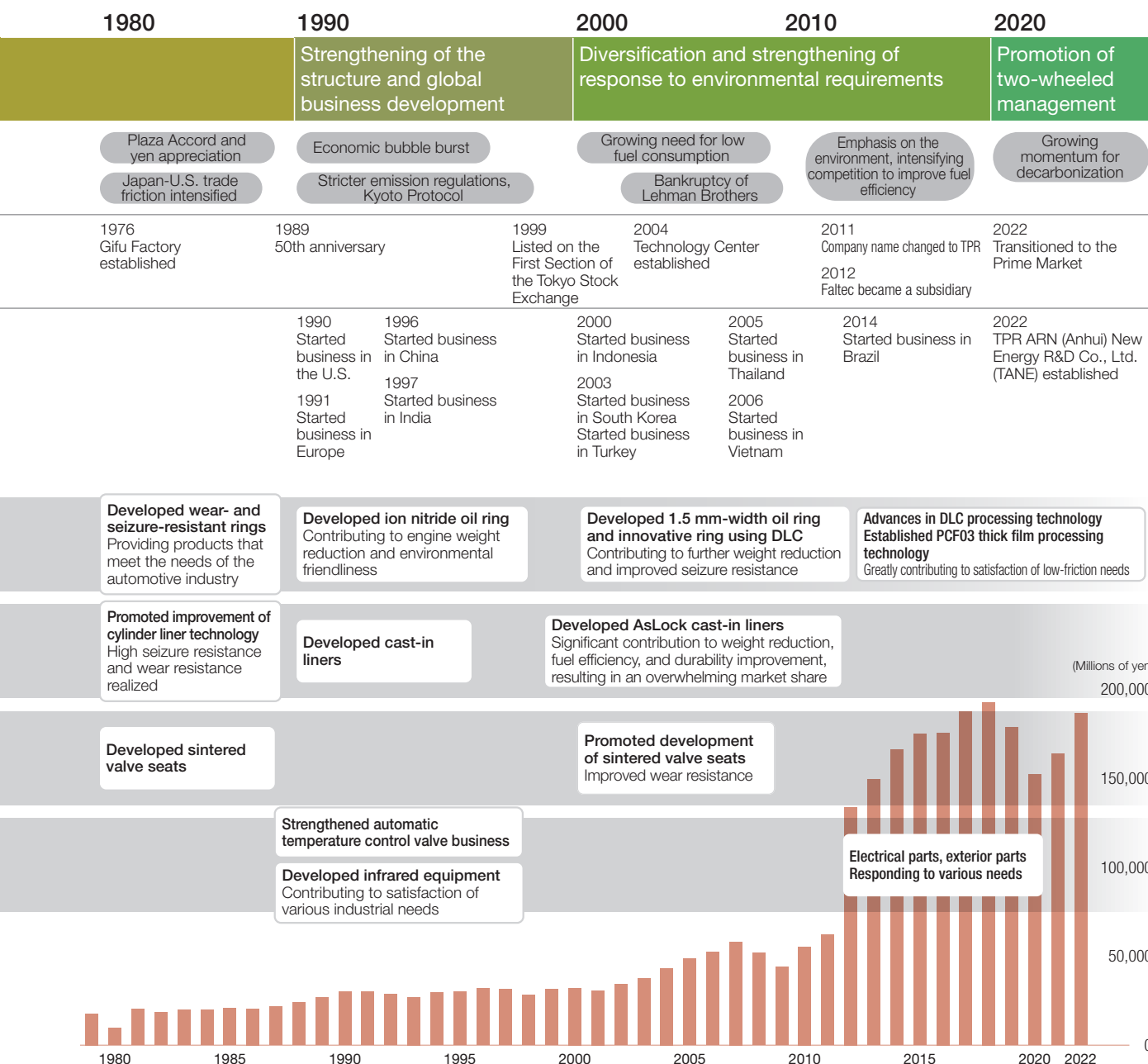


Founded in 1939, the TPR Group has established a global production and sales network covering six regions across the globe and achieved sustainable growth based on the Corporate Philosophy: “With our origins in sophisticated powertrains, we shall try to achieve unlimited potential, and contribute to realizing a clean and high-quality global society by offering unmatched technologies and products with superior value.”

Leading the way in technological development, we provide unique powertrain products with superior value, including piston rings, cylinder liners, and sintered products at low cost, and have been contributing to the “manufacture of environmentally friendly engines” that are lightweight, fuel efficient and offer improved seizure resistance. Moreover, we have promoted diversification of our business. We now offer automotive exterior parts, resins, and rubber parts, which have received high praise from customers worldwide.

The automotive industry is in an era of great change. The business environment is changing significantly, in view of the impact of the COVID-19 pandemic on the economy and society as well as the emergence of environmental and energy challenges on a global scale. In addition, demands on companies are becoming increasingly diverse.

To prosper in such a challenging business environment, we are accelerating cultivation of new fields and creation of new business, applying our core technologies. Leveraging our superior technological capabilities, global monozukuri strengths, and a broad network with our customers, we are making a Group-wide effort to contribute to realization of continuous growth and a sustainable society.



## TPR at a Glance

### Consolidated Results (fiscal 2022)

Net sales

**178.6** billion yen

Ordinary profit

**10.2** billion yen

Profit attributable to owners of parent

**3.8** billion yen

Net assets

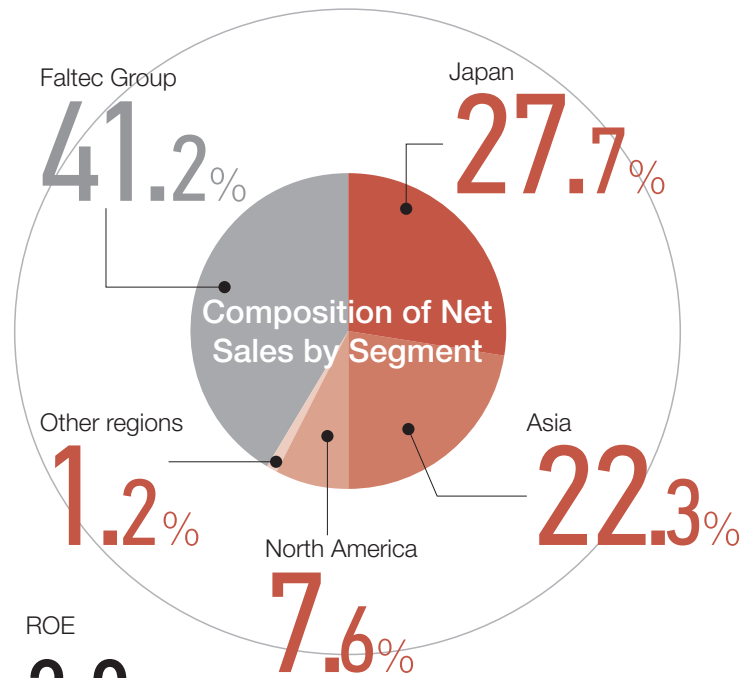
**165.9** billion yen

Equity-to-asset ratio

**50.5**%

ROE

**2.9**%



## TPR's Businesses



### Powertrain Business

We offer parts (piston rings, cylinder liners, sintered products, seal rings, etc.) that support engines and transmissions used in automobiles, transportation machinery, industrial machinery, and power generation equipment. We also offer proposals based on advanced development and evaluation technologies.



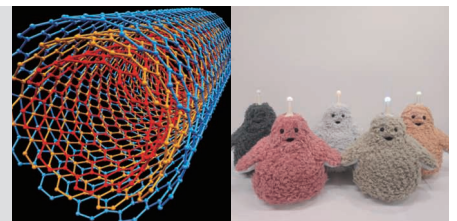
### Diversification Business

Centering on material compounding technology, mold design, and product processing technology, we provide diverse products to customers in the pneumatic machinery, automotive, and housing industries.



### New Business

We are cultivating new fields and creating new business by applying our core technologies, including the development of new business based on ideas developed from insights into the future and application of cutting-edge new materials.



