

The TOMY Group's concept of "Quality Asobi" goes beyond the reliability and safety that have long underpinned the quality of our toys. Through the experience of "Asobi," which fosters dreams, hope, emotional connection, creativity, learning and growth, we strive to create moments and spaces where people can be truly engaged. By pursuing this "Quality Asobi," we aim to establish our raison d'être within society and ultimately enhance our brand value.

To help realize our Purpose and ensure it permeates throughout the Group, we are implementing various initiatives, such as displaying our philosophy framework (Purpose, Vision, Values and Promise) and holding executive roundtable discussions with the President. Through these efforts, we share management's perspectives and encourage employees to embody the Values that serve as individual guidelines for action.

Purpose
Quality Asobi can inspire and delight the world.

Yoshikazu Abe

Managing Executive Officer
Head of Business Headquarters
TOMY Company, Ltd.



I was impressed by how the President broadened the concept of "quality" and incorporated it into the Company's philosophy. The new philosophy framework has been highly praised externally, and I feel that it embodies the strength needed to thrive in the coming era.

I feel great potential in the expression "Quality Asobi," because it is not confined to a single definition but allows us to pursue quality through a variety of approaches.

Kazuyuki Hori

Senior Executive Officer
Head of Production Strategy
TOMY Company, Ltd.



I feel we were able to create wonderful words that reflect not only the voices of our employees and President Tomiyama's vision but also the spirit and aspirations of our founder.

Mina Tanimura

Head of Sustainability Promotion Division
Corporate Administrations
TOMY Company, Ltd.



What does "Quality Asobi" mean to us?

I am gratified that, at this 100-year milestone, we were able to reaffirm our own Purpose and stand at a new starting point for creating the next generation of Asobi.

Keisuke Shiragami

Head of Production Strategy Division
Production Strategy
TOMY Company, Ltd.



I feel this carries a strong message about taking our first step toward the next 100 years. The future has become much clearer, and I now have a sharper sense of what we need to accomplish.

Masaru Yamaguchi

Head of Sales Management Division
TOMY Company, Ltd.



Toshihisa Kondo

President and Representative Director
T-ARTS Company, Ltd.



It is important for management to first understand and empathize with our Values, and then consistently communicate them in words and actions to ensure they take root in the workplace.

I believe that shared values are the foundation of a company's strength and longevity, and that establishing a new Purpose and philosophy framework is essential to becoming a better organization.

Yoshimitsu Ogoshi

President and Representative Director
TOMY MARKETING COMPANY, LTD.



Masaomi Sato

President and Representative Director
PENNY COMPANY, LTD.



At Penny, "Quality Asobi" represents the very essence of our service quality. We are working to deepen understanding of this concept and pursue world-class quality that delights customers both in Japan and overseas.

By replacing the word "Asobi" in our Purpose with our own expression of "Kawaii" (cute), which reflects who we are as a company, we've created a sense of affinity that employees can more easily empathize with and understand.

Takahiko Tsumura

President and Representative Director
KIDDY LAND CO., LTD.



Naohito Momiyama

President and Representative Director
TOMY TEC CO., LTD.



I think it's wonderful that our Purpose is expressed in words that connect to global happiness and vibrant communication.

While working rigorously to embed our new philosophy into our company, I will stay focused on day-to-day operations to help achieve our medium- to long-term targets.

Hidemitsu Honda

President and Representative Director
T-FIELDTEC Company, Ltd.



Seiichiro Wasahara

President and Representative Director
TOMY IBIS CO., LTD.



We will consistently meet the "quality" level expected of us, then pass the relay baton to the next department or Group company to realize "Quality Asobi." I want always to keep this relay in mind.

