

Sustainability Management

Basic policy

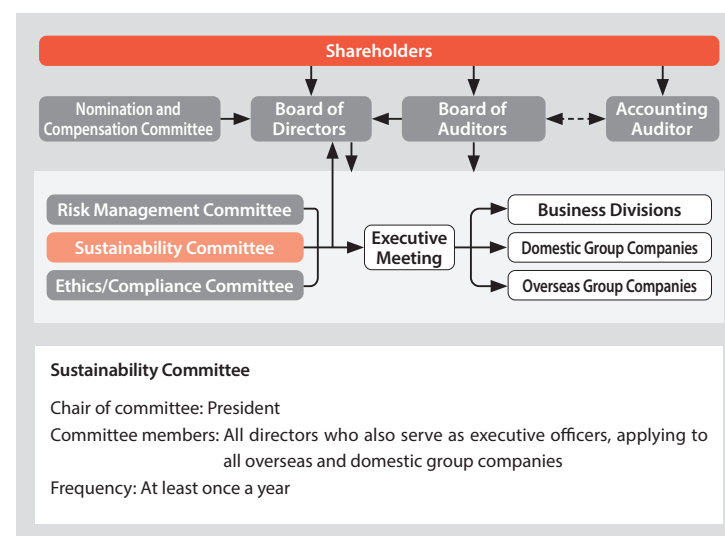
As the Sinto Group, we have pursued world-class technology and expanded our business globally under the management philosophy of HEART (Human Enrichment & Achievement through Reliable Technology). Valuing the spirit of manufacturing, we stand by our customers and deliver new value as a manufacturing company that supports customers' manufacturing. We deepen our bonds with all stakeholders involved with our company and tackle various social issues as a company that continues to be chosen. We aim to realize an environmentally-friendly circular society; a safe, secure, and prosperous society through manufacturing; and a society in which people experience a sense of achievement, growth, and happiness.

Governance

The Sustainability Committee, chaired by our president, evaluates various issues related to sustainability within the Sinto Group, deliberating and following up on issues related to business strategy. The activities of the committee are reported to and overseen by the Board of Directors.

Risk management

The Sustainability Committee shares information with the Risk Management Committee on items evaluated as high-risk from the perspectives of Environment (E), Social (S), and Governance (G), and manages them comprehensively.



Efforts toward sustainability reporting

From the perspective of sustainability management, we are promoting efforts to disclose information regarding our important issues (materiality) within the Sinto Group under the framework of Environment (E), Social (S), and Governance (G).

Identification of sustainability topics (disclosure requirements)

We have conducted a materiality assessment from two perspectives: "financial materiality," which refers to the impact of the global environment and society on the company, and "impact materiality," which refers to the impact of the company on the global environment and society. Through this assessment, we have identified key sustainability topics that are important to our company.

Examples of sustainability topics

Reduction of greenhouse gas emissions

Measures toward zero-electricity usage in office buildings

First in Aichi Prefecture to Obtain Nearly ZEB Certification for Existing Buildings

At the Osaki Works office building, we are implementing measures to reduce power consumption, serving as a model office building. We are making efforts to carry out thorough energy conservation through daily improvements and technological innovations from the perspective of the six principles of energy conservation: End, Fix, Stop, Decrease, Collect, and Change. On the basis of these principles, we plan to use renewable energy to cover the remaining electricity, aiming for net zero power consumption for the building. In October 2024, we completed installation of solar power generation equipment on the rooftop. All the generated electricity is supplied to the office building on weekdays, and the surplus electricity is supplied to the factories on days off. By introducing high-efficiency equipment and renewable energy into the building, Osaki Works has obtained Nearly ZEB certification. Notably, our company is the first in Aichi Prefecture to receive this certification for existing buildings (such as office buildings). Going forward, we plan to gradually expand this initiative to the office buildings of other business locations, and in FY2025, we will assess the feasibility of installing solar power generation equipment at various sites.



Nearly ZEB Certification

Realization of a recycling society

Measures against hazardous waste

Soot and dust (containing lead) are the primary hazardous waste generated from our business activities. We collect these types of waste with a dust collector to reduce the environmental impact of their external discharge. Furthermore, as mandated by the Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes, polychlorinated biphenyl (PCB) waste was to be disposed of by March 2022 for high-concentration waste and by March 2027 for low-concentration waste. At Sinto, we made efforts for early measures, and we completed disposal of all PCB waste, both for high and low concentrations, in October 2021. Furthermore, we will do a comprehensive inspection of all electric equipment on site (including now-dismantled low-concentration PCB waste equipment as well as equipment that is still in use); we will enact plans to dispose of all relevant electric devices by the 2027 deadline.

Building bonds with stakeholders and society

Respect for human rights

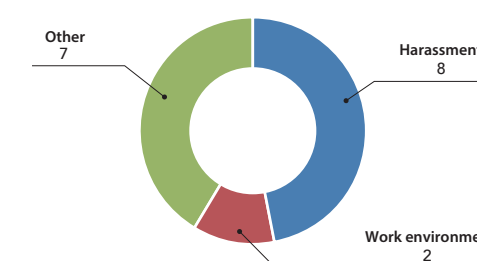
To realize our management philosophy, we are making efforts to promote respect for human rights of all individuals affected by our group's business activities throughout the entire group and fulfill our responsibilities. Regarding our stakeholders, we promote respect for human rights throughout the entire supply chain through the "Sinto Business Partner Guidelines: For Our Future Nakama." While no serious issues have been identified at this time, we will continue to work to respect human rights to realize a sustainable society and increase our corporate value.

- Elimination of discrimination: In all employment situations*, discrimination based on race, ethnicity, national origin, religion, gender, etc., will not be tolerated.

All employment situations refers to application, hiring, promotion, wages, dismissal, work assignments, and disciplinary actions.

- Respect for human rights: Any form of harassment in the workplace based on race, ethnicity, national origin, religion, gender, etc., will not be tolerated.
- Prohibition of child labor: The employment of children who have not reached the working age as defined by the laws and regulations of each country and region is not permitted.
- Prohibition of forced labor: All labor must be voluntary, and employees must be guaranteed the freedom to leave their employment. Forced labor will not be tolerated.
- Wages: Compliance with the laws and regulations of each country and region regarding minimum wage, overtime, wage deductions, piece-rate wages, and other benefits.
- Working hours: Compliance with the laws and regulations of each country and region regarding the determination of employees' working hours (including overtime), the provision of holidays and annual paid leave, and other related matters.

Complaints raised (number and types) in FY2024 (cases)

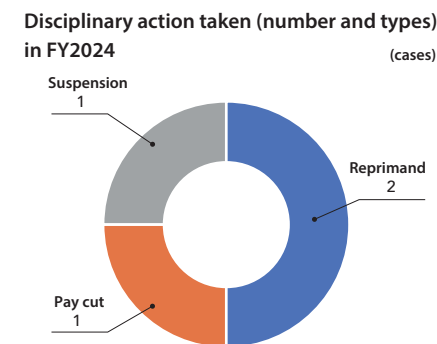


Healthy and sustainable management

Initiatives to prevent fraudulent acts such as bribery

Our group adheres to the “Sinto Corporate Ethics and Conduct Policy” and equivalent codes of conduct for overseas group companies, ensuring compliance with relevant laws and regulations in the countries and regions where we operate. Various forms of illegal and corrupt practices such as bribery and conflicts of interest are regulated as they hamper fair business transactions. To prevent such corrupt practices, we have established guidelines for the strict use of entertainment expenses and the exchange of gifts, and we ensure thorough dissemination for full understanding.

In our relationships with business partners, we distribute the “Sinto Business Partner Guidelines: For Our Future Nakama” to all partners and regularly hold information exchange meetings to promote and ensure understanding of our principles on fair and equitable transactions, compliance with laws and regulations, and safety, quality, and environment. Furthermore, in the “Basic Transaction Agreement,” which we revised in FY2023, we have added clauses related to fraud prevention, including bribery, and respect for human rights. We regularly distribute this agreement to all of our business partners globally and have successfully concluded the agreement with most of them.



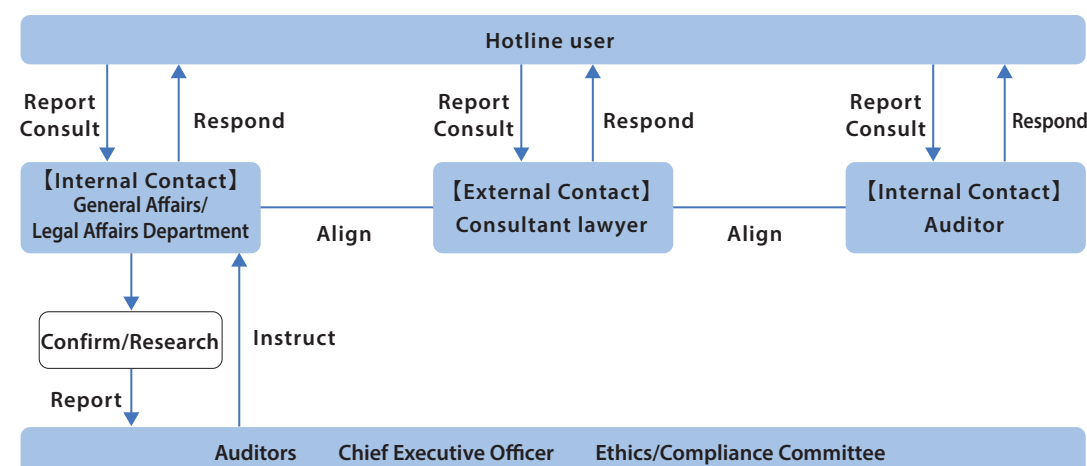
Operation and monitoring of the Sinto Speak-Up System (internal whistleblower system)

While practicing actions as per the Sinto Corporate Ethics and Conduct Policy, if there are actions that violate laws or ethics, or if it is unclear whether they violate laws or ethics, the first step is to consult with a supervisor to resolve the issue. Next, for specialized consultations, the matter is resolved by consulting the responsible department through the supervisor. In cases when it is difficult or impossible to consult with the supervisor or responsible department for whatever reason, we have established and operate the “Sinto Speak-Up System Consultation Desk” as an internal reporting channel. This desk includes three channels: our General Affairs/Legal Affairs Department, internal auditors, and external lawyers.

