

TOYOTA BOSHOKU

Sustainability Activities 2024

2023.4.1–2024.3.31

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Our Approach to Information Disclosure

Our reporting of Information

We report detailed information on our Sustainability site, including the Toyota Boshoku group's fundamental approach to sustainable growth and results for FY2024, as well as our plans for the future and non-financial information concerning ESG. Additionally, we have published the [Toyota Boshoku Report](#), which contains the Toyota Boshoku group's mid-term initiatives for enhancing corporate value, along with a variety of other important information. Please feel free to take a look.

Sustainability (website)

In order to fulfill our duty to keep our various stakeholders informed, we aim to disclose all necessary information, including detailed data, in a comprehensive manner. At the time of reporting, we reference a variety of guidelines, such as the GRI Sustainability Reporting Standards (GRI Standards), the Task Force on Climate-related Financial Disclosures (TCFD), the Taskforce on Nature-related Financial Disclosures (TNFD), and the Environmental Reporting Guidelines (Fiscal Year 2018 Version).

The Toyota Boshoku Report (Integrated Report)

Since FY2008, we have combined the Annual Report, which focuses on management strategy and performance results, with the Environmental and Social Report, which focuses on our environmental and social activities, into the [Toyota Boshoku Report](#). The Toyota Boshoku Report is produced as an integrated report centered on our approach to the group's corporate value, and our Value Creation Story.

Organizations reported on

The information in this report applies to the Toyota Boshoku group in Japan and other regions throughout the world. However, the scope of reporting differs for each initiative. The targets of reporting are displayed in the chart below.

- Toyota Boshoku group: Japan, The Americas, Asia, China and Europe & Africa regions
- Toyota Boshoku: Toyota Boshoku Corporation
- Japan region: Toyota Boshoku Corporation and Japan affiliates
- Outside Japan: The Americas, Asia, China and Europe & Africa regions

The scope for some items is stated on respective pages.

Period covered by report

This report is centered on the status of our activities during FY2024 (April 1, 2023 to March 31, 2024). In order to report on the status of Toyota Boshoku group's latest activities, appropriate information on activities beyond FY2024 is also included. Additionally, in order to make clear changes in data over time, some information on activities before FY2024 is also included.

Reference guidelines, etc.

At the time of reporting, we reference guidelines such as the GRI Sustainability Reporting Standards, also referred to as GRI Standards, the Task Force on Climate-related Financial Disclosures (TCFD), the Taskforce on Nature-related Financial Disclosures (TNFD), and the Environmental Reporting Guidelines (Fiscal Year 2018 Version), published by Japan's Ministry of the Environment. Additionally, our activities are built on ISO 26000.

Guidelines referenced:

- GRI Sustainability Reporting Standards (GRI Standards)
- Environmental Reporting Guidelines (Fiscal Year 2018 Version) 

Message from the President



Inheriting our founding spirit of "For the world and for people"

The Toyota Boshoku group has shifted to CSV management based on the Principles of Toyoda, which clearly set out the founding spirit of our founder Sakichi Toyoda. In this process, we consider it essential to enhance social and economic value through our business activities; in other words, corporate growth while fulfilling our responsibility in harmony with society.

We identified important issues which need to be prioritized among a variety of social issues, that we as Toyota Boshoku group to resolve through our business operations. We have established ESG KPIs tied to materiality, and promote initiatives from environmental, social, and governance perspectives.

For more than one hundred years, we have inherited and cherished our founding spirit of "for the world and for people." Even in the midst of a rapidly changing environment surrounding us, we will remain true to this spirit, contribute to society in a steady efforts to be helpful for society and link such efforts to our businesses, aiming to be a company that continues to be needed by society.

Masayoshi Shirayanagi
President

Management

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Policy

Policy

By implementing our Corporate Philosophy, we aim to be a company that is trusted by all stakeholders and grows together with them

Based on our company belief the Principles of Toyoda, which bring together the ideas of our founder Sakichi Toyoda, the Toyota Boshoku group has established its Corporate Philosophy and is steadily implementing this in our business activities in order to continue to earn the trust of all stakeholders.

We are striving to enhance our economic value through the pursuit of sustainable growth and to return the results to our stakeholders. We are also striving to enhance our corporate value over the medium and long term by investing in sustainable growth, thereby meeting the expectations of our stakeholders and contributing to the development of the international and local communities.

We are already actively involved in CSR^{*1} activities and have contributed to the achievement of the SDGs^{*2}. In line with changes in society, since March 2019 we have been accelerating the shift from CSR to CSV^{*3} management. In July 2020, we defined as our materiality the identification of important issues to be addressed through our group's operations from among a variety of social issues and the approach we adopt to resolve them. Furthermore, in order to clarify the concept of CSV management, we reviewed the concept of CSR and, formulated the Toyota Boshoku Group Sustainability Policy with the approval of the Board of Directors in November 2021.

We have also formulated and shared the TB Way and the Toyota Boshoku Group Code of Conduct as common values and patterns of behavior on a global scale in order to put our Corporate Philosophy into practice.



➤ Philosophy

Toyota Boshoku group Sustainability Policy 

^{*1} Corporate Social Responsibility

^{*2} Sustainable Development Goals

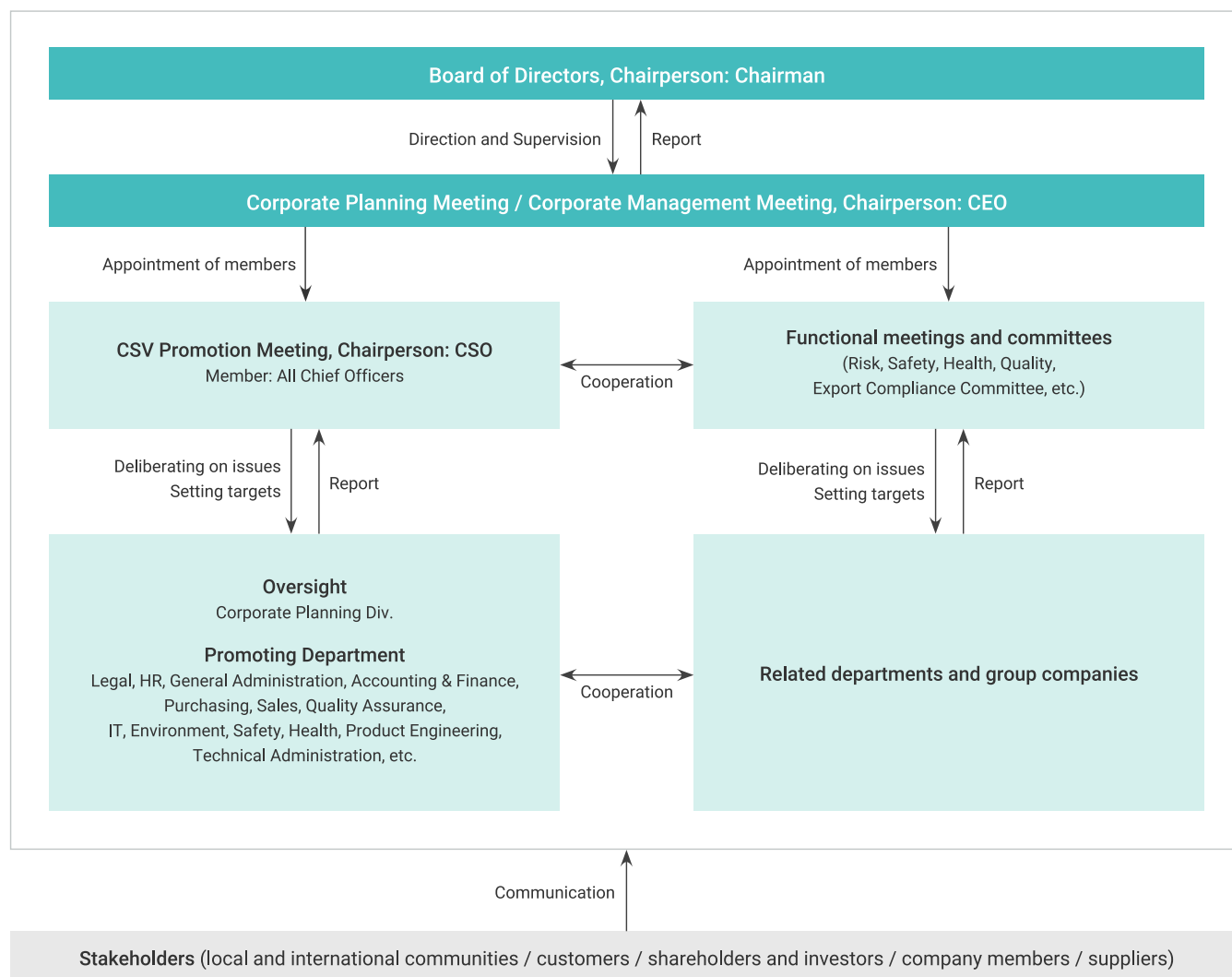
^{*3} Creating Shared Value

Promotion System

At the CSV Promotion Meeting (Chairperson: CSO (Chief Strategy Officer)), issues and the direction to take for enhancing corporate value are reported and deliberated on, targets are set, and activities are followed up. The CSV Promotion Meeting is attended by all Chief Officers responsible for the ESG KPIs, which are organized from an ESG perspective and measure progress on materiality. The CSV Promotion Meeting also carries out monitoring of the ESG KPIs. Through these activities, we accurately identify the degree of achievement of materiality and implement the PDCA cycle, as necessary, to get back on track. In addition, the content of reports and deliberations made at the CSV Promotion Meeting is also reported to the Board of Directors.

In cooperation with each function and related division, we will promote initiatives so that the entire Toyota Boshoku group can contribute to society through our daily activities.

Structural Chart



ESG KPIs: Targets and Results

ESG KPIs: Targets and Results

In December 2021, Toyota Boshoku Corporation established ESG KPIs, non-financial KPIs that measure social value, in addition to financial KPIs that measure economic value established in the 2025 Medium-Term Business Plan. Based on ESG KPIs, we will meet the expectations of our stakeholders by realizing our materiality and enhancing our corporate value.

These ESG KPIs are followed up at the CSV Promotion Meeting, (chaired by CSO(Chief Strategy Officer) which is held twice a year.

Also, We have also reviewed our ESG KPIs in line with the 2030 Mid-term Business Plan.

[Click](#) here to learn more about the major ESG KPIs.

<Approach to the formulation of ESG KPIs>

1. Organize from an ESG standpoint
2. In line with the Toyota Boshoku group Sustainability Policy
3. Progress toward materiality can be measured
4. In line with the Corporate Governance Code
5. Respond to the demands of society

Materiality

- (1) As an Interior Space Creator, we will contribute to people's quality of life, creating comfort, safety, and reassurance through innovation
- (2) Using our established technical capability, we will contribute to realize a society with no traffic casualties through providing products that assure safety
- (3) Together with our business partners, we will realize MONOZUKURI innovations that minimize environmental stress
- (4) We will develop people capable of contributing to society, who have diverse values, a challenging spirit and understand the value of strong teamwork
- (5) We will continue to be a company of integrity trusted by all our stakeholders, inheriting our tradition of fairness and moral behavior to the next generation

Environment

NO.	Materiality	KPI Evaluation items	FY2024 Results	Target	
				FY26	FY31
1	(3)	Plant GHG emissions reduction ratio (total volume) (compared to FY2020)	Reduction of 26%	Reduction of 25%	Reduction of 50%
2	(3)	Renewable energy installation ratio	39%	35%	50%
3	(3)	CO ₂ emissions ratio in logistics (compared to FY2012)	Reduction of 29%	Reduction of 14%	Reduction of 20%
4	(3)	Waste emissions reduction ratio (compared to FY2012)	Reduction of 9%	Reduction of 14%	Reduction of 20%
5	(3)	Water consumption reduction ratio (compared to FY2014)	Reduction of 37%	Reduction of 6%	Reduction of 8%
6	(3)	Symbiosis with nature (number of trees planted)	Cumulative 700k	Cumulative 640k	Cumulative 770k
7	(3)	Ratio of sales of unit components of electrified products that will lead to minimization of environmental impact	8%	10%	45%

Social

NO.	Materiality	KPI Evaluation items	FY2024 Results	Target	
				FY26	FY31
8	(1)(2)	Number of patent applications	369	320/year	500/year
9	(1)(2)	Number of external presentations and papers	74	90/year	120/year
10	(1)	Rate of new product development leading to Interior Space Creator	9%	15%	30%
11	(2)	Ratio of vehicles that are expected to use products that contribute to traffic safety	25%	20%	50%
12	(5)	Number of participants in social contribution activities	total 2,728	total 2,000	total 2,000
13	(5)	Degree of implementation of the Toyota Boshoku Group Guiding Principles	87.6%	90%	90%
14	(4)	Number of stress checks conducted for all company members	1/year	1/year	1/year
15	(4)	Health checkup rate	100%	100%	100%
16	(4)	Number of serious accidents involving company members	1	0	0
17	(3)(5)	Number of serious accidents involving outside contractors and visitors	0	0	0

Governance

NO.	Materiality	KPI Evaluation items	FY2024 Results	Target	
				FY26	FY31
18	(3)(5)	Number of environmental abnormalities and complaints	1	0	0
19	(5)	Number of serious cyber security incidents	1	0	0
20	(5)	DX certification	Certified DX company Working to obtain Noteworthy DX Company status	Noteworthy DX Company	DX Grand Prix
21	(5)	Number of violations of antitrust laws	0	0	0
22	(5)	Number of violations of anti-bribery laws	0	0	0
23	(4)(5)	Response to human rights risks in the supply chain (development of human rights due diligence)	100%	expansion ratio 100%	expansion ratio 100%
24	(5)	External awards from customers	3	5	5
25	(5)	Compliance with timely and appropriate disclosure	100%	100%	100%

Toyota Boshoku Group's Materiality

At the Toyota Boshoku group, as we strive to transform from CSR^{*1} to CSV^{*2} management, we have continued to enhance our corporate value by contributing to the realization of a sustainable society through our business operations. Contributing to society is a management approach we have inherited from our founding spirit of “for the world and for people.”

With the goal of enhancing corporate value, we have formulated the Toyota Boshoku group's materiality as part of the process of drafting the 2025 Mid-Term Business Plan. We defined as our materiality the identification of important issues to be resolved through our business operations from among a variety of social issues and the approach we adopt to resolve them.

At the CSV Promotion Meeting (Chairperson: CSO (Chief Strategy Officer) in charge of the Corporate Planning Segment), which is held twice a year, issues and the direction to take for enhancing corporate value based on our approach to CSV are reported and deliberated on, and consideration is also given to reviewing materiality itself in response to changes in the environment. Progress on the ESG KPIs, which manage progress on materiality, are also checked at the CSV Promotion Meeting, and the degree of achievement is followed up along with materiality.

^{*1} Corporate Social Responsibility

^{*2} Creating Shared Value

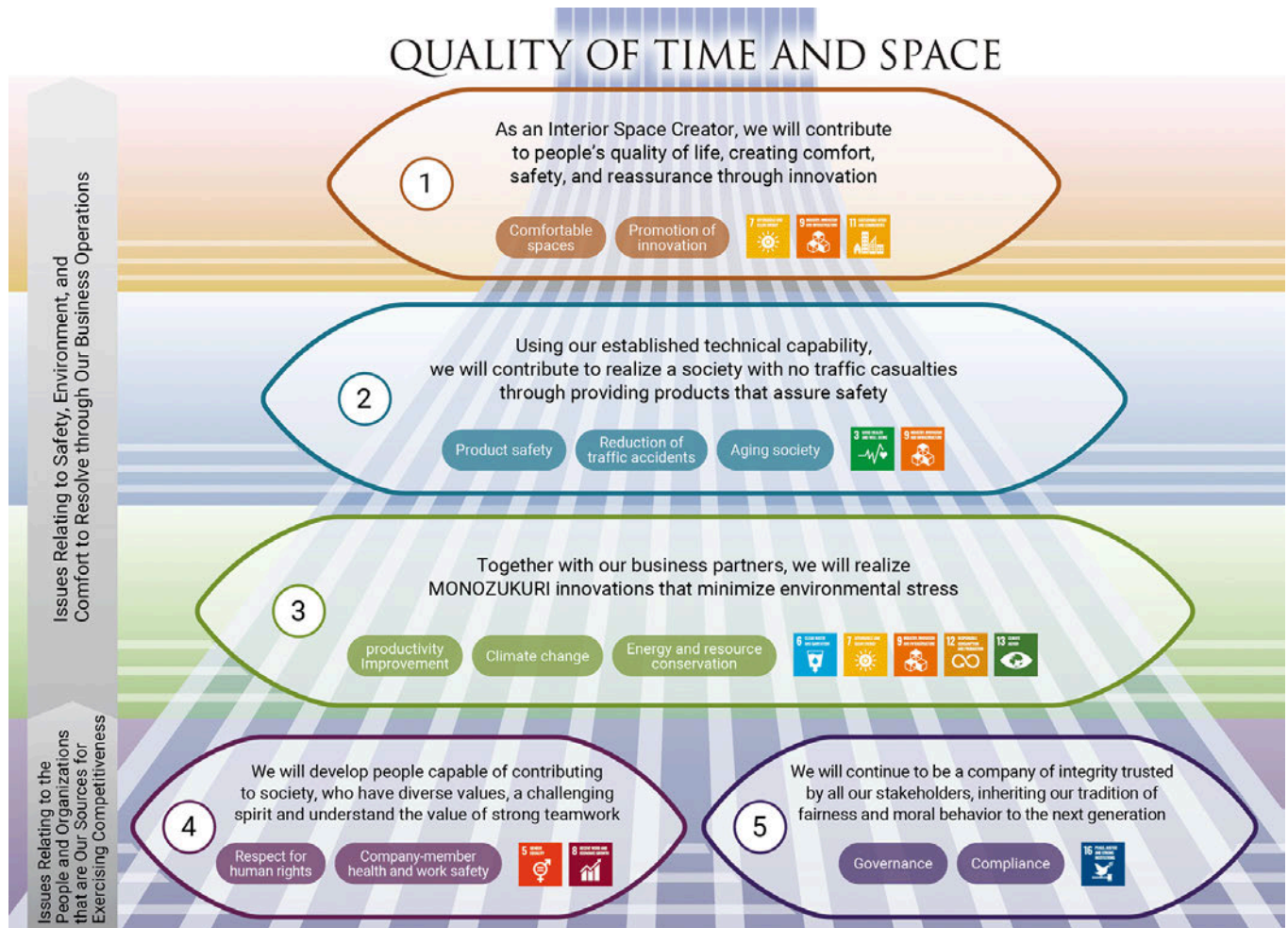
Materiality Approach

1. Classified into those that “maximize the positive effects,” which enrich people and their lives, and those that “minimize the negative effects,” which avoid risk
2. Organized into “Issues Relating to Safety, Environment, and Comfort to Resolve through Our Business Operations,” and “Issues Relating to the People and Organizations that are Our Sources for Exercising Competitiveness”

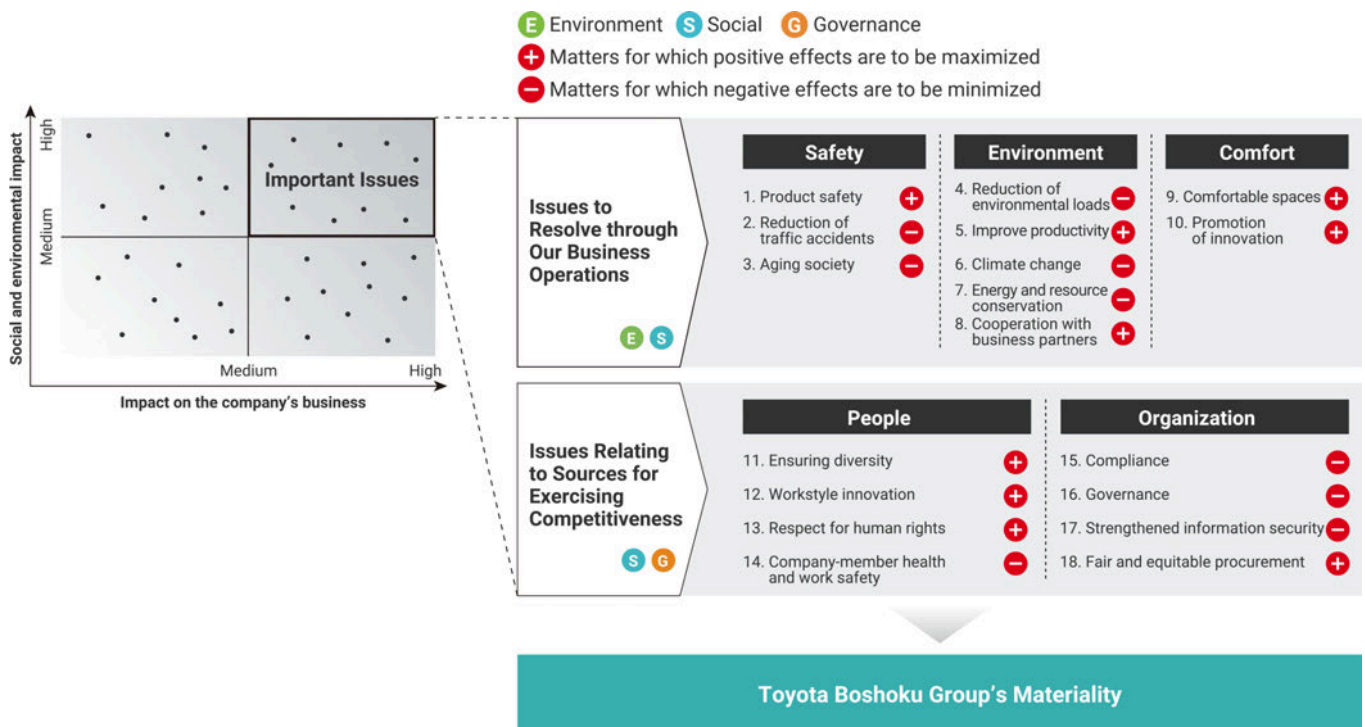


Formulation of five aspects of materiality

Toyota Boshoku Group's Materiality



Plotting of social issues and extraction of important issues



The Meaning and Concepts of Materiality

Issues Relating to Safety, Environment, and Comfort to Resolve through Our Business Operations			
(1)	As an Interior Space Creator, we will contribute to people's quality of life, creating comfort, safety, and reassurance through innovation Comfortable spaces Promotion of innovation	Toyota Boshoku group has consistently developed its operations "for the world and for people," expanding from textiles into automotive interiors and contributing to the enhancement of safety and reassurance in people's daily lives. We are evolving into an Interior Space Creator, providing products and services such as those employing sensor-based biometric information to achieve comfort, which means enabling people to live with confidence while staying true to themselves (realization of smart cities).	  
(2)	Using our established technical capability, we will contribute to realize a society with no traffic casualties through providing products that assure safety Product safety Reduction of traffic accidents Aging society	To contribute to the ambitious target of a society of "zero traffic casualties," we will continue to offer high-quality, high-safety products (integrated seats, seatbelts, airbags, and other such products) and services that optimize Toyota Boshoku's strengths in R&D that is part of Toyota Boshoku's identity.	 
(3)	Together with our business partners, we will realize MONOZUKURI innovations that minimize environmental stress Reduction of environmental loads Productivity improvement Climate change Energy and resource conservation Cooperation with business partners	Aiming for a sustainable global environment in which children can live happily with smiles on their faces, we will make effective use of business resources and achieve the Challenge 6 goals in our 2050 Environmental Vision. To accomplish this, we will work with our business partners to realize innovation and improve productivity in MONOZUKURI (and all manufacturing-related processes), utilizing the latest leading-edge technologies, while promoting initiatives focusing on the three priority areas of global warming prevention, resource circulation, and co-existence with nature.	    
Issues Relating to the People and Organizations that are Our Sources for Exercising Competitiveness			
(4)	We will develop people capable of contributing to society, who have diverse values, a challenging spirit and understand the value of strong teamwork Ensuring diversity Workstyle innovation Respect for human rights Company-member health and work safety	To continue challenging ourselves to find solutions for the world's problems, we will develop autonomous human resources by bringing together talented individuals from around the world, who understand different ideas and ways of thinking, respect one another, and think together.	 
(5)	We will continue to be a company of integrity trusted by all our stakeholders, inheriting our tradition of fairness and moral behavior to the next generation Governance Compliance Strengthened information security Fair and equitable procurement	To continue being a company that is trusted by all stakeholders and grows together with them, we will continue to practice "ensuring that our corporate activities are fair and transparent," as enshrined in our corporate philosophy and the Principles of Toyoda that embody the concepts of Sakichi Toyoda, while "doing what is right" as laid down in the TB Way.	

Materiality Formulation Process

From April 2019 to July 2020, we made a company-wide effort to identify important issues and formulated our materiality in six steps.

As part of a series of processes, the management team and next-generation leaders, together with the Global Management Strategy Division (present: Corporate Planning Division), the lead division held a total of 27 consultations, after which the Board of Directors decided on the materiality. To realize our materiality, we established ESG KPIs—one of several types of non-financial KPIs to measure social value.

	Participants:		
	Company Members	External Stakeholders	Directors/Officers
Step 0 Comprehensive activities for CSR, CSV, ESG, SDGs, etc. Lecture for officers and division general managers In addition to the regular members of the CSR Promotion Meeting (now the CSV Promotion Meeting), officers and relevant division general managers involved in the formulation of the 2025 Mid-Term Business Plan attended the meeting to deepen their understanding of CSV management. Lecture on SDGs for officers, entity top management, and next-generation leaders Held as part of the “Global Week” program, where officers, entity top management and next-generation leaders of the Toyota Boshoku group gathered to discuss the future of the group and how to realize it, deepening understanding of the SDGs. SDGs card game and discussions on social issues (41 next-generation leaders from 13 countries participated) A card game format was used to deepen understanding of the SDGs and social issues. Subsequently, discussions were held on social issues surrounding the Toyota Boshoku group as well as management issues, based on important concepts for the company included in our philosophy.	○		○

Step 1

Understanding social issues

- **Clarification of SDGs and other social issues**
As well as the SDGs, identifying more than 100 social issues by focusing also on social issues in the countries and regions in which the Toyota Boshoku group operates.
- **Verification of social issues where we are already making contributions**
Creating a life cycle value chain map of the Toyota Boshoku group's business, and organizing contributions to resolving social issues that have already been implemented from both positive (opportunities) and negative (risks) perspectives.



Step 2

Extraction of social issues

- **Verification of social issues to be tackled as the company's philosophy**
Re-affirming and understanding the meaning embedded in our philosophy, and confirming whether resolution of the social issues identified is consistent with the philosophy.
- **Verification of social issues that can be resolved by maximizing the company's strengths**
Confirming whether the issues can be solved by leveraging the Identity of the Toyota Boshoku group: R&D, MONOZUKURI, and HITOZUKURI.
- **Discussions by the Materiality working group: 10 sessions (17 participants)**



Step 3

Verification of stakeholder expectations

- **Investor interviews:** 3 times (7 participants from 3 companies)
- **Survey of company members:** 1 time (covering 260 people)
- **Verification of management issues:** Based on the results of the above interviews and questionnaires, confirm consistency with internal policy.



Step 4

Plotting of social issues and extraction of important issues

- **Organization of social issues and identification of important issues to prioritize**
Verification from the perspectives of “social and environmental impact” and “impact on the company’s business,” and identification of important issues to prioritize
- **Formulation of five aspects of materiality in alignment with the company’s Vision**
Identifying five materiality issues, organized into two categories: “Issues Relating to Safety, Environment, and Comfort to Resolve through Our Business Operations” and “Issues Relating to the People and Organizations that are Our Sources for Exercising Competitiveness.”



Step 5

Verification of validity

- **Discussion in a CSV Promotion Meeting**
In February 2020, an extraordinary CSV Promotion Meeting (now the CSV Promotion Meeting) was held to discuss the composition and wording of (expressions used in) our materiality. In order to deepen company members’ understanding of our materiality, it was decided to compile the reasons for selecting this text as “Meaning and Concepts.”
- **Discussions with outside directors and outside Audit & Supervisory Board members**
Two briefings were held for outside officers (in April and July 2020). Based on the points raised, the positioning of materiality in management was clarified, and the management system was organized as “Management Concept.”



Step 6

Decision on materiality

- Toyota Boshoku Group’s Materiality was finalized at the Board of Directors meeting in July 2020.



Step 7

Establishment of ESG KPIs

- We established ESG KPIs-one of several types of non-financial KPIs to measure social value. The goal is to achieve them with a view to realizing our materiality.



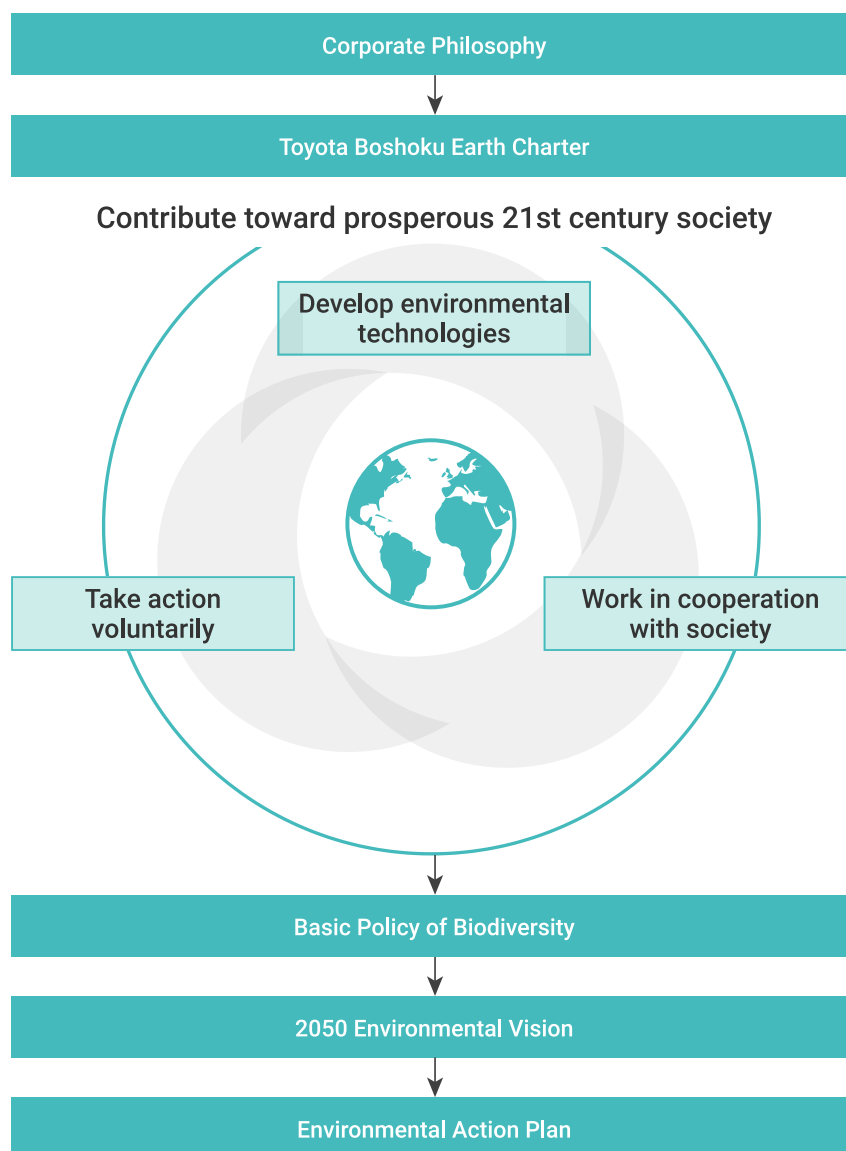
Environment

18	Toyota Boshoku Earth Charter
20	Toyota Boshoku Basic Policy of Biodiversity
21	2050 Environmental Vision
	Environmental Management
22	Environmental Management
29	2025 Environmental Action Plan
31	Response to the TCFD
35	Response to the TNFD
	Challenge 6
38	GHG Net-zero in the product life cycle
44	GHG Net-zero in the plant
48	Sustainable resource circulation
51	Waste minimization
53	Water resource impact minimization
55	Conservation and regeneration of natural capital
	Environmental Information
59	Environmental Data for Each Company Around the World
73	Environmental Data Based on Each Business Entity (Japan)
84	Environmental Data by categories

Toyota Boshoku Earth Charter

Based on the Toyota Boshoku Earth Charter, we will make collective efforts as a group to contribute to preserving the global environment in order to realize a sustainable society.

Toyota Boshoku Earth Charter



1. Contribute toward a prosperous 21st century society

Aim for growth that is in harmony with the environment, and work to reduce environmental burdens throughout all areas of business activities. We will contribute toward realizing a "sustainable society" by carrying out activities that take into consideration biodiversity and co-existence with nature.

2.Develop environmental technologies

By seeking to tap the potential offered by environmental technologies, we will produce goods that are both comfortable and ecologically responsible. We will involve ourselves in the development of new technologies that can make worthwhile social contributions.

3.Take action voluntarily

Develop a voluntary improvement plan based on thorough preventive measures and compliance with laws that addresses environmental issues while promoting continuous implementation toward global environmental conservation.

4.Work in cooperation with society

Build close and cooperative relationships with a wide spectrum of individuals and organizations involved in environmental preservation, including related companies and industries.

Toyota Boshoku and all consolidated subsidiaries share the above Charter as the Toyota Boshoku group charter. (Established December 2004, revised November 2011)

Toyota Boshoku Basic Policy of Biodiversity

Conservation of biodiversity and sustainable use of natural resources along with climate change countermeasures (global warming prevention) are essential environmental issues that should be promoted on a global scale. The Toyota Boshoku group formulated the Toyota Boshoku Basic Policy of Biodiversity in November 2011 based on the philosophy of the Conference of the Parties to the Convention on Biological Diversity (COP10).

Basic Concepts

We, as the Toyota Boshoku group, strive to achieve the maintenance of biodiversity and sustainable use of natural resources. We also contribute to achieving a society that co-exists with nature. We are undertaking efforts to reduce impacts on biodiversity and pursue the potential of environmental technologies that help to maintain biodiversity in all of our business activities.

Action Guidelines

1. Make best use of nature [Pursue environmental technology]	• Development of technology and prevalence of biological resources such as plant-derived materials • Promote the development of technologies in recycling design and reduce the weight of automotive parts • Enhance the management of chemical substances in products
2. Co-existence with nature [Consideration of the impact of business activities]	• Make an effort to understand the impacts of our business activities, and continuously reduce these impacts • Promote efficient utilization of energy, resource saving and reduction of substances of concern • Consideration of surrounding areas including land use
3. Nurture nature [Cooperation and collaboration with society]	• Raise the biodiversity awareness of members and promote voluntary activities for the conservation of biodiversity • Contribute to building a society to cultivate biodiversity such as promoting reforestation globally in cooperation with government, local communities and non-governmental organizations
4. Sharing of information [Disclosure and communication of information]	• Share information with society regarding biodiversity conservation activities being carried out and their results

2050 Environmental Vision

The aim of creating a sustainable global environment where children lead their lives with smiles

In 2016, the Toyota Boshoku group formulated the 2050 Environmental Vision, and we have been striving to conserve and preserve the global environment by working to reduce our environmental impact from various angles. However, global environmental issues such as climate change, natural resource depletion, and the biodiversity crisis are becoming more serious as each year passes.

Against this backdrop, in order to further focus on solving environmental issues and contribute to the conservation and preservation of the global environment, we reviewed the Toyota Boshoku group's past activities and our future target, based on the Toyota Boshoku Basic Policy of Biodiversity formulated in 2011, and in July 2023 drew up three priority actions. We aim to further contribute to global environmental conservation by promoting these three key initiatives: measures to global warming prevention in response to climate change, resource circulation in response to the depletion of natural resources, and co-existence with nature in response to the biodiversity crisis.

Additionally, with the formulation of the priority actions, we extended the scope of our activities and revised our Stretch Environmental Goals to Challenge 6. The whole group is working together to address environmental issues through our business activities and contribute to the realization of a sustainable global environment.

Vision

We will work together with all stakeholders with the aim of creating a sustainable global environment where children can lead lives with smiles.

Priority actions



Challenge 6



* To achieve net zero greenhouse gas emissions

[Click here for the 2025 Environmental Action Plan](#)

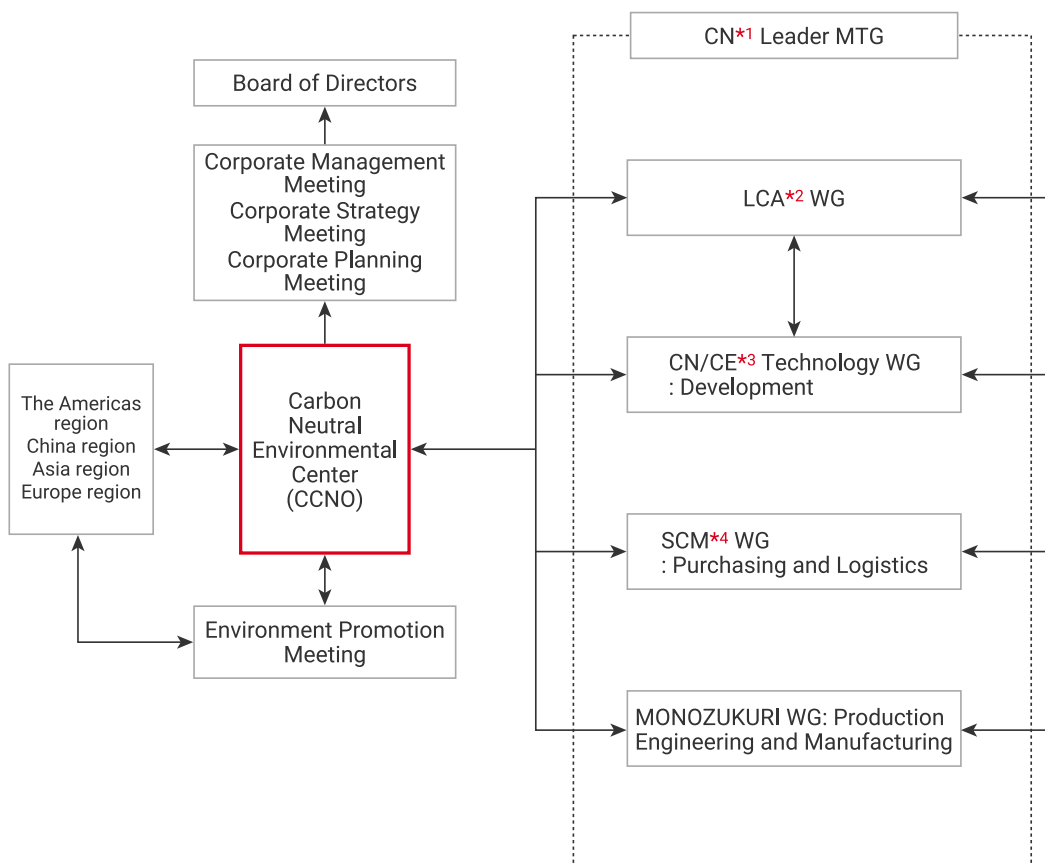
Environmental Management

Basic approach

The Toyota Boshoku group implements environmental management activities on an on-going basis that include convening sessions for the safety, health and environmental committee in the respective regions worldwide to confirm progress on environmental initiatives, verifying cases of improvement via genchi-genbutsu (Go, see & study) and actively implementing cross-organizational deployment best practices. In addition, we are providing education to people inside and outside the organization focused on environmental protection.

Promotion system

In April 2023 we appointed a Chief Carbon Neutral Officer (CCNO) in order to further promote our carbon neutrality initiatives. The Toyota Boshoku group is cooperating across various global regions, including with various working groups in the Japan region, to promote activities designed to help achieve carbon neutrality.



*1 Carbon Neutral

*2 Life Cycle Assessment

*3 Circular Economy

*4 Supply Chain Management

Toyota Boshoku Earth Charter

Environment Promotion Meeting

A meeting with the goal of sharing information and initiatives designed to achieve carbon neutrality. It also sets environmental targets, follows up on identified issues, and promotes environmental efforts on a global scale.

Participating members: All Chief Officers, including the President

Frequency of meetings: three times annually

Contents of discussion: Expansion of policies and action plans aimed at meeting the 2025 Environmental Action Plan's various targets, as well as evaluation of progress made towards these targets.

- 1) Strategy-led environmental efforts, such as energy savings, renewable energy, carbon offsets, emissions management, etc.
- 2) Sharing information and directing activity on various issues, such as those relating to actions taken to reduce value chain GHG emissions

Regional Committee Activities

Committees in each region work together with the Environment Promotion Meeting to promote activities designed to help meet the targets of the 2025 Environmental Action Plan.

At this time, the following four areas of environmental activity are marked as priorities:

1. Activities to ensure zero non-compliances and complaints^{*}
2. Activities to reduce environmental impact
3. Activities for the management of chemical substances at plants
4. Activities related to ISO 14001 certification

Although the environmental issues being dealt with at the state and regional level differ, the Toyota Boshoku group has set high standards for all of its activities, which can be managed and implemented by each committee.

^{*} Non-compliances: In case oil, etc., has leaked into a public waterway at a level that exceeds legal, by law and agreement standard values

Complaints: In case of contact from a local citizen, government, etc., alleging physical damage or psychological effects on account of the company

Initiatives for Legal Compliance / Environmental non-compliance

In order to prevent environmental accidents and pollution, we conduct environmental risk management based on voluntary standards that are stricter than regulations require. In addition, we conduct risk management with value placed on the perspective of local people. Our environmental risk map is used in this regard. An environmental risk map is a tool to visualize risk around a plant and on premises, strengthen inspection standards and enable environmental patrols. Responsible persons at each plant carefully visualize risk and conduct patrols so that the latest information is always incorporated into the risk map.

Regarding atmospheric and water quality concerns, no major leakages occurred in fiscal 2024. However, one wastewater non-compliance^{*} did occur during this time frame. In response, appropriate measures were taken, and company-wide efforts have been made to prevent similar issues occurring in the future. Additionally, the Toyota Boshoku group was not subject to any fines resulting from environmental accidents or violations of environmental regulations.

^{*} denotes cases where substances such as oil have been discharged into surrounding/shared water systems at levels exceeding those set by laws, regulations, or other relevant agreements.

ISO14001

All business entities in Japan completed the transition to ISO 14001:2015, the new version of the standard, in fiscal 2019. In fiscal 2024, we were examined by internal and external audits at each site and completed our ISO14001 activities.

External audits

In fiscal 2024, we also were systematically examined by certification institutions in each country and region. All of the target factories were evaluated as "There were no nonconformities, and the requirements of ISO14001 are being properly operated."

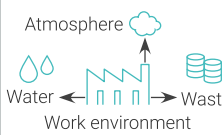
Status of Acquiring ISO 14001 Certification [Associated Companies in Japan] (FY2024)

Status of Acquiring ISO 14001 Certification [Subsidiaries Outside Japan] (FY2024)

Environmental risk management

Creating a management system for chemical substances

The Toyota Boshoku group is taking steps to manage chemical substances in all business activities from development and design to production and packaging.

management area				Product		Packing/packaging materials	Work environment Surrounding environment
				Product development and Design	Mass-produced products		
Material classification	With indications on drawing	Component	 External product	 Design drawing			
		Raw materials making up product	Without impact on the environment (Used in a solid state)  Skin material, etc.				
			With impact on the environment (With change of property and generation of by-product associated with the use)  Adhesive, etc.				
	Without instructions on the drawing	Secondary materials	Possibility of mixture in product, added to product  Paint for repair, etc.				
			Possibility of mixture in product not added to product  Detergent for equipment, etc.				
		Packaging, and packaging materials (For supply/overseas use)	 Cardboard, etc.			 Packing/packaging materials	

Activities to reduce emissions of chemical substances

In order to both prevent damage to the environment and protect the safety and health of the company members, the Toyota Boshoku group has created a list of "Toyota Boshoku Controlled Substances." This list contains various chemical substances used in production which are either currently under restrictions or which may face restrictions in the future. Additionally, certain chemical substances that pose significant risks of harm to humans or to the environment, or which are subject to prohibitions on their production, have been designated "Toyota Boshoku Banned Substances," and their use prohibited.

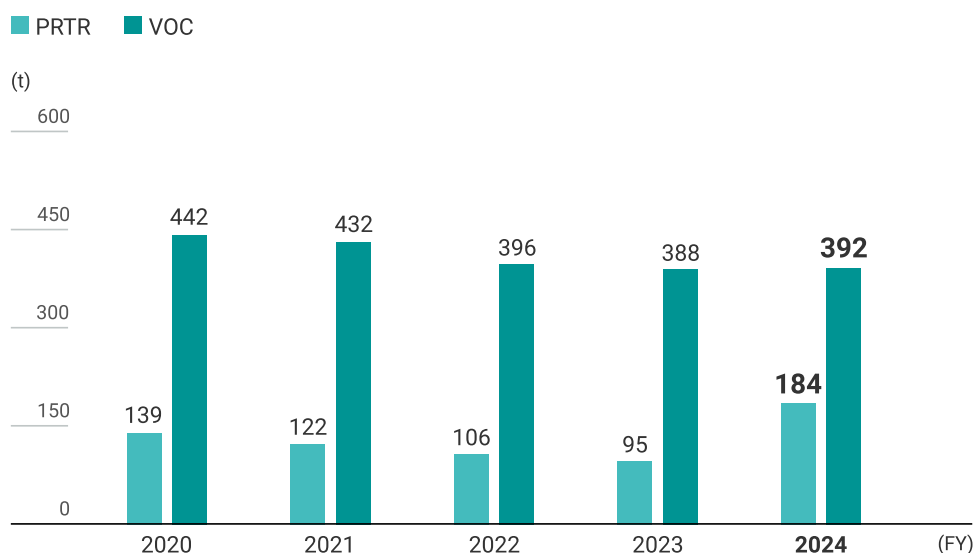
Regarding VOC^{*1} and PRTR^{*2}-target substances,—both of which are classified as Toyota Boshoku Controlled Substances—the Toyota Boshoku group has reduced emissions by switching to water-based paint and by starting to transition to release agents made from components with low amounts of VOC and PRTR substances. Moving forward, we will continue to promote activities aimed at reducing the amount of chemical substances used and the amount of emissions from our plant.

Furthermore, the Group prohibits the use of CFCs, which are ozone-depleting substances, and does not use them.

^{*1} VOC: Volatile Organic Compounds (covers 100 substances designated by Japan's Ministry of the Environment)

^{*2} PRTR: Pollutant Release and Transfer Register

PRTR substances / VOC emissions [Toyota Boshoku]



Emission of chemical substances

Soil and groundwater contamination prevention initiatives

Toyota Boshoku makes continual efforts to prevent any contamination of soil and groundwater.

In 1996 an organochlorine substance was detected at above designated maximum levels at one of our business sites. After completion of the necessary cleanup continuous monitoring of the area was put in place. As well as this, explanations as to the monitoring situation were provided to local community meetings, and periodic reports were made to the relevant government agencies.

Additionally, cleanup of soil contamination identified at other site in 2008 and 2018 was successfully carried out via excavation and removal of the affected soil.

Furthermore, we carry out examination of sites (such as when acquiring new business sites or beginning construction of new plants) in line with the relevant laws and regulations of the nation in question.

Results of trichloroethylene measurements in fiscal 2024 (Environmental standard: 0.03mg/ℓ)

(Unit: mg/ℓ)

Name of plant	Concentration in groundwater within grounds	Current status
Kariya Plant	2021: ND-0.006 2022: ND-0.007 2023: ND-0.003	Below standard values Continuing to maintain

* ND: Not detectable; under minimum quantity value (less than 0.002)

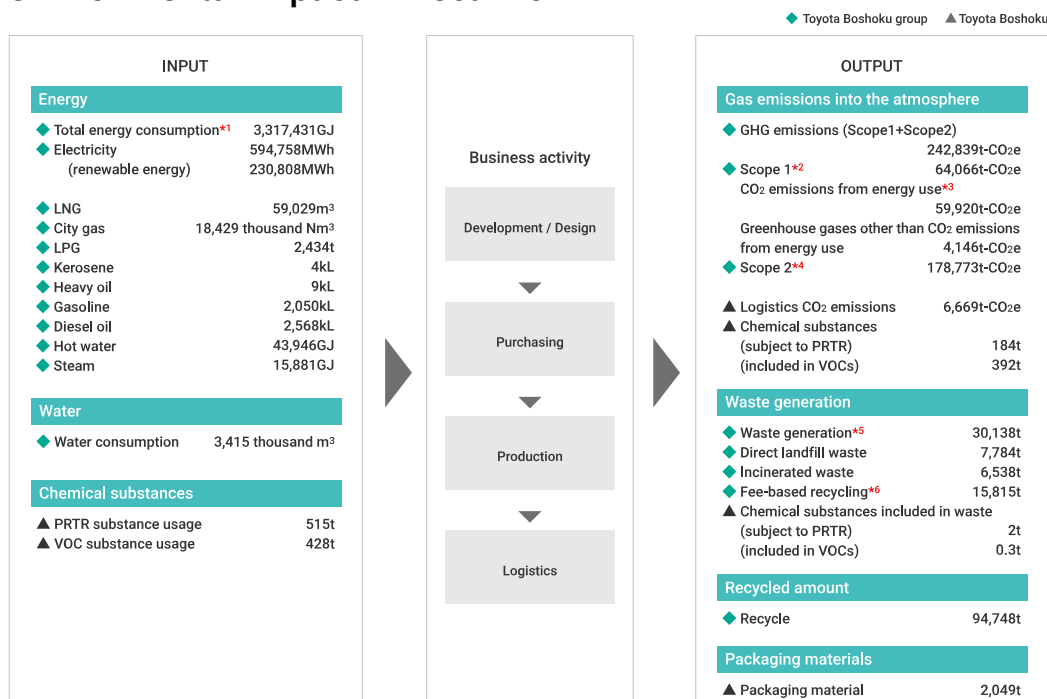
PCB treatment status

Polychlorinated biphenyls (PCBs) are now designated as prohibited substances. PCB wastes now being stored must be treated at designated treatment facilities no later than the end of March 2027.

In response to this, Toyota Boshoku completed treatment of all remaining PCB wastes in fiscal 2022.

Our Business Activities and the Environment (Resource Consumption for Business Activities and Emissions Causing Environmental Impact)

Resource consumption for business activities and emissions causing environmental impact in fiscal 2024



[Click to check Scope 3](#)

*1 The sum total of the values given by multiplying the consumption of each category of energy by its corresponding unit of energy generation. For units of energy generation (excluding electricity usage), we use values from Japan's Ministry of the Environment's "List of Calculation Methods and Emissions Coefficients with Regards to the Systems of Calculation, Reporting, and Announcements" (no official English translation could be found), with 1 MWh of electricity usage converted to 3.6 GJ, and the results aggregated.

*2 Since fiscal 2023 calculations have made use of data for the so-called "6.5 gases" (i.e. greenhouse gases other than CO₂ emissions from energy use), as well as CO₂ emissions from fuel used by Toyota Boshoku group vehicles.

*3 Direct greenhouse gas emissions from a company's own fossil fuel combustion and industrial processes. Scope 1 emissions from the Toyota Boshoku group occur from the burning of LNG, city gas, LPG, kerosene, heavy oil and diesel oil.

*4 Indirect emissions from the generation of electricity, heat and steam purchased from other companies. Scope 2 emissions from the Toyota Boshoku group occur from the generation of purchased electricity, steam, and hot water.

*5 The amount of construction waste (1,023t) produced by subsidiary construction companies is not included here.

*6 Waste that is recycled for a fee

Strengthening Environmental Education to Pass Environmental Conservation Activities on to Future Generations

Environmental education

Toyota Boshoku provided an opportunity to have fun learning about the environment by conducting on-site education at a local elementary school. In fiscal 2020, we introduced our environmental efforts and conducted experiments on wastewater treatment. Through group work, children deepened their understanding on the three themes of conserving energy, reducing trash, and valuing water.

In fiscal 2024, an exchange with Fujioka Minami Junior High School began when Toyota Boshoku purchased electricity generated by the school's solar power generation equipment as a Green Power Certificate^{*}, using it at Toyota Boshoku's Technical Skills Training Center.

In October, we participated in the Fureai Festival held in the Fujioka area as a collaborating company of third-year students at Fujioka Minami Junior High School. We had five prior meetings with the students, and after they had gained an understanding of our environmental activities, headed to the actual Fureai Festival. At the Fureai Festival, we held a craft class together with junior high school students, where the participants made necklaces out of pieces of wood from thinnings generated by our reforestation activities and accessory containers out of disposed seat covers. We also welcomed third-year students from Fujioka Minami Junior High School to the Toyota Boshoku Technical Skills Training Center for an exchange meeting with Toyota Boshoku company members. After giving the students a chance to see for themselves and experience Karakuri devices in the plant, we introduced them to Toyota Boshoku's initiatives related to the SDGs.

The aim of this activity was to have junior high school students, who will be the leaders of the next generation, experience the SDG initiatives of a company that is well known to them, and learn the importance of acting with an awareness of the SDGs.

We will continue our exchange with Fujioka Minami Junior High School.

(Held seven times up until fiscal 2020; not held between fiscal 2021 and fiscal 2023 due to the coronavirus pandemic)

^{*} Green Power Certificates are issued as a means of trading the environmental value of green power, separately from the electricity. Purchasing a Green Power Certificate allows the purchaser to be deemed to have used green power generated from renewable energy sources.



Children show great interest in an experiment for purifying wastewater



Exchange meeting with Fujioka Minami Junior High School students

Initiatives in the local community

Toyota Boshoku held Toyota City-sponsored eco-tours of our Sanage Plant in 2018 and 2019. Parents and children living in the city of Toyota toured facilities such as wastewater treatment plants.

During the tour, we introduce the current state of water shortages worldwide. Participants also take part in experiments introducing the wastewater treatment process and water quality analysis method at Toyota Boshoku. It is an outstanding opportunity for conveying the importance of water.

We will continue to deepen our understanding of the environment and aim for a sustainable global environment together with members of the local community.

(Held twice up until fiscal 2020; not held between fiscal 2021 and fiscal 2023 due to the coronavirus pandemic)



Parents and children observe killifish in a wastewater treatment facility as part of an eco-tour run by Toyota City.

Internal Environmental Training

Toyota Boshoku carries out environmental training for company members in order to further improve their awareness of environmental issues.

Alongside training for new company members and members facing promotion, we engage in various other initiatives. For example, we run environment-related events annually during Environment Month in June, as well as various training initiatives, such as e-learning and ISO14001 training.

Example:

The environment lecture held in fiscal 2024

Date: June 2023 (Environment Month)

Lecturer: Mr. Naoki Adachi (CEO, Response Ability, Inc.)

Lecture Topic: Biodiversity, Climate Change, and Resource Recycling: The Sustainability Required of Businesses Today



Working with and contributing to society

Toyota Boshoku actively participates in the Environmental Partnership Organizing Club (EPOC)-a partnership composed of around 250 large corporations in Japan's Chubu region. Through our participation in EPOC activities, such as inspections and workshops, we are contributing to the creation of a circular economy.

Toyota Boshoku is also a member of the West Mikawa Ecosystem Network Conference-an environmental group operating in central Japan-and works together with industry, government, academia, and local environmental groups as part of our initiatives to both preserve rich natural ecosystems and help local communities coexist with nature.

2025 Environmental Action Plan

Aiming to realize the "2050 Environmental Vision," in November 2020 the Toyota Boshoku group announced the "2025 Environmental Action Plan" to be followed in the five years to 2025, and is promoting relevant activities.