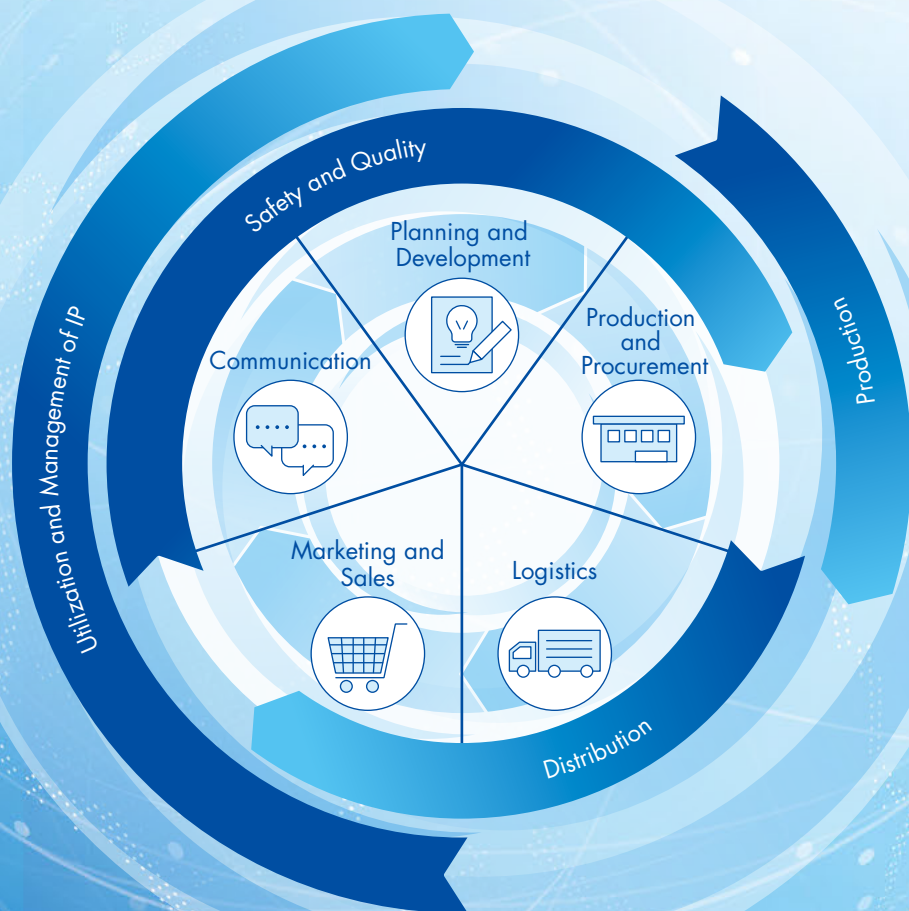
→ P2 The TOMY Group Philosophies

→ P34 Strengthening Intangible Assets | Human Capital

→ P46 Materiality 2 | Improving employees' well-being

→ P48 Materiality 4 | Asobi that is safe, secure and high quality

The TOMY Group continuously enhances its entire value chain, which is composed of Planning and Development, Production and Procurement, Logistics, Marketing and Sales, and Communication, thereby advancing its business activities on an ongoing basis. Through these efforts, we maximize the use of the Group's capital and create new value while adapting to a changing environment.



Planning and Development

Main Capital	Initiatives to Enhance Capital
Human Capital/ Intellectual Capital	<ul style="list-style-type: none"> Planning, development and technical capabilities for creative new products Streamlining through the use of AI in toy development
Social and Relationship Capital	<ul style="list-style-type: none"> Collaboration with external IP holders for animation, characters and other IPs Researching eco-friendly materials and expanding their use in products
Intellectual Capital	<ul style="list-style-type: none"> Research over many years and expertise in designing products loved across generations Developing new forms of asobi by promoting open innovation Gathering feedback from customers across generations Introduction of AI technologies



Production and Procurement

Main Capital	Initiatives to Enhance Capital
Manufacturing Capital	<ul style="list-style-type: none"> Production sites (9 countries) Establishment of a stable supply system in Asia
Human Capital/ Intellectual Capital	<ul style="list-style-type: none"> Dedicated personnel who implement quality control/production control Safety and quality education and awareness-raising programs for all Group employees in Japan and overseas
Social and Relationship Capital	<ul style="list-style-type: none"> Collaborative relationships with Japanese and overseas suppliers and manufacturers Strengthening of management systems aimed at compliance with the TOMY Group Responsible Procurement Guidelines
Intellectual Capital	<ul style="list-style-type: none"> Accumulation of production technologies Strengthening of technological capabilities to phase in digital design practices (DX)
Natural Capital	<ul style="list-style-type: none"> Use of environmentally friendly materials Building and operating a system for achieving sustainable procurement



Distribution

Main Capital	Initiatives to Enhance Capital
Intellectual Capital	<ul style="list-style-type: none"> Flexible and streamlined logistics systems tailored to customer needs Restructuring and streamlining systems in the Asian and North American markets
Social and Relationship Capital	<ul style="list-style-type: none"> Collaborative relationships with logistics, warehousing and delivery providers in Japan and overseas Further streamlining of logistics through joint delivery and other innovations
Natural Capital	<ul style="list-style-type: none"> Utilization of packaging and transportation methods that reduce the impact on the environment