The purpose of this system is to detect signs of misconduct early, prevent misconduct by eliminating its root causes, and ensure self-corrective actions within the organization. By utilizing this system, we aim to protect employees and create an organization that grows from its mistakes. The confidentiality of whistleblowers and consultants is maintained, and any adverse treatment because of reporting or consulting is prohibited. If required, we establish an investigation system and respond appropriately while sharing information with the whistleblower and consultant.

In FY2024, 17 consultations were received, and appropriate actions were taken after fact-finding investigations for each case. The annual activity status is reported to the Ethics/Compliance Committee, and the results are reported to the Board of Directors. We continuously monitor specific internal reporting cases and the overall operation of the internal reporting system at the internal desk.

Basic operation flow of the hotline



Sustainability Initiatives at Overseas Group Companies

United States
Sinto America, Inc.



Paper recycling activities

Our company is strengthening its efforts to contribute to a more sustainable society, with all employees working together to make a positive impact on the environment. Environmental responsibility is a core element of our business activities, and we remain committed to continually improving our practices. Most recently, we conducted shredding and paper recycling initiatives, successfully recycling approximately 300 kg of paper.

Germany
Heinrich Wagner Sinto Maschinenfabrik GmbH



Solar power generation facilities

Environmental conservation is a top priority for our company. In recent years, we have transitioned all lighting in our factories and offices to LED systems to enhance energy efficiency. Furthermore, by the end of 2024, we began operating solar power generation facilities, which are now capable of supplying the majority of electricity needed for one of our factories during favorable weather conditions. On the product side, we are also committed to improving energy efficiency across our offerings.

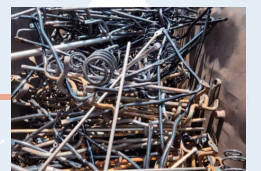
Mexico
Roberts Sinto de Mexico, S. de R.L. de C.V.



Tree planting

We are committed to operating our business sustainably in harmony with local communities, and we actively engage in various sustainability initiatives. As part of our environmental conservation efforts, employees participate in ongoing tree-planting activities. The trees they cultivate are carefully maintained and contribute to the greening of areas around our factories and the improvement of the local environment. In our daily operations, we promote the use of reusable containers and the reuse of wooden pallets, implementing environmentally-conscious practices that help conserve resources and reduce waste.

Brazil
Sinto Brasil Produtos Limitada



Scrap steel reuse

Under the principle of “producing more with fewer resources,” we are committed to reducing water, energy, and raw material usage, maximizing production efficiency, and minimizing waste. To make effective use of resources, we are actively building partnerships across industries and developing a circular system in which waste generated by our operations is reused in the manufacturing processes of other companies. We also place great value on the perspectives of workers on site, encouraging them to submit sustainability-related proposals and continually driving improvements based on their insights.

China
Qingdao Sinto Machinery Co., Ltd.



Litter picking

In line with the government’s vision for green manufacturing, we opened our Environmental Technology Center in March 2025. This facility will serve as a platform to promote workplace safety and health within China’s manufacturing sector and local communities. As part of our internal initiatives, we recently organized cleanup activities at a nearby lake, helping to raise environmental awareness among our employees.

Thailand
Thai Sintokogio Co., Ltd.



Using waste and leftover food to make compost

Under the slogan “together with the earth,” our employees are working together to achieve the SDGs and contribute to a sustainable society. With a target of CO₂ emissions reduction of 95%, the employees are taking many actions within the company such as food loss reduction and reduced use of plastic. We also worked with an electricity company to install solar panels in 45 days, succeeding in reducing about 200 million JPY in electricity costs annually and achieving CO₂ emissions reduction of 75.87 tons.

Initiatives for the Environment

Our environmental activities started in the late 1940s, when the term “pollution” was not yet widely used, and we began to improve the environment at foundry factories. Then, in 1963, when economic growth took precedence over environmental issues, we sent out a corporate advertisement to the world with the words “manufacturing that is kind to flowers” as a warning against environmental problems. For over 60 years, we have continuously promoted the reduction of our environmental impact.



Corporate advertisement in 1963:
“Manufacturing that is kind to flowers”

Environmental Management

Environmental Policy

As a member of the global society, we seek to actively reduce environmental burdens in all areas of our business activities, work to prevent pollution, and achieve a sustainable society.

Actions

1. Comply with environmental laws and regulations
2. Promote the prevention and reduction of waste
3. Work to effectively use resources and energy to eliminate waste and reduce CO₂ emissions
4. Work to develop technology and products that offer reduction of environmental burdens throughout their lifecycle
5. Perform internal environmental training and strive to improve staff awareness
6. Publicly share the environmental policy
7. Take actions to continuously improve the global environmental management system

Environmental management system certification

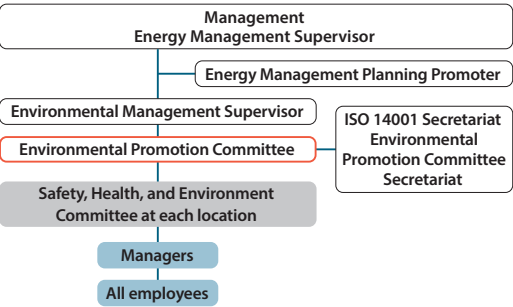
To promote the continuous reduction of our environmental impact, we have established environmental policies, objectives, and targets; we have put in place an environmental management system that includes plans, systems, and processes for initiatives to achieve them. With the recognition of extended applicability to include our Atsugi Works location in FY2024, 8 Sintokogio manufacturing sites and 12 domestic/overseas group companies have obtained ISO 14001 certification, an international standard for environmental management. Furthermore, our domestic partner companies are working to obtain certification under “ECO Action 21” established by the Japanese Ministry of the Environment.

Environmental training

We systematically provide environmental education (general and specialized) for all employees engaged in activities associated with the environmental management system, as per their roles and job description. In particular, for specialized education, we utilize internal and external training sessions to systematically train employees to acquire qualifications, such as certifications for energy management, pollution managers, and hazardous substance handlers, which are necessary for the performance of their duties.

Environmental management system diagram

Our environmental management system is in accordance with ISO 14001 and the Environmental Promotion Committee, and it includes a company-wide system that comprehensively manages initiatives and progress. The company director in charge of the Manufacturing Division (who also serves as the management of ISO 14001, the Energy Management Supervisor based on the Energy Conservation Law, and the chairman of the Environmental Promotion Committee), discusses, promotes, and reports on the progress of environmental management goals and shares excellent case examples at the company-wide Environmental Promotion Committee held every month. The contents are communicated through the Safety, Health, and Environment Committee at each location; these company-wide policies and initiatives are disseminated to all employees.



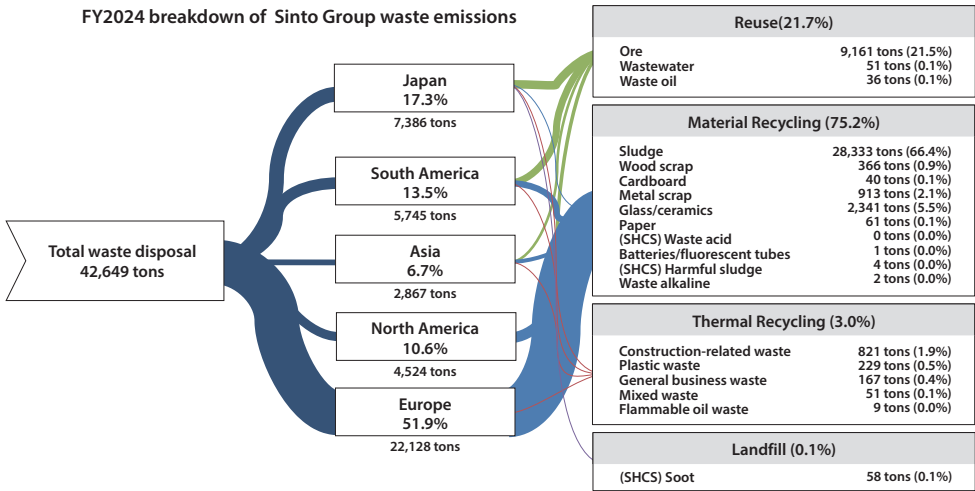
Advancing Resource Recycling

3R initiatives

We are taking action in the 3Rs (reduce, reuse, and recycle) to create a circulating, sustainable society.

