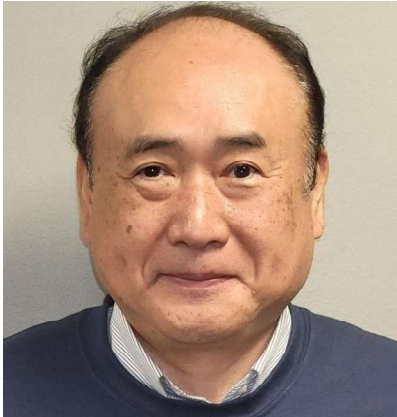




## *Corporate Compliance & Sustainability Policy 2025/2026*



## Message from President Nanayama



This updated Corporate Compliance & Sustainability Policy of TOPY America Inc. (“TOPY or “Company”), is a code of conduct and pledge that is applied to our entire organization and reflects our commitment to corporate integrity and sustainability for the future and the improvement of our environment. Topy America is committed to adhere with strict compliance towards all laws and legal environmental regulations. We value all humanity and focus on improving life for our employees, customers and the local community.

Only by rigorously observing these standards will we avoid environmental damage and significant legal and economic risks to our Company. This is a corporate and an individual obligation of all TOPY employees (“Associates”). We will only work with contractors and customers that also take their sustainability and corporate compliance obligations seriously.

TOPY will not accept any business that would violate any law or our corporate policies.

We take pride in our compliance efforts and we must work together to maintain TOPY’s Worldwide integrity and reputation. This Corporate Compliance & Sustainability Policy is a living commitment that can and will be adjusted from time to time for continuous improvement of our corporate compliance.

If you ever have any questions about legal requirements or our sustainability policy, please direct your inquiries to TOPY’s Vice President of Administration Randy Weber

Thank you,

*Koji (Kurt) Nanayama*

President, CEO

April 15, 2025

# Our Corporate Values

## The Topy Industries Group Basic Philosophy

The Topy Industries Group will fulfill its responsibilities as a public institution and contribute to the realization of a sustainable recycling-oriented society through the continuation and development of its business.

The Topy Industries Group Code of Conduct  
– To win the trust and respect of society –

Under the Corporate Philosophy, the management and employees of the Topy Industries Group shall strictly abide by all applicable laws and ordinances, the spirit reflected, and the Corporate Code of Conduct, while accepting full corporate social responsibility and fostering an open-minded and creative corporate culture.

Article 1 (For the benefit of customer)  
Produce and supply, high-quality and safety-oriented merchandise and service to gain customers and consumer confidence.

Article 2 (For the benefit of society)  
1 Communicate widely with society as well as shareholders and actively disclose corporate information fairly and appropriately. Cooperate with local communities and actively work on social contribution activities as being a good corporate citizen.  
2 Reject any and all relationships with anti-social forces and parties posing a menace to social orders and security.

Article 3 (For the benefit of employee)  
Respect the individual character and personality of employees, and provide safe working environments allowing them to work with enthusiasm, and attain fulfilling lives.

Article 4 (With the world)  
Pay due respect to different cultures and customs of all countries and regions, and perform business activities to contribute to the development and well-being of local communities.

Article 5 (With the environment)  
Realize that a sensible approach to environmental conservation is essential to the existence and activities of the company, and behave voluntarily and actively.

Article 6 (Technology and know-how innovation)  
Seek widely for knowledge and information both domestically and internationally, and continue the innovation of technology and knowhow by refining distinctive technologies and professional competence.

Article 7 (Fairness in corporate activities)  
Operate business in a fair and transparent manner under free competition and appropriately keep an arm's length distance from politics and administrative agencies.

Article 8 (Responsibilities of top management)  
1 Top management shall make example by leadership and inform the strict adherence to the Codes of Conduct and ensure the compliance of the corporate ethics effectively administrating its management systems.  
2 If and when any Codes of Conduct are violated, management shall demonstrate an indomitable determination to personally solve the issue by launching an investigation and shall take actions to

prevent the recurrence of such incidents.  
At the same time, top management shall  
make full disclosure within and outside the  
company promptly and precisely, and,  
upon determining the source of  
competence and responsibility, impose  
strict disciplinary action against those held  
responsible.

# Introduction

## **The reasons we are concerned about Corporate Compliance & Sustainability.**

TOPY is determined to maintain our positive reputation and takes pride in acting in an ethical and compliant manner. We recognize the way each of our Associates and contractors behaves reflects on TOPY.

Accordingly, we expect each Associate and Vendor to obey all applicable laws and our policies, including those reflected in this document.

We understand that our Corporate Compliance & Sustainability Policy does not cover all conceivable situations or describe all of the particular rules that must be followed. Sometimes legal requirements in some jurisdictions may have stricter requirements than are required here.

