

Q2

Why are we able to create value?

Section 2

Drivers of value creation

13 Value creation process
14 Business and products
15 Management resources and strengthening them
17 Co-creation with stakeholders
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22 Value provision case study
1. Heat management technology “heat-shielding headliner”
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3 Realization of Interior Space Creator
4 Strategy for achieving the targets for 2030
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Value creation process

Toward realizing our Vision—

The Toyota Boshoku group will enhance its corporate value and contribute to the realization of a sustainable society by leveraging the identity of the Toyota Boshoku group, comprising R&D, MONOZUKURI and HITOZUKURI, to provide the ultimate mobility life in pursuit of safety, the environment and comfort.

Materiality

The approach we adopt to resolve the important issues to be prioritized by the Toyota Boshoku group through our business operations

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Vision

Looking into the future, we will create tomorrow's mobility interior space that will inspire our customers the world over.

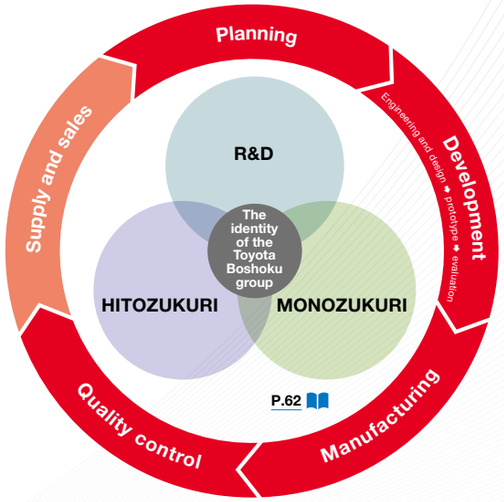
P.7

Management resources

- **Financial capital**
- **Manufacturing capital**
- **Intellectual capital**
- **Human capital**
- **Social and relationship capital**
- **Natural capital**

P.15

Business activities



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Mobility interior spaces

Aiming to be the Interior Space Creator

Door trims Headliners



Automobile seats

Aircraft seats

Unit components

Contribution to multi-pathway

Filter products



Electric products



Motor cores



FC separators



Lithium-ion batteries

P.14

Created value

QUALITY OF TIME AND SPACE

To have all stakeholders feel, **"I like Toyota Boshoku"**



Principles of Toyoda

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p. 14: Business and products



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Business and products

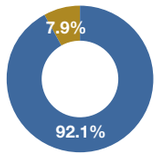
Centered on safety, the environment, and comfort, aiming for differentiation through the value of the automobile interior space, regardless of how mobility evolves

Revenue (FY2026)
2,037.0 billion yen

Operating profit (FY2026)
53.9 billion yen

Share of revenue

Unit components



Mobility interior spaces



Mobility interior spaces

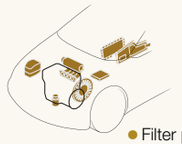


Seats
- Automobile seats
- Aircraft seats
- Non-automobile/aircraft



Interior and Exterior
- Door trim
- Headliners
- Floor carpets
- Luggage compartment
- Exterior components

Unit components



- Filter products
- Electric products
- Plastic parts for Internal Combustion Engine (ICE)
- Others

The value created by products

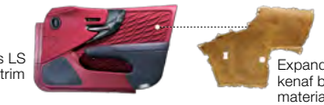
Seats
(frames, devices, cushions, covers)
- Occupant protection in case of collision
- Maintaining a stable seated posture



Door trim
- Ensuring structural stability through high rigidity
- Energy absorption during side-impact collision



Lightweight materials and environmentally sound components
- Contributing to improved fuel and electric efficiency
- Reduction of environmental loads



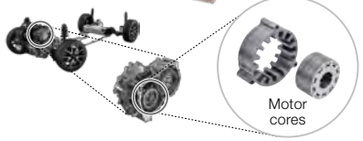
Integrated seating and interior proposals (modules)
(seats, door trim, headliner, etc.)
- Creating a comfortable, high value-added automobile interior space through sound, light, and heat
- Balancing a comfortable thermal environment with energy efficiency
- Providing a quiet, high-quality automobile interior space
- Creating added value through illumination of the space



