Materiality determination process

STEP 1 Identifying issues

With reference to the Global Reporting Initiative (GRI) guidelines, we have thought about how we can contribute to achieving the 17 targets set in the SDG through the Toyoda Gosei Group business strategy, and the risks and opportunities associated with each of those businesses.
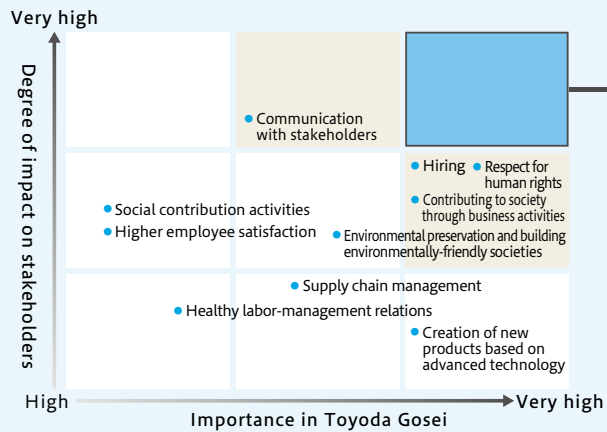
Efforts toward SDGs
Through its business activities, the Toyoda Gosei Group contributes to the achievement of the sustainable development goals (SDGs) that international society (all United Nations member nations) are targeting for 2030.

SUSTAINABLE DEVELOPMENT GOALS
17 GOALS TO TRANSFORM OUR WORLD

STEP 2 Judging the importance of each element from internal and external perspectives

The issues for consideration identified in STEP 1 were placed on a materiality map. Based on interviews with experts and stakeholders, items placed in the "very high region" by either were judged to be issues of utmost importance.

Materiality map:
- Degree of impact on stakeholders (Very high ↔ High)
- Importance in Toyoda Gosei (High ↔ Very high)
- Communication with stakeholders
- Hiring ● Respect for human rights
- Contributing to society through business activities
- Social contribution activities
- Higher employee satisfaction
- Environmental preservation and building environmentally-friendly societies
- Supply chain management
- Healthy labor-management relations
- Creation of new products based on advanced technology

STEP 3 Materiality determination

The important issues identified in STEP 2 were investigated by a project team made up of people from relevant departments, and nine key issues were decided. This materiality is obviously of interest to and has a strong impact on stakeholders. These issues are positioned as important themes for the Toyoda Gosei Group as well.

Environment (E)

- Building Low-Carbon Societies
  - ·Reduction of CO_2 emissions
  - ·Reductions in greenhouse gases
- Building Recycling Societies
  - ·Reductions in waste
  - ·Reduction of water usage
- Environmental Management
  - ·Compliance, management system creation
  - ·Fostering of environmental awareness

Social (S)

- Personnel
  - ·Development of people with an international outlook
  - ·Promotion of work-life balance
  - ·Promotion of diversity
- Occupational Health and Safety
  - ·Creation of safe and pleasant workplaces
  - ·Sound management
- Higher Product Quality
- Living with the Local Community

Governance (G)

- Corporate Governance
  - ·Transparency in corporate governance and management
- Thorough Compliance
  - ·Corporate ethics and legal compliance