2025 Environmental Action Plan

(◆: Toyota Boshoku group ▲: Toyota Boshoku)

	Challenge 6 of the 2050 Environmental Vision	2025 Environmental Action Plan				Related SDGs
		Target		Action items		
Global warming prevention	 1 GHG Net-zero in the product life cycle	◆	Review plans and progress of manufacturing products factoring in lightweighting for new car models	①	Product development that contributes to top-level fuel efficiency	  
			Review plans and progress of manufacturing products factoring in features other than lightweighting for new car models	②	Promote product development to support next generation automobiles	
			Review plans and progress of manufacturing products factoring in features other than lightweighting for new car models	③	Develop and commercialize a wider variety of biomass-derived products	
		▲	CO2 emissions in logistics: 14% reduction compared to FY2012	④	Reduce CO2 emissions through the pursuit of efficient logistics activities	
	[Targets related to action item ④] CO2 emissions from logistics activities					
	 2 GHG Net-zero in the plant	◆	CO2 emissions 25% reduction compared to FY2020	⑤	Minimize CO2 emissions in daily improvement activities	
				⑥	Develop and adopt the most advanced and innovative production technologies	
		◆	Adoption rate of renewable energy: 15%	⑦	Accelerate formulation of renewable energy scenario and adoption of renewable energy tailored for individual country/regional policy	
				⑧	Study potential use of next generation energy in our company with the mid to long-term roadmap	
				Renewable energy installation rate (quantity of renewable energy/total electricity usage)		
				[Targets related to action items ⑤–⑧] CO2 emissions		
		RegionBase yearItem2025 target				
Global—Renewable energy installation rate15%						
RegionBase yearItem2025 target						
GlobalFY2020Emissions25% reduction						

Resource circulation	 3 Sustainable resource circulation	◆	Set a target of non-petroleum and recycled material usage to be realized by 2030, and draw a roadmap for commercialization Promote research that will accelerate usage of plant-derived materials	⑨	Reduce usage of scarce resources by developing biomass and recycling technologies	 	
	 4 Waste minimization	◆	Basic unit of waste emissions: 14% reduction compared to FY2012	⑩	Promote minimization of wastes generated in production activities		
				[Targets related to action item ⑩] Waste			
Co-existence with nature	 5 Water resource impact minimization	◆	Basic unit of water use: 6% reduction compared to FY2014	[Targets related to action item ⑩] Waste			
				[Targets related to action item ⑩] Waste			
	 6 Conservation and regeneration of natural capital	◆	Number of trees planted: 140,000(Cumulative total: 640,000)	⑪	Reduce packaging materials used in logistics activities and use resources effectively		 
⑫				Reduce wastewater by developing water-less processes and water recycling technologies			
Management	 6 Conservation and regeneration of natural capital	◆	Number of trees planted: 140,000(Cumulative total: 640,000)	⑬	Promote connecting forest and biodiversity conservation activities regionally and globally		
				[Targets related to action item ⑫] Water consumption			
				[Targets related to action item ⑫] Water consumption			
Management	Environmental management	⑭	Promote the reinforcement of the consolidated environmental management				 
		⑮	Strengthen the chemical substance management system				
		⑯	Reduce the VOC* emissions from production activities				 
		⑰	Promote environmental activities in collaboration with business partners				
		⑱	Promote environmental management in product development				
		⑲	Strengthen environmental education to pass the environmental conservation activities on to future generations				
		⑳	Enhance communication with stakeholders through active disclosure of environmental information				

* Volatile Organic Compounds: organic chemicals which have a high volatility (i.e. a high vapor pressure at room temperature). This term covers 100 substances designated by Japan's Ministry of the Environment

- Target values are based on our current business plan. These target values may be subject to future review in case of substantial changes to our business plan.
- Detailed targets are established each fiscal year, and disclosed on our website
- Our environmental initiatives plan is shared among Toyota Boshoku and Toyota Boshoku group companies

Response to the TCFD

Based on its Corporate Philosophy of “Promote corporate activities that help protect the global environment”, the Toyota Boshoku group makes collective efforts to contribute to preserving the global environment in order to realize a sustainable society.

We formulated the 2050 Environmental Vision in 2016 and identified our Materiality (important issue to be resolved through our business operations) of “Together with our business partners, we will realize MONOZUKURI innovations that minimize environmental stress” in 2020 in order to promote environmental initiatives. And we revised a part of the 2050 Environmental Vision in 2023 based on social trends.

In April 2020, we endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). By extensively analyzing the impact of climate change on our business and the risks and opportunities that result from it based on scenarios, we are reviewing the applicable costs and reflecting them in our management strategy. Based on the results of scenario analysis, we will continue to strengthen our response to risks and opportunities and work on further information disclosure.

Governance

Concrete measures related to climate change and other environmental issues are decided upon by the Board of Directors and implemented. Then these measures will be reviewed at the Corporate Strategy Meeting, the Corporate Planning Meeting, and the Corporate Management Meeting.

Policies and plans to respond to environmental issues identified by the Board of Directors, the Corporate Strategy Meeting, and the Corporate Planning Meeting are shared at the Environment Promotion Meeting, which is held three times annually, and is connected with implementation planning and progress management for environmental issues affecting the Toyota Boshoku group. Additionally, KPIs are created based on implementation planning, and these are reported and subjected to management review at monthly Corporate Management Meetings.

Matters reported and discussed upon at the Environment Promotion Meeting are reported to the Board of Directors as needed, whose directions and supervision allow such matters to be incorporated into group strategy.

Our corporate governance system

Strategy

Scenario Analysis on Climate-related Risks and Opportunities

(1) Scenario Analysis Results

We have identified short-term, medium-term, and long-term risks and opportunities based on the 1.5 to 2°C scenario^{*1} developed by the International Energy Agency (IEA), in which the impact of transition risks surfaces, and the 4°C scenario^{*2} developed by the Intergovernmental Panel on Climate Change (IPCC), in which the impact of physical risks surfaces. The table below lists the risks and opportunities that are assessed as particularly high.

^{*1} 1.5°C scenario: NZE (IEA World Energy Outlook 2021); 2°C scenario: SDS (IEA World Energy Outlook 2021)

^{*2} 4°C scenario: RCP 8.5 (IPCC 5th Assessment Report)

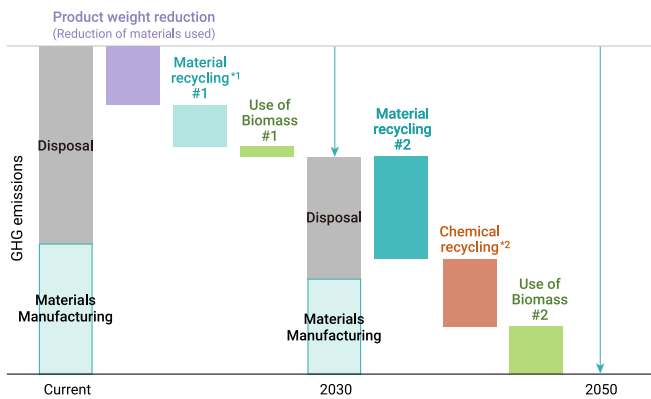
	Causes	Risks / Opportunities	Assessment	Actions	Response Cost (FY2024)
Transition risks and opportunities (1.5 to 2°C)	Enhancement of climate change policies, including carbon pricing	• Increase in procurement costs by introducing carbon prices, etc.	Risk 	• Survey of suppliers (GHG emissions, efforts to reduce GHG emissions, etc.) Promotion of activities for setting GHG emission reduction targets • Support for suppliers (Sharing of energy saving cases, joint development of new materials and new methods, joint purchase of renewable energy, etc.)	—
		• Increase in operating costs due to the direct impact of the introduction of carbon prices or its indirect impact on energy prices	Risk 	• Introduction of highly efficient equipment to promote further energy saving and promotion of the development of new methods • Promotion of the introduction of renewable energy • Optimization of logistics (Reduction of GHG emissions associated with transportation through the promotion of local production for local consumption)	2.9 billion yen
		• Increase in cost due to investment in energy saving and renewable energy for decarbonization	Risk 	• Optimization of investment by introducing ICP (Internal Carbon Pricing)	
	Enhancement of efforts to promote vehicle electrification	• Expansion of business in new fields through collaboration between Toyota group companies	Opportunity 	• Expansion of new business domains and diversification of provided value	0.7 billion yen
		• Increase in demand for electrified products	Opportunity 	• Further planning and development of electrified products	1.5 billion yen
	Change in evaluation by customers and the consumer value standard (raised environmental awareness, etc.)	• Decrease in sales due to lower demand for products with insufficient low-carbon technology	Risk 	• Planning and development of products to further reduce carbon emissions • Planning and development of plant-derived products and lightweight products • Improvement of recyclability and promotion of simple disassembly design	2.9 billion yen
		• Increase in sales by developing low-carbon products • Expansion of demand for plant-derived products and lightweight products • Enhancement of competitiveness by developing technology to improve recyclability	Opportunity 		
Physical risks and opportunities (4°C)	Worsening of extreme weather, including heavy rain and subsequent flooding	• Decrease in sales due to the impact of supply chain disruption on production	Risk 	• Risk management using a system to manage the range of supplier impact • Selection of logistics routes that minimize the impact of disaster	—
		• Decrease in sales due to factory shutdown	Risk 	• Enhancement of the BCP system (Creation of manuals and establishment of an information collection/sharing system)	—

(2) Priority Action

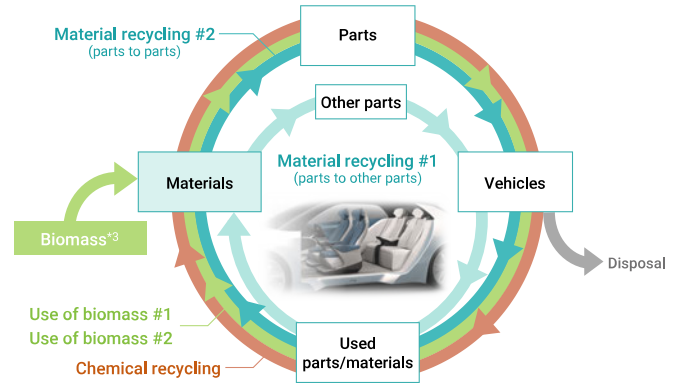
Challenge to Carbon Neutrality through a Circular Economy for Product Materials

The Toyota Boshoku group promotes the reduction of GHG emissions in the product life cycle. In addition to reducing the weight of products, using plant-derived materials (biomass), and developing technologies for electrified products, we will improve the recyclability of products. We will also work to reduce GHG emissions from the materials used in our products toward carbon neutrality.

(1) Measures to reduce GHG emissions from product materials



(2) Initiatives for a circular economy



Challenge to carbon neutrality by 2050 by recycling product materials and using biomass

*1 Reusing products as raw materials to produce new products

*2 Chemical decomposition of used products and reuse as raw materials for new products

*3 A renewable resource of biological origin

Risk Management

The Carbon Neutral Environmental Center monitors climate change-related changes in the external or internal environment on a company-wide basis, and identifies risks that could negatively impact our business. Climate-related risks are officially identified at the Risk Management Promotion Meeting, with the Chief Human Resource Officer(CHRO), head of the Human Resources & General Administration Segment acting as chairperson. The Risk Management Promotion Meeting receives reports from various departments, and discusses climate change-influenced risks of all kinds, such as typhoons and flooding. Judgments are made concerning the relative severity of risks, with consideration made to the relationship between various risks. Finally, climate-related risks which affect the entire company are identified.

Identified risks are reported to the Board of Directors, under the management of the Chief Risk Officer(CRO)who is also the President.

Our risk management system

Metrics and Targets

Medium- and long-term targets

- 2025 Environmental Action Plan
25% reduction in plant CO₂ emissions versus FY2020
- 2030 target
50% reduction in plant GHG emissions versus FY2020
- 2035 Challenge Target
Aim for a 100% reduction in plant GHG emissions versus FY2020
- 2050 Environmental Vision
GHG Net-zero in the product life cycle
GHG Net-zero in the plant

Monitoring metrics

- Scope 1, Scope 2 GHG emissions and energy usage (Toyota Boshoku group)
- Scope 3 GHG emissions (Toyota Boshoku group)

FY2024 results

- Scope 1
- Scope 2
- Scope 3

Response to the TNFD

Toyota Boshoku group formulated the 2050 Environmental Vision in 2016. And we reviewed the Toyota Boshoku group's past activities and our future target and in July 2023 drew up three key initiatives. We analysed nature-related risks and opportunities to understand nature dependencies and impacts of our group business and further three key initiatives: measures to global warming prevention in response to climate change, circular economy in response to the depletion of natural resources, and co-existence with nature in response to the biodiversity crisis. In future, we will disclose our information based on Taskforce on Nature-related Financial Disclosures (TNFD) framework. We aim to further contribute to global environmental conservation.

Governance

Concrete measures related to climate change, the depletion of natural resources, the biodiversity crisis and other environmental issues are decided upon by the Board of Directors and implemented. Then these measures will be reviewed at the Corporate Strategy Meeting, the Corporate Planning Meeting, and the Corporate Management Meeting.

Policies and plans to respond to environmental issues identified by the Board of Directors, the Corporate Strategy Meeting, and the Corporate Planning Meeting are shared at the Environment Promotion Meeting, which is held three times annually, and is connected with implementation planning and progress management for environmental issues affecting the Toyota Boshoku group. Additionally, KPIs are created based on implementation planning, and these are reported and subjected to management review at monthly Corporate Management Meetings.

Matters reported and discussed upon at the Environment Promotion Meeting are reported to the Board of Directors as needed, whose directions and supervision allow such matters to be incorporated into group strategy. Furthermore, the Human Rights Working Group is conducting activities, with the CSO (Chief Strategy Officer) in charge of Corporate Planning Segment as the leader. The Corporate Planning Division serves as the secretariat, and members are elected from the HR, purchasing, general administration, legal, and safety-related divisions. The Human Rights Working Group organizes the approach to human rights, identifies human rights risks, and discusses initiatives, etc. Reports on the Group's activity plans, progress, and results are made to the CSV Promotion Meeting, and reported to the Board of Directors, which discusses and makes confirmations, chaired by the Chairman.

Corporate governance system

Respect of Human Rights

Strategy

Analysis Process

We analysed by LEAP approach of TNFD framework.

Locate Identify priority region	Evaluate Grasp dependencies and impacts	Assess Assess risks and opportunities	Prepare Prepare action and disclosure
We narrowed down priority region of direct operations based on TNFD five standards. (Conservation significance, Ecosystem integrity, Low integrity, Water stress, Nature dependencies and impacts)	We identified nature dependencies and impacts key initiatives of each supplychain including upstream, direct operations and down stream by using ENCORE* ¹ which is TNFD recommendation tool.	We identified and assessed risks and opportunities of each supplychain including upstream, direct operations and down stream based on identified dependencies and impacts by two factors: impact and potential.	We connect our group business strategy and action with identified risks and opportunities. Then we organized it. This time we disclosed analysed result.

*¹ Exploring Natural Capital Opportunities, Risks and Exposure: The assessment tool of nature-related which is developed by The UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) and Natural Capital Finance Alliance (NCFA) etc.

Analysis result

We wrote high assessment result of nature-related risks and opportunities in the table below.

Causes	Impact stage	Classification	Risks / Opportunities	Actions
Increased importance of sustainable raw material procurement	Procurement	Risk	● Increase in raw material procurement cost by legislation of raw material procurement step.	● Development of product for improvement of recyclability and substitution of sustainable material.
		Opportunities	● Improvement of product value by sustainable procurement.	● Improvement of raw material traceability precision. ● Enhancement of raw material management by further tighten raw material related requirement.
Enhancement of nature-related policy	Direct operation	Risk	● Increase in operation cost by enhancement of Environmental legislation. (Soil, Air, Water quality, Waste)	● Introduction of highly efficient equipment to promote environmental impact reduction and promotion of the development of new methods. ● Enhancement of organisation for circular economy.
		Opportunities	● Improvement of corporate value by water resources impact reduction.	● Modeling further water resources impact reduction activities as modeling.
Change in evaluation by customers and the consumer value standard (raised environmental awareness, etc.)	Product demand	Risk	● Decrease demand by not being able to meet customer requirement regarding to circular economy.	● Development of product for improvement of recyclability and substitution of sustainable material.
		Opportunities	● Increase in demand of plant-derived products and lightweight products. ● Enhancement of competitiveness by developing technology to improve recyclability.	● Planning and development of plant-derived products and lightweight products. ● Improvement of recyclability and promotion of simple disassembly design.
Worsening of extreme weather, including shortage of water and flooding	Procurement	Risk	● Decrease in sales due to the impact of supplychain disruption on production.	● Risk management using a system to manage the range of supplier impact. ● Selection of logistics routes that minimize the impact of disaster.
	Direct operation		● Decrease in sales due to factory shutdown.	● Enhancement of the BCP system. (Creation of manuals and establishment of an information collection/sharing system)

Risk Management

Nature-related risks are deliberated upon at the Risk Management Promotion Meeting, with the CHRO(Chief Human Resources Officer), head of the Human Resources & General Administration Segment acting as chairperson.

The Risk Management Promotion Meeting receives reports from various departments, and discusses risks of all kinds, such as environmental pollution and nature disasters. Judgments are made concerning the relative severity of risks, with consideration made to the relationship between various risks. Finally, risks which affect the entire company are identified.

Identified risks are reported to the Board of Directors, under the management of the CRO (Chief Risk Officer) who is also the President.

Risk Management

Metrics and Targets

	Classification	TNFD core metrics (Disclosure unit)	Contents	FY24 Results	FY26 Targets	FY31 Targets
D e p e n d e n c y · I m p a c t	Land-use change	Total spatial footprint (km ²)	Number of trees planted	Cumulative 700k	Cumulative 640k	Cumulative 770k
		Extent of land/freshwater/ ocean-use change (km ²)	Water consumption reduction ratio (compared to FY2014)	▲37%	▲6%	▲8%
			Water resources overall quantity released*	3,415,000m ³	-	-
	Pollution	Pollutants released to soil split (t)	Quantity of substances falling under PRTR*	515t	-	-
		Waste generation and disposal (t)	Waste emissions reduction ratio (compared to FY2012)	▲9%	▲14%	▲20%
			Waste overall volume*	30,138t	-	-
			Waste Basic unit*	3.52t/thousand units	-	-
			Reverse compensation recycling*	15,815t	-	-
			Incinerated waste*	6,538t	-	-
			Direct landfill waste*	7,784t	-	-
			Wrapping, packaging materials used*	2,049t	-	-
		Non-GHG air pollutants (t)	NOx*	15.5t	-	-
			SOx*	0t	-	-
			Quantity of substances falling under PRTR*	515t	-	-
			VOC substances*	428t	-	-
	Resource use	Water withdrawal and consumption from areas of water scarcity (m ³)	Water resources overall quantity released*	3,415,000m ³	-	-

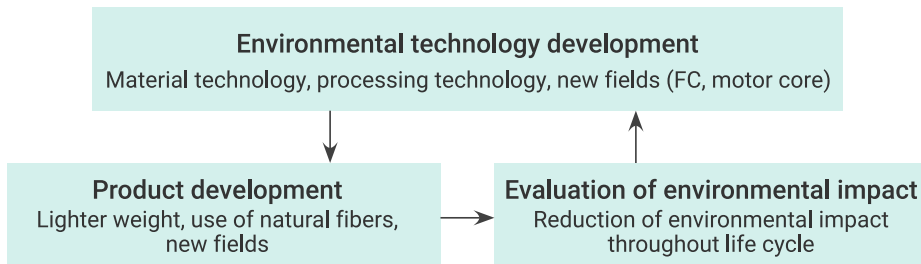
* Please see detail on [ESG Data](#) page

GHG Net-zero in the product life cycle

Basic approach

Instead of focusing only on the reduction of CO₂ emissions during our auto parts production process, the Toyota Boshoku group takes on the challenge of "achieving GHG Net-zero" in all stages of the product life cycle from production to use, disposal and recycling of products.

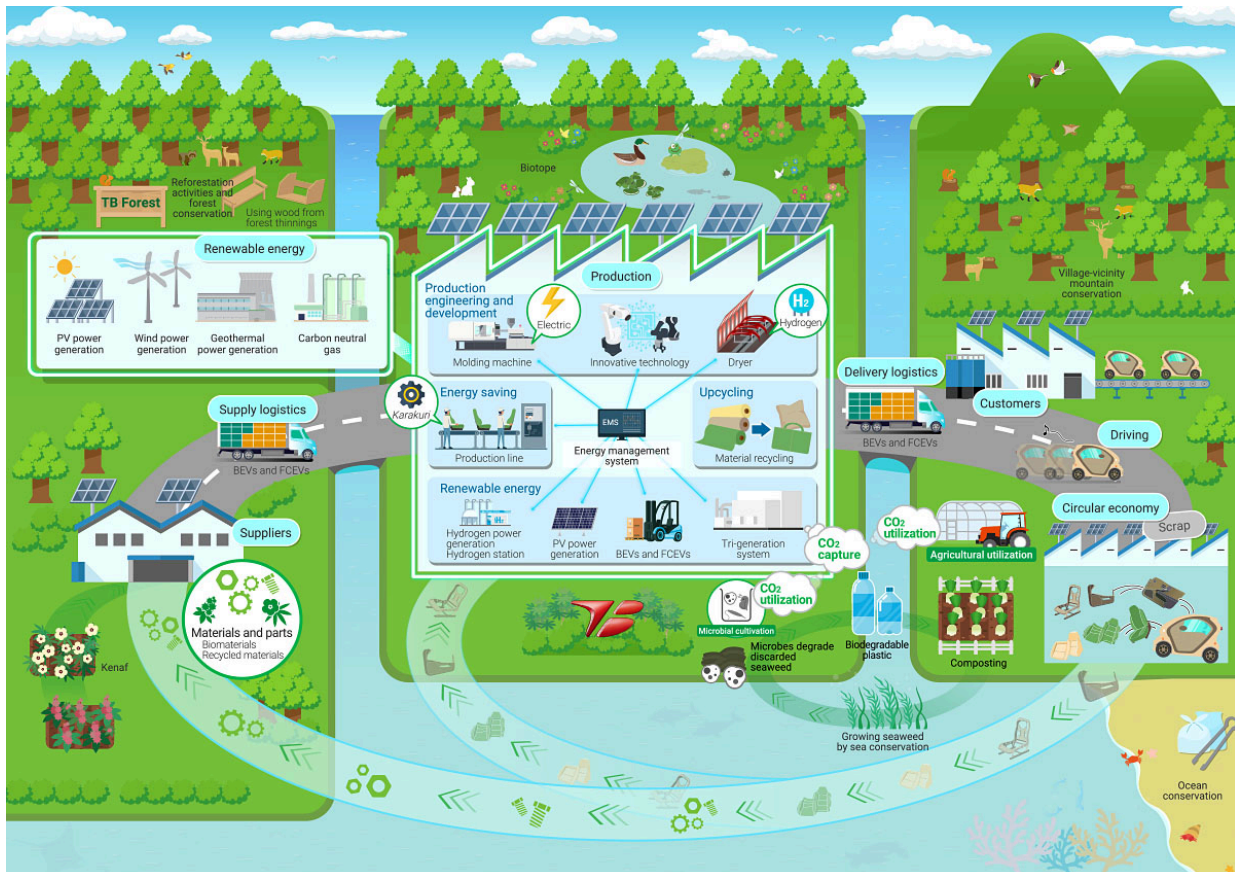
Continuing our efforts to reduce the environmental impact of technology R&D



Promote technology development to reduce environmental impact

Contribute to realization of Toyota Boshoku's 2050 Environmental Vision

Future vision of Toyota Boshoku



Carbon Neutrality Strategy Roadmap

		by 2025	by 2030	by 2050
GHG emissions reduction target (compared to FY2020 levels)		25% reduction	50% reduction	Work towards carbon neutrality
Scopes 1 & 2	Energy conservation	GHG emissions from Toyota Boshoku group production: analyze + set targets		GHG emissions from Toyota Boshoku group production: promote energy reductions
		Energy conservation + daily improvement activities		
		Development + practical use of innovative technologies		
	Renewable energy usage	Renewable energy: 15% of total usage	Renewable energy: 40% of total usage	Renewable energy: work towards 100%
Scope 3 (strengthening cooperation with OEM or industry groups, and public-private partnerships)	LCA	Life-cycle total GHG emissions: analyze	Life-cycle total GHG emissions: set targets	Life-cycle total GHG emissions: promote reductions
		Promote energy conservation cooperation with various suppliers		
		Promote recycling of products + materials		Establishment of circular economy
		Logistics CO ₂ emissions: 14% reduction on 2011 levels	Logistics CO ₂ emissions: 20% reduction on 2011 levels	Optimization of logistics

The Carbon Neutrality Strategy Roadmap is an action implementation plan designed to help us achieve our target of reducing plant GHG emissions by 50% (compared to FY2020 levels) by the year 2030. It was designed with consideration of the actual conditions on the ground across our five global regions of Japan, the Americas, China, Asia, and Europe & Africa. Working together with each region, we are working to examine which improvement items can, or should be implemented globally, and are promoting activities that contribute to the realization of our GHG target.

Going forward, the entire Toyota Boshoku group will continue to take action, and engage in activities that help reduce GHG emissions.

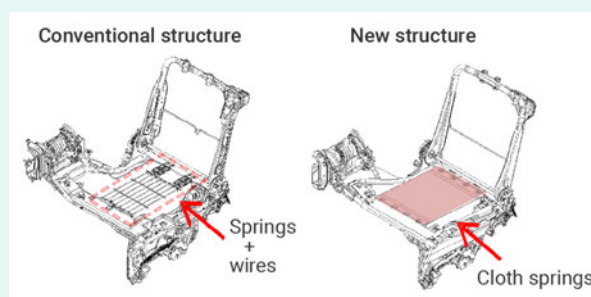
Reduce GHG emissions in the life cycle of Toyota Boshoku products by reducing weights

Toyota Boshoku ascertains GHG emissions in the life cycle of core products, from their manufacture and sale to their usage and eventual disposal, and then takes action to reduce these emissions as a means to promote more environmentally friendly products. Out of all the stages in the life cycle mentioned above, the majority of CO₂ emissions arise during a product's usage. Thus, we put great effort into actions that can improve fuel efficiency and reduce emissions, such as promotion of reductions to the size or weight of products.

[Click here](#) to learn more about Toyota Boshoku's efforts to create door trims with high impact resistance and lower weight.

Reducing CO₂ emissions through lightweighting

It is said that the majority of GHG emissions throughout the life cycle of a vehicle are accounted for when driving. Therefore, we conduct development and design based on the conviction that reducing weight and creating compact designs will contribute to increasing the fuel efficiency of cars and reducing CO₂ emissions. In fiscal 2022, lower-profile, comfort-enhancing third-row seats were installed in Toyota's new NOAH and VOXY models. The conventional metal springs and wires in the third-row seat cushioning have been replaced with fiber cloth springs, which allows improved comfort while riding, as well as thinner overall seating, leading to weight reduction.



Third Seat Structure

Our Decarbonization School, run by Sunshine (a supplier group member of Toyota Boshoku)

Our Decarbonization School has been operating since 2022, with the aim of reducing GHG emissions throughout our entire supply chain.

The school holds lectures by both external consultants and staff from our Carbon Neutral Environment Center on energy saving techniques, and other topics related to decarbonization. It also assists member companies in creating GHG emission reduction targets, and in developing plans to meet their targets, as well as supporting employee development with an eye to cultivating employees with the skills and vision needed for long-term carbon neutral efforts.

As well as classroom lectures, on-site study sessions were also held at the Kariya Plant in fiscal 2023 and at Toyota Boshoku Shiga in fiscal 2024. At the plant, we introduced suppliers to an energy-saving technique related to steam and compressed air used to operate equipment, and to case studies of energy conservation including wrapping pipes with insulation to prevent heat dissipation.

We will continue to work closely with our suppliers to promote carbon neutral initiatives throughout the supply chain.

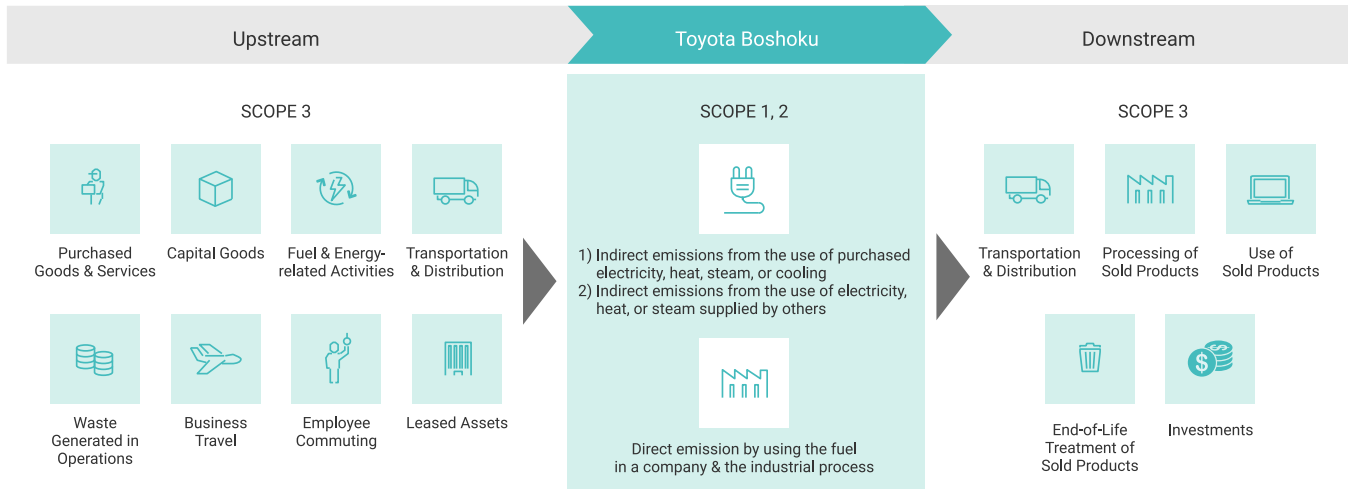


Presenting a case study of improved energy conservation at Toyota Boshoku Shiga

Scope 3* (Supply Chain Management)

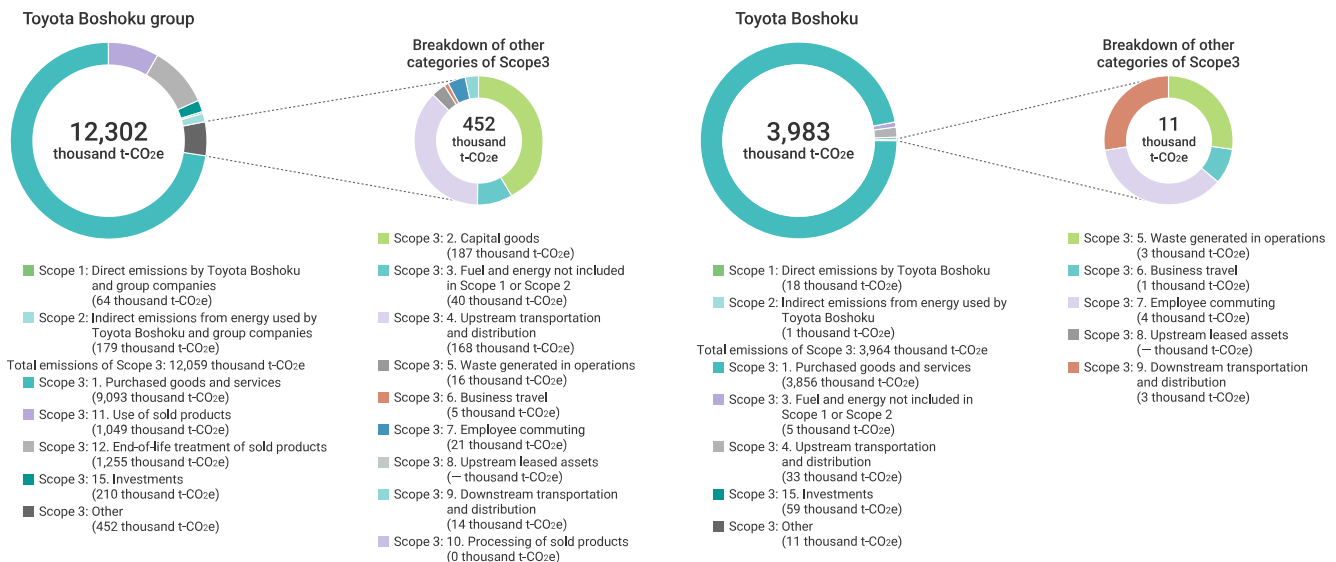
Toyota Boshoku has commenced to calculate the GHG emission of whole Toyota Boshoku's supply chain in order to reduce the GHG emission from our whole business activities since FY2013.

Next, we will improve the precision of calculating method, and proceed to reduce GHG emission after we evaluate the GHG emission of each category in our whole business activities.



* Scope 3: GHG in both Upstream and Downstream in business
 [Upstream] GHG by supply of material, transportation and employees' transfer
 [Downstream] GHG by using and end-of-life treatment of sold products

GHG Emissions Produced by Toyota Boshoku group's Value Chain



Calculation Criteria

Category	Explanation of each category	Calculating method
1. Purchased goods & services	Emissions from production of purchased raw materials, components, etc.	For raw materials, components, etc. purchased at Toyota Boshoku group production sites, figures are calculated by multiplying the costs (in million yen) of each type of raw material, component, etc. by GHG emission coefficient (t-CO ₂ e/millions yen) by raw material type. GHG emission coefficient by raw material type values are taken from the separate emission factor database for corporate GHG emissions accounting over the supply chain (Ver. 3.4, March 2024) published by the Ministry of the Environment (MoE) and the Ministry of Economy, Trade and Industry (METI).
2. Capital goods	Emissions from the construction and manufacture of the company's own Capital goods (building & equipment, etc.)	For increased monetary value in the report year for fixed assets (buildings and structures, machinery and vehicles, tools, appliances and fixtures, software, etc.) held by Toyota Boshoku group, calculation is performed based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain" (Ver. 2.6, March 2024) and the separate emission factor database for corporate GHG emissions accounting over the supply chain (Ver. 3.4, March 2024), both published by MoE and METI.
3. Fuel- and energy-related activities not included in Scope 1 or Scope 2	Emissions by producing and transporting the purchased fuel & manufacturing stage of purchased electricity and heat	For energy consumption by Toyota Boshoku group, calculation is performed based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain" (Ver. 2.6, March 2024), the separate emission factor database for corporate GHG emissions accounting over the supply chain (Ver. 3.4, March 2024), both published by MoE and METI, and the "LCI Database IDEA version 3.3."
4. Upstream transportation and distribution	Emissions from procurement logistics and shipping logistics of our shipments	CO ₂ of procurement logistics from suppliers to Toyota Boshoku group and shipping logistics of our shipments are calculated based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain" (Ver. 2.6, March 2024), published by MoE and METI, ISO 14083:2023 ("Quantification and reporting of greenhouse gas emissions arising from transport chain operations"), the "Global Logistics Emissions Council (GLEC) Framework V3.0," and "LCI Database IDEA version 3.3."
5. Waste generated in operations	Emissions from the disposal of waste generated in-house	Calculated by multiplying the amount of waste (t) discharged from Toyota Boshoku group offices and plants by the CO ₂ emission coefficient for each waste type (t-CO ₂ /t). Values for CO ₂ emission coefficient by waste type (t-CO ₂ /t) are from the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain" (Ver. 2.6, March 2024) and the separate emission factor database for corporate GHG emissions accounting over the supply chain (Ver. 3.4, March 2024), both published by MoE and METI, the U.S. EPA "Emission Factors for Greenhouse Gas Inventories 2023," "Thailand's Emission Factor," the "Indonesia_climate-change-roadmap-waste-sector" and the "UK Government GHG Conversion Factors for Company Reporting Ver.1.1."
6. Business travel	Emissions from business travel by company members	Calculation by number of Toyota Boshoku group employees based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain" (Ver. 2.6, March 2024), the separate emission factor database for corporate GHG emissions accounting over the supply chain (Ver. 3.4, March 2024), both published by MoE and METI.
7. Employee commuting	Emissions from commuting by company members to and from the workplace	Calculation by number of Toyota Boshoku group employees and number of business days, based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain" (Ver. 2.6, March 2024), the separate emission factor database for corporate GHG emissions accounting over the supply chain (Ver. 3.4, March 2024), both published by MoE and METI.
8. Upstream leased assets	Emissions from the operation of assets leased by our company (Except when calculated in Scope 1 and 2)	Amounts for CO ₂ emissions from upstream use of leased assets (vehicles, building rental, etc.) are included in Scope 1 and 2.
9. Downstream transportation and distribution	Emissions from logistics to customers (excluding shipping logistics of our shipments)	For logistics from Toyota Boshoku group to customers, calculation is performed based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain" (Ver. 2.6, March 2024), published by MoE and METI, ISO 14083:2023 ("Quantification and reporting of greenhouse gas emissions arising from transport chain operations"), the "Global Logistics Emissions Council (GLEC) Framework V3.0," and "LCI Database IDEA version 3.3."
10. Processing of sold products	Emissions from intermediate product processing by customers	For products sold by Toyota Boshoku group, calculation is performed based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain" (Ver. 2.6, March 2024), published by MoE and METI, while energy consumption by business partners, etc. uses emission factors from actual measurements at similar facilities of Toyota Boshoku.
11. Use of sold products	Emissions from use of products by users (consumers)	For electrical components attached to products sold by Toyota Boshoku group, calculation is performed based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain" (Ver. 2.6, March 2024), published by MoE and METI, the LCI Calculation Guidelines (Consumer Use Phase) of general incorporated foundation the Japan Auto Parts Industries Association (JAPIA) (Ver. 2.0.8, May 28, 2021), and the "list of calculation methods and emission factors in the calculation, reporting and publication system (2015)" of MoE.

Category	Explanation of each category	Calculating method
12. End-of-life treatment of sold products	Emissions from processing at time of product disposal by users (consumers)	For products sold by the Toyota Boshoku group, calculation is performed by multiplying units produced in categories of seats, interior and exterior parts, and unit components by basic units calculated in-house. Basic units calculated in-house are calculated based on fiscal 2020 disposal figures for the categories of seats, interior and exterior parts, and unit components.
15. Investments	Investment management-related emissions	For Toyota Boshoku group affiliates accounted for by the equity method (16 companies), calculation is performed based on the "Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain" (Ver. 2.6, March 2024) published by MoE and METI, by multiplying each company's fiscal 2024 sales revenue by ownership ratio (%) and emission factors, the values for which are given in the separate emission factor database for corporate GHG emissions accounting over the supply chain (Ver. 3.4, March 2024), both published by MoE and METI.

[Click to check Scope1 and 2](#)

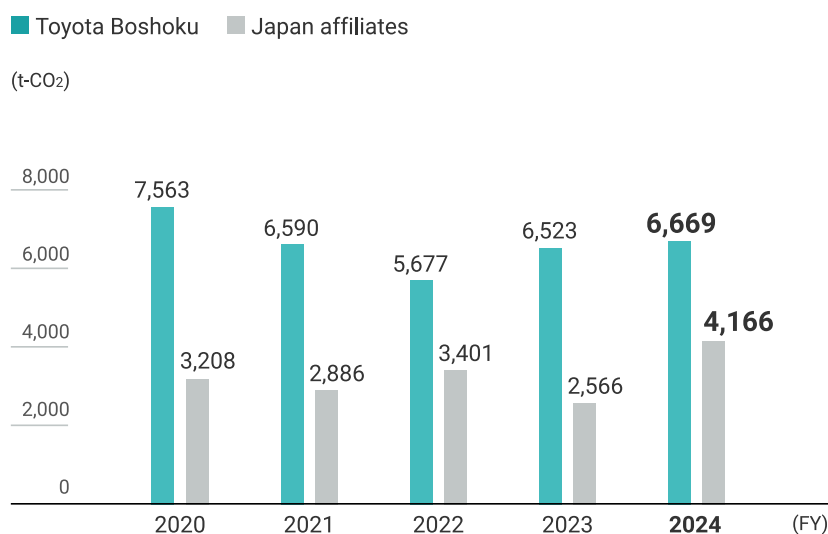
Reducing CO₂ emissions in logistics

We carry out logistics kaizen activities as part of our daily administrative tasks, and work together with plants to promote CO₂ reductions by way of responding flexibly to daily changes in production. Within Japan, we are planning future expansion of joint logistics, as well as an associated reorganization of logistics transfer points, and are proceeding with both logistics optimization and further reductions in CO₂ emissions.

In line with this work across Japan, we are also continuing to carry out change globally via implementation of logistics kaizen, and CO₂ reduction activities across the world.

In the future we will actively investigate and consider the use of vehicles such as FCEV (fuel cell vehicles) and BEV (battery electric vehicles), as well as industrial machinery that does not rely on fossil fuels, and contribute towards realizing a carbon neutral future.

CO₂ emissions in logistics [Japan region]



GHG Net-zero in the plant^{*}

Basic approach

In pursuit of the GHG Net-zero in the plant, as described in our 2050 Environmental Vision, we are promoting various environmental activities with the aim of reducing GHG emissions by 50% by the year 2030 (compared to FY2020 levels), and reducing GHG emissions by 100% by the year 2035.

^{*} achieving net zero greenhouse gas emissions

Efforts to Achieve Carbon Neutrality

1. Promotion of initiatives to ensure completion of Toyota Boshoku's 40 initiatives for energy conservation

Energy conservation is important to Toyota Boshoku, with many energy saving initiatives being discussed, shared, and carried out across all areas of our business. However, when looking at the situation on the ground, it's clear that more still needs to be done in certain areas.

To address this, we have selected 40 specific energy conservation initiatives to be prioritized globally. These initiatives can be divided into two categories: E-JIT^{*} initiatives, which can be implemented through behavioral and workflow changes without additional financial cost, and equipment efficiency improvements, which involve either adoption of highly efficient equipment, or retrofitting of pre-existing facilities.

Additionally, we are working on developing and distributing both a manual for how to approach such improvements, and a mid-term activities plan to guide our future energy savings activities.

^{*} E-JIT: Energy Just-In-Time (generating only the amount of energy that is required at that point in time to produce the necessary quantity of products)

Toyota Boshoku's 40 items for energy conservation

Category	Equipment/ Machinery	No.	Item
E-JIT	Boilers	1	Closing nearby valves in unneeded areas
		2	Regulation of boiler air ratios
		3	Periodic steam trap inspections, diagnosis of issues
		4	Thorough maintenance to prevent steam leaks
		5	Thermal insulation of pipes & valves
		6	Removal of unneeded pipes
	Air conditioning	7	Periodic cleaning of filters & heat exchange fins
		8	Consistently turn off when unneeded
		9	Use of timers to automatically switch units off
		10	Adherence to temperature regulations
	Lighting	11	Use of natural lighting (skylights)
		12	Removal of unneeded lighting
		13	Turning off unnecessary/excessive lighting
		14	Switching off lighting when unneeded
	Compressors	15	Closing nearby valves in unneeded areas
		16	Thorough maintenance to prevent air leaks
		17	Periodic cleaning of filters
	Fans & pumps	18	Carrying out periodic cleaning of strainers
		19	Coupling fans & pumps with production equipment
	Other	20	Consistently turn off power outside production times
		21	Systematically switching off power when not needed

Category	Equipment/ Machinery	No.	Item
Equipment Efficiency Improvements	Boilers	22	Ending use of large-scale boilers in factories
		23	Heat recovery via economizers
		24	Installation of boiler control units
	Air conditioning	25	Switching to highly efficient air conditioners
		26	Switching to insulated, heat-reflective glass in equipment buildings
	Lighting	27	Switching to LED lighting
	Compressors	28	Installation of inverter air compressors
		29	Installation of air tanks
		30	Installation of compressor control units
		31	Converting to ring main water piping
		32	Switching from air cylinders to electric cylinders
		33	Converting to electric blowers
		34	Converting to highly efficient air blow guns
	Fans & pumps	35	Automatic operation of fans & pumps via coolant temperature-sensing inverter control systems
		36	Reducing water usage by switching pumps to inverter control systems
		37	Regulating ventilation by switching fans to inverter control systems
		38	Use of highly efficient machinery
	Other	39	Heat insulation of hydronics equipment
		40	Switching to highly efficient, best-in-class transformer models

2. Active introduction of renewable energy

The Toyota Boshoku group is proactively introducing renewable energy. Since October 2022, 100% of the electricity purchased in Japan from Chubu Electric Power has zero CO₂ emissions. Additionally, from January 2023, electricity use at all European sites (excluding sites in Africa) has been successfully converted to 100% renewable energy.

Moving forward, our entire group will continue to systematically introduce renewable energy and respond to the need for carbon neutrality.

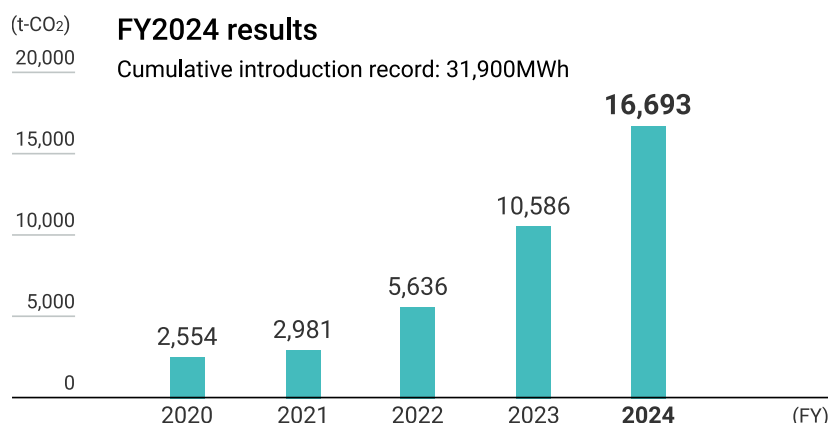


Solar panels at our Tsutsumi plant

Solar power generation equipment installation results

	Before 2019	2020	2021	2022	2023
Japan	Kariya Plant Gifu Plant Sanage Plant Takaoka Plant ARACO Toyota Boshoku Kyushu TB Sewtech Kyushu Toyota Boshoku Tohoku TB Logistics TB Technogreen	Sanage MONOZUKURI Innovation Center	Kariya Plant / Global headquarter Toyohashi-Kita Plant Toyohashi-Minami Plant Toyota Boshoku Shiga	Tsutsumi Plant	Toyota Boshoku Kyushu (additional)
Outside Japan	China Ningbo Toyota Boshoku Toyota Boshoku (Tianjin) Tianjin Toyota Boshoku Thailand Toyota Boshoku Asia Toyota Boshoku Automotive (Thailand) S.K. Auto Interior STB Textiles Industry Toyota Boshoku Gateway (Thailand) Toyota Boshoku Siam Metal India Toyota Boshoku Automotive India		China Toyota Boshoku (China) Tianjin Intex Chengdu Toyota Boshoku Thailand Toyota Boshoku Filtration System (Thailand) Vietnam Toyota Boshoku Hanoi America Toyota Boshoku America Belgium Toyota Boshoku Europe Poland Toyota Boshoku Legnica Toyota Boshoku Poland France Toyota Boshoku France Toyota Boshoku Somain	China Guangzhou Intex Toyota Boshoku (Guangzhou) Toyota Boshoku Foshan America Toyota Boshoku Mississippi	

The size of avoided CO₂ emissions through the introduction solar power generation equipment



* We calculate the size of avoided CO₂ emissions by multiplying the PV power generation which we have introduced by the "CO₂ conversion coefficient" of purchased electricity on the below.

Amount of CO₂ emission

Introduction of storage batteries

At our Toyohashi-Kita Plant, we have installed storage batteries to efficiently utilize the electricity generated by the solar generation equipment on the roof. When the generated electricity exceeds immediate consumption, it is stored in the batteries. During peak usage times, the stored electricity is discharged, thereby improving the utilization rate of solar power generation. This approach not only achieves peak shifting but also promotes effective energy use.

Calculation of greenhouse gas emissions

CO₂ conversion coefficients for electric power in Japan are calculated with reference to emissions coefficients from each domestic electric utility company (based on emissions survey results), and included in Electric Utility Companies' Emissions Coefficients (for use in calculating greenhouse gas emissions of companies emitting above a certain set level)-Results from Fiscal 2023, published by Japan's Ministry of the Environment, whereas for electric power in other regions they are calculated with reference to the IEA's Emissions Factors 2023. CO₂ conversion coefficients for gas and other fuels are calculated with reference to A Summary of Calculation Methods and Emission Intensities for Systems of Calculating, Reporting and Publishing Environmental Data published by Japan's Ministry of the Environment.

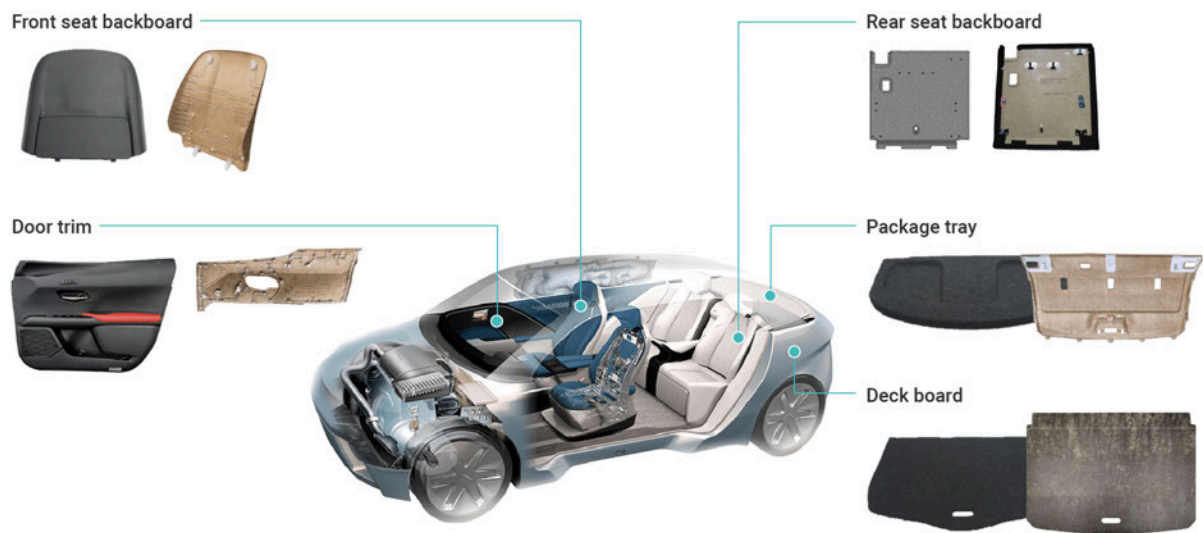
Sustainable resource circulation

Basic approach

The Toyota Boshoku group will contribute to curbing the depletion of fossil fuel and mineral resources by promoting easy-to-dismantle and recyclable designs, recycling materials through the development of recycling technologies, and replacing materials through the use of plant-derived materials.

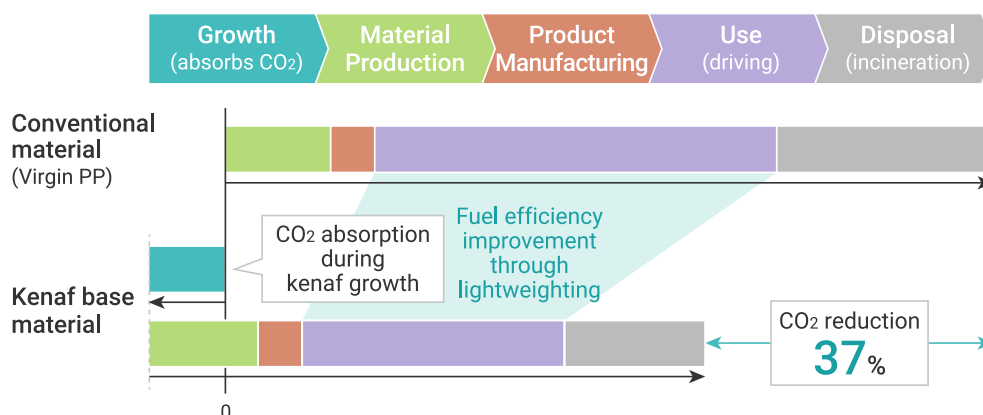
Automobile interior components using kenaf

Aiming to reduce GHG emissions in the life cycle of automobiles, we are promoting the development of products using kenaf, which are widely used in automobile parts.



Life cycle GHG reduction benefits (from raw material production to disposal)

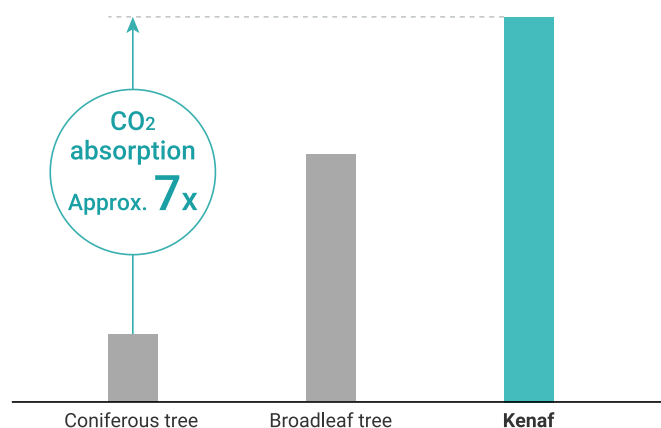
By replacing petroleum-based materials with plant-based materials for interior components and using kenaf, with its strong fiber, as a reinforcement material, it is possible to improve fuel efficiency (reduce CO₂ emissions during driving) through lightweighting.



What is kenaf ?

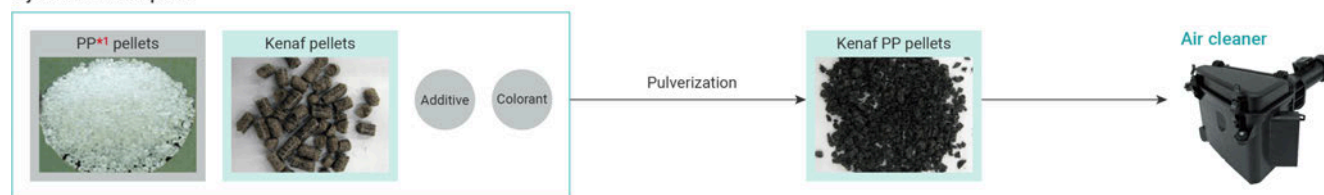
CO₂ absorption capacity

It grows rapidly, reaching a height of 3 to 4 m and a stem diameter of 3 to 4 cm in about six months. It is an annual plant that also has a high CO₂ absorption capacity.

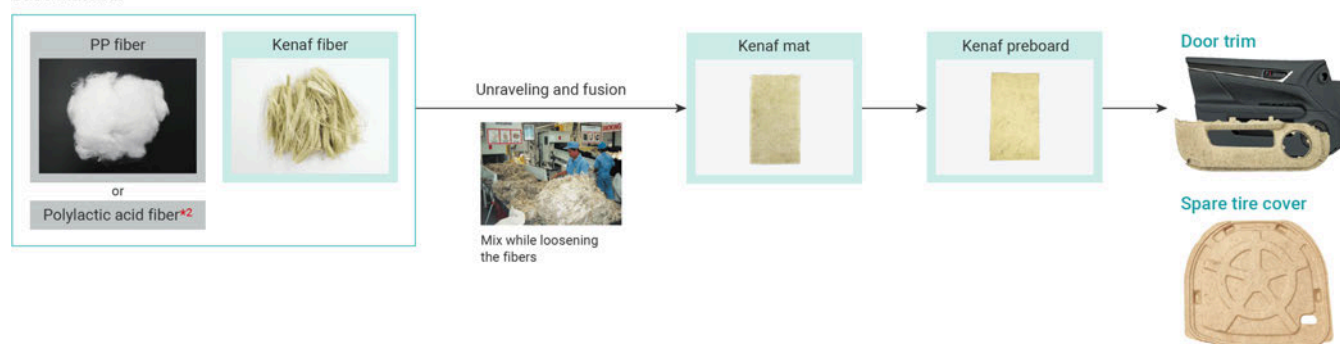


How kenaf products are made

Injection molded parts



Base material

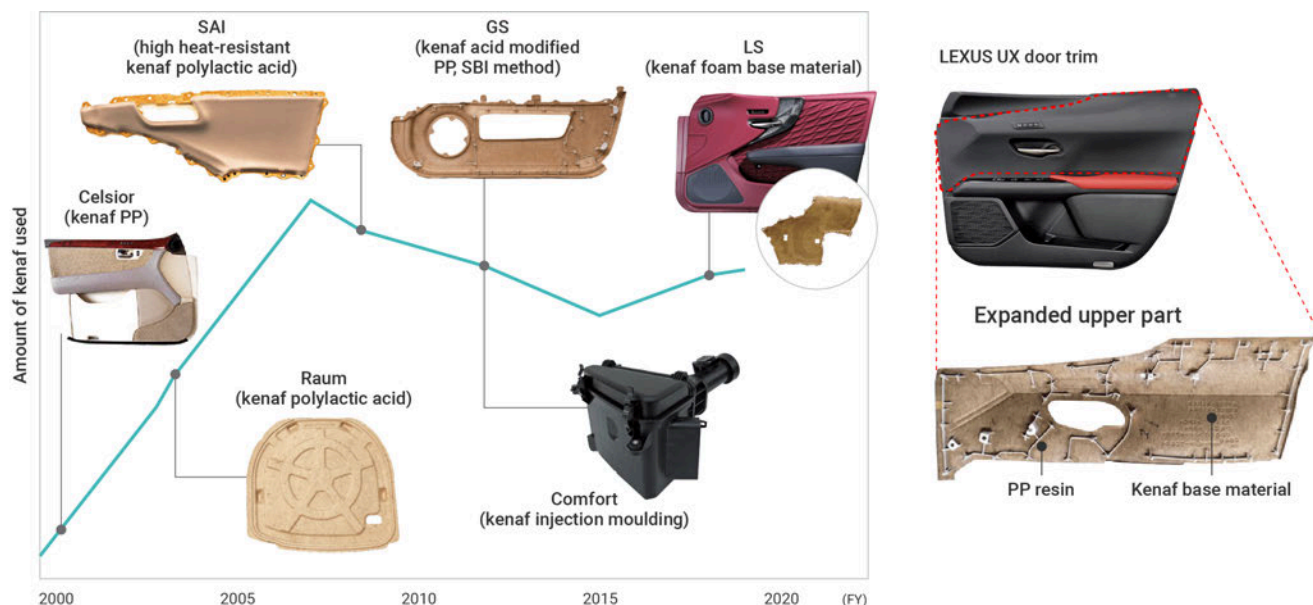


*1 Abbreviation of the plastic classification: Polypropylene.

