

Taking on the challenge of carbon neutrality and a circular economy with the concerted strength of the Toyoda Gosei Group

Global warming and the problems of resource depletion and waste that result from mass production and disposal have become issues common to the entire world. Under the slogan of “A Greener, Richer World for Our children,” Toyoda Gosei is accelerating Group-wide initiatives to achieve a carbon-neutral and circular economy as soon as possible, fully leveraging our strengths in rubber and plastic polymer technology in both production and products.



Contributing to Environmental Preservation Through All Our Business Activities

Basic Philosophy

The Toyoda Gosei Group formulated its 1st Environmental Action Plan in 1993 based on its environmental policy, and since that time has been actively confronting environmental issues. In February 2016, we announced our TG 2050 Environmental Challenge, and have set targets to be reached by 2030 as milestones. We have also formulated a 5-year action plan in which activity items and targets are set, and are carrying out activities to pro-

tect the environment.

Globally, we have set integrated environmental functions in Japan and the regions of the Americas, China, Southeast Asia, and India. The Group is also making efforts as a whole with area control in five global regions, the above four plus Europe/South Africa. These initiatives are made in conjunction with government agencies, customers and suppliers.

Environmental Policy

1. Environmentally-Friendly Corporate Activities

We are keenly aware that all stages of our business relate deeply to the environment, from development, production, and sales activities to end-of-life disposal. The Toyoda Gosei Group, including all internal divisions, domestic and international affiliates, and suppliers, conducts all business activities with concern for the environment in cooperation and coordination with customers, government agencies, and others.

2. Good Corporate Citizenship

As a good corporate citizen, we participate in, support, and cooperate with environmental activities by many groups while also working on environmental activities in the community and broader society. We also provide education for all employees to support them in becoming involved in environmental activities as members of the community and society, and support social contributions and volunteerism.

3. While Spreading Information on These Activities, We Listen to the Opinions of People at All Levels of Society and Work to Improve Our Activities Wherever We Can.

TG 2050 Environmental Challenge

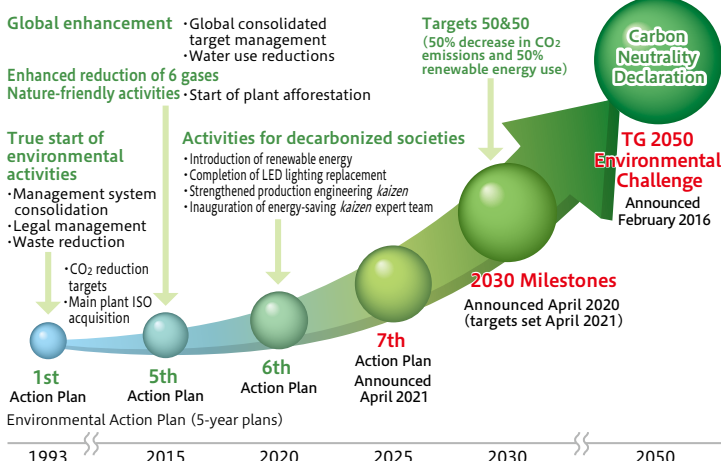
The Toyoda Gosei Group specializes in the field of high polymers—rubber and plastics. Our symbol is the benzene ring, a hexagonal hydrocarbon structure that is

the starting point for polymers. Borrowing from the six sides of the benzene ring, we have set six challenges for our environmental preservation activities with a long-

TG 2050 Environmental Challenge (Six Challenges)



Medium- and Long-Term Scenario for Achieving Carbon Neutrality



term view to the year 2050. As a roadmap to achieve that, we have set targets for 2030 (Targets 50 & 50) as milestones and formulated a five-year Environmental

Action Plan to guide our initiatives.

Environmental action plan
<https://www.toyoda-gosei.com/csr/environmental/report2/>

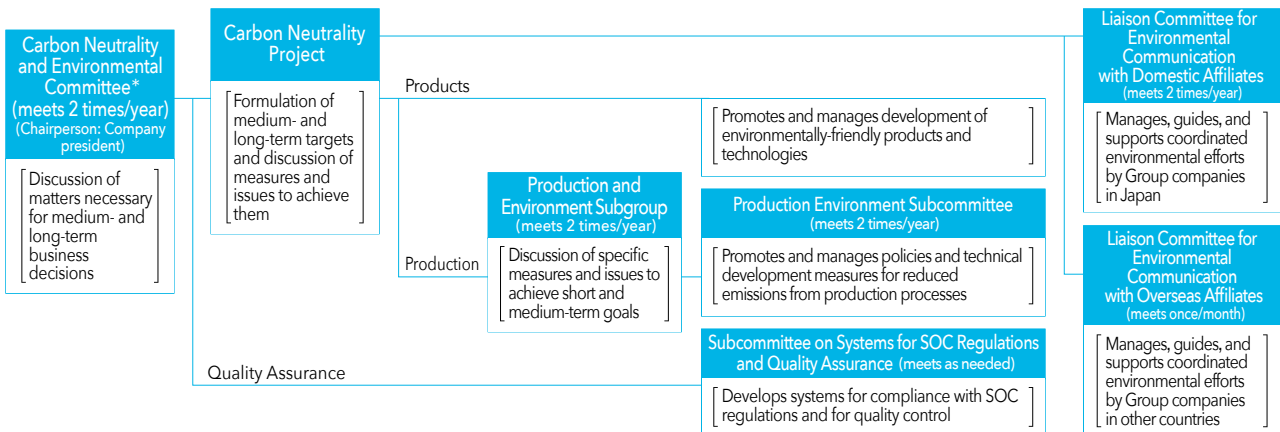
Environmental Organization

Our medium- and long-term policy and key action items are discussed and decided in a Carbon Neutrality and Environmental Committee chaired by the company president. The Committee consists of three subcommittees in the areas of products, production, and quality. In the area of production, a production and environment subgroup has been established to strengthen environmental activities over the entire manufacturing process. The above subcommittees are further broken down into working groups that promote and manage areas such as reductions in

energy use, waste products and preservation of the environment. In this way, environmental preservation and management activities are conducted from an expert perspective. Liaison meetings have also been established to share information with domestic and international Group companies.

A carbon neutrality project was started in FY2021 to accelerate initiatives over the product lifecycle. The project is headed by the president and with outside directors as advisors and the managers of related divisions as members.

Environmental Organizational Structure



* The position of the Carbon Neutrality and Environmental Committee within the organization can be seen in our Corporate Governance Organization Chart (see p. 69). Deployment from the Carbon Neutrality and Environmental Committee, the Production and Environment Subgroup, and the respective subcommittees to plants and other operations is done with the establishment of expert committees in accordance with the ISO 14001 system at each plant.

Carbon Neutrality and Circular Economy Strategy

Materials Design Manufacturing Recovery/recycling

To help us achieve the TG 2050 Environmental Challenge, we have developed a carbon neutrality and circular economy strategy for the entire life cycle of our products. Our goal is to contribute to a carbon-neutral, circular economy by taking concrete actions in the four specific areas of sustainable materials (Materials), sustainable design (Design), a zero emission challenge (Manufacturing), and resource circulation (Recovery/recycling).

Materials We will procure recycled materials and expand the use of biomass materials with a stable supply in mind.

Design We will seek designs for lightweight products, easy disassembly, and compactness.

Manufacturing In addition to daily improvements, we will continue to introduce innovative processes, including line downsizing and heat energy reduction, and explore the use of hydrogen.

Recovery/recycling We will systematically minimize the waste in our plants, while at the same time building systems to recover parts from the market.

Carbon Neutrality and Circular Economy Strategy