### Faltec Group Products

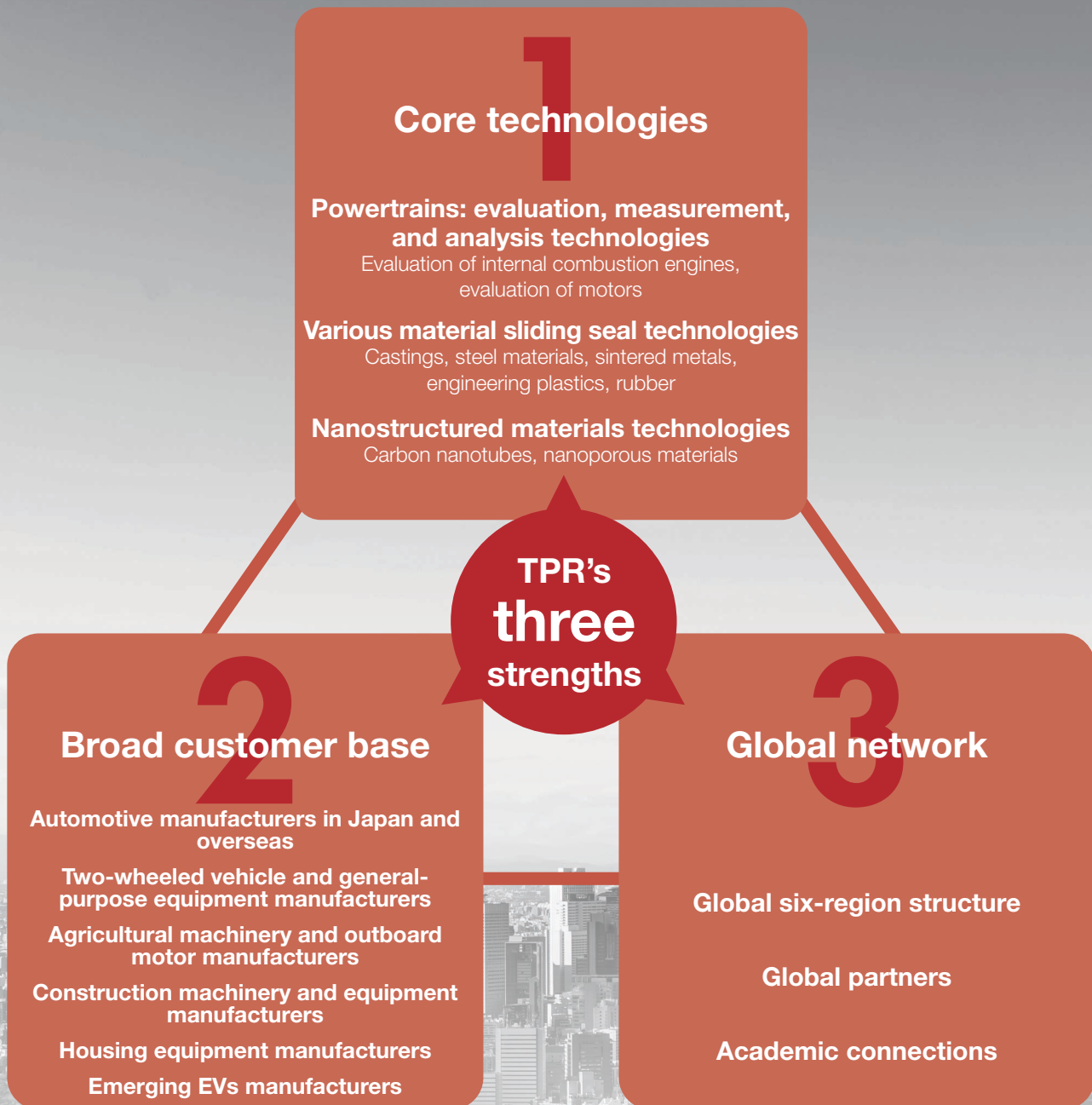
We provide automotive exterior parts, OEM parts, and automotive-related equipment globally, pursuing high quality and functional beauty by leveraging our technological capabilities in resin molding, surface treatment, and other areas.





## TPR's Three Strengths

Ever since its founding in 1939, the TPR Group has been pursuing unlimited potential and offering products with superior value to the world. We have cultivated strengths including core technologies, a broad network with our customers, and global *monozukuri* strengths. By leveraging and further evolving these strengths, we will continue to provide high-value-added products globally.



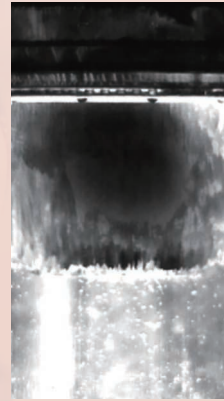
Strength

# 1 Core technologies

Leveraging our superior technological capabilities cultivated for internal combustion engines, we contribute not only to the sophistication of environmentally friendly powertrains but also to the creation of products in the diversification business and new business fields through proposals that meet customer needs.

## Powertrains evaluation, measurement, and analysis technologies

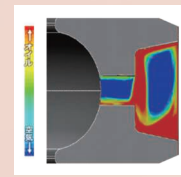
Our engine evaluation, measurement, and analysis technologies have evolved along with the development of internal combustion engine and automotive technologies over the years. Based on the evaluation results so far, we are promoting the transition to analytical simulation technology as DX technology to contribute to global environmental protection and CO<sub>2</sub> emissions reduction.



Oil film visualization and analysis

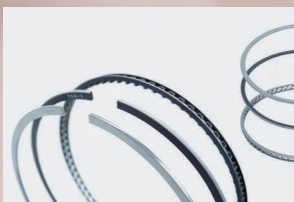


Engine evaluation



Oil ring CFD analysis

## Various material sliding seal technologies



Piston rings

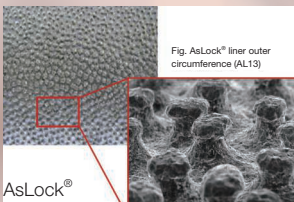


Fig. AsLock® liner outer circumference (AL19)

AsLock®

Centering on piston rings, which are critical functional parts of an engine block, we possess various surface treatment technologies corresponding to the sliding environment of internal combustion engines. By applying chromium nitride (CrN) and diamond-like carbon (DLC) using the physical vapor deposition (PVD) method, which is a dry coating method, in recent years, high durability and low fuel consumption have been achieved. Cylinder liners are also critical functional parts of an engine block. AsLock® liners with bundled protrusions on the outer circumference achieved by the centrifugal casting method are used by customers around the world.

We also offer sealing parts made of polymer materials for applications other than internal combustion engines, such as seal rings made of engineering plastic materials for sliding environments in high-temperature oil and O-rings for pneumatic seals made of rubber materials.

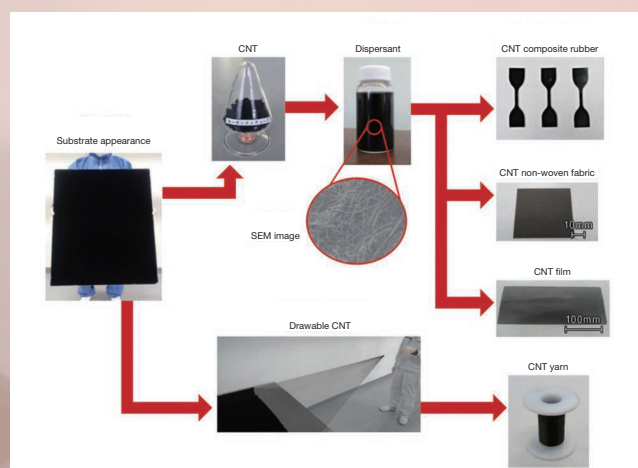


Rubber sealing parts

## Nanostructured materials technologies

Carbon nanotubes manufactured by TPR are long and have thin layers.

We are also developing technologies for various applications, including bioelectrodes, power generation elements, and electromagnetic shielding for use in various products.





Strength  
**2**  
Broad customer base

Capitalizing on superior technological capabilities to offer unique products with superior value at low cost and global *monozukuri* strengths, we have earned a high reputation from customers around the world.



Automotive manufacturers  
Emerging EVs manufacturers  
Two-wheeled vehicle manufacturers  
Construction machinery manufacturers  
Agricultural machinery manufacturers  
Outboard motor manufacturers  
General-purpose equipment manufacturers



- Contribution to improved thermal efficiency, high durability, and low fuel consumption through various materials and surface treatment technologies
- Improved development efficiency (reduction of development time and significant reduction of fuel consumption during testing) by utilizing computer aided engineering (CAE)
- Provision of high-quality products at low cost
- Provision of socially and environmentally conscious products, cleaner exhaust gas
- Contribution to design through forming and decorating technologies

Equipment manufacturers  
Automotive manufacturers  
Emerging EVs manufacturers



- High durability for peace of mind
- Provision of products that support industry at sites around the world

Housing equipment manufacturers



- Design conveying traditional beauty
- Thermal insulation for comfort and functionality
- Contribution to people's lifestyles in various scenes (offering of value)



Strength

3

Global network

We began overseas business development in the 1990s, built a global production and sales network spanning six regions across the globe, and have achieved continuous growth.

Europe

3

companies  
(373 employees)

U.K.

Germany

Turkey



China

8

companies  
(1,717 employees)

South Korea

China

India

Vietnam

Thailand

Asia

6

companies  
(1,697 employees)

Indonesia



Overseas joint-venture partners



Anhui ARN Group Co., Ltd. (China)



Yoonsung Enterprise Co., Ltd. (South Korea)



Tenneco, Inc. (U.S.)



Manoyontchai Co., Ltd. (Thailand)

Nanjing Navigation and Navigation Mark Equipment General Factory (China)

North America  
5  
companies  
(339 employees)



North America

Japan  
15  
companies  
(2,759 employees)



South America  
1  
company  
(50 employees)



Brazil

Note: Number of companies and number of employees are those for consolidated subsidiaries.



**Started Mass Production of New Products for New Energy Vehicles (NEVs) in China**

TPR ARN (Anhui) New Energy R&D Co., Ltd. (TANE) established in March 2022 as a joint venture with a Chinese partner has received several orders from Chinese enterprises and European and U.S. companies for mass production and development of new products for EVs (battery-related parts, differential gearbox parts, motor peripheral parts, etc.).

