



Environment/Social

Foundation for sustainable value creation

- 072 2050 Environmental Vision
- 073 Response to the TCFD
- 075 Response to the TNFD
- 076 2030 Environmental Action Plan
- 077 Challenge 6 initiatives

- 080 Suppliers
- 081 Quality
- 082 Human resource strategy
 - 083 Global human resource development
 - 084 Diversity and inclusion / Well-being
- 085 Initiatives for respect of human rights
- 087 Safety and Health / Health and Productivity Management

Editorial policy

Toyota Boshoku's beginnings and future

Value creation story
Realization of our target

Strategy
Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital
Innovation-creating strengths

● Environment/Social
Foundation for sustainable value creation

- 2050 Environmental Vision
- Response to the TCFD
- Response to the TNFD
- 2030 Environmental Action Plan
- Challenge 6 initiatives
- Suppliers
- Quality
- Human resource strategy
 - Global human resource development
 - Diversity and inclusion / Well-being
- Initiatives for respect of human rights
- Safety and Health / Health and Productivity Management

Governance
Establishing a resilient global management foundation

Supplementary materials & data



2050 Environmental Vision

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 prevent global warming 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 their lives with a smile.

Priority actions



Challenge 6

Global warming prevention

1 GHG Net-zero¹ in the product life cycle



2 GHG Net-zero in the plant



Resource circulation

3 Sustainable resource circulation



4 Waste minimization



Co-existence with nature

5 Water resource impact minimization



6 Conservation and regeneration of natural capital



¹ To achieve net zero greenhouse gas emissions

TB's Biodiversity Initiatives

TB's Biodiversity Initiatives communicates Toyota Boshoku group's environmental activities in an easy-to-understand format for local communities, students, and our company members. By reading them in conjunction with our past achievements and initiatives posted on our corporate website and elsewhere, we aim for readers to become familiar with the global activities that Toyota Boshoku is undertaking.



TB's Biodiversity Initiatives

https://www.toyota-boshoku.com/_assets/dl/company/library/biodiversity_initiatives_en.pdf

Editorial policy

Toyota Boshoku's beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

● 2050 Environmental Vision

Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data



Response to the TCFD

Toyota Boshoku group is working as one team to contribute to global environmental protection for the realization of a sustainable society, based on our Corporate Philosophy to “Promote corporate activities that help protect the global environment.” We are advancing disclosure of relevant information based on the frameworks of the Task Force on Climate-related Financial Disclosures (TCFD) and aim to contribute further to global environmental conservation.

For details, please refer to our website. [https://www.toyota-boshoku.com/global/sustainability/environment/management/tcfd/](https://www.toyota-boshoku.com/global/sustainability/environment/management/tcf/)

Scenario analysis setup scenarios

We have identified short-term, medium-term, and long-term risks and opportunities based on the 1.5 and 2°C scenario developed by the International Energy Agency (IEA), in which the impact of transition to a low-carbon society is tangible, and the 4°C scenario developed by the Intergovernmental Panel on Climate Change (IPCC), in which the physical impact becomes apparent.

1.5 and 2°C scenario	4°C scenario
NZE (IEA World Energy Outlook 2021) SDS (IEA World Energy Outlook 2021)	RCP 8.5 (IPCC 5th Assessment Report)

Identified risks and opportunities

In our assessment of financial impact, we identified important risks and opportunities as events whose respective scores, when multiplied together, produce a value of 6 or higher, using four levels of “likelihood of occurrence,” and three levels of “business impact.”

	Causes	Risk impact level	Business impact	Likelihood of occurrence Low (0, 1, 2, 3) High	Business impact Small (1, 2, 3) Large
Transition risks (1.5 and 2°C¹)	Enhancement of climate change policies, including carbon pricing	Procurement	• Increase in procurement costs by introducing carbon prices, etc.	3	2
			• Increase in operating costs due to the direct impact of the introduction of carbon prices or its indirect impact on energy prices	3	3
		Direct operations	• Increase in cost due to investment in energy saving and renewable energy for decarbonization	3	3
	Enhancement of efforts to promote vehicle electrification	Product demand	• Expansion of business in new fields through collaboration between Toyota group companies	3	2
			• Increase in demand for electrified products	3	3
	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	3	3
			• Increase in sales by developing low-carbon products	3	3
			• Expansion of demand for plant-derived products and lightweight products	3	3
			• Enhancement of competitiveness by developing technology to improve recyclability	3	3
Physical risks (4°C²)	Worsening of extreme weather, including heavy rain and subsequent flooding	Procurement	• Decrease in sales due to the impact of supply chain disruption on production	3	2
		Direct operations	• Decrease in sales due to factory shutdown	3	2

1 1.5°C scenario: NZE (IEA World Energy Outlook 2021); 2°C scenario: SDS (IEA World Energy Outlook 2021)
2 RCP 8.5 (IPCC 5th Assessment Report)

Editorial policy

Toyota Boshoku’s beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

● Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data

Response to the TCFD

Impact assessment and results

We compiled the actions to address the identified risks and opportunities, and their single-year costs.

	Causes	Risks/Opportunities	Assessment	Actions	Response cost (FY2025)
Transition risks (1.5 and 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)	2.2 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	1.0 billion yen
		• Increase in demand for electrified products	Opportunity	• Further planning and development of electrified products	2.7 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	1.7 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 (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)	0.3 billion yen

* Putting a price on the amount of carbon dioxide emitted by a company in the course of its business



Editorial policy

Toyota Boshoku’s beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

● Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity

Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data



Response to the TNFD

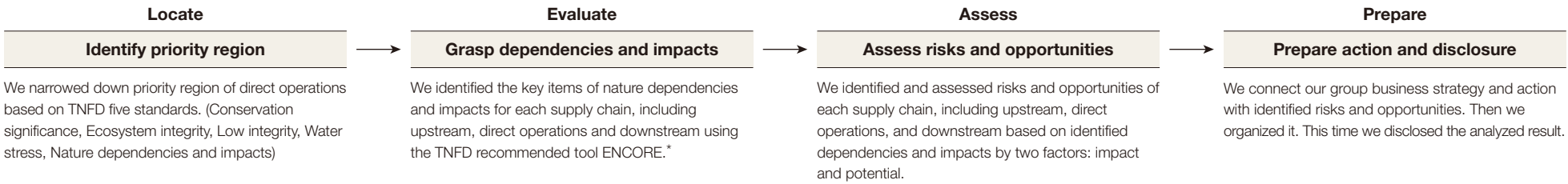
Relationship between Toyota Boshoku's business activities and natural capital

We analyzed nature-related risks and opportunities, referring to the framework of the Taskforce on Nature-related Financial Disclosures (TNFD), to understand nature dependencies and impacts of our group business and further three priority actions 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.

For details, please refer to our website. <https://www.toyota-boshoku.com/global/sustainability/environment/management/tnfd/>

Analysis process

We analyzed by LEAP approach of TNFD framework.



Results from LEAP analysis

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 products for improvement of recyclability and substitution of sustainable material
		Opportunity	• Improvement of product value by sustainable procurement	• Improvement of raw material traceability precision • Enhancement of raw material management by further tightening raw material-related requirements
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 organization for circular economy
		Opportunity	• Improvement of corporate value by water resources impact reduction	• Promotion of initiatives for further water resource impact reduction based on a model zero-wastewater plant that uses water recycling
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 requirements regarding to circular economy	• Development of products for improvement of recyclability and substitution of sustainable material
		Opportunity	• Increase in demand for 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 supply chain 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)

* 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.