*2 A plant-derived plastic made from lactic acid, which is produced by fermenting starch. It has attracted much interest as a biodegradable plastic material and is also environmentally friendly.

Sequential commercialization of kenaf base materials

Door trim base material using kenaf fiber was first utilized in the Celsior in 2000. Since then, Toyota Boshoku has advanced our technology and expanded usage. Examples include 100% plant-derived parts made from kenaf and polylactic acid, the SBI (Simultaneous Back Injection) method for injection molding of resin parts simultaneously with press molding of kenaf base material, and air cleaner cases made by injection molding using kenaf. Recently, kenaf foam base material, which is one of the world's top-class lightweight base materials, is employed in the LEXUS LS. Furthermore, we are working to expand the product range by expanding the scope of application; for example, such as utilization in the upper part of the LEXUS UX door trim.



Utilizing kenaf base materials for products other than automobile components

Kenaf processing expertise and technology developed over the years by Toyota Boshoku has been utilized in joint development with Itoki Corporation of a new line of office furniture products made using kenaf base materials. In the future we will continue making use of eco-friendly kenaf base materials to develop new automobile interior products, furniture, and all manner of other similarly more valuable products.



Furniture for lounge spaces where people spontaneously gather, and can work and chat

Waste minimization

Basic approach

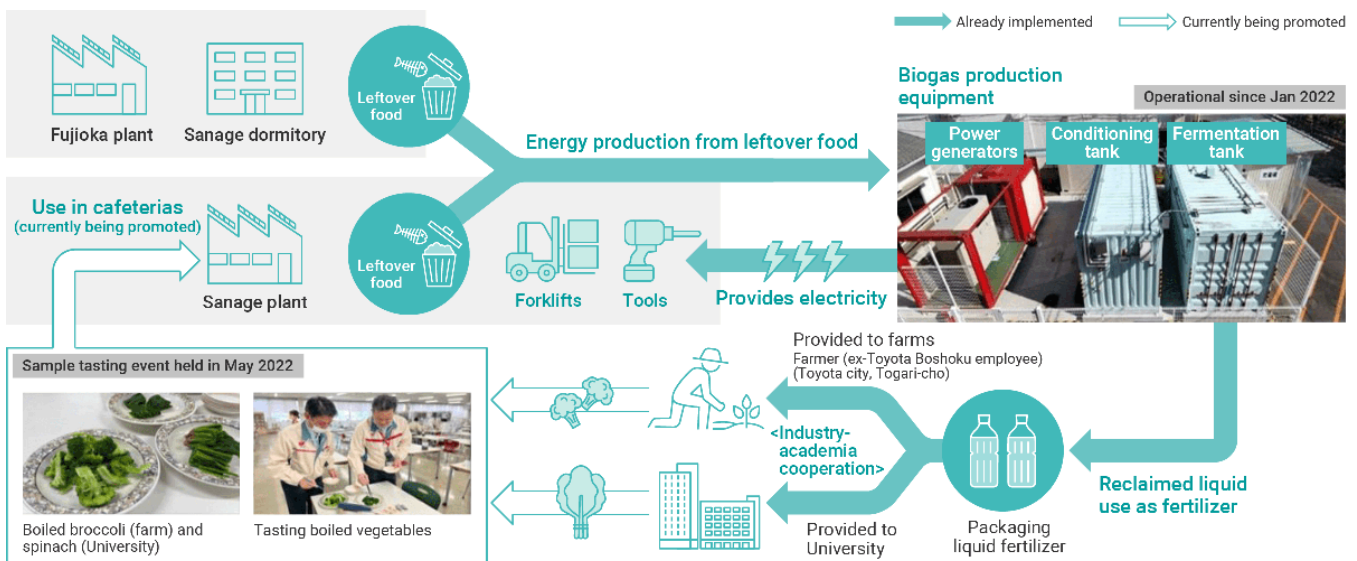
The Toyota Boshoku group verifies activities to reduce waste at each plant and deploys best practices across the organization such as reducing the defect rate and enhancing the recycling rate for components. We are also working on design and production preparations that realize a reduction in material loss rate.

Waste minimization

As part of Toyota Boshoku group efforts to minimize production waste, we are carrying out various initiatives to reduce emissions output rate by 14% by 2025, as compared to fiscal 2012 levels. To do this we are focusing both on minimizing waste during the production stage—such as by reducing the rate of defects, as well as by making improvements to yield—and on pushing forward with such activities as our upcycling initiatives. For example, the use of waste materials from car seat covers in the production of new products. Additionally, as part of our efforts to reduce raw materials used in packaging during distribution, we are moving toward increased recycling of packaging materials. Similarly, we are reducing the use of packing materials by moving to reusable and "returnable" packaging, and by discontinuing excess packaging, such as so-called "double packaging" where multiple components of a product come individually wrapped.

Food waste initiatives: generating biogas from leftover food

Leftover food from cafeterias at Toyota Boshoku's Sanage, Fujioka, Toyohashi-Kita, Toyohashi-Minami, and Toyohashi-Higashi plants, as well as the Sanage dormitory, is used to produce biogas for charging forklift and tool batteries. Additionally, liquid reclaimed from the biogas production process is used as liquid fertilizer for the cultivation of vegetables. These vegetables have been offered as samples in cafeterias, and we are examining the possibility of using them as a regular part of our cafeteria menus in the future.





The food waste utilization system installed at our Toyohashi plant in fiscal 2023

Initiatives to reduce waste by upcycling* surplus materials from seat covers

Toyota Boshoku-produced seat covers are made from comfortable, highly functional materials, offering a pleasant feel and texture, as well as flame-retardant and high-durability properties that prevent damage from abrasion, light, and the elements.

During production these materials are cut into shape, and some pieces are inevitably left over as waste. Similarly, when a line of seat covers is discontinued, some surplus stock may remain. In order to prevent waste and make full use of these high-quality materials, we have begun a project to upcycle them into new products.

As the first step of this project, we partnered with the Japanese baseball team the Chunichi Dragons to create a line of seat cushions based on their mascot Doala. We also produced chair covers for the Women's Japan Basketball League team the Toyota Boshoku Sunshine Rabbits.

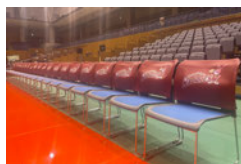
In 2023, we trademarked the brand name RE:TERRACE for this upcycling project, and have expanded our offered products to include round cushions and slippers.

In the future, we will continue working towards carbon neutrality by making further use of waste and surplus materials from not just seat covers, but door trims, seat belts, and more.

* Upcycling: the act of taking something no longer in use, considering its potential, and reusing it for other purposes



Seat cushions and chair covers made from reused waste material



Round cushion



Slipper

RE:TERRACE

The RE:TERRACE upcycling brand logo

Amount of waste

Water resource impact minimization

Basic approach

In our efforts to achieve zero wastewater, the Toyota Boshoku group is making efforts to reduce water consumption by recycling wastewater generated in production processes, developing water-less production processes, and incorporating rainwater into our water supply.

Additionally, we make use of international assessment tools to evaluate risks posed to water resources at our various business sites, and promote activities and improvements that reduce such risks, with special attention given to regions and business entities facing particularly high risks.

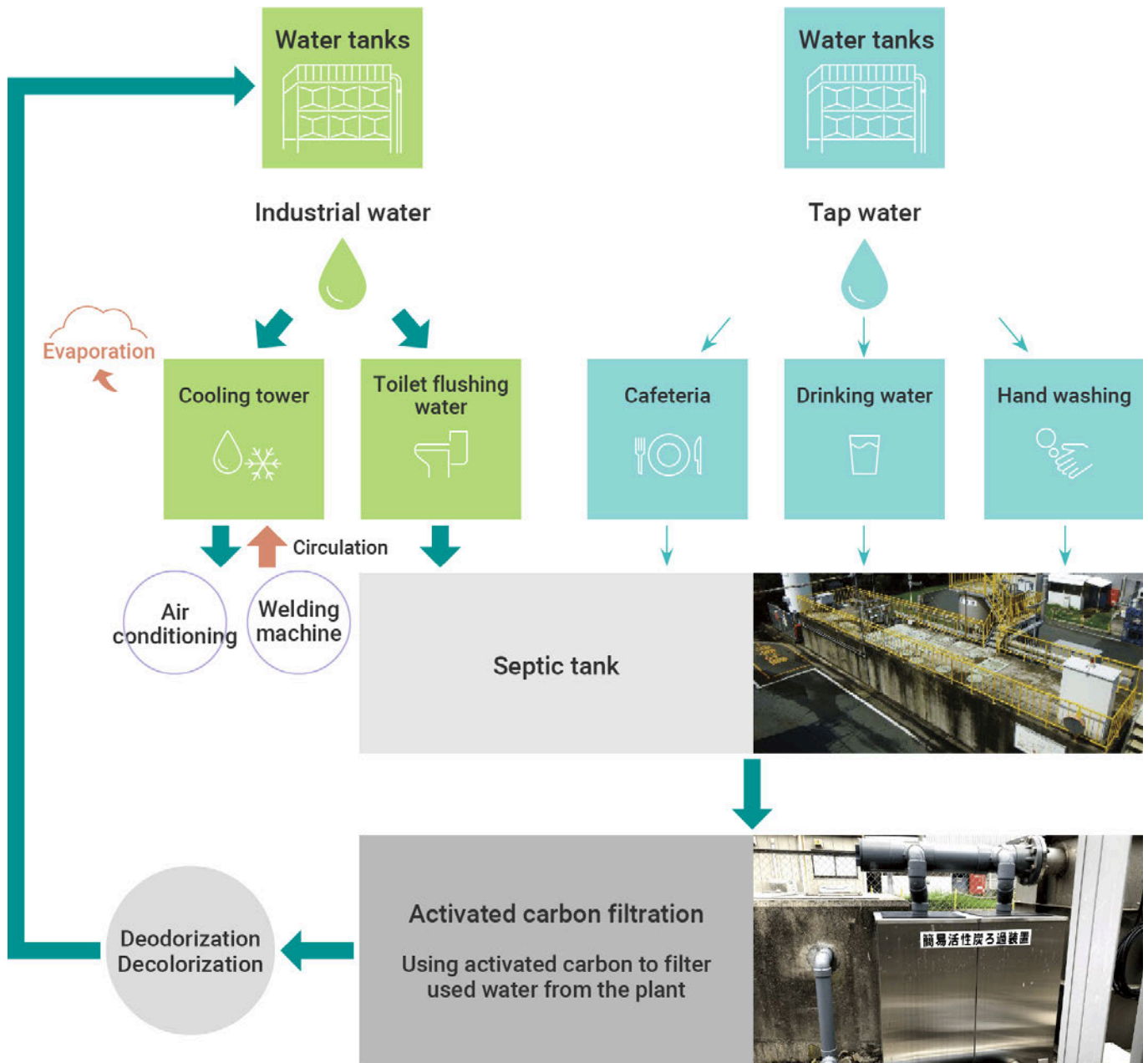
The Company also contributes to energy conservation through cooling and circulating water purification systems using proprietary filtration technologies.

Making a Circular Recycling System for Septic Tank Output Water

In fiscal 2020, the Toyota Boshoku Toyohashi-Kita Plant in Aichi prefecture has developed its own system for filtering and reusing the plant's wastewater, ensuring zero wastewater drainage is produced.

The Toyohashi-Kita Plant makes use of two categories of water; potable water that can be used as drinking water, and industrial water for such uses as machine coolant and in toilets. In the past, water was treated in septic tanks, and 35 tons of water was discharged into the sea every day from the plant. Now this water is filtered with activated carbon in specially-developed tanks to remove any lingering odors or discoloration, before being pumped back into water tanks for further use as industrial water, thus ensuring no water needs to be discharged. We obtained a patent for this circulation system in fiscal 2023.

Use of this circulation system has also been expanded to the Toyohashi-Minami Plant and Toyohashi-Higashi Plant, with plans to make the entire Toyota Boshoku group wastewater free in the future.



Water consumption

Conservation and regeneration of natural capital

Basic approach

The Toyota Boshoku group is working to protect biodiversity with a focus on reforestation based on the Toyota Boshoku Basic Policy of Biodiversity.

Since 2015, the Company has participated in the All Toyota Green Wave Project(Japanese language only)* , an activity being implemented by the Toyota Group. The sphere of activities of the project has been expanded to include group companies, local communities and government in an effort to promote reforestation.

* Project aimed at creating a society that is in harmony with nature that has been implemented by the Toyota group since 2015

The Toyota Boshoku group's reforestation activities

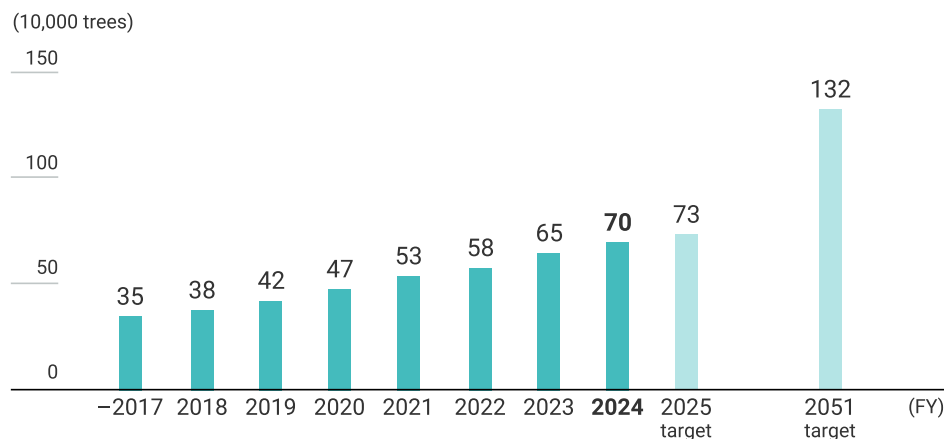
The Toyota Boshoku group's reforestation activities have spread around the world and we are progressing towards our target of planting 1,320,000 trees by 2050.

In fiscal 2024, we planted 44,042 trees. Although we did not reach our cumulative target of 710,000 trees set last fiscal year, the cumulative total number of trees planted was 700,000, far exceeding the target of 640,000 trees set in the 2025 Environmental Action Plan.

In fiscal 2025, we will continue to further promote reforestation activities.

We will also promote activities linked to the biodiversity roadmap.

Cumulative number of trees by 2050



Planting trees to prevent blown sand in Vietnam

We have been working alongside the public interest incorporated foundation Japan International Forestry Promotion and Cooperation Center (JIFPRO) since fiscal 2020 on a five-year project in Vietnam to plant 70,000 trees in a 35-hectare area. In fiscal 2024 we planted 2,400 eucalyptus trees and 300 acacia trees, continuing our efforts to improve the local environment and aid further economic development in the area. In fiscal 2025, we will nurture and care for the 70,000 trees planted to date.



Toyota Boshoku Hanoi's tree-planting initiative



Tree planting by local company members



Environmental conservation activities that also contribute to the local community

Tree-planting to protect forests in the Philippines

Toyota Boshoku Philippines planted 800 mangroves in coastal areas. This will help to preserve water quality and prevent soil erosion, thereby maintaining a healthy ecosystem.



Toyota Boshoku Philippines tree-planting initiative



Activities to prevent desertification in China's Inner Mongolia autonomous region

Toyota Boshoku China (TBCH) and Toyota Boshoku have been conducting tree-planting activities in cooperation with the China Green Foundation, together with its sites and affiliated companies in the China region, with the aim of preventing desertification in Inner Mongolia.

In fiscal 2024, we planted 26,000 trees in an area of 31 hectares. To date, 151,573 trees have been planted, bringing the total area of trees planted to approximately 181 hectares.

We will continue working with the China Green Foundation in the future, and we estimate another 15,000 trees will be planted over a three year period from fiscal 2025. In addition, we will also promote activities linked to the biodiversity roadmap.



Tree planting activities in Inner Mongolia



Saplings planted to prevent desertification

High praise for our carbon neutrality-pursuing activities

TBCH received the China Automobile Enterprise CSR Excellence Award at the China Auto Forum in fiscal 2023.

The China Auto Forum, held annually by the China Association of Automobile Manufacturers, is the leading forum for China's automotive market, and the various global automotive organizations that support and contribute to it.

The China Automobile Enterprise CSR Excellence Award is presented to a company that has performed outstanding CSR (corporate social responsibility) activities. TBCH received particularly high praise for the extensive initiatives it had undertaken in pursuit of its 2050 Carbon Neutrality targets, in such areas as research and development, production, manufacturing technology, adoption of renewable energy, improvements to energy conservation, and tree planting.



Bird Conservation Activities

Toyota Boshoku France has worked together with environmental conservation groups to plant 500 shrubs throughout company sites.

This initiative is not merely designed to improve the views around company sites, but also to improve biodiversity in the areas. France's bird populations have declined by 30% in the past 15 years, and these shrubs can help reverse that trend by providing birds with both necessary food and habitats.



Tidal flat conservation activities

In May 2024, we participated in the major cleanup held annually at the Fujimae Tidal Flat, which has been designated as a site under the Ramsar Convention on Wetlands. Through the cleanup, we aim to raise environmental awareness and contribute to the local community by thinking about litter and water across the whole basin. As well as litter that has been washed ashore, we also cleaned up microplastics, which have become a major problem in recent years.

Additionally, in June 2024 we conducted a cleanup of the Shiokawa tidal flats on the inner side of the Mikawako-Ohashi Bridge in Toyohashi.



Major cleanup at the Fujimae Tidal Flat



Cleanup of the Shiokawa tidal flats

Participation in the All Toyota Green Wave Project

With the aim of building a society that can live in harmony with nature, we have been participating in the All Toyota Green Wave Project (which has been promoted by the Toyota Group since fiscal 2016).

Just as last year, in May 2024 we again worked alongside local government and residents in planning action to eradicate the invasive flower species *Coreopsis lanceolata*. *Coreopsis lanceolata* has been designated as an invasive species with a risk of causing severe negative impacts on ecosystems in Japan, due to its capacity to cause extinction of local species. In fiscal 2025, we will continue to participate in the activities of the All-Toyota Harmony with Nature Working Group and maintain our efforts to conserve the ecosystems and biodiversity of regional areas.



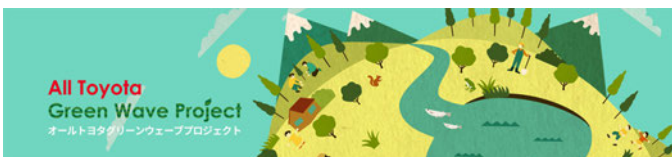
Eradication of *Coreopsis lanceolata*



Eradication underway



After eradication efforts



Environmental Data for Each Company Around the World

The Americas

Overview for the Americas region

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	48,546
Emissions (Including direct landfill waste and incinerated waste) [t]	7,557
Water resource usage [thousand m ³]	137

* Note: GHG emission amounts (production + non-production) t-CO₂e is calculated including Scope 3 category 8 upstream leased assets

Regional Management & Collaboration Hub

1 TOYOTA BOSHOKU AMERICA, INC.

[Business] The Americas RM&CH ; Development, design, manufacture and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	2,180
Emissions (Including direct landfill waste and incinerated waste) [t]	–
Water resource usage [thousand m ³]	3

Production entities

2 TOYOTA BOSHOKU TENNESSEE, LLC

[Business] Manufacture and sales of metal components for seats

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	3,601
Emissions (Including direct landfill waste and incinerated waste) [t]	310
Water resource usage [thousand m ³]	5

3 TOYOTA BOSHOKU ILLINOIS, LLC

[Business] Manufacture and sales of seats, door trims and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	4,528
Emissions (Including direct landfill waste and incinerated waste) [t]	805
Water resource usage [thousand m ³]	2

4 TBDN TENNESSEE COMPANY, LLC

[Business] Manufacture and sales of unit components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	5,480
Emissions (Including direct landfill waste and incinerated waste) [t]	1,290
Water resource usage [thousand m ³]	13

5 TOYOTA BOSHOKU INDIANA, LLC

[Business] Manufacture and sales of seats, door trims and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	7,616
Emissions (Including direct landfill waste and incinerated waste) [t]	389
Water resource usage [thousand m ³]	11

6 TOYOTA BOSHOKU KENTUCKY, LLC

[Business] Manufacture and sales of molded headliners, door trims and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	9,414
Emissions (Including direct landfill waste and incinerated waste) [t]	1,171
Water resource usage [thousand m ³]	13

7 TOYOTA BOSHOKU MISSISSIPPI, LLC

[Business] Manufacture and sales of door trims and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	3,566
Emissions (Including direct landfill waste and incinerated waste) [t]	289
Water resource usage [thousand m ³]	5

8 TOYOTA BOSHOKU CANADA, INC.

[Business] Manufacture and sales of seats, door trims and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	3,454
Emissions (Including direct landfill waste and incinerated waste) [t]	1,711
Water resource usage [thousand m ³]	19

9 TB SEWTECH DE MEXICO, S. DE R. L. DE C.V.

[Business] Manufacture and sales of seat covers

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	4,182
Emissions (Including direct landfill waste and incinerated waste) [t]	923
Water resource usage [thousand m ³]	37

10 TOYOTA BOSHOKU DO BRASIL LTDA.

[Business] Manufacture and sales of seats, door trims and unit components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	1,123
Emissions (Including direct landfill waste and incinerated waste) [t]	300
Water resource usage [thousand m ³]	14

11 TOYOTA BOSHOKU ARGENTINA S.R.L.

[Business] Manufacture and sales of seats, door trims and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	917
Emissions (Including direct landfill waste and incinerated waste) [t]	305
Water resource usage [thousand m ³]	9

12 TB SEWTECH DE ARGENTINE, S. DE R. L. DE C.V.

[Business] Manufacture and sales of seat covers

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	412
Emissions (Including direct landfill waste and incinerated waste) [t]	64
Water resource usage [thousand m ³]	8

Asia

Overview for the Asia region

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	76,140
Emissions (Including direct landfill waste and incinerated waste) [t]	5,137
Water resource usage [thousand m ³]	518

* Notes:

- 1.GHG emission amounts (production + non-production) t-CO₂e is calculated including Scope 3 category 8 upstream leased assets
- 2.Data for Toyota Boshoku Device India Private Limited. and PT. Shiroki Indonesia have been included in aggregated results of the Asia region from the middle of fiscal 2024.

Regional Management & Collaboration Hub

1 TOYOTA BOSHOKU ASIA CO., LTD.

[Business] Asia RM&CH ; Development, design and sales of seats and interior components, sales of unit components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	1,175
Emissions (Including direct landfill waste and incinerated waste) [t]	33
Water resource usage [thousand m ³]	19

Production entities

2 BOSHOKU AUTOMOTIVE (THAILAND) CO., LTD.

[Business] Manufacture and sales of seat covers and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	251
Emissions (Including direct landfill waste and incinerated waste) [t]	184
Water resource usage [thousand m ³]	7

3 S.K. AUTO INTERIOR CO., LTD.

[Business] Manufacture and sales of interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	1,431
Emissions (Including direct landfill waste and incinerated waste) [t]	204
Water resource usage [thousand m ³]	14

4 STB TEXTILES INDUSTRY CO., LTD.

[Business] Manufacture and sales of air cleaners, seat fabrics, etc.

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	6,361
Emissions (Including direct landfill waste and incinerated waste) [t]	447
Water resource usage [thousand m ³]	69

5 TOYOTA BOSHOKU FILTRATION SYSTEM (THAILAND) CO., LTD.

[Business] Manufacture and sales of unit components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	8,646
Emissions (Including direct landfill waste and incinerated waste) [t]	405
Water resource usage [thousand m ³]	110

6 TOYOTA BOSHOKU GATEWAY (THAILAND) CO., LTD.

[Business] Manufacture and sales of seats and door trims

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	2,868
Emissions (Including direct landfill waste and incinerated waste) [t]	81
Water resource usage [thousand m ³]	45

7 TOYOTA BOSHOKU SIAM METAL CO., LTD.

[Business] Manufacture and sales of functional components for seats and unit components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	5,592
Emissions (Including direct landfill waste and incinerated waste) [t]	154
Water resource usage [thousand m ³]	38

8 TOYOTA BOSHOKU AUTOMOTIVE INDIA PRIVATE LIMITED

[Business] Manufacture and sales of seats, interior components and air cleaners

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	1,588
Emissions (Including direct landfill waste and incinerated waste) [t]	408
Water resource usage [thousand m ³]	49

9 PT. TOYOTA BOSHOKU INDONESIA

[Business] Manufacture and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	17,244
Emissions (Including direct landfill waste and incinerated waste) [t]	1,433
Water resource usage [thousand m ³]	72

10 TOYOTA BOSHOKU PHILIPPINES CORPORATION

[Business] Manufacture and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	1,112
Emissions (Including direct landfill waste and incinerated waste) [t]	105
Water resource usage [thousand m ³]	7

11 SHIN SAN SHING CO., LTD.

[Business] Manufacture and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	5,393
Emissions (Including direct landfill waste and incinerated waste) [t]	577
Water resource usage [thousand m ³]	24

12 TOYOTA BOSHOKU HAIPHONG CO., LTD.

[Business] Manufacture and sales of curtain-shield airbags

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	17,642
Emissions (Including direct landfill waste and incinerated waste) [t]	107
Water resource usage [thousand m ³]	53

13 TOYOTA BOSHOKU HANOI CO., LTD.

[Business] Manufacture and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	2,336
Emissions (Including direct landfill waste and incinerated waste) [t]	993
Water resource usage [thousand m ³]	10

14 SEAT METAL PARTS (THAILAND) CO.,LTD.

[Business] Manufacture and sales of functional components for seats and unit components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	190
Emissions (Including direct landfill waste and incinerated waste) [t]	–
Water resource usage [thousand m ³]	1

* Note: Since the company became a subsidiary in October 2023, data from October 2023 to March 2024 are reported.

China

Overview for China

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	44,446
Emissions (Including direct landfill waste and incinerated waste) [t]	6,905
Water resource usage [thousand m ³]	491

* Note: GHG emission amounts (production + non-production) t-CO₂e is calculated including Scope 3 category 8 upstream leased assets

Regional Management & Collaboration Hub

1 TOYOTA BOSHOKU (CHINA) CO., LTD.

[Business] China RM&CH; Development, design and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	1,236
Emissions (Including direct landfill waste and incinerated waste) [t]	47
Water resource usage [thousand m ³]	0

Production entities

2 CHENGDU TOYOTA BOSHOKU AUTOMOTIVE PARTS CO., LTD.

[Business] Manufacture and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	3,364
Emissions (Including direct landfill waste and incinerated waste) [t]	469
Water resource usage [thousand m ³]	23

3 TOYOTA BOSHOKU (GUANGZHOU) AUTOMOTIVE PARTS CO., LTD.

[Business] Manufacture and sales of metal components, seat frames and device components for seat frames

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	423
Emissions (Including direct landfill waste and incinerated waste) [t]	116
Water resource usage [thousand m ³]	50

4 GUANGZHOU INTEX AUTO PARTS CO., LTD.

[Business] Manufacture and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	1,305
Emissions (Including direct landfill waste and incinerated waste) [t]	823
Water resource usage [thousand m ³]	50

5 HEYUAN TOYOTA BOSHOKU AUTOMOTIVE PARTS CO., LTD.

[Business] Manufacture and sales of seat covers and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	2,112
Emissions (Including direct landfill waste and incinerated waste) [t]	641
Water resource usage [thousand m ³]	32

6 KUNSHAN TOYOTA BOSHOKU AUTOMOTIVE PARTS CO., LTD.

[Business] Manufacture and sales of automotive components and related parts

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	745
Emissions (Including direct landfill waste and incinerated waste) [t]	68
Water resource usage [thousand m ³]	6

7 NINGBO TOYOTA BOSHOKU AUTOMOTIVE PARTS CO., LTD.

[Business] Manufacture and sales of seat covers

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	165
Emissions (Including direct landfill waste and incinerated waste) [t]	417
Water resource usage [thousand m ³]	14

8 SHENYANG TOYOTA BOSHOKU AUTOMOTIVE PARTS CO., LTD.

[Business] Manufacture and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	500
Emissions (Including direct landfill waste and incinerated waste) [t]	303
Water resource usage [thousand m ³]	6

9 TOYOTA BOSHOKU (TIANJIN) AUTOMOTIVE PARTS CO., LTD.

[Business] Manufacture and sales of metal components, seat frames and device components for seat frames

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	3,462
Emissions (Including direct landfill waste and incinerated waste) [t]	86
Water resource usage [thousand m ³]	23

10 TIANJIN INTEX AUTO PARTS CO., LTD.

[Business] Manufacture and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	11,686
Emissions (Including direct landfill waste and incinerated waste) [t]	797
Water resource usage [thousand m ³]	44

11 TIANJIN TOYOTA BOSHOKU AUTOMOTIVE PARTS CO., LTD.

[Business] Manufacture and sales of unit components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	1,437
Emissions (Including direct landfill waste and incinerated waste) [t]	52
Water resource usage [thousand m ³]	4

12 TOYOTA BOSHOKU FOSHAN CO., LTD.

[Business] Manufacture and sales of unit components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	5,743
Emissions (Including direct landfill waste and incinerated waste) [t]	239
Water resource usage [thousand m ³]	41

13 KAWASHIMA TEXTILE MANUFACTURERS (SHANGHAI) LTD.

[Business] Manufacture and sales of transportation interior materials

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	100
Emissions (Including direct landfill waste and incinerated waste) [t]	–
Water resource usage [thousand m ³]	0

14 KAWASHIMA AUTOMOTIVE PARTS JIANGSU CO., LTD.

[Business] Manufacture and sales of transportation interior materials

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	8,145
Emissions (Including direct landfill waste and incinerated waste) [t]	2,847
Water resource usage [thousand m ³]	199

15 SEAT METAL PARTS CHINA CO.,LTD.

[Business] Manufacture and sales of metal components, seat frames and device components for seat frames

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	123
Emissions (Including direct landfill waste and incinerated waste) [t]	-
Water resource usage [thousand m ³]	0

* Note: Since the company became a subsidiary in October 2023, data from October 2023 to March 2024 are reported.

Europe & Africa

Overview for the Europe & Africa

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	12,796
Emissions (Including direct landfill waste and incinerated waste) [t]	2,656
Water resource usage [thousand m ³]	55

* Note: GHG emission amounts (production + non-production) t-CO₂e is calculated including Scope 3 category 8 upstream leased assets

Regional Management & Collaboration Hub

1 TOYOTA BOSHOKU EUROPE N.V.

[Business] Europe & Africa RM&CH ; Development, design and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	315
Emissions (Including direct landfill waste and incinerated waste) [t]	1
Water resource usage [thousand m ³]	1

Production entities

2 TOYOTA BOSHOKU FRANCE S.A.S.

[Business] Manufacture and sales of bumpers

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	32
Emissions (Including direct landfill waste and incinerated waste) [t]	18
Water resource usage [thousand m ³]	1

3 TOYOTA BOSHOKU SOMAIN S.A.S.

[Business] Manufacture and sales of seats

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	554
Emissions (Including direct landfill waste and incinerated waste) [t]	710
Water resource usage [thousand m ³]	4

4 TOYOTA BOSHOKU POLAND SP. Z O.O.

[Business] Manufacture and sales of unit components for seats and seat assembly

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	1,063
Emissions (Including direct landfill waste and incinerated waste) [t]	389
Water resource usage [thousand m ³]	15

5 TOYOTA BOSHOKU LEGNICA SP. Z O.O.

[Business] Manufacture and sales of unit components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	87
Emissions (Including direct landfill waste and incinerated waste) [t]	79
Water resource usage [thousand m ³]	1

6 TOYOTA BOSHOKU TURKIYE OTOMOTIV SANAYI VE TICARET A.S.

[Business] Manufacture and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	1,962
Emissions (Including direct landfill waste and incinerated waste) [t]	86
Water resource usage [thousand m ³]	22

7 TB SEWTECH TURKEY OTOMOTİV SANAYİ VE TİCARET LİMİTED ŞİRKETİ

[Business] Manufacture and sales of seat covers

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	253
Emissions (Including direct landfill waste and incinerated waste) [t]	592
Water resource usage [thousand m ³]	8

8 TOYOTA BOSHOKU SOUTH AFRICA (PTY) LTD.

[Business] Manufacture and sales of seats and interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	6,577
Emissions (Including direct landfill waste and incinerated waste) [t]	782
Water resource usage [thousand m ³]	4

Japan

Overview for Japan

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	57,810
Emissions (Including direct landfill waste and incinerated waste) [t]	7,883
Water resource usage [thousand m ³]	2,215

* Note: GHG emission amounts (production + non-production) t-CO₂e is calculated including Scope 3 category 8 upstream leased assets

Global Mainstay Hub / Japan RM&CH

1 TOYOTA BOSHOKU CORPORATION

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	18,860
Emissions (Including direct landfill waste and incinerated waste) [t]	3,682
Water resource usage [thousand m ³]	1,455

* Note: GHG emission amounts (production + non-production) t-CO₂e is calculated including Scope 3 category 8 upstream leased assets

Manufacturing Companies / Subsidiaries

2 TOYOTA BOSHOKU HIROSE CORPORATION

[Business] Manufacture and sales of metal components, seat frames and device components for seat frames

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	8,729
Emissions (Including direct landfill waste and incinerated waste) [t]	332
Water resource usage [thousand m ³]	58

3 TOYOTA BOSHOKU SEIKO CORPORATION

[Business] Manufacture and sales of metal components, seat frames and device components for seat frames

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	2,928
Emissions (Including direct landfill waste and incinerated waste) [t]	81
Water resource usage [thousand m ³]	12

* Note: Since the company became a subsidiary in October 2023, data from October 2023 to March 2024 are reported.

4 ARACO CO., LTD.

[Business] Manufacture and sales of seats and seat covers

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	41
Emissions (Including direct landfill waste and incinerated waste) [t]	751
Water resource usage [thousand m ³]	9

5 COWERK CO., LTD.

[Business] Manufacture and sales of seats

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	937
Emissions (Including direct landfill waste and incinerated waste) [t]	24
Water resource usage [thousand m ³]	6

6 TOYOTA BOSHOKU KYUSHU CORPORATION

[Business] Manufacture and sales of seats, door trims and other interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	941
Emissions (Including direct landfill waste and incinerated waste) [t]	650
Water resource usage [thousand m ³]	32

7 TOYOTA BOSHOKU SHIGA CORPORATION

[Business] Manufacture and sales of unit components, and interior / exterior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	4,177
Emissions (Including direct landfill waste and incinerated waste) [t]	429
Water resource usage [thousand m ³]	15

8 TOYOTA BOSHOKU TOHOKU CORPORATION

[Business] Manufacture and sales of seats and other interior components

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	8,732
Emissions (Including direct landfill waste and incinerated waste) [t]	312
Water resource usage [thousand m ³]	19

9 TB SEWTECH KYUSHU CORPORATION

[Business] Manufacture and sales of seat covers

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	213
Emissions (Including direct landfill waste and incinerated waste) [t]	170
Water resource usage [thousand m ³]	1

10 TB SEWTECH TOHOKU CORPORATION

[Business] Manufacture and sales of seat covers

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	285
Emissions (Including direct landfill waste and incinerated waste) [t]	303
Water resource usage [thousand m ³]	1

11 TB KAWASHIMA CO., LTD.

[Business] Manufacture and sales of transportation interior materials

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	6,015
Emissions (Including direct landfill waste and incinerated waste) [t]	925
Water resource usage [thousand m ³]	602

* In November 2024, the company changed its name to Aunde Boshoku Co., Ltd. and became an affiliate company (less than 50% equity stake).

Others

12 TB ENGINEERING CORPORATION

[Business] Manpower dispatching of design technicians and subcontracting technical development

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	4
Emissions (Including direct landfill waste and incinerated waste) [t]	1
Water resource usage [thousand m ³]	0

13 TB CORPORATE SERVICE CORPORATION

[Business] Sale of office supplies and other products, security work, cafeteria catering work

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	—*
Emissions (Including direct landfill waste and incinerated waste) [t]	49
Water resource usage [thousand m ³]	—*

* Includes Toyota Boshoku Plants

14 TB TECHNOGREEN CORPORATION

[Business] Manufacture and sales of tree planting equipment, building and facility design and construction, etc.

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	51
Emissions (Including direct landfill waste and incinerated waste) [t]	0
Water resource usage [thousand m ³]	0

15 TB LOGISTICS CORPORATION

[Business] Transport, cargo handling and warehousing services

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	3,867
Emissions (Including direct landfill waste and incinerated waste) [t]	152
Water resource usage [thousand m ³]	4

16 TECHNICAL LINKS DESIGN CO., LTD.

[Business] Product design, visual design, etc.

Item	Result
GHG Emissions (Production + Non-production) [t-CO ₂ e]	63
Emissions (Including direct landfill waste and incinerated waste) [t]	22
Water resource usage [thousand m ³]	0

* Note: Companies in which there is a stake of less than 50% are not listed.

Environmental Data Based on Each Business Entity (Japan)

Kariya Plant

[Products] Air filters, oil filters, ABS coils, etc.

GHG Emissions (Production + Non-production) [t-CO ₂ e]	505
Emissions (Including direct landfill waste and incinerated waste) [t]	878
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	0
Water resource usage [thousand m ³]	56

Water Quality

	Item	Unit	Regulation Value	Measurement Results	
				Max.	Min.
Plant wastewater	PH	–	5.8~8.6	7.7	6.9
	BOD	mg/L	25	7.1	less than 0.5
	COD	mg/L	–	9.5	4.1
	SS	mg/L	30	1	less than 1
	Oil content	mg/L	5	less than 0.5	
	Iron	mg/L	5	0.1	less than 0.1
	Total Nitrogen	mg/L	120	25	16
	Total Phosphorus	mg/L	16	0.03	0.01
	Fluorine	mg/L	8	less than 0.1	
	Boron	mg/L	10	2.3	0.29

Atmosphere

	Item	Unit	Regulation Value	Measurement Results
				Max.
Boiler	Dust	g/Nm ³	0.2	less than 0.003
	NO _x	ppm	–	19
	SO _x	K-Value	0.044	less than 0.01

PRTR

[kg/year]

No.	Chemical Agent	Amount used	Amount released into			Amount transferred
			Atmosphere	Water	Soil	
213	N,N-dimethylacetamide	2,200	2,000	–	–	220
265	Tetrahydromethylphthalic anhydride	2,000	1.0	–	–	–
448	Methylenebis (4,1-phenylene) diisocyanate	47,000	–	–	–	–
585	Polymethylene polyphenyl polyisocyanate	62,000	29	–	–	–

Oguchi Plant

[Products] Molded headliners, seat fabrics, silencers, blended yarns, etc.

GHG Emissions (Production + Non-production) [t-CO ₂ e]	162
Emissions (Including direct landfill waste and incinerated waste) [t]	868
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	0
Water resource usage [thousand m ³]	30

Water Quality

	Item	Unit	Regulation Value	Measurement Results	
				Max.	Min.
Plant wastewater	PH	–	5.8~8.6	7.1	
	BOD	mg/L	40	less than 1	
	COD	mg/L	40	0.6	0.5
	SS	mg/L	40	less than 0.5	
	Oil content	mg/L	5	0.6	less than 0.5
	Total Nitrogen	mg/L	80	1.2	1.1
	Total Phosphorus	mg/L	10	0.1	less than 0.1
	Fluorine	mg/L	8	less than 0.2	

Atmosphere

	Item	Unit	Regulation Value	Measurement Results
				Max.
Boiler 1	Dust	g/Nm ³	0.3	less than 0.003
	NO _x	ppm	–	55
	SO _x	K-Value	9	less than 0.04
Boiler 2	Dust	g/Nm ³	0.3	less than 0.003
	NO _x	ppm	–	57
	SO _x	K-Value	9	less than 0.04

Kisogawa Plant

[Products] Floor carpets, pillar garnish

GHG Emissions (Production + Non-production) [t-CO ₂ e]	0.3
Emissions (Including direct landfill waste and incinerated waste) [t]	11
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	–
Water resource usage [thousand m ³]	0

Water Quality

	Item	Unit	Regulation Value	Measurement Results	
				Max.	Min.
Plant wastewater 1	PH	–	–	7.2	7
	BOD	mg/L	–	1	less than 0.5
	COD	mg/L	–	2.1	1.7
	SS	mg/L	–	2	1
	Total Nitrogen	mg/L	–	3.2	0.4
	Total Phosphorus	mg/L	–	0.14	0.03
	Fluorine	mg/L	–	–	–
Plant wastewater 2	PH	–	–	7.3	7
	BOD	mg/L	–	0.9	
	COD	mg/L	–	3.7	1.5
	SS	mg/L	–	7	4
	Total Nitrogen	mg/L	–	1.4	0.3
	Total Phosphorus	mg/L	–	0.16	0.12
	Fluorine	mg/L	–	–	–

Gifu Plant

[Products] Bumpers

GHG Emissions (Production + Non-production) [t-CO ₂ e]	6,463
Emissions (Including direct landfill waste and incinerated waste) [t]	438
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	–
Water resource usage [thousand m ³]	1,190

Atmosphere

	Item	Unit	Regulation Value	Measurement Results
				Max.
Spraying paint 1	VOC	ppmC	700	480
Spraying paint 2	VOC	ppmC	700	260
Spraying paint 3	VOC	ppmC	700	190
Boiler 1	Dust	g/Nm ³	–	less than 0.02
	NOx	ppm	–	58.6
	SOx	K-Value	0.288	less than 0.01
Boiler 2	Dust	g/Nm ³	–	less than 0.02
	NOx	ppm	–	61.4
	SOx	K-Value	0.288	less than 0.01
Boiler 3	Dust	g/Nm ³	–	less than 0.02
	NOx	ppm	–	99.2
	SOx	K-Value	0.288	less than 0.01
Gas engine 1	Dust	g/Nm ³	0.05	less than 0.02
	NOx	ppm	600	272
	SOx	K-Value	0.288	less than 0.02
Gas engine 2	Dust	g/Nm ³	0.05	less than 0.02
	NOx	ppm	600	176
	SOx	K-Value	0.288	less than 0.02

PRTR

[kg/year]

No.	Chemical Agent	Amount used	Amount released into			Amount transferred
			Atmosphere	Water	Soil	
53	Ethylbenzene	9,400	9,175	–	–	4.6
80	Xylene	11,000	10,175	–	–	4.6
300	Toluene	37,000	37,000	–	–	19
594	Ethylene glycol monobutyl ether	9,100	9,000	–	–	4.5
629	Cyclohexane	7,100	7,100	–	–	3.6
691	Trimethylbenzene	18,000	17,000	–	–	8.1
720	2-tert-Butoxyethanol	1,200	1,100	–	–	0.54
737	Methyl isobutyl ketone	9,500	9,500	–	–	4.8

Sanage Plant

[Products] Seats, door trims and other interior components

GHG Emissions (Production + Non-production) [t-CO ₂ e]	8,154
Emissions (Including direct landfill waste and incinerated waste) [t]	702
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	0
Water resource usage [thousand m ³]	121

Water Quality

	Item	Unit	Regulation Value	Measurement Results	
				Max.	Min.
Plant wastewater	PH	–	5.8~8.6	7.5	6.8
	BOD	mg/L	10	7.2	0.8
	COD	mg/L	10	6	2.1
	SS	mg/L	10	2	less than 1
	Oil content	mg/L	2	less than 0.5	
	Zinc	mg/L	0.5	0.01	less than 0.01
	Total Nitrogen	mg/L	60	14	2.7
	Total Phosphorus	mg/L	8	1.1	0.07

Atmosphere

	Item	Unit	Regulation Value	Measurement Results
				Max.
Boiler 1	Dust	g/Nm ³	0.2	less than 0.02
	NOx	ppm	150	38
	SOx	K-Value	9	less than 0.004
Boiler 2	Dust	g/Nm ³	0.1	less than 0.02
	NOx	ppm	150	43
	SOx	K-Value	9	less than 0.01
Gas 1	Dust	g/Nm ³	0.2	less than 0.02
	NOx	ppm	150	19
	SOx	K-Value	9	less than 0.004
Gas 2	Dust	g/Nm ³	0.1	less than 0.002
	NOx	ppm	150	16
	SOx	K-Value	9	less than 0.078
Gas 3	Dust	g/Nm ³	0.1	less than 0.002
	NOx	ppm	150	35
	SOx	K-Value	9	less than 0.008
Gas 4	Dust	g/Nm ³	0.1	less than 0.002
	NOx	ppm	150	39
	SOx	K-Value	9	less than 0.008
Gas 5	Dust	g/Nm ³	0.1	less than 0.002
	NOx	ppm	150	33
	SOx	K-Value	9	less than 0.001
Cogeneration 1	Dust	g/Nm ³	0.05	less than 0.004
	NOx	ppm	200	139
	SOx	K-Value	9	less than 0.022
Cogeneration 2	Dust	g/Nm ³	0.05	less than 0.004
	NOx	ppm	200	151
	SOx	K-Value	9	less than 0.022

PRTR

[kg/year]

No.	Chemical Agent	Amount used	Amount released into			Amount transferred
			Atmosphere	Water	Soil	
80	Xylene	1,600	374.71	–	–	0.18
298	Toluene diisocyanate	11,000	0.010	–	–	0.010
300	Toluene	2,500	54	–	–	0.020
392	N-hexane	2,100	1000	–	–	0.49
448	Methylenebis (4,1-phenylene) diisocyanate	100,000	–	–	–	0.10
585	Polymethylene polyphenyl polyisocyanate	32,000	15	–	–	–
629	Cyclohexane	6,900	6,900	–	–	3.5
691	Trimethylbenzene	4,200	3,400	–	–	1.7

Fujioka Plant

[Products] Door trims

GHG Emissions (Production + Non-production) [t-CO ₂ e]	95
Emissions (Including direct landfill waste and incinerated waste) [t]	54
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	0
Water resource usage [thousand m ³]	7

Water Quality

	Item	Unit	Regulation Value	Measurement Results	
				Max.	Min.
Plant wastewater	PH	–	5.8~8.6	7.1	6.6
	BOD	mg/L	10	3.2	less than 0.5
	COD	mg/L	10	3.5	1
	SS	mg/L	10	6	1
	Oil content	mg/L	2	less than 1	
	Total Nitrogen	mg/L	60	9.8	6.5
	Total Phosphorus	mg/L	8	0.15	0.07
Technical Centre Plant wastewater	PH	–	5.8~8.6	7.4	7
	BOD	mg/L	10	less than 0.5	
	COD	mg/L	10	2.4	0.8
	SS	mg/L	10	less than 1	
	Oil content	mg/L	2	less than 1	
	Total Nitrogen	mg/L	60	6.5	4.6
	Total Phosphorus	mg/L	8	0.45	0.38

Atmosphere

	Item	Unit	Regulation Value	Measurement Results
				Max.
Water cooling and heating machine 1	Dust	g/Nm ³	0.1	less than 0.002
	NOx	ppm	150	29
	SOx	K-Value	17.5	less than 0.001
Water cooling and heating machine 2	Dust	g/Nm ³	0.1	less than 0.003
	NOx	ppm	150	35
	SOx	K-Value	17.5	less than 0.001

PRTR

[kg/year]

No.	Chemical Agent	Amount used	Amount released into			Amount transferred
			Atmosphere	Water	Soil	
392	N-hexane	1,400	1,400	–	–	0.73
629	Cyclohexane	9,300	9,300	–	–	4.7
691	Trimethylbenzene	2,000	1,800	–	–	0.91

Tsuchihashi Plant

GHG Emissions (Production + Non-production) [t-CO ₂ e]	–
Emissions (Including direct landfill waste and incinerated waste) [t]	16
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	0
Water resource usage [thousand m ³]	3

Takaoka Plant

[Products] Seats and door trims

GHG Emissions (Production + Non-production) [t-CO ₂ e]	970
Emissions (Including direct landfill waste and incinerated waste) [t]	98
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	0
Water resource usage [thousand m ³]	15

Water Quality

	Item	Unit	Regulation Value	Measurement Results	
				Max.	Min.
Plant wastewater	PH	–	–	7.1	
	BOD	mg/L	–	16	5.5
	COD	mg/L	–	15	
	SS	mg/L	–	7	3
	Oil content	mg/L	–	less than 0.5	
	Total Nitrogen	mg/L	–	17	10
	Total Phosphorus	mg/L	–	3.9	2.9

PRTR

[kg/year]

No.	Chemical Agent	Amount used	Amount released into			Amount transferred
			Atmosphere	Water	Soil	
691	Trimethylbenzene	1,700	1,700	–	–	0.86

Tsutsumi Plant

[Products] Floor carpets and other interior components

GHG Emissions (Production + Non-production) [t-CO ₂ e]	323
Emissions (Including direct landfill waste and incinerated waste) [t]	269
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	0
Water resource usage [thousand m ³]	6

Water Quality

	Item	Unit	Regulation Value	Measurement Results	
				Max.	Min.
Plant wastewater	PH	–	–	7.6	7.4
	BOD	mg/L	–	5.8	4
	COD	mg/L	–	9.4	6.7
	SS	mg/L	–	1	less than 1
	Oil content	mg/L	–	less than 0.5	
	Total Nitrogen	mg/L	–	7.8	7.7
	Total Phosphorus	mg/L	–	0.79	0.13

PRTR

[kg/year]

No.	Chemical Agent	Amount used	Amount released into			Amount transferred
			Atmosphere	Water	Soil	
392	N-hexane	6,500	6,500	–	–	3.2
629	Cyclohexane	20,000	20,000	–	–	9.8

Toyohashi-Kita Plant

[Products] Seats

GHG Emissions (Production + Non-production) [t-CO ₂ e]	712
Emissions (Including direct landfill waste and incinerated waste) [t]	144
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	0
Water resource usage [thousand m ³]	11

Water Quality

	Item	Unit	Regulation Value	Measurement Results	
				Max.	Min.
Plant wastewater 1	PH	–	6.0~8.5	7.5	7.1
	BOD	mg/L	20	1.1	less than 0.5
	COD	mg/L	20	8.1	4.5
	SS	mg/L	20	6	less than 1
	Oil content	mg/L	5	less than 1	
	Coliform bacteria count	pcs/cm ³	1,500	less than 30	
	Total Nitrogen	mg/L	120	7.4	
	Total Phosphorus	mg/L	16	0.47	
Plant wastewater 2	PH	–	6.0~8.5	7.2	6.7
	BOD	mg/L	20	0.6	less than 0.5
	COD	mg/L	20	3.8	1.3
	SS	mg/L	30	2	less than 1
	Oil content	mg/L	5	less than 1	
	Coliform bacteria count	pcs/cm ³	1,500	less than 30	
	Total Nitrogen	mg/L	–	3.8	
	Total Phosphorus	mg/L	–	0.1	

Atmosphere

	Item	Unit	Regulation Value	Measurement Results
				Max.
Boiler 1	Dust	g/Nm ³	0.05	less than 0.002
	NOx	ppm	150	40
	SOx	K-Value	2.34	less than 0.015
Boiler 2	Dust	g/Nm ³	0.05	less than 0.002
	NOx	ppm	150	34
	SOx	K-Value	2.34	less than 0.015
Boiler 3	Dust	g/Nm ³	0.05	less than 0.002
	NOx	ppm	150	30
	SOx	K-Value	2.34	less than 0.015

PRTR

[kg/year]

No.	Chemical Agent	Amount used	Amount released into			Amount transferred
			Atmosphere	Water	Soil	
448	Methylenebis (4,1-phenylene) diisocyanate	33,000	–	–	–	–
585	Polymethylene polyphenyl polyisocyanate	29,000	–	–	–	–

Toyohashi-Minami Plant

[Products] Door trims and seat covers

GHG Emissions (Production + Non-production) [t-CO ₂ e]	29
Emissions (Including direct landfill waste and incinerated waste) [t]	71
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	0
Water resource usage [thousand m ³]	9

Water Quality

	Item	Unit	Regulation Value	Measurement Results	
				Max.	Min.
Plant wastewater	PH	–	6.0~8.5	7.1	6.7
	BOD	mg/L	20	8.3	less than 0.5
	COD	mg/L	20	5.3	3.1
	SS	mg/L	30	3	less than 1
	Oil content	mg/L	5	less than 0.5	
	Coliform bacteria count	pcs/cm ³	1,500	less than 30	
	Total Nitrogen	mg/L	–	18	5.2
	Total Phosphorus	mg/L	–	3.3	1.6

PRTR

[kg/year]

No.	Chemical Agent	Amount used	Amount released into			Amount transferred
			Atmosphere	Water	Soil	
392	N-hexane	4,200	4,200	–	–	2.1
629	Cyclohexane	15,000	15,000	–	–	7.6

Toyohashi-Higashi Plant

[Products] Floor carpets

GHG Emissions (Production + Non-production) [t-CO ₂ e]	106
Emissions (Including direct landfill waste and incinerated waste) [t]	83
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	–
Water resource usage [thousand m ³]	1

Water Quality

	Item	Unit	Regulation Value	Measurement Results	
				Max.	Min.
Plant wastewater	PH	–	6.0~8.5	7.7	6
	BOD	mg/L	20	1.2	0.5
	COD	mg/L	20	4.7	2.5
	SS	mg/L	30	3	less than 1
	Oil content	mg/L	5	less than 0.5	
	Coliform bacteria count	pcs/cm ³	1,500	less than 30	

Tokyo Plant

[Products] Door trims

GHG Emissions (Production + Non-production) [t-CO ₂]	1,024
Emissions (Including direct landfill waste and incinerated waste) [t]	48
Direct landfill waste amount [t]	–
Incinerated waste amount [t]	–
Water resource usage [thousand m ³]	6

PRTR

[kg/year]

No.	Chemical Agent	Amount used	Amount released into			Amount transferred
			Atmosphere	Water	Soil	
392	N-hexane	1,150	1,150	–	–	0.56
629	Cyclohexane	2,500	2,500	–	–	1.3

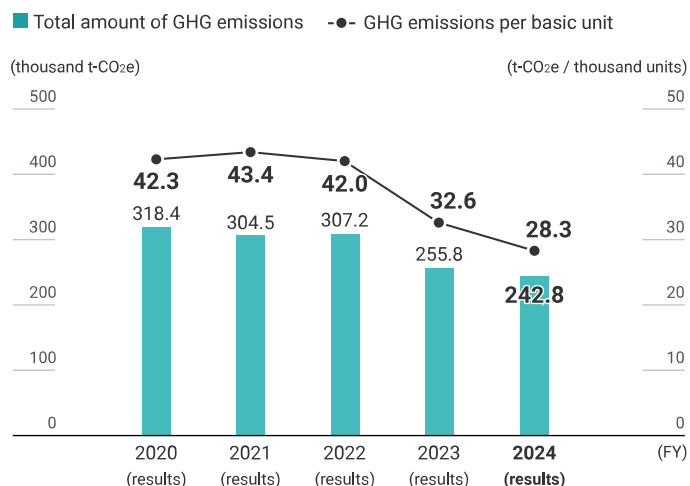
In case of No subject:

- Items specified by laws, ordinances, and agreements related to air quality, as well as items that are voluntarily determined to require measurement are listed.
- Items specified by laws, ordinances, and agreements related to water quality, as well as items that are voluntarily determined to require measurement are listed.
- When it comes to the regulation values for atmosphere and water quality, the absolute strictest value set by laws/regulations/agreements is listed.
- This plant is not a place of business to which PRTR is applied.
- Total value of Toyota Boshoku's GHG Emissions (Production + Non-production) [t-CO₂e] and waste production (t) (including landfill & incineration) include emissions and waste for Tsutsumi-Kita business site.

