

Pursuing sound governance

- Challenge
- Engage in corporate management that meets societal needs and has a lasting positive reputation for value
 - Instill a healthy corporate culture and business practices
- Initiatives
- Deepening understanding of our corporate philosophy among executives and employees
 - Regular dialogue with shareholders and investors
 - Improving awareness of the Toyo Tire Group Charter of Corporate Behavior and Code of Conduct

Sound governance

Our policy

The Toyo Tire Group practices the principles of Japan’s Corporate Governance Code in an appropriate fashion to ensure effective corporate governance. We seek to ensure the rights and equal treatment of shareholders and to appropriately cooperate and engage in dialogue with our other stakeholders. We strive to make appropriate information disclosure and ensure transparency to help achieve those aims. The Board of Directors is accountable to the Company’s shareholders and, as such, strives to appropriately execute its roles and responsibilities in order to enhance profitability and capital efficiency and, by extension, achieve the Company’s sustainable growth and increase corporate value over the medium to long term.

We practice the ideals set forth in our Company Philosophy, Mission, Vision, and Fundamental Values, which together make up our philosophy framework. In order to meet the expectations of our stakeholders and improve our corporate value, we seek to ensure management transparency and efficiency, work to maintain and build appropriate management systems, and endeavor to further strengthen our corporate governance, internal control systems, and compliance.

As part of our efforts to strengthen compliance, which we consider to be the essential element that embodies our philosophy, we established the Toyo Tire Group Charter of Corporate Behavior as a set of common principles to help all Group companies conduct sincere business activities. We also formulated the Toyo Tire Group Code of Conduct to assist all executives and employees in implementing the Charter of Corporate Behavior, and seek to instill that code across the whole Group. The Charter of Corporate Behavior and the Code of Conduct are reviewed when appropriate and any necessary revisions are resolved upon by the Board of Directors.

Governance structure

Our corporate governance system consists of the Board of Directors, which is responsible for decision-making and supervisory functions, and, under that, the Nomination & Compensation Committee, which acts as an advisory body to the Board of Directors on personnel affairs, compensation and other matters pertaining to directors.

We also have an Executive Committee that makes decisions on business execution, various special committees that deliberate and consult on individual fields, and an Audit & Supervisory

Board, a body that audits the Board of Directors and the execution of directors’ duties. This system enables all these functions to be fully exercised.

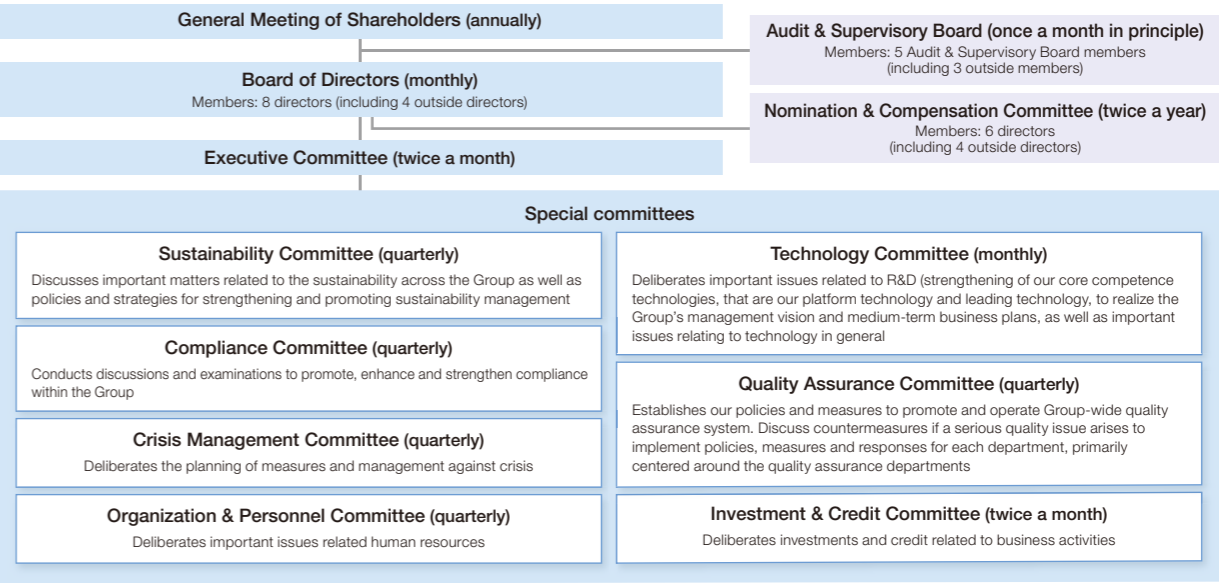
The Board of Directors meets, in principle, once a month to supervise the execution of duties by directors and decide important matters, including the appointment of the representative director and executive directors, determination of basic management policies, approval of important investment plans, determination or approval of the convening of general meetings of shareholders, agenda items to be presented and the proposals and documents to be submitted (including financial statements and supplementary statements) at the general meeting of