Failure to comply with legal requirements and unethical conduct can have serious adverse consequences to TOPY and our Associates, including, among others, possibly criminal and civil fines and penalties, imprisonment, damages, exclusions from doing business, forfeiture of gain, loss of business and harm to our business and environment. Thus, no advantage TOPY may receive will ever be worth the risks of engaging in illegal or unethical conduct.

We would rather lose an opportunity than engage in illegal or unethical conduct and we also require our Associates to recognize and honor that position.

Our direct and indirect suppliers are expected to follow and enforce the same business ethic codes as we follow.

# Our Principles of Corporate Compliance & Sustainability

## 1. We only engage in fair competition and do not violate laws.

### 1.1 General

TOPY expects to engage only in fair, honest and vigorous competition at all times.

This means that we will comply with all antitrust laws and compete fairly, even if doing otherwise would be an advantage. This means that we won't engage in any conduct that would require us to compete unfairly or violate the law. We recognize that entering into agreements (written or oral) or understandings or sharing information with competitors can violate these laws and principles. By way of example, we do not exchange pricing information or other information that could unfairly affect the marketplace with our competitors.

### 1.2 Antitrust violations

Some of the most common types of antitrust violations include or relate to the following:

- price fixing
- market allocation
- allocating customers
- group boycotts
- agreements regarding production capacities
- allocating geographical markets

Any actions or informal talks with the objective to restrict free competition or that may have the effect of doing so are strictly prohibited. Associates must not even give the appearance of being a part of any such concerted action or conspiracy. Acting in concert with other bidders or competitors when competing for contracts from the private sector or public sector may even be a criminal act.

Any type of agreement or understanding with a competitor (or possibly just discussions or information sharing) about costs, prices, discounts or other terms of sale may be illegal. This could include discussions about past, present or future prices, pricing policies, bids, discounts, promotions, terms and conditions of sale, identity of customers, sales to a particular customer, purchases from a particular supplier or contractor, allocation of customers or sales areas, production quotas, costs, etc. Accordingly, none of such information should ever be exchanged, directly or indirectly, with competitors or potential competitors, without previous authorization from an officer of the Company. Particular care must be taken when exchanging e-mails or other correspondence with competitors or potential competitors, engaging in telephone calls with competitors or potential competitors, attending trade conferences or otherwise meeting or

communicating with competitors or potential competitors.

Finally, we must consider the provisions of antitrust law when negotiating the terms and conditions of agreements where TOPY acts as a customer or supplier.

Clauses that require particular care or are prohibited in connection with antitrust law include, among others, the following:

- exclusive dealing or requirements contracts
- provisions for preferential treatment
- tying arrangements and reciprocity
- resale price restrictions
- restrictions on use or resale
- noncompetition provisions
- boycott provisions
- provisions to share pricing or confidential information
- provisions that allocate customers or markets

Without previous approval from an officer of TOPY, do not refuse to do business with anyone based upon an agreement with a third party or even enter into such an agreement on behalf of TOPY.

### **1.3 Abuse of market power**

Dominant market positions must not be abused, that is they must not be exploited in ways that would be unfeasible or at least unrealistic in a true competitive environment. While we do not believe that TOPY has a monopoly or dominant

market share in any field of business, it is not always clear how markets may be defined and care should be exercised so that TOPY seeks to increase its market share in fair and ethical ways.

Companies with a dominant market position are limited in the way they can do business.

In any event:

- DO NOT make statements (orally or in writing) that exaggerate TOPY's competitive power or that might suggest a predatory intent.
- DO NOT write or say anything with the intent to monopolize, to unfairly capture a dominant share of the market or to drive competitors out of business.

### **1.4 Analyzing conduct**

Because it is not always clear what conduct may result in antitrust violations and consequences, both to TOPY and the Associates involved, and the potential severity of any antitrust violations, we encourage any Associate who chooses to engage in any of the types of actions discussed above or other conduct that could put the Associate or TOPY at risk to contact TOPY's Vice President of Administration for guidance. In appropriate circumstance TOPY's Vice President of Administration may refer the Associate or the matter to TOPY's legal counsel.

## **2. We act in an ethical manner and will not tolerate any corruption or Human Right Violations.**

### **2.1 No corruption**

TOPY will not tolerate corruption.

Corruption restrains a free fair competition market and damages TOPY's economic standing and reputation.

TOPY Associates are strictly prohibited from attempting to unlawfully influence business partners. This should not be done using any bribes, favors, gifts or other advantages or in any other manner. No benefit to TOPY will ever justify illegal business practices. No employee of TOPY is ever allowed to violate the law.

DO NOT ever:

- demand a personal gift
- offer or provide a benefit, bribe, favor, gift, payment or advantage to any public official
- offer, grant or accept any personal benefit, favor, gift, payment or advantage in connection with the negotiation, award or performance of a contract, and any gift granted or accepted must be of a size deemed unobjectionable under the laws applicable to both the giver and the recipient

### **2.2 Uyghur Forced Labor Prevention Act**

Topy America, Inc. supports and abides by the UFLPA. This UFLPA and Human Right violations is explained on all of our Purchase Orders for all of our vendors/suppliers and service providers are expected to adhere to.