Editorial policy

Toyota Boshoku’s beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

● Response to the TNFD

2030 Environmental Action Plan

Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data

2030 Environmental Action Plan

The Toyota Boshoku group has formulated the 2030 Environmental Action Plan for the next five years. The Environmental Action Plan is formulated every five years as an action plan linked to the Mid-term Business Plan in order to realize our 2050 Environmental Vision. In addition to reviewing the 2025 Environmental Action Plan, we will set more specific goals and promote initiatives in order to respond to rapidly changing social trends in recent years.

	2050 Environmental Vision Challenge 6	2030 Environmental Action Plan 2030 target	2030 Environmental Action Plan Action items	Related SDGs
Global warming prevention	1 GHG Net-zero in the product life cycle 	• Reduction of emissions over the product life cycle: 30% or more	Promote CO ₂ reduction items that contribute to material and component manufacturing	  
			Reduce CO ₂ emissions in the product life cycle in cooperation with material and component manufacturers	
			Visualize Scope 1,2,3 emissions	
		• CO ₂ emissions in logistics: 30% reduction compared to FY2020	Introduce clean energy and more fuel-efficient items	
	Reduce CO ₂ emissions through the pursuit of efficient logistics activities			
	2 GHG Net-zero in the plant 	• CO ₂ emissions 50% reduction compared to FY2020	Minimize CO ₂ emissions in daily improvement activities	
Develop and adopt the most advanced and innovative production technologies				
• Adoption rate of renewable energy: 50%		Update as necessary and promote renewable energy adoption scenarios tailored for individual country/regional policy		
		Study potential use of next generation energy and carbon offset technology (such as CO ₂ recovery) in our company with the mid to long-term roadmap		
Resource circulation	3 Sustainable resource circulation 	• Establishment of technology to use 30% recycled resin by 2030	Develop recycled resin materials and technology applicable to automobile interior parts	  
			Promote development of products to which recycled resin can be applied	
			Secure stable supply of recycled resins and waste plastic to serve as their raw materials	
	4 Waste minimization 	• Basic unit of waste emissions: FY2020 or lower	Promote minimization of wastes generated in production activities by reducing the defect rate and improving the yield rate	
Achieve waste-free product design and development of materials/techniques				
Co-existence with nature	5 Water resource impact minimization 	• Basic unit of water withdrawal: 34% reduction compared to FY2020	Reduce water use taking into account the water conditions in each country and region	  
			Reduce water withdrawal by developing water-less processes and water recycling technologies	
		• Robust compliance with voluntary standards for water discharge quality	Carry out water discharge management with voluntary standards that are stricter than national and regional statutory standards	
			6 Conservation and regeneration of natural capital 	
	Promote regionally and globally impactful biodiversity conservation activities			
	• Number of trees planted: 140,000 (Cumulative total: 900,000)	Strengthen promotion of tree planting and greening activities globally		
Environmental management	Compliance with national and regional laws and regulations, and activities to prevent environmental abnormalities and complaints			 
	Collaboration with all stakeholders			 
	Human resource development and social contribution through environmental education			

* Applicable scope in all cases is the Toyota Boshoku group



Editorial policy

Toyota Boshoku’s beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

Response to the TNFD

● 2030 Environmental Action Plan

Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data



Challenge 6 initiatives—global warming prevention

1 GHG Net-zero in the product life cycle

The Toyota Boshoku Group has set targets based on its approach to SBT,¹ and is promoting R&D in areas such as product lightweighting, material substitution including recycled materials, and thermal management.

In addition, with the recent developments in regulations such as the EU Batteries Regulation and Carbon Border Adjustment Mechanism (CBAM), which make PCF² reporting compulsory, the importance of calculating CO₂ emissions throughout the life cycle has increased, and we are making preparations, including the establishment of systems.

1 Science Based Targets: Greenhouse gas emission reduction targets consistent with the levels required by the Paris Agreement
Toyota Boshoku's reduction target has been certified for fiscal 2025.

[Toyota Boshoku acquired SBT certification | News | Toyota Boshoku](#)

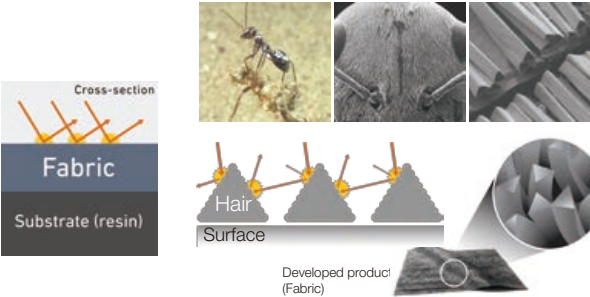
2 Product Carbon Footprint: CO₂ emissions per product

[2030 Environmental Action Plan]

- Reduction of emissions over the product life cycle: 30% or more
- CO₂ emissions in logistics: 30% reduction compared to FY2020

Reducing CO₂ emissions during driving through thermal management

We are developing thermal management technologies that reduce vehicle energy consumption in order to contribute to improved fuel and electricity costs.



Source: Norman Nan Shi (2015) Keeping cool: Enhanced optical reflection and radiative heat dissipation in Saharan silver ants, Science, Fig.1(A), (B), (D) pp. 298-301 from Keeping cool: Enhanced optical reflection and radiative heat dissipation in Saharan silver ants | Science-

One of these initiatives is the development of interior components with silver ant heat-shielding surface material. Inspired by the body hair structure of desert-dwelling ants, this material has a triangular cross-sectional microstructure that effectively reflects visible light and near-infrared rays, thereby suppressing a rise in surface temperature. Applying this technology to automobile interiors is expected to reduce the energy load when using air conditioning, thereby improving fuel efficiency and electricity costs.

In addition, the light-reflecting properties of this material create a high-quality texture, achieving both design and functionality. This also contributes to improved comfort in the automobile interior space ([■ P.19](#)).

Reducing GHG emissions in the supply chain

In cooperation with Sunshine (Toyota Boshoku suppliers' association; [■ P.80](#)), a Decarbonization School is held in which Toyota Boshoku company members and experts serve as lecturers. In fiscal 2025, they introduced energy-saving initiatives at the Toyota Boshoku Toyohashi Plant and gave lectures on basic knowledge and methods for understanding the total GHG emissions of the company and formulating reduction targets and plans. [■ TB's Biodiversity Initiatives P.7](#)

Reducing CO₂ emissions through logistics improvement and streamlining

Aiming to strengthen our logistics competitiveness, we are constructing a new logistics relay site. This will help streamline logistics and further promote the introduction of clean energy and fuel-efficient items to help reduce CO₂ emissions.

2 GHG Net-zero in the plant

Aiming for a 100% reduction in GHG emissions in the plant by 2035, the Toyota Boshoku group is systematically introducing renewable energy at our sites worldwide, as we respond to the need for carbon neutrality.

[2030 Environmental Action Plan]

- CO₂ emissions 50% reduction compared to FY2020
- Adoption rate of renewable energy: 50%

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

Forty items were selected from among energy-saving improvement items and are being prioritized globally. Through this activity, we aim to maintain motivation by encouraging voluntary energy-saving efforts and by clarifying goals. We are also promoting energy conservation activities through measures including the distribution of manuals and cross-diagnosis.