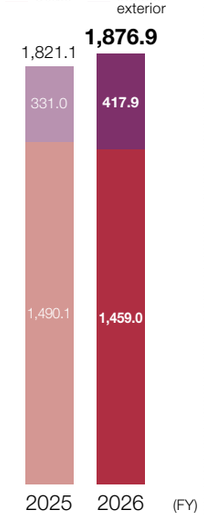
Air filters
- Improved air quality
- Providing comfort and health value through improved cabin air quality



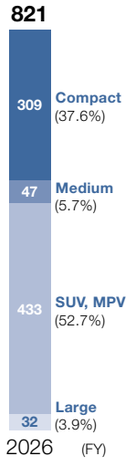
Electric products
- Contributing to improved environmental performance throughout mobility



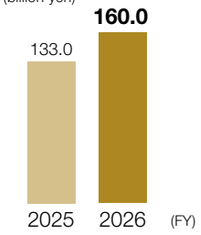
Revenue by product
(billion yen)



Automobile seat production volume and model mix
(10,000 units)



Revenue by product
(billion yen)



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Business/Products



Management resources and strengthening them

Management resources	Reason for emphasizing	Enhancement measures (●) / Challenges (▲)
Financial capital	We will achieve sustainable growth by maximizing cash flow and executing optimal allocation, while maintaining a sound financial base.	● Secure solid returns on growth/strategic investments ● Maximize operating cash flow, including asset efficiency ● Hold constructive dialogue with shareholders and investors ▲ Increase capital efficiency and strengthen financial health in tandem
Manufacturing capital	We are pursuing high-quality manufacturing with the world as our stage. In order to produce and deliver the optimum products at the optimum time in each region, we will strengthen MONOZUKURI competitiveness by taking an integrated approach, all the way from planning, engineering and design through to manufacturing and logistics.	● Establish a competitive next-generation manufacturing system ● Realize on-site capability for continuous improvement ▲ Combine the skills of craftspeople with insourced technology ▲ Realize next-generation logistics throughout the supply chain
Intellectual capital	We have challenged the approach to R&D, driven by an insatiable curiosity and inquisitiveness ahead of the times. We will offer “QUALITY OF TIME AND SPACE” in all forms of mobility while drawing on our accumulated knowledge and expertise.	● Strengthen our planning/proposal and R&D capability for the entire mobility interior space ● Promote intellectual property strategies that contribute to technology strategies focused on Interior Space Creator, multi-pathway, and new business creation ▲ Respond rapidly to multi-pathway and carbon neutrality in anticipation of future changes ▲ Secure control and software engineers
Human capital	For the Toyota Boshoku group, as we expand our sites around the world, human resource strategy is one of the most important management issues in securing, assigning, and developing human resources for realizing a growth strategy. We will strengthen the development and utilization of human resources at the global level.	● Develop people and environments where we can continue to generate new value and ideas ● Promote the success of diverse human resources and support their growth ● Pursuit of ease of working ▲ Accelerate promotion of local talent to key posts
Social and relationship capital	The Toyota Boshoku group’s business activities are built on cooperation with a wide variety of stakeholders. We believe that by building good relationships with stakeholders, we can improve our competitiveness and create new business opportunities. In the spirit of co-existence and co-prosperity, we aim to grow together with our stakeholders.	● Co-create value through collaboration with startup companies, industry, government, and academia using Corporate Venture Capital (CVC) ▲ Secure MONOZUKURI competitiveness throughout the supply chain and realize next-generation logistics in the entire supply chain ▲ Provide feedback to management through active dialogue with stakeholders
Natural capital	Our social life and economic activities depend on the many blessings (ecosystem services) provided by nature. We are working together to address environmental issues through our business activities and contribute to the realization of a sustainable society.	● Shift to mono-materials through simplification of materials and introduction of alternative materials in product design ● Increase the ratio of renewable energy and introduce energy-saving items ▲ Visualize and reduce GHG emissions (Scope 1, 2 and 3) throughout the product life cycle ▲ Reduce water withdrawal, taking into account the water resource situation in each country and region