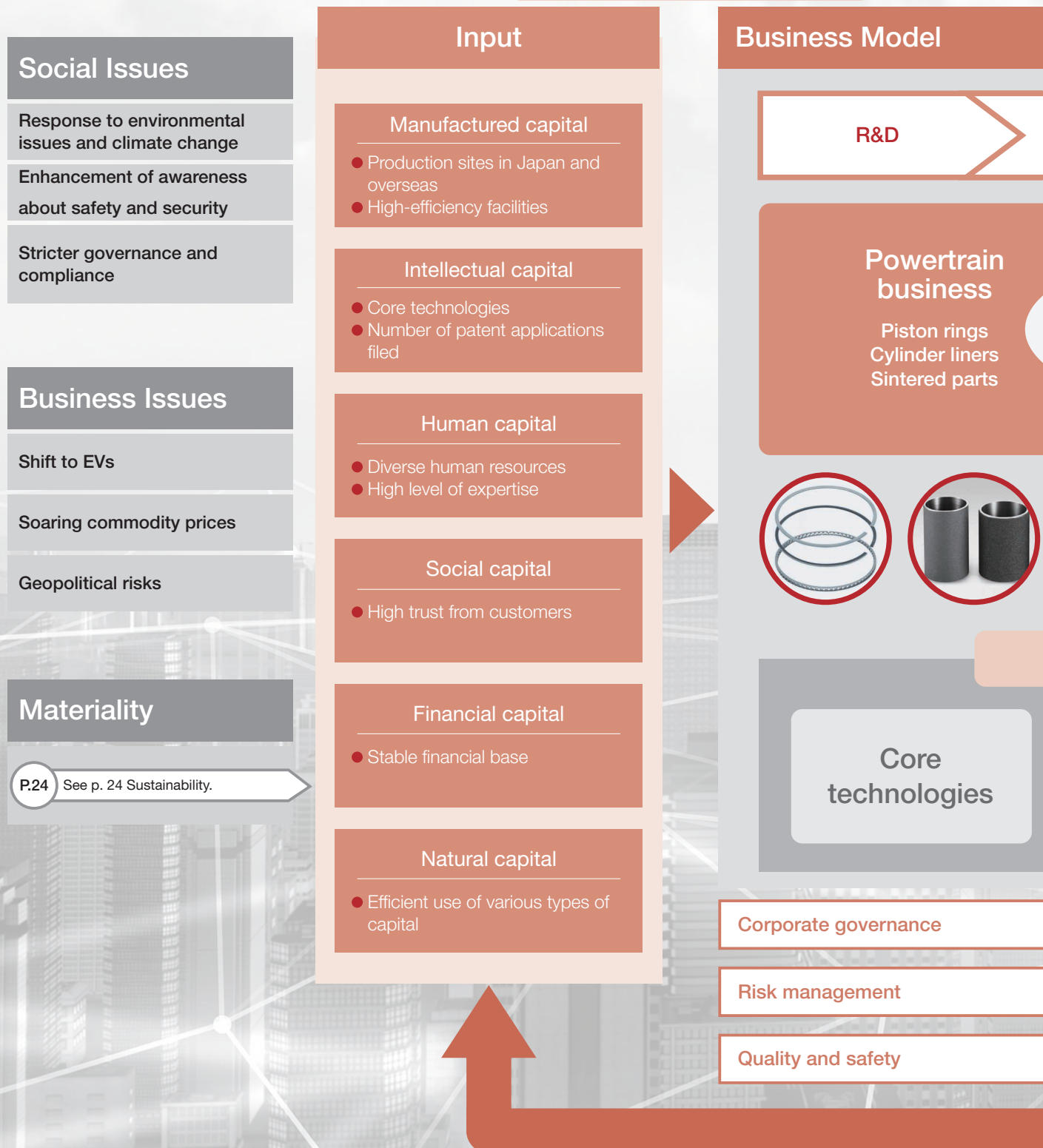




# Value Creation Process

Leveraging its superior technological capabilities, global *monozukuri* strengths, and a broad network with our customers, the TPR Group strives to contribute to realization of continuous growth and a sustainable society based on the Corporate Philosophy: “With our origins in sophisticated powertrains, we shall try to achieve unlimited potential, and contribute to realizing a clean and high-quality global society by offering unmatched technologies and products with superior value.”

## Corporate Philosophy / Medium-to Long-term Vision







**Two-wheeled management**

**Diversification / New business**

Rubber and resin products  
Faltec products (exterior / electrical parts)  
Nanomaterials



**TPR's strengths**

Broad customer base

Global network

Compliance

Response to environmental issues

Human capital management

**Value Offered to Stakeholders and Society**

**Environment**

- Reduction of CO<sub>2</sub> emissions
- Development of environmentally friendly products

**Shareholders and investors**

- Enhancement of shareholder value over the medium to long term
- Stable and sustainable shareholder returns

**Customers**

- Provision of high-quality products and services

**Employees**

- Comfortable workplace culture
- Diverse human resources demonstrating their capabilities

**Suppliers**

- Sustainable, fair, and equitable transactions

**Local communities**

- Contribution to local communities
- Contribution to education, culture, sports, and welfare

**Outcome / Economic Value**

Net sales	178.6 billion yen
Ordinary profit	10.2 billion yen
ROE	2.9%
Payout ratio	34% (3-year average)

# Powertrain Business

We offer parts essential for engines and transmissions used in automobiles and other forms of transportation machinery, industrial machinery, and power generation equipment.



Piston rings



Cylinder liners



Valve seats



Valve guides



Seal rings



Carbon scraper rings

## Line of Business

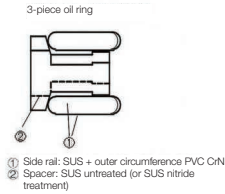
The main products of TPR's powertrain business include piston rings, cylinder liners, valve seats, valve guides, and other critical parts for automotive engines, as well as various sealing parts and other parts widely used in transportation machinery, industrial machinery, and power generation equipment.

Capitalizing on advanced evaluation, measurement, and analysis capabilities, as well as various technological expertise cultivated over many years, we make design proposals corresponding to customers' development phases, thereby contributing to the realization of engines whose higher performance and lower fuel consumption are environmentally beneficial.



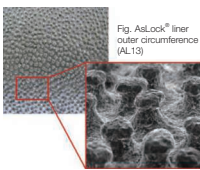
## Product Overview

### Piston Rings



- Lighter and more fuel-efficient gasoline engines as well as diesel engines that meet emission regulations and achieve higher output are in demand. TPR's new surface treatment technology, ring shape modification, and other ideas reduce friction, oil consumption, and wear loss and contribute to further improvement of engine thermal efficiency.
- In recent years, we have been actively engaged in joint development with our customers to optimize engines ready for multiple fuels, including hydrogen and synthetic fuels (e-fuel).

### Cylinder Liners



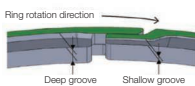
- TPR's AsLock® liners (patented technology) are the world's first cast-in liners developed for aluminum engine blocks. Having succeeded in mass production by a low-cost process, AsLock® liners are currently used by almost all Japanese automobile manufacturers, and their use is spreading to non-Japanese manufacturers.
- The centrifugal casting method, which has matured over the years, enables stable low-cost, high-quality manufacturing, and we are working on labor-saving automated inspections to further strengthen our cost competitiveness.

### Sintered Products



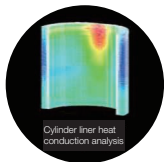
- TPR's valve seats and valve guides support the pedestal and stem of the engine intake and exhaust valves. For application to environmentally friendly engines with high output and low fuel consumption, they are made of materials containing dispersed hard particles based on a special alloy powder developed in-house. TPR's valve seats and valve guides have been adopted by many customers.
- Because of their superior wear resistance at high temperatures, development of products for engines that use alternative fuels, such as hydrogen, LPG, and CNG, and are subject to a harsh thermal environment, has progressed in recent years.

### Seal Rings



- Sintered and steel seal rings with excellent sealing and heat resistance are used in turbochargers, EGR valve seals, housing seals, and other products applied in exhaust systems.
- Resin seal rings with T-section spiral groove shape were invented by TPR for automotive transmissions (AT/CVT/DCT). Made of novel materials and featuring a special shape, these seal rings achieve both high sealing performance and wear resistance, as well as reduced friction.

### Development and Evaluation Technologies



- TPR has engine evaluation facilities at its Nagano Factory and Gifu Factory. Using various types of evaluation equipment and evaluation technologies cultivated over the years, TPR proposes new surface treatment technology, material development, and function development to further improve thermal efficiency of internal combustion engines and reduce exhaust gas emissions.
- As CAE function analysis becomes increasingly important for supporting product design, we are vigorously engaged in activities in response to model-based development (MBD), providing optimal design proposals based on structural, thermal, behavioral, and fluid analysis.

#### TOPICS

- Thermal spray treatment on the outer circumference of the AsLock® liner increases adhesion (bonding strength) with the aluminum engine block and contributes to improved thermal conductivity.
- In view of the transition to EVs, we installed an EVs motor evaluation facility at the Gifu Factory, our production site in Japan, and began operating the facility in January 2023. We will accelerate R&D of EVs-related parts and add new items to our product lineup, both in Japan and overseas, by utilizing the actual equipment evaluation know-how we have cultivated in cooperation with major automobile manufacturers.



EVs motor and battery emulator for evaluation

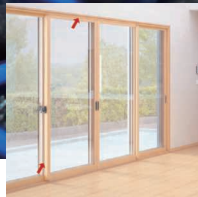


# Diversification Business and New Business

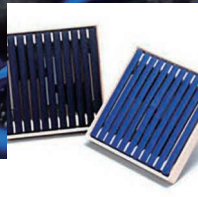
By using the TPR Group companies' technologies to the fullest, we offer solutions across diverse fields, such as resin, rubber, aluminum, and equipment.



