

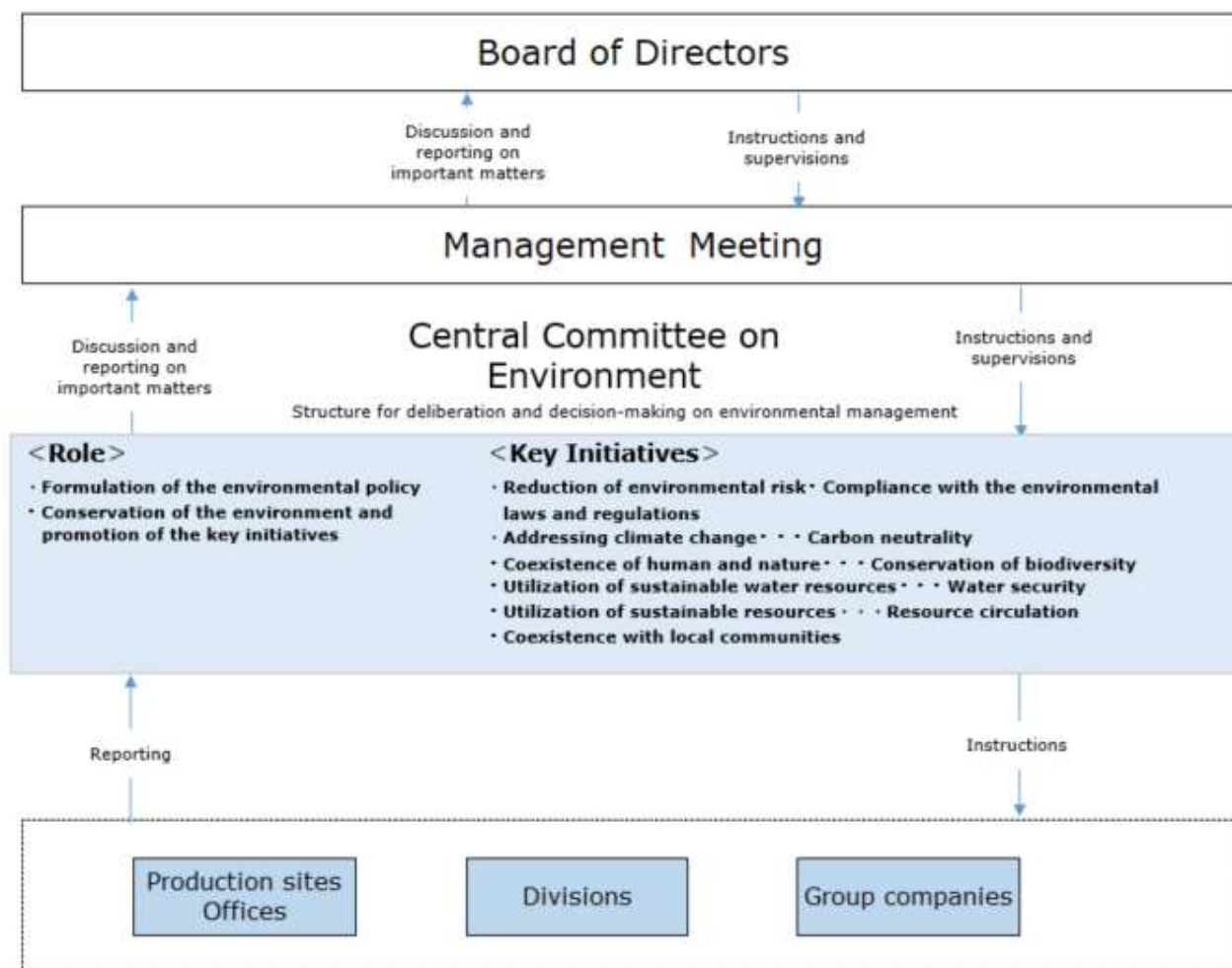
Information Disclosures Based on TCFD Recommendation

<Governance>

The Press Kogyo Group has positioned the climate change issue as one of the important management challenges and works positively and proactively based on the Environment Policy under the supervision of the Board of Directors.