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Management resources and strengthening them

Management resources	Capital invested (INPUT)			Major achievements and external evaluations (OUTPUT)	
Financial capital	Equity capital (equity attributable to owners of the parent) at beginning of period: 447.4 billion yen	Operating cash flow: 142.9 billion yen	Cash and cash equivalents at beginning of period: 249.7 billion yen	Operating profit ratio	2.6%
				DOE (Dividend on equity ratio)	3.3%
				Equity ratio (Ratio of equity attributable to owners of the parent)	41.0%
				ROE	5.0%
				Market share	Seats: No. 3 in the world / Door trims: No. 2 in the world
Manufacturing capital	Number of production sites: 119 sites	Capital investment: 68.0 billion yen	Inventory turnover (raw materials, work in progress, finished products): 7.3 days	Ratio of new product development leading to Interior Space Creator	15%
Intellectual capital	Number of R&D bases: 12 bases	R&D expenses: 61.3 billion yen	Number of patents held: 4,303	Number of external presentations and papers	97 /year
				Number of patent applications	497 /year
Human capital	Number of consolidated group members worldwide: 45,521*	Proportion of company members working in regions outside Japan: 68.1%	Overall cost of development training: 2.03 billion yen	Ratio of men taking childcare leave	74%
				Paid holiday utilization rate	97.1%
				Employee engagement positive response rate	54%
Social and relationship capital	Global footprint: 23 countries and regions	CVC investment amount (number of investments): 2.2 billion yen (19 investments)	Number of investors and analysts meetings: 170 times in FY2026	Total number of participants in social contribution activities	3,240 /year
				Total number of suppliers participating in supply chain MONOZUKURI improvement activities	2,830 /year
Natural capital	Total energy consumption: 3,072,956 GJ	Water withdrawal: 2,441 thousand m^3		GHG emissions (Scope 1 and Scope 2)	182,738 t-CO_2e
				Amount of waste	27,782 t
				Renewable energy installation ratio	46%

As of March 31, 2026 (including fiscal 2026 results)
* Excluding temporary company members

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Co-creation with stakeholders

Society | Customers | Company members | Business partners

R&D

Manufacturing

Examples of co-creation and specific initiatives | **Stakeholders involved**

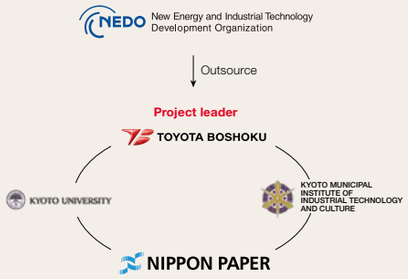
Co-creation with diverse partners, from research through to applied development, to realize next-generation mobility and carbon neutrality

In collaboration with a diverse range of partners, we are developing new materials and technologies that contribute to reducing our environmental impact and enhancing comfort.
Such co-creation is not limited to mere technological development, but also serves as the foundation for new value creation.

NEDO[1] Leading Research Program: Feasibility Study Program on Energy and New Environmental Technology: Research & Development of Low-Cost, High-Impact-Resistant Cellulose Structural Materials

Toyota Boshoku, in collaboration with Nippon Paper Industries Co., Ltd., Kyoto University, and the Kyoto Municipal Institute of Industrial Technology and Culture, has officially launched the Research & Development of Low-Cost, High-Impact-Resistant Cellulose Structural Materials as part of the NEDO Leading Research Program. This research aims to identify and nurture innovative technological seeds with a view to practical application and societal implementation from 2040 onward, with the goal of realizing a decarbonized society and fostering new industries. At the same time, through industry-academia-government collaboration, we aim to accelerate the societal implementation of CNF[2] for structural material applications—something that has been difficult to achieve until now and promote its adoption not only in the automotive sector, but also in a wide range of other fields including home appliances, construction materials, and logistics equipment.