shareholders, and to hear reports on the status of business execution. Outside directors attend Board meetings, where they actively exchange opinions, and monitor and supervise management. The Board of Directors also receives regular reports on important management risks debated in the Executive Committee and the Sustainability Committee, supervises risk

management and assesses its effectiveness.

The Nomination & Compensation Committee, which acts as an advisory body to the Board of Directors, met twice in fiscal 2023 to discuss executive candidates, executive compensation policies, and the amount of executive compensation, and to give advice, recommendations, and reports to the Board of Directors.

Governance structure (As of March 27, 2024)



Governance overview

• Organizational format Company with an Audit & Supervisory Board	• Directors 8 • (outside directors: 4) • (female directors: 1)	• Audit & Supervisory Board members 5 • (outside members 3)	• Independent officers (including Audit & Supervisory Board members) 7	• Number of Board of Directors' meetings (FY2023) 17	• Attendance of outside directors at Board meetings (FY2023) 100%
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Appropriate composition of Board of Directors

In our medium-term business plan, we have set the goal of bolstering our ability to flexibly respond to changes, and we are working to achieve this goal through the coordination of all our functions on a global scale. In our value creation processes too, we recognize that our strength lies in inter-functional collaboration in business processes, and plan to achieve outputs and outcomes through our business activities. We believe that the governance structure to achieve such outputs and outcomes requires members of the Board of Directors to have knowledge and experience of “corporate management,” “finance and

accounting,” and “legal and risk management.” We have therefore positioned these areas of expertise as core qualities for ensuring the effectiveness of management oversight and decision-making functions. Moreover, in order to deepen discussions on growth strategies, we have worked to ensure that the Board of Directors is well balanced overall, by appointing one or more persons with expert knowledge and experience in the areas of “sales and marketing,” “research and development,” “manufacturing and quality assurance,” “experience outside Japan,” “digital transformation,” and “sustainability.”

→ See p.70 for details of skill matrix.

Assessing the effectiveness of the Board

As part of our effort to promote sustainable growth and improve corporate value in the medium to long term, we have been conducting an annual analysis and assessment of the operation, composition and activities of the Board of Directors since 2017, with the aim of improving the Board’s functionality. In order to ensure fairness, we use a third-party body to aggregate and evaluate survey results.

The main changes made this year are the assessment criteria. In previous years, the key focus areas were the composition and operation of the Board and the substantiveness of the discussions at Board meetings. This year, we have added questions related to sustainability, a new perspective required to ensure sound corporate governance.

