

Building a Recycling-Oriented Society

Basic Philosophy

In order to mitigate resource depletion and water risks, we not only take measures for defects and yield, which are the focus of our manufacturing divisions, but also work on emission control and recycling involving material and production technologies in the sourcing divisions for contributing to the attainment of a

recycling-oriented society. For water, we identify risks in each country and region where we conduct business globally while also striving to reduce risks by reducing water usage, recycling water, and returning cleaner wastewater to the community.

Risks and Opportunities Related to Resource Recycling

We consider risks and opportunities related to resource recycling as important management issues, and we are working on them company-wide as one of our priority issues to be addressed.

Issue	Risks	Opportunities	Response
Resource depletion (shortage)	<ul style="list-style-type: none"> Reduced earnings and production hindered by difficulty in procurement of raw materials and price hikes 	<ul style="list-style-type: none"> Improved earnings through recycling technology and reduced material usage volume Improved corporate value through development of the above-mentioned technologies 	<ul style="list-style-type: none"> Development of more lightweight products Development of recycling technology for raw materials Expanding the use of plant-derived biomaterials and recycled materials
Water risk (quantity and quality)	<ul style="list-style-type: none"> Production hindered by difficulty in securing water necessary for production Drop in product quality due to deterioration in water quality Production hindered by water damage 	<ul style="list-style-type: none"> Improved earnings through reuse of water and reduced water usage Improved corporate value through development of the above-mentioned technologies 	<ul style="list-style-type: none"> Development of water reuse technology Expanding the use of rainwater Review of production system and installation locations of electrical facilities

Waste Reduction

Establishment of 2030 Milestones

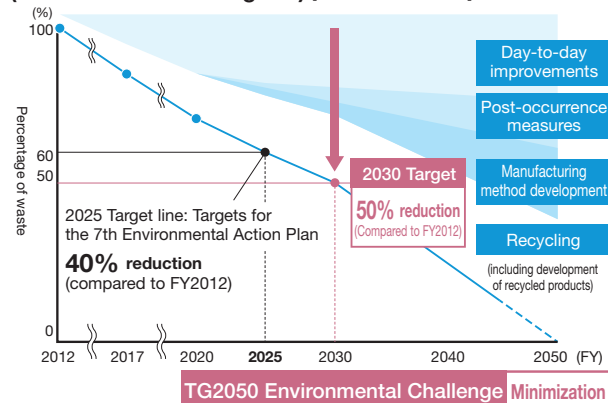
We are working to effectively use resources such as by curbing emissions, source measures, reducing wastes by recycling rubber and plastic chips, and reducing wastes by thoroughly sorting them.

Development of Product Recycling Technology

Materials Design Manufacturing Collection/recycling

We develop and design easily recyclable products and materials by taking into consideration the entire lifecycle of automobiles. We are also developing recycling technology for waste material.

Scenario for Minimizing Amount of Waste (Waste Reduction Diagram) [Non-consolidated]



Technology Development for Recycling ELV* Parts

Key item	Measures implemented
New recycling	<ul style="list-style-type: none"> Composite material separation technology New recycling technology (high-quality material recycling)
Use of recycled materials in vehicles	<ul style="list-style-type: none"> ELV parts recycling technology Development of uses for recycled materials
Design of easily-recyclable products	<ul style="list-style-type: none"> Product design for easy dismantling Materials and composition changes for easy recycling

* ELV: End of Life Vehicle