1 A national research and development agency that fosters innovation by promoting the research and development necessary to realize a sustainable society
2 Cellulose Nanofiber: A next-generation plant-derived material created by breaking down cellulose—the structural component of plant cell walls, such as those found in wood—into nano-scale particles (one-millionth of a millimeter) through chemical and mechanical processing.



Startup companies
Universities and research institutions
Automakers
R&D divisions
Purchasing divisions
Suppliers
Chemical manufacturers

Enhancing production efficiency in smart factories using AI and IoT through collaboration between the site of operations and production engineering divisions

We are promoting the use of tools, highly efficient development utilizing AI, autonomation on the production floor, and digital transformation (DX). While working to maximize the value added per hour, we will work together with our suppliers, equipment manufacturers, and other supply chain partners to enhance our competitiveness.

Autonomation of processes at Toyota Boshoku Western Kentucky

By introducing next-generation transport systems, we aim to build on the initiatives we have been pursuing since fiscal 2026 and achieve autonomation of our entire in-house logistics operations. This will lead to a significant improvement in on-site productivity and stability. Toyota Boshoku Western Kentucky expects to return to profitability in fiscal 2028, when it reaches full production capacity as a result of improvements in productivity and quality achieved through its smart factory initiative. We are also working to strengthen our relationships with stakeholders, including through initiatives such as job creation in partnership with local communities. We will work in collaboration with our administrative and technical divisions, as well as equipment manufacturers, suppliers, and logistics providers to build an advanced production system that leverages AI and IoT, thereby improving our cost competitiveness and supply stability. We will drive production innovation through the use of digital technology to enhance our competitiveness.





Environmental organizations and certification bodies
Production engineering divisions
Manufacturing divisions
DX divisions
Quality divisions
Suppliers
Equipment manufacturers
Logistics companies

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"Research and Development of Low-Cost, High-Impact-Resistant Cellulose Structural Materials" Selected for NEDO's Pioneering Research Program



Supply and installation

Use

Disposal and recycling

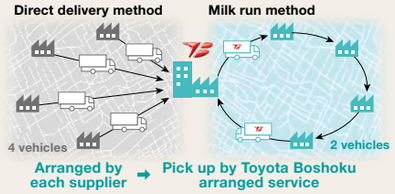
Examples of co-creation and specific initiatives	Stakeholders involved

Achieving JIT supply and reducing environmental impact through collaboration with logistics and manufacturing sites

By utilizing new logistics relay hubs and proceeding with the closure and consolidation of external warehouses and relay hubs, we aim to enhance our competitiveness through the streamlining of logistics within Japan. At the same time, we will work to promote so-called White Logistics (sustainable and fair logistics) through greater logistics efficiency, thereby contributing to achieving carbon neutrality.

Evolution of pickup logistics reform through the opening of a new logistics relay hub

To reduce CO2 emissions and address the shortage of drivers, we are reviewing our transportation methods and optimizing our company-led procurement logistics. We have completed the first phase of the milk run system we have already been working on, and through collaboration with key suppliers and logistics providers, we have established a stable supply system and enhanced our supply chain. With the opening of our new logistics relay hub (in Ikoma-cho, Toyota City, Aichi Prefecture), reform of our pickup logistics will continue to evolve. As Toyota Boshoku expands its operational scope, we will expand the use of milk run logistics while also exploring ways to improve and achieve autonomation of in-house logistics.



Automakers
Purchasing divisions
DX divisions
Production management divisions / Logistics divisions
Suppliers
Logistics companies

Providing products that help to create new mobility value through co-creation with businesses and local governments

We aim to provide new mobility experiences by leveraging the technology we have developed in automotive components.
As part of this process, we are collaborating with businesses and local governments to help improve accessibility and increase foot traffic in city centers.

