

Building recycling societies

Toyoda Gosei uses resources effectively and contributes to a recycling society by reducing waste volumes*1 and water usage and designing products that are easily recyclable.

*1 We are currently attempting to reduce waste volumes to meet our FY2020 target as we move toward minimization of industrial waste as set forth in the TG 2050 Environmental Challenge.

Basic philosophy

To move closer to the recycling society envisioned in the TG 2050 Environmental Challenge, Toyoda Gosei aims to minimize industrial waste and water usage and we are making every effort to use resources effectively, reducing materials usage and waste volumes through thorough sorting and the design of easily recyclable products.

Waste reduction

Production To reduce waste in production processes and achieve our 2020 targets, we are combating waste at its source and recycling. We have also started a waste reduction project with coordination among plants and production technology, materials technology, and product design departments to strengthen efforts to combat waste at its source. At each plant, we are reducing waste through *genchi-genbutsu* (go and see), identifying items for reduction with the help of external experts, and implementing rubber, plastic, and liquid reductions.

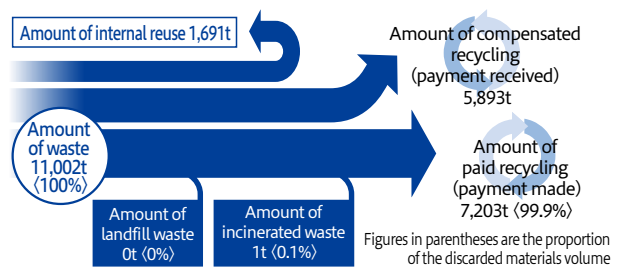
Study sessions are also held to promote waste reduction at both domestic and international Group companies.

Distribution The packing material used in product transport is being reduced to prevent products from being dirtied by increasing the number of times reusable containers are used

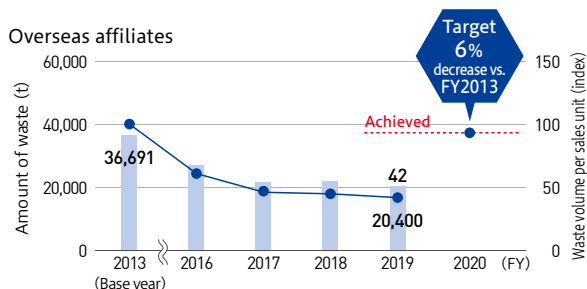
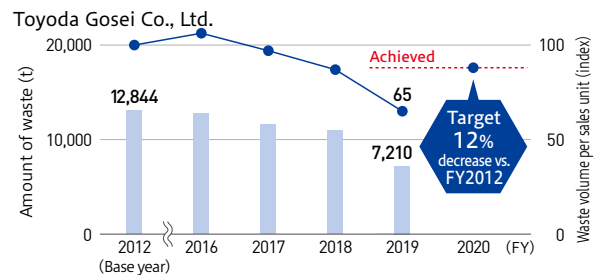
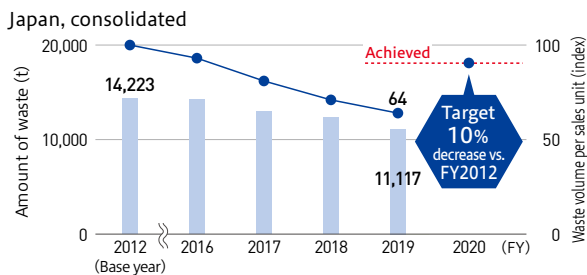
Frequent water shortages and floods have become a major problem in all parts of the world. We are attempting to identify these risks in every country and region where we have operations while also striving to give back to the community by reducing water usage, recycling water, and releasing cleaner wastewater.

in the field and maintaining cleanliness. We are also reducing packing material by putting lids on reusable containers and other changes, considering the balance between maintaining product quality and reducing the use of packing materials.