Visualization of waste discharge

Waste emissions are monitored by region and by type, and reduction measures are planned and implemented with an emphasis on the regions and energy sources with the highest consumption. Most of the waste is ore, sludge, and metal scraps; we are also promoting initiatives related to plastic pallets and cardboard as common waste reduction activities at all our factories.



Operation of on-site plastic pallets

Wooden pallets had been used for cargo handling operations at the plant, but they were fragile and had to be replaced frequently. By reviewing pallet operations and switching to plastic pallets, which are more durable than wooden pallets, we reduced the pallet replacement frequency and the amount of wood waste. Furthermore, plastic pallets are shared between factories to limit the number of new pallets purchased, thereby reducing the amount of plastic waste; we are planning to expand these efforts further in FY2025. Furthermore, each business location has set individual targets for reducing the amount of wood waste and plastic waste generated. We are rigorously managing these targets by comparing them with actual performance.



Plastic pallets

Reuse and recycling of cardboard packaging

In the past, wooden packing materials were used for transporting heavy products. However, since wooden packing materials are often discarded after delivery, industrial waste has increased, becoming an environmental issue. Therefore, we are working to reduce wood waste by progressively switching to recyclable multi-layered reinforced corrugated cardboard packaging materials. Furthermore, although we previously used plastic cushioning, we have begun using a machine that cuts cardboard into cushioning, and we are collecting cardboard generated at each business location to process it into cushioning at the Toyokawa Works. In FY2025, we plan to further strengthen the collection of cardboard between business locations and increase its use as cushioning.



Cushioning material cutting machine

Reducing Greenhouse Gases

In June 2022, we endorsed the Task Force on Climate-related Financial Disclosure (TCFD) recommendations and are working to enhance the disclosure of climate change-related information in line with them. For our group, which uses energy in its mainstay foundry business and other operations, carbon neutrality is a pressing issue, and we are promoting activities to address it.

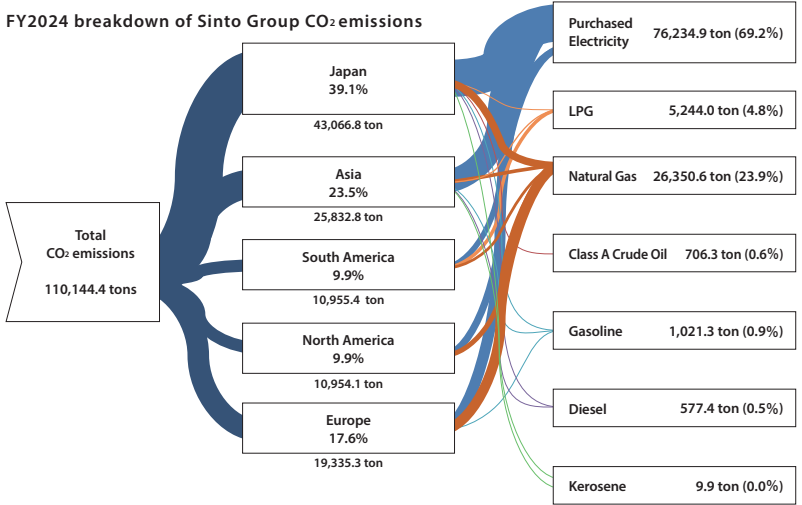


Eco-factory (Scopes 1 and 2)

Looking toward the achievement of carbon neutrality, each employee gets creative when taking action to save energy around them and reduce CO₂ emissions generated by our manufacturing.

Visualization of energy

Energy consumption is monitored by region and type, with reduction strategies being devised and executed, prioritizing the regions and energy types that are the most energy-intensive. For Japan, we are focusing on Osaki Works, the highest energy consumer, as we pursue initiatives to reduce power usage.



Electricity visualization at business sites

As one of our eco-factory initiatives, we are promoting the visualization of electric power. In FY2024, Koda Works successfully completed the visualization of electricity usage across four levels: the entire worksite, each building, each production line, and each individual equipment unit. By measuring electricity consumption not only for the entire worksite and each building but also for each production line, it has become easier to identify wasted energy and implement energy-saving improvements. For instance, at the equipment level, the timing of compressor and air conditioning unit startups is monitored, allowing for staggered startups to reduce peak demand power. In FY2025, based on the data collected at Koda Works, we plan to explore and progressively implement measures to reduce electricity consumption. Furthermore, we aim to use Koda Works as a model case to promote the visualization and reduction of electricity usage in other worksites.

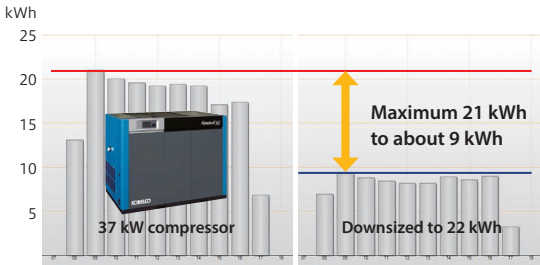
Upgrading mercury and fluorescent lamps to LED lighting fixtures

The Minamata Convention on Mercury, an international treaty, establishes comprehensive regulations to reduce the risks mercury poses to human health and the environment. These regulations cover the entire lifecycle of mercury, from primary mining and trade to its use in mercury-added products and manufacturing processes, as well as emissions to the atmosphere and release into water and soil, and mercury waste management. In 2020, the production and import/export of mercury lamps was banned. At the 2023 Conference of the Parties, it was agreed that certain types of fluorescent lamps would also be banned by 2026 or 2027, depending on the type. In accordance with the goal of phasing out products containing mercury, we are progressively replacing them with energy-efficient LED lighting fixtures, a process that will continue through FY2025.



Upgrading to energy-efficient equipment

Energy conservation and decarbonization in factories and worksites require an upgrade to high-efficiency equipment. At our company, we do not simply replace old equipment with the latest models; instead, we optimize based on the six principles of energy conservation: End, Fix, Stop, Decrease, Collect, and Change. At our Kyushu Works, we replaced an aging compressor that had increasing maintenance costs. By analyzing the operating conditions and the required air volume, and then making adjustments to our compressor use, we determined that a smaller model would suffice. Subsequently introducing this smaller model resulted in a reduction of maximum power by 12 kW. In FY2025, we will further reduce unnecessary operations and optimize production.



Purchase of electricity through off-site PPA*

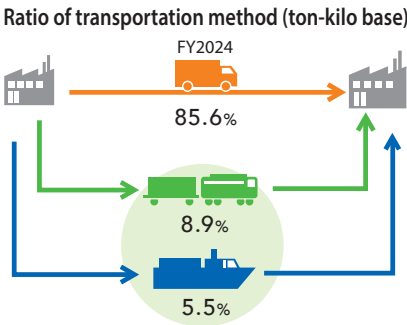
In April 2023, the revised Energy Conservation Act came into effect, highlighting the transition to non-fossil energy as one of its key points. For the steel industry, which our Osaki Works location falls under, the government has set a target of achieving 59% non-fossil power ratio by FY2030. One of the measures to achieve this target is off-site PPAs; we are currently working toward signing a contract with a power supply company for such an agreement. We plan to purchase approximately 200 million kWh of electricity annually over 20 years from a 1,500 kW solar power generation facility installed exclusively for our use.

*Off-site PPA (Power Purchase Agreement): A power purchase agreement in which a company utilizes renewable energy generated off-site

Eco-products/eco-logistics (Scope 3)

Review of transportation methods (Category 4: Upstream transportation and distribution)

Shifting abrasives shipments from truck transportation to rail or marine (with less environmental impact) contributes to reducing CO₂ emissions during shipping. Our current total transport volume per methods as follows: 12,319,900 ton-km by truck, 356,900 ton-km by rail, and 267,600 ton-km by ship. We will continue to increase the ratio of rail and ship transportation in the future. We are also promoting the use of circulating shipments between locations and optimizing shipping schedules to consolidate shipment dates. By the end of FY2024, these efforts have resulted in a 15% reduction of CO₂ emissions. We will continue these initiatives in FY2025, contributing to the reduction of our environmental impact.



Deployment of eco-products (Category 11: Use of sold products)

Along with reviewing our line-up of environmentally-friendly products and increasing the number of products themselves, in FY2022, we clarified our approach to CO₂ emissions reduction for environmentally-friendly products. We have reorganized our approach from the perspectives of simplifying and streamlining products, adapting environmentally-friendly equipment, and improving production efficiency through operational and process changes. We selected 199 products to be the target products for this initiative and calculated their CO₂ emissions reductions. To help customers reduce CO₂ emissions in their manufacturing processes, we are continuing to improve and develop our environmentally-friendly products. As of FY2024, we have expanded the range of these products to 202 items. Furthermore, we are extending these activities to our domestic and overseas group companies. In FY2025, we will also focus on formulating reduction effects for new products.