Environmental Data by categories

Amount of GHG emission (Scope 1 and 2)

Toyota Boshoku group

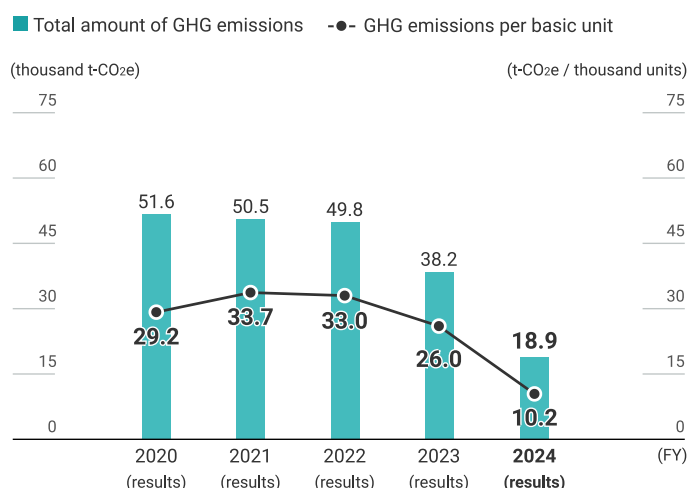


*1 Since fiscal 2023 calculations have made use of data for the so-called "6.5 gases" (i.e. greenhouse gases other than CO₂ emissions from energy use), as well as CO₂ emissions from fuel used by Toyota Boshoku Group vehicles.

*2 Data for fiscal 2023 shows a substantial decrease in GHG emissions compared to the preceding fiscal year. This is partly due to increased adoption of renewable energy, and partly a result of changes to international emissions coefficients. (Until fiscal 2022 we made use of various nations coefficients from the year 2000, which were published by the IEA in 2013. However, in fiscal 2023 we began making use of coefficients from 2020, which were published by the IEA in 2022.)

*3 Calculated including results for member welfare facilities, etc.

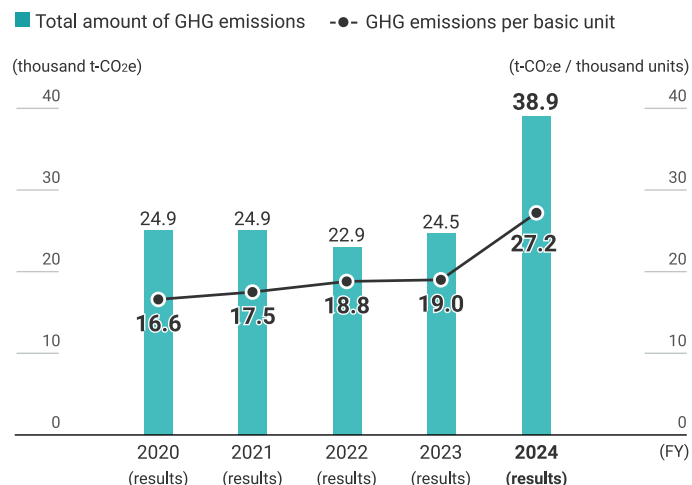
Toyota Boshoku



*1 Since fiscal 2023 calculations have made use of data for the so-called "6.5 gases" (i.e. greenhouse gases other than CO₂ emissions from energy use), as well as CO₂ emissions from fuel used by Toyota Boshoku vehicles.

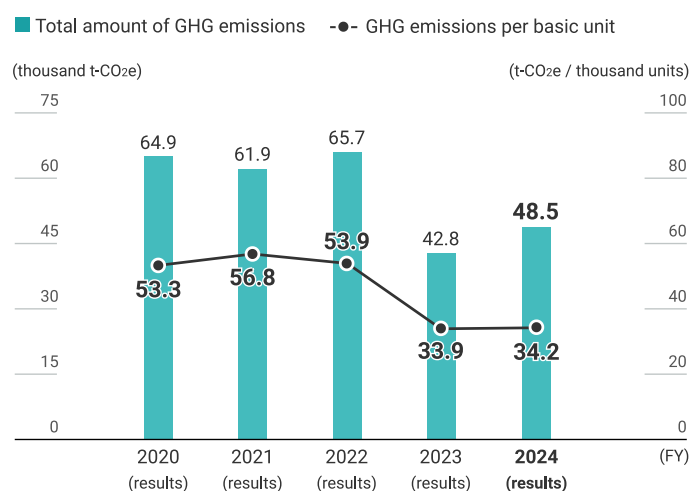
*2 Data for fiscal 2023 shows a substantial decrease in GHG emissions compared to the preceding fiscal year. This is due to increased adoption of renewable energy.

Japan region (excluding Toyota Boshoku)

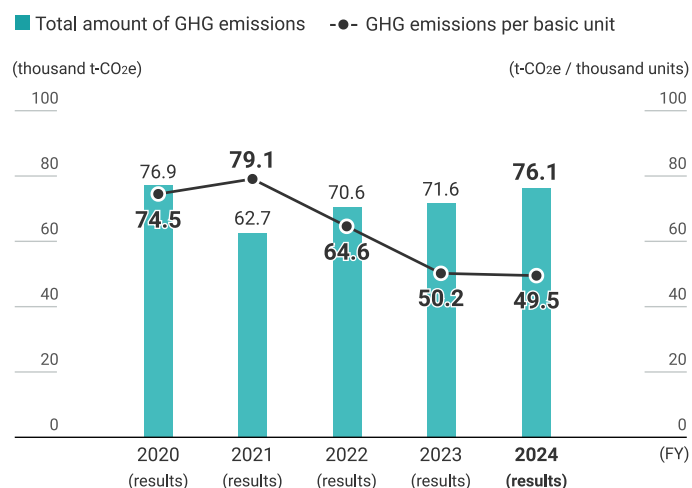


* Note: Emissions increased from fiscal 2024 due to the addition of Toyota Boshoku Hirose Corporation and Toyota Boshoku Seiko Corporation

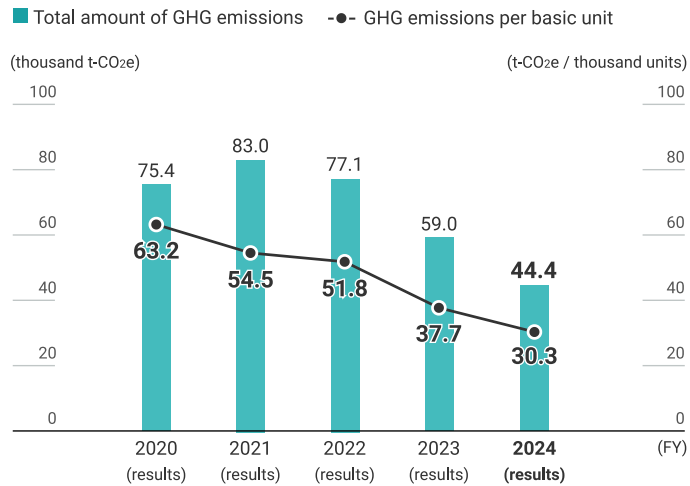
The Americas region



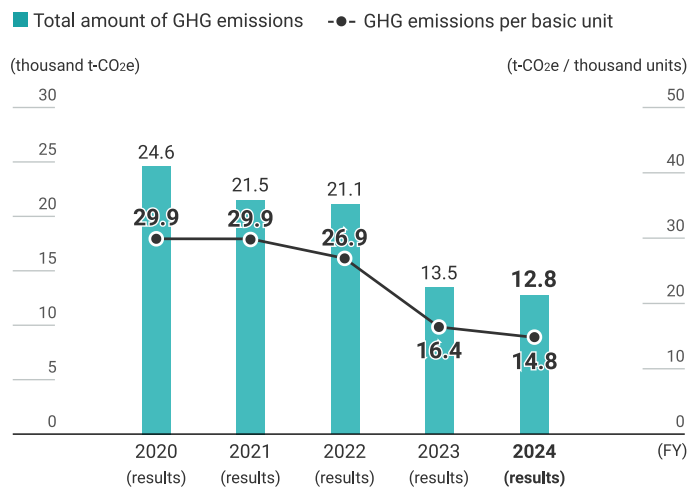
Asia region



China region



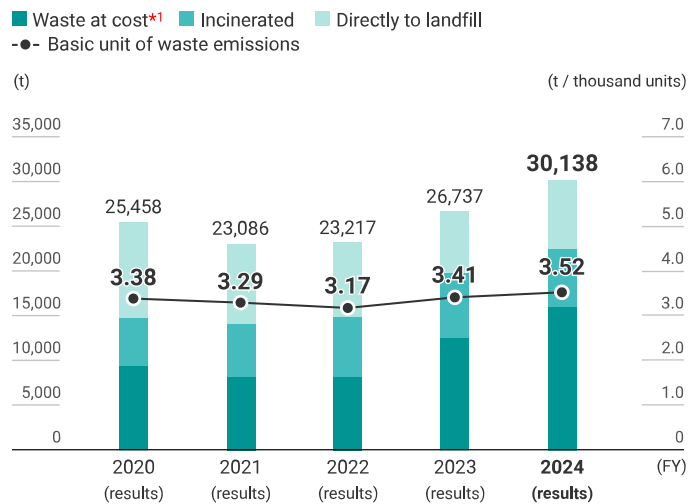
Europe & Africa region



GHG Net-zero in the plant

Amount of waste

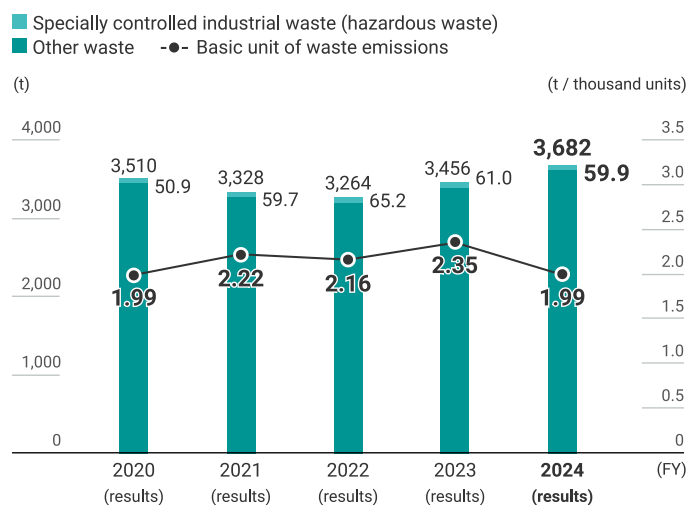
Toyota Boshoku group



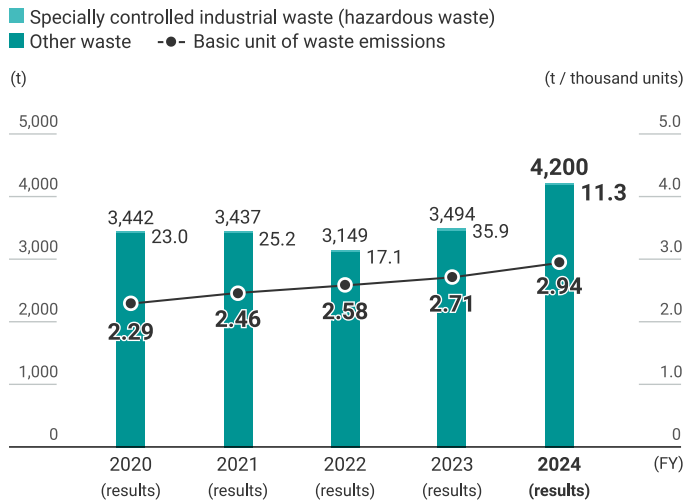
*¹ Waste at cost: Materials discarded that are recycled for a fee

*² Does not include the amount of construction waste generated by subsidiaries in the construction industry

Toyota Boshoku



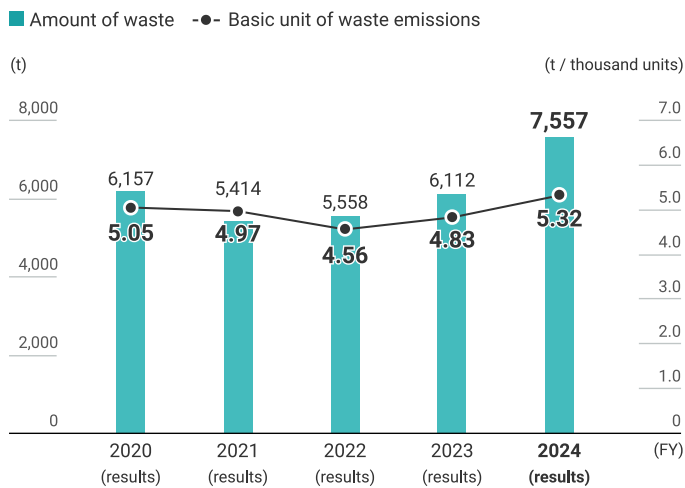
Japan region (excluding Toyota Boshoku)



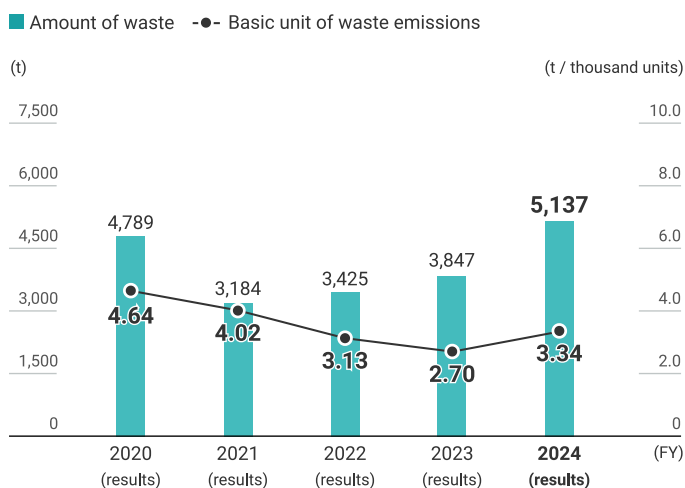
*1 Does not include the amount of construction waste generated by subsidiaries in the construction industry

*2 Emissions increased from fiscal 2024 due to the addition of Toyota Boshoku Hirose Corporation and Toyota Boshoku Seiko Corporation

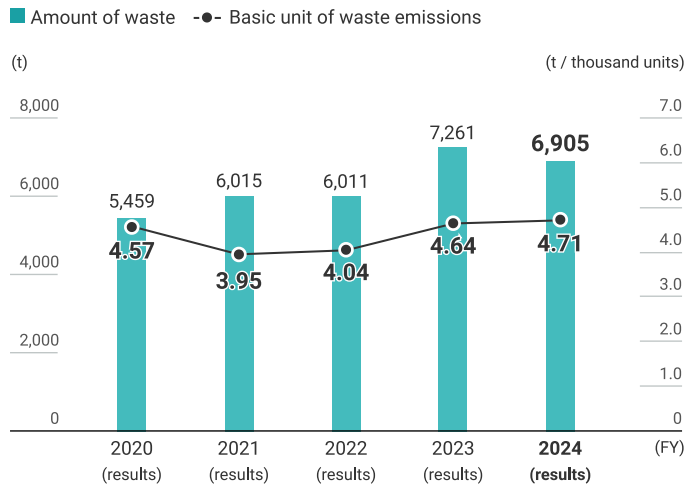
The Americas region



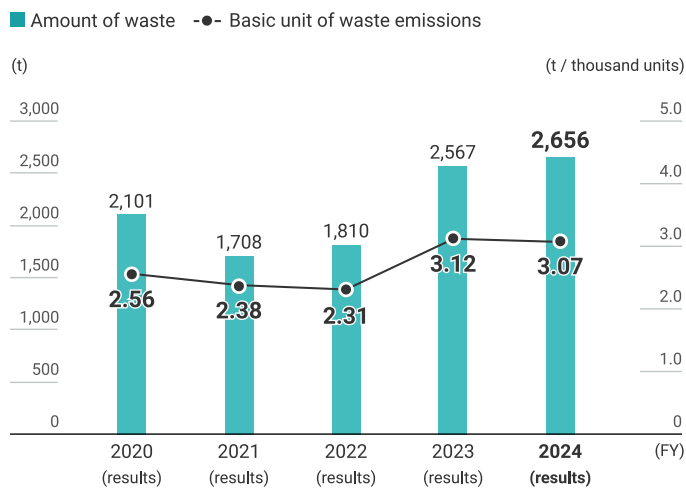
Asia region



China region



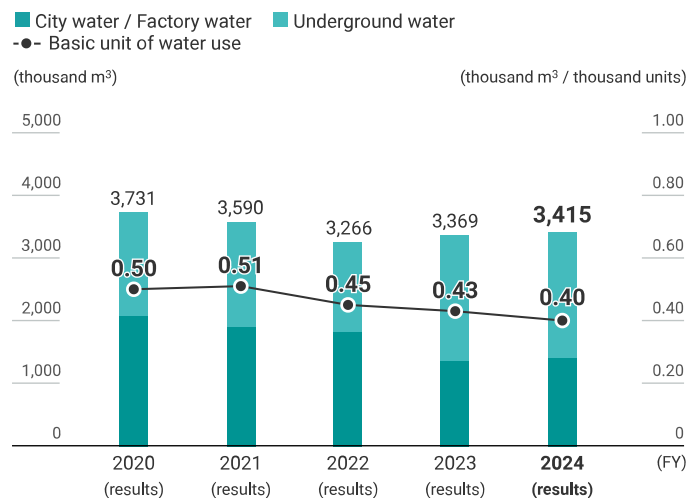
Europe & Africa region



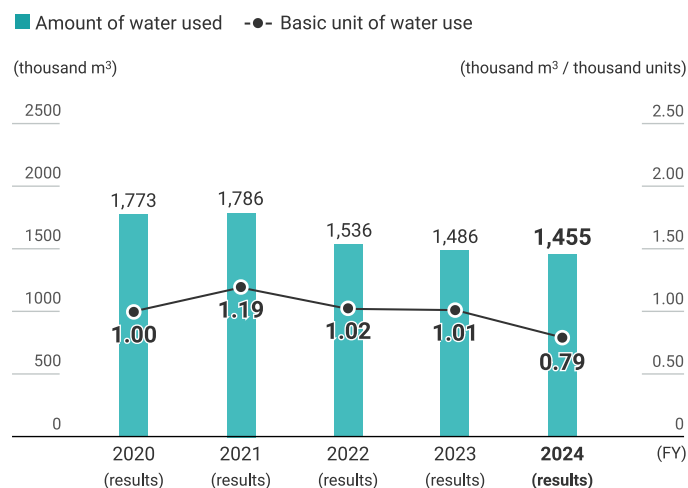
Waste minimization

Water consumption

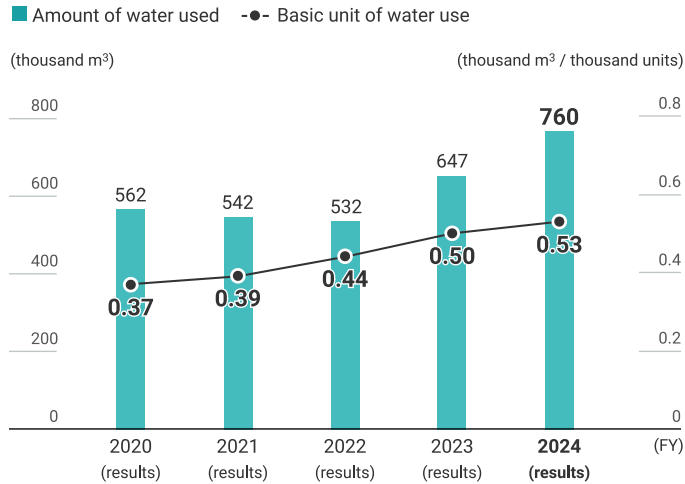
Toyota Boshoku group



Toyota Boshoku

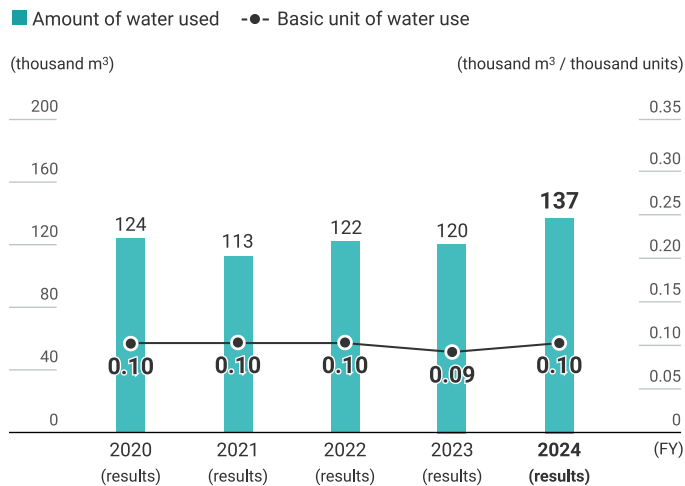


Japan region (excluding Toyota Boshoku)

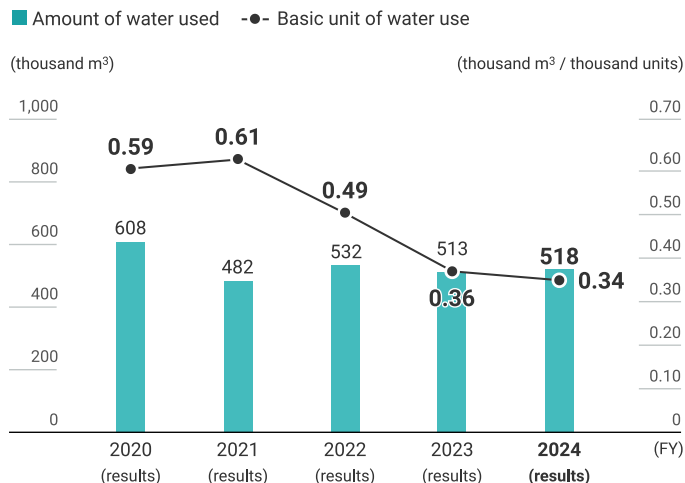


* Note: Emissions increased from fiscal 2024 due to the addition of Toyota Boshoku Hirose Corporation and Toyota Boshoku Seiko Corporation

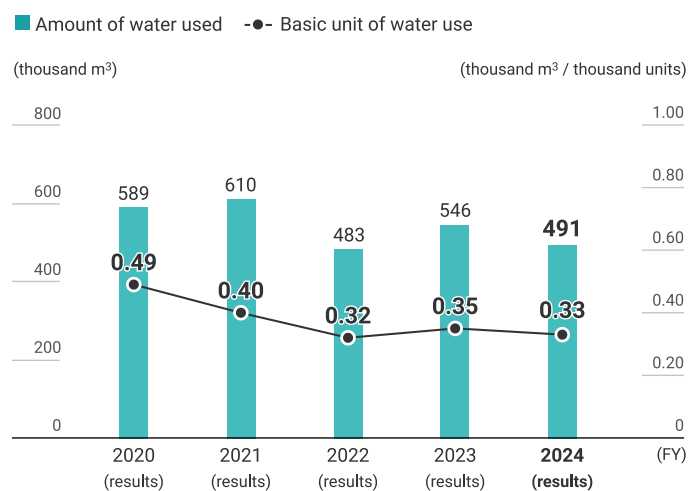
The Americas region



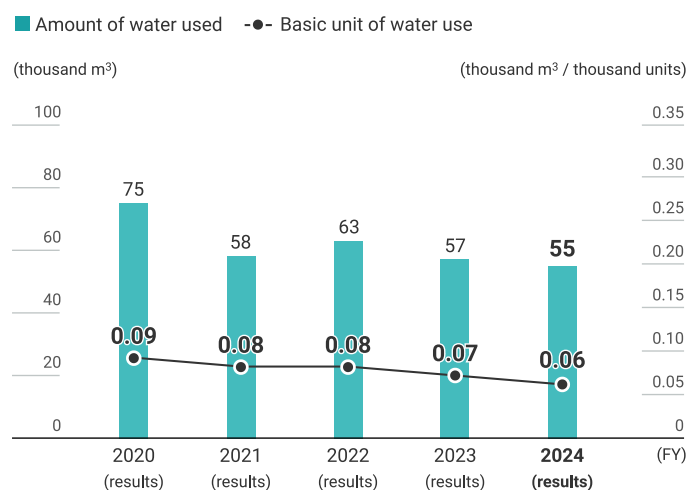
Asia region



China region



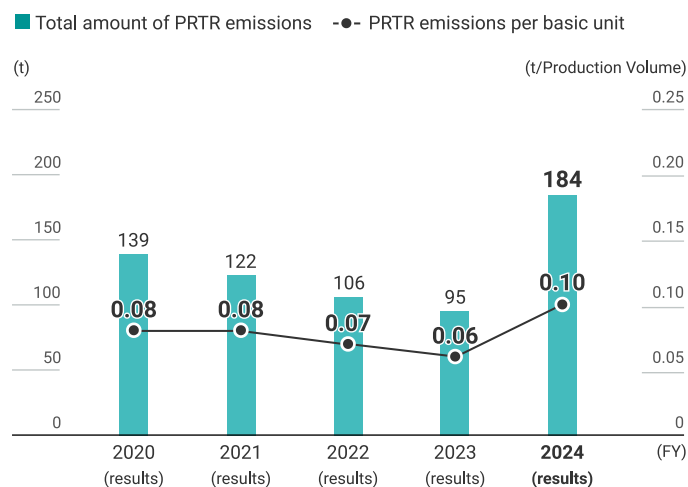
Europe & Africa region



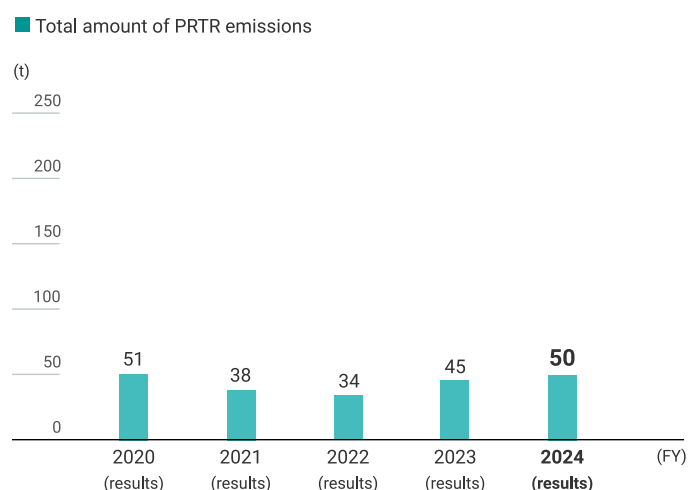
Water resource impact minimization

Emission of chemical substances

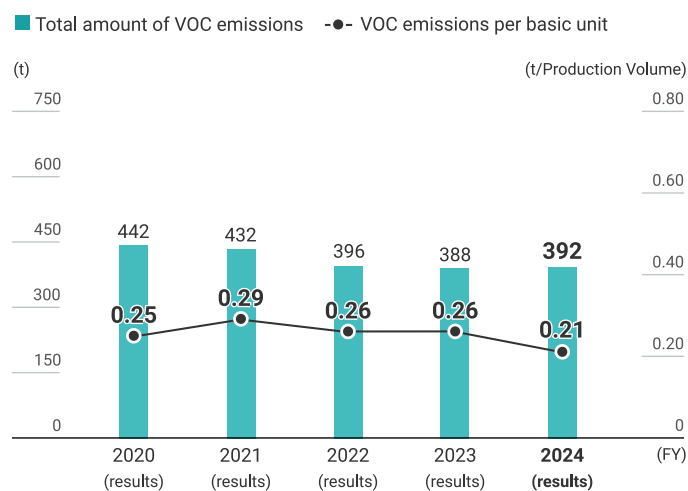
Toyota Boshoku Pollutant Release and Transfer Register (PRTR) substances emissions



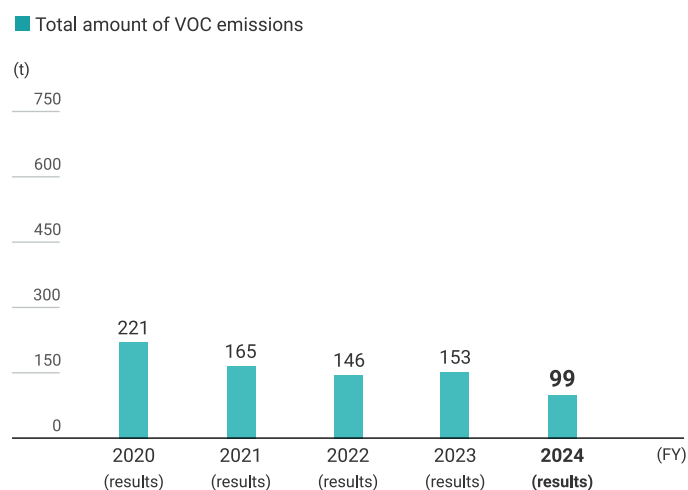
PRTR substances emissions in the Japan region (excluding Toyota Boshoku)



Toyota Boshoku Volatile Organic Compounds (VOC) emissions

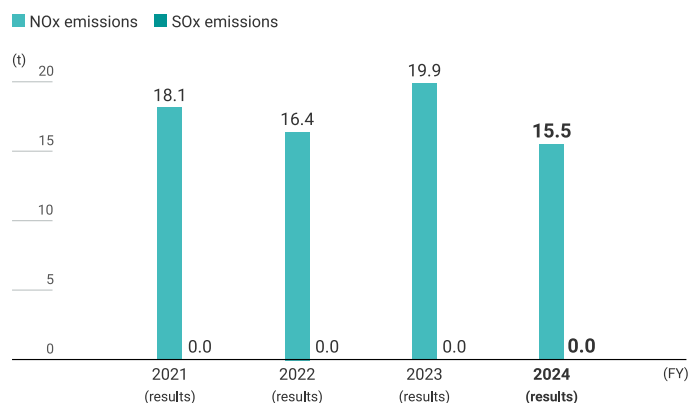


VOC emissions in the Japan region (excluding Toyota Boshoku)



Emission of air pollutants

Toyota Boshoku



* SOx emissions less than 0.05 t have been classified as "0."

[Criteria for calculation]

• GHG Emission Levels

CO₂ conversion coefficients for electric power in Japan are calculated with reference to emissions coefficients from each domestic electric utility company (based on emissions survey results), and included in Electric Utility Companies' Emissions Coefficients (for use in calculating greenhouse gas emissions of companies emitting above a certain set level)—Results from Fiscal 2023, published by Japan's Ministry of the Environment, whereas for electric power in other regions they are calculated with reference to the IEA's Emissions Factors 2023.

CO₂ conversion coefficients for gas and other fuels are calculated with reference to A Summary of Calculation Methods and Emission Intensities for Systems of Calculating, Reporting and Publishing Environmental Data published by Japan's Ministry of the Environment.

• Water consumption

The aggregated total of water used by our various business entities, including industrial water, groundwater, and water from the public water supply.

• Waste generation

The total amount of waste that leaves our various business entities, including landfill waste, incinerated waste, and materials discarded that are recycled for a fee.

[Boundary of reporting]

- Toyota Boshoku: Global Mainstay Hub, plants and offices in Japan (14 plants)
- Japan affiliates: Production entities (10 companies), others (5 companies)
- The Americas region: Regional Management & Collaboration Hub (1 company), production sites (11 companies)
- China region: Regional Management & Collaboration Hub (1 company), production sites (14 companies)
- Asia region: Regional Management & Collaboration Hub (1 company), production sites (15 companies)
- Europe & Africa region: Regional Management & Collaboration Hub (1 company), production sites (7 companies)

* Note: Data for Toyota Boshoku Hirose Corporation, Toyota Boshoku Seiko Corporation, Seat Metal Parts (Thailand) Co., Ltd., Seat Metal Parts China Co., Ltd., PT. Shiroki Indonesia, and Toyota Boshoku Device India Private Limited. have been included in aggregated results from the middle of fiscal 2024.

Social

97	Customer First, Quality First
102	Job Satisfaction and Employment
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111	Safety
121	Health
137	Respect of Human Rights
147	Human Resources Development
157	Suppliers
162	Social Contribution
170	Stakeholder Engagement

Customer First, Quality First

Basic stance

Based on the customer first philosophy originated from the Principles of Toyoda—being unified to make contributions for the world and for people—and our initiatives related to MONOZUKURI cultivated for 100 years, the Toyota Boshoku group aims to become an Interior Space Creator by 2030. To achieve this goal, we are working to thoroughly implement quality first and develop human resources on a global scale. It is our mission to always consider matters from the customer's perspective and position, to ensure safety and confidence, and to provide customers with attractive and inspiring products and quality.

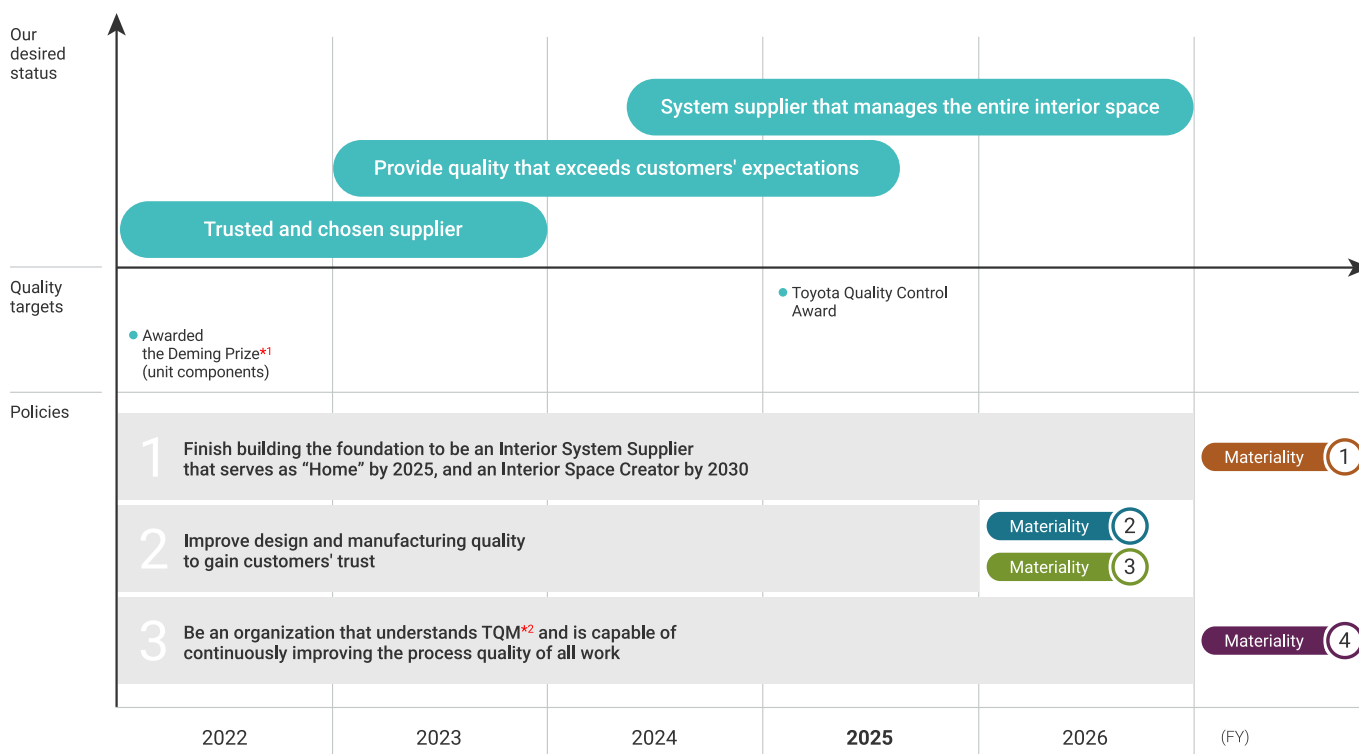
2025 Quality Roadmap

We collate quality issues and are promoting activities in line with the 2025 Quality Roadmap.

We aim to quickly resolve the issues we face, and to be a "trusted and chosen supplier," as well as a "provider of quality that exceeds customers' expectations," and a "system supplier that manages the entire interior space."

In order to achieve our target, we have established three policies linked to our materiality to improve the quality of our processes and products.

2025 Quality Roadmap



*1 An award presented to companies that are implementing TQM and achieving outstanding results

*2 Total Quality Management

Aim to improve process quality by enhancing capabilities of "people", "organization", and "process", in order to maintain a flexible and resilient corporate structure based on the Corporate Philosophy of "total participation", "customer first", and "continuous kaizen."

Global QA system by introducing CQO system

To provide high quality, high value-added products to our customers around the world, CQO^{*1} for each region, CQO for each area^{*2} within these regions, and related functional divisions cooperate to quickly resolve global issues, as well as localized issues that arise in specific regions.

^{*1} Chief Quality Officer

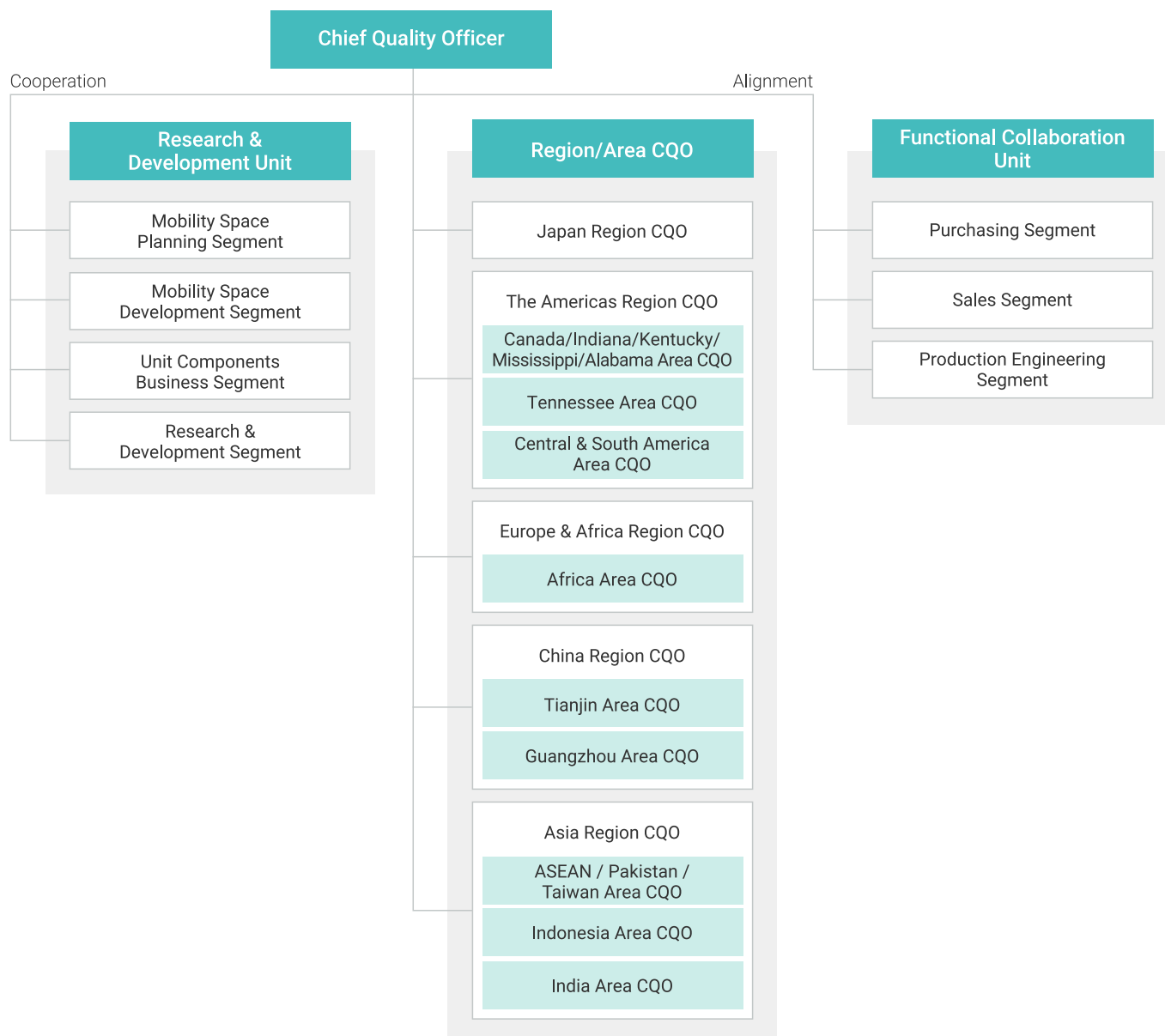
^{*2} Regional CQOs for each of the 5 global regions, with the area CQOs under each.

For more information, please see the following section on our CQO Promotion Structure.

Items being addressed in the CQO system

- Clarify the responsibilities of the Research & Development Unit and Functional Collaboration Unit, as well as each region. Strengthen cooperation, and promote global quality improvement activities to achieve "Customer First, Quality First."
- Raise awareness of quality in each region and area, as well as each Research & Development Unit and Functional Collaboration Unit, and foster a culture in which top management itself takes the issue seriously.

CQO Promotion Structure

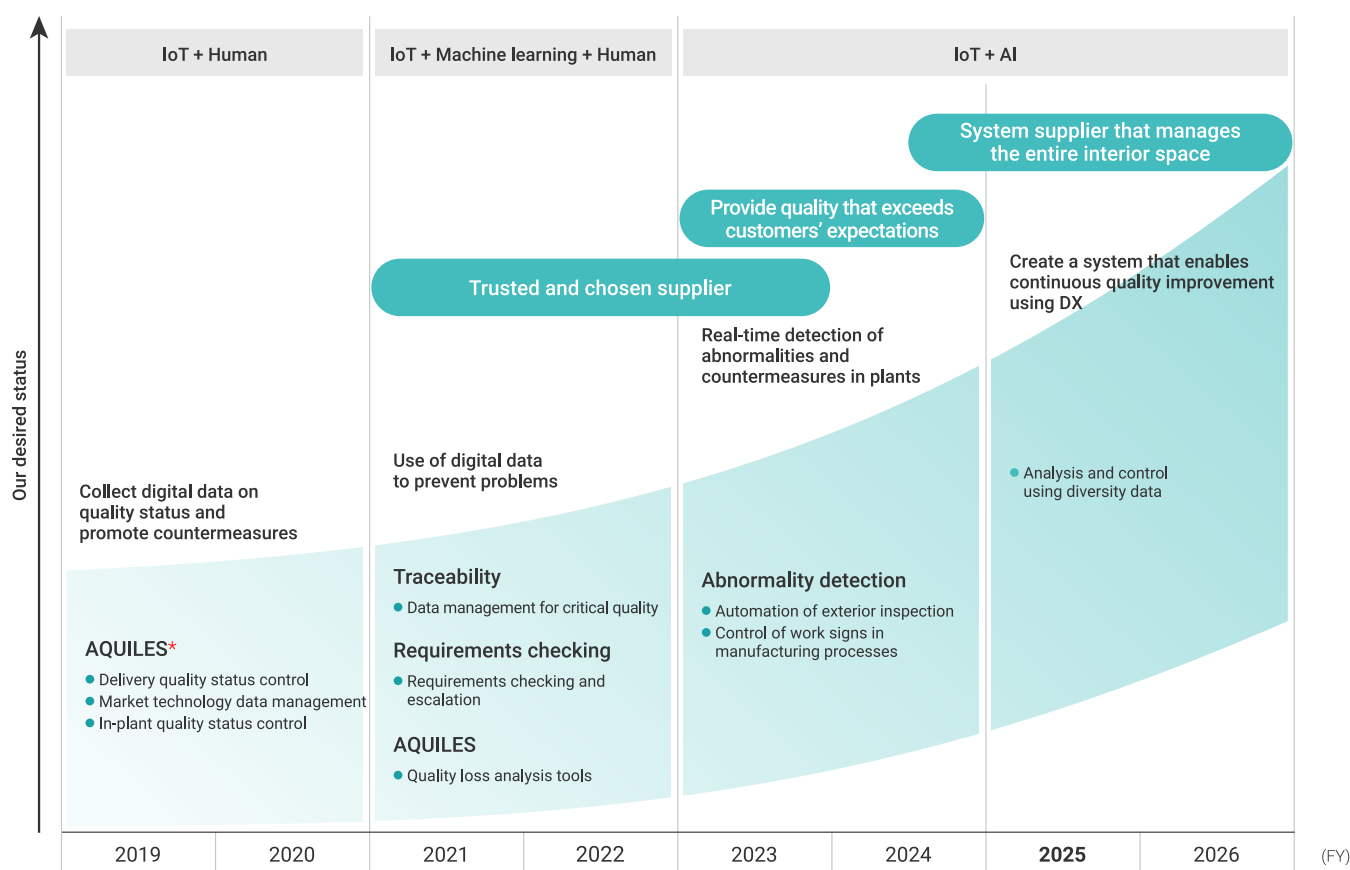


Strengthening quality competitiveness for the future, utilizing digital technology

We have been improving product quality while digitizing various types of quality information, with the aim of becoming a "trusted and chosen supplier." Currently, we are using this digital data to build a system that aims to prevent issues through expanded traceability and drawing checking systems.

In order to become a "system supplier that manages the entire interior space" by 2025, we are working step by step to create a system that enables continuous quality improvement using DX.

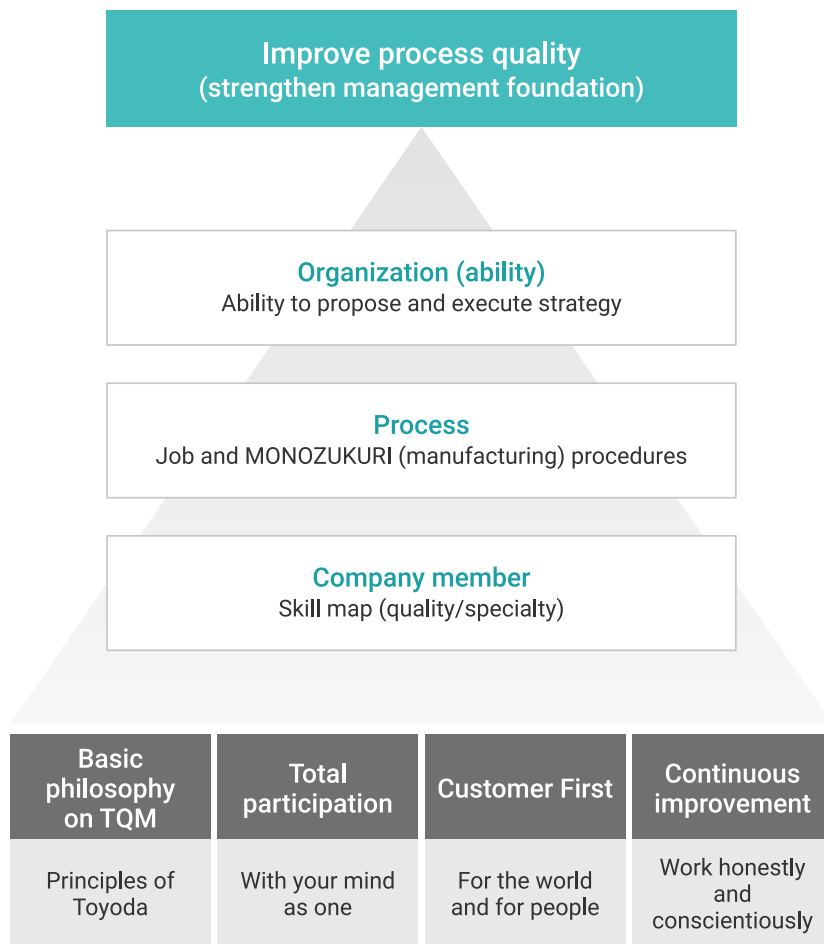
System that enables continuous quality improvement



* All Toyota-Boshoku Quality Information Leading System

Improve process quality through implementation of TQM

In order to achieve sustainable growth, we are using TQM to change the way we have been working, strengthen the "organization," "processes," and "people" of our management foundation, and improve the quality of all processes. The term "organization" refers to the ability to implement management strategies for sustainable growth; "process" refers to the procedures used to realize business operations from the customer's perspective; and "people" refers to the qualities and expertise required to carry out business operations and manufacturing.

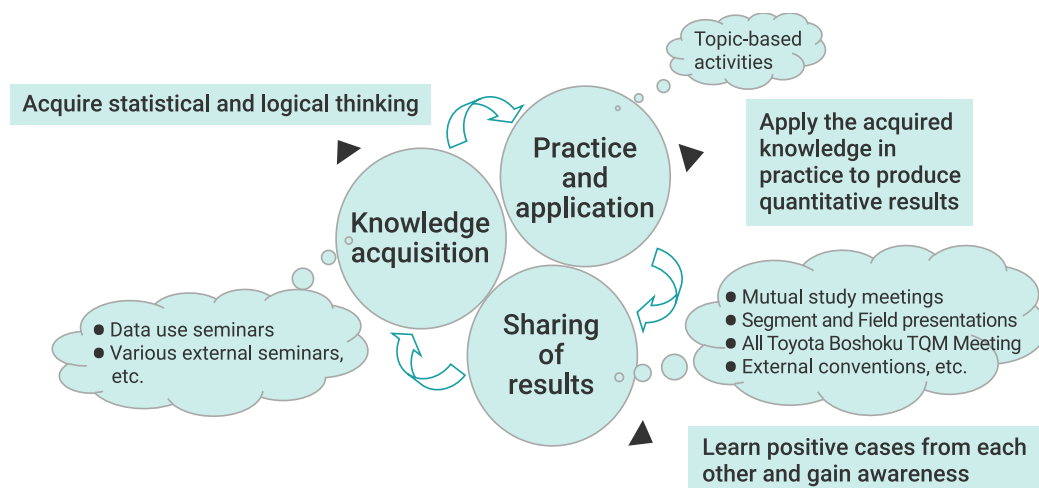


Improve process quality of all work through the implementation of TQM by all company members

Training, practice, and sharing of results

We have defined the management skills, problem-solving skills, data utilization and quality management skills, and unique technologies and skills required for TQM, and are conducting systematic training.

In particular, to improve problem-solving skills, we are developing human resources who can enhance business processes based on Toyota Boshoku's problem-solving methods by perpetuating the cycle of "knowledge acquisition (training)," "practice and application" through to "sharing of results."



<Main training activities>

- Implementing training on Toyota Boshoku's problem-solving methods (OJT problem-solving training) for non-managerial employees and supervisors (Senior Specialist and above) at three levels: "entry-level," "basic," and "leader."
- Implementing knowledge and practical training (TQM manager training) for the purpose of improving management skills for Department General Managers
- Defining data utilization capabilities by qualification and providing systematic training
- Providing various study opportunities related to AI and big data utilization, and implementing literacy training (AI generalist basic training) for engineering and administrative company members and managers to properly utilize AI in their work

Qualification	Data use level		Required skills		Use requirements	
			Business ability	Data science ability	Use for new value	Use in existing business
-	Top		Understand the methods and concepts to drive change	-		
Kanbushoku/ Kikanshoku		Use in PJT and business Practice	Understand the methods and concepts to promote business utilization	-	AI Generalist Basics	
Senior Specialist Grade Leader Grade Assistant Grade	Core	Practice	Able to improve operations on their own and give guidance	Able to provide guidance in the use of a wide range of SQC* and machine learning methods	Data Science Practice Dojo	
		(Level 3)			Big data utilization process acquisition (integrated machine learning practice)	Data utilization process acquisition (integrated SQC practice)
	Core		Have knowledge Have used methods	Can use SQC and machine learning methods	Python Practice Machine Learning Course, Python Version (Toyota Group-shared E-learning)	GM-SEM Local Optimization II (Response Surface Methodology)
		(Level 2)				Sensitivity Assessment Parameter Design
	Elementary	(Level 2)	Have knowledge Have never used methods	-	Python Course (Basics) (Toyota Group-shared E-learning)	Reliability Local Optimization I (Experimental Design Methodology) Multivariate Analysis Methodology
Assistant Grade	Basics	(Level 1)	-	-	AI Generalist Basics	Statistics Basics N7 Q7

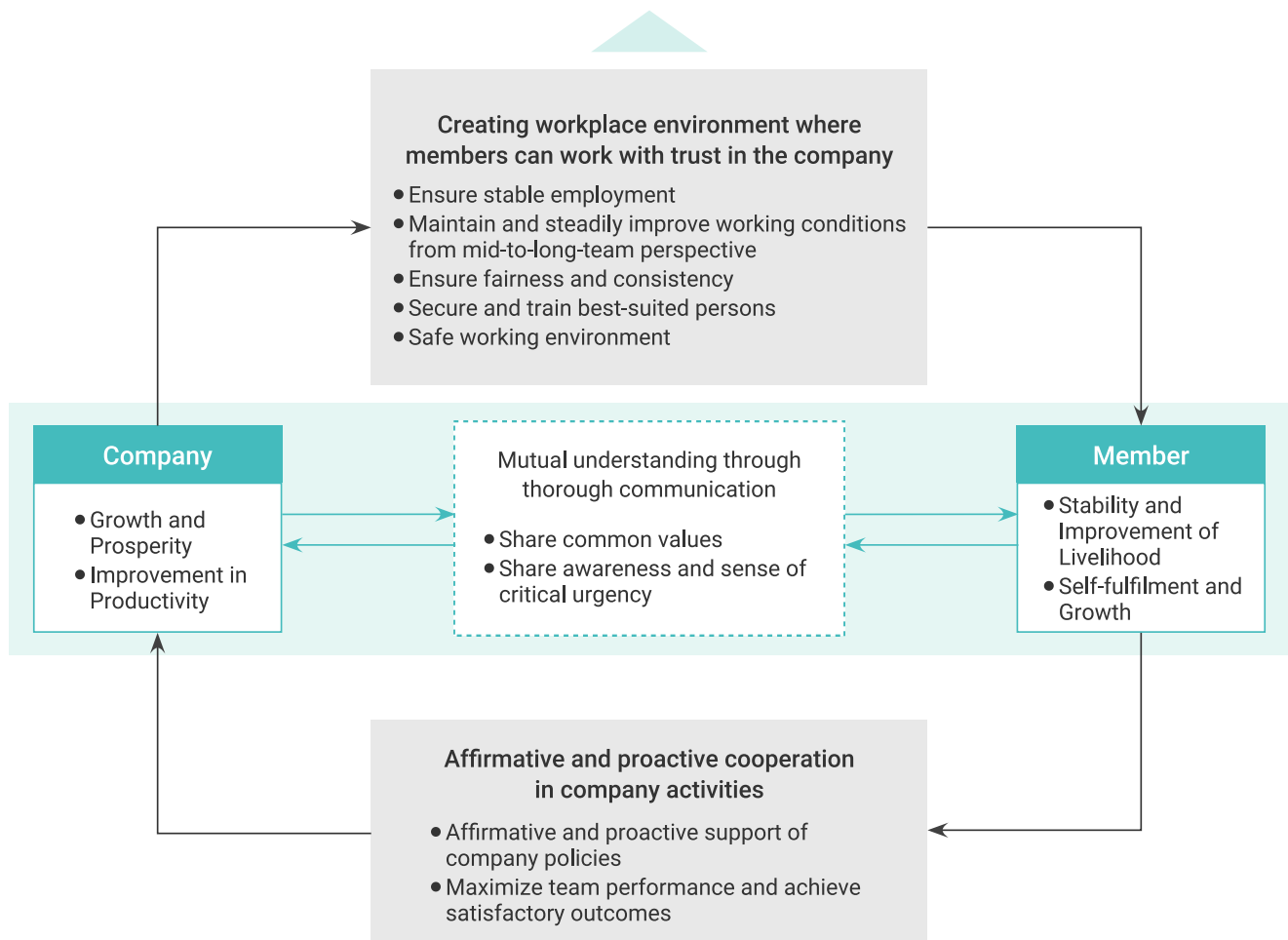
* Statistical Quality Control

Job Satisfaction and Employment

Basic concept of Human Resources Management (HRM)

With a good relationship between labor and management as a vital foundation, Toyota Boshoku aims to both guarantee stable employment and to maintain and continue improving working conditions into the mid- and long-term future. We are working to ensure consistent and thorough communication between labor and management—including but not limited to labor-management meetings—with each sharing plans, issues encountered, and other relevant information to ensure that both are able to fulfill their respective responsibilities. In addition, Toyota Boshoku promotes the development of human resources by conducting evaluations that use standards reflecting our core values and also provides fair and equitable conditions for all members. Furthermore, we strictly respect the laws and social regulations of every country and region we operate in, whether they concern working hours, days off, wages, or other basic working conditions.

