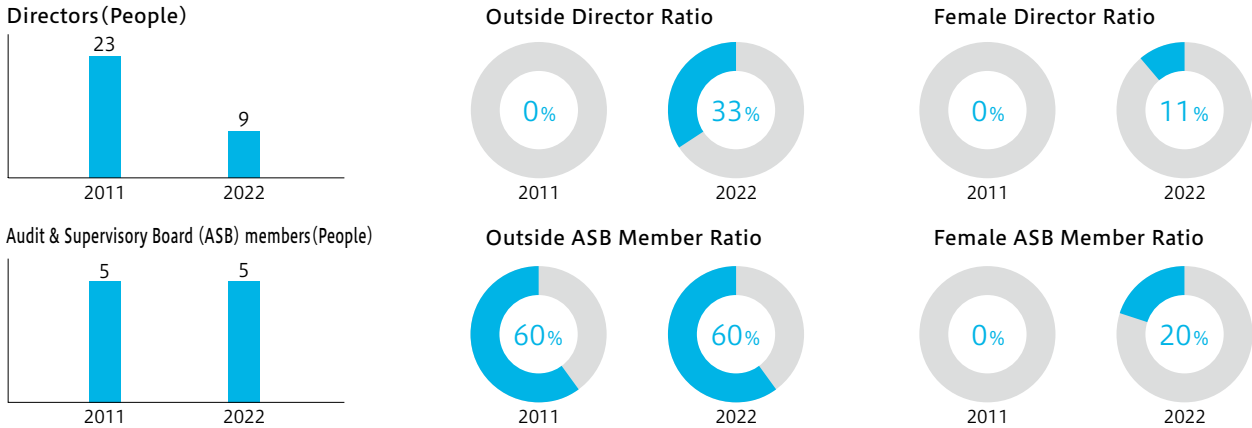


## Changes In Numbers of Directors and Audit & Supervisory Board Members

In 2012, Toyoda Gosei adopted a system of corporate officers and downsized its Board of Directors to nine directors from 23 as of 2011. It appointed its first outside director in 2015.

The Board currently comprises nine directors, three

or one-third of whom are outside directors. One of the outside directors is a woman. The outside director appointments have increased the Board's objectivity and diversity.



### Main Initiatives to Strengthen the Governance System

	2012	2015	2019	2020	2021	2022
Board of Directors, Audit & Supervisory Board	<ul style="list-style-type: none"> <li>Reduced the number of directors appointed</li> </ul>		<ul style="list-style-type: none"> <li>Changed the ratio of outside directors to one in three</li> <li>Established the Executive Compensation Committee and the Executive Appointment Committee</li> <li>Appointed a female director</li> </ul>	<ul style="list-style-type: none"> <li>Appointed independent outside directors as chairs of both committees</li> <li>Appointed a female member of the Audit &amp; Supervisory Board</li> </ul>		
Business Execution System	<ul style="list-style-type: none"> <li>Introduced a corporate officer system</li> </ul>	<ul style="list-style-type: none"> <li>Began adhering to the Japan's Corporate Governance Code</li> </ul>	<ul style="list-style-type: none"> <li>Reduced the number of corporate officers</li> </ul>			
Meetings & Committees	<ul style="list-style-type: none"> <li>Corporate Conduct Ethics Committee</li> <li>Environmental Committee</li> </ul>		<ul style="list-style-type: none"> <li>Changed name to the Compliance and Risk Management Committee</li> </ul>		<ul style="list-style-type: none"> <li>Established the Sustainability Meeting</li> </ul>	<ul style="list-style-type: none"> <li>Changed name to the Internal Control Committee</li> <li>Changed name to the Carbon Neutrality and Environmental Committee</li> </ul>

## Policies and Procedures to Appoint and Remove Senior Officers and Nominate Candidates for Directors and Audit & Supervisory Board Members

Nominations of candidates for directors and Audit & Supervisory Board members are made after deliberation and reporting by the Executive Appointment Committee, followed by a resolution of the Board of Directors then at a Shareholders' Meeting.

The nomination policy for senior officer and director candidates is based on the candidate's popularity in terms of their ability to make accurate and prompt decisions after taking into account the balance of knowledge, experience, and capabilities of the management team and the Board of Directors as a whole. The candidates are comprehensively nominated and appointed on the basis of their ability to wholeheartedly comply with laws and

corporate ethics.

The nomination policy for Audit & Supervisory Board member candidates is to comprehensively nominate candidates from the perspective of putting the right person in the right position while ensuring a balance between diverse perspectives on corporate management, including knowledge of finance, accounting, and legal affairs, and knowledge of the Company's business.

If a candidate for senior officer or director is found to have committed any fraudulent act or seriously violated any law or regulation, or the Articles of Incorporation, we will take procedures for their dismissal.