The Central Committee on Environment (held four times a year), which is led by the officers in charge of the Manufacturing Department and the Human Resources, manages and responds to environmental issues overall, including climate change and strongly promotes CO₂ emission reduction (target setting, measures and implementation).

The Central Committee on Environment reports details of its activities to the Management Meeting and important items are discussed and determined at the Management Meeting and the Board of Directors as needed.



<Strategy>

Following the TCFD recommendations and its framework, the Group performs scenario analyses of risks and opportunities in order to evaluate the level of impact of climate change on the Group's business activities. When performing these analyses, the Group considers a set of climate-related scenarios (4°C scenario, 2°C or lower scenario, etc.) of the IPCC (Intergovernmental Panel on Climate Change).

The actions against risks/opportunities are determined considering current/future issues and viewpoint of new-value creation of the Group.

The details and evaluation results of the scenario analyses are given below.

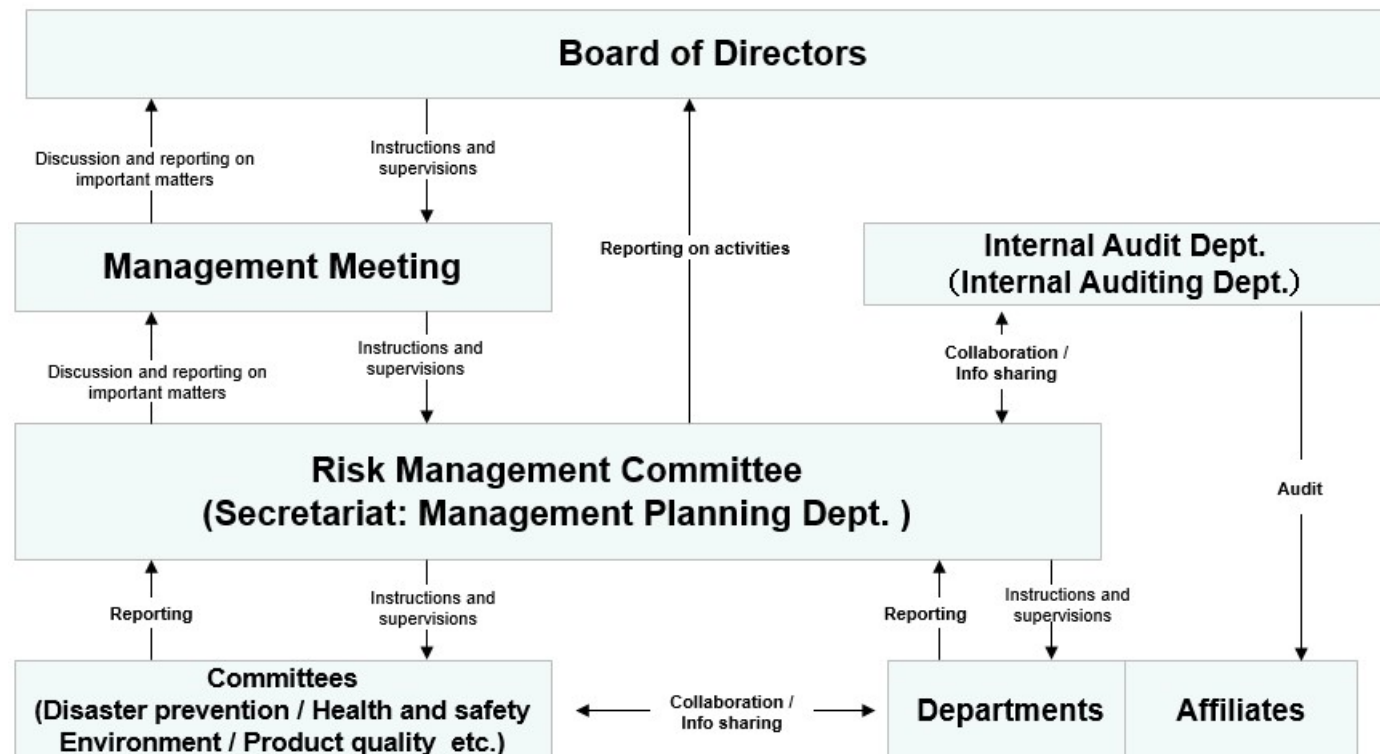
Risks/Opportunities				Business Impact	Index	Time horizon	Assessment	Action
Risks	Transition	Policy and Legal	<ul style="list-style-type: none"> Enhanced regulation of Greenhouse Gas emissions 	<ul style="list-style-type: none"> Loss of business opportunities due to delay in responding to the market introduction of EV/FCV. Increase in capital investment. 	Revenue Cost Asset	Medium-term Long-term	High	<ul style="list-style-type: none"> Development of low carbon products. Conversion of manufacturing process which optimized for EV/FCV. Creation of low carbon production line.