Purchased Green Power Certificate for electricity generated at a local junior high school

Since fiscal 2024, Toyota Boshoku has purchased electricity generated by Fujioka Minami Junior High School's solar power generation equipment as a Green Power Certificate.³ Spurred on by this initiative, we have welcomed students from the school to the Manufacturing Skills Development Center, where the certificates are used, to provide environmental education.

[Educating the future partners who will build a sustainable society together with us | Global warming prevention | Activity report | Toyota Boshoku's Special Environmental Initiatives Website](#)

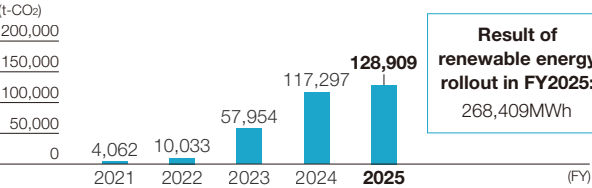
3 Green Power Certificates are issued as a means of trading the environmental value of green power, separately from the electricity.

Constructed large-scale solar power generation facilities in the Europe region

Toyota Boshoku Türkiye and TB Sewtech Turkey, manufacturing subsidiaries in Europe, constructed solar power generation facilities outside of their premises in fiscal 2025 (maximum power generation capacity of 10 MWP).

As a result, Toyota Boshoku Türkiye will reduce CO₂ emissions by approximately 5,100 t-CO₂/year, and TB Sewtech Turkey by approximately 700 t-CO₂/year. The electricity demand of both companies has now been fully covered by renewable energy generated in-house.

Contributing to CO₂ reduction through renewable energy [Toyota Boshoku group]



Editorial policy

Toyota Boshoku's beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

● Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity

Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data

Challenge 6 initiatives—resource circulation

3 Sustainable resource circulation

In recent years, reporting on the planned and actual amount of recycled materials used has become mandatory in Japan as well, and an increasing number of companies in the automotive sector have set numerical targets for the use of recycled materials. Recognizing the importance of sustainable resource utilization, Toyota Boshoku is also actively promoting the use of recycled materials.

[2030 Environmental Action Plan]

- Establishment of technology to use 30% recycled resin by 2030



Carrying out initiatives to improve ease of disassembly to promote recycling

Automobile seats are composed of several materials to provide safety and comfort. As a result, the disassembly process is complex and it is proving difficult to achieve efficient recycling.

Toyota Boshoku is reviewing its product structures from the design stage and is developing structures that are easy to disassemble. This allows used components to be recovered as recycled materials.

This initiative reduces resource depletion, and also reduces the energy consumption associated with mining and processing new materials, contributing significantly to the reduction of CO₂ emissions.



Developing technology to utilize waste plastic from containers and packaging in automobile parts

In March 2025, Toyota Boshoku concluded the Kameoka Future Creation Environmental Partnership Agreement and began technical verification for utilizing plastics collected as waste in Kameoka City, Kyoto Prefecture for automobile parts.

The emissions source Kameoka City (partner: Gomi no Gakkou Inc.), Toyama Kankyo Seibi Co., Ltd. (recycling business operator) and Eikou Bussan Co., Ltd. (compounder²) will work together in an integrated arterial and venous system³ to solve technological issues in recycling, with the aim of implementing the developed technology in automotive parts.

² A company that processes plastic materials to produce materials for specific applications
³ A system of resource circulation that integrates arterial industries such as manufacturing with venous industries that reintroduce materials into society through recycling

4 waste minimization

Toyota Boshoku has been promoting waste reduction in its production activities by reducing the defect rate and improving the yield rate, and we will continue with these activities. Furthermore,

we have revised the base year for our target value in order to promote waste reduction at the design and development stage, incorporating a switch to mono-materials and an easy-disassembly design, with the aim of long-term waste reduction.

[2030 Environmental Action Plan]

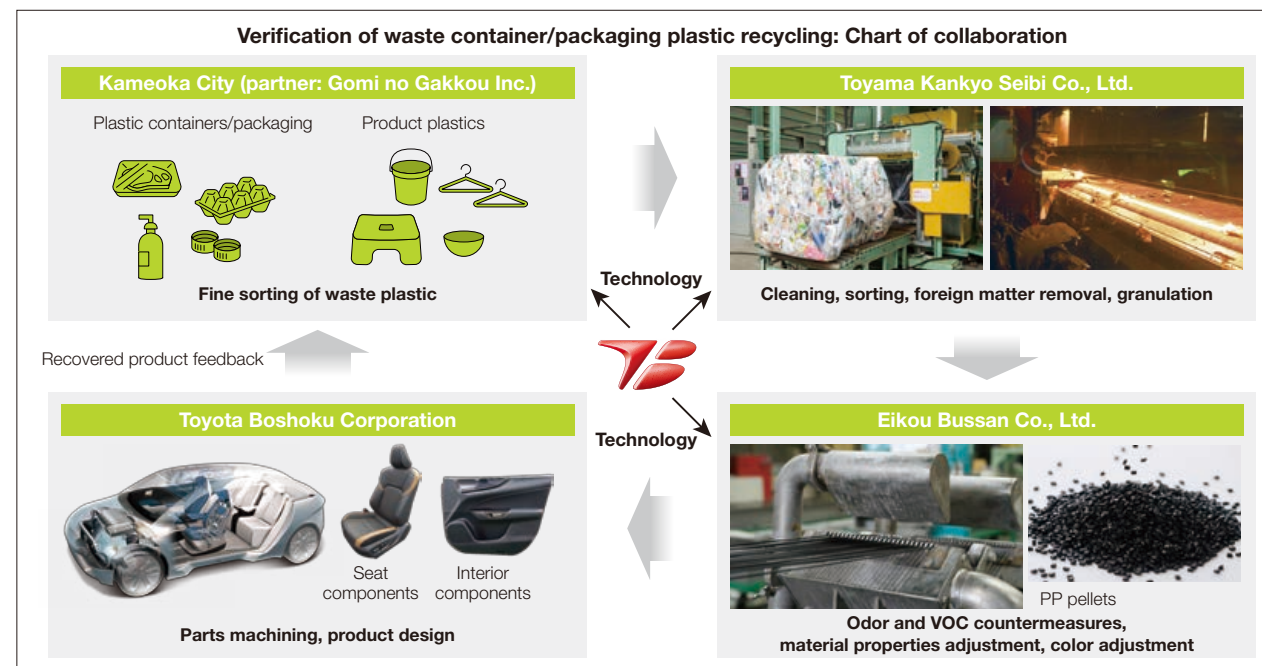
- Basic unit of waste emissions: FY2020 or lower

Developing mono-material products, leading to reduction of in-process waste

Numerous resins are used in automobile interior parts. Conventional composite materials are difficult to separate and have often been discarded because they cannot be recycled.

Toyota Boshoku group is promoting mono-material initiatives to unify the materials used into a single material while maintaining product performance.

Not only does this enable recycling into new products, but is also expected to reduce the environmental impact by improving yields, increasing in-process recycling efficiency, and reducing waste (P.15).



Editorial policy

Toyota Boshoku's beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

● Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data

Challenge 6 initiatives—co-existence with nature

5 Water resource impact minimization

There are now urgent calls to identify how corporate activities depend and impact on natural capital, and to utilize natural capital in a sustainable manner. The Toyota Boshoku group is promoting initiatives to conserve water resources, an important natural capital, and is focused on their optimization and management based on the TNFD framework, with the aim of minimizing its environmental impact.