Establish a relationship of mutual trust and respect



Pursuing ease of working

We aim to enhance ease of working by creating a workplace in which company members can work happily and enjoyably, and by developing more flexible, efficient, and creative work rules.

Regarding to working hours, we strictly respect the Labor Standards Act (a law that governs working conditions in Japan), and make sure to carry out all legally mandated procedures in the event that a company member works longer than the designated duration of legal working hours. Additionally, from a health management perspective, we are aiming to curb long working hours by setting a target of "zero company members working overtime in excess of 540 hours per year (excluding managers and supervisors)."

As a specific measure to curb long working hours, at the company-wide level we are implementing the following:

- (i) Document simplification activities
- (ii) Meeting streamlining activities
- (iii) Use of digital tools (e.g. robotic process automation (RPA))

In this way, we are promoting operational streamlining.

Furthermore, we are promoting flexible work styles by providing systems that allow company members to work without being restricted by time or place, such as coreless flextime (flextime without core hours) and teleworking systems.

We believe that these activities will contribute to the well-being^{*} of our company members. We will continue to engage in activities that promote physical and mental health and improve productivity and satisfaction.

^{*} Being in a good state physically, mentally, and socially, with individual rights and self-fulfillment ensured

Company members' satisfaction:

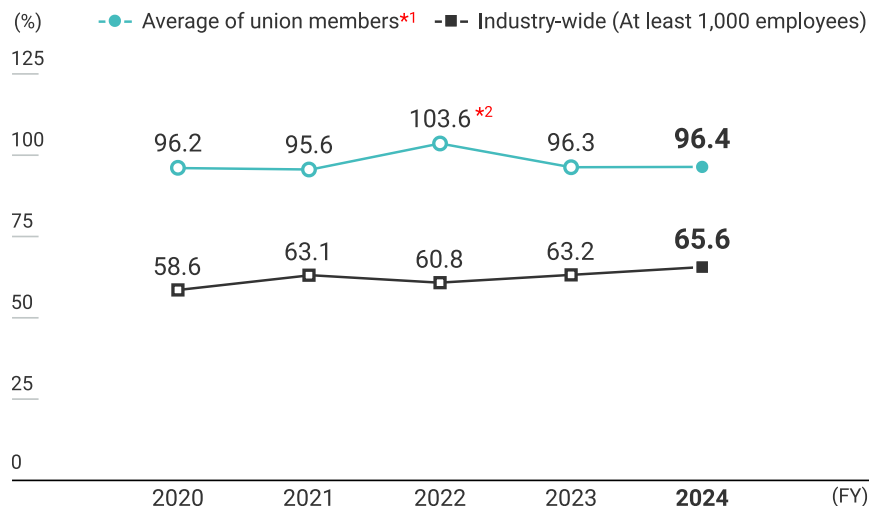
Positive response rate (KPI on vibrant work environment) [Toyota Boshoku]

The positive response rate on company members' satisfaction measures satisfaction with corporate life and motivation to work. It is calculated from company member surveys conducted twice a year.

Fiscal year	2020	2021	2022	2023	2024
Company members' satisfaction: Positive response rate (%)	67.2	71.5	71.1	70.4	72.4

Use of annual paid holiday [Toyota Boshoku]

The paid holiday utilization rate has remained high, exceeding 95% in the most recent five-year period. In fiscal 2024, the company target continues to be 14 days of paid holiday per year or the non-elimination of accrued paid holiday (encouraging members to take paid holiday within the validity period) for union members, and 6 days of paid holiday per year for managers and supervisors, with labor and management working together to encourage the utilization of such leave.



*1 Excluding members on leave and members on overseas assignment

Source: Industry-wide data based on the Ministry of Health, Labour and Welfare's General Survey on Working Conditions

*2 Please note that percentages shown may exceed 100%, as the total is calculated by dividing the total number of paid holidays taken in a year (including paid holidays carried over from the previous fiscal year), divided by the total allowance of paid holiday for this year only (i.e. not including paid holidays carried over from the previous fiscal year).

Treatment of fixed-term company members and temporary workers

We employ fixed-term company members in compliance with labor-related laws and regulations, and treat them appropriately in accordance with the employment rules and various regulations, including various types of social insurance and leave as stipulated by law. With regard to the wages of fixed-term contractors, we strongly believe in the concept of "same work, same wages," and operate in such a way as to prevent any discrepancies between the treatment and that of regular company members. In addition, the employment of temporary workers is handled in accordance with the Worker Dispatching Act, Guidelines for Measures to be Taken by Clients, and other laws and regulations.

Graduate and mid-career recruitment

In hiring graduates, our policy is to recruit highly capable individuals with diverse attributes and values in an active and stable, sustainable manner. We will also establish a recruitment framework by field and systematically develop individuals with aptitude after they join the company, building a system that will enable them to become an immediate asset.

In terms of mid-career recruitment, in order to achieve our Mid-Term Business Plan, we are hiring people with advanced specialized skills, such as digital transformation (DX) and environment-related technologies.

Additionally, we are building an environment where the same opportunities for training and promotion are available to all company members, regardless of when or how they joined the company. In the future, we will focus on implementing new policies, alongside our regular work acquiring talented people with different backgrounds, experience, and knowledge, who can bring added value to our company's business.

Number of persons recruited [Toyota Boshoku]

Fiscal year			Unit	2020	2021	2022	2023	2024
Graduate recruitment	Administrative and engineering	Male	People	95	88	58	80	135
		Female	People	40	30	20	25	49
	Skilled	Male	People	75	54	48	51	60
		Female	People	14	13	9	12	14
	Ratio of women		%	24.1	23.2	21.5	22	24.4
Total			People	224	185	135	168	258
Mid-career recruitment	University graduates	Male	People	24	0	1	19	64
		Female	People	6	7	8	7	17
	Graduates of high school or vocational school	Male	People	1	0	0	0	4
		Female	People	2	2	0	0	0
	Employees recruited as mid-career, as percentage of total number of employees recruited per year		%	12.8	4.6	7	13.4	21.6
Total			People	33	9	9	26	85
Graduate + mid-career recruitment Total			People	257	194	144	194	343

Human resource retention activities

In recent years, there has been increased mobility of human resources, and the employment market and workers' attitudes have also changed. However, the turnover rate at Toyota Boshoku is below the industry-wide average due to our pursuit of ease of working, including the enhancement of the workplace environment and systems. Since about 80% of company members who leave the company are regular company members, as activities to retain new company members we implement "assignments that take into account the individual's wishes, personal aptitude, and subject major," "post-assignment questionnaires and individual interviews," and "three-way meetings with supervisors and senior company members using a training record chart." In addition, to ensure smooth communication with new company members, direct supervisors and senior company members undertake "communication skills training." We believe that this training also has a positive impact on subsequent on-the-job training activities, and helps to maintain the motivation of new company members.

Turnover rate of new graduates leaving within three years (full-time members) [Toyota Boshoku]

KPI		Unit	Scope	2020	2021	2022	2023	2024
Turnover rate of new graduates leaving within 3 years		%	Toyota Boshoku	14.4	3.2	8.3	9.9	6.3
	Administrative and engineering	%	Toyota Boshoku	14.3	3.8	6.5	8.9	2.4
	Skilled	%	Toyota Boshoku	12.0	1.8	11.1	11.9	10.7

Diversity and Inclusion

Basic stance

We are fostering an environment in which everyone, including women, seniors, non-Japanese members, people with disabilities, and young people, can freely and openly express their own ideas, through the creation of an open workplace culture. We believe that by fusing the knowledge possessed by such a diversity of human resources, this will energize innovation, resulting in business expansion as well as the creation of new businesses.

To create this open workplace, we conduct lectures and e-learning training for managers and others on harassment, compassionate communication, the importance of diversity and inclusion, and unconscious bias.

Work-life balance

Toyota Boshoku has been striving to improve the workplace environment in various ways. For example, at production sites, we have introduced production lines that make it easier for employees who are raising children to work, while in administrative and engineering workplaces, we have introduced flextime without core hours and teleworking systems. We have also established an infrastructure including setting up an in-house day care center and operating a day care center shared by the five Toyota Group companies, and have put in place systems such as an expanded shortened work hour system (raising the eligible age for use to 18 years old), and a system that allows leave to be taken for family care or fertility treatment reasons. We will further enhance flexible working rules and our office/IT environments so that our diverse human resources can work vibrantly and maximize their individual skills.

Initiatives to help support a healthy work-life balance

		Childbirth	8 weeks after birth	3 years old	Entered elementary school	18 years old
Childcare						
Childcare leave	Legal requirements		Until child is 1 year old It can be split into two separate periods			
	Toyota Boshoku		Can be taken until child is 3 years old It can be split into two separate periods			
Postnatal childcare leave (father's childcare leave)	Legal requirements		Four weeks leave (which can be split into 2 separate periods), within the first eight weeks after birth			
	Toyota Boshoku		In line with legal requirements			
Financial assistance for those wishing to take childcare leave	Toyota Boshoku	Persons wishing to take childcare leave for a total of 4 weeks (28 days) or more				
Establishing nurseries	Toyota Boshoku	7:00 to 20:30 Based on company calendar			Toyota group 5 companies jointly In Toyota Boshoku Sanage plant	
Financial assistance towards childcare costs for company members returning to work early from childcare leave	Toyota Boshoku				Returning before child is 3 years old	
Introduction of regular daytime/first shifts	Toyota Boshoku					Until 2nd grade of elementary school
Extension of period covered by reduced working hours systems	Legal requirements	Until child is 3 years old				
	Toyota Boshoku	Choice of 4, 5, 6, or 7 hours per day				
Child nursing care leave	Legal requirements	5 days/year per child 10 days/year for those with 2 or more children			Until child enters elementary school	
	Toyota Boshoku					
Life support leave	Toyota Boshoku	5 days/year for various reasons related to family care (spouse's pregnancy support, childcare, nursing care, fertility treatment)				
Skill Comeback system*	Toyota Boshoku	Able to use the system when a spouse is to be transferred to a new location during the period of child care leave				

Caregiving		1 year ▽	3 years ▽
Extension of duration of caregiver leave	Legal requirements	Total of 93 days for applicable family members	
	Toyota Boshoku	Total of 2 years per applicable family member	
Shortened working hours system	Legal requirements	Total of 3 years, which can be split into 2 separate periods	
	Toyota Boshoku	Choice of 4, 5, 6, or 7 hours per day Total of 3 years, which can be split into as many separate periods as desired	
Caregiver leave	Legal requirements	5 days/year per applicable family member 10 days/year for those with 2 or more	
	Toyota Boshoku	In line with legal requirements	
Skill Comeback system*	Toyota Boshoku	The system is available when company member leaves their job for caregiving reasons	
Extended remote work	Toyota Boshoku	The system is available for company members who need to stay in a remote area (limited to within Japan) for an extended period of time due to personal circumstances such as care for a family member, making it difficult for them to come to work on a daily basis.	

* A system for providing opportunities for job reinstatement to company members who apply for reinstatement, and are approved by the company.
Applicable circumstances: company member previously left their job to provide caregiving, or was forced to relocate due to their spouse's job transfer (inside and outside Japan.)

Users of childcare leave system and shortened work hour system [Toyota Boshoku]

Trend in the number of members using the childcare leave system and the utilization rate among men

Fiscal year			Unit	2020	2021	2022	2023	2024
Number of members taking childcare leave and the utilization rate among men		Toyota Boshoku	Persons	90	68	80	119	200
	Women	Toyota Boshoku	Persons	70	50	44	49	55
	Men	Toyota Boshoku	Persons	20	18	36	70	145
	Utilization rate among men	Toyota Boshoku	%	—	6	15	28	67

The return to work rate for users of the childcare leave system is 100%.

Trend in members using the short working hour system

Fiscal year			Unit	2020	2021	2022	2023	2024
Number of members using the short working hour system		Toyota Boshoku	Persons	167	195	211	242	247
	Women	Toyota Boshoku	Persons	164	192	209	237	241
	Men	Toyota Boshoku	Persons	3	3	2	5	6

Company member-led activity organizations

Employee Network Resources Group (ENRG)

In 2022, we established the Employee Network Resources Group (ENRG), a company member networking group to hear direct feedback from company members and pass this on to management to resolve issues. It is split into five groups: "Women," "Young People," "Non-Japanese Members," "Seniors," and "Persons with Disabilities."

In 2023, five ENRGs took the lead in organizing D&I Week.

The program included experiencing what it is like to be a pregnant woman, a wheelchair experience, accounts of the experiences of members who had taken parental leave (men and women), introductions from groups for senior members and members with disabilities, and a panel discussion with a group of Boeing employees.



Experience of operating a wheelchair



Panel discussion with a group of Boeing employees



Team Breakthrough – "This is Diversity & Inclusion at Toyota Boshoku"

Promoting active roles for female members

We are striving to create a framework and workplace environment that is both satisfying and motivating and encourages continued service, through multifaceted support including improving the environment for career development and work-life balance, and changing the awareness of both female members and their supervisors. We will continue to promote measures to encourage female managers and female technicians to play an active role, as well as actively recruit women.

Trend in the number of female managers [Toyota Boshoku]

Our goal is to expand women representation in management positions by 2030 to at least five times the number as of October 2014 (13).

Fiscal year	2020	2021	2022	2023	2024
Number of female managers	23	24	29	33	35

Registration and training of priority training individuals

In order to systematically develop each female company member from an early stage so that they can take on challenges and play an active role with a higher level of motivation, we register priority individuals for training, draw up individual training plans, and train them in each workplace.

From fiscal 2025, the company will accelerate the development of female company members by incorporating priority individuals for training into the NEXT100* program.

* Registration system for priority training individuals to strengthen the development of young people for the Toyota Boshoku group

Initiatives to advance women in skilled professions

We took this step to reflect the opinions of female employees in skilled profession into our workplace measures and to create an even more vibrant workplace.

From August 2020, we introduced regular daytime/first shifts (regular nighttime/second shifts) at workplaces, and in April 2024 we raised the eligible age in systems for reduced working hours. Any concerns and opinions regarding the workplace are also shared, as necessary, between each plant and HR, and further measures are then implemented.

Working Group for the Advancement of Women

The women's group is active as "ENRG SHINE."

To further encourage female company members to reach their potential at work, we hold seminars for supervisors, female members, and spouses in anticipation of returning to work after childcare leave, as well as unconscious bias training and a convention to promote the success of women in the company.

Employment of persons with disabilities

Toyota Boshoku is promoting the creation of a workplace environment in which people with various disabilities, including physical, hearing, visual, intellectual and mental disabilities, can work comfortably. Upon acceptance, orientation sessions are held at a special needs school and at the workplace to facilitate effective work after joining the company. We also make active use of services such as job coaches provided by government agencies.

Employment rate of persons with disabilities [Toyota Boshoku]

Fiscal year	2020	2021	2022	2023	2024
Employment rate of persons with disabilities (%)	2.21	2.33	2.45	2.53	2.54

Promotion of foreign nationals

In line with the progress of globalization, we are promoting further autonomy for each region. We also run global management training programs and human resource development committees to systematically train and assign executive candidates, as well as optimally assign—regardless of nationality—the many talented and capable company members we employ around the globe, including company members at sites outside Japan.

Ratio of local members who are executives in regions outside of Japan

	April 2020	April 2021	April 2022	April 2023	April 2024
Ratio of local employees (%)	23	25.6	25.3	21.7	29.2

Promoting active roles through the recruitment and optimal allocation of human resources from a global perspective

We are promoting active roles for a wide diversity of talented people by accepting trainees from group companies outside Japan to Toyota Boshoku (Intra Company Transferee), embracing movement across regions and actively accepting and employing internships from universities outside Japan. In order to enable company members from other countries to play an active role, internal manuals in Japan have been translated into English, and Japanese language training and other programs have been implemented.

We are continuously implementing new measures in order to further facilitate active roles for a wide diversity of talented company members, and endeavor to keep improving in the future.

Responding to sexual diversity (LGBTQ + community)

We provide training for managers to promote understanding of sexual diversity, such as gender identity, sexual orientation, and gender expression. Furthermore, the company also provides an internal consultation service, which includes consultation on LGBTQ+, and has put in place an internal system for same-sex couples regarding marriage and family.

Moving forward, we will continue to create an environment where members of the LGBTQ + community can also work at ease, promote company members awareness and understanding activities, and foster a culture where all members are respected regardless of their sexuality.

Drawing on the expertise of older personnel

In 2004, Toyota Boshoku introduced a system for re-employing those who wish to work until the age of 65. We continue to implement various measures to provide a place where people can pass on their experience to future generations and make use of their skills and expertise even after retirement.

For example: our job posting system, which publicly advertises positions for company members over the age of 50, our policy of enabling retirement age flexibility for those in management positions, or our implementation of optional extensions of transfers to countries outside Japan.

We will continue implementing measures to enable talented senior company members to continue actively and dynamically engaging with their work. For example, by introducing systems that reward our talented company members over the age of 60 who continue to hold important responsibilities and produce good results, and by expanding such measures to include not just the company itself, but also our suppliers.

Reemployment of retirees [Toyota Boshoku]

Fiscal year	2020	2021	2022	2023	2024
Reemployment of retirees (persons)	314	343	354	392	425

Creating people-friendly processes and environments

We are designing people-friendly processes, systems and environments as well as educating managers and supervisors so that members with disabilities, female members and older personnel can work easily and vibrantly.

Safety

Our Basic Safety and Health Philosophy, and our Basic Safety and Health policy

Based on a Basic Safety and Health Policy, the Toyota Boshoku group implements safety and health activities as labor-management cooperative efforts in order to establish a corporate culture that places priority on safety and health at work. We also work globally to enhance safety and health at work through activities based on an Occupational Safety and Health Management System (OSHMS).

Furthermore, in order to absolutely prevent the occurrence of fires, we conveyed Toyota Boshoku's stance on fire prevention and conducted management-led inspection in each area, held emergency preparation drills using fire extinguisher and fire hydrants for all members, and worked to raise awareness towards fire prevents.

Basic Philosophy for Safety and Health

Safe work
 Reliable work
 Skilled work
 Safe Work is "the gate" to all work
 Let us pass through this gate

Basic Safety and Health Policy

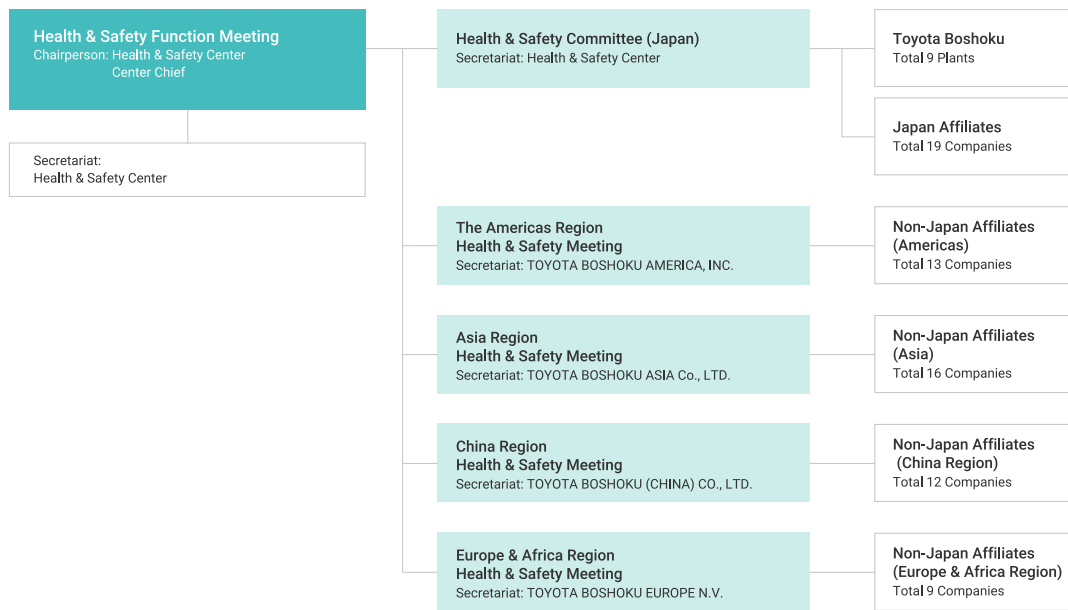
To foster a "Safety First" culture, we declare that we will not produce, handle, transport, or dispose of products or materials unless people's safety & health, and the environment are protected. Additionally, we will conduct ourselves in line with the following basic principles.

Shuhei Toyoda

Policies for safety management

- Don't hesitate to stop producing
- It is impossible to produce without the solution of the safety problem.
- Accident has to be "Zero" even if it is non-absence accident.
- Safety is at the basis of the workplace.

Safety and Health Promotion System

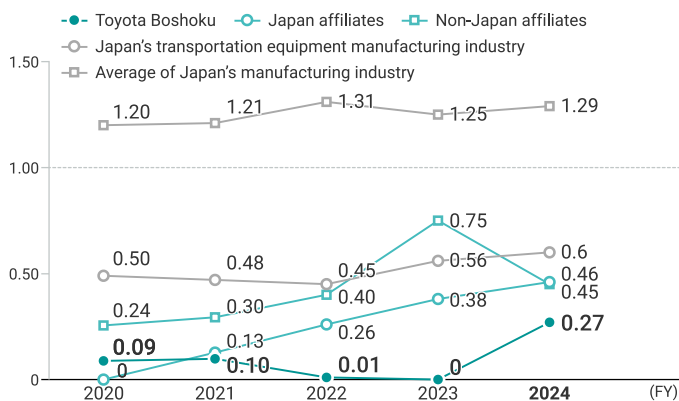


Safety and Health Activities Index

Number of work-related injuries at Toyota Boshoku Group over time

	Scope	Fiscal year				
		2020	2021	2022	2023	2024
All accidents (Cases)	Toyota Boshoku Group	50	76	95	134	114
	Toyota Boshoku	9	11	13	16	20
Fatal accidents on company premises (Cases)	Toyota Boshoku Group	0	0	0	0	1

Lost time frequency Rate (Lost time or more severe)*



* Lost time frequency rate = (number of deaths and injuries / total number of actual working hours) x 1,000,000

Safety commendations

By evaluating and recognizing the efforts of Toyota Boshoku and its affiliated entities inside and outside Japan, we aim to raise safety awareness and maintain motivation in our activities.

Evaluation is based on points awarded for the frequency of occupational accidents and total working hours, duration of no accident periods, and whether or not commendations have been received from public authorities and customers.



Toyota Boshoku Kyushu (right), which received the Safety Award (Gold Award) for its activities to establish a corporate culture that always puts safety first.

Promotion of Occupational Safety and Health Management System (OSHMS) Activities

Based on a Basic Safety and Health policy, in order to establish a corporate culture that places priority on safety and health at work, the Toyota Boshoku group is continuing labor-management consultations and cooperative efforts aimed at building a pleasant working environment that guarantees the safety and health of company members.

In accordance with ISO 45001 standard requirements and Occupational Safety and Health Management System (OSHMS) legal requirements, we have established the Toyota Boshoku Occupational Safety and Health Management System (Toyota Boshoku OSHMS). And we built a unified, more efficient occupational safety and health management system, and announced it globally.

We grasp occupational safety and health issues and secure both human and financial resources to improve both safety and health at workplaces.

Developing Human Resources Who Can Act Safely and Building a Safe Working Environment

Using risk assessment (machines & equipment, chemical substances, work) to build an environment that is kind to workers.

As part of Toyota Boshoku's Occupational Safety and Health Management System, we have introduced risk assessments for machines and equipment, chemical substances, and work operations, based on government guidelines regarding harmful or dangerous substances.

As a result, we are identifying possible sources of risk throughout the various steps of our manufacturing processes and taking measures to limit such risks to within acceptable limits, while enacting appropriate measures to manage any risks that remain.

Additionally, when installing new machines and equipment, company members with responsibility for production engineering, manufacturing, maintenance and safety make visits to the relevant manufacturers. We then perform checks based on the findings of previous risk assessments, while at all times carrying out uncompromising safety measures.

These risk assessments are performed not only for the benefit of our company members, but also to address any possible risks that may be encountered by visiting customers or business partners.

Finally, we are also taking appropriate safety measures regarding conditions and quantity of all harmful chemical substances used in our production processes.



Performing a risk assessment, checking both work being carried out and the work procedures manual

Developing human resources who can take Safety Basic Behavior

In addition to preventing occupational accidents, we are working to establish a "culture of taking things for granted" by having company members observe and follow the established rules in terms of manners and morals. For instance, we are continuously implementing "Poke-Te-Na-Shi Activity^{*}" common to Toyota Group, raising the level of awareness by calling out to company members at standing patrols and poster contests, and creating workplaces where mutual enlightenment can take place.

^{*} Five basic safety guidelines to prevent accidents while walking, including keeping hands out of pockets, and avoiding using one's phone while walking.



An outstanding entry in the "Po-ke-te-na-shi" competition for posters to raise awareness of safety displayed inside the Company



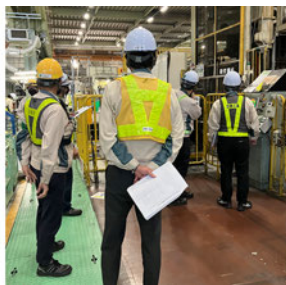
Safety awareness and guidance activities are periodically held within plants

Safety and fire prevention inspection cross-check

The entire group, including suppliers, continues to work together to prevent STOP6 accidents which may lead to fatal accidents and to prevent total-loss fires.

In fiscal 2024, a safety and fire inspection cross-check by top management of each plant was implemented first at entities inside Japan, and then globally.

Entity top management visits entities not under their jurisdiction to check items such as the status of 4S Seiri (Sort), Seiton (Set in order), Seiso (Shine) and Seiketsu (Standardize), to verify the environment for the practice of Stop, Call, and Wait, and to check safety measures at facilities, etc. The main processes to be checked are the molding and seat assembly processes.



Toyohashi Plant General Manager checks equipment at the Oguchi Plant

Safety education

We believe that education is a key to safe behavior.

In order to promote the development of safe human resources and workplaces in which fatal accidents do not occur, the Toyota Boshoku group is systematically implementing relevant activities on a global scale, such as enhancing education for acquiring knowledge and skills, holding safety inspections, and conducting activities to entrench a culture of risk assessment.

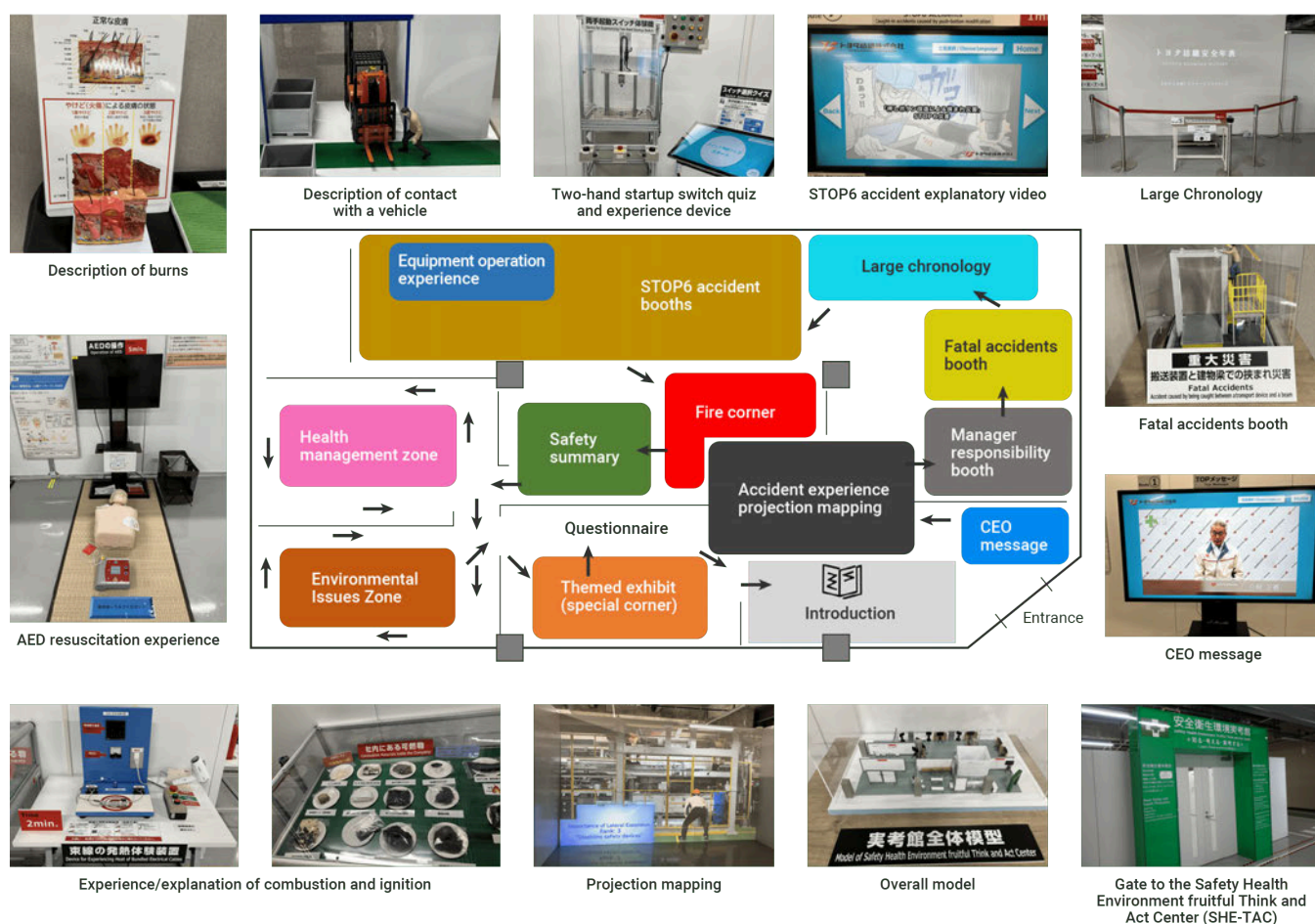
Moreover, in FY2021, we established Safety, Health, Environment fruitful Think and Act Center (SHE-TAC) within the MONOZUKURI Innovation Center with the aim of promoting the development of people who know the background and causes of past occupational accidents, consider countermeasures, take individual responsibility for matters of safety, and take initiative to implement preventive measures.

Safety, Health, Environment fruitful Think and Act Center (SHE-TAC) fosters the development of safety and accident prevention-focused company members, carrying out training at various levels, including for newly-hired and newly-promoted company members, as well as for members at affiliates in Japan. In fiscal 2024, 878 people attended training at the SHE-TAC, while 7,606 people attended training at various plants' Safety Dojos.

Comments from participants

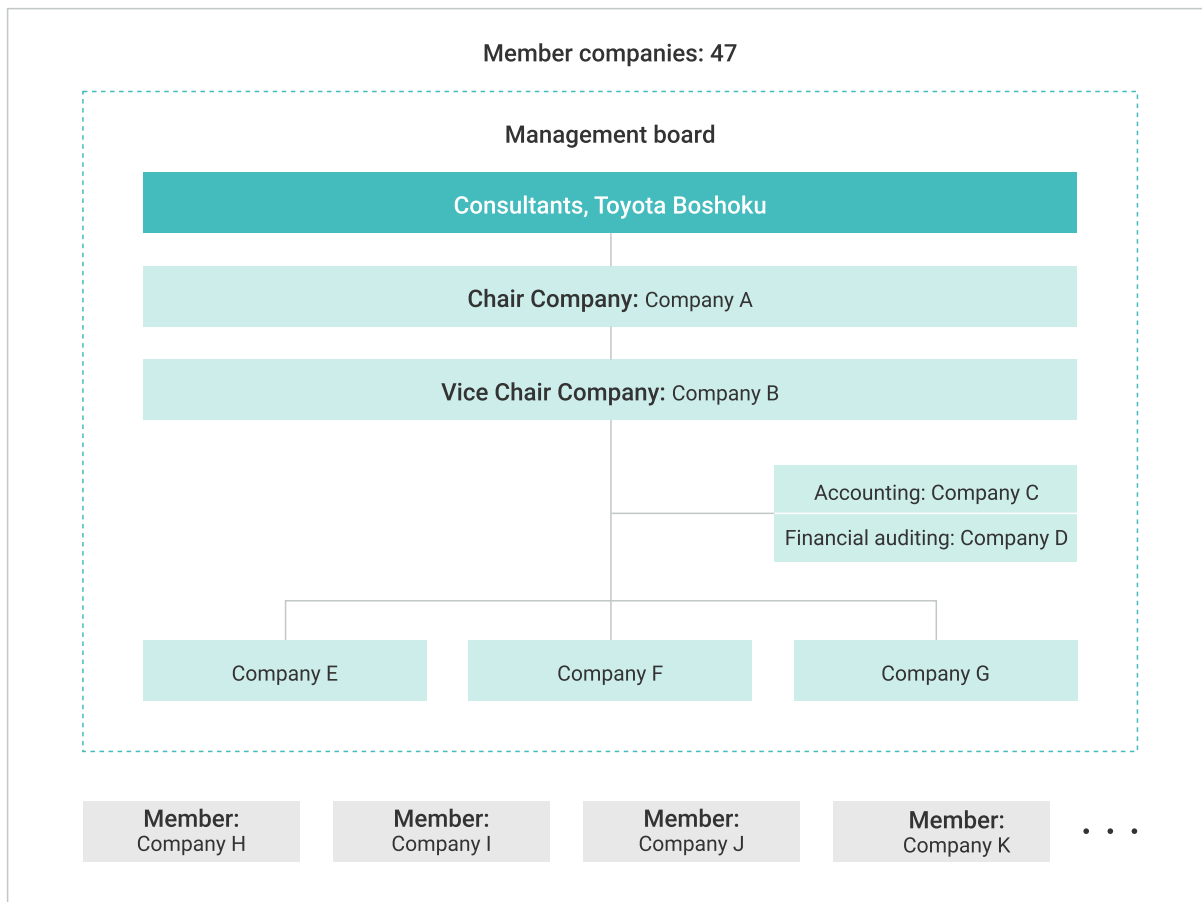
- There were many accidents that I did not know even though they were serious. It was a good opportunity to strongly realize how scary an accident can be.
- Seeing many cases, I realized that if I was not careful, I might cause serious injuries or accidents. So I was also able to alert people around me.
- The horror of accidents was clearly demonstrated. I was able to have a strong mindset about safety.

Layout of Safety, Health, Environment fruitful Think and Act Center (SHE-TAC)



Ensuring safety in outsourced construction

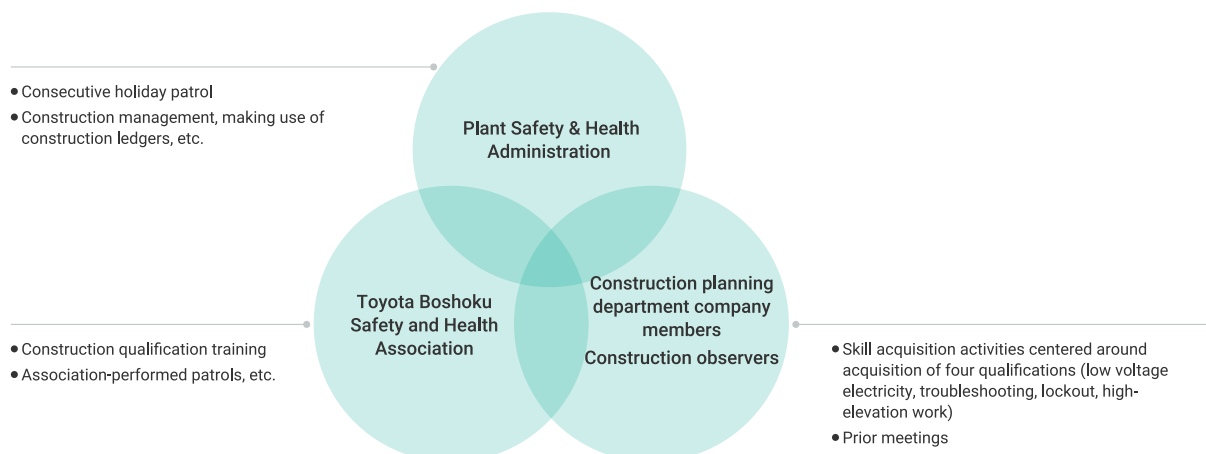
Toyota Boshoku conducts activities together with the Toyota Boshoku Safety and Health Association (including 47 companies) with the aim of ensuring safe construction management where there is no fatal accident on premises for anyone.



Organizational chart of Toyota Boshoku Safety and Health Association

Outsourced construction Patrol

Plant Safety & Health Administration, the Toyota Boshoku Safety and Health Association, and the Construction planning department work together, each taking their own role in outsourced construction patrol activities. Patrols don't simply involve identifying unsafe behavior, but also listening to concerns, and creating an even better environment for construction workers.



System for Construction Observer Qualification

Outsourced construction is observed and managed for safety by holders of internal qualifications, each of whom has received specialist training.

Observer training (recalling and reflecting training)

Goal: to improve observers' awareness of safety-related issues

Result: raising of danger awareness, identifying important issues for suppliers, cultivation of talented personnel capable of instilling caution

Examples:

- Was the number of work supervisor appropriate?
- Were the measures resulting from the risk assessments appropriate?
- Do you know the appropriate way of using this protective equipment?

Safety Education Academy for Construction

The SEAC (Safety Education Academy for Construction) was launched in order to prevent accidents involving visitors and construction workers at our company sites. At the SEAC those in charge of construction work are offered the chance to handle equipment identical to those used in real worksites, and so get accustomed to the worksite environment. Participants who undergo this training develop a practical understanding of potential risks, and will be able to identify and perform kaizen on any issues or flaws they may encounter when actually visiting a worksite.

Since fiscal 2024, the training has been provided for our affiliates as well.

Comments from participants

- It was a good experience for me because there are not many hands-on training programs that allow me to see and point out the actual worksite.
- I strongly felt that I had to take into consideration the safety of not only myself, but also of the construction workers and others.
- It was practical and easier to understand than just thinking only in my mind. It was helpful.



Training equipment



Classroom lecture

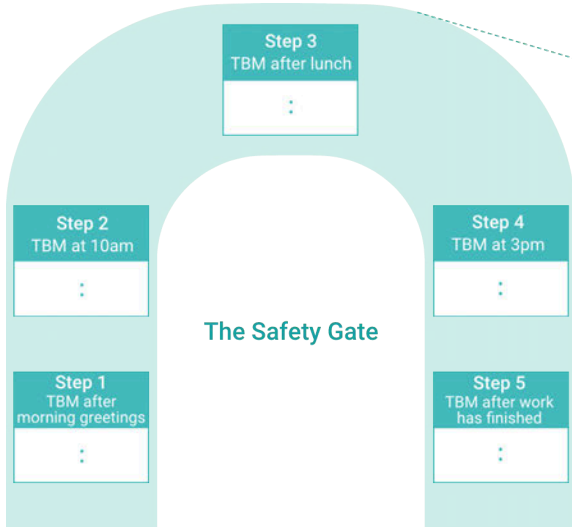


Genchi-Genbutsu-based training of hazard prediction meeting

Introduction of Five-step Toolbox Meeting

We are introducing five-step toolbox meetings (TBM) with the aim of preventing accidents resulting from changes during construction or awkward-to-perform work.

Toolbox meetings consist of five meetings held throughout the day (after morning greetings, at 10am, after lunch, at 3pm, and after work has finished), which allows confirmation of the contents of work instructions, sources of potential danger, as well as changes to company members' physical conditions and other similar issues.



Five-step TBM



Fire Prevention

Past fires

At 2pm on April 29, 2018, a large-scale fire broke out at Tsutsumi Plant, causing a great deal of trouble and concern for the local community, our business partners and our shareholders. To ensure this kind of issue does not reoccur we hold the worldwide Toyota Boshoku Group Fire Prevention Day annually on April 29.



Fire safety inspections performed by top management

In response to the 2018 fire at Tsutsumi Plant, we have created heat source maps to identify any potential fire origin points for all our plants. Company presidents and chief plant general managers at all our plants, as well as at affiliated companies inside Japan, perform fire safety inspections on a continuous basis to check the handling and conditions of heat sources and other areas of potential danger.



A chief plant general manager checking the management situation

Fire extinguisher training using VR

When performing fire extinguisher training, there is naturally a limit to the number of fire extinguishers that can be made available. However, by making use of VR during training, we are able to increase the number of people participating in this important training.



Image of firefighting drill seen through a VR headset

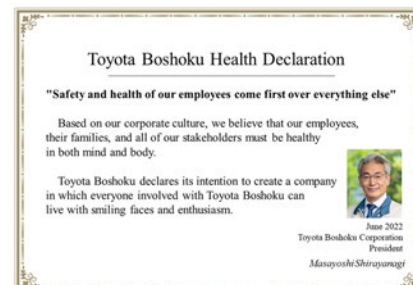
Development of global standards for fire prevention

While there are differences in the firefighting laws and regulations between countries, we have formulated global standards for the management of hazardous materials and fire alarms, etc., based on past cases of fires, in order to conduct fire prevention activities from the same perspective globally. We have also created a fire prevention inspection checklist based on global standards, and the entire Toyota Boshoku group conducts fire prevention inspections.

Health

Our Basic Health Management Policy & Objectives

We understand that promotion of improved health among our company members is an important corporate issue. Thus, in 2019 we established and released the Toyota Boshoku Health Declaration with the aim of promoting health-improving activities on a mid-term basis, and revised it in 2022. Labor and management will continue working together to build a corporate culture and working environment where company members can work energetically and healthily in both mind and body.



Health management initiatives and establishing a culture of health

Certified as an Excellent Enterprise of Health and Productivity Management

With the goal of ensuring that each and every company member is healthy and happy in both mind and body, and is able to perform to the best of their ability, labor and management work together to provide health support from both a physical and mental perspective.

These activities were evaluated, and in FY2024 Toyota Boshoku was recognized in the large enterprise category of the 2024 Certified Health and Productivity Management Organization Recognition Program (White 500), continuing from last year.

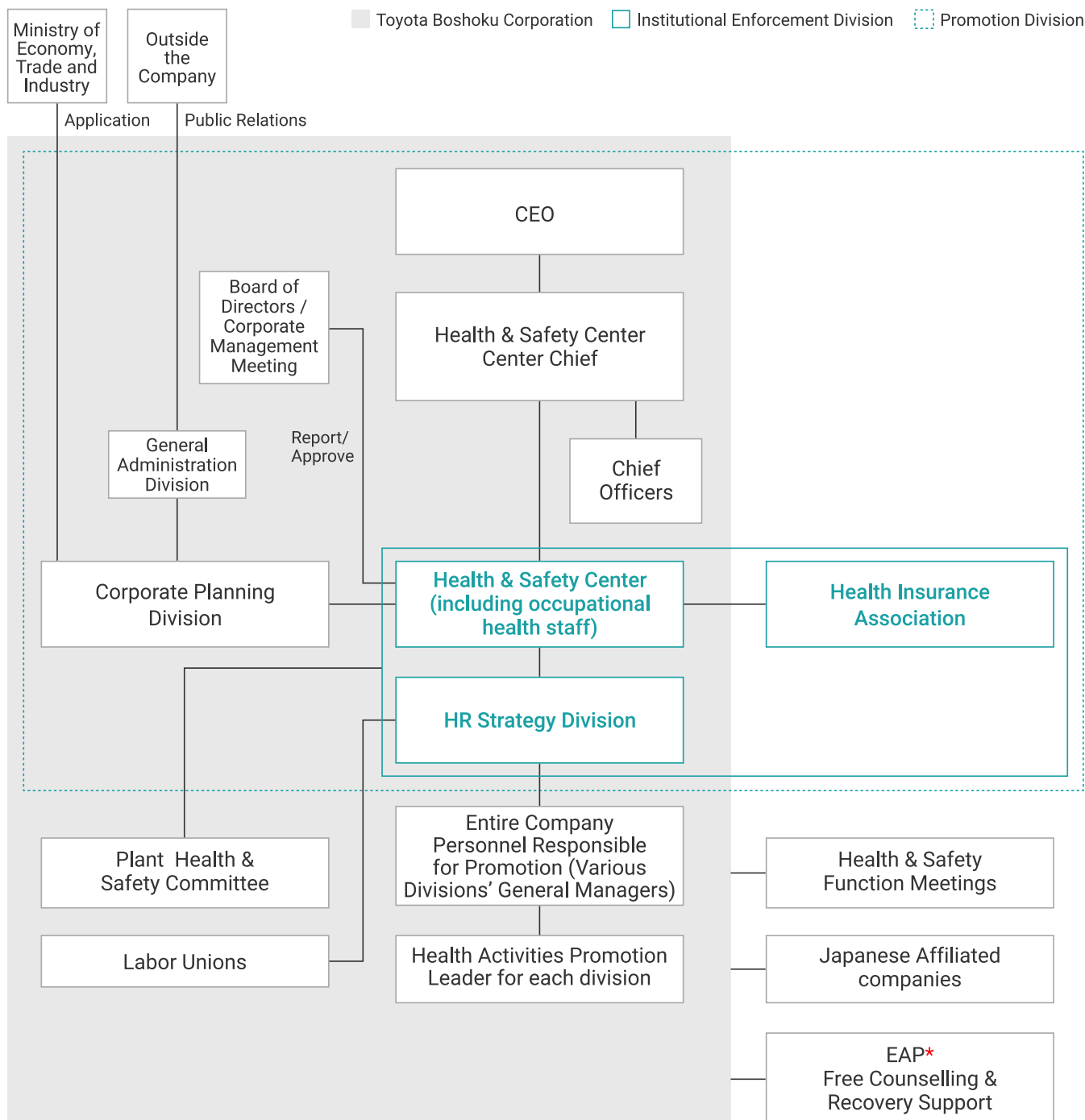
At this point in time, group companies are also engaging in their own activities, certified as a Health and Productivity Management Organization Recognition Program: large enterprises Araco, Toyota Boshoku Kyushu, Toyota Boshoku Tohoku, as well as small-to-medium enterprises Toyota Boshoku Shiga, TB Sewtech Tohoku, TB Engineering, TB Corporate Service, TB Technogreen, TB Logistics, and Toyota Boshoku Health Insurance Association.



Our Health Management Promotion System

With the CEO as the person holding chief responsibility, the Health & Safety Center, the HR Strategy Division, the Corporate Planning Division, and the Health Insurance Association, as the divisions responsible for promotion, hold periodic meetings to promote health management.

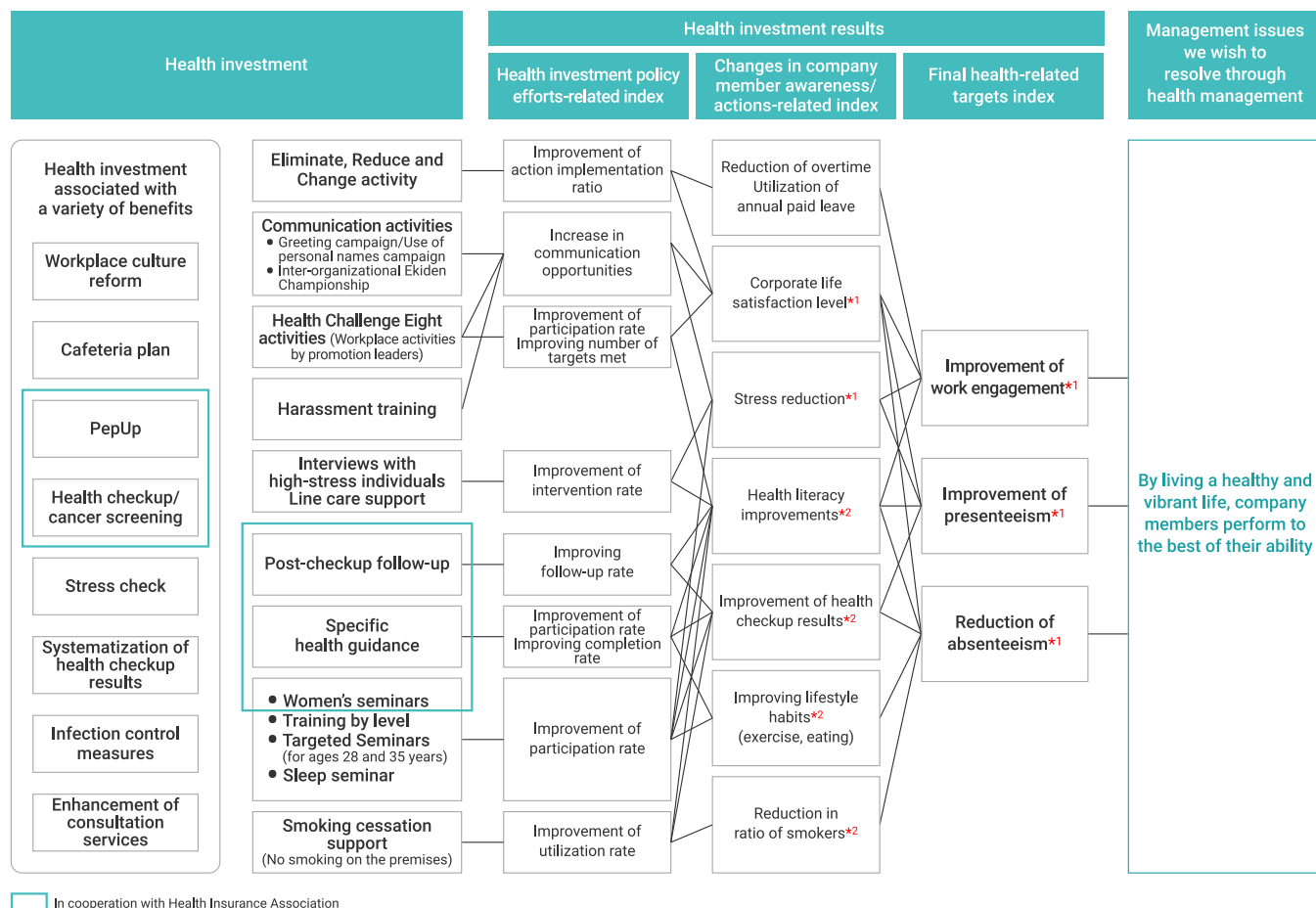
We have appointed a Health Activities Promotion Leader for each division, hold regular meetings and have created a system to further energize health activities throughout the company. At Health & Safety Function Meetings, we share information concerning health activities with business entities and affiliated companies outside Japan to enhance health awareness. Additionally, we are strengthening cooperation with labor unions and external organizations.



* Employee Assistance Program: a program that supports company members in dealing with issues which affect productivity.

Health Management Strategy Map

With regard to the health challenges facing the company, we believe that measures to address obesity rates, smoking rates, exercise habits, and sleep are needed. Furthermore, cross-analysis of health checkup data and stress check results revealed that improvements in exercise and eating habits during and beyond a person's twenties is necessary, and that improvement of sleep and stress is important for presenteeism. Based on the results of the analysis, we will continue to create strategy maps and promote activities.



Data confirmation

*¹ Results of stress check, morals survey and vibrant KPI*² Health checkup results, results of health checkup survey and interview

Final health-related target indicators

Work engagement (deviation value) [Toyota Boshoku]

Fiscal year	2020	2021	2022	2023	2024
Work engagement (deviation value)	47	47	48.1	48.1	48.0
Number of respondents (person)	8,927	9,088	8,779	8,736	8,697
Response rate (%)	96.5	95.5	94.1	95.0	93.8

Company members' attachment/commitment to the company.

Scaled to a mean of 50, with higher values indicating a better result. We aim to reach a deviation value of 50 by fiscal 2026.

Presenteeism (rate of lost productivity) [Toyota Boshoku]

Fiscal year	2020	2021	2022	2023	2024
Presenteeism (rate of lost productivity)	–	–	37.9	37.3	36.6
Number of respondents (person)	–	–	8,734	8,703	8,664
Response rate (%)	–	–	93.7	94.6	93.4

Collection of data began FY2022

WHO-HPQ (Health and Work Performance Questionnaire) measures absolute presenteeism.

"Presenteeism" refers to a state of affairs where a loss of productivity occurs as a result of a company member's ability to work being impacted by health issues. Our aim is to reach 35% or lower by FY2026.

Absenteeism (absence from work due to injuries or sickness) [Toyota Boshoku]

Year	2019	2020	2021	2022	2023
Absenteeism (days)	2.7	2.7	2.7	2.8	2.9

Employee-wide average number of days of work missed due to injuries or sickness

Use of Health Challenge 8 as an indicator of health literacy

◆ Use of Health Challenge 8

With the aim of each and every company member at Toyota Boshoku performing at their best, we have defined the Health Challenge 8—eight targets which can affect a company member's productivity, as well as their physical and mental health. Our goal is to achieve 5 out of 8 of the Health Challenge 8 targets.

Increasing the number of Health Challenge 8 targets achieved will lead to improved medical checkup results and a reduction in presenteeism losses. The Health Challenge 8 initiative, which includes establishing exercise habits, encourages the continuation of efforts that lead to better health, by improving the ability (health literacy) of each company member to think and act on their own health needs. Furthermore, starting in fiscal 2025, the days in each month containing an "8" (8th, 18th, 28th) will be designated as a Health Challenge 8 Day to build an environment that encourages greater health awareness.

In addition, the Health Challenge 8 initiatives are being shared across the Toyota Group.

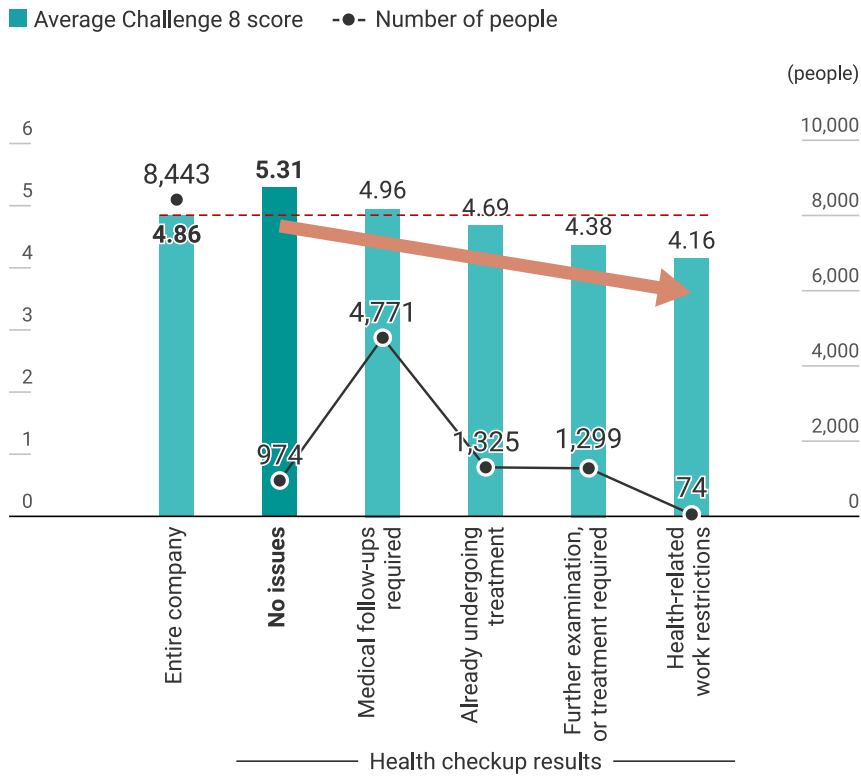
The eight targets of Health Challenge 8:

① BMI	② Breakfast	③ Alcohol	④ Snacking
Less than 25%	Eating breakfast every day	No drinking, or at most 180ml a day	Limiting snacking after dinner to twice a week or less
⑤ Smoking	⑥ Exercise	⑦ Sleep	⑧ Stress
Not smoking	30 minutes or more of exercise at least once a week	Sufficient, good-quality sleep	Not being affected by high stress

Trend in number of Health Challenge 8 targets met

Fiscal year	2022	2023	2024
Targets met	4.52	4.85	4.86

Health checkup x number of Challenge 8 targets met



Ratio of presenteeism-induced loss, categorized by number of Challenge 8 targets met



Health initiatives where no-one is left behind

Collaboration with Health Activities Promotion Leaders

Health Activities Promotion Leaders have been assigned to each division, with 148 individuals active at our sites nationwide. As the health-related point of contact in the various divisions, they promote health projects and work to enhance health within the division.