### **2.3 Topy America Forced Labor & Modern Slavery Statement Policy**

Topy America is committed to embedding Human Rights in our everyday decision making for any all activities concerning and involving our organization. This includes our direct associates and contract associates as well as our supply parts, components direct and indirect. Topy America understands and commits to strongly condemning any and all slavery and expect and demand all our supply chain to comply and follow this policy. This includes forced and child labor. Though this is federal & state law, Topy America, Inc. abides by all labor laws and expects our supply chain to conform as well.

We expect and demand that all of our suppliers and vendors follow this example of not using or purchasing raw materials and/or parts for their process and/or parts that has any Forced Labor or Slavery.

### **3. We are not willing to engage in activity that result in inappropriate risks for human health or the environment.**

#### **3.1 TOPY's goal**

TOPY's goal is to protect the environment and the health and safety of everyone who comes into contact with our facilities and products. This is extremely important to the way we conduct business.

TOPY as a certified ISO 14001:2015 company will follow all the laws and regulations, including, without limitation, all those relating to required necessary permits and reports relating to the environment must be fully, timely and accurately satisfied.

#### **3.2 Environmental protection**

TOPY America Inc.'s mission as a world-class supplier of steel wheels to the automotive industry is to develop and manufacture products of the highest quality while minimizing impacts to the environment. TOPY is committed to protecting the environment, preventing pollution and meeting customer environmental requirements.

Topy will make every effort to ensure that environmental performance is an integral part of TOPY's operations. This policy will be communicated to our Associates and all parties interested in our environmental management system.

TOPY is committed to fulfilling all compliance obligations with continual improvement of the environmental management system to enhance company environmental performance and to minimize impacts to the environment.

TOPY will work to achieve these commitments by:

- Establishing, implementing, and reviewing environmental targets and objectives related to its environmental aspects.
- Complying with all relevant local, state, federal environmental legislation and regulations and other requirements to which the company subscribes.
- Continually monitoring our materials, processes and products in order to minimize waste and reduce environmental impact.
- Using natural resources including raw materials, energy, and water efficiently

TOPY will implement and operate the ISO 14001 Environmental Management System:



To Continually Improve Environmental Performance with...



Ongoing Regulatory Compliance and...



Pollution Prevention with...



Yearly Management Review to Ensure our Commitment.

TOPY understands we need to take care of the environment.

### 3.3 Preservation of Natural Resources

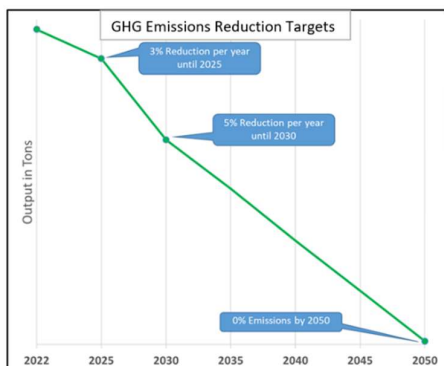
Topy America, Inc. understands the importance of preservation of our air, water, land, wildlife and human life. We promote environmental initiatives to meet and exceed laws and regulations that are set by the state of Kentucky and by the federal government of the United States.

We monitor our usages, actions and activities and report monthly, quarterly and yearly as needed and required to meet internal and external targets and goals that are set.

Topy America Inc. is to maintain and continuously improve our environmental, safety and health programs. Update these programs periodically to ensure we are up to date with any changes in policies and/or adjustments in government regulations.

#### 3.3.1 GHG Emissions Reduction

Topy seeks ways to prevent negative climate change. One way is to monitor and reduce GHG emissions throughout our value chain. Topy continuously is required to seek ways to utilize renewable energy and improve operation efficiencies to enhance and optimize our conditions with less emissions per produced part. Targeting to improve our carbon footprint by 3% by 2025 and by 5% from 2025 to 2030 with the ultimate goal of meeting the 2050 of zero emissions. Charts on our ongoing efforts are at the end.



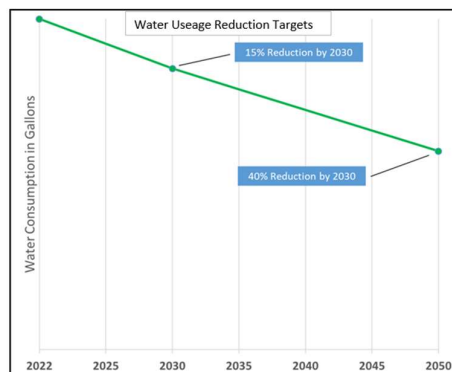
#### 3.3.2 Resources and Waste Reduction

Topy America Inc., must continue and follow our Environmental Management System (EMS) to improve (minimize) our resource usages and eliminate wastes. Our recycling program has targets of reduce landfill amount by 50% by 2030 and reduce by 100% by 2050.