Industrial rubber parts



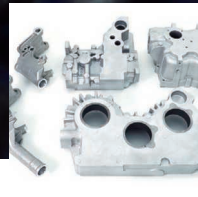
Home equipment



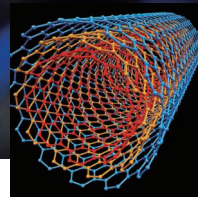
Infrared equipment



Temperature control valves



Aluminum products

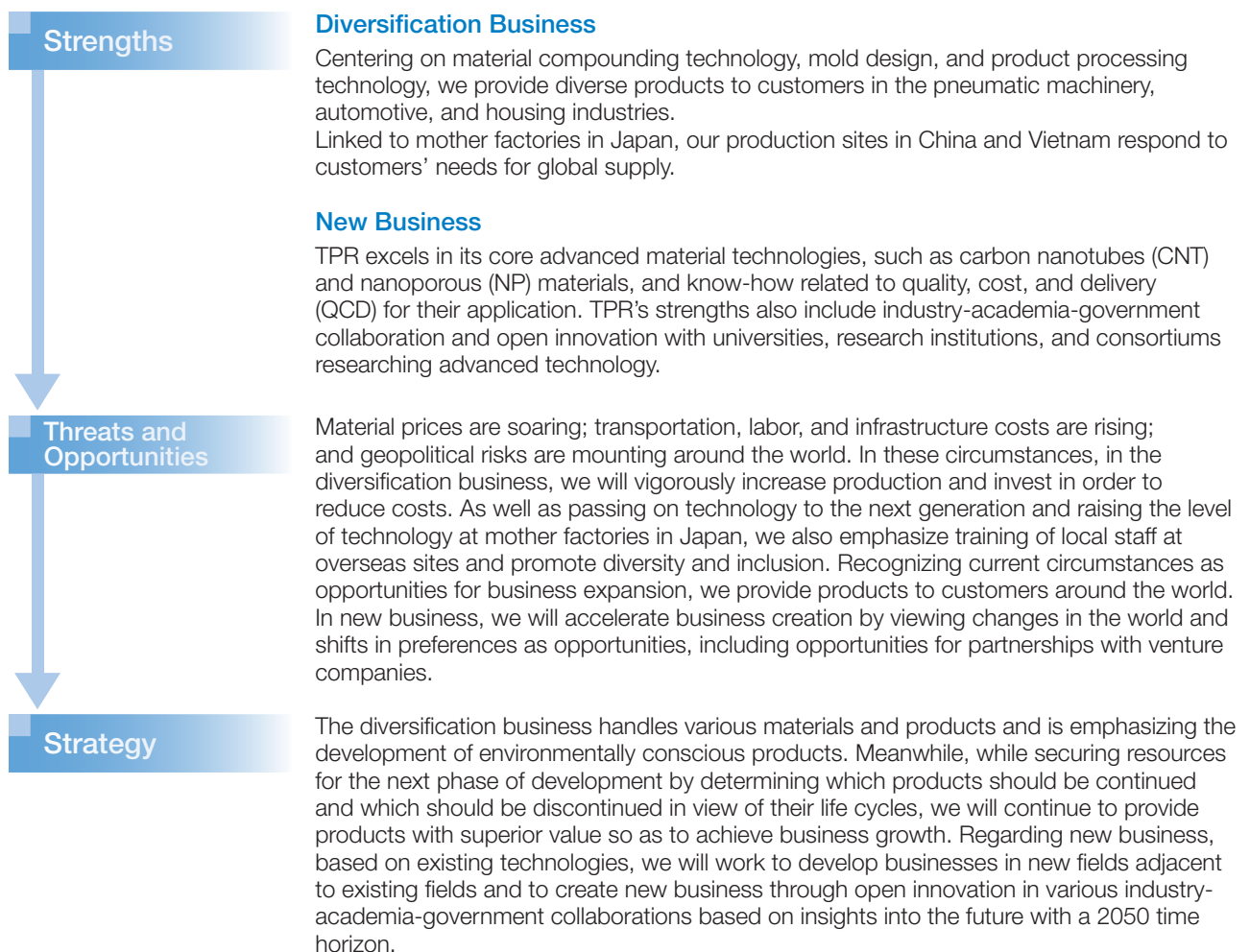


New business

## Line of Business

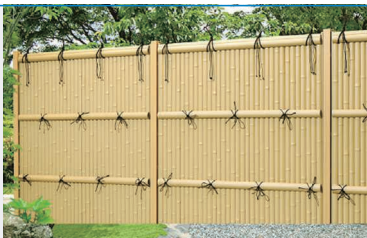
In contrast to TPR's core business of powertrain products, which are mainly made of steel, the diversification business handles products mainly made of rubber and resin.

We are also stepping up cultivation of new fields and creation of new business by applying our core technologies, including the development of new business based on ideas developed from insights into the future and the application of cutting-edge new materials.





## Diversification Business

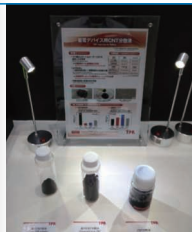


- We are working to develop superior products by taking advantage of the sealing technology that TPR has cultivated for piston rings, that is, the know-how related to sliding characteristics and wear resistance, and by applying the mechanism to rubber and resin products.
- Moreover, with the aim of commercializing products for new applications, which is a theme that our new business development team is tackling, by combining new materials, such as CNTs, with rubber and resin, we will endeavor to respond to customers' requests.

### TOPICS We are promoting production optimization globally.

- In order to prepare for future sales expansion and increased production, and also from the viewpoint of optimization of the Group's production, TPR Sunlight Co., Ltd., which is responsible for the TPR Group's rubber business, opened a new factory in Sakura City, Chiba Prefecture, in April 2023, utilizing a plant that was previously used for the copper business.
- We are also expanding facilities in Vietnam and promoting production optimization between Japan and Vietnam in anticipation of future growth in demand for the products of the rubber and resin businesses.

## New Business



- Individuals selected through an open application process are taking the lead in new business development based on ideas for new business formulated by backcasting from insights into the future with a 2050 time horizon. All employees can refer to these insights into the future on the TPR intranet, and a framework has been established to solicit ideas as needed, with the aim of facilitating generation of ideas through a bottom-up approach.
- Whereas TPR has promoted R&D of nanomaterials, such as CNT and NP materials, a current issue is the need to prepare for production so as to win orders for mass production while pursuing R&D. We are working to speed up development of new business by establishing an organization with clearly defined roles and cultivating a mindset geared to development in accordance with the Guiding Principles.

### TOPICS

**We are conducting R&D with research institutions and customers to develop applications of new materials, namely, CNT and NP materials. The results and statuses of these R&D initiatives are presented and explained at various exhibitions.**

#### Main exhibitions in which TPR participated

Automotive Engineering Exposition, nano tech 2023, Smart Energy Week [March], Tokyo Care Week '23

- ▶ Using nanomaterials, we have developed applications such as electromagnetic wave absorbing sheets and surface heat generators.

# Faltec

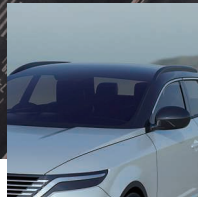
The Faltec provides superior products in the automotive exterior parts, OEM parts, and automotive-related equipment businesses by applying its outstanding technological, developmental, and solution-proposing capabilities.



Radiator grilles



Millimeter-wave radar covers



Roof rails



Radiator grilles with illumination



Automotive inspection / maintenance machinery

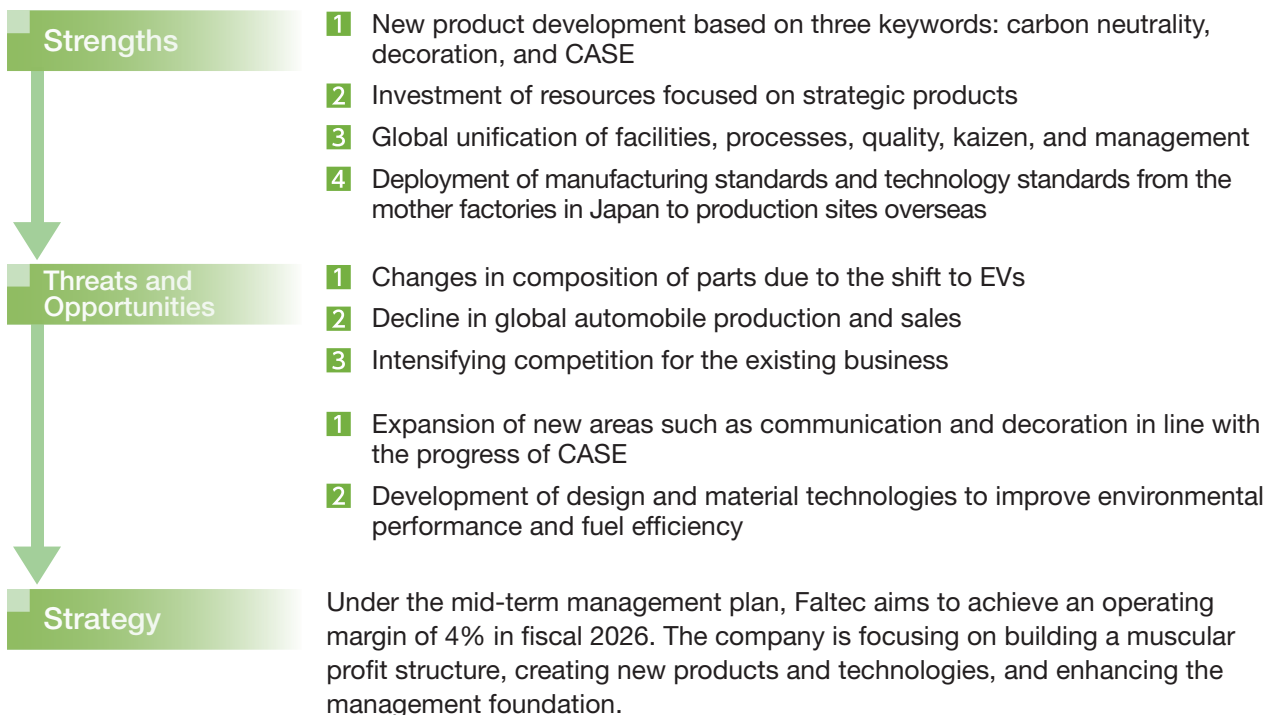


Automotive related equipment

## Line of Business

Faltec's principal customers are automobile manufacturers, and its principal products are automotive exterior parts, OEM parts, and automotive-related equipment.