Marketing and Sales

Main Capital	Initiatives to Enhance Capital
Human Capital	<ul style="list-style-type: none"> Human capital catering to global customer needs Accurately understanding the needs of local communities and diverse age groups Strengthening coordination with planning and development Reallocating human capital globally
Social and Relationship Capital	<ul style="list-style-type: none"> Sales promotion systems with retail chains, e-commerce companies and mass merchandisers Developing new sales channels that contribute to customer convenience Expanding forays into digital domains Ties with fan communities Promoting efforts to build fan communities, including face-to-face events
Intellectual Capital	<ul style="list-style-type: none"> Expertise in the use of social media and digital marketing Building a data-driven operating structure



Communication

Main Capital	Initiatives to Enhance Capital
Intellectual Capital	<ul style="list-style-type: none"> Accumulating voice of customers (VOC) feedback from a variety of platforms, and managing that data for visualization Strengthening of mechanisms enabling collected VOC feedback to be utilized in the planning and development of products and service Strengthening of information management systems
Social and Relationship Capital	<ul style="list-style-type: none"> Relationships of trust with shareholders, investors and financial institutions Disseminating information and providing opportunities to build ongoing relationships with customers Collaborative creation initiatives with local communities and educational institutions Efforts to address social challenges Next-generation education support

The Vision of the Human Capital Strategy

TOMY Company's human capital strategy is integral to its corporate strategy, which serves as the foundation for the Medium- to Long-Term Management Strategy 2030. The vision of the human capital strategy is to create an environment where employees can become absorbed in creating "asobi," fostering an organization that can achieve self-driven, sustainable growth. In 2024, we revised our personnel system to foster each employee's development and work fulfillment and enable them to perform at their best.

The human capital of the domestic and overseas Group companies involved in creating asobi is essential to the Company. We will strive to enhance the well-being of our employees and strengthen our organizational culture to achieve sustainable growth as a company based on our Purpose, Vision, Values, and Promise.

Initiatives under the Medium-Term Human Capital Strategy for FY2024 to FY2026

Developing human resources to fulfill our Purpose, Vision, Values and Promise

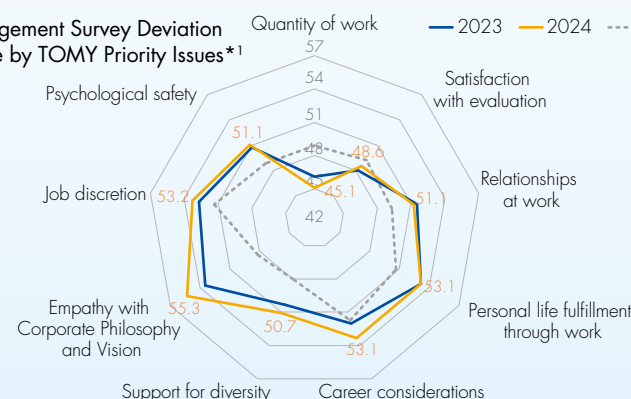
The TOMY Group will support employee development by encouraging each employee to consider their own career, aim to enhance their skills and abilities, and explore new possibilities in line with the vision of the human capital strategy. We are working to reform our career plans and evaluation and compensation systems, allowing a diverse workforce to work with a sense of fulfillment, maximize personal growth, and help fulfill our Purpose, Vision, Values, and Promise.

As one such initiative, each year we conduct an engagement survey to visualize employee work engagement (voluntary actions and positive feelings toward work). This helps us identify the TOMY Group's strengths and where challenges lie in motivating personnel. In fiscal 2024,

TOMY's work engagement deviation value was 55.5, maintaining a high level that exceeds the industry average. Items that fall under "Empathy with Corporate Philosophy and Vision," which provide a benchmark for the penetration of our Purpose, Vision, Values and Promise, increased 1.9 points from the previous year.

Ongoing improvement in the employee work engagement deviation value also helps "improving employees' well-being," one of the material issues identified to realize our Sustainability Vision 2030. To address the issues identified from the engagement results, we will promote improvements through feedback provided to each department and work to continually advance employees' well-being.

Engagement Survey Deviation Value by TOMY Priority Issues*1



Work engagement (deviation value)*3



*1 We conduct engagement surveys through a third party (Advantage Risk Management Co., Ltd.) and present the results in terms of deviation scores against Advantage Risk Management's entire customer base. The above results are the non-consolidated survey results for TOMY.

*2 Refers to the industry average deviation calculated by Advantage Risk Management from December 2023 to November 2024.