[2030 Environmental Action Plan]

- Basic unit of water withdrawal: 34% reduction compared to FY2020
- Robust compliance with voluntary standards for water discharge

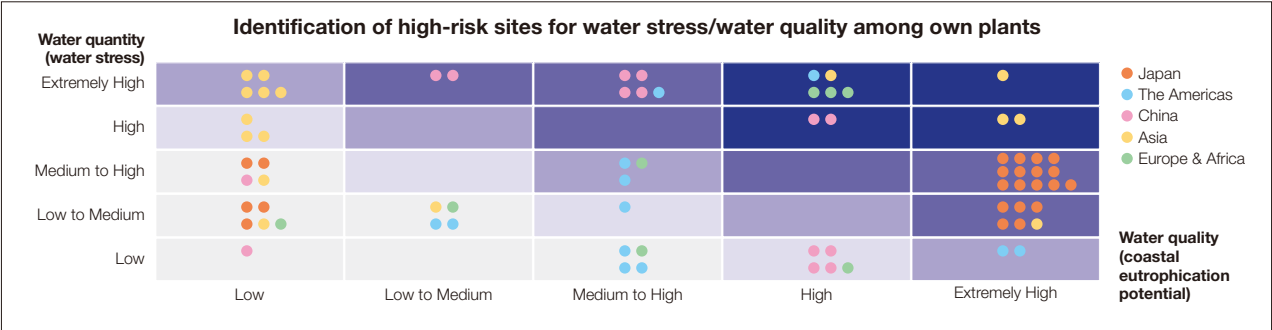
Water quality and quantity risk assessments

Water risk assessments were conducted at group production sites inside and outside Japan (109 sites) using the World Resources Institute’s Aqueduct* tool. We are assessing the potential for depletion or shortage of water resources using “water stress” as an indicator for water quantity, based on the balance between water supply and demand in the region.

Using water quality as an indicator of “coastal eutrophication potential,” we are assessing the potential for effluent arising from plants to affect the phenomenon of abnormal phytoplankton growth (such as red tide).

Based on the results of the assessment, we will reduce water withdrawal and properly manage water discharge in consideration of the water situation in each country and region.

TB’s Biodiversity Initiatives P.12



* An open data program developed by the World Resources Institute for assessing and analyzing water risk

6 Conservation and regeneration of natural capital

Reducing the impact of development on the natural environment through specific measures is known as mitigation. One of the “five principles of mitigation” is “compensating” for impacts by replacing or providing alternative resources or environments. Based on this approach, the Toyota Boshoku is promoting initiatives as a compensatory measure whereby an area equivalent to the land area used for business activities is managed as green space, and by conducting activities that contribute to the enhancement of biodiversity value.

[2030 Environmental Action Plan]

- Green space offset rate in business operations area 100%
- Number of trees planted: 140,000 (Cumulative total: 900,000)

Conservation activities at the Shiokawa tidal flats

The Shiokawa tidal flats, which straddle Toyohashi and Tahara cities, once covered an area of 2,000 ha. Although they have now shrunk to 280 ha due to the development of reclaimed land, they are still the largest tidal flats in the Chubu region and are known as one of the best migratory bird sites in Japan. The Toyota Boshoku group owns several plants and conducts business activities on the reclaimed land, and, as such, we are in a position to coexist with the creatures that use the tidal flats. This is why we are continually conducting conservation activities on the Shiokawa tidal flats.



In April 2025, 184 new company members took part in cleanup activities.

TB’s Biodiversity Initiatives P.11

Tajimi Technical Center Proving Ground greening activities

The land acquired for the construction of the Tajimi Technical Center (Tajimi City, Gifu Prefecture) is an old mining site where silica sand was once mined. The impact on the local environment had become apparent in the form of dust and sand during strong winds and muddy water runoff during rainfall. In order to fulfill our responsibility as a landowner, we have formulated a greening plan to bring the area closer to the natural environment that existed prior to the mine’s operation. Initially, it was difficult for plants to establish themselves, but as a result of soil modification and runoff countermeasures taken in cooperation with the local government and on the advice of specialized operators, seeds successfully germinated after about a year, and the return of plants and animals has now been confirmed. In recognition of these initiatives, in October 2024 the site was recognized by Japan’s Ministry of the Environment as a Nationally Certified Sustainably Managed Natural Sites, a biodiversity conservation area. Going forward, we will continue to engage in activities that lead to the restoration of the local ecosystem.

In 2011 at the time of acquisition of the land



In 2023 at the time of application as a Nationally Certified Sustainably Managed Natural Sites



Editorial policy

Toyota Boshoku’s beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

● Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data



Suppliers

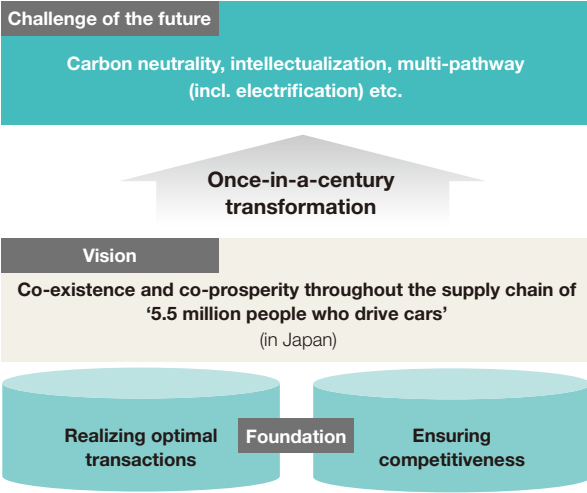
Basic stance

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.

Building a global purchasing system

As we expand our business globally, we are actively promoting local purchasing while comprehensively assessing multifaceted factors such as safety, quality, and cost. Through these efforts, we are building a flexible supply system that is adapted to regional characteristics, and are working together with suppliers as a unified group to achieve optimal global procurement.

At the Suppliers Convention held each year, we aim to build a sustainable supply chain based on trust and collaboration by directly communicating messages from the president and our Purchasing Policy, and by deepening dialogue with all of our suppliers.



Message from the CPO



Hideaki Hosoe
Chief Purchasing Officer

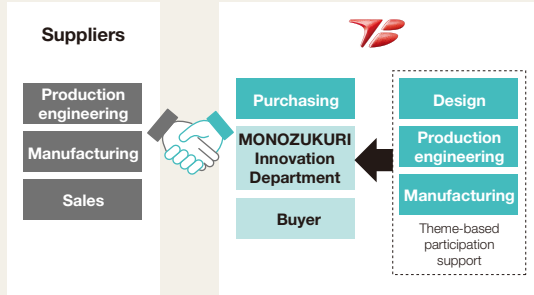
Amid this period of great change in the automotive industry, as we take on the challenges of the future including carbon neutrality, the shift to AI, and multi-pathway, we are aiming for coexistence and co-prosperity throughout the supply chain on a foundation of optimizing transactions and ensuring our competitiveness.

Aiming to ensure that our suppliers have a competitive edge, in fiscal 2024 we established the MONOZUKURI Innovation Department, bringing together people with experience in manufacturing, production engineering, and other areas. We have also strengthened our initiatives to resolve on-site issues and problems, and to develop human resources through team activities between Toyota Boshoku and our suppliers. These initiatives are also being expanded outside Japan.