Utilization of WAT tape (Category 12: End-of-life treatment of sold products)

We are promoting the use of water-activated tape (WAT) for packaging cardboard boxes, replacing traditional cloth (plastic) tape. WAT tape is made from natural materials, specifically paper and starch adhesive, which allows it to be recycled along with the cardboard, contributing to the reduction of plastic waste at our customers' sites. Furthermore, when incinerated, WAT tape reduces CO₂ emissions by 0.67 tons of CO₂ per ton compared with traditional cloth (plastic) tape. In FY2024, we began implementing WAT tape at some sections of our Koda and Osaki Works locations. In FY2025, we plan to further expand its use at Osaki Works and continue to promote its adoption at other worksites.

Horizontal deployment of good practices

Each worksite independently implements and introduces highly effective energy-saving and waste reduction measures as best practices through the Environmental Promotion Committee. The cases introduced so far have been compiled into a case study collection, which is posted on the electronic bulletin board for all employees to view. In recent years, we have been promoting the horizontal deployment of these best practices across departments and worksites. To monitor the implementation status, we have created a horizontal deployment list that allows us to investigate the feasibility of deploying these measures across factories, office buildings, and other facilities at each business location; it is also used to calculate the implementation rate and the predicted effects if the measures are implemented. In the future, these activities will be expanded to include not just domestic locations but also our locations around the world.



Fostering Eco-awareness

“Actions for ourselves” of all our employees around the world

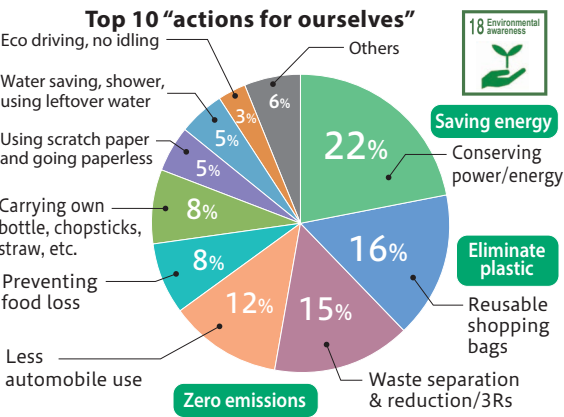
Bringing together all of our employees around the world to act as one, we set our own Environmental Awareness goal as an 18th SDG. Through this initiative, which began in FY2021, we promote a culture in which each individual can take responsibility to act decisively.

Establishment of Sinto Group’s original goal



FY2024 re-declaration of “actions for ourselves”

During Environment Month in FY2024, all employees re-declared their personal goal for the 18th SDG as “action for ourselves.” The most common of these “actions for ourselves” were related to power and energy saving for computers, air conditioners, etc., accounting for more than 22% of the total. In this way, we can expect a tangible impact on the environment. We also confirmed a high level of awareness about reducing plastic emissions, such as the reuse of plastic bags and reusable shopping bags, and carrying around personal bottles and straws. Regarding waste, there was an increase in zero-emissions awareness, such as separating and reducing trash, increasing awareness of food loss, and eliminating waste, such as avoiding buying things that are not required.



Support for Eco Test certification

To deepen broad systematic understanding of complex and diverse environmental issues among our employees, we have actively supported acquisition of Eco Test certification (Certification Test for Environmental Specialists) awarded by the Tokyo Chamber of Commerce and Industry. Employees that passed in the past have become instructors, holding independent internal study groups. In FY2024, 29 employees successfully obtained certification, bringing the total number of certified Eco People* within the company to 477. (In FY2024, Sintokogio was ranked 19th for most certifications among all companies with over 300 employees)

*Eco People: Individuals who have successfully received Eco Test certification

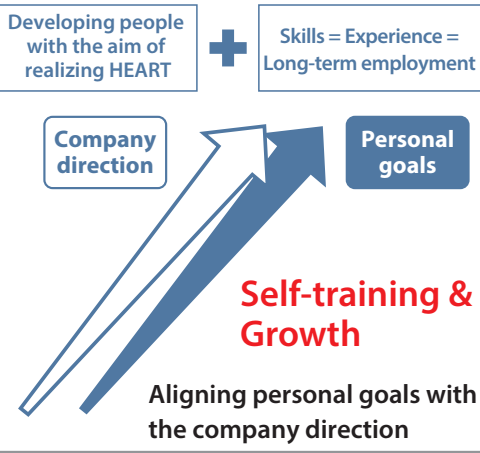
Human Resource Strategy

For the Sinto Group, we believe that “being a company chosen as an arena for our employees to realize their potential” is a core value for the sustainable growth of the company. Based on this vision, we have redefined the company as “a place for self-development and growth,” and we work to provide an environment in which each employee can independently learn, challenge themselves, and achieve self-realization. The relationship between people and companies has changed. In the past, it used to be that companies chose people, but now, people choose companies. Amid diversifying values and changing work styles, we aim to create and foster a corporate culture in which each employee takes pride in their work and constantly moves forward and takes on challenges, growing as individuals and charting their own careers regardless of age or gender. We believe that realizing the idea of the company as “a place for self-development and growth” will bring out our employees’ full potential, resulting in the sustained growth and development of the company itself.

Basic stance (“MEGA”)

For Sinto, our human capital management entails encouraging the motivation and growth of each employee and providing them with a place where they can make the most of their cultivated abilities. The core philosophy of our company’s human resource system is the principle of “Motivation, Effort, and Growth Acceleration (MEGA).” “MEGA” is a management style that encourages employees to have a sense of purpose in life so that they work with enthusiasm, maximizing the potential of each employee. We truly believe that human resources (employees) are a company’s greatest asset, and the name “MEGA” reflects our idea that the growth and success of human resources will result in the development of the entire company. Furthermore, to contribute to our customers and society, based on the spirit of our management philosophy HEART, we believe that it is important for each employee to acquire world-class skills and techniques to further evolve. Now in an era in which people can live over 100 years, “MEGA” is the base for our employees to maximize their potential during their lifetime at the company. We are continuing to develop our human resources system for the long period from joining the company to retirement, aligning the company’s goals with the employees’ own goals, encouraging individuals to proactively improve their abilities and skills, and rewarding those who work hard to develop their skills.

【 Concept of “MEGA” 】



ISO 30414 certification and periodic review



Human Capital Report (Japanese)

<https://www.sinto.co.jp/ir/library/human-capital-report/>



In March 2024, we acquired the ISO 30414 certification, an international guideline for disclosing information related to human capital. We are the second machine manufacturer in Japan, and the fourth company in the domestic manufacturing industry, to do so. Since receiving the certification, we have further accelerated our initiatives for employee growth, and in March 2025, we passed the second-year period review for recertification. Furthermore, in conjunction with acquiring ISO 30414 certification, we have published the 2024 Human Capital Report that summarizes quantitative information regarding our human capital.

*Total number of Japanese companies that have received certification: 20 companies (as of March 31, 2025)

Human resource policy

Growth of each employee

- Securing and developing creative human resources with the desire and ability to contribute to business growth from a long-term perspective
- Providing opportunities for each individual to show their full potential and experience growth and self-actualization

An organization in which members share a sense of purpose in life and work

- Building relationships of mutual trust based on communication and teamwork, and working together to achieve goals
- Fairly evaluating not only results but also work processes and actions such as level of effort and willingness to take on challenges, resulting in improved engagement of those who have worked hard

Creating a good work environment

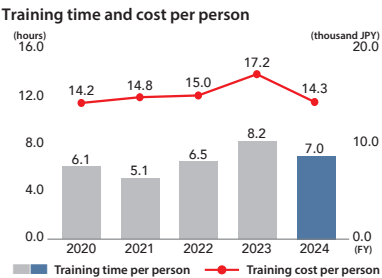
- Respecting and integrating diverse values and ways of thinking, resulting in new ideas
- Establishing a culture of active engagement among diverse human resources, diverse workplaces, and diverse work styles

Human resource development

To properly respond to changes in the business environment and constantly develop new technologies and products, based on the principle of “MEGA,” we have established human resources development by job grade, and we have put in place various tools and resources for personnel development.

Enhanced human resource development system

Employee growth is crucial for the sustainable development of a company. To encourage the growth of individual employees, we have prepared 51 different kinds of training by rank, specialized training, and so forth. These trainings are suitable for each rank and occupation so that the employees acquire the knowledge and specialized skills required to perform their work. In FY2024, we did a comprehensive review of training by rank and specialized training so that employees can independently build their careers more effectively.



Evaluator training

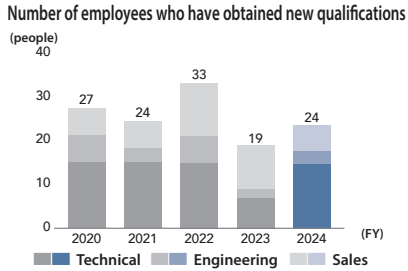
With increasing diversity in work styles and approaches to career development among the workforce, it is crucial for fair evaluations to take place so that superiors and their subordinates can build a firm relationship of trust. For that reason, during FY2023 and FY2024, we reconsidered the curriculum for evaluator training, and we held trainings for all members in managerial positions. These managers and supervisors who serve as evaluators not only deepened their understanding of our company's evaluation system and purpose but also enacted roleplaying activities based on the company's unique case studies to improve interview and communication skills when providing feedback to their subordinates.