Promotion Leader meetings were held four times during the year at which the Leaders encouraged participation in health measures, promoted workplace-based activities undertaken by each workplace, organized teams for an inter-departmental walking rally, and promoted registration on the health portal site (PepUp).

At a roundtable discussion between President Shirayanagi and the Promotion Leaders, the Leaders shared what had made them happy, their difficulties, and their personal health sense, and Mr. Shirayanagi also expressed his expectations for the Leaders. This was shared in an internal newsletter, helping to promote a better understanding of the role of the Promotion Leaders.

In addition, discussions between the Health Activities Promotion Leaders and the health-related divisions play an important role by gathering opinions related to health from company members in their own department, sharing them during the discussion, and incorporating that content into policies.

The activities of the Health Activities Promotion Leaders are becoming increasingly important, enabling members to engage in health activities in the workplace while having fun.

Measures to cultivate good health

Health checkups held for all company members

The Toyota Boshoku group holds health checkups at all business sites, regardless of whether or not this is mandated by local law, and continues to maintain a 100% receiving rate for legally-mandated health checkups. As part of our health awareness raising activities, we will continue to provide follow-up appointments at infirmaries and worksites, and are aiming to achieve a 100% receiving rate for all health checkups independently provided by each site.

In addition, for company members who need a detailed examination after the health checkup, in order to prevent serious illness through early detection and early response, an occupational health staff member explains the results in person, leading to a hospital visit.

Rate of company members receiving legally-mandated health checkups [Toyota Boshoku Group]

Fiscal year	2020	2021	2022	2023	2024
Rate of company members receiving health checkup (%)	100	100	100	100	100

Rate of company members receiving detailed examinations after general health checkup [Toyota Boshoku]

Fiscal year	2020	2021	2022	2023	2024
Rate of company members receiving detailed examinations after general health checkup (%)	94.7	84.4	87.0	91.3	91.9

Health-related guidance is given to 100% of company members receiving detailed examinations

Status of treatment for high blood pressure after receiving health checkup results [Toyota Boshoku]

Fiscal year	2020	2021	2022	2023	2024
Rate of controlling blood pressure* (%)	27.8	21.0	40.2	58.7	57.6

* Percentage of company members who are successfully controlling their high blood pressure (i.e. keeping it below 140/90mmHg) via medical treatment

$$\text{controlling blood pressure (\%)} = \frac{\text{number of people successfully controlling blood pressure via medical treatment}}{\text{number of people receiving medical treatment} + \text{number of people not receiving treatment}}$$

Implement stress check and initiatives for good mental health

Stress checks are conducted once a year, and efforts are made to prevent mental health problems by interviewing and consulting with high-stress company members in cooperation with external organizations. In addition, the applicable divisions are selected based on the organization's stress check results, and in-house occupational health staff and outside organizations also work together to provide line care support.

Self-care training is also provided for new company members and new managers/supervisors.

For company members with mental health issues, the HR Strategy Division works with industrial physicians and occupational health staff to provide support for returning to work.

Stress check response rate [Toyota Boshoku]

Fiscal year	2020	2021	2022	2023	2024
Stress check response rate (%)	96.5	95.5	94.1	95.0	93.8

Changes in stress response (deviation value) [Toyota Boshoku]

Fiscal year	2020	2021	2022	2023	2024
Changes in Stress Response	54	55	49.1	49.3	48.9

Scaled to a mean of 50, with higher values indicating a better result. From fiscal 2022 our criteria for calculation became stricter, thanks to a review by an external organization.

Percentage of company members with high stress [Toyota Boshoku]

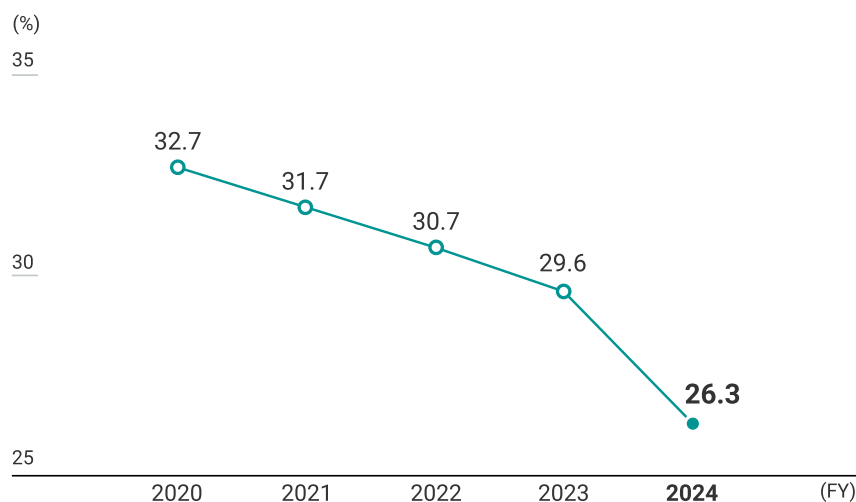
Fiscal year	2020	2021	2022	2023	2024
Percentage of company members with high stress (%)	5.2	4.3	5.2	5.1	5.6

Anti-smoking activities

The smoking rate at Toyota Boshoku has been decreasing year by year. Although it was 29.6% in fiscal 2023, falling below 30% for the first time, it remains high compared to the national average (16.1% in 2022^{*}). Considering that this constitutes a risk of future disease, to protect the health of company members, their families, and the people around them, we have been continuously implementing smoking cessation support activities to reduce the smoking rate, starting with the abolition of in-house cigarette sales in 2008, setting up three non-smoking days per month, subsidizing the purchase of smoking cessation medication, and assisting company members to visit smoking cessation clinics. Successful quitters have commented that these measures helped them to stay motivated. In fiscal 2023, in preparation for the total ban of smoking on the premises starting in April 2023, we actively conducted activities to ensure company members were informed and to gain their understanding, and promoted the use of smoking cessation support. The ban then came into effect in April. The number of people using smoking cessation medication assistance has increased more than 10-fold compared to an average year, and spurred on by the ban on smoking in-house, there are many people who have either quit smoking or are trying to quit. The smoking rate in fiscal 2024 was 26.3%, a 3.3 percentage points reduction from the previous year. In fiscal 2025, we will continue our anti-smoking month activities in line with World No Tobacco Day.

^{*} Source: e-Stat, a portal site of official statistics of Japan

Smoking rate [Toyota Boshoku]



Training by job level

Training for new company members and promoted members

Mental and physical health training is provided by in-house occupational health staff and external lecturers. Self-care training and line-care training for managers and supervisors are also provided.

Target training

Specific health guidance initiatives

Specific health guidance* is considered an important measure to address the needs of high-risk individuals. In fiscal 2024, specific health guidance was provided at certain plants on the day of in-house health checkups, a time when company members are highly health conscious. There was an increase in the number of company members who received the guidance, which had temporarily declined due to the coronavirus pandemic, and of the 1,376 eligible members, 948 (68.9%, up 7 percentage points from the previous year) received specific health guidance (first-time interview). We will continue to work with the Health Insurance Association to increase the number of people receiving specific health guidance both internally and externally, while also enhancing the guidance content.



* Guidance given to individuals aged 40 and over who, despite a current high risk of lifestyle diseases, would likely be able to lower these risks via lifestyle improvements

Health Step-Up Training (course for 28-year-olds)

By analyzing medical checkup results and the contents of medical interviews, it can be seen that various issues with exercise and diet, such as exercising and eating breakfast less frequently, tend to arise during one's twenties. Therefore, since fiscal 2023, we have been holding health seminars targeting 28-year-olds. Since these are health seminars for the younger generation, they are focused not only on preventing lifestyle-related diseases, but also on a conditioning perspective aimed at improving performance. In the post-attendance survey, both comprehension and satisfaction levels were above 90%, with many positive responses such as, "It made me feel like staying healthy from now on!" and "I felt refreshed as it was a seminar with actual physical movement."

In fiscal 2023, it was a 90-minute online seminar due to infection control measures, but in fiscal 2024 it was changed to a group-based, full-day seminar with enhanced content. We will strive to improve the participation rate next fiscal year by offering substitute courses or devising more accessible locations and times.

Number of participants: 157 (95.2%) in 2022; 123 (79.9%) in 2023

Post-event questionnaire

Understanding

Understood	96.7%
Somewhat understood	3.3%
Not understood	0%

Satisfaction

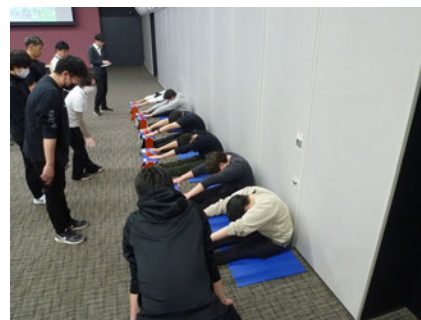
Satisfied	90.2%
Somewhat satisfied	8.9%
Somewhat dissatisfied	0.8%
Not satisfied	0%



Health Step-up Training (course for 35-year-olds)

We run a special health seminar for 35 year-old company members, with the aim of enabling a reversal of common trends such as a reduction in exercise and an increase in body weight. This seminar is designed to review the results of health checkups and learn about lifestyle modification and obesity prevention through physical fitness tests. In the post-seminar questionnaire, participants were able to clarify their own issues and goals, such as "I'll do muscle training twice a week!" and "I'll stop snacking before bedtime." As with the seminar for 28-year-olds, the event was carried out online during the coronavirus pandemic, but since fiscal 2024 has reverted to a group-based, full-day seminar. We will continue working to create an environment that facilitates participation.

Number of participants: 222 (96.1%) in 2022; 180 (76.6%) in 2023



Post-event questionnaire

Understanding

Understood	90.0%
Somewhat understood	9.4%
Not understood	0.6%

Satisfaction

Satisfied	73.9%
Somewhat satisfied	23.9%
Somewhat dissatisfied	2.2%
Not satisfied	0%

Mental health training for second year of regular employment, first year of mid-career hires

Since a tendency was observed for the environmental change after joining the company to trigger mental health issues, mental health training is provided by external instructors in the second year of regular employment and the first year of mid-career hires. Support is given for learning self-care and applying this in daily life.

Participation rate: 85.2% in 2022; 85.8% in 2023

Population approach^{*1}

Women's health seminars —held jointly with the Toyota Boshoku Health Insurance Association—

To address PMS^{*2}, menopausal issues, and other health issues specific to women, we invited an external lecturer to hold a seminar on learning self-care in response to hormonal changes, including practical skills using hand cream. The content meets the needs of female company members who want to live more comfortably and improve their quality of life. In fiscal 2024, female company members both gathered at a venue and watched an online stream, which not only increased participation but also provided an opportunity for female members to communicate with each other. In the post-seminar questionnaire, the satisfaction rate was over 90%, with positive comments such as, "It was helpful for self-care," and "Even women who do not have much time can continue."

FY2023 Live participants: 68

Catch-up broadcast views: 462 views

FY2024 Live participants: 155

Catch-up broadcast views: 256 views



^{*1} Initiatives to reduce risk by targeting groups of people regardless of whether they are at risk

^{*2} Premenstrual syndrome: Mental and physical symptoms that occur before menstruation

Post-event questionnaire

Satisfied	74.8%
Somewhat satisfied	23.9%
Somewhat dissatisfied	1.3%
Not satisfied	0%
Want to put into practice from tomorrow	94.8%
Neutral	5.2%

Seminar on understanding women's health (for all company members)

Understanding and support from the entire workplace is essential for women to continue working vibrantly. In order to increase awareness and deepen understanding of women's health issues, we have been offering e-learning since fiscal 2025, regardless of job position or gender. Having a common understanding of knowledge about women's health issues will lead to a comfortable work environment for everyone.

Number of participants: 6,773 (71.0%) in 2024

Sleep seminars

At Toyota Boshoku there is a distinctive connection between presenteeism and the quality of a company member's sleep. Therefore, we conducted a seminar on sleep techniques to improve work performance. The number of participants on the day of the seminar increased from the previous fiscal year. In a post-seminar questionnaire, 90% or more of the respondents were satisfied or somewhat satisfied, and 98% answered "yes" to the question, "Was there anything you wanted to put into practice after the seminar?" Many participants commented, "I want to use the sleep techniques I learned today, starting tomorrow," and "I will be more conscious of sleep pressure," indicating a high level of interest in sleep among company members. We will continue to implement our sleep-related initiatives in the future.

FY2023 Live participants: 288

Catch-up broadcast views: 244 views

FY2024 Live participants: 425

Catch-up broadcast views: 331 views



Seminar held online (NeuroSpace Co., Ltd.)

Post-event questionnaire

Satisfied	44.9%
Somewhat satisfied	44.7%
Neutral	7.1%
Somewhat dissatisfied	0.4%
Dissatisfied	0%

TB Food Education Project (Veg First Campaign)

In 2023, we launched a food education initiative for company members using our cafeteria spaces. Salad menus tailored to each cafeteria were subsidized for a limited time, and pop-ups and cafeteria signage were used to communicate the benefits of "veg first." During the campaign period, the number of small bowls of salad consumed increased by 142%. We will continue with our efforts from fiscal 2025, under the TB Food Education project, to help company members deepen their own interest in food and improve food literacy.



Inter-departmental walking rallies

As in fiscal 2023, we held an inter-departmental event competing on the number of steps taken, using a health portal site (app) called PepUp. In addition to the average number of steps taken, the participation rate of each department is scored, so members invite each other to participate, leading to a change in behavior.

Fiscal year	2023	2024
Inter-departmental walking rallies participation rate (%)	13.3	26.9

Health lectures (held by department)

In-house staff (occupational health nurses, nurses, etc.) served as lecturers, and each department selected one out of 10 health lectures to hold online. Discussion among members after the lecture generates a health buzz in the workplace. Beginning in fiscal 2025, we are planning for staff members to travel to each department to give face-to-face lectures.

List of health lecture content
Introduction to PepUp
About the Health Challenge 8
Tips for dealing with alcohol
What is mental health?
Tips on snacking
Make your health checkup results your greatest ally
Weight loss recommendations
Gut health recommendations
Food choices to maintain proper weight

Fiscal year	2023	2024
Participation rate in workplace-based activities (%)	43.0	40.9

Posting of fitness videos and health-related columns

We continued to distribute health-related articles in fiscal 2024.

Amid growing interest in health among company members, there have been inquiries about training methods. Consequently, we have increased the number of articles since last fiscal year and expanded their content, distributing 2 to 3 health articles per month on the company's intranet. The use of signage and bulletin boards has increased the opportunities for company members to come into contact with this information. This initiative has led to an increase in the number of views, with the average number of article readers exceeding 500. We will continue to enhance our initiatives to raise company members' health literacy by tailoring distribution to their needs.



Videos accessed via QR codes (videos supplied by RIZAP)

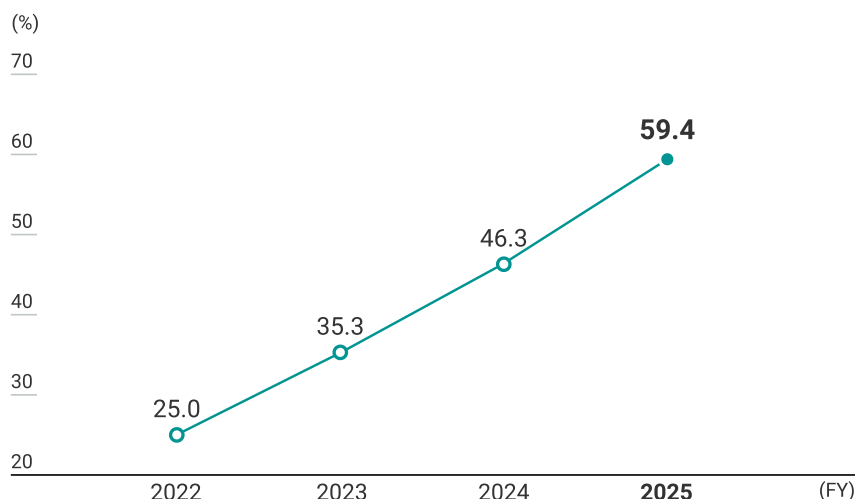
Health management using smartphones

We support health activities using a health portal site (app) called PepUp.

In fiscal 2024, events such as quizzes related to the Health Challenge 8 and inter-departmental walking rallies were held via PepUp to encourage participation through an incentive system.

As of March 2024, there were 5,535 registrants (59.4% registration rate, up by 1,289 persons from the previous year). We will continue to plan events that allow company members to participate while having fun, and we will use this as one of our initiatives to improve the health literacy of company members, while also increasing the number of registrants.

PepUp registration rate by fiscal year



Topic: The need for initiatives to strengthen specific health guidance and improve drinking habits

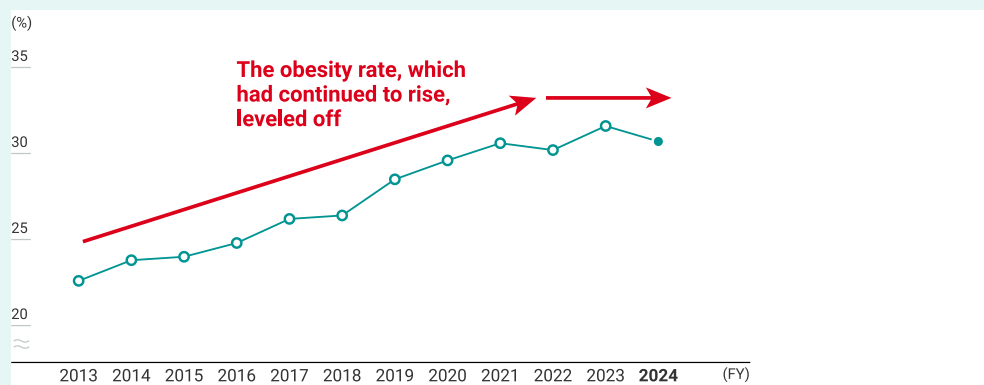
Strengthening our specific health guidance

The obesity rate, which had continued to rise through 2020, was 0.9 percentage points lower in 2023 compared to 2022, and was about the same ratio as in 2020. As a result, it has remained flat over the past few years.

Among people aged 40 and over with improved BMI* (199 persons), 50.7% (101 persons) participated in specific health guidance. It was confirmed that lifestyle changes resulting from this guidance led to weight loss and an improvement in the obesity rate at Toyota Boshoku.

* People with improved BMI: Company members whose BMI was 25 or higher in 2022 and decreased to under 25 in 2023, based on health checkups

Changes in percentage of company members with BMI 25 or more

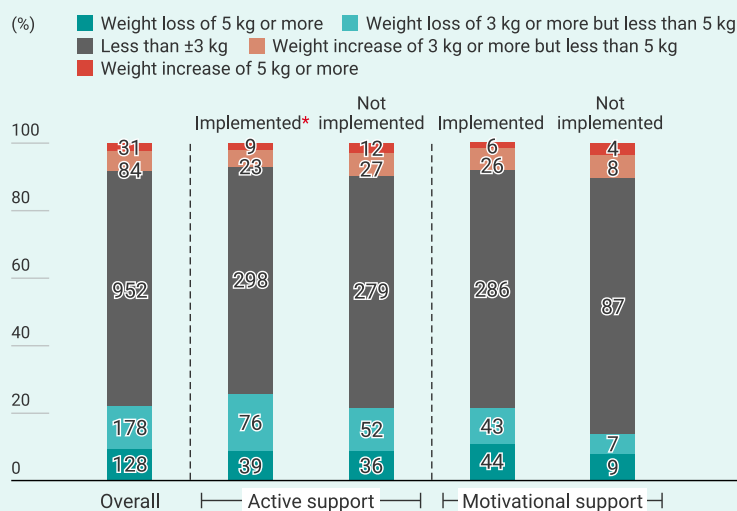


Upon confirming the details of the weight loss effects of the specific health guidance intervention, particularly for those who could receive motivational support*, there was a large difference in the effect of improvement depending on whether motivational support had been implemented or not. For those who receive motivational support, specific health guidance is a trigger for behavioral change, and intervention effects can be expected.

With active support*, even those who had not yet received specific health guidance saw weight loss benefits. It is also possible that the arrival of instructional guidance led to a behavioral change. There is also a possibility that the reason for not receiving guidance was that they had already begun health initiatives, and didn't feel the need for guidance. We will also continue to monitor the status of those who have not yet received active support.

* Motivational support and active support: Support methods stratified (classified) according to the results of specific health checkup results. Support targeted to higher risk individuals is active support

Specific health guidance implementation status and weight change



* Includes those who have completed a guidance program of 3 months or more and those who have conducted only the initial interview

Initiatives to improve drinking habits

The number of Health Challenge 8 targets met was 4.86, up only 0.01 from last year.

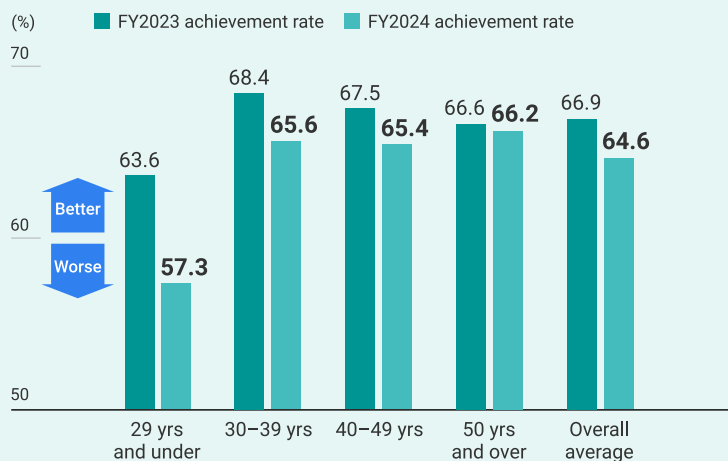
Trend in number of Health Challenge 8 targets met

Fiscal year	2022	2023	2024
Targets met	4.52	4.85	4.86

The percentage of company members achieving "proper weight," "no smoking," and "exercise" in the Health Challenge 8 increased, while the items "alcohol consumption" and "sleep" saw a decrease of about 2%.

The worsening of drinking habits among all ages is thought to be related in part to lifestyle changes following the reclassification of COVID-19 to Class 5, but since the worsening of drinking habits among those in their 20s was particularly marked, we will also consider offering alcohol education to younger members.

Year-on-year comparison of Health Challenge 8 "alcohol consumption" target achieved (No drinking, or at most 180ml a day)



Establishment of a health-related consultation service

We have launched an appointment-only, health-related consultation service provided by occupational health staff (doctors, occupational health nurses, nurses, etc.). We aim to provide a contact point where members can easily drop in to talk about things such as, "I can't sleep these days," or "I don't really understand the results of my health checkup."

Infectious disease measures

Epidemics have been experienced in the past, including swine influenza and SARS. The Toyota Boshoku group has taken effective measures to manage and overcome such epidemics, including COVID-19. We will continue taking measures to prevent infection among company members, and to stop the spread of viruses both within the Toyota Boshoku group and our local communities. We also share data about the number of infected persons with our affiliates and suppliers in order to minimize the impact on production in the event of the spread of infection. We will continue to work closely with these companies and provide assistance when there is a spread of infection. In addition, we are fully aware of the importance of fighting worldwide health issues, such as HIV/AIDS, tuberculosis, and malaria (sometimes referred to as "the 3 major infectious diseases"). Whenever company members are transferred outside Japan, Toyota Boshoku carries out various measures for the benefit of both these company members and their families, including vaccinations and the distribution of detailed information regarding infection risks.

Respect of Human Rights

Human Rights Policy

Toyota Boshoku Group Human Rights Policy was formulated with the approval of the Board of Directors in November 2021.

In accordance with the Universal Declaration of Human Rights and other international norms, and with the United Nations Guiding Principles on Business and Human Rights serving as an implementation framework, we will promote activities to respect human rights.

We expect that this policy not only applies to officers and company members, but also expect that all stakeholders, including suppliers involved to the Toyota Boshoku group's products and services, to understand and uphold this policy.

We will emphasize the following matters as priority themes in human rights compliance.

● Diversity ● Discrimination and Harassment ● Forced Labor and Child Labor ● Occupational Health and Safety

Using this as a guideline, we will promote efforts to respect human rights and report on the progress and results.

[Toyota Boshoku Group Human Rights Policy](#) 

Basic stance

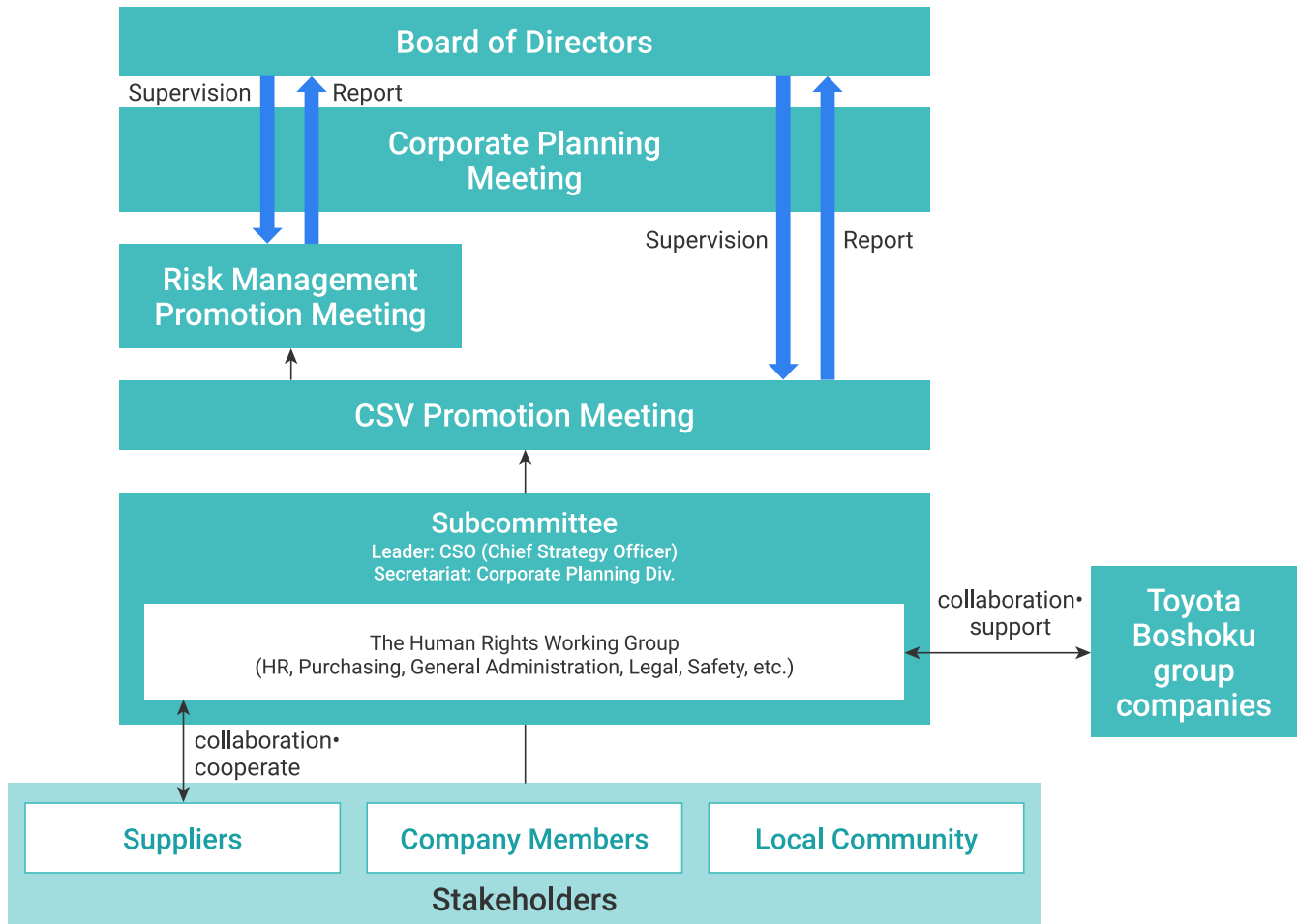
Respect for humanity

The Toyota Boshoku group strives to ensure that the individuality and humanity of our members is respected in accordance with our corporate philosophy to be shared by each member and the TB Way, which express our values and behavioral principles. We prohibit discrimination, defamation, sexual harassment, power harassment, maternity harassment, and any other form of harassment or other such improper conduct based on race, gender, sexual orientation, age, nationality, religion, disability, sickness or injury. At the same time, we strictly respect the laws and social regulations of every country and region we operate in, regarding working hours, paid holidays, wages, and other basic conditions, as well as forbid the use of child or forced labor.

Promotion structure

The Human Rights Working Group is conducting activities, with the CSO (Chief Strategy Officer) in charge of Corporate Planning Segment as the leader. The Corporate Planning Division serves as the secretariat, and members are elected from the HR, purchasing, general administration, legal, and safety-related divisions. The Human Rights Working Group organizes the approach to human rights, identifies human rights risks, and discusses initiatives, etc. Reports on the Group's activity plans, progress, and results are made to the CSV Promotion Meeting, and reported to the Board of Directors, which discusses and makes confirmations, chaired by the Chairman.

In addition, based on the Toyota Boshoku Group Human Rights Policy, we have established a system, together with our suppliers, to promote initiatives for respecting human rights throughout the supply chain, in collaboration with group companies both in and outside Japan.



Discussions on human rights

Date held	Meeting body	Discussion content
April 25, 2023	CSV Promotion Meeting	- Results of human rights assessment of Toyota Boshoku - Results of self-assessment (SAQ*) by domestic suppliers based on the Toyota Boshoku Group Supplier Sustainability Guidelines - Activity plans related to human rights in FY2024 (initiation of human rights due diligence for group companies in Japan and in Europe)
October 28, 2023	CSV Promotion Meeting	- Implementation status of material risk mitigation measures and monitoring results for Toyota Boshoku - Progress of human rights assessments at group companies in Japan and Europe - SAQ progress at domestic suppliers
December 21, 2023 December 28, 2023	Corporate Planning Meeting Board of Directors	- Results of human rights assessments at group companies in Japan and Europe - SAQ results at domestic suppliers - Activity plans related to human rights in FY2025 (initiation of human rights due diligence in Asia)
April 25, 2024 NEW	CSV Promotion Meeting	- Implementation status of mitigation measures based on results of human rights assessments at group companies in Japan and Europe - Review of activities in FY2024 and response measures - Activity plans related to human rights in FY2025 (initiation of human rights due diligence in Asia)

* SAQ: Self-Assessment Questionnaire
Self-assessment based on the [Toyota Boshoku Group Supplier Sustainability Guidelines](#)

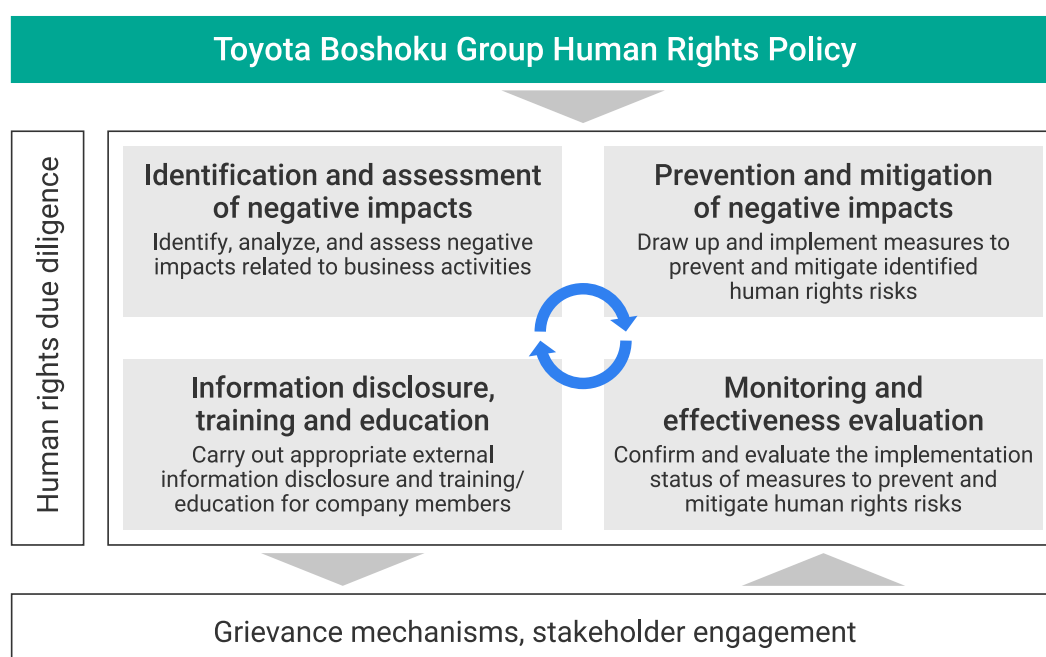
Human rights due diligence

The Toyota Boshoku Group aims to deepen each and every company members including executive officer's understanding of human rights, and to build on the Toyota Boshoku Group Human Rights Policy to contribute to the realization of a free and fair society that respects human rights. As well as this, our approach to implementation of due diligence is clearly outlined in the Toyota Boshoku Group Human Rights Policy.

We are committed to respecting the human rights of all stakeholders (all company members, suppliers, business partners, people in local communities, customers, etc.) related to the products and services of the Toyota Boshoku group through ongoing education and training on human rights, as well as dialogue and consultation with each stakeholder.

The Toyota Boshoku Group is continuing to carry out these initiatives aimed at building a sustainable value chain, in order to fulfill our duties as an organization with responsibility for guaranteeing human rights, as laid out by the UN Guiding Principles on Business and Human Rights.

Process of human rights due diligence



Human rights due diligence implementation status

The Toyota Boshoku group has been conducting human rights due diligence based on the Toyota Boshoku Group Human Rights Policy since 2022 in an effort to reduce human rights risks. Each year, we expand the areas where due diligence is conducted and the number of companies subject to due diligence, aiming to foster a culture of respect for human rights and non-infringement of human rights throughout the group.

Identification of relevant human rights issues

In addition to referring to various international norms and guidelines, such as the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO), we identified industry-specific issues. From a large number of issues, we identified human rights issues* related to the Toyota Boshoku group and its value chain, including "prohibition of discrimination and equality before the law" and "procurement practices."

Risk assessment and impact identification

We carry out a risk assessment with regard to human rights issues identified in accordance with the Guiding Principles on Business and Human Rights, based on the severity and likelihood of impact, and the status of management systems and preventive/mitigation measures, etc. In addition, in order to properly understand and respond to the impact on people, we conduct not only written surveys, but also interview-based surveys that value dialogue.

Consideration and implementation of prevention and mitigation measures

We have considered specific prevention and mitigation measures and put in place a promotion system, and are promoting risk mitigation activities with a focus on human rights issues identified as high risk. For group companies that have undergone risk assessments, the Human Rights Working Group considers company-specific countermeasures, focusing on identified human rights issues, and discusses and implements prevention and mitigation measures together with the group companies.

* In light of international norms and guidelines on human rights, we have identified the following human rights issues that are relevant to the Toyota Boshoku group and its value chain.

Human rights issues	
①	Respect for human rights (compliance with international norms)
②	Non-complicity in human rights violations, compliance, social security and fair competition
③	Prohibition of discrimination and equality before the law
④	Access to legal remedies
⑤	Stringent procurement practices (supplier management)
⑥	Harassment
⑦	Women's rights
⑧	Child labor (respect for the right to education)
⑨	Forced labor
⑩	Occupational safety and health
⑪	Working hours (right to take rest and days off)
⑫	Appropriate working environment (including access to water)
⑬	Wages (right to enjoy an adequate standard of living)
⑭	Freedom of association and the right to collective bargaining
⑮	Freedom of thought, conscience and religion
⑯	(Intellectual) property rights
⑰	Rights of indigenous peoples and local residents
⑱	Consumer interests (consumer safety and right to know)
⑲	Consumer privacy management

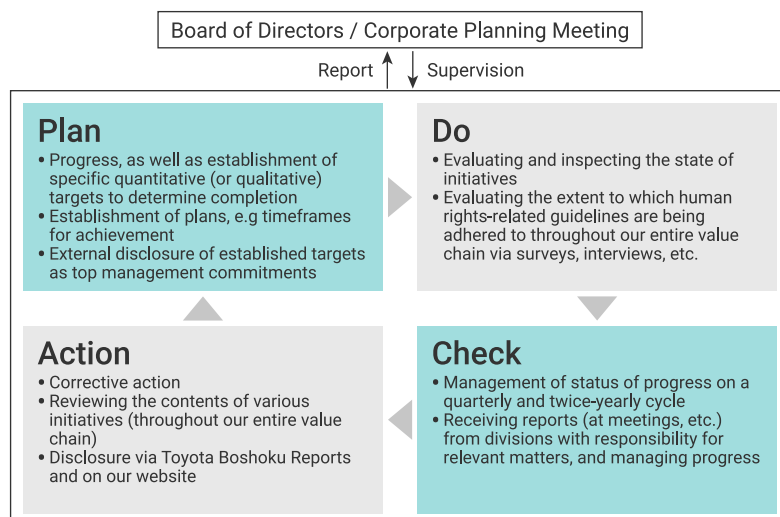
Human rights due diligence track record and progress to date

Fiscal year	The Toyota Boshoku group's initiatives
2022	• Launch of the Human Rights Working Group, which conducts discussions on our desired status through the selection of important topics in relation to respect for human rights at the Toyota Boshoku group and initiatives (the Corporate Planning Division serves as the secretariat, and members are selected from divisions related to human resources, purchasing, general affairs, legal affairs, and safety) • Formulation of the Toyota Boshoku Group Human Rights Policy • Engagement (union members*)
2023	• Identification of human rights issues related to the Toyota Boshoku group and its value chain • Initiation of human rights due diligence at Toyota Boshoku and the implementation of human rights assessments • Consideration of measures to address the results of the human rights assessment at Toyota Boshoku and clarification of mitigation measures • Formulation of the Toyota Boshoku Group Supplier Sustainability Guidelines • Implementation of SAQ for domestic suppliers and certain domestic group companies • Engagement (union members)
2024 NEW	• Initiation of human rights due diligence at domestic group companies and the implementation of human rights assessments • Initiation of human rights due diligence at the European Regional Management & Collaboration Hub and the implementation of human rights assessments • Company-specific consideration of (draft) measures to address the results of human rights assessments at domestic group companies and the European Regional Management & Collaboration Hub, and holding of feedback meetings • Formulation of the Toyota Boshoku group Europe Region Supplier Sustainability Guidelines • Implementation of second SAQ for domestic suppliers • Initiation of SAQ for Europe region suppliers • Engagement (union members)

* Covering all company members except managers

Human Rights Assessment Post-Implementation Process

Based on the results of a human rights assessment (identification and evaluation of negative impacts), we will set out a plan to prevent and mitigate risks, and establish a PDCA (Plan, Do, Check, Action) cycle to build a fixed system that works to reduce human rights risks. We will also further expand the scope of our human rights due diligence, and continue to promote initiatives aimed at addressing or mitigating any negative impacts relating to human rights across the entire value chain.



Preventive and mitigation measures

The assessment showed that the identified human rights risks (material risks) had long been recognized as issues for Toyota Boshoku and measures had been implemented.

We will both recognize these risks as human rights risks (material risks) and promote new measures to prevent and mitigate them, while strengthening our existing initiatives.

Material risks	Specific initiatives
Harassment	Aiming to create an open workplace culture, we engage in the following five initiatives to strengthen harassment prevention. (1) Internal training: Harassment prevention training for all company members (including officers and managers), lectures by experts on creating an open workplace, and training to acquire a sense of gratitude and considerate communication (2) Communication of the CEO and Officer's message (3) Recognition of the views of company members: People skills have been added to the job evaluation criteria based on a system in which persons in various positions, including supervisors, coworkers, and subordinates, give evaluations from multiple perspectives (360-degree evaluation) (4) Building relationships where people can "ask and tell": Financial assistance for events, etc. to promote collaboration and communication between divisions, and to increase motivation. Holding company-wide events (5) Creating a workplace where greetings and expressions of gratitude come naturally: Labor and management are working together on Greeting activity, Thanks activity, and Calling names using "san" activity to build mutually respectful relationships
Working hours	To ensure proper time management, we are implementing initiatives in the following three areas: (1) Improving the quality of daily working hour management: Appoint a labor management promoter at each workplace and strengthen systems for proper working hour management in each division in cooperation with HR (2) Initiatives to eliminate inappropriate time management: If there are discrepancies between objective records of start/end times and self-reports, conduct investigations of all cases, and implement workplace patrols conducted by labor and management (3) Review of entry/exit control methods and the attendance system

Monitoring

We take measures to reduce and prevent specially designated human rights risks (significant risks), including those related to harassment and working hours. In order to confirm the effectiveness of these measures, and whether or not they are being properly adhered to, we monitor the results of company members surveys and stress checks, as well as the number of cases taken to the Anything Goes Counseling Window. Through this monitoring we are able to get a periodic overview of the current state of affairs.

Future initiatives

We will implement preventive and mitigation measures for the identified human rights risks (material risks) and also expand the scope of human rights due diligence.

Going forward, we plan to implement human rights due diligence at group companies in and outside Japan in a phased manner, after considering which companies will be included, the priorities, and the assessment methods, in light of the situation in the regions for deployment.

➡ : Implemented

Fiscal year	to 2023	2024	2025	2026	2027
Human rights DD expansion plan	Japan	Europe	Asia	Under consideration	

Initiatives for important themes in the Toyota Boshoku Group

Human Rights Policy

Diversity

In order to respect diversity and improve the ease of working for company members, in 2022 we established the Employee Network Resources Group (ENRG), a company member networking group to hear direct feedback from company members and pass this on to management to resolve issues. It is split into five groups, "Women," "Young People," "Overseas Members," "Seniors," and "Persons with Disabilities," and promotes activities based on respect for everyone's individuality and culture, recognizing each other's diversity.

Diversity and Inclusion

Discrimination and harassment

We foster an open workplace culture and promote the creation of a workplace where harassment is unlikely to occur. In addition to educational activities such as anti-harassment training and lectures, we also incorporate measures to revitalize communication, as we believe the occurrence of harassment is correlated with a lack of communication between supervisors and subordinates.

For more information, please see [our specific prevention and mitigation initiatives](#).

Striving to harness the potential of our diverse human resources, we publish a Human Capital Report that describes our efforts to create a culture in which people around the world say, "I like Toyota Boshoku." For each of the seven HR strategy themes aimed at realizing our business strategy, the report includes the target, specific initiatives, and KPIs tied to the initiatives. Specifically, we have established KPIs, etc. related to raising awareness and improving practices associated with compliance and human rights.

Adherence to compliance and ethics: Human Capital Report [□](#)

Forced labor and child labor

In order to prevent forced labor, the Toyota Boshoku group is committed to proper time management for company members, in compliance with the labor standards laws of each country in which we operate. In addition, we do not engage in the practice of taking custody of identification documents (such as passports) that would facilitate forced labor.

Furthermore, to prevent the occurrence of child labor, we verify the age of newly hired members from official documents, make donations to organizations working to reduce child labor, and actively engage in volunteer activities at orphanages.

Occupational safety and health

To establish a corporate culture that places priority on safety and health at work, we strive to identify potential risks in the workplace on a daily basis, and labor and management cooperate in developing and implementing health and safety activities. Specifically, meetings are regularly held with the participation of those responsible for operations to report on accidents and near-misses, compile accident prevention measures for each work scenario, analyze trends in occupational accidents and near-misses, and implement corresponding countermeasures. Moreover, we are conducting health and safety activities globally in line with the Occupational Safety and Health Management System (OSHMS).

Safety

Initiatives to raise company members' awareness

Internal training and education

We promote training and education to raise company members' awareness of human rights and to create a corporate culture of respect for human rights.

We hold lectures and training sessions on human rights for officers, division general managers and above, as well as presidents of subsidiaries, including those at sites outside Japan, to enable them to understand human rights initiatives as "their own business" and to be able to lead initiatives on their own. In line with this, we ensure that all staff (including officers and managers) take part in training concerning harassment, which can become a material risk. In addition, we provide training on human rights to promoted and new company members based on our Corporate Philosophy, the TB Way and the Toyota Boshoku Group Guiding Principles for company members.

Content and target participants for internal training and education

Fiscal year	Implementation type	Content	Target participants
2023	Training	Training incorporating classroom lectures on business and human rights, and group discussions using case studies	Officers and G1, G2, G3(managers) (including those seconded outside Japan): 73% participation rate (not including viewing of archived streams)
		Training concerning the Toyota Boshoku group's initiatives on respect for human rights and the revised content of the Toyota Boshoku Group Sustainability Guidelines	Supplier Cooperative Association management
		Background of commitment to respect for human rights among corporations, and training on familiar human rights issues	New company members: 100% participation rate
	Education	Educational activities regarding the Toyota Boshoku Group Human Rights Policy using a pop-up screen at PC startup	All company members
2024	Training	Training incorporating classroom lectures on business and human rights and the creation of a declaration of conduct to respect human rights	Line managers: 60% participation rate (not including viewing of archived streams)
		As part of measures to disseminate the Toyota Boshoku Group Human Rights Policy, implementation of basic training on respect for human rights and a comprehension test via e-learning	Union members: 87% participation rate
		Background of commitment to respect for human rights among corporations, and training on familiar human rights issues	New company members: 100% participation rate
		As part of measures to disseminate the Toyota Boshoku Group Human Rights Policy, the Toyota Boshoku group's initiatives to ensure respect for human rights and basic training on respect for human rights	Domestic group companies
		Rolling-out of human rights training content to Toyota Boshoku group companies in Japan to foster a culture of respect for human rights	Domestic group companies
	Education	Launch of the first issue of Human Rights News to make human rights an issue closer to home	All company members
		Educational activities regarding the Toyota Boshoku Group Human Rights Policy using a pop-up screen at PC startup	All company members

Consultation and reporting desk

We have set up the Anything Goes Counselling Window as an internal consultation and reporting desk for dealing with issues such as harassment, which is also available to group companies in Japan, and a consultation and reporting desk at a law office. This creates an environment in which it is easy for whistleblowers to consult on issues. We have also established contact points in regions outside Japan, and therefore have a global system in place. Also, upon receiving a report, after first investigating and confirming the facts, we respond to the whistleblower with the results of the investigation, and take appropriate action, including corrective measures as necessary.

Compliance

Initiatives for respect of human rights in the supply chain

We have established the Toyota Boshoku Group Supplier Sustainability Guidelines in May 2022, based around the Toyota Boshoku Group Human Rights Policy, in order to prevent violations of human rights from occurring, and to build a sustainable supply chain. In addition, we hold briefings to deepen understanding and disseminate the content. We expect all of our stakeholders, including suppliers related to our group's products and services, to understand and support these guidelines.

Protecting Human Rights and Maintaining Fair Working Conditions

In our basic trade agreements and Supplier Sustainability Guidelines, we request all our suppliers to respect human rights.

Initiatives related to the following items, which are based on the Toyota Boshoku Group Human Rights Policy, are being spread and adopted not only within the company itself, but also throughout the entire supply chain:

- (1) Non-discrimination, respect for diversity and inclusion
- (2) Prohibition of harassment
- (3) Prohibition of child labor
- (4) Prohibition of illegal migrant labor, forced labor
- (5) Wages
- (6) Appropriate management of working hours
- (7) Freedom of association
- (8) Creating a safe and healthy working environment

Additionally, we request an annual self-check sheet from our suppliers, which enables confirmation of various important matters, such as the state of various initiatives, the extent to which human rights guidelines are being adhered to, and how guidelines are being adopted and implemented.

[Toyota Boshoku group Supplier Sustainability Guidelines](#) 

About the SAQ

The Toyota Boshoku group recognizes the importance of identifying environmental, social, and governance risks throughout the supply chain and working with suppliers to correct and mitigate any risks that exist.

As a first step, since 2022, we have asked our suppliers in Japan to conduct self-assessments to ascertain their compliance with the Toyota Boshoku Group Supplier Sustainability Guidelines.

Status of SAQ implementation

Using the SAQ, each year we identify and extract risks, including the status of protection of human rights and working conditions at our suppliers. No high-risk suppliers were identified in the fiscal 2024 survey. In future surveys, where a supplier is found to entail risk, we will conduct individual dialogue with the specific company and provide support for the prevention and improvement of human rights risks.

By understanding human rights risk in the supply chain, we aim to minimize human rights risk throughout the value chain.

Determination of survey items and scope

Based on the Toyota Boshoku Group Supplier Sustainability Guidelines, the existing SAQ was reviewed in 2022, changing to a format whereby the respondents are comprehensively asked about environmental, social, and governance issues.

Survey implementation and results analysis

The SAQ is conducted using an online platform. Based on the responses received from each company, suppliers with risk potential are assessed in detail through on-site visits, phone calls, and e-mails, etc.

Implementation of corrective and mitigation measures and expansion of the scope of investigation

An internal promotion system will be established to discuss corrective and mitigation measures for suppliers identified as entailing risk, and to monitor the status of improvement, with periodic progress checks. In addition, as part of our efforts to create an environment in which suppliers can easily consult with us, we will maintain and expand our efforts to mitigate human rights risk by establishing a consultation service for suppliers and enlarging the scope of investigation.

Human Resources Development

Basic stance

In order to develop people capable of contributing to society, who have diverse values, a challenging spirit and understand the value of strong teamwork, we have formulated the "TB Way competencies (the type of people we are looking for and job performance standards), based on our management philosophy, as our basic approach to developing and appointing human resources. We train and appoint people globally who can demonstrate well-balanced abilities in the four areas of "strategic planning," "carries out the plan," "strengthens talents and organization power," and "humanity."

TB Way, problem solving, on-the-job training (OJT), and policy management are the four Global Core Contents for sharing common values globally, and we are training and developing human resources on a global basis.

For human resources who will be the managers of the future, we provide global executive development program training, and training/placement as presidents of business entities outside Japan.

In addition, we conduct 360-degree evaluations and training assessments in the hiring process to carefully identify human resources, before making assignments and promotions. The human resource committee then holds discussions on succession plans for department managers, presidents of entities outside Japan, and top functional positions.

Global HR strategy

For the Toyota Boshoku group, an organization with many locations worldwide, a human resources (HR) strategy aimed at securing, assigning and fostering talents who can realize our growth strategy is a critical management challenge. We aim to recruit human resources with administrative and engineering skills, specialized skills and advanced expertise; assign them to appropriate positions; and make sure they are compatible with our growth strategy in accordance with our "global medium-term HR plan" that looks ahead to fiscal 2026. This policy supports the development of business.

Our Global HR Platform is a global common platform for management members and above. Through this platform, we realize the optimal global allocation of human resources and promote their development in order to maximize global organizational capabilities.

Application of Global HR Platform



Number of management positions globally

Fiscal year*	2020	2021	2022	2023	2024
No. of users under the Global HR Platform	1,377	1,381	1,411	1,427	1,476

* Totals are stated as of April 1 of the following fiscal year

Proper manpower control, organization building, and human resources development

"We will nurture every individual in the Toyota Boshoku group, make maximum use of their competencies, and achieve the optimum results as an organization by having an appropriate organizational structure and span of control." We have been developing the systems to achieve these goals. In particular, in the area of building an appropriate organization, we employed our management span of control guidelines and organizational templates, and have been aiming to continuously standardize the organization and strengthen human resource development since our organizational reviews in fiscal 2021, including affiliates from countries other than Japan and domestic affiliates.

'We are currently continuing to implement human resources development and allocation, systems for building an appropriate organizational structure, and manpower planning that we have developed to date, while focusing on the following two points, especially in regard to human resources development.

First, to establish a process for ensuring that the skills necessary for business execution are properly developed by enhancing and strengthening the links between the division of duties, important requirements for posts, skill maps, and development plans at an individual level.

Second, to ensure that the division general managers and direct supervisors think through the development plan and how it is implemented, assign challenging tasks, and develop talents together with senior company members in the workplace.

Through these efforts, we will continue to foster a culture of on-the-job training where each member can grow and maximize their competencies.

As well as this, we are carrying out cross-regional, systematic appointment/assignment of executive candidates based on discussions at the GSCT^{*1} and GSC^{*2}. In addition, from fiscal 2025 we will start nurturing 100 talented company members who will lead the future of the Toyota Boshoku group (NEXT100^{*3}), through global executive development programs (GEDP^{*4} and GLDP^{*5}). Going forward, we plan to introduce a training program for outstanding personnel at the Senior Specialist grade, which will lead to the development of executives.

Through these measures, we are promoting the systematic development of management executives and are also fostering diversity (active appointment of non-Japanese, women, and young members.)

^{*1} Global Succession Committee by Top Executives: Executive management successor development committee comprising members at the Chief Officer level and above

^{*2} Global Succession Committee: Global key post (president of affiliate company, director, division general manager, etc.) successor development committee comprising members at the segment chief and field chief level and above

^{*3} Registration system for priority training individuals to strengthen the development of young people for the Toyota Boshoku group

^{*4} Global Executive Development Program: Selective training for mid-level executives

^{*5} Global Leader Development Program: Selective training for key talents and young executives

Development support for future executive candidates
Corporate Governance

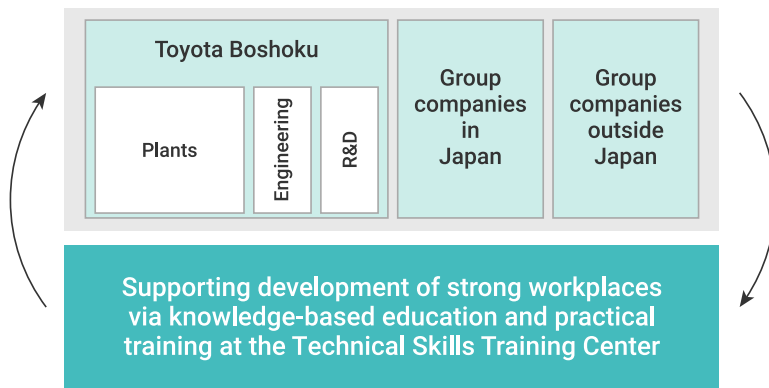
Specialized Skills related education

The Technical Skills Training Center supports improvement of workplace capabilities by providing knowledge-based education and practical training in order to develop members who can achieve a high level of safety, quality, delivery, and cost performance on a global level.

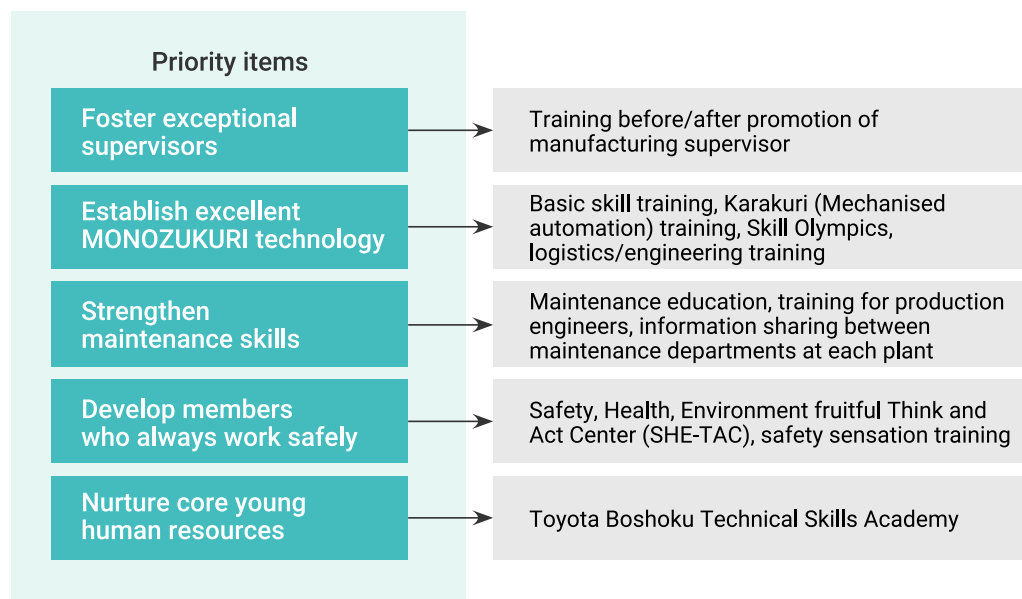
We have a system in place to ensure that all company members, including those with disabilities and those working reduced hours, have equal access to training.

We are also enhancing online training and strengthening global deployment.