Furthermore, in order to fare transactions we have established a highly transparent purchasing process and are aiming to strengthen governance including by regularly reporting the status of initiatives to internal management.

We will continue to work together with our suppliers to build a robust purchasing system.

System of team activities with suppliers



Enhancing competitiveness through collaboration with suppliers

Together with our suppliers, we are promoting mutual learning activities to bolster competitiveness and achieve sustainable growth. We support suppliers in strengthening their functions by accepting staff on secondment according to their needs, and we are also promoting collaboration with Sunshine, a Toyota Boshoku suppliers' association. Sunshine is an association of 124 suppliers that works to raise the level of the entire supply chain through study sessions on safety, health, and quality enhancement, the sharing of good practices, and dialogue to resolve issues.

In addition, as a response to social issues such as carbon neutrality, since fiscal 2023 the Sunshine Decarbonization School has been held. We are promoting goal-setting and human resource development among the member companies through lectures by external experts related to energy conservation methods and the formulation of CO2 reduction plans.

Furthermore, at a management roundtable session hosted by Sunshine, Toyota Boshoku officers and representatives of Sunshine discussed the theme of "autonomation in MONOZUKURI competitiveness" and shared measures to address issues such as securing human resources and cost-effectiveness. We are working together with our suppliers to achieve growth as we deepen relationships of trust through two-way communication.

Going forward, we will continue to work with our suppliers to enhance corporate value through purchasing activities that meet our social responsibilities.



Sunshine Decarbonization School completion ceremony

Editorial policy

Toyota Boshoku's beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

Challenge 6 initiatives

● Suppliers

Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity

Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data

Quality

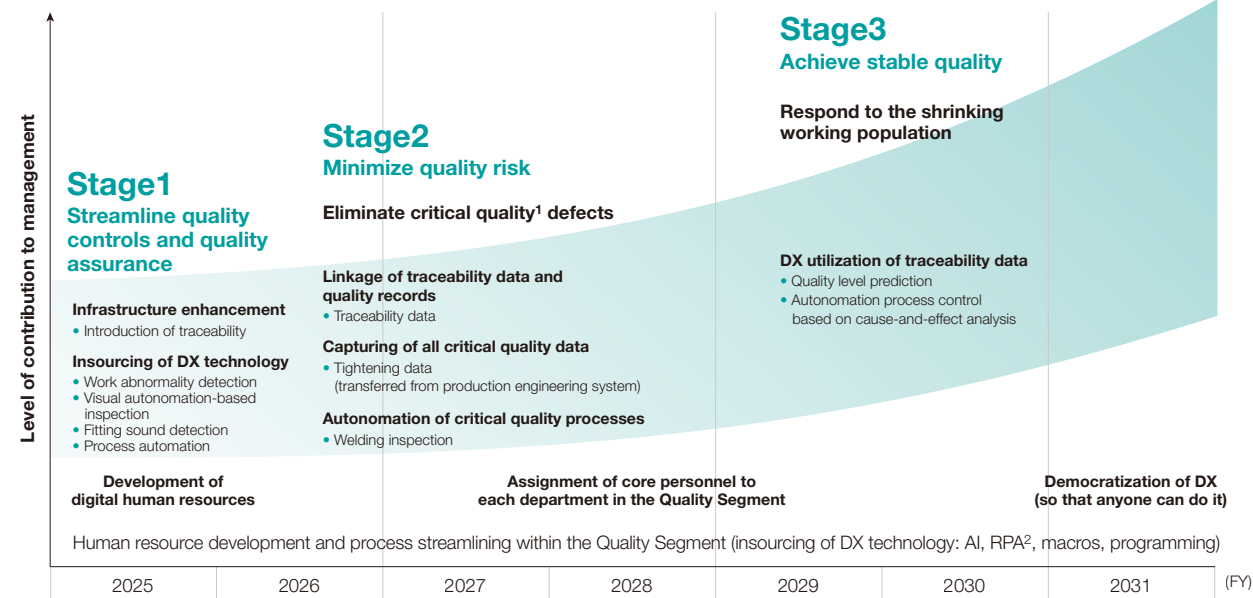
Basic stance

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 strength related to MONOZUKURI cultivated for 100 years, the Toyota Boshoku group aims to become an Interior Space Creator by 2030, whereby we contribute to solving social issues while expanding our product range and customer base. 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 reassurance, and to provide customers with attractive and inspiring products and quality.

DX deployment and promotion

We are actively deploying and promoting DX. While utilizing DX to prevent quality misconduct, we are making preparations to enable quality assurance that is equal to or better than the current state, even in the event that we have a low-headcount structure due to the shrinking working population.

DX promotion roadmap for quality assurance



¹ The quality of products and parts assembled in manufacturing to ensure safety and compliance with regulations
² Robotic Process Automation: Technology to automate processes using software robots

Human resources underpinning quality

We define TQM as “activities to enhance the vitality of company members and organizations,” and, as our basic philosophy on TQM, we are promoting its implementation based on the three pillars of customer first, continuous kaizen, and total participation, as stated in the Principles of Toyoda. In addition, through TQM we are changing the way we have been working and are strengthening the organization, process, and company members that form our management foundation, thereby striving to improve the operational quality of all work.

Strengthening governance through the Quality Management Division

In April 2024, the Quality Assurance Division was reorganized and a new Quality Management Division was established. As a result, we have transitioned to a two-division system comprising the Quality Assurance Division and the Quality Management Division. The Quality Management Division plans and operates quality-related misconduct prevention measures on a horizontal, company-wide basis, and is strengthening governance with a focus on the following three areas.

1. Fact verification

Issues are identified through periodic interviews with company members, and an improvement cycle is implemented to nip misconduct in the bud at an early stage.

2. Creating a system and structure to prevent misconduct

The introduction of a system is being promoted to reduce human intervention in testing for certification work. In addition, through self-directed study activities on regulatory certification in cooperation with automakers, the aim is to review work processes and achieve standardization.

3. Reforming employee awareness and workplace culture

Drawing on case studies from other companies as training materials, we provide opportunities for company members to take ownership of quality and put this into practice through quality-related misconduct prevention training and the in-house Global Quality Learning Center (GQLC).

Message from the CQO



Hideki Matsuura
Chief Quality Officer

In the course of hearing about other companies’ certification issues at their sites of operations, it became clear that the background issues included rapid business expansion, scheduling pressures, an atmosphere in which it is difficult to express one’s true feelings, and the inability to get resources to the operating site when and as needed. Given that Toyota Boshoku has also had similar environments in the past, we feel a strong sense of urgency. Founder Sakichi Toyoda’s belief that a product should never be sold unless it has been carefully manufactured and fully tested in the commercial trial, with completely satisfactory results, is not limited to the quality of a product, but also relates to the quality of the work itself. Based on this belief, we recognize that it is essential for all company members working in the Toyota Boshoku group to have the attitude of asking themselves whether their work is being performed correctly and whether there are any areas that need improvement, on a *Genchi-Genbutsu* (go, see & study) basis. To realize this, we will promote TQM and, while utilizing DX, will do our utmost to strengthen our organization, processes, and people as we become the ISC.