Evaluating hard work and willingness to develop skills

We operate a system that awards points to employees for their efforts to develop their abilities, rewarding them for their motivation and hard work. Focusing on employees who put effort into developing their own abilities, such as participating in self-development training, obtaining skill certifications, and obtaining official qualifications, the system has resulted in an increase in employee motivation for self-development since its introduction.

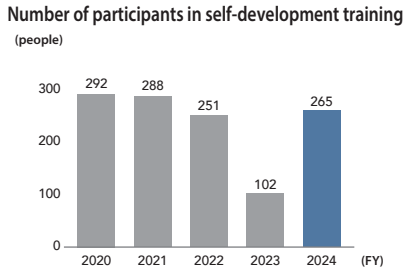
Sinto Career System

We have established a unique system for honing specialized skills for each job type, encouraging those in technical and sales positions to obtain in-house qualifications. Through this system, the skills of employees are evaluated regardless of their job grade or age, and understanding their own standing (level) allows employees to grasp the direction of their growth. This system is being expanded globally as group-wide universal qualifications for employees not only in Japan but all over the world.



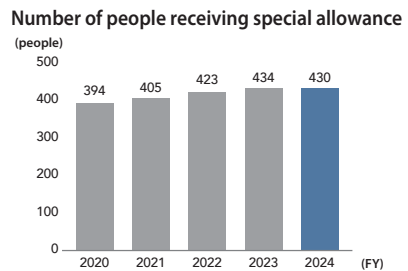
Promoting self-development

We offer self-development training (20 courses) and correspondence courses (100 courses), supporting employees' growth and skill development. These courses include anger management, resilience, and other topics that focus on technical, physical, and mental strength; the offerings are regularly revised to consistently provide the best learning opportunities as per the changing times and the needs of the employees.



Special allowance

Separate from regular work evaluations and intended to evaluate individual efforts and growth, a special allowance is added to employees' monthly salary based on the points they have earned by improving their skills and knowledge. By encouraging employees to acquire knowledge and skills that are not directly related to their current work, we support the employees' growth and future career. In April 2025, we have increased the allowance amount and reconsidered the criteria for earning an allowance, encouraging more employees to use the system.



Diversity, equity, and inclusion

Our group respects the human rights and individuality of each employee. We consider diversity to be a source of new value creation; thus, we promote diversity, equity, and inclusion.

Promoting career advancement for female employees

As Sinto, we proactively promote initiatives to foster active engagement by female employees in the workplace. Starting in April 2024, we established a Business Improvement Project (BIP) Promotion Group, primarily consisting of female employees, at each business location. Along with efforts to improve digital skills, the members worked on initiatives to increase efficiency in work processes including areas linked to other departments, succeeding in eliminating many unnecessary steps. Furthermore, in FY2024, four meetings were held for all BIP Promotion Group members across the company to meet, share examples of initiatives at each location, and discuss issues faced in the workplace, allowing for proactive communication for workplace improvement.



BIP Promotion Group meeting

Review of the personnel system for expert employees based on “MEGA”

At our company, employees who continue to work after the retirement age (60 years) are referred to as “expert employees” whom we rely on for their extensive experience, advanced skills, and knowledge. In an era of diversifying lifestyles and work styles, we respect the diversification of life choices; we believe it is crucial to provide an environment for older employees to continue working in the way that suits them best. In FY2024, we reviewed our personnel system for these older employees, revising and adapting the three primary features below:

① Review of work style

We categorize expert employees into two types: those who will continue their managerial roles and those who will work as staff in their departments. Among the latter, we have established a task force and introduced a system that allows those who tackle the company's challenges to receive the same compensation as they did before the retirement age.

② Extension of employment period

We have extended the employment period of our expert employees to the end of the fiscal year when they reach 65 years. As a result, employees can proceed with their work based on a full-year plan. Furthermore, we hope that by having these employees step into a new phase as our company's alumni at the end of the fiscal year, it will deepen the bonds among all employees.

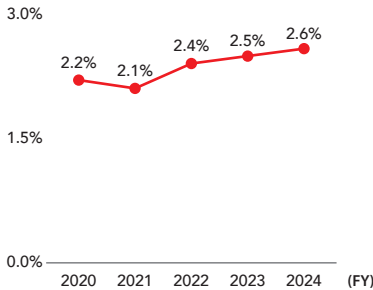
③ Introduction of second retirement allowance

We have introduced a second retirement allowance as part of our welfare system; this will allow our alumni to enjoy their retirement with peace of mind.

Employment for persons with disabilities

By providing a workplace in which all employees are comfortable working in accordance with their abilities and aptitudes, along with expanding employment opportunities for persons with disabilities, we aim to enable them to feel confident and proud of their work. In 2020, we opened the Sinto Farm, a corporate farm in which individuals with intellectual and mental disabilities are employed to grow crops for our welfare facilities and other uses. Furthermore, we support our employees who participate in the Abilympics, encouraging them to develop new knowledge and skills based on their wish to further contribute to the workplace. In the Mechanical CAD category, our employee won the gold medal when he participated in the National Abilympics for the first time. Since then, he has continued to work hard, winning the gold medal again at the National Abilympics in 2023. As of March 2025, the percentage of our employees who have disabilities is 2.6%.

Percentage of employees with disabilities



Health management

We place great importance on the health of our employees; we aim to revitalize our organization by maintaining and improving employee health. We established a Health Promotion Committee comprising departments that are responsible for health management (including occupational physicians, public health nurses, and clinical psychologists), our health insurance association, and health-responsible personnel at each business site. Through this system, we provide support and educational activities that improve both mental and physical health. As a result, we have been certified as a “Health & Productivity Management Outstanding Organization.”



Health policy and health promotion activities

We have revised the “Health Management Declaration” (established in 2022 for our group’s employees) and published it as our health policy starting in 2024. To enable employees to lead a healthy and happy professional life, we conduct activities for primary prevention (prevention in advance), secondary prevention (early detection and early response), and tertiary prevention (prevention of recurrence) of mental health issues through the establishment of Health Month and Health Promotion Day, providing various opportunities for the prevention of lifestyle-related diseases and measures for mental health.

Seminars for physical and mental health

Every year, we hold seminars about physical and mental health, working to raise employees’ health awareness. In FY2024, we held seminars by occupational health physicians, public health practitioners, clinical psychologists, and lecturers on various topics, including sleep, harassment and communication, health issues particular to women, and how to understand the results of regular health checkups.

Health Month and Health Promotion Day

Health Month takes place in April every year. We develop initiatives to raise awareness and provide opportunities for employees to develop their health awareness so that each individual sees health promotion as their own personal responsibility, encouraging them to take part in voluntary health promotion activities. Furthermore, every Wednesday is Health Promotion Day, on which we encourage employees to do things for their physical and mental health, such as enjoying hobbies, exercise, and rest.

Indicators for health management, company average (FY2024 employee survey)



*Score: Maximum 5 points

Indicators related to health and work style*1

Item	FY2022	FY2023	FY2024
Health checkup participation rate	100%	100%	100%
Rate of findings from health examinations	66.5%	70.8%	65.3%
Specific health guidance implementation rate*2	27.7%	22.1%	37.0%
Stress check examination rate	97.3%	98.7%	97.2%
High stress rate	17.7%	19.0%	17.3%
Leave of absence rate	0.4%	0.2%	0.8%
Rate of annual paid leave taken	73.0%	74.4%	76.0%
Number of days of annual paid leave taken	13.5 days	13.8 days	14.1 days
Presenteeism*3	—	85.0%	74.1%

*1: Data collection range: Sintokogio, Ltd.

*2: Sinto (Japan) employees aged 40 years and over who are insured by Sinto Health Insurance

*3: Began survey in 2023 using the University of Tokyo’s “one-question method”

Fostering a comfortable workplace

The Sinto Group has been developing policies from various perspectives, which include compliance with labor laws, providing a better work-life balance, and revitalizing internal communication, to create work environments in which employees can work safely and with peace of mind.

Initiatives to increase job satisfaction

Through our Workplace Improvement Committee, we are promoting initiatives to resolve issues unique to each workplace. In FY2024, as a measure against heat, we decided to introduce polo shirts (light-weight working clothes) that can be used on the worksite. Furthermore, to suppress rising temperatures inside the factory, we installed heat shields on factory roofs as a measure to improve the work environment.

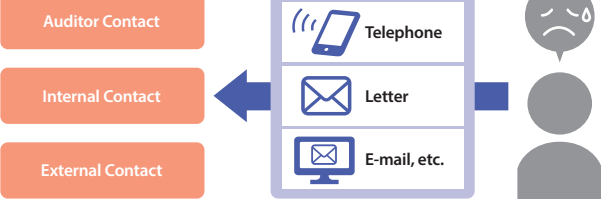


Heat measures installed on factory roofs

Initiatives to eradicate harassment

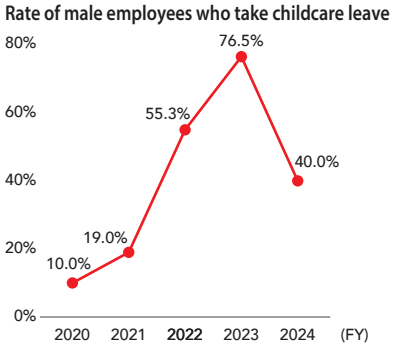
We regularly conduct workshops for employees and managers in an effort to eliminate all types of harassment. Furthermore, through our Sinto Speak-Up System (internal whistleblower system) (see page 40), we have established internal and external consultation services to cultivate an environment in which it is easier for employees to consult with experts on issues. Through these initiatives, we are working toward early identification and resolution of workplace harassment issues.