With exterior parts and OEM parts, Faltec seeks to offer premium quality and functional beauty. Faltec is also engaged in joint development with its customers, proposing high-value-added products and expanding globally based on the expertise cultivated in Japan.



### TOPICS

- By combining Faltec's technology for the telematics control unit (TCU), a key component that connects the internet and the car, with servers owned by a partner company, a completely non-face-to-face car rental service has been realized, signaling Faltec's full-scale entry to connected business.



## Product Overview

### Resin Products (Radiator Grilles, Roof Rails, Other Exterior Parts)



From small to large resin parts, Faltec offers products utilizing molding technologies that meet customers' needs.

To reduce losses arising at material input, material changeovers are automated and recycling is promoted.

Surface treatment is applied to resin molding to create aesthetically pleasing radiator grilles and millimeter-wave radar covers.

### Metal Products (Roof Rails, SUS Moldings, Window Moldings, Etc.)



Faltec develops metal products utilizing bend processing, roll forming, and extrusion technologies.

For aluminum roof rails, five-axis CNC machining and stretch benders are utilized to produce roof rails with three-dimensional special bent shapes that follow the roof panel. Regarding SUS moldings, SUS material that has been roll-formed using multi-stage tooling is bent, cut/processed, etc., to decorate window frames. Regarding window moldings, Faltec provides roll-formed metal products covered with resin. In addition to products with a single section profile, Faltec has also developed technology that can modify the section profile.

### Electrical and Electronic Parts (Radiator Grilles with Illumination, Fog Lamps, Remote Control Engine Starters, TCU)



Faltec proposes new styling, offering attractive products that leverage electrical and electronic parts technology.

Faltec excels in controls that use the CAN, which is the in-car LAN, and manufactures the telematics control unit (TCU), which is the key part that connects the internet and the car, remote control engine starters, and other parts. Moreover, Faltec has developed a fleet management system based on the combination of the TCU, a drive recorder, and a web application. By using Faltec's newly developed system for collection and analysis of vehicle information, the company provides a corporate fleet management system that addresses three main business issues: improvement of operational efficiency, cost reduction, and peace of mind in the event of an emergency.

### Automotive Related Equipment

Faltec provides vehicle inspection and maintenance equipment used for automobile maintenance, etc. handled by car dealers' service and maintenance shops; automobile manufacturing facilities and equipment for vehicle production lines; and power systems such as emergency power units and gas engines for air conditioning.

# TPR's Sustainability Management

In accordance with the Corporate Philosophy, “to contribute to realizing a clean and high-quality global society by offering unmatched technologies and products with superior value,” the TPR Group is striving to resolve social issues.

With the aim of promoting our initiatives systematically, we have established a sustainability management promotion structure and identified materiality. By pursuing these initiatives throughout the Company, we will contribute to the realization of a sustainable society while aiming for continuous corporate growth.

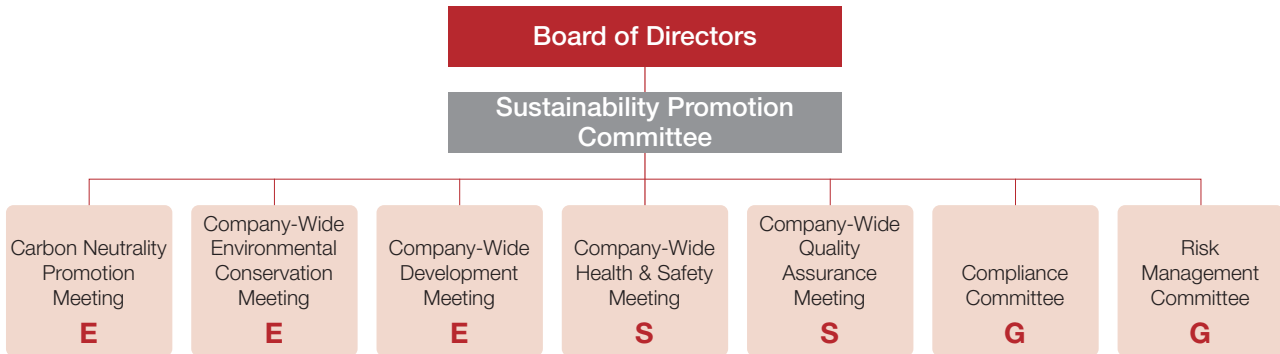
## Sustainability Management Promotion Structure





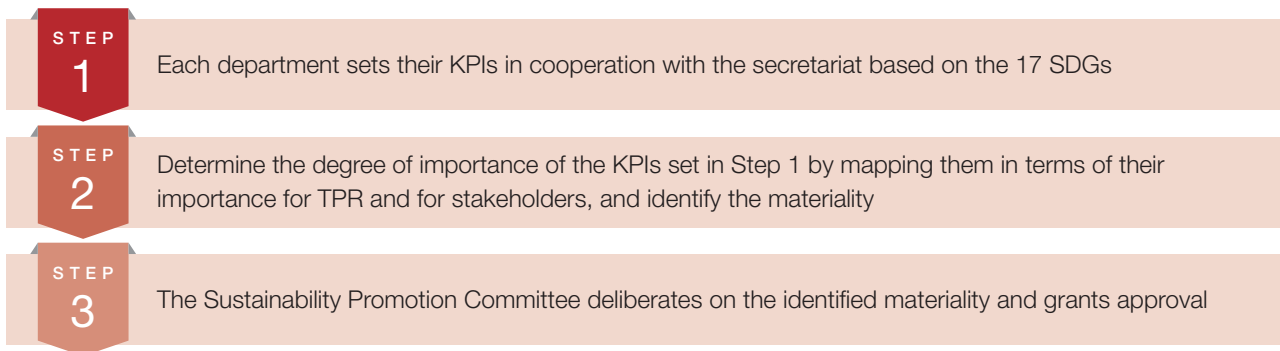
## Sustainability Initiatives Promotion Structure

We are tackling sustainability issues through meeting forums focused on the environment, quality, and safety. To promote these initiatives more systematically, we have established the Sustainability Promotion Committee, which identifies priority matters, sets various policies and directions of initiatives, conducts follow-up of activities, and reports to the Board of Directors.



## Materiality

We have identified priority matters (materiality) to be addressed for the realization of a sustainable society, continuous corporate growth, and enhancement of corporate value by means of the following process and are pursuing these goals throughout the Company.



Materiality		Main KPIs
<b>E</b>	Provide products and services that contribute to a clean and high-quality global society	Development of environmentally conscious products
	Promote environmentally conscious manufacturing	Total CO <sub>2</sub> emissions Number of serious environmental incidents
<b>S</b>	Realize a rewarding and diverse workplace that develops people and learns from them and contribute to local communities	Ratio of female employees and ratio of employees who are foreign nationals
	Provide high-quality products and services meeting customers' expectations and trust	Number of major quality incidents
<b>G</b>	Enhance a fair and highly transparent governance structure	Report of compliance activities to the Board of Directors
	Risk management to ensure globally robust and stable business continuity	Number of BCP drills conducted

# Environmental Initiatives

Ever since its founding, adhering to the Corporate Philosophy, “to contribute to realizing a clean and high-quality global society by offering unmatched technologies and products with superior value,” the TPR Group has been striving to fulfill corporate social responsibility and is working on ESG initiatives. We have established the Environmental Policy, which provides the framework of TPR’s environmental initiatives, and are addressing environmental issues vigorously and continuously.

## Environmental Policy

### 1. Provide environmentally friendly products

We are committed to reducing environmental impacts through design and development of mechanical parts and provision of products that contribute to the realization of powertrains with minimal environmental impact.

### 2. Reduce CO<sub>2</sub> emissions toward realization of a carbon-free society and realize environmentally conscious business activities

In all business activities,

- ① We aim to achieve carbon neutrality by 2045 following our mid-term target of a 50% reduction in fiscal 2030 compared to fiscal 2013.
- ② We comply with laws and regulations, save energy, save resources, reduce waste and convert waste into resources, recycle, manage harmful substances, and pursue green procurement.

### 3. As a corporate citizen

To secure the reliance and empathy of society, we will proactively communicate and protect biodiversity.

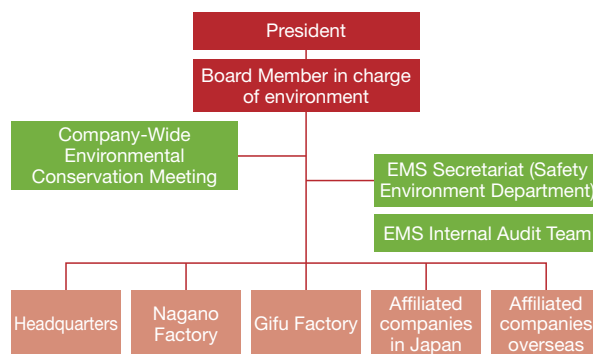
### 4. Realize more effective environmental activities

By carrying out education and training for all employees and affiliated companies, we will endeavor to boost awareness of the criticality of environmental activities and adherence to the law.

## Environmental Management Structure

TPR’s environmental management is spearheaded by the Company-Wide Environmental Conservation Meeting overseen by the President & COO. The Company-Wide Environmental Conservation Meeting, attended by TPR Board Members, affiliated companies’ Board Members, and General Managers of each business, deliberates and determines how best to tackle environment-related matters ranging from current pressing problems to medium- to long-term issues.