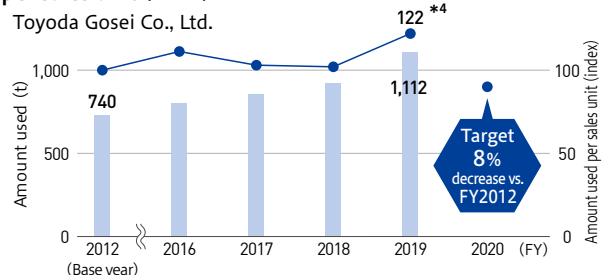
Amounts of waste generated and disposed of (results for FY2019: Toyoda Gosei)



Waste volume, waste volume per sales unit (index)*2



Amount of distribution packing material used, Amount used per sales unit (Index)*3



*2 The amount of waste per sales unit (index) is a figure obtained taking the base year as 100

*3 The amount of distribution packing material used per sales unit (index) is a figure obtained taking the base year as 100

*4 The amount of packing material used increased with increased shipments of service parts due to natural disasters and larger part sizes.



Reducing water risks

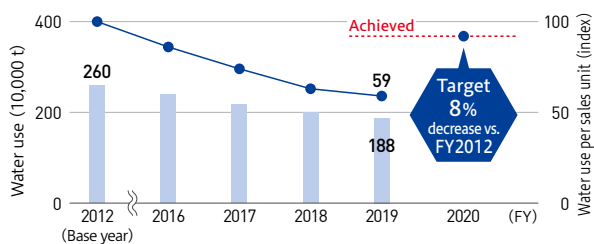
To achieve the 2020 targets, we are working on *kaizen* through TG ESCO (expert team that conducts reduction activities with *genchi-genbutsu*) activities. Today, water use has been reduced 24% compared with FY2012 levels by decreasing loss and leakage in water use amounts.

Wastewater treatment facilities are also being

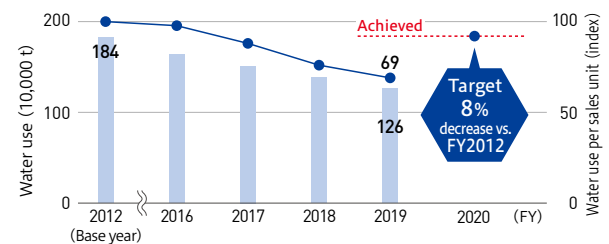
systematically upgraded to improve our processing ability so that wastewater is cleaner and the water recycling rate is higher. We will continue our efforts for improvement by identifying risks in each country and region where we do business based on the increasing importance of water.

Water use, water use per sales unit (index)*5

Japan, consolidated

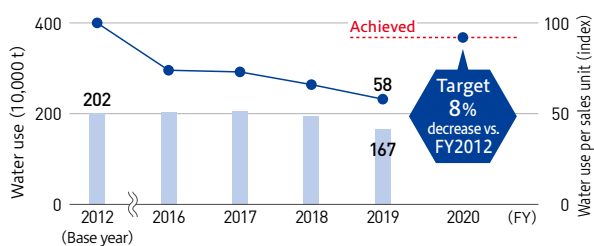


Toyoda Gosei Co., Ltd.



*5 Water use per sales unit (index) is a figure obtained taking the base year as 100

Overseas affiliates



Environmental management

While working for environmental preservation, we are continuing employee training and education programs so that every employee can act with awareness of the environment.

Basic philosophy

In addition to strengthening the selection and management of chemical substances to create products and processes that are kind to people and the earth, we are improving environmental management in things such as compliance with laws, regulations and customer standards in every

country where we do business, based on ISO 14001.

We are also making aggressive efforts for education to raise the environmental awareness of employees and train personnel for sustainable environmental activities.

Control of chemical substances contained in products

To strengthen the management of chemical substances in our products, we control legally regulated substances in each country, substances that are self-regulated by automakers, and substances covered by our own company regulations. We watch the trends in European REACH*6 regulations and the EU RoHS Directive*7 and have a system in place to respond rapidly when these regulations are revised. To respond to

requests from automakers in each country for information on chemical substances in products, we have devised mechanisms and conducted systems for global collective management of chemical substances that we are currently using in Japan, China, Thailand and Vietnam. We will be steadily expanding this system to places where it is not yet in use.

*6 Registration, Evaluation, Authorization and Restriction of Chemicals

*7 Restrictions on the use of specific hazardous substances contained in electrical and electronic equipment