【Sinto Speak-Up System】



Promoting work-life balance

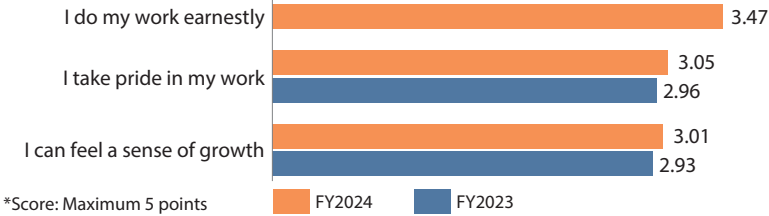
To deepen understanding of male childcare leave, we hold seminars for managers, and we make efforts to familiarize regular employees with the childcare support system; through these efforts, we are working to improve our rate of childcare leave for male employees. Furthermore, there has been a rise in male employees choosing to utilize our system for shortened work hours for childcare and sick/injured childcare leave. This shows that use of our work-life support systems based on employees’ requirements has taken root. Enacting initiatives to enable employees to manage a healthy balance between their personal lives and work, we will continue to expand our personnel system to allow all employees to work efficiently in a way that suits their lifestyles.



Improving engagement

Every year, we conduct an engagement survey for all employees to fully understand the actual conditions of employee growth and sense of fellowship between employees, and to further improve the work environment and culture by expanding human resource programs.

Engagement indicators, company average (employee consciousness survey)



*Score: Maximum 5 points

Cultural club activities

As cultural activities, we hold regular events at each business site such as mochi-pounding parties and cherry blossom viewing, led by employees who do the organizing themselves. These events allow employees and management, as well their families, to deepen their bonds through communication. Furthermore, we support the regular activities of 16 physical/sports clubs and 6 cultural clubs within the company, with club activities after work or on days off, promoting lively communication and health activities for employees.

We also support the sports activities of our employees (see page 17). In addition to our three athlete employees in competitive swimming and sport climbing, along with sumo wrestler Akira Fukunaga, a total of four employees participated in the National Sports Festival held in Saga Prefecture in October 2024, each finishing the competition with good results.



Sumo wrestler Akira Fukunaga participating in the National Sports Festival

Occupational Safety and Health

Safety Policy

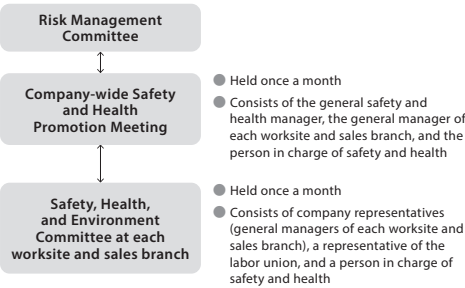
We respect humanity and aim to be a company that receives trust and understanding from all customers, based on the basic principles of prioritizing safety and promoting and maintaining health. All employees will work together to promote safety and health activities.

Actions

- 1. Properly understand and comply with safety- and health-related laws and regulations
- 2. Promote the creation of a comfortable work environment with attention to safety, hygiene, and health
- 3. Conduct periodic audits and promote continuous improvement of the health and safety management system
- 4. Prevent lifestyle-related diseases among employees
- 5. Provide guidance, education, and support for safety and health management for subcontractors
- 6. Participate in government and community activities related to health and safety

Promotion structure

A company-wide safety and health promotion meeting is held every month to inform employees of the safety and health activity policies, promote the expansion of ideas across divisions, report results, and discuss issues at each business site to make improvements. The general managers and safety representatives of each business division attend the meeting, and they convey the content of the meeting to the Safety, Health, and Environment Committee at each worksite and sales branch to promote company-wide policies and initiatives. By collecting employee opinions and applying these ideas, labor and management work together to promote safety and health activities.



Major initiatives for occupational safety and health

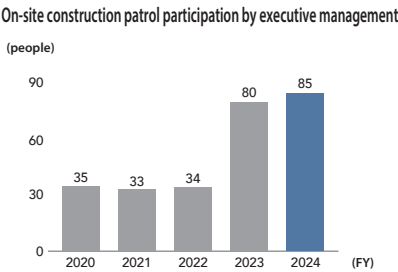
We have obtained Occupational Safety and Health Management System (OSHMS) certification at all eight of our business locations in Japan, and we have created a work environment in which all employees can independently work on safety activities by following the PDCA cycle. Through risk assessments for all equipment, we identify sources of danger and conduct risk reduction activities, promoting the creation of a safe and secure workplace. Moreover, meetings for safety and encouragement are held for supervisors and representatives of subcontractors prior to construction work performed during long holidays, with all related parties pledging to be able to say "I'm home" with a smile.



Initiatives for safety

Increasing safety awareness

We conduct monthly inspections at our eight domestic business locations, and by conducting on-site patrols with the management supervisors, we aim to create a safe and vibrant workplace and prevent labor accidents before they occur. The management supervisors participate in the morning meetings, confirming that their thoughts are reaching everyone on site, and that safety and health activities and risk prediction activities are being performed. We have also made a daily collection of industrial accidents and shared it across departments, enacting repeated enlightenment activities. Furthermore, all members of executive management (including the company president) conduct patrols during on-site construction work and speak to the people involved to achieve zero accidents.



Confirming the worksite in response to new regulations

With the introduction of new regulations for chemical substances, we regularly confirm the operational status at each worksite in response to these regulations. At monthly worksite visits, we do checks of whether the person in charge of chemical substances has been appropriately selected, and whether that person's responsibilities are properly being fulfilled. In particular, we look especially at whether protective equipment is being used during work, and whether chemical substances stored in separate containers are properly labelled to show danger and toxicity levels. In case any issues are found, we instruct the person in charge to make corrections immediately, ensuring before any accidents happen that there are no threats to the workers' health.

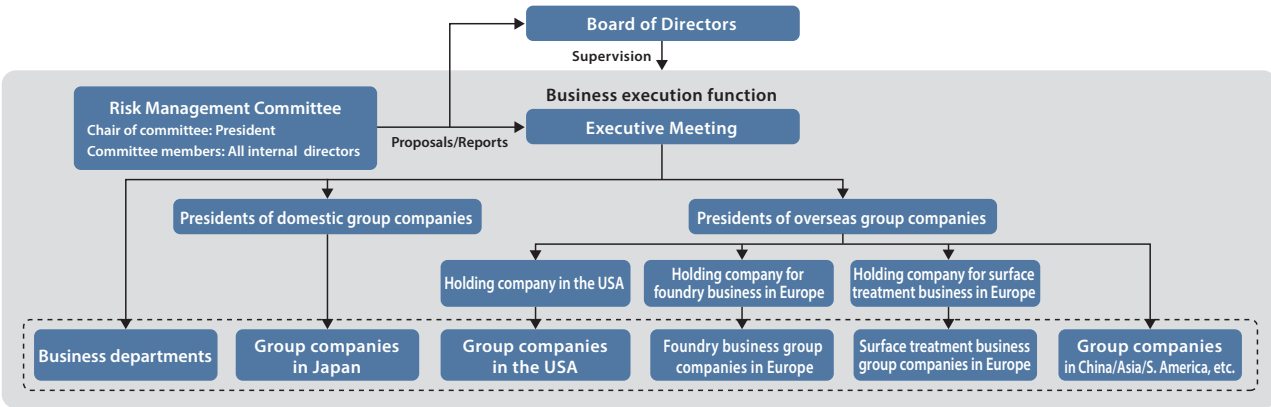
Risk Management

Basic approach

Our group's business activities are influenced by various uncertain events (risks) internally and externally. Recognizing risk management as a critical management issue, we address it accordingly. Within the internal control system basic policy approved by our Board of Directors, we have established fundamental policies on risk management and developed a risk management system with risk management protocols.

Risk management structure

We have a Risk Management Committee under the Board of Directors, with our president acting as its chairman and the internal directors as its members, which manages risks at each department. We have established a basic policy for handling each type of risk, and we have developed systems to reduce risks, enacting initiatives to raise awareness while monitoring the implementation status of this risk management. We conduct a survey of business risks twice a year, including items that have not had any issues previously. The survey results are discussed by the Risk Management Committee and are regularly reported to the Board of Directors for monitoring.