			<ul style="list-style-type: none"> Carbon pricing mechanisms 	<ul style="list-style-type: none"> Increase in raw material costs and energy costs. 	Revenue Cost	Short-term Medium-term	High	<ul style="list-style-type: none"> Use of low carbon material. Development of weight-saving products. Promotion of energy saving
		Technology	<ul style="list-style-type: none"> Risk of delay in responding to carbon-neutral technology Customer demands due to development of carbon neutral 	<ul style="list-style-type: none"> Loss of growth opportunities due to delay in responding to new technologies. 	Revenue	Medium-term Long-term	High	<ul style="list-style-type: none"> Development of products using new materials and new low carbon manufacturing process. Development of new technologies in line with the customer's development schedule.
			<ul style="list-style-type: none"> Incompatible of The supplier's technology 	<ul style="list-style-type: none"> Difficult to maintain supply chain. Decline of competitiveness. 	Cost	Medium-term	Medium	<ul style="list-style-type: none"> Engineering support and encouragement for existing suppliers.
		Market	<ul style="list-style-type: none"> Increase of raw materials cost and operation cost. 	<ul style="list-style-type: none"> Increase in manufacturing costs due to rising prices of fossil fuels and renewable energy. 	Cost	Short-term Medium-term	Medium	<ul style="list-style-type: none"> Switching to the optimal energy. Investment of highly efficient and energy saving equipment.
				<ul style="list-style-type: none"> Increase of purchasing costs due to shift to low carbon steel. 	Cost	Medium-term Long-term	Medium	<ul style="list-style-type: none"> Advance design development for weight saving and material saving. Study for alternative raw materials.
		Reputation	<ul style="list-style-type: none"> Reputational risk from stakeholders 	<ul style="list-style-type: none"> Decline in corporate value due to loss of trust. 	Cost Asset	Medium-term Long-term	High	<ul style="list-style-type: none"> Steady promotion towards CO₂ zero emissions. Enhancement of ESG disclosure.