Continue monitoring water usage as well and continue to implement and expand water savings. City water usage continues to be tracked with realistic saving goals/targets to be reported.

In 2023 we plan to add additional gauges and equipment to monitor water usage, with targets for reducing water usage by 15% by 2030 and reduce by 25% by 2050.

Utilize rain water collection system in place to reduce our dependence on city water. We will perform a cost analysis in 2023.



#### 3.3.3 Chemical/Substance Management

Safely manage our chemical/Substance usages. Aggressively work with all approved chemical vendors to identify and eliminate environmental dangerous chemicals from our operations. Do not under any circumstances use any illegal or prohibited chemicals

## **4. We are committed to a safe working environment that minimizes dangers to our Associates – and we do not tolerate workplace violence.**

### **4.1 Health and safety**

Preserving the good health of our employees is important to TOPY. We expect all employees to be conscious of the risks and dangers in a manner that will minimize the possibility of injuries.

#### **6 Basic Safety Rules:**

1. Never stand under or near a suspended load.
2. Always have a clear view of the landing path when landing a die or coil
3. Never bypass equipment safety guards.
4. Never touch machinery if running in automatic and follow proper LO/TO procedures
5. Always be aware of hand placement in relation to parts and equipment to avoid injury
6. Wear the required PPE and never modify it.

Occupational health and safety regulations are to ensure that safety and health precautions are instituted into our everyday work lives. Associates share in the responsibility for occupational safety in the workplace. Associates are expected to exercise a high degree of care in dealing with potential sources of danger. Every Associate is expected to strictly and constantly observe all safety rules in his or her workplace for the benefit of everyone involved. When an incident occurs, it must immediately be reported to TOPY management and as may be required by any applicable legal requirements.

TOPY recognizes that its Associates are its most valuable assets and safety is of vital concern. It is the policy of Topy America, Inc. to provide and maintain safe and healthful working conditions and to follow operational practices that will safeguard all Associates and result in safe working conditions and efficient operations.

Safety practices on the part of all Associates must be a part of all operations. No job shall be considered efficiently completed unless the Associate has followed every precaution and safety rule to protect themselves, their fellow workers, vendors, customers, and contractors.

### **4.2 Implementation**

To fulfill the goals of the safety policy TOPY shall:

1. Maintain ongoing programs at all levels to identify Associate health and safety risks. TOPY shall see to it that all Associates clearly understand all facets of Company health and safety programs that directly affect them and their duties.
2. Make control and elimination of such risks a top priority in all Company financial and business plans and budgets. TOPY shall provide the necessary funds to implement health and safety programs.
3. Control and reduce Associate exposure to all known or clearly suspected occupational health and

safety risks, and attempt to lower exposure levels as quickly as governmental regulations, technology, and economic feasibility allow.

4. Establish and maintain programs to discuss Company occupational health and safety information with management, staff Associates, appropriate governmental bodies, and others.
5. Voice Company positions on occupational health and safety concerns as they affect TOPY and its Associates.
6. Plan, design, and construct all new Company facilities to provide the safest and most healthful working environment possible.
7. Recognize that despite every effort TOPY makes, the basic responsibility for Associates health and safety rests with the individual. It is a condition of employment for all Associates to conduct their work in a safe and healthful manner.

All Associates are expected to observe all safety rules whether they are posted or communicated orally.

#### **New Associate Safety Orientation**

During the Human Resource Department's Associate orientation program, new Associates are made aware of the Company's policy concerning safety and its intent to continue to maintain the safe and healthful working conditions that exist.

During the Supervisors' Associate orientation, the respective Supervisor reviews the departmental (and facility) safety rules and regulations.

#### **Supervisor Safety Discussions**

The departmental Supervisors will discuss with their Associates on a regular basis at shift meetings to discuss and review safety concerns and alerts within the department.

#### **4.3 General safety guidelines**

1. Associates must know and observe facility safety rules applicable to their work. Each Associate's compliance with all safety rules is a requisite for continued employment.
2. All injuries, near misses or property damage, no matter how slight, must be reported to the Supervisor immediately.
3. Equipment must not be operated unless all guards are in place. Any exceptions must be authorized by the Supervisor.
4. Approved safety glasses will be worn in the manufacturing area with the exception of enclosed office areas.
5. Safety shoes, hearing protection, and bump hats must be worn by all Associates, whose normal work takes them into the manufacturing area.
6. Finger rings, wrist watches, un-tucked ties, loose-fitting clothing, or loose sweat rags may not be worn by Associates operating machinery with turning spindles or working near rotating parts of assembled machines.
7. Maintenance personnel are not to wear anything conductive such as rings, watches, etc.
8. Exits must be kept clear and exit lights must be turned on at all times.
9. Emergency equipment must be plainly marked and free from any obstacle that could delay or interfere with its use when it is needed.