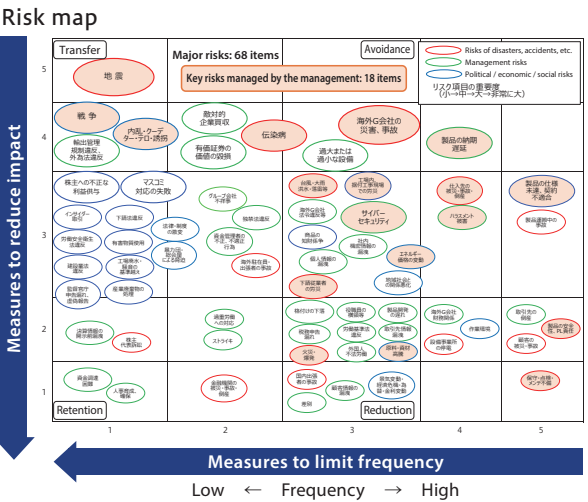
Risk awareness and countermeasures

For each department's response to risks in business activities, the executive overseeing that department confirms the response status, evaluating the response using a risk management table. The seriousness of risks is visualized by mapping them onto a risk map that indicates the impact on business activities and frequency of occurrence. This process helps to narrow down key risks for prioritized countermeasure implementation.

As key management risks, three risks have been selected: Business Continuity Planning (BCP), information security, and workplace safety. An internal committee has been established to lead in managing these risks using the Plan, Do, Check, Action (PDCA) cycle. Moreover, for various other risks, responsible departments have been designated, and necessary management systems and methods have been established, including various management regulations, thereby setting risk limits and establishing reporting and monitoring systems to manage risks comprehensively and individually.

Revision of the BCP manual

To ensure that we do not inconvenience our customers in the event of a large-scale disaster that halts production and supply, we maintain BCP inventory. Considering recent changes in demand, logistics, and production volume, in FY2024, we revised the definitions and rules for inventory. Furthermore, we have reviewed our response to the issuance of emergency information for the Nankai Trough earthquake and our response to fires and explosions. In the event of a disaster, we aim to minimize the impact on the safety of our employees and the business operations of our customers and partners by ensuring that the latest management practices are in place.



Compliance

Basic approach

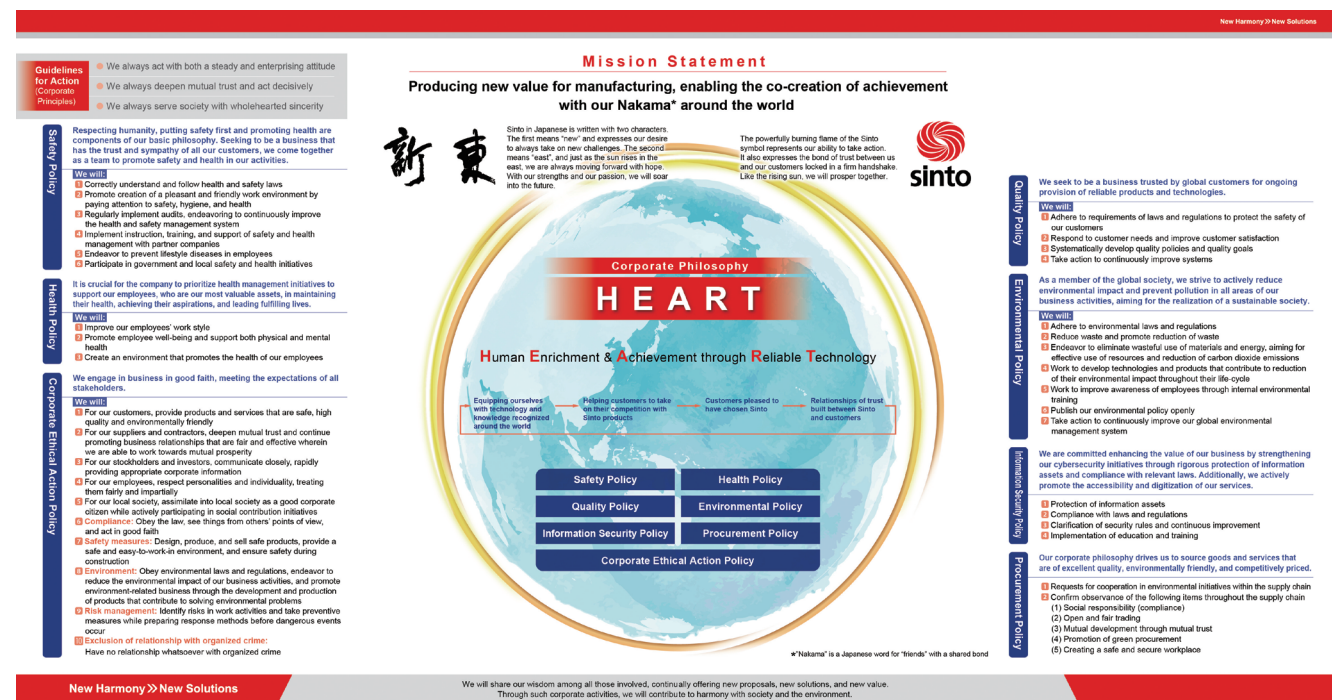
In our group, we define compliance not merely as “following laws and regulations” but as the company and individuals “acting fairly and equitably in light of corporate ethics and social norms.” We enlighten our employees to promote compliance activities as a company and to pay attention to their behavior as individuals. The execution of the compliance program is evaluated annually from the perspectives of whether the system exists, whether the system is being promoted, whether the system is being utilized, and whether results are being achieved; these evaluations are used to inform actions for the following year.

Sinto Beliefs

We have revised the “Sinto Beliefs” leaflet, which outlines our group’s management policy. With the desire to cherish the spirit of manufacturing and contribute to society, we aim to create new value in manufacturing and co-create achievement with our global Nakama. The term “Nakama” here refers not just to friends but to friends who share the same aspirations, including all stakeholders such as our customers. We believe that by each individual honing their skills and working together with customers to resolve issues, acquiring world-class technology and knowledge, and delivering products and services to customers, we can help our customers succeed in competition and achieve results. This, in turn, results in customers valuing Sinto and continuing to choose Sinto as their partner, fostering a relationship of trust between customers and Sinto.

Furthermore, we value discussing and challenging ourselves with our important Nakama, growing toward our goals while helping each other. With “One Global Sinto” in mind, we continuously provide new proposals and solutions as our guiding principle.

Sinto Beliefs leaflet



Establishment and execution of the internal control system basic policy

Cherishing the spirit of manufacturing, the Sinto Group aims to deepen our bonds with all related parties, to always be chosen by customers no matter the era. As part of this, it is a matter of course that we comply with all domestic and international laws as well as social norms and internal regulations. Moreover, it is also essential to hold high ethical standards as we operate our business with honesty, efficiency, and dignity.

To achieve this, as a resolution of the Board of Directors, we have established the basic policy for our internal control system. The executive branch of the company operates according to this basic policy, responsibly enacting the internal control system and monitoring the activities of the Board of Directors.

The internal control system basic policy

1. System to ensure that the performance of duties by directors and employees complies with laws, regulations, and the Articles of Incorporation
2. System for storing and managing information related to the performance of directors’ duties
3. Regulations and other systems for managing the risk of loss
4. System to ensure that directors’ duties are being performed efficiently
5. System to ensure the appropriateness of business operations within the Sinto Group
6. Items related to employees who will assist with the duties of the auditors and the independence of such employees
7. System for reporting to the auditors
8. System to ensure that audits by the auditors are conducted effectively

Promotion of the Sinto Corporate Ethics and Conduct Policy

In the Sinto Group, we have established the Sinto Corporate Ethics and Conduct Policy as behavioral standards for practicing ethics and compliance in the workplace. These guidelines are regularly disseminated and incorporated into tiered training programs to enlighten employees. They are utilized through activities such as reading sessions and discussions on case studies in each workplace. Furthermore, executives and managers take the lead in regularly verifying compliance with rules through on-site inspections, thereby actively promoting the practice of compliance.



Sinto Corporate Ethics and Conduct Policy

Compliance program

We address compliance in the three areas of (1) laws and regulations, (2) internal company rules and regulations, and (3) social norms such as SDGs and ESG, management incorporating human rights, etc. With respect to compliance violations, we consider the four areas of (1) law and regulation violations, (2) accounting fraud, (3) information leaks, and (4) labor issues. For Sinto Group’s compliance program, the Ethics/ Compliance Committee formulates and executes the plan for yearly activities based on the basic policy for the internal control system as decided by the Board of Directors. To prevent compliance violations, we make improvements to our internal structure (review of internal regulations and codes of conduct), conduct trainings and learning opportunities for employees, and stay up-to-date on the latest information.

Stakeholders

Customers

In pursuit of customer satisfaction

To always be chosen by customers, we have an internal slogan of “not just selling products.” We make regular visits to all customers who have purchased products or services from us, work together with them to resolve their problems and issues, and ultimately aim to contribute to our customers’ growth. We offer detailed after-sales maintenance that our customers can trust, and as a result, they order parts and consumables from us. Through these efforts, we aim to improve customer satisfaction to keep our customers happy for many years to come.

To always be chosen by customers

Customer-oriented proposals

We have established an online solution site to communicate our proposals to customers. We also actively participate in various exhibitions to directly communicate new products and recommendations to customers who visit our booths. In FY2024, we made minor changes to our IoT products, such as environmental improvement and alcohol detection, based on customer feedback. We will continue refining our products to ensure they are valuable to our customers.

Immediate response

Sudden breakdowns can considerably impact our customers’ production plans. Our corrective maintenance provides remote support for customers’ machines and production lines for early recovery, with our remote monitoring system applied to over 1,000 units to detect abnormal changes. We will continue to use digital technology to ensure stable operations for our customers.