Risks/Opportunities				Business Impact	Index	Time horizon	Assessment	Action
Risks	Physical	Acute	•Frequent occurrence of abnormal weather	•Shutdown and recovery cost for damages to business operations. •Damages to employee's property •Increase in cost of disaster measures.	Revenue Cost Asset	Short-term Medium-term Long-term	High	•Improvement and enhancement of Business Continuity Plan.
		Chronic	•Increase in the average temperature	•Increase in cost of air conditioning, etc. •Decline in productivity due to worse working environment. •Depletion risk in water resources.	Revenue Cost Asset	Medium-term Long-term	High	•Replacement to energy saving equipment/system. •Investment related to the work environment. •Water saving, reuse & recycle.
Opportunities	Resource efficiency		•Efficiency for production and distribution processes	•Reduction of manufacturing and distribution costs.	Cost	Medium-term Long-term	Medium	•Optimal production methods. (suitable location, equipment, process)
			•Use of renewable energy	•Lower energy costs due to widespread of renewable energy.	Cost	Medium-term Long-term	High	•Introduction of green energy.
	Products and services		•Development of EV/FCV	•Business expansion opportunities for new automotive parts of EV/FCV.	Revenue	Short-term Medium-term	Medium	•Product/technology development for EV/FCV.
			•Specification change of current products to lower carbon thoroughly	•Enhancement of development capabilities.	Revenue Asset	Medium-term Long-term	High	•Advance the innovative design/engineering. •Development strengthening competitiveness which create an entry barrier.
	Markets		•Access to new markets	•Opportunities to newly enter the environmentally-friendly business.	Revenue	Short-term Medium-term	Medium	•Development of environmentally-friendly products.
			•Initiatives of National Resilience	•Increase in demand for construction machineries and commercial vehicles due to infrastructure development.	Revenue	Short-term Medium-term Long-term	High	•Establishment of flexible production system and solid supply-chain management.
				•Increase in demand for disaster proof vehicles.	Revenue	Short-term Medium-term Long-term	High	

<Risk Management>

The Group advances our risk management activities under the leadership of the Representative Director and President, who holds the highest responsibility for risk management, in accordance with our Risk Management Basic Policy and Risk Management Regulations. Additionally, the Group has established the Risk Management Committee (Chairperson: Representative Director, Committee members: Executive officers at the level of executive managing officer or higher, Frequency: Once per quarter) and assesses the materiality of risks identified by each division and affiliate, decides on response policies, and manages the progress of addressing these risks.

The climate change-related risks are also identified as the important risk of the Group and are to be managed in the risk assessment & management process given above.



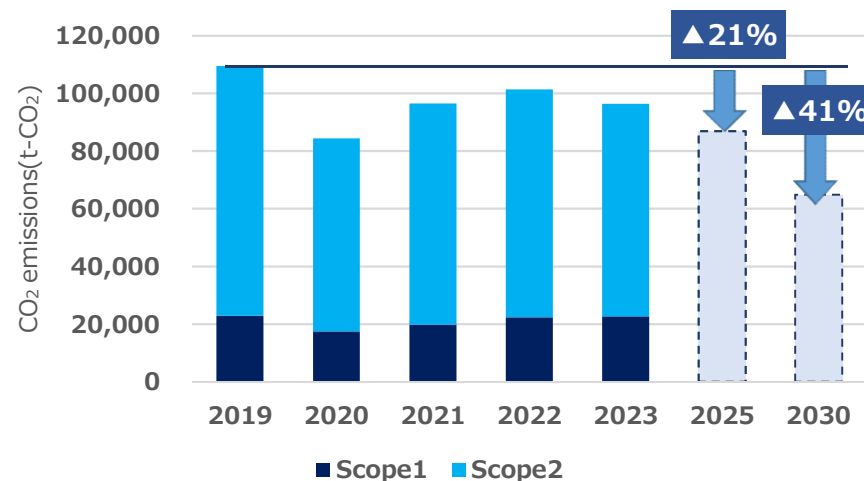
<Metrics and Targets>

The Company has set emission reduction targets as follows for the short term, medium term and long term.