10. Safety Showers and eye wash fountains must be available and in applicable working condition at all times and must not be blocked.
11. No Associate is allowed on roofs alone unless he/she has authorized permission or it is for an emergency.
12. Flammable or corrosive liquids must be stored, transported, labeled, and used in approved containers.
13. The following are prohibited while on Company property. Violation can result in dismissal.
  - a) Horseplay.
  - b) Running or jumping except in extreme emergencies.
  - c) Intoxicants and drugs and/or being under the influence of intoxicants and drugs.
  - d) Firearms.
  - e) Smoking in posted "NO SMOKING" areas.
  - f) Tampering with equipment, any safety device, or lockout.
14. Associates should know the escape route in case of an emergency.
15. Proper hearing protection must be worn in all designated areas as determined by TOPY.
16. Walking on pallets, stacks of sheet metal, and parts are not allowed.
17. Associates must stand clear of loads being moved by overhead cranes.
18. Crane operators must be properly trained with a permit.
19. Associates are never to enter a restricted plant area unless they have been instructed to do so.

20. All fork truck operators and anyone using a fork truck must be licensed. Seat belts must be worn at all times.

#### **4.4 Workplace violence**

It is TOPY's policy to promote a safe environment for its employees. TOPY is committed to working with its employees to maintain a work environment free from violence, threats of violence, harassment, intimidation and other disruptive behavior.

Violence, threats, harassment, intimidation and other disruptive behavior in our workplace will not be tolerated; that is; all reports of incidents will be taken seriously and will be dealt with appropriately. Such behavior can include oral or written statements, gestures, or expressions that communicate a direct or indirect threat of physical harm. Individuals who commit such acts may be removed from the premises and may be subject to disciplinary action, criminal penalties, or both.

We need cooperation to implement this policy effectively and maintain a safe working environment. Do not ignore violent, threatening, harassing, intimidating, or other disruptive behavior. If you observe or experience such behavior by anyone on TOPY premises, whether he or she is a Company employee or not, report it immediately to a Supervisor or Manager. Supervisors and Managers who receive such reports should seek advice from Human Resources regarding investigating the incident and initiating appropriate action.

Threats or assaults that require immediate attention should be reported to security or the police.

## **4.5 Reporting of health and safety matters**

### **For Frankfort Location:**

| <b>Who to Contact:</b>  | <b>Phone:</b>   |
|-------------------------|-----------------|
| To Report an Incident:  |                 |
| Safety Department       | ext. 1332 /1202 |
| Human Resources Manager | ext. 1230       |
| Security                | ext. 1526       |

### **For UC Division:**

|                     |                |
|---------------------|----------------|
| UC Division Manager | (615) 220-1780 |
|---------------------|----------------|

### **For OTR Division:**

|                      |                |
|----------------------|----------------|
| OTR Division Manager | (847) 439-4420 |
|----------------------|----------------|

**Police: 911**

## **5. We require fair and respectful working conditions and do not permit discrimination based on race, age, color, sex, religion, national origin, disability, veteran status or other similar bases or harassment.**

### **5.1 General**

TOPY respects and promotes diversity and opposes all forms of harassment and prejudice. TOPY does not permit any discriminatory treatment, disadvantage, favoritism, harassment or adverse treatment because of race, skin color, ethnic origin, nationality, social status, age, religion, gender, sexual orientation, personal appearance, physical, mental or psychological condition, marital status, belief, ideology or political opinion.

### **5.2 Equal Employment Opportunity Policy**

The management of TOPY reaffirms its policy of providing equal employment at each facility. Employment, training, advancement, and compensation will always be given on the basis of qualifications, without regard to race, color, sex, age, religion, national origin, disability or veteran status.

In order to implement this policy, the Supervisors, Managers, and Equal Employment Opportunity Coordinator at TOPY will:

- Continue to recruit, hire and promote persons in all job classifications without regard to race, color, religion, sex, age, national origin, disability or veteran status.
- Continue to base decisions on employment so as to further the

principles of equal employment opportunity by imposing only valid requirements for promotional opportunities.

- Continue to ensure that all personnel actions and programs will be administered without regard to race, color, religion, sex, age, national origin, disability or veteran status.
- Participate in internal auditing, reporting and appraisal procedures which are affirmative in nature. Each Supervisor and Manager is to be directly involved in all aspects of this procedure and is expected to take positive affirmative action to accomplish these goals.

The HR Manager has been designated as the Equal Employment Opportunity Coordinator. He/ She will have overall responsibility for the day-to-day coordination of the EEO Program.

In order to ensure the attainment of this facility's goals and objectives, Managers and Supervisors are held responsible for their performance in the area of affirmative action.

It is TOPY's intention and commitment to continue to utilize minorities and women in each job category through implementation of our affirmative action program.