Editorial policy

Toyota Boshoku’s beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

Challenge 6 initiatives

Suppliers

● Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data



Human resource strategy

Human capital management

The Toyota Boshoku group has consistently focused on R&D, MONOZUKURI and HITOZUKURI from the customer’s perspective, based on the concept that “HITOZUKURI is at the heart of MONOZUKURI.” People are the source of corporate value, and we place importance on human capital management, positioning people as our most important management resource. We aim to achieve sustainable growth and strengthen our competitive advantage through the creation of an environment in which diverse human resources can work autonomously and maximize the power of the organization.

Overview of human resource strategy



For details, please refer to the Human Capital Report https://www.toyota-boshoku.com/global/company/library/human_capital/

Human resource strategy

1	Clarification of required human resources	Aim to secure the required human resources in the three areas of activity in a timely and efficient manner by establishing systems for recruiting and developing human resources based on the human resource portfolio, and for monitoring human resource activities.
2	Securing of talented human resources	Strengthen the competitiveness of personnel recruitment required in the areas of activity in order to become an Interior Space Creator and expand globally.
3	Support for growth	From the perspective of seeking innovations for the future, aim to develop human resources who bring flexibility and creativity, and contribute to the growth of the organization as a whole through their deep knowledge as experts and understanding of a wide range of industries and business perspectives.
4	Penetration of Diversity & Inclusion	Aim to create an organization in which people with diverse backgrounds and values can create new value by respecting and optimizing each other's differences.
5	Pursuit of ease of working	Through the development of flexible, efficient, and creative work rules and an open workplace, encourage new challenges and create an environment in which company members can work happily with enjoyment.
6	Promotion of health & safety	Based on the belief that the top priority should be placed on health and safety at work, promote health management and safety & health management to realize an environment in which company members are both mentally and physically healthy, and can work with peace of mind.
7	Adherence to compliance and ethics	Aim for continuous organizational operation and a reliable environment by implementing initiatives to ensure adherence to compliance and respect for human rights, as well as risk management.

Editorial policy

Toyota Boshoku’s beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

Challenge 6 initiatives

Suppliers

Quality

● Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data

Global human resource development

Support for growth

Positioning and overview of 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 secure human resources with expertise; assign them to appropriate positions; and make sure they are compatible with our growth strategy in accordance with our human resources portfolio that looks ahead to our 2030 Target. This policy supports the development of business.

Optimal placement

Our Global HR Platform is a global common platform for managers 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 locations promoting local employees to president or director	18 locations
• Percentage of local employees holding executive (officer, manager) positions at outside Japan business sites	29.5%
• Number of local employees appointed as company presidents	10
• Number of local employees appointed as directors	26

As of March 31, 2025 (including fiscal 2025 results)

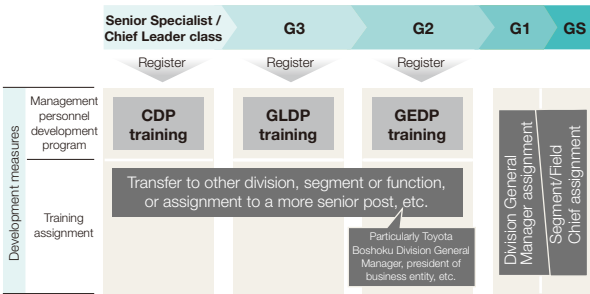
System for developing the next generation of management, and results

Next100 is aimed at the systematic development of future management resources. We are implementing a global executives training program by selecting 100 human resources, primarily young people, women, and non-Japanese members, who will be the future leaders of the Toyota Boshoku group. In addition discussions are held at the GSC¹ and RSC² about the placement of human resources selected for the Next100 across business entities and divisions.

In fiscal 2025, we started implementing the CDP,³ for members of the Next100. This program provides participants with the experience of putting their intentions into words, making partnerships, and experiencing the outputs, aimed at developing leaders who can realize our hope to be a company that gives everyone the feeling that, “I like Toyota Boshoku.”

We have established a forum for senior management and operating officers to discuss succession planning. For each target level, discussions are held on an ongoing basis each year by the GSCT⁴ for succession of officers, by the GSC for succession of presidents of business sites in regions outside Japan and persons in senior positions at Regional Management & Collaboration Hubs, and by the RSC for succession of other key posts. ■■ P.102

Illustration of the next generation management personnel development system



• Global executives development program participants	
GEDP ⁵	13
GLDP ⁶	21
CDP	33
• Frequency of GSCT/GSC	5 times a year

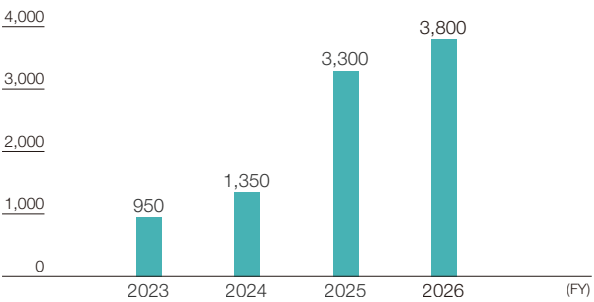
Strengthening the organizational culture and management capabilities

At the Toyota Boshoku group, we support growth by encouraging self-realization and behavioral change by each company member, aiming to create an even more open workplace.

As part of this, we provide opportunities once a year for a review from various perspectives, including supervisors, subordinates, colleagues and other divisions, to help members understand how others view their professional conduct. Up until now, the system has been only used for managerial positions, but since fiscal 2025, we expanded the scope to include section chief class members, and in fiscal 2026 are implementing it for approximately 3,800 members including directly hired full-time personnel at affiliated companies inside and outside Japan.

Feedback results are used not only to clarify individual strengths and issues, but also to improve behavior and review development policy through interviews with supervisors and career interviews. This is becoming established as a system for both individual growth and improvement of the organization's management capabilities.

Trend in number of persons subject to 360-degree feedback



1 Global Succession Committee: Global key post (presidents of business sites, director, division general manager, etc.) successor development committee comprising members at the level of Toyota Boshoku Chief Officer and above, including regional CEO
2 Regional Succession Committee: Successor development committee for key posts other than those discussed in the GSC by Segment Chiefs or Chief Officers/Field Chiefs/Division General Managers and regional CEOs/Operating Officers
3 Creators Development Program: Selective training for young members approaching manager level
4 Global Succession Committee by Top Executives: Executive management successor development committee comprising members at the Operating Officer level and above
5 Global Executives Development Program: Selective training program for senior executives positions
6 Global Leaders Development Program: Selective training program for junior executives and managers

Editorial policy

Toyota Boshoku's beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

● Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity

Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data

Diversity and inclusion

Penetration of diversity and inclusion

Basic stance

We are fostering an environment in which everyone, including women, non-Japanese members, young people, seniors, and people with disabilities 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 (D&I), and unconscious bias.

Cross-organizational D&I promotion system

In fiscal 2023, we established the Employee Network Resources Group (ENRG), a system of networking groups that works to understand the real views of company members and communicate them to management to resolve problems. It comprises the following groups: “Women,” “Non-Japanese Members,” “Young People,” “Seniors,” and “People with Disabilities.” In fiscal 2025, the five ENRGs took the lead in organizing D&I Week. The People with Disabilities group held hands-on events such as wheelchair basketball and a game in which participants had to communicate with others while wearing noise-generating headphones. The Non-Japanese



Members group, meanwhile, held a tasting of candy from different countries. These events provided an opportunity to deepen understanding and empathy among the participants.