Creating a new mobility experience with the SRT surface public transportation system

SRT (Smart Roadway Transit) is a completely new mode of transportation that runs on city streets, featuring smooth boarding/alighting and a sophisticated design, with the aim of enhancing mobility in downtown Nagoya and revitalizing the city's streets. Equipped with our MOOX-RIDE content experience support system, it projects information such as on the history and culture of the city and facilities, showcasing the city's charm through video and stereophonic sound. We will transform the time when people are on the move into an opportunity to create new value, while also helping to alleviate over-tourism and revitalize local communities.



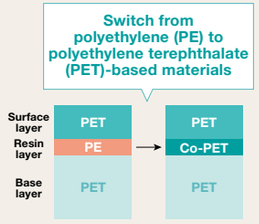
Local governments
End-users
Automakers
R&D divisions
Quality divisions
Transportation operators
Digital-sector companies

Utilizing mono-material technology to achieve a closed-loop cycle*

Through our initiative to recycle waste material into regenerated fibers, we will promote the effective use of resources and establish a circular economy system. We aim to contribute to the achievement of a carbon-neutral society by simultaneously reducing waste and lowering CO_2 emissions.

Environmental contribution through a polyethylene terephthalate (PET) circular economy

With this initiative, we aim to both reduce our environmental impact and deliver value by altering our approach to the materials used in automotive interior components from a "disposable" model to a "reusable" one. Conventional fiber-based interior components were difficult to recycle due to being made from a combination of multiple materials, and when disposed of, they were incinerated, resulting in CO_2 emissions. By standardizing the materials to be PET-based, this technology realizes a system that enables reuse for the same purpose after the initial use. This, in turn, helps to reduce CO_2 emissions throughout the entire product lifecycle. As a result of this initiative, we will be able to provide automotive manufacturers with components that enable them to advance their environmental initiatives while maintaining the same level of quality and performance as before. Another key value is that these products are environmentally friendly while maintaining features such as automobile interior comfort and quietness.



Government and local government
NGOs and environmental organizations
R&D divisions
Environmental divisions
Automobile recycling industries
Materials recycling companies
Industrial waste processing companies

* A recycling system in which used products are turned into resources and used to make the same products

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Toyota Boshoku's MOOX-RIDE System Now Used in Nagoya's Smart Roadway Transit (SRT)—Interview with the Project Team Members



PET Circular Economy

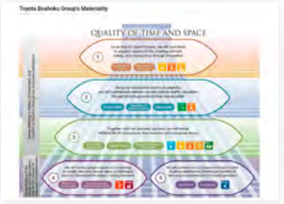


Materiality

Materiality	The meaning and concepts of materiality	Related SDGs
Issues relating to safety, environment, and comfort to resolve through our business operations		
1 As the 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 parts and contributing to the enhancement of safety and reassurance in people's daily lives. We are evolving into the 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).	7 AFFORDABLE AND CLEAN ENERGY, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES
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 GOOD HEALTH AND WELL-BEING, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
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.	6 CLEAN WATER AND SANITATION, 7 AFFORDABLE AND CLEAN ENERGY, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION
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 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH
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.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

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Materiality



Materiality

In July 2020, we defined as our materiality the identification of important issues to be prioritized through our business operations from among a variety of social issues and the approach we adopt to resolve them.

Approach to materiality formulation

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

The important issues identified were classified into those that “maximize the positive effects,” which enrich people and their lives, and those that “minimize the negative effects,” which avoid risk. They were then 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.” The materiality of the Toyota Boshoku group was determined by adding the approach we adopt to resolve each issue.

As part of a series of processes, the management team and next-generation leaders, together with the Global Management Strategy Division (now the Corporate Planning Division), the lead division, held a total of 27 consultations, after which the Board of Directors decided on the materiality.

Subsequently, in addition to the financial targets for measuring economic value set out in the 2025 Medium-Term Business Plan, in December 2021 we established ESG KPIs—one of several types of non-financial KPIs that measure social value—to realize our materiality.