### 5.3 Sexual harassment/harassment

It is TOPY's policy to promote a productive work environment and not to tolerate verbal or physical conduct by any Associate which harasses, disrupts, or interferes with another's work performance or which creates an intimidating, offensive, or hostile environment.

1. Associates are expected to act in a positive manner and contribute to a productive work environment that is free from harassing or disruptive activity. No form of harassment on the bases of any protected trait or category (e.g., age, race, sex, disability, national origin) will be tolerated, and special attention is called to the prohibition of sexual harassment.
2. Each supervisor has a responsibility to maintain the workplace free of any form of harassment and sexual harassment. With respect to sexual harassment, no supervisors is to threaten or insinuate, either explicitly or implicitly, that an Associate's refusal or willingness to submit to sexual advances will affect the Associate's terms or conditions of employment.
3. Other sexually harassing or offensive conduct in the workplace, whether committed by Supervisors, non-supervisory Associates, or non-Associates, is also prohibited. Such conduct includes:
  - a) Sexual flirtations, touching, advances, or propositions;
  - b) Verbal abuse of a sexual nature;
  - c) Graphic or suggestive comments about an individual's dress or body;
  - d) Sexually degrading words to describe an individual; and
  - e) The display in the workplace of sexually suggestive objects or pictures, including nude photographs and computer generated representations.
4. Any Associate who believes that a Supervisor's, another Associate's, or a non-Associate's actions or words constitute unwelcome harassment has a responsibility to report or complain about the situation as soon as possible. Such report or complaint should be made to the Associate's Supervisor, or to the Department Head; or Human Resources Manager.
5. Complaints of harassment are to be handled and investigated promptly and in as impartial and confidential a manner as possible. Associates are required to cooperate in any investigation. A timely resolution of each complaint is to be reached and communicated to the parties involved. Retaliation against any Associate for filing a complaint or participating in an investigation is strictly prohibited.
6. Any Associate, Supervisor, or Manager who is found to have engaged in harassment of another Associate will be subject to appropriate disciplinary action up to and including termination.

## **5.4 Diversity and Inclusion Policy.**

We abide by a formal diversity statement that is aligned with our company's vision and values.

Referenced in our Employee Policy 112. Topy is committed to fostering, cultivating a culture of diversity, equity and inclusion. Equal opportunity is absolutely our CORE value.

TOPY embraces and encourages associate differences in age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation or identification, socio-economic status, veteran status, and other characteristics that make people unique.

TOPY America INC. diversity initiatives are applicable—but not limited—to the practices and policies on recruitment and selection; compensation and benefits; professional development and training; promotions; transfers; social and recreational programs; layoffs; terminations; and the ongoing development of a work environment built on the premise of gender and diversity equity that encourages and enforces:

- Respectful communication and cooperation between all associates.
- Teamwork and associate participation, permitting the representation of all groups and associate perspectives.
- Work/life balance to accommodate associates' varying needs.
- Employer and associate contributions to the communities serve to promote a greater understanding and respect for the diversity.

All associates of TOPY America INC. have a responsibility to treat others with dignity and respect at all times. All associates are expected to exhibit conduct that reflects inclusion during work, at work functions on or off the work site, and at all other company-sponsored and participative events.

## **5.5 Child Labor Laws**

Child labor is not tolerated in any form within our organization and throughout our supply chain. We follow and believe in the Child Labor laws for the U.S. This includes all our supply chain and contractors that NO worker is under 18 years of age. Any violations of local and international laws will void all contractual obligations. Human trafficking and forced labor is strictly prohibited.

Our direct and indirect suppliers are expected to follow all child labor laws throughout the supply chain as well. Topy never allows any form of child labor in any part of the supply chain for any materials and/or parts.

## **5.6 Freedom of Association and Collective Bargaining**

TOPY America, Inc. supports the principles of Freedom of Association and the right of collective bargaining. We recognize the right to collective bargaining is the key to the representation of collective interests. It builds on freedom of association and renders collective representation meaningful. This can be done by applying collective bargaining to the needs of the parties and promoting voluntary agreements that sustain the well-being of individuals and enterprises. TOPY America, Inc. employees have the

right to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, and they also have the right to refrain from any or all such activities

## **6. We are committed to meeting all legal requirements relating to compensating our Associates.**

### **6.1 Wage and salary**

Wage and Salary programs and the implementation of those programs must be in compliance with the Fair Labor Standards Act.

Definitions:

#### **Exempt Associates**

Exempt occupations are those which are executive, administrative, professional, supervisory, or outside salesperson. Exempt Associates are paid a flat salary commensurate with their position, responsibility, and working schedule. The law does not require compensation of this group for overtime, Saturday and/or Sunday work, or holidays worked.