Support for diverse workstyles

To create an environment in which individuals can maximize their potential, we are expanding systems that support the balance between work and home life.

In particular, to encourage men to take childcare leave, we have introduced a system to compensate their income when they take childcare leave for more than one month, which raises awareness and promotes understanding in the workplace.

Main systems	Contents
Short-time working system	Available until the child turns 18 (can be used in conjunction with teleworking), with a choice of 4–7 hours of work time
F Care Leave	Combined and re-named menstrual and morning sickness leave, etc. as “F Care Leave”, which some members had been uncomfortable to request due to the naming
Life Support Leave	Enables leave to be taken for fertility treatment and family care (with no gender restriction)
Support for men taking childcare leave	Established a support fund system to supplement the decrease in income when members take one month or more of childcare leave, to encourage more people to take leave

• Number of participants in ENRG activities (annual) Approx.	100
• Specific measures introduced via ENRGs -Change of uniform (polo shirt) design -Review of the height of company noticeboards to make them wheelchair-friendly	
• Number of company members using short-time working system	247
• Ratio of men taking childcare leave	69%
• Average days of childcare leave taken by men	48 days

As of March 31 (including fiscal 2025 results)

Well-being

Pursuit of ease of working

Promoting well-being

We view well-being as an essential component of sustainable growth. In order to promote well-being more effectively, we have categorized the elements of well-being into five elements, and the relevant divisions are proactively working on them. Through these activities, we aim to improve engagement and become a company about which all stakeholders say, “I like Toyota Boshoku.”

5 elements of Well-being

Element	Definition	Desired state
 Career	Career satisfaction	Creating the environment for everyone to flourish
 Social	Harmony of interpersonal relationships	Building good interpersonal relationships
 Physical	Mental and physical health	Living each day in a healthy state
 Financial	Economic sufficiency	Eliminating concerns about one's financial future
 Community	Connection to the local community	Fostering a sense of purpose through connection to the local community and others

Member engagement survey

From fiscal 2025, we revamped our employee survey to the Toyota Boshoku EX (Employee Experience) Survey. This enables analysis of each workplace and benchmarking with other companies, and links feedback from company members more effectively to HR strategy, measures, and workplace improvements.

In addition, the positive response rate for employee engagement, which indicates the willingness to voluntarily contribute to the organization and to our performance goals, has been set as a KPI. The survey results are analyzed at each workplace, and improvement measures are discussed, implemented, and registered in the system. We are promoting the creation of an open workplace where we can grow together.

• Employee engagement positive response rate	51%
--	-----



Editorial policy

Toyota Boshoku’s beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

Global human resource development

● Diversity and inclusion / Well-being

Initiatives for respect of human rights

Safety and Health / Health and Productivity Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data

Initiatives for respect of human rights

Adherence to compliance and ethics

The Toyota Boshoku group regards respect for human rights as a way of thinking that underpins the TB Way and the Toyota Boshoku Group Guiding Principles, values and behaviors that are shared by all company members, and the whole group is actively putting it into practice. As a global company, we deeply understand the importance of respect for human rights, and the group is working together as one to promote activities while being mindful of regional and cultural differences.

Basic stance and human rights policy

The Toyota Boshoku Group Human Rights Policy was formulated with the approval of the Board of Directors in November 2021. Based on international norms including the Universal Declaration of Human Rights, and with the United Nations Guiding Principles on Business and Human Rights serving as an implementation framework, we promote initiatives for respect of human rights. We expect that this policy not only applies to our company members, but is also understood and upheld by all stakeholders.

Priority themes

- Diversity • Discrimination and Harassment
- Forced Labor and Child Labor • Occupational Health and Safety

Promotion structure for human rights initiatives



Human rights due diligence

Human Rights Policy clearly outlines our approach to the implementation of due diligence, and through ongoing education and training, as well as dialogue and consultation, we are committed to ensuring respect for human rights, working together with regional communities, our customers, company members, suppliers, business partners, and others. We will continue to carry out human rights due diligence aimed at building a sustainable value chain.

Human rights due diligence implementation status

Having started human rights due diligence in fiscal 2023, each year we expand the regions where it is conducted and the number of companies subject to due diligence. Human Rights Working Groups and a task force team have been launched in each region in order to accurately assess the impact on people and ensure that mitigation measures are taken after risk identification. Based on 19 human rights issues related to the Toyota Boshoku group and its value chain, written and interview surveys are conducted in the light of regional characteristics and circumstances.

In fiscal 2026, we are promoting human rights due diligence initiatives, expanding the scope to include the Americas Regional Management & Collaboration Hub and group companies in Asia.

Region	Results of human rights due diligence implementation
	Figures in brackets indicate the number of implementation companies in fiscal 2025
Japan*	18 (10) companies / 18 companies
Europe & Africa	9 (8) companies / 9 companies
Asia	1 (1) company / 16 companies
The Americas	Due to implement in FY2026

* Including Toyota Boshoku

Identified risks

As a result of the human rights impact assessment of each Toyota Boshoku group company, we identified working hours as a new human rights risk in addition to harassment and occupational health and safety, which are priority themes in the Toyota Boshoku group Human Rights Policy. While strengthening existing efforts, we are promoting new initiatives to mitigate risks.

Educational activities

We are committed to raising awareness of human rights through training and education. We hold lectures and training sessions on human rights for officers, division general managers and above, as well as presidents of group companies, including those at sites outside Japan, to enable them to take ownership of human rights issues and be able to lead initiatives. In addition, we publish Human Rights News for all company members, distribute educational videos, maintain an internal portal site, and use mascot characters to disseminate information. Furthermore, every December, the Toyota Boshoku Group Human Rights Week is held to provide opportunities to think about human rights.



Editorial policy

Toyota Boshoku’s beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

● Initiatives for respect of human rights

Safety and Health / Health and Productivity Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data



Initiatives for respect of human rights

Promotion of localization

In developing our global initiatives to ensure respect for human rights, we are promoting localization in consideration of the cultural and social backgrounds of each region. By establishing a system for each region and having local company members take the initiative in activities to identify, assess, and improve risk, we are able to accurately identify human rights risks that are often overlooked in a uniform response, and link them to highly effective countermeasures. This locally driven initiative is the foundation of our sustainable activities, and contributes to our efforts to meet international human rights standards and enhance relationships of trust with

local communities. These are important activities in terms of Toyota Boshoku group fulfilling its responsibilities as a global company.

In the Europe & Africa region, human rights due diligence was launched in fiscal 2024 at the Regional Management & Collaboration Hub, and in fiscal 2025 at group companies within the region. For this initiative, Toyota Boshoku Europe (TBEU), the Regional Management & Collaboration Hub, established a task force team with Corporate Strategy as its secretariat, and assigned personnel from relevant divisions at TBEU and group companies in Europe & Africa. They are promoting activities in cooperation with Toyota Boshoku’s Human Rights Working Group.

Promotion of localization—comments from a responsible staff member



Tomina-Stefani Pavlova
Corporate Strategy Division
Toyota Boshoku Europe

I was part of the task force team, promoting human rights due diligence in the Europe & Africa region (EA region). In fiscal 2025 our aim was to establish an operation method that suits our region while utilizing the Toyota Boshoku know-how. Through this activity, our final goals were to map the level of human rights risk and vulnerability of the management system across all group companies in the region to identify all gaps and to create mitigation plans to minimize any potential violation of human rights.