Approach to the formulation of ESG KPIs

- Organization from an ESG standpoint
- In line with the Toyota Boshoku Group Sustainability Policy
- Progress toward materiality can be measured
- In line with the Corporate Governance Code
- Respond to the demands of society

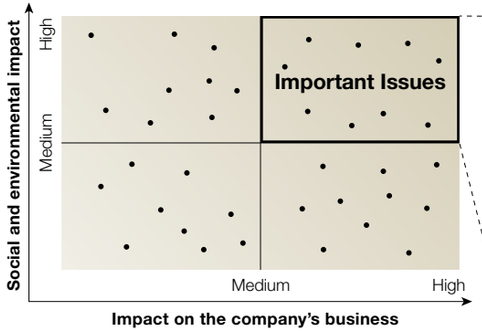
Management of materiality progress

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. We also reviewed the ESG KPIs in conjunction with the formulation of the 2030 Medium-Term Business Plan.

Plotting of social issues and extraction of important issues

E Environment S Social G Governance

⊕ Matters for which positive effects are to be maximized ⊖ Matters for which negative effects are to be minimized



Issues to Resolve through Our Business Operations (E S)

Issues Relating to Sources for Exercising Competitiveness (S G)

Safety	Environment	Comfort
1. Product safety ⊖	4. Reduction of environmental loads ⊖	9. Comfortable spaces ⊕
2. Reduction of traffic accidents ⊖	5. Improve productivity ⊕	10. Promotion of innovation ⊕
3. Aging society ⊖	6. Climate change ⊖	
	7. Energy and resource conservation ⊖	
	8. Cooperation with business partners ⊕	

People	Organization
11. Ensuring diversity ⊕	15. Compliance ⊖
12. Workstyle innovation ⊕	16. Governance ⊖
13. Respect for human rights ⊕	17. Strengthened information security ⊖
14. Company-member health and work safety ⊖	18. Fair and equitable procurement ⊕

Toyota Boshoku Group’s Materiality

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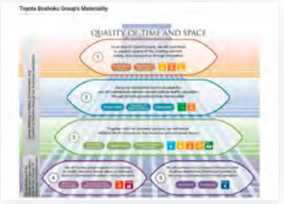
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Materiality



Materiality

Materiality formulation process

		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 Medium-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)	✓		

		Participants		
		Company Members	External Stakeholders	Directors/ Officers
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 CSR 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 to measure social value. The goal is to achieve them with a view to realizing our materiality.	✓		✓

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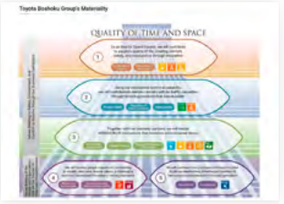
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Materiality



Value provision case study 1: Heat management technology “heat-shielding headliner”

Materiality

1 As the Interior Space Creator, we will contribute to people’s quality of life, creating comfort, safety, and reassurance through innovation

Comfortable spaces | Promotion of innovation

Materiality

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

Reducing the effects of heat from sunlight

Suppressing a rise in headliner temperature, preventing heat from entering the vehicle

The headliner, which reflects far-infrared rays, helps reduce the air conditioner load

What kind of initiative?

We are promoting R&D in the fields of “sound, light, and heat” to enhance comfort in the automobile interior space. Among these, the heat-shielding headliner is a product designed specifically to address “heat.” By limiting the amount of heat that enters the vehicle interior, it helps to achieve a balance between comfort and environmental performance. Far-infrared radiation is emitted from the roof panel when it is exposed to sunlight. By reflecting this radiation with the reflective layer on the underside of the roof panel, a rise in headliner temperature is suppressed and heat is prevented from entering the cabin. This contributes to a lower environmental impact by helping to reduce air conditioner load and improve fuel efficiency. We are committed to refining our technologies in the fields of “sound, light, and heat” to create comfortable and appealing automobile interior spaces.