Overview of assessment

Assessment subject	Self-assessment by directors and auditors, with third-party evaluation	Assessment criteria	<div>① Composition and operation of Board of Directors → Board size, composition, operational status, quality of information provided, etc.</div> <div>② Management strategy & management planning → Discussions during the development stage, decision-making on strategic directions, level of contribution, etc.</div> <div>③ Risk management → Oversight of management, sustainability actions based on risks and opportunities, etc.</div> <div>④ Overall assessment</div>
Methodology	Questionnaire (18 questions)		
Questionnaire design	Five-point scale scoring with comment field for each question		

Assessment process

Previous year	Around December	<div>Review</div>	Review assessment methodology
This year	Early February	<div>Survey</div>	Survey directors and auditors
	Early March	<div>Analysis</div>	Aggregation and feedback of evaluation results by third-party body
	Late March	<div>Report</div>	Report to Board of Directors and consider next course of action

Overview of FY2023 assessment results and next course of action

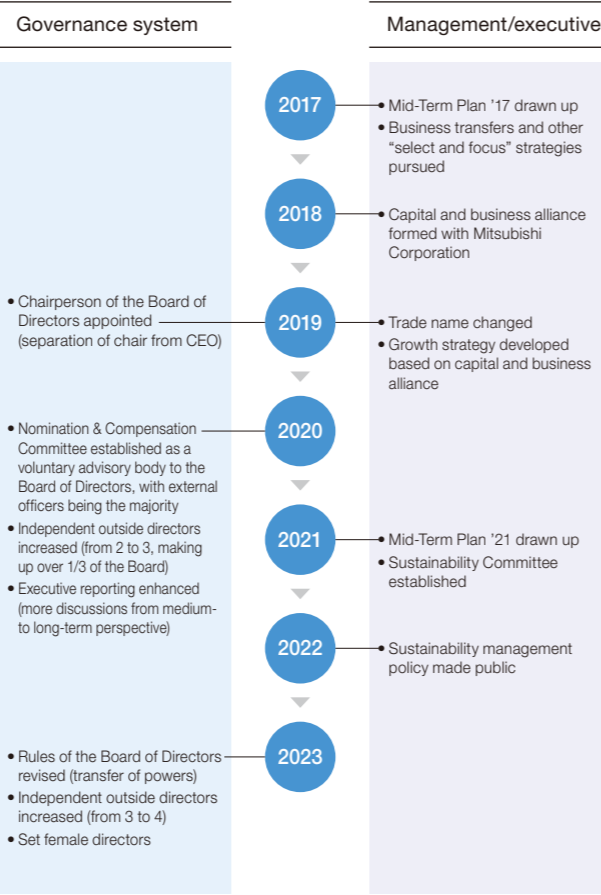
Most of the assessment results have been positive, and improvements have been made in areas where issues were raised in the last year, which suggest that the Board of Directors as a whole is functioning effectively. The third-party evaluation has also confirmed that our Board of Directors is functioning properly in general, and that it is structured in a way that assures effectiveness. Among the assessment criteria, management supervision was once again highly evaluated. Since improvements have also been made to issues, we believe that the effectiveness of the Board of Directors as a whole has been ensured.

Improving the quality and timing of information provision to ensure time to review information before meetings is an ongoing issue. While we received positive feedback on the quality of the information we provide in response to the improvements we made to optimize the volume of information, we believe that further improvements are necessary, including further enhancements to information. With regard to the timing of information provision, although we make sure we distribute materials in advance, we will consider distributing materials even earlier and will review the mechanism we use to provide information, so that we can provide it as quickly as possible and ensure Board members have sufficient time to consider important matters before meetings.

With regard to the newly added questions on sustainability initiatives, our current initiatives and stance were positively evaluated, to some extent. However, we recognize the need to integrate initiatives for a number of topics into our business and instill them throughout the organization. We will expand opportunities for deliberation at Board meetings and consider appropriate responses while keeping a close eye on trends around the world.

Progress in governance

We have been strengthening our corporate governance system on an ongoing basis. We will continue reviewing our governance arrangements based on the results of the annual effectiveness assessments and take the necessary measures to improve the effectiveness of the Board of Directors.