As it was our first human rights due diligence activity, creating a framework where each functional leader of the Regional Management & Collaboration Hub to be able to take the initiative as their own matter, and to independently organize and report on the status of their functions across the region was particularly important. In order to do so, I made sure to communicate closely with each leader, to carefully check the progress and to share with everyone what were the issues I was noticing along the way. I also spent a lot of time analyzing the human rights impact assessment results and providing feedback to each company. This gave me an opportunity to look deeper into our regional context, identify human rights risks, and how this will help our HITOZUKURI (human resource development) further.

I am happy how the human rights due diligence activity has evolved so far, as it took roots in the EA region and I am confident that it will bring results in the next fiscal year and beyond.



Joost Sunt
HR & General
Administration Division
Toyota Boshoku Europe

As the human resources leader of the Regional Management & Collaboration Hub, I worked to promote human rights due diligence in EA region. As many human rights issues relate to the HR domain, I added a Human Rights briefing session -supported by Toyota Boshoku in the EA regional HR conference. Understanding of human rights issues has increased, enabling more accurate human rights impact assessments and risk identification.

In December 2024, I deployed the Human Rights News and an awareness video for all EA region members in conjunction with the Human Rights Week that Toyota Boshoku launched and called on group companies to join for the first time. It was difficult to create subtitles in the languages of each country, but we were able to convey the importance of respect for human rights to our manufacturing staff as well.

Currently, human rights impact assessments have been completed in the region, and in the future, implementation and monitoring of mitigation measures will be promoted as daily management. We will work continuously in collaboration with various companies to ensure that human rights due diligence take root in the region.

Initiatives in the supply chain

In May 2022, we established the Toyota Boshoku Group Supplier Sustainability Guidelines based around the Toyota Boshoku Group Human Rights Policy, aiming to prevent violations of human rights from occurring, and to build a sustainable supply chain. In addition, in order to promote understanding of these guidelines and have them established, we hold a briefing every year. Furthermore, self-assessments (SAQ) have been conducted by our Japanese suppliers (since fiscal 2023) and tire one suppliers in the Americas and Europe (since fiscal 2024).

Status of SAQ implementation

Each year, through the SAQ, we ascertain and identify the status of protection of human rights and working conditions at our suppliers. A survey was carried out again in fiscal 2025, and this confirmed there to be no suppliers that pose a high risk. In future surveys, where human rights risk is discovered, we will conduct individual dialogue and provide support for prevention and improvement. In addition, we are extending human rights initiatives throughout the supply chain, and aim to minimize human rights risk throughout the value chain.

Provision of a Grievance Redress mechanism for suppliers

The Toyota Boshoku group has established a Grievance Redress Mechanism in order to properly handle reports of and consultations on human rights violations and unfair treatment. After first investigating and confirming the details of the report, we feed back the results of the investigation to whistleblower, and take corrective measures, as necessary.

Editorial policy

Toyota Boshoku’s beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

● Initiatives for respect of human rights

Safety and Health / Health and Productivity Management

Governance

Establishing a resilient global management foundation

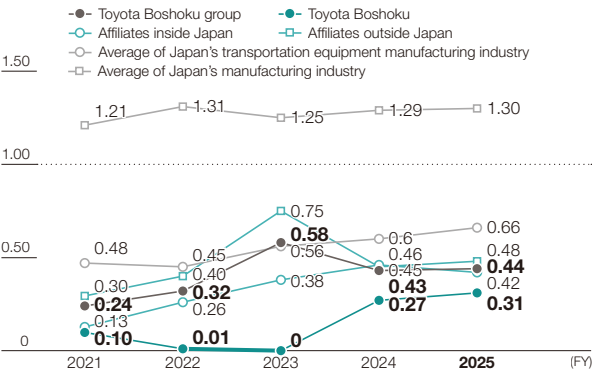
Supplementary materials & data

Safety and Health / Health and Productivity Management

Our Basic Philosophy for Safety and Health, 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 the top 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.

Lost time injury frequency rate (Lost time or more severe)¹



1 (Number of deaths and injuries due to occupational accidents / total number of actual working hours) x 1,000,000

• Safety manager training participants:	96
• Number of companies in the association:	47
• Fatal accidents in construction by outside contractors:	0

As of March 31, 2025 (including fiscal 2025 results)

Our basic health and productivity management policy & objectives

Recognizing that promotion of improved health among our company members is an important management task, we have

established the Toyota Boshoku Health Declaration with the aim of promoting health-improving activities on a medium- to long-term basis. 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 and productivity management initiatives and establishing a culture of health

Priority measures being implemented to reduce the smoking rate include visits to smoking cessation clinics, assistance in purchasing nicotine patches, and a Smoking Cessation Collaboration Challenge. In addition, an initiative known as the TB Nutrition Education Project encourages company members to deepen their own interest in and knowledge of food. Besides educational activities, we have implemented a campaign to offer menus featuring salads and protein-rich food at low prices. Furthermore, Health Activities Promotion Leaders are assigned to each division to promote a variety of plans so that members can enjoy and engage in health activities in the workplace. Through this, we are striving to raise health awareness among company members. Going forward, we will also strengthen our initiatives in sleep and women-specific health issues, and 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, we will provide health support from both a physical and mental perspective.

Certified as an Excellent Enterprise of Health and Productivity Management

Various health activities were evaluated, and in fiscal 2025 Toyota Boshoku was again recognized in the large enterprise category of the 2025 Certified KENKO Investment for Health Organization Recognition Program (White 500). This means we have now been recognized for four consecutive years.

• Smoking rate	26.0%
• BMI of 25 or more	31.3%
• Ratio of those with exercise habits*	42.3%

* 30 minutes or more of exercise at least once a week



Staying healthy together with workplace colleagues



Motokazu Iino
Health Activities Promotion Leader
Tokyo Quality Control Department,
Toyohashi Tokyo Quality Control Division

In order to energize company-wide health activities, each division is assigned a Health Activities Promotion Leader. I play this role at the Tokyo Plant, where I encourage members to participate in health measures and coordinate their activities, thereby promoting health on a workplace basis.

I am particularly conscious of creating an environment where the entire workplace can participate in health activities

while having fun. I am trying different ways to raise awareness of health naturally, by planning visiting health lectures and other events.

In addition, as a Health Activities Promotion Leader, I myself participated in the Health Activities Promotion Leader Workshop, and was able to understand my state of health based on my own health checkup results, and to learn about lifestyle habits that are suited to me. In particular, noticing an imbalance in my diet made me realize the importance of food, and since attending the workshop, I have started to prepare my own lunch with an awareness of the staple food, side and main dishes. Going forward, I would like to focus on exercise as well, and aim to build a healthier body.



Editorial policy

Toyota Boshoku's beginnings and future

Value creation story

Realization of our target

Strategy

Toward the realization of Interior Space Creator in 2030

Contributing to solving social issues

Executing the mid-term business plan

Strategically managing financial and non-financial data

Capital

Innovation-creating strengths

Environment/Social

Foundation for sustainable value creation

2050 Environmental Vision

Response to the TCFD

Response to the TNFD

2030 Environmental Action Plan

Challenge 6 initiatives

Suppliers

Quality

Human resource strategy

Global human resource development

Diversity and inclusion / Well-being

Initiatives for respect of human rights

● Safety and Health / Health and Productivity Management

Governance

Establishing a resilient global management foundation

Supplementary materials & data