*3 Work engagement is an indicator of "enthusiasm and attitude toward work." This includes "voluntary actions" and "positive feeling."

Considering the FY2024 Results

Quantity of work	We conducted interviews with departments deemed to have high workloads in fiscal 2024. Organizational revitalization training and training for managers ranked section chief and up are under way.
Satisfaction with evaluation	We plan to make partial revisions to the evaluation system that was changed in fiscal 2024 and conduct training to strengthen the operational capabilities of those conducting evaluations.
Relationships at work	We plan to conduct individual information gathering sessions with departments that have experienced challenges to identify communication issues and formulate improvement measures.
Support for diversity	Efforts are under way to improve operational issues with the wide range of work styles and systems for balancing work and family life we have introduced to date, along with measures to raise awareness of these systems.

Values Awards

Since fiscal 2024, we have been operating the Values Awards. These are designed to commend individuals who have best embodied the TOMY Group's "Values," which are necessary for realizing the TOMY Group's vision and serve as the guidelines for how each employee should act. These employees are recognized as Values MVPs and Values Contribution Award recipients. Presenting the award recipients as role models is expected to produce a range of positive effects, such as helping instill our philosophies, encouraging the development of human resources who will embody the Values, enhancing employees' career outlook, advancing self-actualization, and reinvigorating organizations.

ONE TOMY's Values



Global Human Resource Development

We have introduced an overseas site training program from the perspective of global human resource development. We will target positions and locations related to development technologies, production control, and safety and quality, then gradually expand it to other functions.

Overseas Trainees Program assignees



Riho Takahashi
Intellectual Property Admin. Team, Intellectual Property Group, TOMY

As an overseas trainee, I had the valuable opportunity to spend time reexamining the TOMY Group's business and what I want to achieve within the Group, and to broaden my perspective. I spent time working with local employees in an environment that differs from my regular one and was inspired in many ways.

I hope that through these efforts, asobi in the TOMY Group can reach and be loved by even more people. I will continue to value the relationships forged through training and hope to serve as a bridge that connects both sides in these opportunities for collaboration.



Minano Omori
R&D Team, Pokémon Business Group, TOMY

I gained an understanding of the local environment and the process up to shipping, and learned the importance of considering the balance between quality, cost and delivery. Through the training, I was able to learn things I never would have through my regular work, and it gave me more confidence. Sharing meals with the local personnel was also a valuable experience to deepen exchanges.

Through my experience as a trainee, going forward I hope to contribute to the development of high-quality toys that put smiles on the faces of children and adults alike by clearly communicating important points and priorities during mass production to local personnel, coordinating with production technology and quality control departments from the planning and development stages, and working with them to address potential issues.

→ P46 Materiality 2: Improving Employees' Well-Being

→ P47 Materiality 3: Promoting Employee Growth

The Vision of Our Intellectual Property Strategy

To the TOMY Group, intellectual property is valuable management capital.

We define the intellectual properties created in relation to our key brands, including TOMICA, PLARAIL, LICCA dolls and BEYBLADE, as "asobi IP," and proactively protect them.

As our intellectual property strategy, we make full use of our IPs while advancing three key policies: protecting asobi IP, anticipating infringements of asobi IP, and cultivating asobi IP.

Acquiring and Preserving Intellectual Capital

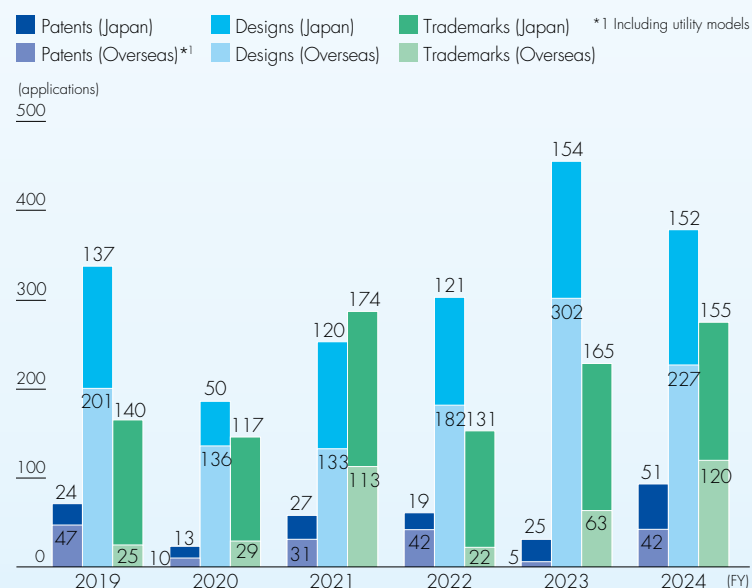
For protection, we proactively file applications to register inventions and other innovations related to asobi IP as patent and design rights, and brands related to asobi IP as trademark rights.