Divisions and organizations targeted by technical skills training



Training system



FY2024 technical employee training attendance results

Name of training	Course content	Staff targeted by training	Total number of trainees	Average attendance time per person
Specialist technician training course (36 classes)	Sequence, hydraulic and pneumatic control, Karakuri, etc.	Skilled employees	240	16H
Basic skills training (12 classes)	Knowledge and skills to create quality products, and instructional methods to develop subordinates	Skilled employees	42	16H
Experiential manufacturing training for engineers (6 classes)	Seats, door trims, sewing, welding, etc.	Administrative and engineering	132	16H
Special training and qualification certification training (16 classes)	Industrial robot instruction, low-voltage electricity handling, high-elevation work, etc.	All employees	939	8H
Training for promoted members	Manufacturing supervisor, safety, quality, TPS, TPM	New plant managers	138	32H
		New supervisors	64	56H
		New team leaders	151	64H
		General technicians	247	24H

FY2024 number of company members who passed the skills test

Expert level : 4 people

Level 1 : 27 people

Level 2 : 43 people

Outstanding Technician Awards

- Aichi Prefecture Outstanding Technician Award (Master Craftsperson of Aichi): 3 people
- Minister of Education, Culture, Sports, Science and Technology, The Award for Creativity: 5 people

Establishing Excellent MONOZUKURI Skills

Karakuri

Objectives

Karakuri refers to the manufacturing of a device employing simple mechanisms to solve problems and issues at the work site, created with wisdom and ingenuity while using as little artificial energy as possible. At Toyota Boshoku, we have implemented Karakuri training to instill a culture of Karakuri improvement, and are working to develop human resources.



Karakuri Kaizen Technician practical session

Team Breakthrough – "Building efficient production lines with a focus on Karakuri improvement"

Checking the degree of development

<Karakuri Training Program>

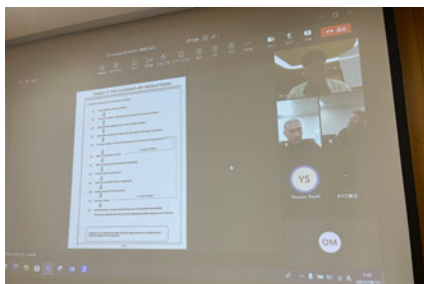
Starting in 2020, we began accepting trainees on the one-year Karakuri Training Program, in order to promote improvements and advice, etc. using Karakuri at each workplace. In fiscal 2024, we newly established the Karakuri Kaizen Improver One Step Up Training Program, a one-month training program for affiliated companies in and outside Japan to improve the individual skills of company members, and are accepting group members to participate in the program.

(Participants in the Karakuri Kaizen Technician One Step Up Training Program in FY2024: 4 persons from affiliates inside Japan and 2 persons from outside Japan)

Affiliates inside Japan (Toyota Boshoku Tohoku/Toyota Boshoku Kyushu/Toyota Boshoku Shiga)



Affiliates outside Japan (Toyota Boshoku Indiana (US)/Toyota Boshoku Canada)



Japan—Local: Remote training



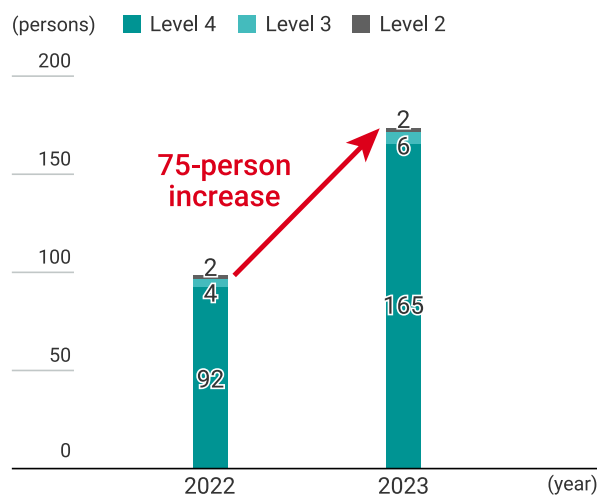
Practical training in Japan

<Karakuri Kaizen Improver certification program>

The Karakuri Kaizen Technician certification program has been in operation since fiscal 2023 and has certified 173 people to date. By evaluating the ability to manufacture Karakuri devices and contribute to the workplace, this program leads to increased motivation at the work site and human resource development. It also reduces work hours at the site and contributes significantly to mitigating the site's environmental impact with a view to achieving carbon neutrality.

75 persons gained certification in fiscal 2024.

Number of persons certified as Karakuri Kaizen Improver [Toyota Boshoku Group]





Certified technicians receive a certification card and badge from a workplace representative as proof of certification.

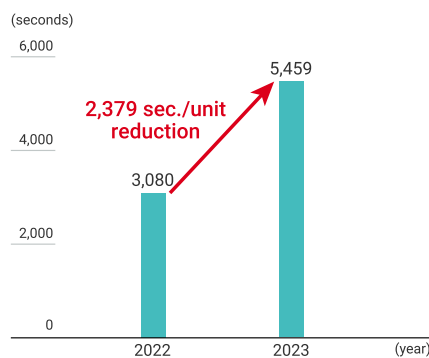


Certified technicians

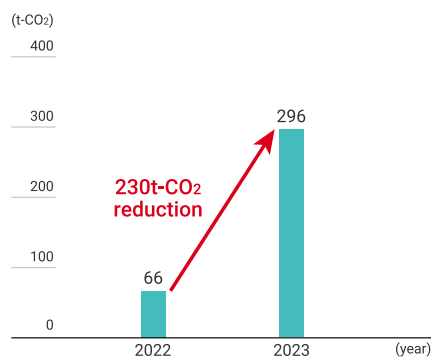


Karakuri Kaizen Technician certification card and badge
(Certification: Expert, Levels 1, 2, 3, and 4)

Work time reduction (improvement time) [Japan Region]



CO₂reduction [Japan Region]



Results

Toyota Boshoku group exhibited eight examples of Karakuri improvement at the 28th National Karakuri Kaizen Kufu Exhibition in fiscal 2024. One of our exhibits was awarded a prize.

National Karakuri Kaizen Kufu Exhibition

FY	Prize
2014	Prize for Excellence (2nd place nationwide)
2015	Association Special Technical Prize
2016	Grand Prize (1st place nationwide)
2017	Idea Prize
2018	Effort Prize
2019	Effort Prize
2020	Idea Prize
2021	Handcart Contest (Silver Prize)
2022	Constant and Fixed Quantity Extraction Contest (Gold Prize) Association Special Prize
2023	Idea Prize
2024	Idea Prize

Won for 11 consecutive years and still winning!

Received the Idea Prize in FY2024 for "Rakuraku-kun," which relieves heavy manual work



President Shirayanagi congratulates winner Mr. Hayashi.

All Toyota Boshoku Skills Competition

The All Toyota Boshoku Skills Competition was held to verify the degree of development of technicians. Fiscal 2024 was the first time in four years that the event was held globally. A total of 205 entrants from Toyota Boshoku, its subsidiaries and affiliates inside Japan, as well as from other locations outside Japan, took part in a spirit of friendly rivalry. Like last year, all categories were live-streamed so that those who were unable to attend in person could watch the heated competition.

In the Karakuri category, an affiliate from outside Japan taking part for the first time won a top prize.

Skills Competition opening ceremony



Skills Competition events



Cover fabrication



Sewing machine maintenance



Robot maintenance



Equipment maintenance



Forklift



Karakuri



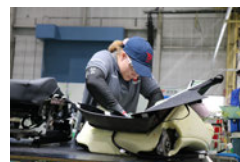
Welding



Trim assembly



Die finishing



Seat assembly



Crane



Inspection



Machine finishing category Koma Taisen* (Time trial)



Machine finishing category Koma Taisen* (Fighting top)

* a competition in which the participants make use of their creativity and ingenuity to design and fabricate their own "koma" spinning tops

Developing strong managers and supervisors

To develop technicians and supervisors who can work at the forefront of our manufacturing sites, we provide training by job level and skills training. As a first step in promoting training globally, the Manufacturing Skills Development Division, newly established at Toyota Boshoku America (TBA), and Toyota Boshoku Indiana (TBIN), a manufacturing site, collaborated in fiscal 2024 to begin developing a training environment for technicians. First, based on the three concepts of "repeatable training," "quantitative evaluation," and "one-person training," a seat assembly training jig was developed and a visual manual in video format was introduced to facilitate understanding of so-called "kankotsu" areas (involving intuition and skills). This has now evolved into a dojo used when taking on new company members and for multi-skills training.

Next, we began to develop a training system to enable the training of strong supervisors, and started training for team leaders (Team Leader grade), which had been the biggest issue at the site.

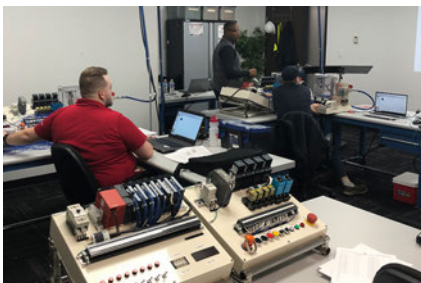
In fiscal 2025, we will complete establishment of the TBIN development program and expand it to the Americas region.



Learning how to use the training jigs at TBIN to train supervisors and instruct site workers

Strengthening Maintenance Skills

We are working to improve maintenance skills by establishing new courses for technicians involved in assembly and maintenance work for equipment and molds, in line with changes in the way work is performed in the field. TBA's Technical Skills Training Center, which opened in fiscal 2019, has set up new courses and is training new instructors. In the future, there will be a need to develop skilled personnel who will become the core of the maintenance division and who can respond to an ever more changing manufacturing environment. We will develop new training in cooperation with the Production Engineering Division in order to develop technicians with the skills to handle new technologies and systems such as collaborative robots and image processing.



Training at the newly established Sequence Instructor Training Course at TBA

Toyota Boshoku Technical Skills Academy

We are promoting the development of a core of young skilled human resources who can work globally with a good balance of mind, body, skills and knowledge. Every year, we nurture company members who can thrive in the workplace through various experiences such as training in Canada and exchange programs with other academies. As well as within Japan, younger company members from regional entities outside Japan are learning, and in this way, we are developing human resources for the whole of Toyota Boshoku.

Consecutive wins at the National Skills Competition, including gold prize

We are participating in skills competitions with the aim of developing human resources who can serve as the future leaders of technical workplaces at Toyota Boshoku.

In November 2023, 12 members of the Toyota Boshoku Technical Skills Academy competed in 4 categories at the 61st National Skills Competition held at Sky Expo in Aichi Prefecture, winning gold prize in the Mechanical Engineering Design-CAD category. In addition, two members of the Mechatronics category A Team won silver prizes, and a silver prize was also won in the Plastic Molding category. Mechanical Engineering Design-CAD will represent Japan at the 47th WorldSkills Competition to be held in September 2024, aiming for the global top spot.



Yuto Shibata, winner of the Mechanical Engineering Design-CAD category Gold Prize in the 61st National Skills Competition (during a courtesy visit to the Governor of Aichi Prefecture)



Our prize-winning entrants (at the briefing for officers)

Graduates association "Kibo-no-kai"

In 2014, five years after the establishment of the Toyota Boshoku Technical Skills Academy, we established the graduate association "Kibo-no-kai" to help graduates develop ties with both older and younger graduates of the Academy as well as ties with classmates from the same generation, and for their mutual support. This has made it easier for the leaders of each workplace to collaborate and to make even greater contributions to the company. We also provide support for a wide variety of activities, including the self-development of members and the Academy's club activities.

Suppliers

Basic stance

Using fair and equitable procedures, the Toyota Boshoku group purchases raw materials, parts and equipment from a large number of suppliers throughout the world based on our basic purchasing policy. We will grow with our suppliers by putting into practice the spirit of a win-win relationship while fulfilling our social responsibilities in the supply chain with the aim of enhancing corporate value.

Open, Fair and Transparent Trade and Social Responsibility in the Supply Chain

In addition to conducting purchasing activities based on a basic purchasing policy, we are working to fulfil our social responsibility throughout the supply chain.

Basic purchasing policy

1. Open and Fair Business
2. Mutual Development through Mutual Trust
3. Promotion of "Green Purchasing"
4. Promotion of Local Purchasing as a Good Corporate Citizen
5. Law-abidingness and maintaining Confidentiality

Refer to "Basic purchasing policy"

Promoting sustainability activities

Toyota Boshoku and its suppliers adhere to the following items in basic supplier agreements: (1) Respect of human rights; (2) Prohibiting bribery; (3) Ensuring fair transactions; (4) Removing antisocial forces; and (5) Efforts to conserve the environment. Furthermore, we comply with the Antimonopoly Act, subcontracting laws, labor laws, environmental laws, and other related laws in each country and region, and are working to strengthen sustainability activities throughout the entire supply chain.

Every year during Corporate Ethics Month in September, we carry out initiatives aimed towards maintaining and pushing forward with fair and transparent trade. To do this we investigate supplier satisfaction and ask our suppliers to conduct self-assessments in line with our Supplier Sustainability Guidelines, with the overall aim of deepening understanding and spreading the principles of fair and transparent trade throughout our entire supply chain. Additionally, when we start working with new suppliers they are asked to conduct self-assessments. In fiscal 2024, the allocation of marks and options used in conducting self-assessments were revised to better clarify the issues, and were rolled out at the meeting with suppliers in September 2023. At that time, we reiterated the importance of this being spread and promoted among all their suppliers. Based on the results of the self-assessments, visits to suppliers when necessary, and exchanges of opinions on future points to keep in mind and improvement measures have been ongoing since the previous year.

Toyota Boshoku group Supplier Sustainability Guidelines

Self-assessment based on Supplier Sustainability Guidelines

Question items

- ① Compliance
- ② Respect for human rights and maintaining appropriate working conditions
- ③ Efforts to conserve the environment
- ④ Contribution to society through business activities
- ⑤ Risk management
- ⑥ Developing and deploying guidelines for your suppliers

A survey regarding supplier satisfaction

Question items

- | | | |
|--|---|---|
| ① Best cost | } | Reasonable pricing |
| ② Requests for rationalization without reasonable grounds | | |
| ③ Verification of required quality | | |
| ④ Requests for urgent response | } | Shifting of the burden of workstyle innovation |
| ⑤ Increase in request items due to streamlined operations and reduced overtime | | |
| ⑥ Requests for free-of-charge provision of intellectual property rights and know-how | } | Compliance |
| ⑦ Demand for money, goods, and services | | |
| ⑧ Purchasing staff's behavior for suppliers | | |
| ⑨ Disposal of molds used to produce Dies for service parts and the cost of this | | |
| ⑩ Awareness of Declaration of Partnership Building | | |
| ⑪ Other free opinions (for the entire company including other departments) | | |

Building a global purchasing system

As the Toyota Boshoku group expands our business globally, we will proceed with local purchasing while considering various items such as safety, quality, and cost. At the same time, our entire group will work together with our suppliers to pursue optimal global procurement.

Every year, we hold a Global Annual Supplier Meeting to convey the President's message and our procurement policy, and to communicate with our suppliers. We also present awards to suppliers who have made significant contributions in terms of R&D, quality, cost, and delivery.

Representatives of commended companies and Sunshine, a supplier group member of Toyota Boshoku, were invited to the 2024 Global Annual Supplier Meeting where we strengthened relationships through face-to-face meetings. In addition, by recording and distributing the contents of the Global Annual Supplier Meeting, we worked to strengthen relationships throughout the supply chain, including our suppliers and their suppliers.

The President's message, purchasing policy, and other information provided during the Global Annual Supplier Meeting was streamed in Japanese, English, and Chinese.

Training and information sharing

To pursue fair and equitable procurement activities, we hold training sessions not only for members of the Purchasing Division but also for all Toyota Boshoku company members and the Toyota Boshoku group company members in Japan, in an effort to ensure appropriate business transactions.

We also share information on social conditions surrounding the company (compliance, human rights, environment) by holding regular meetings within the Purchasing Segment based on the Supplier Sustainability Guidelines and Toyota Boshoku Group Guiding Principles, and also by storing the materials in a folder that can be viewed globally.

Furthermore, to develop professional purchasing talent, we have established a plan for young department members and DX promotion members to attend external training seminars to promote the improvement of Purchasing Division members' skills. (96% of the planned participation rate in fiscal 2024)

Expansion of global Supplier Parts Tracking Team (SPTT) activities^{*}

The Toyota Boshoku group is promoting global SPTT activities to assure the quality of its products by helping suppliers in other regions enhance their production processes, from beginning with the production preparation stage to getting their businesses on track after the launch of new products. Such actions help create face-to-face ties between suppliers and various divisions, including purchasing, design engineering and quality control, as well as enable problem solving and mutual benefits from different perspectives, notably for such issues as quality, amount, cost, distribution and timely delivery. Additionally, we maintain an SPTT manual for practical global use, and are continuing to standardize our SPTT activities.

We will continue improving SPTT activities and rolling them out globally in order to provide customers with best quality products.

^{*} Supplier Parts Tracking Team activities: Follow-up activities by the team for subcontracted parts production and manufacturing preparation

Toyota Boshoku Group's Purchasing Information by Each Region

Global

[English](#) 

The Americas

[English](#) 

Asia

[English](#) 

China

[Chinese](#) 

[English](#) 

Japan

[Japanese](#)

Promotion of green purchasing

Toyota Boshoku recognizes the risks in sustainable development and is committed to the procurement of sustainable raw materials in light of environmental issues such as the effective use of water resources and the creation of a society in harmony with nature. In addition, Toyota Boshoku is strengthening our response to legal compliance related to various environmental regulations in respective countries and regions based on our Green Purchasing Guidelines, and working actively to reduce environmental burden. As part of these efforts, we periodically request certain relevant information from our suppliers, such as CO₂ emission levels and the results of tests done to confirm that substances with harmful environmental effects are not being used. We also require our suppliers to establish environmental management systems (EMS) based on the acquisition of ISO certification aimed at creating a sustainable society.



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第2版



2017年6月
トヨタ紡織株式会社

[Green Purchasing Guidelines](#)

Studying with our suppliers

Initiatives taken together with our suppliers

We are committed to mutual learning activities to enhance the competitiveness of our major suppliers. In response to suppliers' needs, and with an aim toward strengthening functionality, a supplier's personnel may be seconded to work within the Toyota Boshoku Group. In addition, we support the activities of Sunshine—a supplier group member of Toyota Boshoku with the aim of enabling mutual study and the sharing of exemplary examples between organizations. More specifically, we hold study groups on safety, health, and improving product quality, and we promote both the sharing of good, learnable examples and the resolution of problems faced by suppliers. Finally, we run a study meeting concerning carbon neutrality and other social issues.

Held a management seminar run by Sunshine

At a management seminar run by Sunshine (a supplier group member of Toyota Boshoku), officers of Toyota Boshoku and representatives of Sunshine discussed issues and measures such as securing human resources and cost effectiveness under the theme of "DX support in MONOZUKURI competitiveness" to educate suppliers on how to secure MONOZUKURI competitiveness.

Hosting of Decarbonization School by Sunshine

We are committed to supporting our suppliers' carbon neutrality initiatives and have held the "Sunshine Decarbonization School," which is organized by Sunshine, a supplier group member of Toyota Boshoku, since fiscal 2023. Outside consultants and representatives from the Carbon Neutral Environmental Center act as lecturers at the School, teaching energy-saving techniques and how to develop CO₂ reduction plans. In addition to assisting member companies in setting goals and creating plans, this also supports the development of human resources who can work toward carbon neutrality over the long term.

We will continue to work closely with our suppliers to promote carbon neutral initiatives that are integrated with the supply chain.



Participants from suppliers of the Sunshine Decarbonization School

Social Contribution

Basic Stance

Based on our Corporate Philosophy of "the company will promote corporate growth while fulfilling the following responsibilities as a good corporate citizen," we will contribute to the creation of a pleasant society as a member of the local community, while enhancing our social value through contributions toward social value.

Highlights of Initiatives in FY2024

Social contribution activities with a sense of togetherness, in cooperation with various organizations

In May 2023, following the reclassification of COVID-19 to Class 5 under the Infectious Diseases Act, we fully resumed activities that had been carried out prior to the pandemic. We conducted activities together with numerous local organizations, group companies, in-house Manager's Society, strengthened clubs, and others.

● Relief clothing collection activities

Out of a desire to help those suffering from clothing shortages around the world, we collect clothing and raise funds for shipping costs, and make donations to African, Middle Eastern and Asian countries through NPOs.



A local supermarket, "KANESUE Hokuendori Store" located in Ichinomiya City, Aichi Prefecture provided us with a venue for local residents to make clothing and monetary donations. TB LOGISTICS the group company in charge of logistics and members of the in-house Manager's Society also participated, creating a sense of togetherness in the activities.



● Social contribution with button badges

This was a collaborative activity between the Women's Basketball Team and Toyota Boshoku Tohoku. At a W League game venue in Iwate Prefecture, players' original button badges were made together with visitors and then sold. The proceeds were donated and used to support local welfare.



We received the support of many fans.

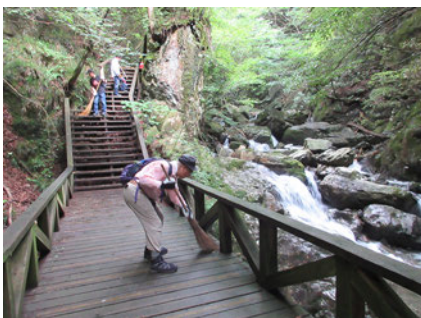
Four Core Areas of Our Social Contribution Activities

The Toyota Boshoku group strives to make a contribution to society, with active member participation as the driving force behind our activities in four core areas, namely activities with local communities, environmental activities, fostering youth through education, and contributing to disaster recovery assistance, aimed at meeting the expectations of stakeholders.

Activities with Local Communities

The Toyota Boshoku group is not just focused on the local areas we operate in, we're also committed to helping to stimulate and revitalize local economies around the world. For example, we work to vitalize local economies, and contribute to the resolution of social issues through such activities as blood drives and food donations to care homes. In fiscal 2024 our social initiatives saw us working with around 1,200 organizations in 18 different countries.

Community service activities such as grass mowing and picking up trash



Environmental beautification project at Otome Keikoku (Kashimo, Gifu Prefecture)



Working with the local community on an environmental beautification project at Uehara Sango Pond Road in Tajimi, Gifu Prefecture



Environmental beautification activities with local residents in the Sanage area of Toyota City

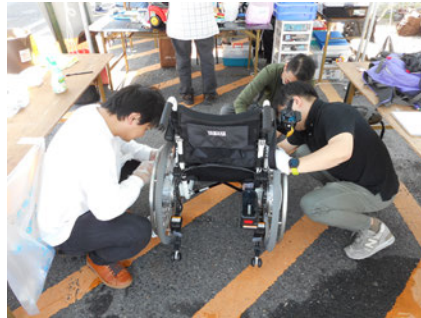
Exchange activities with the local community by Manager's Society

Toyota Boshoku has "Manager's Society"* for each job position, which carry out voluntary activities. Along with mutual cooperation among the association members through horizontal connections that go beyond their divisions, we are conducting various activities both inside and outside the company, while building strong interpersonal relationships.

* Division General Manager's Society, Manager's Society for Kikanshoku, Assistant Manager's Committee, Chief Leader's Society, Group Leader's Society, Team Leader's Society



Exchange activities with people at local welfare facilities by the Division General Manager's Society



Cleaning of wheelchairs by the Manager's Society for Kikanshoku, brought to the venue at a community event

Winter coat program

Every year, we donate more than 300 winter coats and other types of warm clothing, and around 60 blankets to children in mountainous areas (Toyota Boshoku Hanoi (Vietnam)).



Items handed out at local schools.

Food drives

In association with Toyota city, we ran a food drive to donate surplus household foodstuffs to welfare organizations and other important organizations. This drive provided assistance to people struggling to afford food, while simultaneously contributing to a reduction in food loss (Toyota Boshoku).



A company member placing food donations into a collection box at a company building

Blood donation events

In fiscal 2024, blood donation events were again held at each of the Toyota Boshoku group's sites, despite the coronavirus pandemic.

In fiscal 2025, Toyota Boshoku will continue to conduct blood donation events eight times a year in Japan to help alleviate the serious blood shortage, while also cooperating proactively with blood donation at each of our sites around the world.



168 company members cooperated with blood donation activities (Toyota Boshoku Hanoi).

Environmental Preservation Activities

We take a serious approach to global warming, waste generation, as well as other related issues, and we contribute toward environmental preservation through initiatives such as tree planting and environmental cleanup activities. As a result of our activities, we were able to plant 44,000 trees in 13 countries and regions in fiscal 2024.

Forestation activities (tree planting (Japan))



Tree planting and forest maintenance activities at the Toyota Boshoku group's environmental forest "Kashimo" have been ongoing for 16 years.

Tree planting activities outside Japan



As part of the Toyota Boshoku group's environmental activities, a total of 350 saplings of 14 different species were planted (Toyota Boshoku Automotive India).



About 70 company members and their families planted 450 mangrove trees (STB Textiles Industry (Thailand)).

Ocean cleanup activities: Conducted continuously since FY2008



Joint activities with the NPO "Kame no Ko" (Nishi-no-hama beach, Atsumi Peninsula, Tahara City)

Forestation activities: Challenge to plant 1.32 million trees

Fostering Youth through Education

We support the wholesome growth of young people who will lead the next generation through such initiatives as our MONOZUKURI Experience program, as well as our Sports Clinic and other sports initiatives.

Activities of the "Car Manufacturing Research Project" (formerly the "Why Manufacturing? Project"): Continuous participation since FY2005

We are participating in the "Car Manufacturing Research Project" sponsored by Toyota City to teach children the joy of manufacturing.



Instruction in seat cover sewing



Checking that the seats are completed as designed by the children

Craft class using wood from forest thinnings



Providing craft classes for children in special needs schools in Kariya City using forest thinnings collected from forestation activities carried out in Kashimo, Gifu Prefecture.

Kids basketball classes

Current and former players from the Toyota Boshoku Sunshine Rabbits (a team in the Women's Japan Basketball League) participate in Kariya city's Kids basketball classes as instructors, playing and practicing with local children.



We devised various courses and practiced with the children so that they could have fun playing basketball.

Ena Rowing School (Rowing Team)

Current members of the corporate team, including the Toyota Boshoku Rowing Team, participated in the Ena Rowing School hosted by Ena City, Gifu Prefecture.

We cooperate in activities to allow children to experience the fun of rowing and further popularize the sport.



Local elementary and junior high school students had the opportunity to try out rowing with oars in a boat with the athletes.

Long-distance record meet (Long Distance Team)

Since 2019, the Toyota Boshoku Long Distance Team has planned and operated a long-distance record meet for local running clubs and middle/high school long distance teams twice a year.

Current and former athletes serve as pacemakers and focus on improving participants' records and promoting athletics.



To date, around 1,200 people have taken part.

Strengthened club activities (Japanese-language only)

Long Distance Team

Rowing Team

Women's Basketball Team

Handball Team

Contributing to Disaster Recovery Assistance

We work to ensure that in the event of a natural disaster, we can provide swift and effective assistance to the recovery effort.

Training of disaster volunteer coordinators

Since fiscal 2021, we have been training disaster volunteer coordinators to support the recovery of areas affected by earthquakes, windstorms, floods and other disasters.

We also conduct regular drills with local governments to ensure that we can provide prompt assistance in the event of an emergency.



Disaster volunteer coordinator training course



Initial training at a disaster volunteer center

Noto Peninsula Earthquake disaster area recovery support activities

On January 1, 2024, an earthquake struck the Noto region of Ishikawa Prefecture.

To support the affected area, we made a monetary donation for disaster relief and also provided disaster supplies (drinking water, blankets, blue tarpaulin sheets, bag toilets, etc.). Volunteers were also dispatched to the site in cooperation with Toyota Group companies. Support activities included the clearance of rubble and removal of household belongings.



Stakeholder Engagement

Basic stance

The Toyota Boshoku group places importance on stakeholder engagement. We listen to the opinions of our stakeholders, including customers, shareholders, investors, company members, suppliers and local communities by creating various opportunities for communication on a daily basis, and make use of this feedback in management.

Stakeholder Engagement

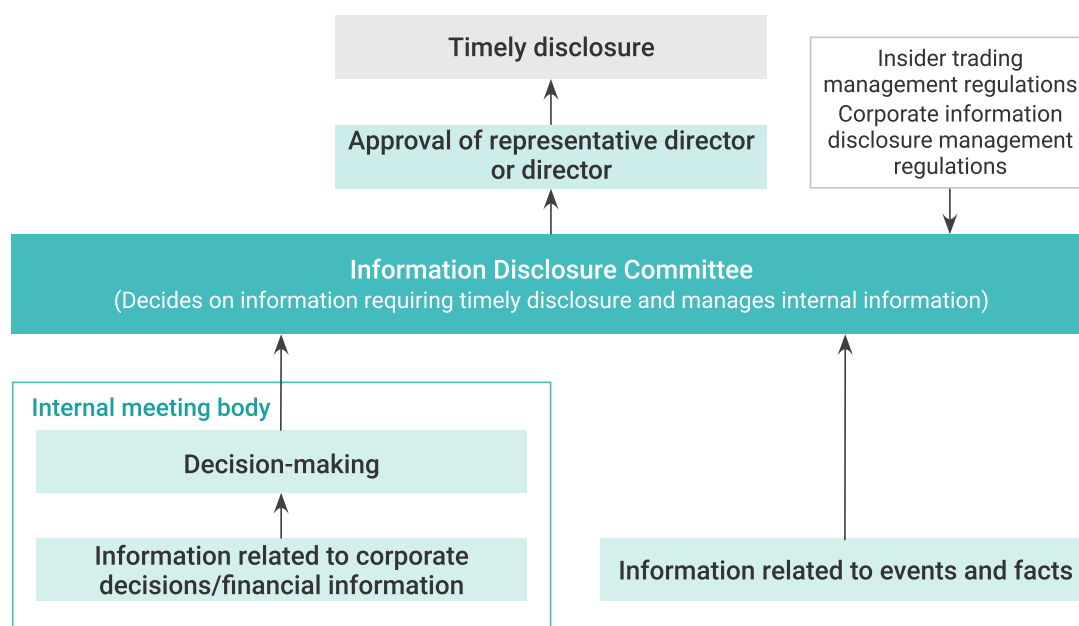
	Communication Tools, Etc.	Communication Opportunities	Communication Content
Local Communities		Factory tours (if and when necessary; FY2024: 95 times)	Hosting social welfare organizations, local schools, students, customers, etc.
		Local events (three times annually)	Participation of volunteer company members in the operation of local festivals, and inviting local residents to our events
		Community dialogue and opinion exchange meetings (three times annually)	Holding roundtable meetings with local residents living in the areas around our plants
Customers		Sales activities (if and when necessary)	
		Exhibitions (if and when necessary)	Sales promotions to appeal to customers based on our high technological capability and quality
Shareholders and Investors	• Toyota Boshoku Report (Integrated Report). • Financial Results and Presentation Materials • Securities Report (Japanese-language only). • Convocation notice of the General Meeting of Shareholders • Report (Shareholder Newsletter) (Japanese-language only). • Corporate Governance Report (Japanese-language only). • Website for Investors • IR Mail Delivery Service	General Meeting of Shareholders (once annually) .	
		Financial Results Presentation (four times annually) .	Explaining our quarterly financial results
		Business briefing (FY2024: two times)	Explaining our strategy and business initiatives, etc.
		Briefings (if and when necessary)	Small group meetings with securities analysts, institutional investors and management
		Individual meetings (if and when necessary)	Attending interviews with securities analysts and institutional investors
		Factory tours (FY2024: one time)	Plant tours, technical presentations, etc., to deepen understanding of the business
		Exhibitions (FY2024: three times)	
Company Members	• Internal newsletters • Intranet	Internal newsletters publication (10 times annually)	
		Labor and Management Council (four times annually)	Holding discussions between the company and the labor union on issues facing the company, and negotiating and resolving labor-management problems related to working conditions, etc.
		Labor and Management Meeting (twice annually)	Sharing information and exchanging opinions on issues facing the company and labor unions, the current situation, etc.
		Various training programs (if and when necessary)	Implementing training programs to promote company members' growth by segment, job level, etc.
		Meetings with supervisors and subordinates (three times annually, Toyota Boshoku group)	Checking the strengths, development issues, and future career paths of subordinates, and motivating them
		Dialogue with management (FY2024: four times)	Holding roundtable meetings between members promoted to G1, G2, G3(managers) positions and the President, and between the labor union and the President

	Communication Tools, Etc.	Communication Opportunities	Communication Content
Suppliers	• Supplier Sustainability Guidelines • Green Procurement Guidelines	Purchasing activities (if and when necessary)	
		Global Annual Supplier Meeting (once annually)	Message from the President, explaining global purchasing policy, and holding commendation awards for suppliers
		Supplier CSR study sessions (once annually)	Spreading and promoting the Supplier Sustainability Guidelines
		Supplier Satisfaction Survey (once annually)	Conducting a questionnaire to maintain and continue our Basic Purchasing Policy of Maintaining Open, Fair and Transparent Trade, and sharing the aggregated results with purchasing division staff and Toyota Boshoku company members
		Self-assessments based on the Supplier Sustainability Guidelines (once annually)	Requesting self-assessment by suppliers based on the Guidelines, conducting visits and exchanging opinions for improvement in line with the response results

Enhancement of corporate value and reinforcement of information disclosure

The Toyota Boshoku group has stated in our disclosure policy that we are committed to "disclosing information required by shareholders, investors, business partners and local communities in a timely and appropriate manner as well as to carrying out public information-sharing activities that earn the trust of society." In this sense, we are striving to disclose information in an accurate, timely and fair manner. In order to ensure the appropriate disclosure of information, we strictly manage corporate information and are working actively on disclosure in the Information Disclosure Committee, which is comprised of members from Toyota Boshoku's Accounting & Finance Division, Legal Division, Corporate Planning Division and the General Administration Division.

Organization chart concerning timely disclosure of corporate information



Communication with shareholders and investors

The Toyota Boshoku group actively promotes efforts to disclose information and communicate in an appropriate and timely manner in addition to striving to enhance corporate value so as to earn the trust and support of shareholders and investors.

General Meeting of Shareholders

(1) Arranging General Meetings of Shareholders while avoiding dates on which many such shareholders' meetings are usually held

(2) Enabling the exercise of voting rights via the Internet

(3) Enhancing the content of the convocation notice

We are taking action to make it easier for people to exercise their voting rights.

FY2024	
Date	June 13, 2023
No. in attendance	237
Voting participation	90.02%

Dialogue with institutional investors and analysts

We hold financial results presentations for institutional investors and analysts four times a year, as well as business briefings and ESG briefings. In fiscal 2024, we engaged in dialogue with a total of 426 companies, including individual meetings.

FY2024	
Individual meetings	181 companies 285 persons
Financial results presentations, business briefings, Mid-Term Business Plan briefing	231 companies 411 persons
Conferences with institutional investors outside Japan	14 companies 14 persons

Dialogue with individual investors

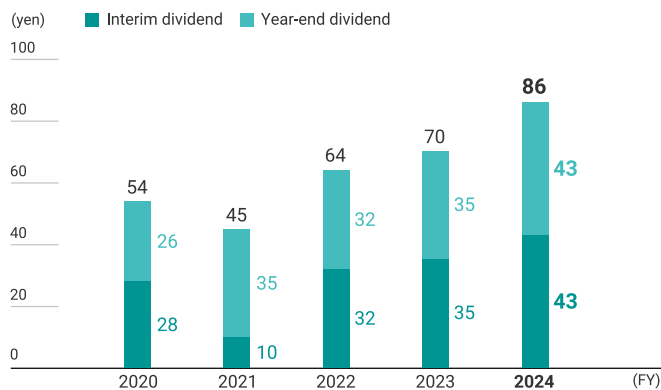
We endeavor to actively participate in briefings for individual investors, wherever possible.

Distribution of profits to shareholders

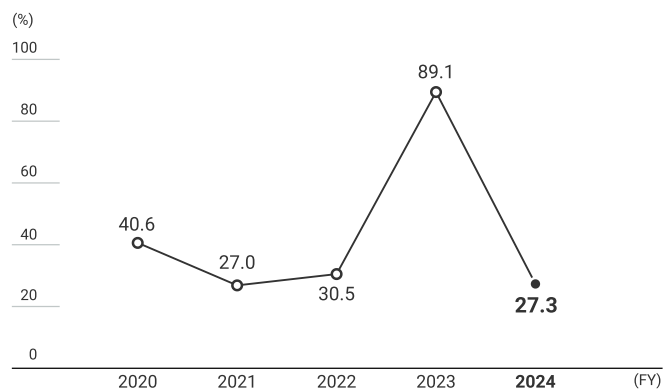
In fiscal 2024, as a result of a comprehensive review of the consolidated financial results for the year ended March 31, 2025 and other matters, we paid a year-end dividend of 43 yen per share. Combined with the mid-year dividend, this meant that for the full year, the dividend paid was 86 yen per share.

We will actively invest profit generated through our business activities into growth areas to maximize total basic earnings per share and increase shareholder value.

Dividends



Dividend payout ratio



Communication with customers

Please see "[Customer First, Quality First](#)".

Communication with company members

Please see "[Job Satisfaction and Employment](#)", "[Diversity and Inclusion](#)", "[Safety](#)", "[Health](#)" and "[Human Resources Development](#)".

Communication with suppliers

Please see "[Suppliers](#)".

Communication with local communities

Please see "[Social Contribution](#)".

Multi-Stakeholder

Multi-Stakeholder Policy 

Governance

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Corporate Governance

Basic stance

The first item in our Corporate Philosophy is "corporate growth while fulfilling our responsibilities in harmony with society as a good corporate citizen," and we are promoting sustainable corporate activities through rigorous adherence to corporate ethics. We believe it is important to maintain and further improve the efficiency, fairness, and transparency of management, and we aim to enhance corporate governance based on five specific items: (1) ensure shareholders' rights and equality; (2) ensure appropriate cooperation with stakeholders other than shareholders; (3) ensure appropriate information disclosure and transparency; (4) appropriate execution of the roles and responsibilities of the Board of Directors; and (5) constructive dialogue with shareholders. We have also established a basic stance on compliance and risk management, and are implementing activities accordingly.

Response to the Corporate Governance Code

Toyota Boshoku has determined that it is in compliance with all principles of the Corporate Governance Code. Please refer to our [Corporate Governance Report](#), which was submitted to the Tokyo Stock Exchange.

Corporate governance system

Toyota Boshoku has appointed five internal directors and four outside directors with extensive experience and broad insight. Through their supervisory function, the outside directors serve to ensure the legality and appropriateness of decision-making by the Board of Directors and the execution of duties by directors. The four persons appointed as outside directors satisfy the requirements for independent directors as stipulated by the Financial Instruments Exchange. They have been designated as independent directors of the Company because it has been determined that there is no risk of conflicts of interest with general shareholders.

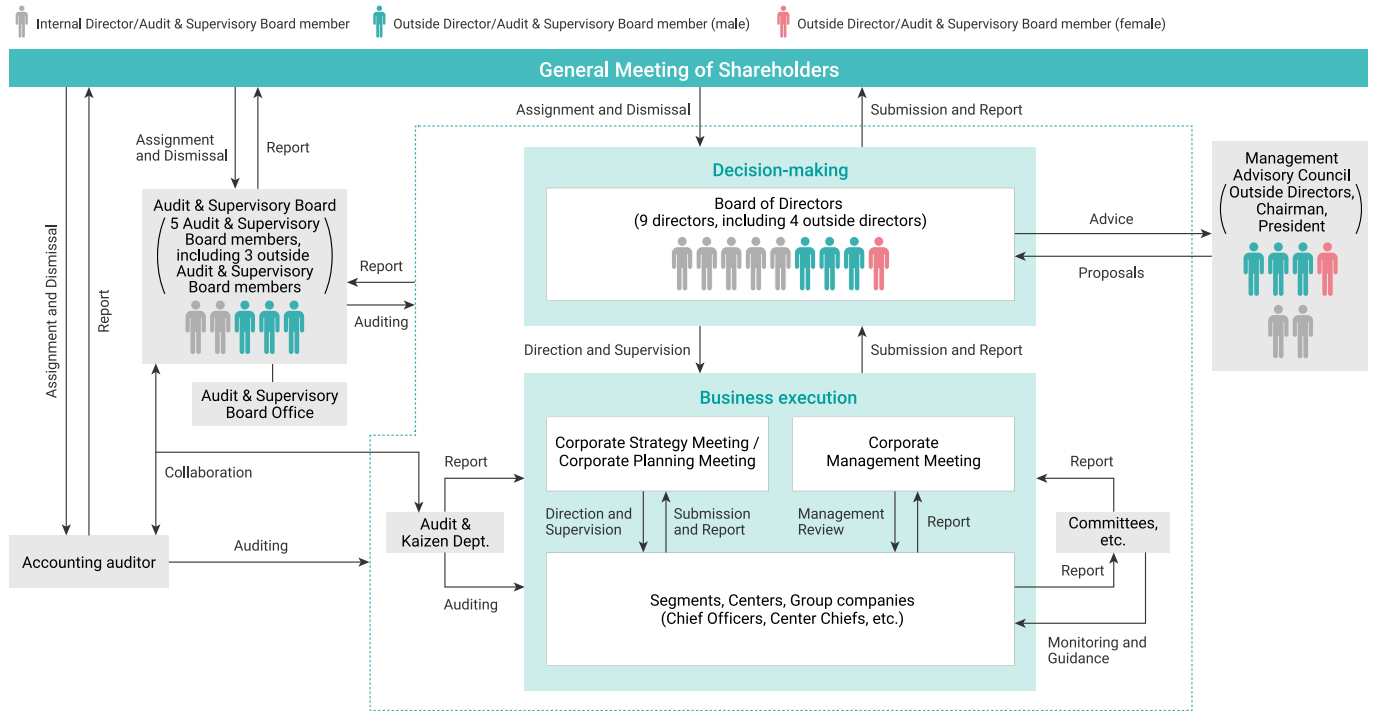
In addition, we have adopted a corporate auditor system, in which a five-person structure that includes three outside Audit & Supervisory Board members audits the management of directors.

Audit & Supervisory Board members audit the business execution of directors, as well as the business and financial condition of subsidiaries in and outside Japan. Such initiatives, including assigning dedicated staff to the Audit & Supervisory Board Office, help strengthen the functions of the Audit & Supervisory Board.

The three persons appointed as outside Audit & Supervisory Board members satisfy the requirements for independent auditors as stipulated by the Financial Instruments Exchange. They have been designated as independent auditors of the Company because it has been determined that there is no risk of conflicts of interest with general shareholders.

The Management Advisory Council was established as a forum for the candid exchange of opinions related to such matters as management issues, appointment and dismissal of management, nomination of candidates for director and Audit & Supervisory Board member, and compensation for management and directors.

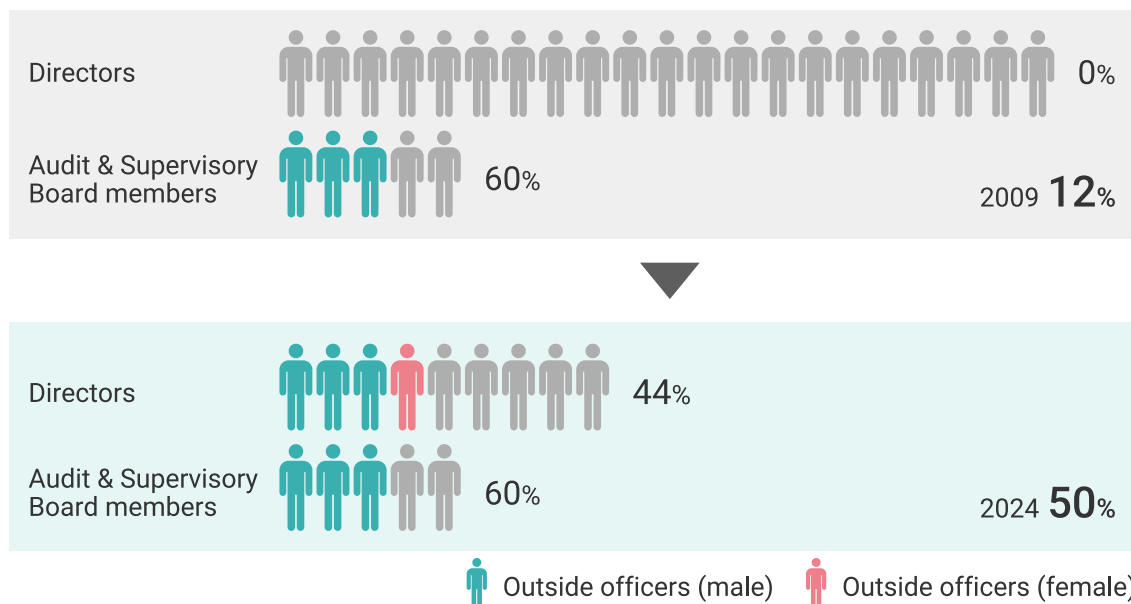
System diagram of corporate governance (as of June 12, 2024)



Roles of various meeting bodies

Meeting body	Role	Frequency
Corporate Strategy Meeting	Deliberation and orientation of important company strategies	As needed
Corporate Planning Meeting	- Important management decision-making - Information sharing on important matters - Deliberation and approval of measures to address important business execution issues	Twice a month
Corporate Management Meeting	- Monitoring of the execution of important business operations (predictive management) - Responding to issues quickly and efficiently - Sharing information with all officers	Once a month

Ratio of outside officers



Business execution system

Toyota Boshoku adopts an organization consisting of six units (Corporate Operation, Research & Development, Regional Business, Functional Collaboration, Production, and Special Duties). We have introduced a Chief Officer System to ensure cross-functional cooperation, and have assigned Center Chiefs, etc. so as to clarify roles, responsibilities, and authority, simplify the decision-making process, and make quick management decisions. The Corporate Planning Meeting is held twice a month to ascertain the status of implementation of the above, share information on important management issues, and make decisions, while the Corporate Strategy Meeting is held as necessary to deliberate and set the direction for company-wide corporate strategies, as well as products businesses and regional strategies. In this way, as well as ensuring thorough deliberation on issues prior to submission to the Board of Directors, we strive to quicken our response to management challenges. In addition, we have established the Corporate Management Meeting, where information is shared among internal directors, standing Audit & Supervisory Board members, Chief Officers, Center Chiefs, etc., as well as various committees and meeting bodies, so as to enhance deliberations on individual matters and regularly monitor and follow-up on the status of business execution based on policies decided by the Board of Directors.

(1) Board of Directors

Number of meetings held in FY2024: 13

The Board of Directors convenes at least once a month, and as the management decision-making body, decides on important management matters such as legal matters, corporate hoshin (policy), business plans and capital investment plans, and also monitors business execution.

The Board of Directors is chaired by the Chairman.

Items that should be submitted to the Board of Directors are stipulated in rules of the Board of Directors, and other items are delegated to the President, Chief Officers, Center Chiefs, etc. in accordance with the Authorization Policy.

Main discussions at the Board of Directors in FY2024

General Meeting of Shareholders	- Decision on convocation and agenda items - Approval of business reports, financial statements, etc. - Condition of the exercise of voting rights on agenda items at the General Meeting of Shareholders
Executive officers and organization	- Selection of representative director and executive director - Directors' compensation and bonuses
Business planning, management strategy	- Formulation of global hoshin (policy) - Formulation of 2030 Mid-term Business Plan - Deliberation on strategy including business advancement, alliances, reorganization, etc. - Status of investment in and collaboration with startup companies
Sustainability	- ESG status - Revision of key environmental initiatives and 2050 Environmental Vision - Response to TCFD and TNFD - Initiatives for biodiversity - Status of human rights due diligence - Status of initiatives to prevent occupational accidents - Status of response to business risks - Status of health management - HR strategy (Human Capital Report) - Status of quality initiatives - Status of DX promotion - Progress in strategic intellectual property activities
Other	- Implementation of interim dividend - Report on operational status of basic policy on the development of internal control systems - Approval and report on transactions involving a conflict of interest - Implementation and report on assessments of the effectiveness of the Board of Directors - Examination of stockholdings - Operational status of whistle-blowing system - Items related to property and assets

(2) Audit & Supervisory Board member, Audit & Supervisory Board

Number of meetings held in FY2024: 14

The Audit & Supervisory Board consists of two standing Audit & Supervisory Board members and three outside Audit & Supervisory Board members, and the lead standing member serves as Chair of the Audit & Supervisory Board. In FY2024 the Audit & Supervisory Board was comprised of two standing members and two outside members.

The main items discussed by the Audit & Supervisory Board include the selection of standing Audit & Supervisory Board members, audit policy and audit implementation plans, status of development and operation of internal control system, appropriateness of audit method performed by accounting auditors and the results thereof, and the preparation of audit reports.

With regard to the activities of Audit & Supervisory Board members, they conduct audits of internal divisions and group companies inside and outside Japan based on the audit policy and annual plans, communicate with directors, etc., attend the Board of Directors, Corporate Planning Meeting and other important meetings, inspect important documents, etc., and exchange information with the internal auditing department and accounting auditors.

Main discussions at Audit & Supervisory Board in FY2024 (excluding audit reports)

General management	• Company member safety and health management, environmental management initiatives
Internal control and auditing	• Basic policy on the development of internal control systems, etc. • Status of risk management • Status of global internal auditing system • Japan and non-Japan subsidiary audit results • Status of fraud management
Other	• Evaluation of the effectiveness of the Audit & Supervisory Board

(3) Management Advisory Council

Number of meetings held in FY2024: 3

To incorporate independent perspectives, the Management Advisory Council is composed of four outside directors (Akihiro Koyama, Junko Shiokawa, Takafumi Seto, Yasuhiko Yamazaki), along with Chairman Shuhei Toyoda and President Masayoshi Shirayanagi. The chair of the Management Advisory Council is the Chairman. (FY2024 members: outside directors Akihiro Koyama, Junko Shiokawa, Takafumi Seto, Kenichiro Ito along with Chairman Shuhei Toyoda, Vice Chairman Naoki Miyazaki, and President Masayoshi Shirayanagi)

The Management Advisory Council, as an advisory body to the Board of Directors, deliberates on important corporate strategies and issues, the selection and dismissal of management, compensation, succession planning and other matters, and has the authority to determine the amount of individual compensation for directors upon resolution by the Board of Directors.

In addition, the Management Advisory Council's members, agenda and activities were resolved by the Board of Directors in December 2018 as the Management Advisory Council Rules.

Main discussions at Management Advisory Council in FY2024

Officer compensation	• Compensation criteria for directors and operating officers • Percentage of monetary compensation and number of shares under the transfer-restricted stock compensation plan for directors (excluding outside directors)
Organization & structure	• Structure of directors and Audit & Supervisory Board members, and organizational changes • Selection of individuals for promotion to operating officer

Initiatives to strengthen corporate governance

	Previous	2005 (2005 Start of Toyota Boshoku)	2017	2018	2019	2020	2021	2022	2023	2024 (FY)
Board of Directors and Audit & Supervisory Board		- Election of outside Audit & Supervisory Board members - Shortening of the term of office of directors to one year (2006)	- Election of outside directors (2016) - Start of evaluation of the effectiveness of the Board of Directors (2017)	- Streamlining of Board of Directors (2018) - Revision of rules of the Board of Directors (2018) ...delegation of authority to execution functions	Establishment of Management Advisory Council (2019)			- Appointment of female director (2022) - Disclosure of directors skill matrix (2022)	- Disclosure of Audit & Supervisory Board members skill matrix (2023) - Start of assessments of the effectiveness of the Audit & Supervisory Board (2022)	
Officer Compensation & System Reform					Introduction of medium- to long-term incentive system (2019)		Introduction of transfer-restricted stock compensation system (2021)			
Business Execution System			Change in management structure ...Strengthening management of product business axis (2017)			Changes of the officer structure ...reduction in number of officers (2020)		- Introduction of Chief Officer System (2022) - Abolition of the executive vice president position (2022) - Appointment of young management members who excel in their field of specialization to field chiefs and center chiefs (2022)	Expansion of Chief Officer System (2024)	
Promotion Meetings / Committees		- Establishment of CSR Promotion Meeting (2007) - Establishment of Environmental Affairs Committee - Establishment of Safety & Health Committee	- Establishment of Risk Management Promotion Meeting (2017) - Integration of Safety/Health/Environment Function Meeting (2017) - Establishment of the Information Disclosure Committee (2011)				Renamed to CSV Promotion Meeting (2021)	- Establishment of DX Promotion Meeting (2022) - DX Certification (2023)	- Separation of the meeting into Carbon Neutral Environment Promotion Meeting (2022) - Safety & Health Function Meeting (2022)	Health & Safety Function Meeting (2023)

Support structure for outside directors and Audit & Supervisory Board members

Internal directors and standing Audit & Supervisory Board members provide explanations about required knowledge pertaining to areas such as the Company's businesses, financial affairs and organizations when outside directors and outside Audit & Supervisory Board members assume office. The Company also sends materials of the Board of Directors and Audit & Supervisory Board beforehand to outside directors and outside Audit & Supervisory Board members and provides them with prior explanations on the important matters of agenda items submitted to the Board of Directors. Furthermore, outside directors and Audit & Supervisory Board members are provided with reports on the progress of global hoshin (policy), and plans are made for them to tour plants and offices. The Company has assigned Audit & Supervisory staff to the Audit & Supervisory Board Office as part of a structure for supporting the day-to-day auditing activities of standing Audit & Supervisory Board members. They also support the auditing activities of outside Audit & Supervisory Board members through the operation of the Audit & Supervisory Board.

Evaluation results of the effectiveness of the Board of Directors

Toyota Boshoku analyzes and evaluates the effectiveness of the Board of Directors as follows.

(1) Method

- a. The officer in charge of the administrative office of the Board of Directors conducts a questionnaire and interviews with all directors and Audit & Supervisory Board members, including outside members, in February.
- b. The evaluation results and the improvement measures for issues are summarized and reported to the Board of Directors in March for discussion.

(2) Overview of fiscal 2024 evaluation results

- a. We have been enhancing Board of Directors meeting topics such as environmental initiatives, DX strategy, and intellectual property strategy. In addition, we have been expanding the provision of information to outside officers by holding explanations prior to Board of Directors meetings, reporting on annual plans and their implementation details at IR business briefings, etc., and also by providing opportunities for plant visits, including at plants outside Japan. Furthermore, we have continued to make improvements such as providing outside officers with opportunities to deepen their understanding of the Company's current situation, including the workplace culture, through informal discussions with company members. As a result, the evaluation has shown that the effectiveness of the Board of Directors in making important management decisions and supervising business execution has been ensured and improved
- b. On the other hand, a view was expressed on the need to improve the materials and explanations to make the proposals for agenda items related to new businesses, new products, and business strategy, and the points in question, easier to understand
- c. There was also a request for improvement in areas such as sharing opinions expressed by investors and analysts at IR business briefings, enhancing the discussions on issues to be addressed, providing opportunities for opinions to be exchanged solely with outside officers, and expanding opportunities for informal discussions with company members

(3) Improvement measures

Toyota Boshoku will strive to make the following improvements to ensure even greater effectiveness of the Board of Directors.

- a. Enhance strategic discussions
We will organize the necessary agenda items throughout the year and systematically implement topics related to management strategies based on the 2030 Mid-Term Business Plan, new businesses and new products, etc. We will also further improve information provision and meeting materials to facilitate discussion.
- b. Enhance support for outside officers
We will provide relevant information to deepen understanding of the Company and contribute to active discussions at the Board of Directors, including providing opportunities for outside officers to communicate with each other and have informal discussions with a diversity of company members and future executive candidates, and enhanced facility visits that develop strategies and investment opportunities.

Policy for deciding the amount of officers' compensation and the calculation method

The "Policy for deciding the amount of compensation for Directors and Operating Officers" is resolved by the Board of Directors.

(1) Basic approach

In order to realize a compensation system that is highly linked to the Company's business performance, the following are reflected in part of the compensation structure:

- a. we set the disparity between positions reasonably in light of the roles and responsibilities, and
- b. grant stock-based compensation under the transfer-restricted stock compensation plan to directors other than outside directors.

In addition, in order to reflect annual performance and efforts to improve medium-term corporate value in compensation (bonus),

- c. the Company's uniform annual performance and the degree of achievement of annual hoshin (policy) by each individual for the single year, and
- d. evaluation of medium-term corporate value enhancement in terms of the enhancement of social value and economic value.