Being a good advisor

By becoming a good advisor, we offer the best solutions to respond to customer concerns and potential projects. Utilizing our in-house training facilities, we provide training to enhance the skills of our sales representatives to become the best partner for our customers. By delivering more practical training, we will continue to make proposals that will prevent the stoppage of our customers’ equipment.

Proposals through the Online Solution Site (Japanese)

We provide information that will help address issues faced at manufacturing sites through the “Sintokogio Online Solution Site” on our website. Recently, we have increased content on IoT services from a machine manufacturer’s perspective for customers considering digital transformation. We will continue to use this website to showcase our technologies and products to resolve our customers’ issues.



Online Solution Site (Japanese)
<https://www.sinto.co.jp/os/>



Supply Chain

Our basic procurement policy focuses on sourcing high-quality, eco-friendly, and cost-effective goods and services to fulfill its corporate philosophy.

Our basic procurement policy is posted here. (Japanese)



<https://www.sinto.co.jp/ir/esg/social/>



Promotion of green procurement

We globally implement the “Sinto Business Partner Guidelines: For Our Future Nakama.” Through the sustainability policy, environmental policy, and environmental action plan included in the guidelines, we work to reduce the environmental impact throughout the supply chain. Additionally, we have requested cooperation from members of Shin-boku-kai, which consists of suppliers of purchased and manufactured goods, and received consent from all member companies (84 in total) to disclose environmental data. We also receive electricity usage data from each Shin-boku-kai member, and compile and share improvement case studies that contribute to reducing the environmental impact among members. In the future, we will continue to work to further reduce our environmental impact throughout the supply chain by providing regular opportunities for communication and introducing and distributing our improvement case studies every month.

Collaboration with suppliers (Shin-boku-kai activities)

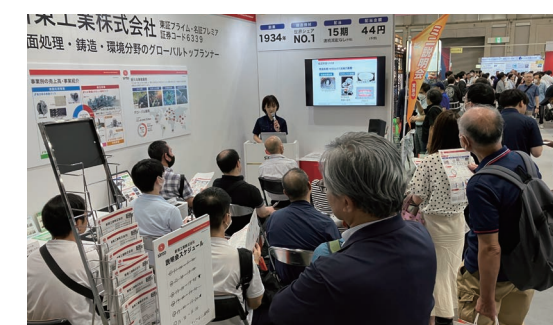
We are committed to manufacturing together with our suppliers, who are our important business partners. We regularly hold information exchange meetings with our suppliers’ association, Shin-boku-kai, to spread our ideas and understanding about fair and equitable transactions, legal compliance, and safety, quality, and the environment. In FY2024, we held a factory tour showcasing equipment assembled from parts we received from various suppliers. During the tour, we also received valuable ideas from the suppliers for environmentally-friendly and safe equipment. In striving to achieve a sustainable, recycling-based society, we continue to ask the Shin-boku-kai members to monitor their electricity usage, proactively working on initiatives from the perspective of society as a whole. Other Sinto networks for strengthening cooperation include the Shin-ko-kai (installation subcontractors) and SSV companies, and through these networks, we aim to achieve mutual prosperity with our business partners.



Information exchange meeting

Communication with Shareholders and Investors

We aim to achieve sustainable growth and enhance our corporate value over the mid/long-term by promptly, accurately, and fairly disclosing crucial information on our business activities and strengthening communication with our shareholders and investors. In FY2024, we published our integrated report, held semi-annual online briefings for analysts and institutional investors, and conducted individual IR interviews with a total of 22 companies. We also held tours of our facilities, giving visitors an opportunity to inspect our manufacturing site (Toyokawa City, Aichi Prefecture) and providing explanations focusing on our initiatives for future growth. Furthermore, we held an online briefing for the second time to actively engage in dialogue with individual investors. We will apply the valuable opinions we receive from everyone to enhance our quality of management and engage in dialogue to deepen our business activities for shareholders and investors.



IR fair



IR information (Japanese)
<https://www.sinto.co.jp/ir/>



Social Contribution Activities

The NAGAI Foundation for Science & Technology

In FY2024, grants and plaques were awarded to 11 Foundation Award and 18 Incentive Award recipients. The Foundation was established in 1983 by the late Kakichi Nagai to honor and award research grants to researchers and academic research organizations in Aichi Prefecture. Since its establishment, the Foundation has awarded 697 prizes and grants to date, given to ambitious research themes by young researchers. We have great expectations for the research results.



Holding a soccer tournament for seniors

In April 2024, we became a special sponsor for the Sintokogio Cup, organized by the Toyokawa Soccer Organization. This tournament is aimed at older members aged 40 years and above, and it aims to popularize soccer, promote health, and support local sports. This was the fifth time the tournament was held.



Awarding scholarships to young leaders in the foundry industry (USA)

Sinto America provides ongoing scholarship support to students who aspire to work in the foundry industry. In FY2024, we held the third Sinto-AFS Young Professionals Education Scholarship presentation ceremony.



Participating in a jogging event (Mexico)

Roberts Sinto de Mexico participated as a sponsor in the jogging event "RUNIIS." The proceeds from the event are used for various support activities such as donations for children with disabilities and tuition support for underprivileged children.



Supporting a local yacht school (Brazil)

Sinto Brasil participated in a fishing rally event as a sponsor. The proceeds from the event are used to support the operating costs of a local yacht school that provides free lessons to local children.



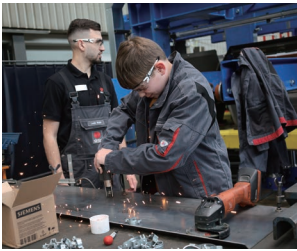
Plogging activities (Korea)

Korea Sinto held a plogging event, where employees pick up litter while walking. This initiative not only helped to beautify the area around the factory but also raised the environmental awareness of employees.



Holding an open house (Germany)

Heinrich Wagner Sinto held its first open house as an "Apprenticeship Day" with approximately 200 students and related parties in attendance. Participants had the opportunity to learn about various professions and test their skills through hands-on experiences such as welding simulators and 3D design.



Providing meals to underprivileged children (Indonesia)

Sinto Indonesia invited about 20 underprivileged children to the company and provided them with meals and donations at the end of Ramadan (the fasting month). In Indonesia, many companies are involved in social contribution activities during the month of Ramadan. Sinto Indonesia is also continuing to carry out such activities.



Quality Management

Quality Policy

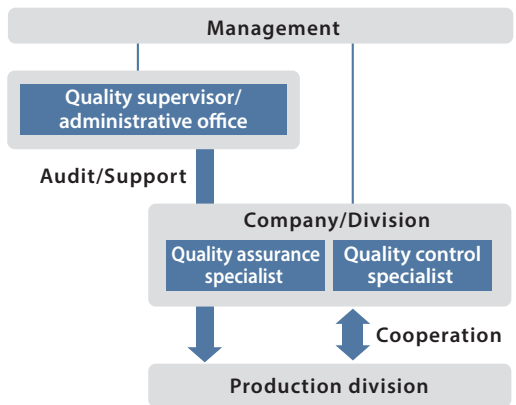
We want to be a trusted company that continues to provide reliable products with reliable technology to customers worldwide.

Actions

1. Comply with legal and regulatory requirements to maintain customer safety
2. Meet customer requirements and improve customer satisfaction
3. Deploy quality policy and quality objectives throughout the organization
4. Work on continuous improvement of the system

System for promoting quality

By establishing a quality management system and thoroughly implementing the PDCA cycle in each organization, we ensure product safety, secure product quality, and prevent quality problems. At the core of the promotional structure, a quality supervisor and administrative office oversee the promotion of quality across Sintokogio. Each in-house company and business division also has quality assurance and quality control specialists who prepare quality plans for each project and work to ensure quality. The entire company, from management to production divisions, implements our quality policies.



Improving drawing quality to eliminate recurrence of defects

With the slogan "prevent recurrence of defects with zero defects in the main unit," we categorize machine parts into three categories (main body, peripheral, and auxiliary), and we are working to achieve zero defect recurrence. For each part, we further classify the design drawings as new, repurposed, etc., and we analyze defects as having occurred on the customer side or on our side as the manufacturer. Other aspects that we examine include people and methods as we consider countermeasures to prevent recurrence. Currently, we continue to have zero defect recurrences in the main body, and the number of recurrences in peripheral and auxiliary parts has also been reduced to only a few cases per year. In the future, we will continue to work closely with each business division to prevent recurrence.

Providing safe products

To improve the safety and security of customers who use our equipment, we encourage them to obtain safety assessor qualifications based on international safety standards; in FY2024, 11 new employees obtained safety sub-assessor qualifications. We also represent Japan in the TC306 committee* and are working on ISO standardization of safety requirements for foundry equipment and terminology. Seven ISOs have been issued so far, and in the future, after the global safety standards are made into JIS standards, they will be introduced to the Japanese foundry industry.

* A technical committee that considers international standards for foundry machinery. The main participating countries are China, Germany, France, Italy, Denmark, Switzerland, the UK, and Japan.

Total qualified employees

Safety Assessor	14 employees
Safety Sub-assessor	161 employees