Engaging in dialogue with shareholders and investors

Toyo Tire Corporation holds an annual general meeting of shareholders, and quarterly financial results briefings. Top management conveys its opinions on performance trends, business environments and future outlook for the Group to institutional investors and securities analysts when we announce interim and full-year business results. In addition to these activities, we also seek to promote understanding of Group strategy by creating multiple opportunities for the company president and other senior executives to engage in a dialogue on the issues that interest institutional investors and securities analysts, and providing quarterly opportunities (individual interviews) for investors to communicate and ask questions of IR staff. We also respond proactively to dialogue requests from

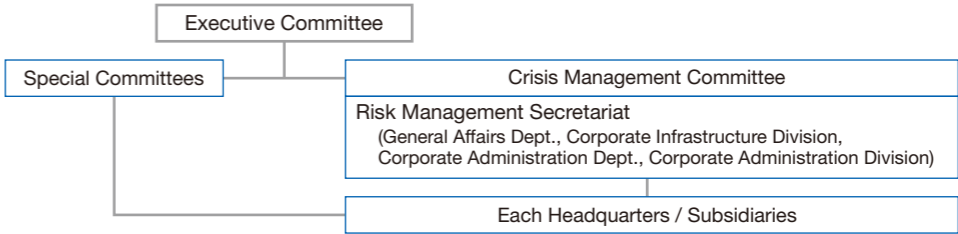
institutional investors around the world either in the form of individual interviews or conferences. In 2023, senior executives engaged with investors through small meetings on 10 occasions (89 attendees from 82 institutions) and IR staff handled 348 interviews for shareholders and investors from 231 institutions. Our Shareholder Relations (SR) staff continues to engage in dialogue with shareholders, including institutional investors in Japan, focusing on topics such as our governance structure and sustainability initiatives. Opinions and requests obtained through such dialogue are promptly fed back to the company, leading to improvements, such as the enhancement of disclosed information.

Company-wide risk management system

Our policy

We will manage any risks that might affect the Group's business activities on a company-wide basis through our basic approach set out in the Risk Management Policy and Risk Management Rules. We will thus strive to promote sustainable growth, uphold our corporate value and fulfil our responsibilities to our stakeholders.

Organizational responsibilities (April 2024)



Risk management initiatives

The risks that are expected to have an impact on the Group's business activities are managed by the organization function or meeting body responsible for each risk. We recognize that, as the Group's business activities and supply chain expand globally, a wide variety of risks become more intricately linked and complex. For that reason, in 2023, we decided to restructure our company-wide risk management system to enable us to position risks that would have a significant impact on management if they were to occur or materialize as "significant risks," and prioritize the forming of concentrated and strategic measures to counter these risks.

For example, the Corporate Headquarters identifies risks associated with climate change and human rights risks in all our business activities, including our supply chain, and assesses their significance, formulates countermeasures in cooperation with relevant divisions and reports on such activities to the Sustainability Committee. The Crisis Management Committee, which oversees company-wide risk management, investigates and

confirms the effectiveness of the risk management activities conducted by various special committees and organizational functions within the Company, including any measures taken to counter the above-mentioned type of ESG risks, on a quarterly basis. The Crisis Management Committee regularly reports the results of its investigations to the Executive Committee and the Board of Directors.

Material risks will be reviewed when deemed necessary in light of changes in the external environment and the Group's business environment.

Significant risks

- Risk of wind, snow or water-related disaster

• Risk of earthquake, volcanic eruption or tsunami

• Risk of supply chain disruption

• Risk of information system failure

• Risk of infectious disease
- Risk of contingent liability related to product compensation