For individual brands and products, we promote protection through an IP mix in Japan and overseas. For example, with BEYBLADE X, we hold numerous patent rights concerning the structure of the tops, design rights covering their design, and trademark rights related to product names.

In Japan, the number of filings we submit ranks among the highest across all industries, and in 2024 we ranked 11th in trademark registrations and 12th in design registrations*2.

*2 Based on Patent Administration Annual Report 2025

Progression in the Number of Patent, Design and Trademark Applications



Preventing Damage to Intellectual Capital

Counterfeits that infringe upon asobi IP not only damage our business and brand but also threaten the safety and peace of mind of customers. We absolutely do not permit these infringements and take thorough countermeasures to address them.

Counterfeits are mainly manufactured in Asia and then sold online to the rest of the world. TOMY regularly investigates the manufacturers and sellers of counterfeits, both in the field and online, and works with local authorities to conduct enforcement actions.

In addition, we introduce and utilize AI-driven online counterfeit monitoring services to strengthen our monitoring capabilities.



Counterfeit items discovered in a warehouse

Sustainability Vision 2030

A creator of quality Asobi that promotes the sustainable well-being of society.

The TOMY Group has established a Sustainability Vision that pursues improving societal value. In addition to our commitment to increasing economic value, we are working to increase societal value as a member of the global community through initiatives aimed at achieving a sustainable society. We believe this will boost the sustainability of the Group's business and drive continuous growth and medium- to long-term improvement in corporate value.

Sustainability Promotion System

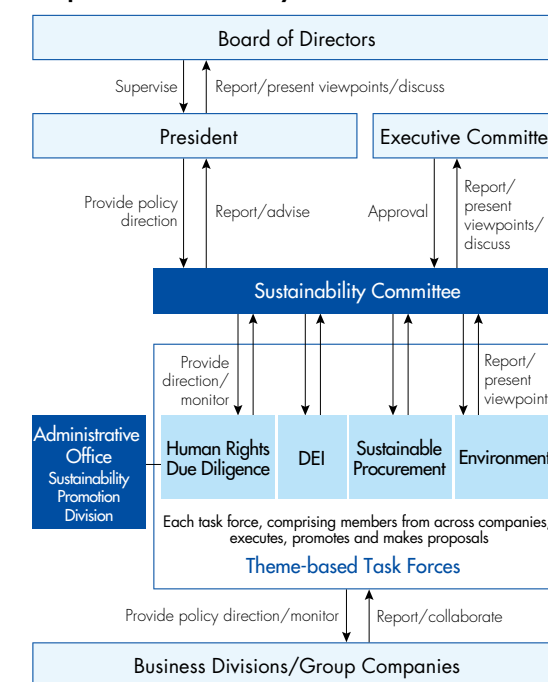
In July 2024, the TOMY Group established the Sustainability Committee as an advisory body to the president to address sustainability issues with the intent of more actively promoting sustainability management.

The Sustainability Committee comprehensively grasps the Group's sustainability initiatives and deliberates on the course of action for issues and endeavors based on diverse and wide-ranging viewpoints.

For themes within the medium-term sustainability targets and KPIs in particular need of cross-departmental initiatives, theme-based task forces headed by executive officers and comprising diverse members from across the Group are established under the supervision of the Sustainability Committee. These task forces are responsible for executing, promoting and newly proposing initiatives. The progress of the theme-based task forces is reported on at the Sustainability Committee meetings held twice a year, and initiatives are strengthened through direction and monitoring by the Sustainability Committee.

The content of discussions held during the Sustainability Committee meetings are reported on and viewpoints presented as necessary during board and managing directors' meetings.

Corporate Governance System



Agenda for Sustainability Committee in fiscal 2024

Start date	Agenda item
First meeting (July 30, 2024)	<ul style="list-style-type: none"> Report on the three-year single-year targets and road map for the medium-term sustainability targets/KPIs (FY2024–FY2026)
Second meeting (February 4, 2025)	<ul style="list-style-type: none"> Report on the progress of the medium-term sustainability targets/KPIs (FY2024–FY2026) Reports from each task force <ol style="list-style-type: none"> (1) Sustainable procurement, (2) Human rights due diligence, (3) Environment (eco-design), (4) Environment (climate change), (5) DEI