(2) Approach to the level of compensation

For the level of compensation, we select companies listed on the Prime Market of the Tokyo Stock Exchange for benchmarking, based on their corporate size, consolidated revenue, consolidated operating profit, and number of company members and we confirm the appropriateness of compensation amounts while also incorporating the results of external compensation survey organizations.

(3) Directors' compensation

Annual compensation for directors is limited to 600 million yen (including 70 million yen for outside directors), as resolved at the Ordinary General Meeting of Shareholders held on June 17, 2020. The number of directors as of the close of this Ordinary General Meeting of Shareholders was nine, including four outside directors.

Please see the table below, "Structure of Directors' Compensation," for details on the types of compensation, payment criteria, and the structure of compensation.

Structure of Directors' Compensation

Type of Compensation	Payment Criteria	Structure of Compensation	Category
Fixed Compensation (Monthly compensation)	Compensation table: Set according to position (level of responsibility). Set the disparity between qualifications at a certain rate, and set the amount of compensation according to the index for each position.	55%	Monetary compensation
Performance-Linked Compensation (Bonuses)	1) Reflect performance for a single fiscal year in the compensation (bonus) table according to position, based on consolidated operating profit.*1 2) Reflect medium-term enhancement of corporate value in the bonus payment amount according to the achievement rate (0–150%) based on the contribution to economic value enhancement (20% increase in net assets) and contribution to social value enhancement (20% increase in ESG evaluation score*2) after three years.*3 [Structure of bonus] 1) Reflection of single-year results (82%) 2) Medium term (18%) 100%	35%	
Stock compensation (Transfer-restricted stock)	Issue shares to directors, excluding outside directors, which are restricted from sale for a certain period of time (the total amount of stock-based compensation is to be no more than 100 million yen per year, as resolved at the Ordinary General Meeting of Shareholders held on June 17, 2020; from 2021, the Board of Directors will resolve the timing and distribution of compensation)	10%	Stock compensation

*1 Consolidated operating profit for the fiscal year ended March 31, 2024 was 78.6 billion yen.

*2 From fiscal 2023, the evaluation indicator for social value enhancement has been changed from a CSR evaluation score to an ESG evaluation score for CSV activities. Of the 25 main indicators that make up the ESG evaluation score, 3 are related to climate change. Specifically, rate of reduction of GHG emissions in production, rate of introduction of renewable energy, and rate of reduction of CO₂ emissions in logistics.

*3 Net assets for the fiscal year ended March 31, 2024 were 492.9 billion yen, and the ESG evaluation score was 3.7 points (out of 5.0 points).

(4) Compensation for outside directors

Outside directors are paid only fixed monthly compensation as they are expected to fulfill their roles and responsibilities from a standpoint completely independent of business execution.

(5) Compensation for Audit & Supervisory Board members

Audit & Supervisory Board members are paid only fixed monthly compensation and there is no variable factor based on performance. Compensation for Audit & Supervisory Board members is determined through discussion among the Audit & Supervisory Board members within the limit of compensation set by resolution of the Ordinary General Meeting of Shareholders held on June 14, 2022 (not to exceed 130 million yen per year; the number of Audit & Supervisory Board members as of the close of this Ordinary General Meeting of Shareholders was four).

(6) Procedures for determining compensation, etc.

In order to ensure the appropriateness of the level and amount of compensation and transparency in the decision-making process, the decision on specific individual compensation payments based on the policy for deciding the amount of compensation is entrusted to the Management Advisory Council, which is composed of four independent outside directors, Chairman (the Chair of the Council), and the President.

The process is set forth in the Board of Directors Rules and the Management Advisory Council Rules, and since the amount of compensation for each individual director is determined through established procedures, the Board of Directors believes that the details thereof are in line with the policy for deciding the amount of compensation.

(7) Transfer-restricted stock compensation

The Board of Directors is scheduled to decide on the specific payment period and allocation using the stock compensation limit (within 100 million yen per year and within 100,000 shares per year) defined at the General Meeting of Shareholders held on June 17, 2020.

Applicable recipients	Toyota Boshoku directors (excluding outside directors)
Timing and distribution of allowance	Decided by the Board of Directors
Shares compensation system upper financial limit	Up to 100 million yen per year
Upper limit on shares allowance	Up to a total of 100,000 regular shares per year for applicable board members
Period of restrictions on shares transfer	Until immediately after stepping down as Toyota Boshoku director
Amount paid	Set by the Board of Directors at an amount that will not provide undue advantage to the applicable board member(s), based on the Tokyo Stock Exchange closing price of regular Toyota Boshoku shares on the last business day before the Board of Directors resolution
Conditions for lifting restrictions on shares transfer	Restrictions will be lifted upon expiry of the period of restrictions. However, restrictions will also be lifted upon expiration of term of office, death, or stepping down as director for other legitimate reasons.
Non-compensation acquisitions	In cases where illegal activity has taken place, or there is other justifiable reason established by Toyota Boshoku's Board of Directors, Toyota Boshoku can acquire allotted shares without compensation during the period of restrictions on shares transfer.

Total amount of compensation, etc. for directors and Audit & Supervisory Board members (April 2023–March 2024)

Category	Total compensation, etc. by type (million yen)				
	Total compensation, etc.(million yen)	Fixed compensation (Monthly compensation)	Performance-linked compensation (Bonuses)	Stock compensation (Transfer-restricted stock)	Number of persons to be paid
Director (of which outside directors)	464 (50)	247 (50)	177 (-)	39 (-)	10 (4)
Audit & Supervisory Board Member (of which outside Audit & Supervisory Board members)	97 (21)	97 (21)	-	-	5 (2)
Total (of which outside officers)	562 (71)	344 (71)	177 (-)	39 (-)	15 (9)

Notes:¹ The above fixed compensation includes one director and one Audit & Supervisory Board member who retired as of the close of the 98th Ordinary General Meeting of Shareholders held on June 13, 2023.

² The number of persons to whom performance-linked compensation (bonuses) and stock compensation (transfer-restricted stock) will be paid is five directors (excluding outside directors).

Policy and procedure for appointing and dismissing senior management, and nominating candidates for director and Audit & Supervisory Board member

The appointment and dismissal of senior management and the nomination of candidates for director and Audit & Supervisory Board member are discussed and deliberated by the Management Advisory Council before the Board of Directors makes a resolution. Our policy for the appointment of senior management and the nomination of director candidates is based on a comprehensive review from the perspective of having the right people in the right places, so that accurate and prompt decisions can be made while taking into consideration the extent to which they can cover the skills necessary for execution and supervision.

The policy on nomination of candidates for Audit & Supervisory Board member involves a comprehensive examination of whether the person has knowledge regarding finance and accounting, a general understanding of the Company's business and diverse perspectives on corporate management.

The policy on nomination of candidates for outside director and Audit & Supervisory Board member involves a comprehensive examination of the requirements for externality stipulated in the Companies Act and the independence criteria established by the Financial Instruments Exchange, and whether the person has extensive experience and broad insight.

Skill matrix of Director and Audit & Supervisory Board member (as of June 12, 2024)

Position	Name	Management Advisory Council	Corporate management	Global	R&D	MONOZUKURI (production)	Sales and procurement	Finance and Accounting	Human resources and HITOZUKURI	Legal and compliance	Environment and energy	IT and digital
Chairman	Shuhei Toyoda	✓	✓	✓	✓	✓	✓		✓			✓
President	Masayoshi Shirayanagi	✓	✓	✓			✓	✓	✓	✓	✓	✓
Director, Operating Officer	Hiroshi Ioki		✓	✓	✓	✓					✓	✓
Director, Operating Officer	Shunichi Iwamori		✓	✓		✓	✓	✓			✓	✓
Director, Operating Officer	Hiroki Tsunoda		✓	✓	✓	✓					✓	✓
Outside Director	Akihiro Koyama	✓		✓				✓	✓	✓		
Outside Director	Junko Shiokawa	✓		✓				✓		✓		
Outside Director	Takafumi Seto	✓			✓	✓			✓		✓	✓
Outside Director	Yasuhiko Yamazaki	✓	✓	✓	✓	✓			✓		✓	
Standing Audit & Supervisory Board Member	Yasushi Minami		✓	✓	✓	✓						✓
Standing Audit & Supervisory Board Member	Kazuo Koide		✓	✓			✓		✓		✓	
Outside Audit & Supervisory Board Member	Hiroyuki Yokoyama		✓	✓	✓	✓				✓		
Outside Audit & Supervisory Board Member	Hiroshi Miura		✓	✓				✓		✓		
Outside Audit & Supervisory Board Member	Yoshito Fujikawa				✓			✓	✓	✓		✓

Reasons for election of outside officers

Classification	Name	Independent Officer	Supplementary explanation regarding suitability items	Reasons for election	Number of Board of Directors, Audit & Supervisory Board attended in fiscal 2024
Directors	Akihiro Koyama	✓	–	Mr. Koyama was elected as a director because it was deemed that he could reflect his research into such areas as corporate finance and corporate governance and also his expert knowledge acquired over many years in corporate management from a global perspective in the management of the Company and contribute to maintaining and strengthening of the Company's corporate governance.	Board of Directors 13/13 meetings
	Junko Shiokawa	✓	–	Ms. Shiokawa was elected as a director because it was deemed that she could reflect in the management of the Company the broad insight she has gained as a lawyer on global cases related to investment funds, finance, cross-border M&A, and investment fund-related dispute resolution, and contribute to maintaining and strengthening of the Company's corporate governance.	Board of Directors 13/13 meetings
	Takafumi Seto	✓	–	Dr. Seto was elected as a director because it was deemed that he could reflect in the management of the Company his research in conjunction with his diverse engineering knowledge and skills, and offer valuable insights regarding pioneering research for future society, as well as conduct joint research with the Company on the theme of realizing comfortable spaces for near-future automobiles, and contribute to the Company's future business.	Board of Directors 13/13 meetings
	Yasuhiko Yamazaki	✓	Mr. Yamazaki is a Executive Vice President of Denso Corporation, a business partner of the Company.	Mr. Yamazaki was elected as a director because it was deemed that he could reflect his experience as an Executive Vice President of Denso Corporation, where he also serves as Chief Innovation Officer, Chief Quality Officer, Chief Human Resources Officer in the technology and human resources fields, the Head of the Australasian region and South Korea, and has a wealth of experience and knowledge working in various businesses, functions, and overseas postings, including as the Head of overseas offices and the Head of company-wide manufacturing functions, and contribute to maintaining the Company's corporate governance.	Board of Directors -/- meetings*1
Audit & Supervisory Board members	Hiroyuki Yokoyama	✓	Former Executive Advisor, Daihatsu Motor Co., Ltd., a business partner of the Company	Mr. Yokoyama was elected as an Audit & Supervisory Board member because it was deemed that he could reflect his experience in the Quality Assurance Division and at overseas locations at Toyota Motor Corporation, as well as his extensive experience and insight gained at Daihatsu Motor Co., Ltd., in the audit system of the Company and contribute to maintaining and strengthening of the Company's corporate governance.	Board of Directors 13/13 meetings Audit & Supervisory Board 14/14 meetings
	Hiroshi Miura	✓	–	Mr. Miura was elected as an Audit & Supervisory Board member because it was deemed that he could reflect his experience as a certified public accountant and broad insights related to accounting, financial auditing and governance from his experience over many years in financial auditing and corporate management advisory services, and contribute to maintaining and strengthening the Company's governance.	Board of Directors 13/13 meetings Audit & Supervisory Board 14/14 meetings
	Yoshito Fujikawa	✓	–	Mr. Fujikawa was elected as an Audit & Supervisory Board member because it was deemed that he could reflect his experience as an attorney-at-law and patent attorney, extensive knowledge and experience in corporate governance, litigation, and other dispute-related legal affairs, as well as in corporate legal work, including intellectual property, to the Company's corporate governance.	Board of Directors -/- meetings*2 Audit & Supervisory Board -/- meetings*2

* In addition to the stated number of Board of Directors meetings, during FY2024, there was one instance of a written resolution deemed to be a resolution of the Board of Directors pursuant to Article 370 of the Companies Act and Article 23 of the Company's Articles of Incorporation

*1 Director Yasuhiko Yamazaki was nominated as outside directors at the 99th Ordinary General Meeting of Shareholders, held on June 12, 2024

*2 Audit & Supervisory Board member Yoshito Fujikawa was nominated as an outside Audit & Board member at the 99th Ordinary General Meeting of Shareholders, held on June 12, 2024

Support for training the next generation of executive management candidates

Our global succession committees facilitate discussions each year between current operating officers and above concerning training and optimal placement of human resources for succession in executive management and as presidents of business entities inside and outside Japan.

Committees have been established to handle different posts: the GSCT^{*1} discusses executive management candidates, the GSC^{*2} discusses global key posts, such as presidents of business entities inside and outside Japan, and RSC^{*3} discusses other important posts. We introduced a skills matrix for the executive level as an initiative for training human resources for succession to clarify capabilities and experience along with training issues. In addition, we conduct global executive training programs (GEDP^{*4} and GLDP^{*5}) in an effort to achieve planned training of global leaders. GEDP and GLDP participants learn the history and shared values of Toyota Boshoku group. Furthermore, we nurture their fundamental capabilities as managers, and conduct training to boost their capabilities in organization and human resource management, etc. We began these in fiscal 2019, and up to fiscal 2024, a total of 93 members have taken GEDP and 110 have taken GLDP.

From fiscal 2025, we began to register 100 human resources (NEXT100) who will lead the Toyota Boshoku group into the future. As a training measure for members of the NEXT100, in addition to GEDP and GLDP, we are planning to introduce a leader development program for group manager level members, who are ineligible for GEDP and GLDP.

^{*1} Global Succession Committee by Top Executives

^{*2} Global Succession Committee

^{*3} Regional Succession Committee

^{*4} Global Executive Development Program: Selective training program for senior executive positions

^{*5} Global Leader Development Program: Selective training program for junior executives and managers

Compliance

Basic stance

The Toyota Boshoku group states in its Corporate Philosophy that the Company will promote corporate growth while fulfilling our responsibilities as a good corporate citizen. At the same time, the Company clarifies the nature and details of its compliance, its overall promotion system, as well as the scope and goals of activities on a global basis, and conducts activities under strong leadership from top management, while personnel in charge of legal affairs in each region share knowledge of issues as well as improve and strengthen compliance activities.

Strengthening compliance and initiatives for human rights

In addition to anti-bribery measures, and adherence to antitrust laws, the importance of respect for human rights is steadily increasing. The Toyota Boshoku group works to raise members' awareness of compliance and human rights and enhance the level of implementation through various training and educational activities for officers and company members. In doing this, we strive to achieve compliance with laws and regulations as well as co-existence with local communities through respect for various cultures, values and individuality. We have a global legal risk management system and continuously take steps to increase awareness of our whistle-blowing system while promoting continuous improvements to this system.

We have established "Anything Goes Counseling Window" as an internal window for discussing and reporting workplace problems, legal violations, and internal misconduct. Additionally, we have contracted with a law office as an external window(Compliance Consultation Window). Those windows can be used by all group companies in Japan. We have set up, and are making use of similar windows for countries outside Japan, including both within individual group companies and on a regional level. We are creating an environment in which it is easy to consult without harming the interests of the whistleblowers.

Number of serious legal violations in fiscal 2024

0

Strengthening dissemination and practical application of the Toyota Boshoku Group Guiding Principles

The Toyota Boshoku Group Guiding Principles—which is the basis of compliance, and which forcefully makes the case for the importance of ethical behavior including well-thought-out social initiatives, as well as the prohibition of collusion, cartels (agreements upon bids, prices, allocating the supplier and any item to avoid competition with competitors), bribery and so on.—is distributed to all Company members. Great effort is made to ensure compliance through education and training for newly hired promotion, and secondment outside Japan. Additionally, we are spreading the Guiding Principles globally via translation into foreign languages, including English and Mandarin. We strive to strengthen dissemination and practical application of the Guiding Principles at each and every workplace. We also seek to raise compliance awareness by providing training via e-learning on the topics of compliance and the Guiding Principles, as well as by undertaking various activities at companies throughout the Toyota Boshoku group all over the world during Corporate Ethics Month.

The status of each of these initiatives is periodically monitored, discussed, and reported on under the supervision of the Board of Directors.

Compliance with competition laws

Toyota Boshoku established the Company Policy on competition laws, in which we clearly declared that the Company will not tolerate any behavior violating competition laws and Toyota Boshoku members will not commit any violations, with this declaration being shared globally.

Toyota Boshoku prepared a compliance manual and conducts training globally that includes training for executive officers and relevant departments while related internal rules have also been created at each site. The Company is therefore deepening understanding of its stance toward competition laws, which includes verifying operating conditions, and of cautionary points in conducting business operations. In addition, the Antitrust Law Compliance Rules were established mainly to regulate information exchange with competitors and this forms part of a structure to prevent violations.

Comprehensive efforts toward anti-bribery

The Toyota Boshoku group has prepared the Anti-bribery Guideline, thereby making efforts to increase understanding of regulations in respective countries related to preventing corruption such as bribery and establishing a framework for compliance. The compliance status of the guideline is inspected globally on a regular basis and the guideline and its implementation are continuously improved, if necessary.

Compliance with export control

The Toyota Boshoku group promotes activities in compliance with the Security Export Compliance Program (Export CP) in order to appropriately implement security export control aimed at maintaining international peace and security. This includes making decisions on whether or not products and machinery equipment exported outside Japan, and engineering information such as technical drawings and production technology supplied outside Japan, comply with laws and regulations related to security export control.

Education and awareness raising

Toyota Boshoku conducts training on compliance—including topics such as the Toyota Boshoku Group Guiding Principles and prohibition of business with anti-social forces (i.e. organized crime groups, etc.)—for newly hired and promoted company members, etc.

Regarding prohibition of business with anti-social forces, training is provided for newly appointed directors of affiliated companies in Japan on topics such as the characteristics of anti-social forces and the approach to dealing with them.

In addition to educating relevant departments on compliance in important areas such as the competition laws and anti-bribery rules we are also working to provide e-learning so that all company members can acquire the necessary compliance knowledge.

Personnel in charge of legal affairs from the Legal Division at Toyota Boshoku and RM&CH conduct workshops relating to important laws in consideration of the conditions of each country and each region.

Activities in Corporate Ethics Month

Every year, we have Toyota Boshoku Global Corporate Ethics Month on a global basis with participation by all members. During this month, efforts are made to enhance ethics mind through various activities such as confirming our corporate philosophy and the Toyota Boshoku Group Guiding Principles and reviewing members' behavior internally and externally.



Workplace discussions at Toyota Boshoku Europe and Toyota Boshoku (Tianjin)

Establishing and operating a consultation and whistleblowing system

The Anything Goes Counselling Window has been set up internally as well as a Compliance Consultation Window at a designated law firm externally to establish an environment in which members from group companies in Japan can easily seek advice without fear of reprisal. Members can seek consultation or report workplace problems involving issues such as labor relations, harassment, and interpersonal relationships, as well as legal violations and internal misconduct (such as excessive corporate gifting or entertaining with clients or suppliers, and preferential treatment or collusion with clients or suppliers, etc.). Initiatives are also being pursued to establish a whistle-blowing system in regions outside Japan.

Throughout fiscal 2024, 249 reports and counseling requests were received to internal and external windows from both within Toyota Boshoku and from group companies in Japan. These were investigated and appropriate actions were then taken.

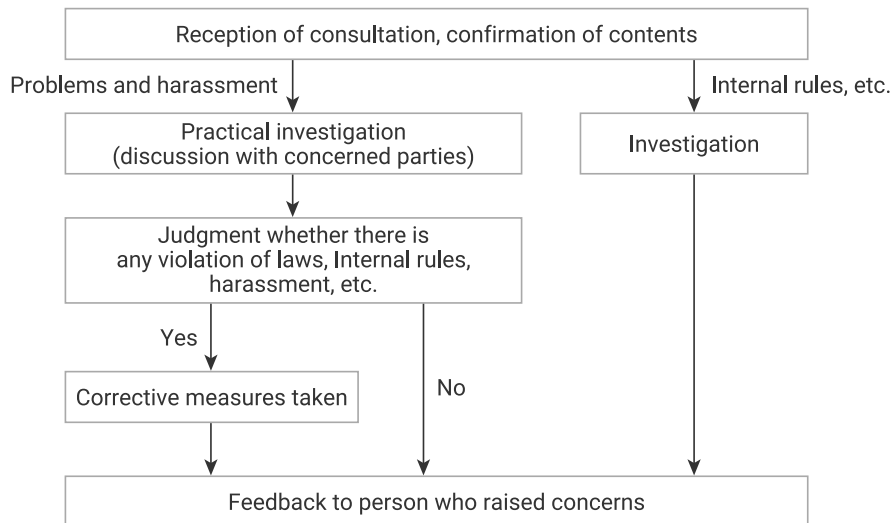
Number of consultations from Toyota Boshoku and group companies in Japan

Fiscal year	2020	2021	2022	2023	2024
Anything Goes Counselling Window ^{*1} (cases)	107	163	190	201	238
Compliance Consultation Window ^{*2} (cases)	12	9	13	16	11

^{*1} Internal consultation and reporting desk for compliance and individual concerns, such as those related to work, human relations, and family, etc.

^{*2} External consultation and reporting desk for issues such as compliance, violations of laws, regulations and company rules, and unfair practices

Structure of the Anything Goes Counselling Window and the Compliance Consultation Window



Risk Management

Basic stance

The Toyota Boshoku group is working to carry out risk assessments, comprehensively reinforce risk management and reduce risks in order to respond swiftly to major risks including management risk, risk in daily operations, risk associated with disasters and accidents, risk arising from the external environment such as global warming and water, risks relating to corruption (such as bribery, cartels (agreements upon bids, prices, allocating the supplier and any item to avoid competition among with competitors), embezzlement, and conflicts of interest), and social reputation risk.*

* Risk of losing societal trust

Risk management activities

We have established a global risk management system for the group centered on the Chief Risk Officer (CRO), and carry out more effective risk management activities such as through monitoring of the status of risk response by the Board of Directors.

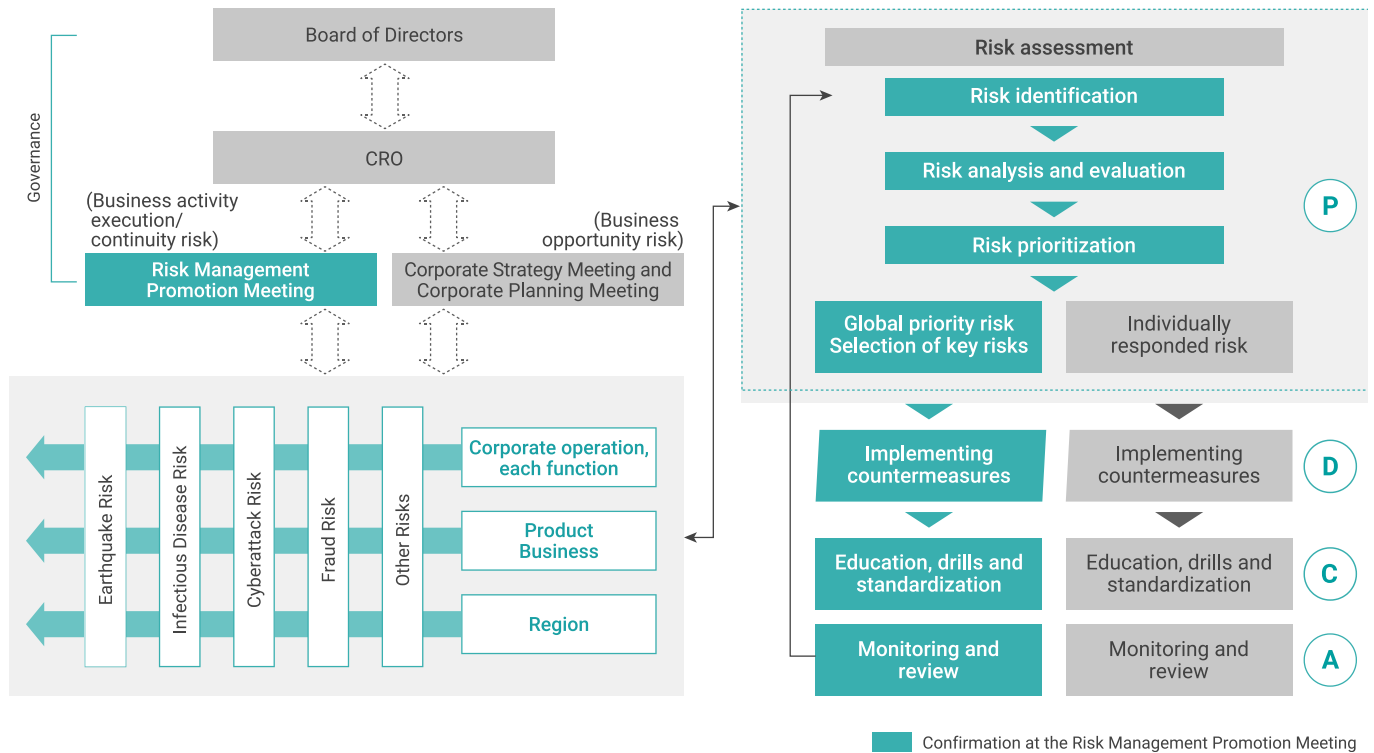
Businesses, regions, the corporate operation unit and other functions are working together to counter pertinent risks and implement a PDCA (plan-do-check-action) cycle for risk management activities. In order to prevent and minimize damage to the wider Toyota Boshoku group, Toyota Boshoku strives to identify and manage risks in an integrated manner, and share risks within the group.

Risk management initiatives in fiscal 2024

In fiscal 2024, under the global risk management system, we worked to increase opportunities for mutual communication by disclosing and sharing information so that risk management activities can permeate not only in Japan but also in other countries.

We also promote Business Continuity Management (BCM) activities to enhance the effectiveness of the Business Continuity Plan (BCP), and build mechanisms to realize continuous improvement in normal times. Other activities included periodic evacuation drills, drills for setting up a response headquarters, emergency communication drills using safety confirmation tools, and stockpiling supplies for local residents.

The risk management system, and associated activities



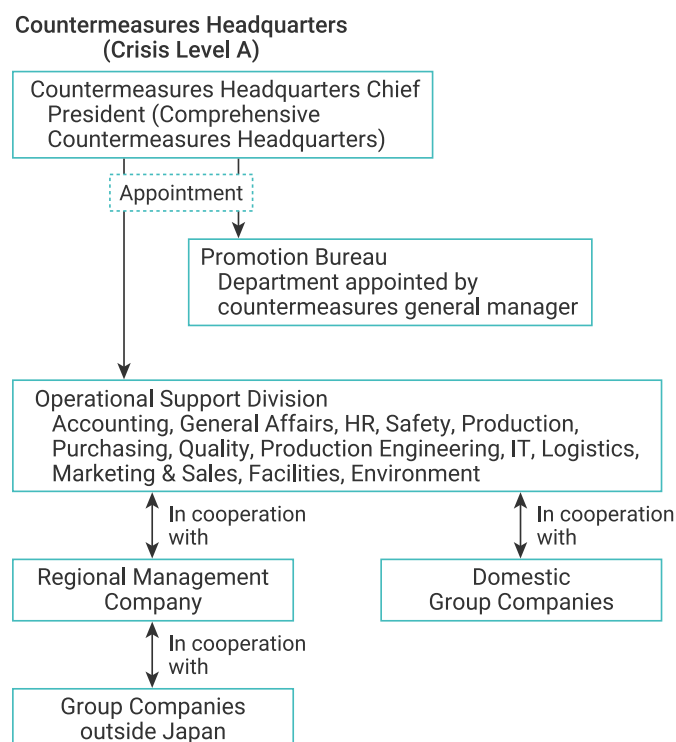
Evaluation points for materiality-impacting risks (Impact level)

Materiality	Evaluation points
①As an Interior Space Creator we will contribute to people's quality of life, creating comfort, safety, and reassurance through innovation	Stable supply
②Using our established technical capability, we will contribute to realize a society with no traffic casualties through providing products that assure safety	Product safety
③Together with our business partners, we will realize MONOZUKURI innovations that minimize environmental stress	Environmental impact
④We will develop people capable of contributing to society, who have diverse values, a challenging spirit and understand the value of strong teamwork	Occupational safety
⑤We will continue to be a company of integrity trusted by all our stakeholders, inheriting our tradition of fairness and moral behavior to the next generation	Compliance

Crisis levels

Level	Countermeasures Headquarters Chief
Level A (Serious crisis)	President (Comprehensive Countermeasures Headquarters)
Level B (Major crisis)	Department with responsibility for said risk(s), chief of headquarters for said region (Countermeasures project)
Level C (Individualized response crisis)	Chief of department with responsibility for individual said risk(s), subsidiary company president (Countermeasures team)

Crisis response system (in case of Crisis Level A)



Main actions taken against significant risks in fiscal 2024

Risk	Main actions taken in FY2024
Earthquakes	- Evacuation drills, drills for setting up a company-wide disaster response headquarters, on-site in-house firefighting organization drills - Promotion of BCM activities, etc.
Cyberattacks	- Enhancement of company members' awareness of security (security training, targeted e-mail drills) - Strengthening of security measures at affiliates/suppliers inside and outside Japan - Automatic disconnection of PCs and servers suspected of being infected with viruses from the network, etc.
Country risks (Conflict)	- Ascertaining of the Toyota Boshoku group's situation with respect to economic security - Monitoring of the country risk situation in our countries of operation based on information from economic indicators, external credit rating agencies, local entities, etc.
Falsification or concealment of quality/testing data	Internal hearings (technical evaluation and factory inspection divisions,) periodic supplier inspections, establishment of a quality fraud prevention mechanism, establishment of a system for checking certified work, education on quality fraud prevention, and awareness-raising through introduction of fraud cases among other companies at the Global Quality Learning Center (GQLC).

Global priority risks in fiscal 2025

Based on the results of the risk assessment for fiscal 2024, we selected global priority risks for fiscal 2025.

Risk map formulation process

Considering the risk environment surrounding the Toyota Boshoku group, the Chief Risk Officer (CRO) and others selected (drafted) the global priority risks based on:

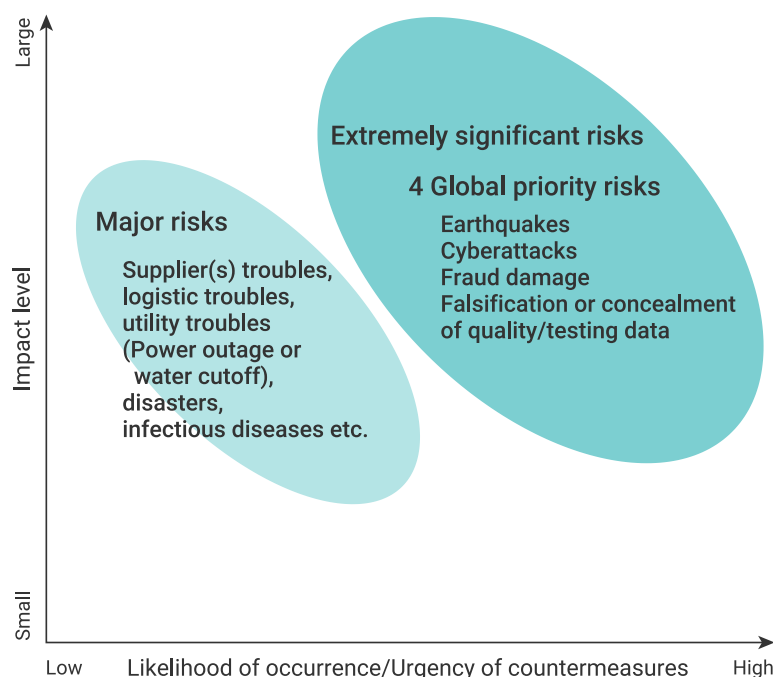
- (i) results of risk analysis and assessment by the department responsible for risk;
- (ii) risks considered important by external organizations, etc.; and
- (iii) information on crises that have emerged within the Toyota Boshoku group.

These global priority risks were then discussed and finalized by the Risk Management Promotion Meeting.

4 Global priority risks in fiscal 2025

- Earthquakes
- Cyberattacks
- Fraud damage
- Falsification or concealment of quality/testing data

FY2025 risk map



To enhance understanding of risk management activities and risk sensitivity, risk management training has been provided since fiscal 2022 for risk management personnel in the departments responsible for risk and at affiliated companies (inside and outside Japan).

In fiscal 2024, training was provided on the importance of verifying crisis response and training on the subject of infectious diseases, and on risk management learned from project management. In addition, we regularly issue a risk management newsletter to share various risk cases within the Toyota Boshoku group and alert our company members to its publication.

Confidentiality management and information security

The Toyota Boshoku group considers the appropriate management of confidential information to be a key element of our business activities. We have both created a group-wide Information Security Policy and assembled a global confidential information management system. Additionally, we are working together as one group to systematically and continuously strengthen our information security.

In addition, once a year, the Company and its consolidated subsidiaries inside and outside Japan collaborate to inspect the status of information security initiatives using the security guidelines, thereby improving internal systems, rules, education, and technical measures to ensure the same level of security on a global basis. In addition to the establishment of systems, we believe in the importance of education, and regularly conduct activities to raise company members' security awareness such as through e-Learning training and drills in targeted e-mail.

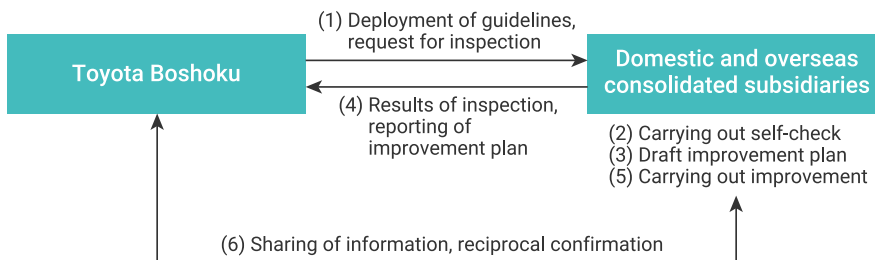
The security guidelines are based on ISO 27001/27002, NIST (the United States' National Institute of Standards and Technology) Cybersecurity Framework, the Cybersecurity Management Guidelines of Japan's Ministry of Economy, Trade and Industry, etc., and are periodically reviewed to ensure they are responsive to changes in the environment. We also update our confidentiality management rules and related procedures, and have introduced an internal information leak detection system to counter the risk of confidential information leaks.

Particularly in recent years, we are focusing not only on in-house countermeasures, but also on close cooperation with group companies and suppliers to prevent weak spots emerging in any part of the supply chain. In order to counteract increasingly sophisticated and diverse cyberattacks, we are enhancing our specialized knowledge, and proactively providing explanations and proposals addressing the importance of confidentiality management and information security, along with specific countermeasures.

Also, we are working in unity with group companies and suppliers, aiming to further strengthen security measures. Going forward, we will treat thorough protection of safety and security throughout the supply chain as a top priority issue, and aim to further advance by strengthening our activities each year.

Information Security Policy

Structure of activity promotion with consolidated subsidiaries



Specific confidentiality management actions undertaken

● Training of company members

- (i) Carrying out various levels of training, including upon joining the company, upon receiving promotion, etc. (each training once a year)
- (ii) Displaying of informational and caution-prompting message upon startup of personal-use PCs (twice a month)
- (iii) Carrying out activities designed to improve awareness and understanding during Confidentiality Management Month (October)
- (iv) Carrying out e-learning training (twice a year) and targeted e-mail drills (six times a year) for all company members, including executive officers

● **Provisions in line with our security guidelines**

- ① Systematic management planning (preparation of systems and rules, etc.)
- ② Human resource management planning (training for company members, simulation training, etc.)
- ③ Technological management planning (improper system access/computer virus countermeasures, restoration measures, security surveillance, etc.)
- ④ Physical management planning (controlling access to relevant rooms/areas, etc.)
- ⑤ Preparation of response systems for accidents and hostile acts

Data

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ESG Data

Environmental

Category	Breakdown		Aggregated scope	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Environmental management									
ISO14001 certification attainment rate	Toyota Boshoku		—	%	100	100	100	100	100
	Domestic subsidiary production sites		—	%	100	100	100	100	100
	Overseas sites		—	%	100	100	100	100	100
Incidence of environmental accidents, cost overruns*1			Toyota Boshoku Group	Number of incidents	1	1	0	1	1
Environmental inspections			Toyota Boshoku Group	—	No issues	No issues	No issues	No issues	No issues
Greenhouse gas									
Greenhouse gas emissions			Toyota Boshoku Group	thousand t-CO2e	318.4	304.5	307.2	255.8	242.8
Basic unit			Toyota Boshoku Group	t-CO2e/ thousand units	42.3	43.4	42.0	32.6	28.3
GHG emissions	Scope 1		Toyota Boshoku Group	t-CO2e	53,832	54,668	46,100	66,092	64,066
	Scope 2		Toyota Boshoku Group	t-CO2e	264,599	249,787	261,118	189,712	178,773
	Scope 3 *2		Toyota Boshoku Group	t-CO2e	3,345,903	2,966,677	2,815,062	9,888,912	12,058,956
Break down of Scope 3	Breakdown of Scope 3 categories	1.Purchased goods and services	Toyota Boshoku Group	t-CO2e	—	—	—	—	9,093,053
		2.Capital goods	Toyota Boshoku Group	t-CO2e	—	—	—	—	186,943
		3.Fuel and energy not included in Scope 1 or Scope 2	Toyota Boshoku Group	t-CO2e	—	—	—	—	39,833
		4.Upstream transportation and distribution	Toyota Boshoku Group	t-CO2e	—	—	—	—	168,480
		5.Waste generated in operations	Toyota Boshoku Group	t-CO2e	—	—	—	—	15,958
		6.Business travel	Toyota Boshoku Group	t-CO2e	—	—	—	—	4,739
		7.Employee commuting	Toyota Boshoku Group	t-CO2e	—	—	—	—	21,389
		8.Upstream leased assets	Toyota Boshoku Group	t-CO2e	—	—	—	—	—*3
		9.Downstream transportation and distribution	Toyota Boshoku Group	t-CO2e	—	—	—	—	14,179
		10.Processing of sold products	Toyota Boshoku Group	t-CO2e	—	—	—	—	78
		11.Use of sold products	Toyota Boshoku Group	t-CO2e	—	—	—	—	1,048,792
		12.End-of-life treatment of sold products	Toyota Boshoku Group	t-CO2e	—	—	—	—	1,255,153
		15.Investments	Toyota Boshoku Group	t-CO2e	—	—	—	—	210,360
Overall transportation-related CO2 emissions			Toyota Boshoku	t-CO2	7,563	6,590	5,677	6,523	6,669
Energy *4									
Direct energy consumption (total)			Toyota Boshoku Group	GJ	1,029,061	1,012,393	945,738	1,093,686	1,116,474
Itemized by type	Natural gas		Toyota Boshoku Group	GJ	1,019,944	1,006,423	938,990	923,099	949,940
	Petroleum products *5		Toyota Boshoku Group	GJ	9,117	5,970	6,747	170,587	166,534

Category	Breakdown	Aggregated scope	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Indirect energy consumption (total)		Toyota Boshoku Group	GJ	1,997,195	1,906,647	1,954,103	2,045,827	2,120,913
Itemization by type	Electricity purchased	Toyota Boshoku Group	GJ	1,908,187	1,817,523	1,869,411	1,962,989	2,032,152
	Photovoltaic power	Toyota Boshoku Group	GJ	7,078	14,524	15,976	19,444	28,934
	Hot water / steam	Toyota Boshoku Group	GJ	81,931	74,599	69,257	63,394	59,827
Private power generation rate [photovoltaic power / (electricity purchased + photovoltaic power)]		Toyota Boshoku Group	%	0.4	0.8	0.8	1.0	1.4
Renewable energy adoption rate		Toyota Boshoku Group	%	0.9	1.6	3.7	23.4	39
Waste *6								
Waste	Overall volume	Toyota Boshoku Group	t	25,458	23,086	23,217	26,737	30,138
	Basic unit	Toyota Boshoku Group	t/thousand units	3.38	3.29	3.17	3.41	3.52
Reverse compensation recycling		Toyota Boshoku Group	t	9,937	8,897	8,115	12,362	15,815
Incinerated waste		Toyota Boshoku Group	t	5,760	6,445	6,607	7,375	6,538
Direct landfill waste		Toyota Boshoku Group	t	9,761	7,744	8,495	6,999	7,784
(industrial waste) overall waste emissions		Toyota Boshoku Group	t	85,130	73,224	83,952	98,622	124,886
The atmosphere								
NOx		Toyota Boshoku	t	14.9	18.1	16.4	19.9	15.5
SOx		Toyota Boshoku	t	0	0	0	0	0
Chemical substances								
Quantity of substances falling under PRTR		Toyota Boshoku	t	1,101	852	873	845	515
VOC substances		Toyota Boshoku	t	487	455	425	422	428
Water								
Water resources	Overall quantity released	Toyota Boshoku Group	thousand m ³	3,731	3,590	3,266	3,369	3,415
	Municipal water, industrial water	Toyota Boshoku Group	thousand m ³	2,096	1,921	1,836	1,366	1,405
	Groundwater	Toyota Boshoku Group	thousand m ³	1,635	1,669	1,430	2,003	2,010
	Total water discharge	Toyota Boshoku	thousand m ³	–	–	–	–	695
Packaging materials								
Wrapping, packaging materials used		Toyota Boshoku	t	2,241	1,961	2,146	2,155	2,049
Other								
Environmental conservation activities	Total trees planted	Toyota Boshoku Group	10,000 trees	47	53	58	65	70

*1 In fiscal 2024 the Toyota Boshoku Group was not subject to any fines resulting from environmental accidents or violations of environmental regulations.

*2 Until the end of fiscal 2022 calculations solely made use of data from Toyota Boshoku. Since fiscal 2023, however, calculations make use of data from the entire Toyota Boshoku Group.

*3 Account for in Scope 2

*4 The values for energy are arrived at by multiplying the units of energy generation by the quantity of the various fuels used. Determination of units of energy generation is done with use of coefficients laid out by Laws and Regulations Concerning Rationalization of Energy Usage and Related Issues published by the Japanese government)

*5 In fiscal 2023 changes were made to the scope of data collected. Additionally, calculations now make use of data for fuel used by Toyota Boshoku Group vehicles.

*6 The value for total waste listed here includes waste connected to automotive parts production. Including construction waste from subsidiaries, the value for total waste is: 31,161 t

Social

Category	Breakdown		Aggregated scope	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Status of employees									
Distribution by region	Japan		Toyota Boshoku Group	%	35	35	35	32	34
	The Americas		Toyota Boshoku Group	%	23	23	22	23	24
	Asia		Toyota Boshoku Group	%	18	17	17	19	19
	China		Toyota Boshoku Group	%	15	15	16	16	14
	Europe, Africa		Toyota Boshoku Group	%	9	10	10	10	9
Number of employees, ratio of women			Toyota Boshoku	People	8,336	8,301	8,264	8,244	8,301
	Men		Toyota Boshoku	People	7,321	7,251	7,190	7,161	7,188
	Women		Toyota Boshoku	People	1,015	1,050	1,074	1,083	1,113
	Ratio of women		Toyota Boshoku	%	12.2	12.6	13.0	13.1	13.4
Composition of employees	Employees*7		Toyota Boshoku Group	People	44,375	44,154	44,264	44,581	46,972
	Temporary employees*8		Toyota Boshoku Group	People	8,017	6,745	7,777	8,849	9,401
	Ratio of temporary employees		Toyota Boshoku Group	%	15.3	13.3	15.0	16.6	16.7
Number of employees recruited as new graduates			Toyota Boshoku	People	224	185	135	168	258
	Administrative and engineering	Men	Toyota Boshoku	People	95	88	58	80	135
		Women	Toyota Boshoku	People	40	30	20	25	49
	Skilled employees	Men	Toyota Boshoku	People	75	54	48	51	60
		Women	Toyota Boshoku	People	14	13	9	12	14
	Ratio of women		Toyota Boshoku	%	24.1	23.2	21.5	22.0	24.4
Number of employees recruited as mid-career			Toyota Boshoku	People	33	9	9	26	85
	Employees recruited as mid-career, as percentage of total number of employees recruited per year		Toyota Boshoku	%	12.8	4.6	7.0	13.4	21.6
	University graduates	Men	Toyota Boshoku	People	24	0	1	19	64
		Women	Toyota Boshoku	People	6	7	8	7	17
		20-29 years old	Toyota Boshoku	People	14	0	1	7	23
		30-39 years old	Toyota Boshoku	People	12	3	4	10	48
		40 years and older	Toyota Boshoku	People	4	4	4	9	10
	High school and vocational school graduates	Men	Toyota Boshoku	People	1	0	0	0	4
		Women	Toyota Boshoku	People	2	2	0	0	0
		20-29 years old	Toyota Boshoku	People	1	1	0	0	0
		30-39 years old	Toyota Boshoku	People	2	1	0	0	0
		40 years and older	Toyota Boshoku	People	0	0	0	0	4
Assignments from temporary worker to permanent employee			Toyota Boshoku	People	46	41	34	35	51
Senior employees continuing employment	Retirees		Toyota Boshoku	People	123	102	98	110	131
	Rate of continuing employment after retirement age		Toyota Boshoku	%	82	76	81	89	79
Number of employees making use of re-employment system			Toyota Boshoku	People	314	343	354	392	425
Percentage of employees leaving job	Personal reasons, etc.		Toyota Boshoku	People	108	102	112	144	156
			%	1.21	1.14	1.20	1.64	1.77	
	New graduates within 3 years		Toyota Boshoku	%	14.4	3.2	8.3	9.9	6.3
Continuous years worked			Toyota Boshoku	Years	16.6	17.0	17.5	17.8	18.2
	Men		Toyota Boshoku	Years	16.9	17.4	18.0	18.3	18.7
	Women		Toyota Boshoku	Years	13.9	14.0	14.2	14.6	14.9
Average age			Toyota Boshoku	Age	40.0	40.4	41.0	41.4	42.0
	Men		Toyota Boshoku	Age	40.4	40.8	41.4	41.8	42.5
	Women		Toyota Boshoku	Age	37.3	37.5	37.8	38.3	38.8

Category	Breakdown		Aggregated scope	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Diversity									
Number of management positions, ratio of women and non-Japanese employees			Toyota Boshoku	People	1,203	1,213	1,226	1,236	1,301
	Men		Toyota Boshoku	People	1,180	1,189	1,197	1,203	1,266
	Non-Japanese among men		Toyota Boshoku	People	4	4	4	5	5
	Women		Toyota Boshoku	People	23	24	29	33	35
	Non-Japanese among women		Toyota Boshoku	People	0	0	0	1	1
	Ratio of women		Toyota Boshoku	%	1.9	2.0	2.4	2.7	2.7
	Ratio of non-Japanese (Men + Women)		Toyota Boshoku		0.5	0.5	0.4	0.5	0.5
Management positions - division general manager or above			Toyota Boshoku	People	131	123	139	144	151
	Men		Toyota Boshoku	People	129	121	137	142	148
	Women		Toyota Boshoku	People	2	2	2	2	3
	Youngest age		Toyota Boshoku	Age	45	46	47	46	45
	Average age		Toyota Boshoku	Age	54	54	54	55	55
Employees at group manager level, and ratio of women			Toyota Boshoku	People	933	990	1,166	1,208	1,242
	Men		Toyota Boshoku	People	882	933	1,101	1,144	1,168
	Women		Toyota Boshoku	People	55	57	65	64	74
	Ratio of women		Toyota Boshoku	%	5.9	5.8	5.6	5.3	6.0
Wage differential between men and women*9			Toyota Boshoku	%	–	–	–	72.7	74.2
	Permanent employees		Toyota Boshoku	%	–	–	–	73.0	73.8
	Temporary workers		Toyota Boshoku	%	–	–	–	81.5	84.8
Number of non-Japanese employees			Toyota Boshoku	People	42	47	64	61	65
Status outside Japan	Number of locations promoting local employees to president or director		Toyota Boshoku Group	Sites	(Data not collected)	24	15	16	16
	Percentage of local employees holding executives (officer, manager) positions at overseas business sites *10		Toyota Boshoku Group	%	23.0	25.6	25.3	21.7	29.2
	Local employees serving as company presidents	Number of promoted employees	Toyota Boshoku Group	People	(Data not collected)	14	7	9	9
		Percentage of promoted employees	Toyota Boshoku Group	%	(Data not collected)	30	12	21	20
	Local employees serving as directors	Number of promoted employees	Toyota Boshoku Group	People	(Data not collected)	22	20	21	21
		Percentage of promoted employees	Toyota Boshoku Group	%	(Data not collected)	38	34	36	34
Employees with disabilities	Number of employees		Toyota Boshoku	People	150	159	167	165	166
	Employment rate		Toyota Boshoku	%	2.21	2.33	2.50	2.53	2.54
Work–life balance									
Working time	Overall annual working time		Toyota Boshoku (union members)	Hours	1,981.3	1,883.9	1,900.3	1,945.8	1,991.4
	Annual working time outside regular hours		Toyota Boshoku (union members)	Hours	246.7	163.4	197.8	224.5	264.6
	Monthly working time outside regular hours		Toyota Boshoku (union members)	Hours	20.6	13.6	16.5	18.7	22.0
Total training*11 hours			Toyota Boshoku	Hours	–	158,458	145,342	154,594	233,168
	Average training hours per company member		Toyota Boshoku	Hours	–	19.1	17.6	18.8	26.4
Percentage of employees taking paid time off			Toyota Boshoku (union members)	%	96.2	95.6	103.6	96.3	96.4
Number of employees taking childcare leave and ratio of men taking childcare leave*12			Toyota Boshoku	People	90	68	80	119	200
	Women		Toyota Boshoku	People	70	50	44	49	55
	Men		Toyota Boshoku	People	20	18	36	70	145
	Ratio of men taking childcare leave		Toyota Boshoku	%	–	6	15	28	67.8
Number of employees using short-time working system			Toyota Boshoku	People	167	195	211	242	247
	Women		Toyota Boshoku	People	164	192	209	237	241
	Men		Toyota Boshoku	People	3	3	2	5	6
Number of employees taking caregiving leave			Toyota Boshoku	People	1	1	6	7	6
Number of employees making use of re-employment system for employees leaving their job due to pregnancy, childbirth, childcare, caregiving, job transfer (spousal) etc.			Toyota Boshoku	People	4	7	3	4	2
Employee satisfaction level (vibrant workstyle KPI)			Toyota Boshoku	%	67.2	71.5	71.1	70.4	72.4

Category	Breakdown	Aggregated scope	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Health and Safety								
Lost time frequency rate (Lost time or more severe) ^{*13}		Toyota Boshoku	—	0.09	0.10	0.01	0.00	0.27
Percentage of employees who took periodic health checkups and found abnormalities		Toyota Boshoku	%	67.8	69.4	71.0	74.3	69.2
BMI 25 or more		Toyota Boshoku	%	29.6	30.6	30.2	31.6	30.7
Percentage of employees engaging in habitual exercise ^{*14}		Toyota Boshoku	%	36.0	37.9	37.0	38.7	39.6
Smoking rate		Toyota Boshoku	%	32.7	31.7	30.7	29.6	26.3
Stress check	Rate of enforcement	Toyota Boshoku and Japan affiliates	%	100	100	100	100	100
	Response rate	Toyota Boshoku	%	96.5	95.5	94.1	95.0	93.8
	Stress response deviation value ^{*15}	Toyota Boshoku	—	54	55	49.1	49.3	48.9
	Percentage of employees with high stress	Toyota Boshoku	%	5.2	4.3	5.2	5.1	5.6
Engagement ^{*16}		Toyota Boshoku	—	47	47	48.1	48.1	48.0
Communication with employees								
Number of employees taking part in company events	Spring walking	Toyota Boshoku Group	People	Approx. 950	—	—	—	Approx. 720
	Summer festival	Toyota Boshoku	People	—	—	—	—	Approx. 2,500
	Regatta	Toyota Boshoku	People	Approx. 880	—	—	—	Approx. 800
	Sports festival	Toyota Boshoku	People	—	—	—	—	—
	Ekiden event	Toyota Boshoku Group	People	Approx. 3,100	—	—	Approx. 2,000	Approx. 2,400
Number of management and employee social mixers		Toyota Boshoku Group	Times	—	8 times ^{*17}	23 times ^{*18}	5 times ^{*19}	3 times ^{*20}

^{*7} The number of employees does not include Toyota Boshoku Group members seconded to an external organization, but does include external organizations' employees on secondment within the Group.

^{*8} The term temporary employees includes plant workers with fixed-term contracts, as well as all other part-time employees (including those employed on contracts beyond legal retirement age). Ratios are calculated from average yearly numbers.

^{*9} The ratio of women's wages to men's wages

^{*10} Initial data at the start of the following year

^{*11} Categories of training: the education system's training programs (training upon promotion and other important career turning points), technical skills training

^{*12} Number of employees who started childcare leave in fiscal 2024

^{*13} Lost time frequency rate = (number of deaths and injuries / total number of actual working hours) x 1,000,000
Includes Toyota Boshoku employees, seconded employees, plant workers with fixed-term contracts, part-time and temporary employees

^{*14} Employees engaging in exercise for at least 30 minutes at least once a week

^{*15} Deviation value of psychological and physical conditions relating to stress, based on stress check answers. Scaled to a mean of 50, with higher values indicating a better result.

^{*16} Measurement of employees' positive feelings and emotional attachment towards the company. Scaled to a mean of 50, with higher values indicating a better result

^{*17} Target group is 40 employees promoted to executives

^{*18} Roundtable discussions between company president and employees promoted to executives: 9 times, 41 members
Roundtable discussions between company president and young employees (1st - 3rd year at company): 14 times, 138 members

^{*19} Roundtable discussions between company president and employees promoted to executives (G1): 5 times, 20 members

^{*20} Roundtable discussions between company president and employees promoted to executives (G0, G1): 3 times, 19 members

Governance

Category	Breakdown	Aggregated scope	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Board of Directors, Audit & Supervisory Board, Management Advisory Council								
Organizational design		Toyota Boshoku	–	Company with Audit & Supervisory Board	Company with Audit & Supervisory Board	Company with Audit & Supervisory Board	Company with Audit & Supervisory Board	Company with Audit & Supervisory Board
Chairman of the board		Toyota Boshoku	–	Chairman Shuhei Toyoda	Chairman Shuhei Toyoda	Chairman Shuhei Toyoda	Chairman Shuhei Toyoda	Chairman Shuhei Toyoda
Separation between chairman of the board and Chief Executive Officer		Toyota Boshoku	–	Separate	Separate	Separate	Separate	Separate
Number of directors		Toyota Boshoku	People	10	9	9	9	9
	Men	Toyota Boshoku	People	10	9	8	8	8
	Women	Toyota Boshoku	People	0	0	1	1	1
Number of independent directors		Toyota Boshoku	People	4	4	4	4	4
Director term of office		Toyota Boshoku	Years	1	1	1	1	1
Number of audit and supervisory directors		Toyota Boshoku	People	4	4	4	4	4
	Men	Toyota Boshoku	People	4	4	4	4	4
	Women	Toyota Boshoku	People	0	0	0	0	0
Number of independent audit and supervisory chairpersons		Toyota Boshoku	People	2	2	2	2	2
Audit and supervisory director term of office		Toyota Boshoku	Years	4	4	4	4	4
Management advisory committee chairpersons		Toyota Boshoku	–	Chairman Shuhei Toyoda	Chairman Shuhei Toyoda	Chairman Shuhei Toyoda	Chairman Shuhei Toyoda	Chairman Shuhei Toyoda
Number of management advisory committee		Toyota Boshoku	People	6	6	7	7	7
	Independent director	Toyota Boshoku	People	4	4	4	4	4
	Company internal director	Toyota Boshoku	People	2	2	3	3	3
Accounting								
Financial auditing personnel		Toyota Boshoku Group	–	Pricewaterhouse Coopers Aarata LLC	Pricewaterhouse Coopers Aarata LLC	Pricewaterhouse Coopers Aarata LLC	Pricewaterhouse Coopers Aarata LLC	Pricewaterhouse Coopers Japan LLC
Presence of notice of concern related to financial auditor's opinion of company and its status as a going concern		Toyota Boshoku Group		Not present	Not present	Not present	Not present	Not present
Compliance								
Number of cases of internal reports	Compliance consulting contact window	Toyota Boshoku Corporation and Japan affiliates	Cases	12	9	13	16	11
	Anything goes counselling window	Toyota Boshoku Corporation and Japan affiliates	Cases	107	163	190	201	238
Number of serious legal violations		Toyota Boshoku Group	Cases	0	0	0	0	0