



Reducing water risks

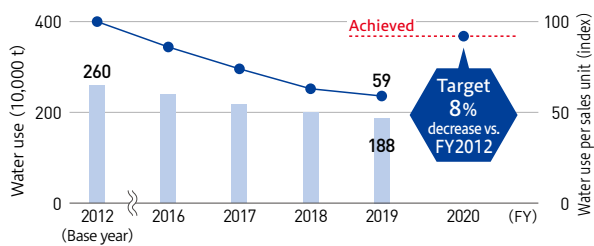
To achieve the 2020 targets, we are working on *kaizen* through TG ESCO (expert team that conducts reduction activities with *genchi-genbutsu*) activities. Today, water use has been reduced 24% compared with FY2012 levels by decreasing loss and leakage in water use amounts.

Wastewater treatment facilities are also being

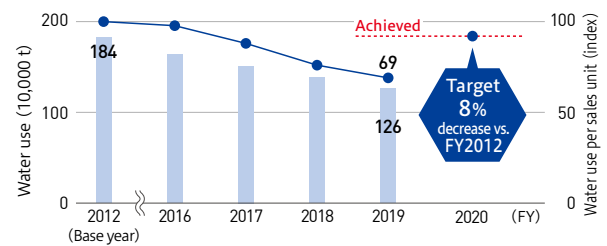
systematically upgraded to improve our processing ability so that wastewater is cleaner and the water recycling rate is higher. We will continue our efforts for improvement by identifying risks in each country and region where we do business based on the increasing importance of water.

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

Japan, consolidated

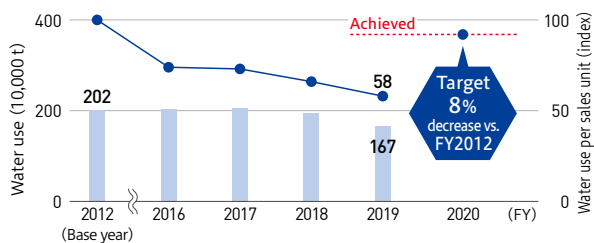


Toyoda Gosei Co., Ltd.



*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