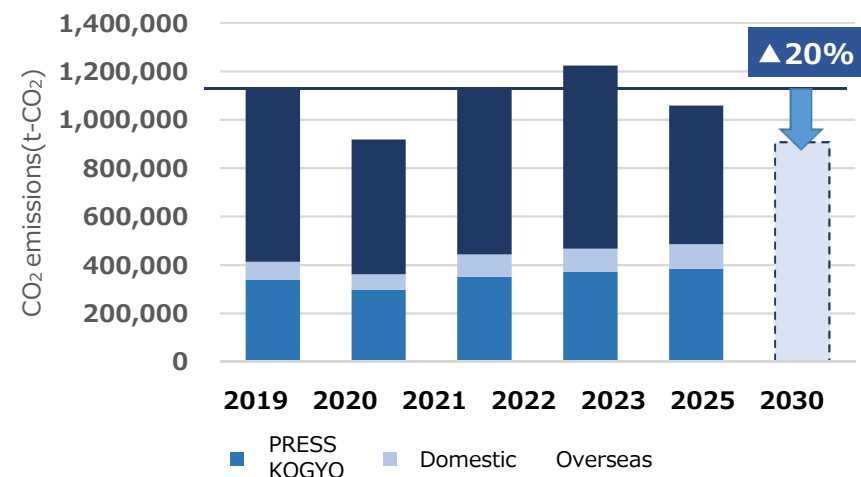
To achieve each reduction targets towards realization of carbon neutrality, the Group proceeds various measures including introduction of highly efficient facilities, revision of production processes, increase of productivity, new technology, streamlining operations, and the utilization of green energy such as photovoltaic power generation system based on the perspectives of “quit, fix, stop, reduce, reuse, and change”.

Metrics	Scope	Base Year	Emissions in Base Year	Target Year	Target
CO2 emissions	Scope1,2 (Consolidated)	FY2019	110,000 t-CO2	FY2025	86,900 t-CO2, down 21% compared to FY2019
				FY2030	64,900 t-CO2, down 41% compared to FY2019
				FY2050	Net zero emissions
	Scope3 (Consolidated)		1,134,000 t-CO2	FY2030	907,200 t-CO2, down 20% compared to FY2019 (based on C1,3,5)
				FY2050	Net zero emissions

Scope1・2



Scope3



Scope 3 Emissions*1 of the Company (Consolidated)

 (Units: t-CO_{2e})

Category		Category Overview	FY2019	FY2022	FY2023
1	Purchased goods & services	Emissions from resource extraction, manufacturing, and transportation of purchased raw materials and other resources	1,054,762	1,118,177	954,216
2	Capital goods	Emissions from manufacturing and transportation of purchased property, plant and equipment	29,774	54,888	53,973
3	Fuel- and energy-related activities (Not including scope1 & 2)	Emissions from resource extraction, manufacturing, and transportation of purchased fossil fuels and electricity	15,816	15,125	15,147
4	Upstream transportation & distribution	Emissions from transportation and delivery, including raw material purchases and product shipments	21,009	21,053	22,510
5	Waste generated in operations	Emissions from processing and transportation of waste produced by business sites	3,847	4,290	4,213
6	Business travel	Emissions associated with employees' business travel	696	628	752
7	Employee commuting	Emissions associated with employees' commuting	2,736	2,397	2,967
8	Upstream leased assets	Emissions associated with the operation of assets leased in	414	281	700
9	Downstream transportation & distribution	Emissions associated with distribution of sold products to final consumers	N/A*2	N/A*2	N/A*2
10	Processing of sold products	Emissions associated with the processing of sold products	N/A*2	N/A*2	N/A*2
11	Use of sold products	Emissions associated with the use of products by final consumers	N/A*3	N/A*3	N/A*3
12	End of life treatment of sold products	Emissions associated with the disposal of products by final consumers	5,016	4,783	4,639
13	Downstream leased assets	Emissions associated with the operation of assets leased out	N/A*2	N/A*2	N/A*2
14	Franchises	Emissions by franchisees	N/A*2	N/A*2	N/A*2
15	Investments	Emissions associated with asset management	N/A*2	N/A*2	N/A*2
		Total	1,134,070	1,221,622	1,059,117

*1: If the calculation method or unit of emissions is revised for the purpose of improving the accuracy of calculation, or if an error in calculation is found, the calculation results will be revised retroactively.

*2: Excluded from the scope of calculation because the Company has no applicable business activities.

*3: Excluded from the scope of calculation due to the difficulty of influencing emission reductions.