Also, at each business site, domestic affiliated company, and overseas affiliated company, a person is selected to be in charge of environmental matters, including the fostering of communication across the TPR Group.



## Environmental Objectives and Results

Initiatives	FY2022 targets	Evaluation
Reduction of CO <sub>2</sub> emissions: <b>50%</b> reduction in FY2030 vs. FY2013	TPR Group’s sites in Japan: <b>20%</b> reduction vs. FY2013	●
Reduction of incinerated waste and landfill waste: <b>30%</b> reduction in FY2030 vs. FY2013	TPR Group’s sites in Japan: <b>15.9%</b> reduction vs. FY2013	▲
Efficient use of water resources: <b>30%</b> reduction in FY2030 vs. FY2013	TPR Group’s sites in Japan: <b>15.9%</b> reduction vs. FY2013	▲
Ensuring compliance with environmental laws and regulations to prevent accidents/pollution	Zero non-compliance	●
Environmental communication activities	Participation in environmental conservation activities	●

## Responding to Climate Change

Having identified “promotion of environmentally conscious manufacturing” as one aspect of materiality, TPR is responding to climate change. We have declared our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and are participating in the TCFD Consortium.

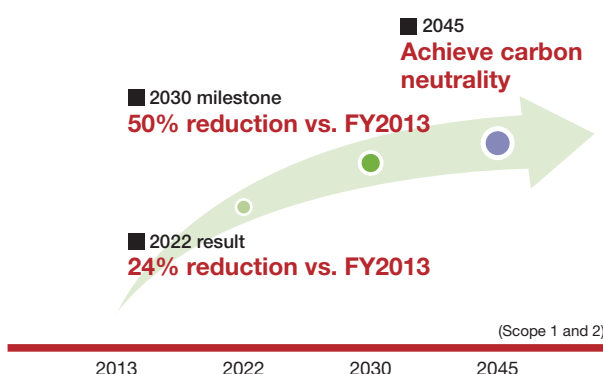
We recognize that climate-related risks and opportunities have a major impact on business strategy, and based on the TCFD recommendations, we are engaged in the four items of governance, strategy, risk management and metrics and targets, as described below, and will promote information disclosure.

Item	Activities
Governance	<p>We are tackling various sustainability issues. To promote these initiatives more systematically, we have established the Sustainability Promotion Committee, which identifies priority matters, sets various policies and directions of initiatives, follows up activities, and reports to the Board of Directors, thereby strengthening our sustainability initiatives.</p> <p>We position the response to climate change as a critical management issue. Based on various policies, etc. that the Sustainability Promotion Committee formulates, the Carbon Neutrality Promotion Meeting and various ESG meetings deliberate and determine how best to tackle environment-related matters ranging from current pressing problems to medium- to long-term issues.</p>
Strategy	<p>TPR has long engaged in climate change countermeasures and reduction of CO<sub>2</sub> emissions. Recently we have set a target of achieving carbon neutrality in 2045 and are making a company-wide effort in this regard. To achieve this target, taking into consideration the 4°C Scenario, 2°C Scenario, etc. published by the UN Intergovernmental Panel on Climate Change (IPCC), we have identified and are addressing climate change risks (transition risks and physical risks) and opportunities related to business activities.</p>
Risk Management	<p>At TPR, the Risk Management Committee evaluates and recognizes risks related to the execution of TPR's business, deliberates on risk management at TPR and each Group company, and monitors critical risk matters.</p> <p>Regarding climate change, TPR's Environmental Policy is a matter requiring resolution by the Management Meeting. Issues are recognized, response statuses are followed up, and the Environmental Policy is disseminated by the Company-Wide Environmental Conservation Meeting, which manages all environmental matters. The identification of and response to climate-related risks and opportunities are carried out in line with the framework recommended by the TCFD, based on scenario analysis.</p> <p>The Board of Directors receives reports relating to critical matters concerning ESG risks and sustainability efforts, and, through discussion, supervises these matters.</p>
Metrics and Targets	<p>TPR's long-term metrics to mitigate climate change are Scope 1 and 2 CO<sub>2</sub> emissions. TPR's targets are to achieve a 50% reduction in CO<sub>2</sub> emissions in Scope 1 and 2 by 2030 vs. 2013, and carbon neutrality by 2045.</p> <p>Toward these targets, we are promoting cross-organizational CO<sub>2</sub> emissions reduction activities, such as production process and facility renewal that is considerate to the environment, as well as use of renewable energy.</p>

## Reduction of Total CO<sub>2</sub> Emissions

TPR is working to achieve carbon neutrality by 2045 through implementation of the following measures.

- ▶ Formulation of the CO<sub>2</sub> emissions reduction master plan
  - ➔ Thorough reduction of CO<sub>2</sub> emissions and implementation of energy-saving and cost reduction activities
- ▶ Introduction of solar power generation
- ▶ Reduction of electricity consumption for melting in blast furnaces
- ▶ Reduction of CO<sub>2</sub> emissions by reducing development processes (use of MBD)
- ▶ Purchase of renewable energy





# Social Initiatives

## Quality Control

Based on the Corporate Philosophy, we will continuously strengthen customer trust in the TPR Group and customer satisfaction, through pursuit of the highest quality, making the best and the most in the world, quickly and affordably.

For this purpose, we are executing operations based on the Quality Way, the guiding principles, indicated below.

### Quality Way (Guiding Principles)

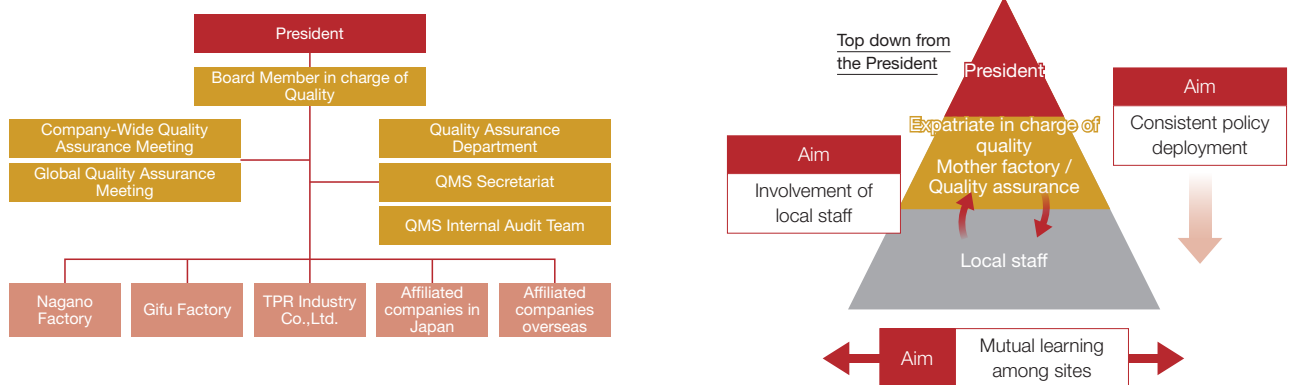
- 1 Genchi-genbutsu (actual place, actual thing) (scientific approach)
  - Increase quality-related skills, adopt a scientific approach
- 2 Continuous improvement (hard and soft)
  - Continue hard and soft improvement to continuously increase product quality and work quality
- 3 Own process completion (The next process is done by the customer)
  - Resolve concerns in your own process, only pass good products onto the next process
- 4 Full participation by all members (autonomy)
  - Take ownership of all concerns and issues

### Quality Control Promotion Structure

TPR's quality management is spearheaded by the Company-Wide Quality Assurance Meeting and the Global Quality Assurance Meeting overseen by the President & COO. At the Company-Wide Quality Assurance Meeting, attended by TPR Board Members, heads of each site, and the quality control departments, the results of activities of each site and key measures are reported and improvement is pursued.

The Global Quality Assurance Meeting is held to strengthen the quality foundation of overseas sites, and TPR's sites are working to achieve uniform quality worldwide.

Based on these two meetings we are striving to continuously improve the TPR Group's reliance and customer satisfaction.



## Procurement Management

Aiming for the highest-quality manufacturing and the realization of a sustainable society, TPR is conducting procurement activities in cooperation with all its suppliers, taking "mutual growth based on mutual reliance," "legal compliance," and "environmentally friendly procurement (green procurement)" into consideration.

Environmentally Friendly Procurement (Green Procurement): In order to deliver environmentally friendly, highest-quality products for our customers, TPR collaborates with its suppliers to procure materials and parts with low environmental impact (i.e., green procurement). To do so, we request all our suppliers to confirm that substances of concern are not contained in the items that TPR procures and that they proactively engage in environmental conservation based on consideration of the following.

Management of chemical substances

Resource saving

Resource recycling

Ease of disassembly

Energy saving

## Reinforcement of Human Capital

The TPR Group recognizes the importance of respecting human rights, securing diverse human resources, and developing highly motivated people who are willing to take on big challenges. We are committed to human capital management based on the policy of “Realize a rewarding and diverse workplace that develops people and learns from them and contribute to local communities” pursuant to TPR Group’s materiality.

In the era of CASE and amid the ongoing shift to EVs, the TPR Group is making a concerted effort to achieve continuous growth. In these circumstances, we are proactively investing in people and promoting development of human resources, diversity and inclusion, and creation of a comfortable working environment as priority measures.

### Development of Human Resources

We believe that mutual understanding and empathy among all employees and high performance are critical to take on challenges in the current era. We hold townhall meetings with all executives and employees and roundtable discussions with top management, in order to strengthen through dialogue the motivation to tackle new challenges. Moreover, in order to maximize performance of individuals, we will systematically conduct training, including leadership training mainly for mid-level employees, organizational management training for executives, and compliance training and education on safety and the environment for all employees. We will also continue to invest in training and education aimed at improving the abilities, skills, and expertise of each employee. Furthermore, we are promoting internal open recruitment and assignment to encourage people who are willing to take on challenges and to identify talented human resources in house.