#### **Non-Exempt Associates**

Non-exempt occupations are those which the Fair Labor Standards Act has classified as subject to time and one half pay for all work performed over 40 hours in a seven day period. Typical Non-Exempt job classifications are clerical, secretarial, receptionist or bookkeeping. These Associates are considered salaried.

#### **Hourly Associates**

All Associates who are paid by the hour or portion of an hour are included in this category. Examples of jobs in this classification are Production Workers, Material Handlers, Inspectors, Maintenance, etc. This group is also

covered by The Fair Labor Standards Act and other wage legislation.

### **6.2 Pay procedures**

#### **Exempt Salaried**

Exempt Salaried Associates are paid every two weeks. Payment is always for the full period.

#### **Non-Exempt Associates**

Non-exempt Associates will be paid at time and one half of their hourly base rate for all work performed over forty (40) hours in a workweek. All Non-exempt Associates will be paid every two weeks. Non-exempt Associates should not be at their workplace performing job duties while not on the clock unless it is authorized by the Supervisor as overtime. This also applies to the lunch period.

#### **Hourly Associates**

Hourly Associates will be paid at time and one half their hourly rate for all work performed in excess of eight (8) hours in any day or forty (40) hours on a scheduled work week. Hourly Associates must not clock in more than 15 minutes prior to the start of their shift and must clock out no later than 15 minutes after the end of their shift. No work shall be performed outside of the regular scheduled time unless authorized by the Supervisor.

### **6.3 Time keeping**

It is the responsibility of each hourly Associate to clock in and out at each shift so that their pay reflects the actual hours worked. If an Associate cannot clock in or out, then they must immediately contact their supervisor to correct the issue. Company policy regarding attendance may apply to missed punches.

## **7. We expect our property rights to be protected and do not approve any infringement of the property rights of others.**

### **7.1 Protection of Confidential Information**

All information relating to the business and operations of the Company is considered by the Company to be confidential. Such information includes all matters relating to production methods, techniques, processes and costs. Also, information pertaining to the Company's customers, sales, finances, plans and Associates constitutes proprietary, confidential information and should be treated accordingly.

Associates are required to keep confidential all information about the business and operations of the Company to which they are exposed during their employment with the Company. Associates are required to take all reasonable action to avoid the disclosure of confidential information, to use such information only in the performance of their job duties and to refrain from discussing such information outside of the Company except on the Company business.

In order to avoid the inadvertent disclosure of confidential information, Associates should adhere to the following guidelines:

- do not discuss our business with anyone outside the Company unless discussion of such business is necessary for the performance of your job;

- avoid casual talk about the Company on and off the job;
- Direct any inquiries about the business of the Company, its customers, its suppliers or its Associates, to the President of the Company.

Additionally, Associates may not attempt to gain access to a coworker's files, or to any other data or information maintained at the Company, which is not needed by the Associate in the performance of their job duties and responsibilities.

Any Associate who releases any confidential information may be subject to discipline, up to and including termination of employment.

Disclosure of trade secrets may also be a violation of the law.

### **7.2 No Inappropriate or illegal use of intellectual property of others**

All Associates must respect the rights of third parties in intellectual property and not take any action that would violate or infringe those rights.

## **8. We must keep our personal interests and TOPY's interests separate and avoid conflicts of interest.**

It is the policy of TOPY to prohibit its Associates from engaging in any activity, practice or act which conflicts with the interests of the Company or its customers. It is difficult, if not impossible, to describe all of the situations that may arise involving conflicts of interest.

Examples of conflicts of interests include:

- Acceptance of outside employment in an organization that does business with TOPY or is a competitor of TOPY.
- Financial interest in a firm that does business with TOPY and the interest is sufficient to affect Associates' decision or actions.
- Acceptance of gifts from any person or firm doing or seeking to do business with TOPY under circumstances from which it might reasonably be inferred that the purpose of the gift is to influence the Associate in the conduct of the Company's business with a donor.
- Conduct that is disloyal, disruptive, competitive, or damaging to the Company.
- Use of TOPY's tangible or intangible property other than as expressly approved by TOPY.
- Use of TOPY's internet and e-mail system for personal use other than as expressly approved by TOPY.

No Associate is authorized to state or imply any opinion or position in a manner that would suggest or imply it is the opinion or position of TOPY unless it has expressly been adopted by the management of TOPY to be the opinion or position of TOPY. Of course, it is okay to express personal opinions as long as it is done in a way that does not suggest or imply they are opinions or positions of TOPY.

## **9. We cooperate with authorities and not provide inaccurate information or mislead them.**

### **9.1 Rights of TOPY**

TOPY reserves the right to vigorously defend itself as appropriate and legal.

### **9.2 Cooperation, compliance with law and integrity**

It is TOPY's policy to fully cooperate with all governmental authorities where required by law. Also TOPY generally cooperates with government authorities even when not required to do so.

TOPY Associates must conduct themselves in a manner that results in TOPY complying with all applicable legal requirements in connection with communications with governmental authorities.

