

New Year's Message from the President (Summary)

Kariya (JAPAN) – January 6, 2022 – Toyota Boshoku Corporation has conducted its New Year's Ceremony on January 6. President Numa sent out the following message (summary) to all members of Toyota Boshoku group.

To become a solutions company capable of creating true corporate value

We will be entering the second year of our 2025 Mid-term Business Plan as part of Toyota Boshoku's steady advance toward the future.

As we begin a new year, I would like to speak about some of the things I would like us to work on together over the next twelve months.

The automotive industry is undergoing a once-in-a-century transformation and is faced with a fierce competition. On 14th December 2021, Toyota announced its commitment to strengthen its EV development in order to adapt to the next generation technology "CASE" (Connected, Autonomous, Shared and Electric)

Our industry is facing a challenge to meet the acceleration of the digital transformation amid a new normal during COVID-19, and the decarbonization through zero greenhouse gas emissions. Under these desolate environment, in order to be viable, we need to be a chosen company that contributes to local communities, a company that is responsible for the entire automobile interior space.

[Our initiatives for achieving our desired status for 2030]

In order to become a solution company capable of creating true corporate value in 2050, firstly we need the following steps toward 2030.

- 1) We will achieve the 2025 Mid-term Business Plan targets and, as an interior system supplier, become a company that serves as "Home" and secures competitiveness that can surpass competitors.
- 2) We will create new value as an interior space creator by promoting businesses adapted to CASE and MaaS and acquiring technologies in most efficient ways.
- 3) We will become a company that is continue to be needed in society, by offering "quality time and space" for all living and communication spaces and creating new businesses through collaboration with other companies.

We have already started activities to become the Interior Space Creator in 2030.

At present, we are implementing people-centric system development of not only Seat and Interior Hardware, but also Software, to provide valuable experiences to customers in order to prepare for MaaS and Woven City.

We are fortifying the three initiatives to realize this.

First, we plan to set an investment quota of 15 billion yen in total for over the next five

years to aggressively invest in start-up companies, to accelerate open innovation. In addition, from 2018, we have been hiring software developers in the greater Tokyo area. We launched a dedicated team and are fortifying collaborations with companies in different industries.

Moreover, we are planning to strengthen sites to serve as an antenna function in Beijing, Silicon Valley, and additionally in Tokyo in order to obtain, without delay, the trends and information related to venture companies and cutting-edge technologies.

Looking beyond 2030, in this manner, we are exploring deeply to newly establish 4th and 5th pillars of our businesses in addition to our current core businesses.

Together, we will work diligently to resolve every issue we encounter as an Interior Space Creator aiming to be a solutions company.