Key points of value provision

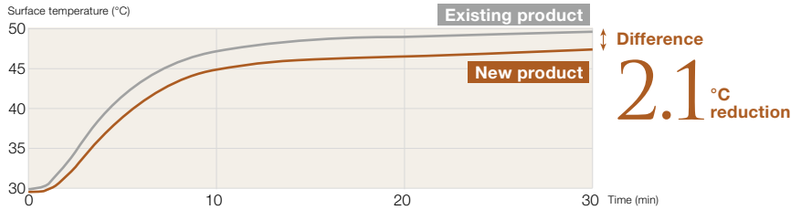
Reducing air conditioner load

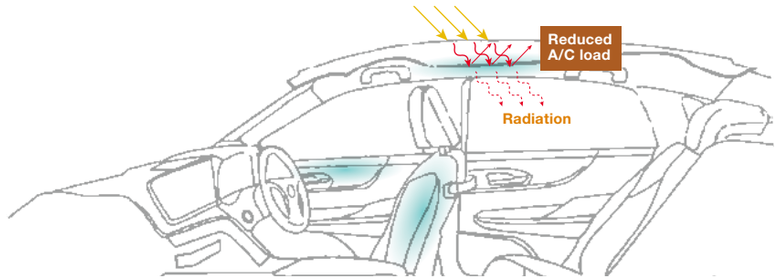
Since heat infiltration through the roof of the cabin is significantly suppressed, a rise in interior temperature is mitigated in conditions such as under blazing sun. As a result, air conditioning use is reduced, contributing to reduced battery consumption and improved fuel efficiency.

Expanded adoption across multiple vehicle models and future developments

This technology is being adopted in a growing number of models, including the Toyota Mirai, Crown, bZ4X Touring, and Subaru Trailseeker. We will continue to expand the range of compatible models while deepening our R&D in the heat field, with the goal of realizing human-centered heat management systems.

Assumed headliner surface temperature when parking under blazing sun





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Value provision case study 2: A new concept in aircraft seating

Materiality

1 As the Interior Space Creator, we will contribute to people's quality of life, creating comfort, safety, and reassurance through innovation

Comfortable spaces | Promotion of innovation

A flight-ready wheelchair:

The WELL-VOYAGE SEAT, breaking down the barriers to mobility

Co-developed with JAXA: Seamless wheelchair seating and full cabin mobility—aiming for an enjoyable flight for everyone

What kind of initiative?

Wheelchair users face many challenges when boarding an aircraft and moving around the cabin. The WELL-VOYAGE SEAT being jointly developed by Toyota Boshoku and the Japan Aerospace Exploration Agency (JAXA) is a product based on a completely new concept that structurally resolves this issue. By fixing the wheelchair directly in place as a seat, the need to transfer from wheelchair to seat is eliminated, thereby integrating the process from boarding to seating. What's more, the seat can be removed from its frame during the flight, enabling the user to move freely around the cabin, including easier access to lavatories. By applying the technologies we have developed through automotive seat design to the aviation sector, we achieve a balance between safety and comfort. Going forward, with a focus on automotive seats and interior & exterior products, we will continue working toward the realization of universal design that enables everyone to enjoy traveling with peace of mind across a wide range of mobility.

Key points of value provision

Relief from the physical and emotional burden

By eliminating the need for complex movements, this system reduces the physical and emotional burden on wheelchair users while also helping to ease the burden on caregivers.

Enabling free seat selection and movement within the cabin

The seat slides out sideways for easy removal, making it also suited to restricted spaces. In addition to being able to choose a window seat, users can now board/disembark the aircraft and also access on-board lavatories without the need to transfer from their wheelchair, greatly increasing freedom within the cabin.

The same high-quality seat comfort for everyone

Without making any compromises for wheelchair use, we have realized superior cushioning and hygiene so that everyone—people with and without disabilities—can enjoy the same level of comfort. Pursuing true universal design

Step 1 **Move wheelchair directly into seat position**





Frame for securing the seat

Step 2 **Insert into frame and slide sideways**





Assist grip

Step 3 **Secure seat using locking lever on aisle side**





Locking lever

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The Challenge of the WellVoyage Seat, Which Significantly Lowers the Barriers to Air Travel for Wheelchair Users