Associates may never provide inaccurate or misleading information to any governmental authority.

All communication with governmental authorities on behalf of TOPY must be made in a way that reflects TOPY's values of honesty, integrity and compliance with all applicable laws.

## **10. We have an open door policy and welcome input from all Associates**

### **10.1 General**

It is the policy and intent of TOPY to provide an effective method for all Associates to resolve any problems that may exist during their employment. This method will include a procedure for Associates to discuss their individual problems with all levels of management, up to and including the President.

### **10.2 Procedure**

Unless otherwise provided in this Corporate Compliance Policy an Associate should discuss the problem with the Supervisor. The Supervisor will make every effort to resolve the problem as quickly as possible. However, if additional assistance is needed, the Supervisor will obtain the needed information and answer by the next scheduled work shift. Exceptions to this process of first discussing the problem with the Supervisor will occur (1) occasionally if the Supervisor is away from work or (ii) it is inappropriate to discuss the problem with the Supervisor or other designated person because of the nature of the problem or the involvement of the Supervisor or other designated person.

After receiving the answer to the problem, if the Associate is not satisfied and wishes to discuss the problem with the next level of management he or she may request such a meeting through the Supervisor or the Human Resources Manager.

This procedure may be exercised through all levels of management.

Normal progression to be followed for Factory Hourly Associates:

1. Supervisor
2. Department Manager
3. General Manager
4. Senior Management

Deviation from this normal progression will occur (i) occasionally if the designated person is away from work or (ii) it is inappropriate to discuss the problem with the designated person because of the nature of the problem or the involvement of the designated person.

## **11. Violations of TOPY's Corporate Compliance Policy and unethical or illegal conduct are to be promptly reported.**

All violations of this Corporate Compliance Policy or any unethical or illegal conduct must be promptly reported to TOPY by any Associate that has knowledge of such a violation or unethical or illegal conduct. The types of unethical or illegal conduct that must be reported under this policy include, without limitation, conduct that involves taking or using property of TOPY for personal purposes without appropriate approval and engaging in, or causing TOPY to engage in, any other kind of unethical or illegal behavior whatsoever in connection with or involving TOPY.

The reports should go directly to the General Manager of Administration or any officer of TOPY except when the Associate believes (i) such people may be unlikely to address, or limited in their ability to address, the conduct appropriately or (ii) addressing the behavior with any of such people may have adverse consequences to the Associate. If the Associate believes it is inappropriate to address the conduct with the General Manager or an officer of TOPY for any of these reasons or any other reason, the Associate shall report the conduct to TOPY's legal counsel (instead of to the General Manager or an officer of TOPY) by e-mail to the following:

E-mail:

[David.Lester@skofirm.com](mailto:David.Lester@skofirm.com)  
[Jim.Allen@skofirm.com](mailto:Jim.Allen@skofirm.com)

TOPY will not allow any Associate to suffer unfair treatment as a result of a report made in good faith of a suspected violation of any provision of this Corporate Compliance Policy or of any unethical or illegal conduct.

## **12. Trade Compliance**

This trade compliance policy reflects our commitment to operate in accordance with our code of ethics and business conduct. It also recognizes that failure to meet trade compliance requirements can have serious consequences, including damage to Topy America's reputation, monetary penalties and suspension/revocation of our exporting or importing privileges with a resulting negative impact to our customers. Thus we are committed to the implementation, maintenance and continuous improvement of a robust trade compliance policy which integrates compliance activities into our business processes.

### **12.1 Export Compliance**

All exports are to be accurately declared and applicable under the laws of the United States of America and the laws of the importing country.

Shipping documentation shall accurately describe item(s) being shipped as well as the applicable export classification and documentation.

### **12.2 Import Compliance**

All imports are to be accurately described and applicable under the laws of the United States of America. All customs entries shall accurately state all required information, including the importer of record's name and address, importer number, quantity, value, classification, duty preference eligibility, and country of origin for the imported items.

## **12.3 Compliance Responsibility**

All associates as well as all of Topy America's trading partners are responsible for supporting the principles contained in this policy in order to work or do business with.

### **12.4 Customs Trade Partnership Against Terrorism (CTPAT)**

Topy America only utilizes and trades with entities that participate with the Customs Trade Partnership Against Terrorism (CTPAT).

It is everyone's responsibility to promote and actively participate in being a good corporate citizen locally, nationally and internationally.

### **12.5 United States Mexico Canada Agreement (USMCA)**

Topy America abides and supports the USMCA that is in place between Mexico, Canada and the United States.

### **12.6 American Automobile Labeling Act**

Topy America, Inc. follows and abides by the American Automobile Labeling Act.

### **12.7 Conflict Minerals**

Topy America, Inc. follows and abides by the section 1502 of the Frank Dodd's Act for Conflict Minerals. All of our steel suppliers are required to support and supply the content information as required by our customers for confirmation.