• Risk of changes in the consumer market

• Risk of changes in the competitive environment

• Risk of climate change

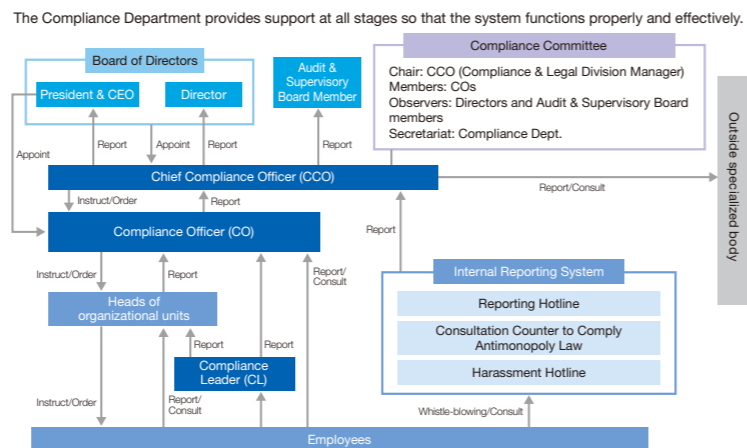
• Human rights risks in the supply chain

WEB

We ensure that all executives and employees within the Group prioritize compliance in their day-to-day operations.

We set up the Compliance Committee as one of the special committees under the jurisdiction of the Executive Committee to consult and investigate ways to promote compliance. The Chief Compliance Officer (CCO), compliance officers (CO) and compliance leaders (CL) play a key role in promoting compliance under our compliance officer system.

- CCO: Investigates, gives instructions and orders (including the suspension of operations and shipments, etc.) and makes suggestions on compliance matters for the entire Group
- CO: Investigates, gives instructions and orders (including suspension of operations and shipments, etc.) and makes suggestions on compliance matters in their department
- CL: Assists COs and reports to department managers and COs upon becoming aware of a compliance incident when promoting compliance activities in the workplace



We instill awareness in each and every Group employee and work to strengthen compliance by creating the Global Code of Conduct Handbook (available in ten languages: Japanese, English, Russian, German, Italian, Chinese, Thai, Malay, Portuguese and Serbian) as a guide for putting the Toyo Tire Group Charter of Corporate

In Japan, we conduct read-along training sessions for all executives and employees, including Group companies, of the Code of Conduct Handbook or the Supplementary Reader with familiar and specific examples for manufacturing or sales sites. Upon completing the training, each participant submits a written pledge to promote compliance.

We conduct annual compliance awareness surveys to ascertain the degree of compliance-related awareness among employees and aid our future endeavors.



The Toyo Tire Group has been operating a whistleblowing system since 2006. As part of the system, we have established a hotline mechanism for employees to directly report or seek advice on compliance matters and other concerns that they fear could develop into a crisis event. The hotline can be accessed through multiple channels and accepts anonymous reporting from both inside and outside the company so that necessary information can be conveyed easily and smoothly to governance bodies. To detect and solve harassment incidents in the workplace at an early stage, we have set up harassment advice desks for employees and assigned counselors at each of our business sites in Japan. We have also set up a customer service center and web-based inquiry form for consumers, local communities, and other members of the general public.

Chairman of the Board

I define the Board of Directors as a body that oversees and advises the Company by applying the unique perspectives and abilities of its members and, ultimately, acts as a manager tasked with generating long-term value for shareholders and stakeholders to make the Company globally competitive. It often seems almost inevitable that companies, under pressures from the capital and consumer markets and faced with the need to meet the level of discipline as high as that required in the US and Europe, become obsessed with annual results. In order to avoid a myopic focus on short-term results in visible aspects, the Board of Directors is required to assume the role of being the force that guides the Company to create value from a medium- to long-term perspective. To fulfill this function, the Board must do more than simply taking the outward form required by the code. It must embody within it an intrinsic culture that can be formed only when it runs on two wheels working together: the quality of outside directors and their sense of responsibility on one side, and the commitment of the executive officers on the other.

