

Environmental Accounting

■Range of Data Collection : Manufacturing bases, R&D bases, office facilities in the area of main business activities (in Japan)

9 sites in Japan;

Toyo Tire Corp. (Headquarters, Sendai Plant, Kuwana Plant, Tire Technical Center, Automotive Parts Technical Center, Corporate Technology Center),

Fukushima Rubber Co., Ltd., Toyo Ayabe Toyo Rubber Co., Ltd., Orient Machinery Co., Ltd.

■Period Covered: January 2025 - December 2025

Environmental Conservation Cost

Environmental Accounting Review for FY2025:

In fiscal 2025, R&D costs increased due to expanded evaluation of sustainable material use and hiring of additional evaluators.

(Unit: million yen)

Category	Major Activities	Investment			Costs		
		FY2023	FY2024	FY2025	FY2023	FY2024	FY2025
1. Business Area Cost		356	294	329	6,147	5,395	4,957
Pollution Prevention Cost	Air pollution preventive measures and waste water treatment facilities improvement, etc.	38	43	27	139	147	125
Global Environment Conservation Cost	Energy-saving measures, greenhouse gas emissions control measures, etc.	318	193	206	5,490	4,504	4,396
Resource Circulation Cost	Processing and recycling of industrial waste, etc.	0	58	96	518	744	436
2. Upstream/Downstream Costs	Purchasing of eco-friendly products, pulverization of waste tires, etc.	0	0	0	3	1	1
3. Administration Cost	Operation of environmental management systems, environmental impact monitoring activities, etc.	0	0	0	84	81	78
4. R&D Cost	Development of alternative materials, research and development of fuel-efficient tires, etc.	101	51	102	443	585	621
5. Social Activities Cost	Tree-planting activities, contributions to the Environmental Protection Fund, etc.	0	0	0	38	43	37
6. Environmental Remediation Cost	Payments of levies related to pollution burdens, etc.	0	0	0	3	2	2
Total		457	345	431	6,718	6,107	5,696

The calculations conform to the Environmental Accounting Guidelines (2005 edition) published by the Japan's Ministry of the Environment.

Depreciation of investments is included in cost.

For costs spanning more than one category, only the costs related to environmental protection were included.

In cases where environmental protection costs cannot be clearly separated, a proportional calculation was made using the "environmental ratio" considering the degree of reference to the environmental protection efforts.

R&D costs include the costs of efforts to develop eco-friendly products and use alternative materials.

Personnel expenses were calculated by man-hours and average wages.

Environmental Conservation Benefit

(Unit: million yen)

Category	Major Activities	Amount		
		FY2023	FY2024	FY2025
I. Reducing Costs through Energy-saving	Implementing cogeneration and changing fuel sources	-	-	-
	Energy saving activities	162	136	133
II. Profits from Recycling and Sale of Waste	Recycling and selling waste	12	7	23
Total		174	143	156