### Promotion of Diversity and Inclusion

Since establishing its first overseas site in 1990, TPR has proactively recruited non-Japanese nationals as employees, promoted them to managerial positions, and proactively pursued global training and education, personnel exchanges, and collaboration, including the Global QC Circle Presentation Congress. Going forward, we intend to promote these initiatives with greater vigor. With the aim of creating a workplace where women can work with greater dynamism and enthusiasm, we are working to improve the environment throughout the TPR Group so that female employees can pursue long-term career development while going through various life stages such as childbirth and child rearing. We also aim to increase the ratio of women in managerial positions.

### Creation of a Comfortable Workplace

Aiming for a comfortable workplace, we engage in continuous dialogue with the labor union and pursue initiatives that contribute to a better work-life balance, such as increasing the rate of paid leave acquisition, introduction of the “job return system,” and increasing the rate of childcare leave acquisition by men. At the same time, as a manufacturer, we are proactively engaged in improvement of the workplace environment to ensure a comfortable working environment for employees at factories.

### Employee Engagement

To grasp the effect of its investment in people comprehensively, the TPR Group has been conducting an engagement survey periodically since fiscal 2020 and using its scores as an indicator. By running the cycle of improvement based on analysis of issues, implementation of measures, surveys, and subsequent measures, we identify priority areas and take action to create a comfortable workplace.

## Engagement with Local Communities

TPR addresses social issues in various fields and regions and contributes to the sustainable development of society as a whole.

### Environmental Protection

TPR is involved in community cleanup activities and biodiversity protection, and also holds meetings to exchange information on the environment with local communities and local government.

### Social Welfare

We support single-parent households through donations to Single Mothers Forum, a certified NPO.

# Corporate Governance

Our origins are the materials, processing, and surface treatment technologies as well as other aspects of monozukuri that we have cultivated since our establishment in 1939. In its business operations, TPR Group endeavors to make the Corporate Philosophy, “realizing a clean and high-quality global society,” an everyday reality.

To accomplish this, we cultivate good relationships not only with shareholders and customers, but also with suppliers, local communities, employees, and other stakeholders. We aim to achieve continuous growth by offering unmatched technologies and products with superior value while always practicing good corporate governance.

On the firm foundation of the basic policy described below, we endeavor to improve the effectiveness of corporate governance.

## Corporate Governance Structure

TPR has a Board of Directors and an Audit & Supervisory Board. To separate Directors' oversight function from business execution, TPR has introduced an executive officer scheme, including the Chairman & CEO and President & COO.

The Audit & Supervisory Board communicates with the internal audit department, regularly exchanges opinions with the accounting auditor, and promotes corporate governance by conducting appropriate and proper audits.

### Board of Directors

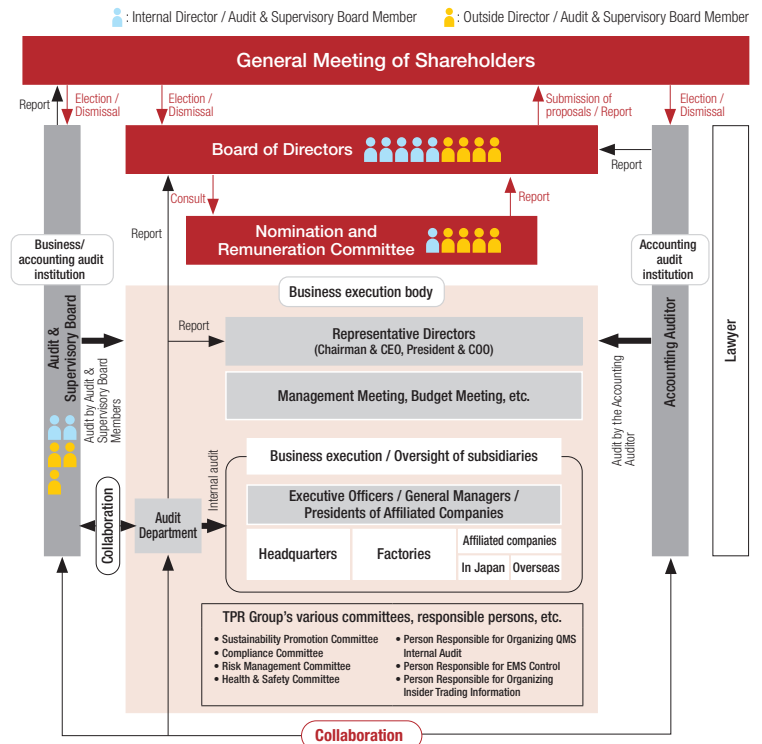
The Board of Directors consists of nine Directors. To enhance corporate governance, including reinforcement of internal control and ensuring compliance, four independent Outside Directors (from the financial sector, manufacturing industry, and the legal profession) are appointed.

In principle, a meeting of the Board of Directors is held every month, but also on an ad hoc basis as required. In addition to deliberating and deciding critical aspects of management, the Board of Directors oversees business execution.

### Audit & Supervisory Board

There are five Audit & Supervisory Board Members, of whom three are highly independent Outside Audit & Supervisory Board Members who have specialist knowledge, to ensure a neutral and objective audit structure. Audit & Supervisory Board Members conduct audits in line with the audit policy and division of duties defined by the Audit & Supervisory Board.

## Corporate Governance Structure



## Skills Matrix of Directors and Audit & Supervisory Board Members

Regarding the composition of the Board of Directors, we aim to enhance diversity in terms of expertise, knowledge, and experience in various fields, regardless of age and gender. As for the skills of Directors and Audit & Supervisory Board Members, we have identified those skills deemed necessary from the perspective of contributing to TPR's continued growth and enhancement of corporate value over the medium to long term.

Name	Position	Areas of particular expertise						Nomination and Remuneration Committee
		Corporate management	Finance / accounting	Manufacturing / IT	Sales & marketing	Global	Legal affairs / risk management	
Hiroshi Suehiro	Representative Director, Chairman & CEO	●	●			●	●	●
Kazumi Yano	Representative Director, President & COO	●		●	●			
Takehiko Karasawa	Director, Senior Managing Executive Officer	●	●			●		
Akihiko Ii	Director, Senior Managing Executive Officer			●	●	●		
Noriaki Ayuzawa	Director, Executive Officer			●	●	●		
Masataka Honke	Director (Outside)	●	●				●	●
Toshihisa Kato	Director (Outside)			●		●	●	●
Kanako Osawa	Director (Outside)		●			●	●	●
Kenji Muneto	Director (Outside)	●		●	●	●		●
Hiroshi Kato	Full-time Audit & Supervisory Board Member		●			●	●	
Yutaka Sukegawa	Full-time Audit & Supervisory Board Member (Outside)		●	●			●	
Masahiro Kitahara	Full-time Audit & Supervisory Board Member				●	●	●	
Takashi Yonekawa	Audit & Supervisory Board Member (Outside)		●		●		●	
Shinya Tanaka	Audit & Supervisory Board Member (Outside)	●	●				●	



# Compliance

The TPR Group has established the TPR Group Compliance Basic Rules and TPR Compliance Rules. Based on these rules, we promote the maintenance and improvement of Group-wide compliance structures. In accordance with the TPR Group Compliance Basic Attitude described below, our employees execute their day-to-day business activities.

## TPR Group Basic Attitude Toward Compliance

- |  |  |                                      |
|--|--|--------------------------------------|
| <b>1</b> Sincere Behavior                                  | <b>3</b> Transactions Based on Fair and Free Competition | <b>5</b> Contribution to the Society |
| <b>2</b> Assuring Transparency and Soundness of Management | <b>4</b> Making Safe and Comfortable Workplace           |                                      |

### Compliance Structure

Based on the above rules, with the Chairman & CEO as the overall responsible person, the Compliance Committee comprising Management Meeting members has been established. Within this framework, each General Manager promotes the maintenance and improvement of compliance structures as the person responsible.

The Group Governance Oversight Department serves as the secretariat and its responsibilities encompasses all domestic and overseas Group companies. Its role is to prevent unlawful or unethical actions throughout the TPR Group, such as improper accounting processes. For this purpose, it has established a mechanism for early detection of any such actions, aiming to enhance Group governance. Furthermore, compliance training is a mandatory component of the employee education curriculum.

# Risk Management

### Risk Management Structure

TPR works continuously to manage risk by accurately identifying increasingly diverse and complex risks, preventing risks from materializing, and minimizing damage when they do materialize. The Risk Management Committee strives to accurately assess, recognize, and implement countermeasures for risks related to business execution. TPR and its Group companies deliberate on risks And important issues concerning risks are continuously monitored.

### Operation of Risk Management

In accordance with the TPR Group Risk Management Basic Rules, the Management Planning Department supervises risk management activities and divisions, departments, and sites implement risk management corresponding to the particular risks they face. In the event that a major risk arises, a task force will be established to respond as necessary. Moreover, important matters related to risk management activities are reported periodically to the Board of Directors.

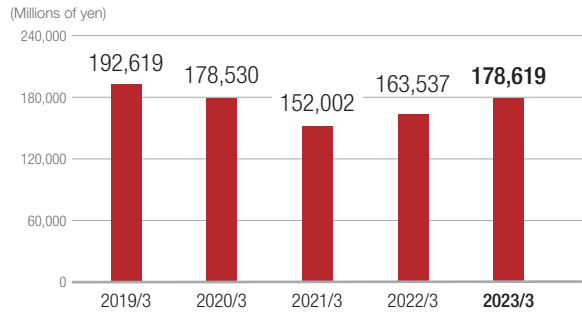
### Priority Risk Management Activities

In order to prioritize human life and maintain business continuity in the event of a disaster such as an earthquake or torrential rain, we continuously engage in activities based on the business continuity planning (BCP), including initial response and recovery response training.

