

Environmental Preservation and Building Environmentally-Friendly Societies

We comply with laws and regulations related to chemical substance control and the environment, and are conducting activities to protect biodiversity.

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 maintaining a company woodland, creating biotopes, and working to preserve tidal flats and other areas for biodiversity.

Control of Substances of Concern

To strengthen the management of chemical substances in our products, we control substances that are legally regulated in each country, substances that are self-regulated by automakers, and substances covered by our own company regulations. We monitor the trends in European REACH^{*1} regulations and the EU RoHS Directive^{*2} 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.

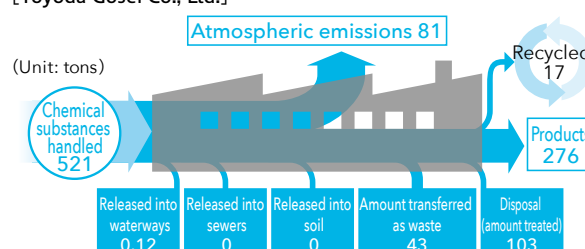
^{*1} Registration, Evaluation, Authorization and Restriction of Chemicals

^{*2} Restrictions on the use of specific hazardous substances contained in electrical and electronic equipment

Reduced Use of Substances of Concern

In production processes, we are switching to water-based paint and release agents, making painting lines more compact, improving coating efficiency, and making other efforts to reduce Pollutant Release and Transfer Register (PRTR) substances.

Volumes and Flow of Emitted PRTR Substances
[Toyoda Gosei Co., Ltd.]



Building Societies in Balance with Nature to Preserve Biodiversity

In an initiative to conduct our business in balance with nature for the preservation of biodiversity, we have set coexistence with local communities as a material issue and are seeking to promote it.

Risks and Opportunities Associated with Biodiversity

We are working to identify risks and opportunities associated with biodiversity.

Risks and Opportunities

Impact items	Risk	Opportunity	Response
Declining natural capital	- Decreased revenue, production disruptions from difficulty purchasing raw materials and soaring prices - Poorer product quality from water quality deterioration	- Business continuation by ensuring personnel and raw materials through nature conservation activities - Sustainable production and higher corporate value by ensuring high quality water resources through woodland maintenance and river conservation	- Product development for lighter weight - Development of raw material recycling technology - Greater use of plant-derived biomaterials and recycled materials

Establishment of Medium- and Long-Term Targets

To contribute to environmentally-friendly societies as envisioned in the TG 2050 Environmental Challenge, we have set the goal of no net loss of greenery (restoring 59 hectares, equivalent to the area of our plants, to greenery by 2050) and are working to achieve this goal.

Scenario for Achieving This

