

Building Decarbonized Societies

In addition to lighter weight products that lead to improved vehicle fuel efficiency, we are reducing CO₂ emissions through improved productivity and more efficient distribution.

Basic Philosophy

In addition to achieving the goal set under the Paris Agreement of keeping the rise in the global average temperature to below 2°C compared with pre-Industrial Revolution levels, we must reduce greenhouse gas emissions to virtually zero by the end of this century. With the aim of zero CO₂ emissions as presented in the TG 2050 Environmental Challenge, we are utilizing materials and product development skills with an eye toward next-generation vehicles in addition to the manufacturing skills we have cultivated over time. Plans for execution are included in our 7th Environmental Action Plan with activity targets for FY2025. We have also set the goal of cutting CO₂ emissions 50% (vs FY2013 levels) by 2030,

the midpoint for the TG 2050 Environmental Challenge, and implementing stepwise, specific CO₂ reductions.

Support for TCFD Recommendations

The Toyota Gosei Group endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in May 2019, and has analyzed risk/opportunity scenarios and response scenarios based on guidelines. Together with an acceleration of initiatives, including the TG 2050 Environmental Challenge and review of our 2030 milestones, we are actively disclosing relevant information.

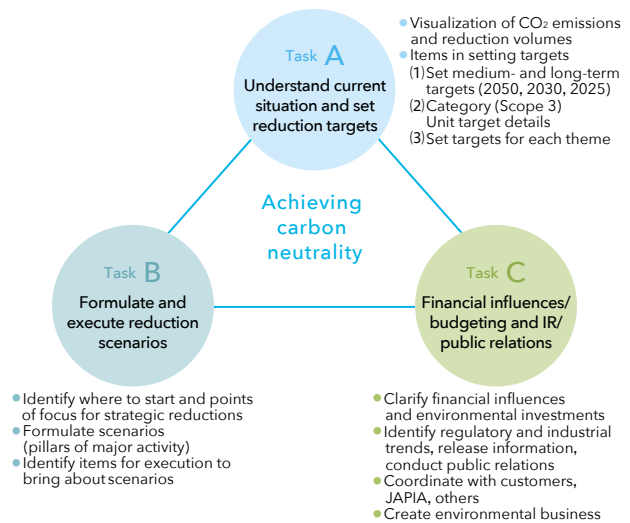
Please visit our website to see the results of our scenario analysis.
<https://www.toyoda-gosei.com/csr/environmental/report11/>

Carbon Neutrality Project

We have been reducing CO₂ emissions throughout the entire lifecycle of our products, from material and component procurement and product development to the production, use and disposal stages. In June 2021, we launched a company-wide Carbon Neutrality Project to accelerate these activities.

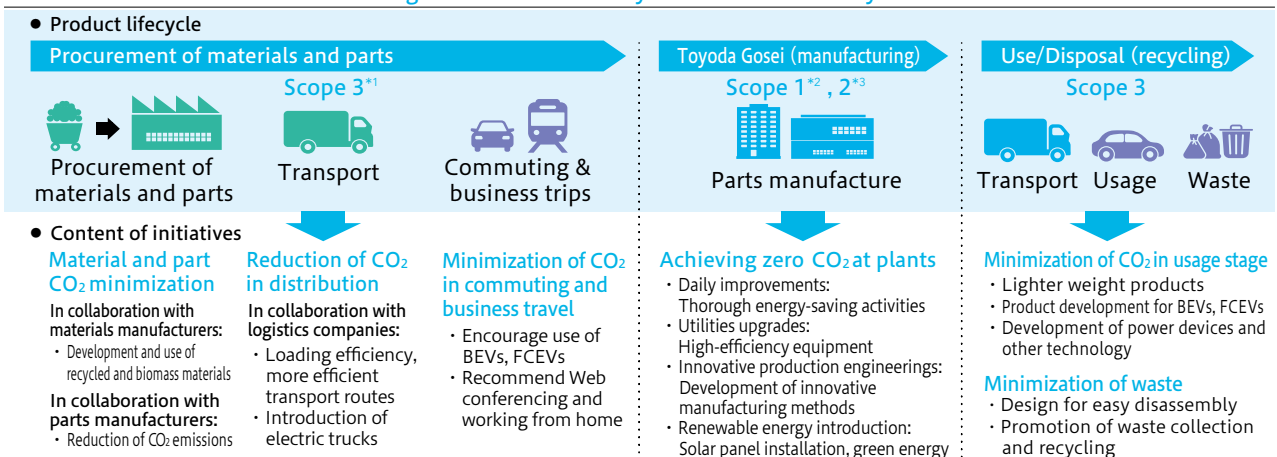
Structure The project is headed by the President and has Chiefs of the Corporate Strategy Headquarters, Research and Development Headquarters, and Automotive Business Management Headquarters serving as project leaders. The core members are division general managers and above. This structure allows for quick decisions and actions in management issues.

Activities Each task is carried out with the relevant division general manager as leader.



Reducing CO₂ Emissions in the Value Chain

Aiming for Carbon Neutrality in the Value Chain by 2050



*1 Greenhouse gas emissions in the company's supply chain that are not directly related to the company's activities (raw materials manufacture, transport, business travel, commuting, etc.)

*2 Direct greenhouse gas emissions by the company itself (fossil fuels, natural gas, etc.) *3 Indirect greenhouse gas emissions (purchase of electricity, etc.)