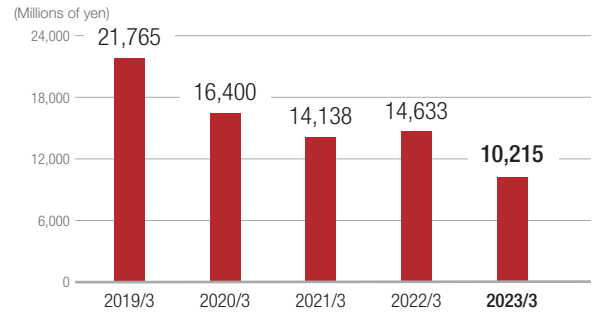
The TPR Group comes into possession of various personal and confidential information in the course of its business activities. To handle such information and maintain confidentiality, the TPR Group, led by the System Development Department, has implemented information security management measures. In particular, to strengthen countermeasures for cyber-attacks against companies, which have become more frequent in recent years, we are reinforcing education and training for employees, introducing software, etc. as countermeasures, and commissioning vulnerability assessments by third-party organizations.

# Financial Highlights

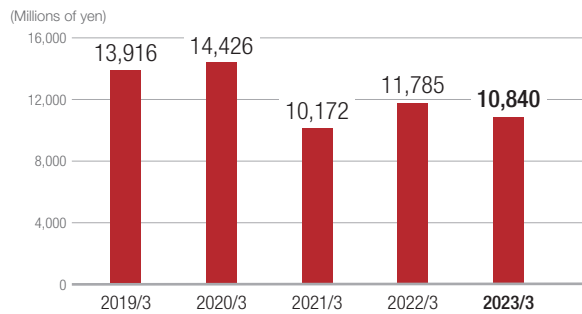
## Net Sales



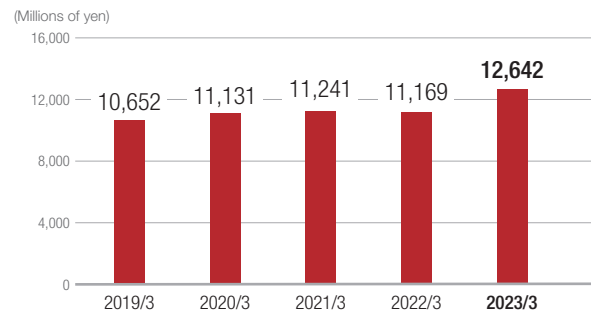
## Ordinary Profit



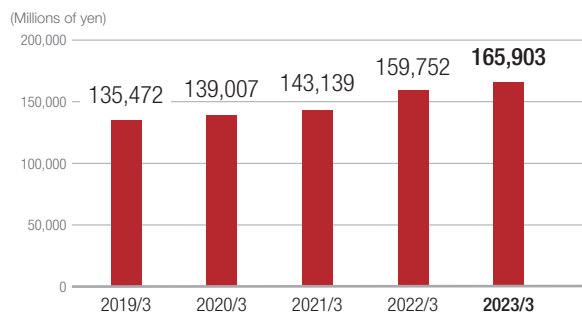
## Capital Investment



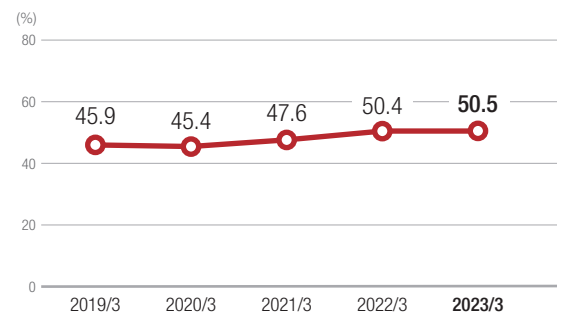
## Depreciation



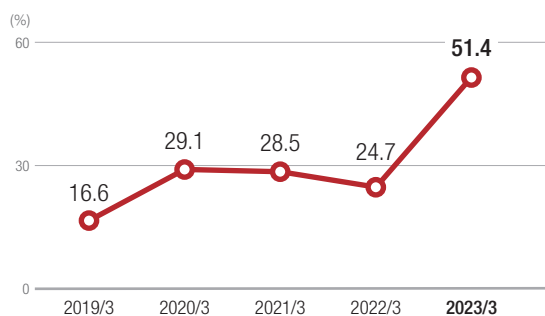
## Net Assets



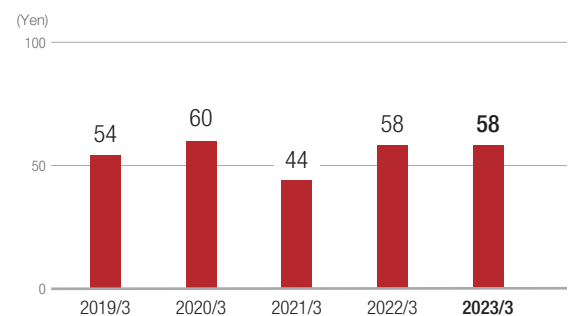
## Equity-to-asset Ratio



## Payout Ratio



## Dividend per Share



Note: The dividend for the fiscal year ended March 31, 2020 includes an ordinary dividend of 56 yen and a commemorative dividend of 4 yen (80th anniversary commemorative dividend).

# Company Data / Stock Information

## Company Outline

### Company Information

Name	TPR Co., Ltd.
Headquarters	10th Floor, Shinmarunouchi Center Building, 1-6-2 Marunouchi, Chiyoda-ku, Tokyo 100-0005, Japan
Founded	1939
Capital	4,758 million yen (as of March 31, 2023)
Business	Manufacture and sale of functional parts for engine blocks and other products
Number of employees	6,935 persons on a consolidated basis (as of March 31, 2023)

### Directors and Audit & Supervisory Board Members (as of June 29, 2023)

Representative Director, Chairman & CEO	Hiroshi Suehiro
Representative Director, President & COO	Kazumi Yano
Director, Senior Managing Executive Officer	Takehiko Karasawa
Director, Senior Managing Executive Officer	Akihiko Ii
Director, Executive Officer	Noriaki Ayuzawa
Director	Masataka Honke
Director	Toshihisa Kato
Director	Kanako Osawa
Director	Kenji Muneto
Full-time Audit & Supervisory Board Member	Hiroshi Kato
Full-time Audit & Supervisory Board Member	Yutaka Sukegawa
Full-time Audit & Supervisory Board Member	Masahiro Kitahara
Audit & Supervisory Board Member	Takashi Yonekawa
Audit & Supervisory Board Member	Shinya Tanaka

## Stock / Shareholder Information

### Stock Information (as of March 31, 2023)

Securities code	6463
Listed market	Prime Market of the Tokyo Stock Exchange
Fiscal year	From April 1 to March 31 of the following year
Ordinary General Meeting of Shareholders	June every year
Number of shares constituting one unit	100 shares
Total number of shares authorized to be issued	135,000,000 shares
Total number of issued shares	34,300,099 shares
Number of shareholders	26,778 shareholders
Shareholder register administrator	1-3-3 Marunouchi, Chiyoda-ku, Tokyo Mizuho Trust & Banking Co., Ltd.

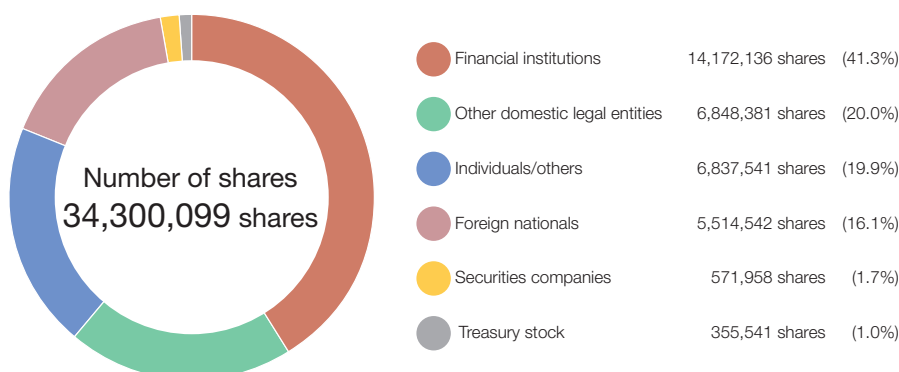
### Major Shareholders (as of March 31, 2023)

Shareholder name	Number of shares held (thousands of shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,561	7.54
Meiji Yasuda Life Insurance Company	2,395	7.05
Sompo Japan Insurance Inc.	2,293	6.75
Custody Bank of Japan, Ltd. (Trust Account)	1,786	5.26
Mizuho Bank, Ltd.	1,518	4.47
Hulic Co., Ltd.	1,231	3.62
Tokyo Tatemono Co., Ltd.	933	2.75
TPR Business Partner Shareholding Association	842	2.48
Mizuho Trust & Banking Co., Ltd.	766	2.25
Custody Bank of Japan, Ltd. (Sumitomo Mitsui Trust Bank, Limited Re-trust Account / Trust Account for Hino Motors, Ltd. Retirement Benefits)	744	2.19

Note: Shareholding ratios are calculated excluding treasury stock (355,541 shares).

### Share Distribution by Shareholder Type

(as of March 31, 2023)





# TPR

TPR Co., Ltd.

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