In addition to agenda items to discuss, the Board of Directors has made executive reporting a regular feature, where members are able to share issues on the factory floor as well as ideas for

In order to enable these uncompromising interactions to take place and suggestions and ideas gained from them to be incorporated into operations, the effectiveness of the Board of Directors must be guaranteed. Although the evaluation of board effectiveness tends to become all about improving indicator scores, I believe that the more important point is whether or not the management of the Company is based on identifying issues in board discussions and making improvements. It is only natural for an asymmetry of information to exist between outside directors and executive members. In order to enable discussions to take place on an equal footing, the executive side is working to fill the information gap and will proactively continue this effort and improve the quality of information.

The next year is the final year of Medium-Term '21 Plan. In order to raise our baseline performance level, it is important not to obsess over external factors, whether good or bad, and focus on how we manage internal challenges. In the meantime, the executives have already started reviewing and drafting the outline of the next medium-term plan. The Board of Directors will, as a manager that oversees and advises the Company and generates long-term value, also be involved in the development of the plan as a responsible manager with a good understanding of the Company's medium-term issues, advising on the appropriateness of policies, strategies and resource allocations as required. I will continue doing my best to improve the quality of the Company's governance in order to increase its corporate value.

Messages from the Outside Directors



In fiscal 2023, we achieved the business plan with the highest profit ever, albeit, we must admit, with the help of some external factors. The purpose of a business plan is to set out a clear and unambiguous policy direction that shows what the company wants to be and to put forward the technology development, production capacity and sales strategy needed to achieve the vision while looking squarely at the company's actual ability. In our case, however, the correlation between the target figures and the actual ability seems rather tenuous, which means it is not very clear how we managed to achieve these figures.

A company blindly chasing numbers can lose sight of what truly matters as the social conditions change around it, so I hope that the next medium-term plan will include a more concrete set of figures based on a clear vision as well as a thorough analysis of the actual state of the Company, and that a business strategy will be developed to achieve those targets.

Firstly, a key consideration in technology development is the linking of elemental technologies to technologies for commercialization. For a manufacturer, everything starts from a medium- to long-term development road map that interlock the two together and a product strategy that makes the best use of the technological seeds we have.

The role of technology development is to contribute to the future of the company while addressing today's challenges. Those who are engaged in this mission must have a mindset that enables them to pursue the quest to the end. In the development of elemental technologies, in particular, it is not good to be too preoccupied with getting results in the individual tasks in front of you if that means you just give up when you fail. What the people working in development need is stubborn perseverance and the determination to keep trying no matter what. For the management, the most important thing is to allow the R&D teams to keep on dreaming, and this requires patience and commitment. It is often the case that a technology that does not seem immediately useful may still sow many seeds of other technologies in the development process. It is the companies that keep trying until these seeds grow, blossom and bear fruits that find new paths to success and win out. I believe that the conviction and commitment to see the process through will give the Company flexibility to respond to the future we are yet to see.

Honest planning, strategic investment, and stubborn determination

Ken Morita
Outside Director

The same principle applies to production, where the key is to have a production plan based on the reality of the actual production capacity. Instead of simply using the estimated maximum plant capacity, the plan must take honest account of possible negative factors that may occur; otherwise, targets may be missed, and that can affect the morale of frontline workers. In manufacturing, every problem, from material supplies and facility maintenance to changeover losses and the number and standard of operators, translates straight to the output. Therefore, the most important prerequisite is to consider all risk factors and develop a production plan that allows sufficient leeway.

Another issue I would like to highlight is system development for digital transformation, to which the Company has been spending a considerable amount of money and time. As time goes by, however, approach to these things change, and so does the world in which we operate. Rather than aiming to create a perfect system at the first go, it may be necessary to accept a compromise and be willing to improve the system while using it. The key is to complete a system that is simple, uncomplicated and flexible without delay. One of the basic rules of management is not to waste resources such as time and money, and by following this rule and setting up a system quickly, the team will get a sense of achievement and be able to enjoy the result, which will energize the organization.

In everything from the core functions such as technology, production and sales to more novel requirements of our times such as digital transformation and ESG, it is critically important that the Company draws up implementation plans that are based on its management philosophy and vision and yet rooted firmly in reality, and choose where to invest the resources it has earned from a medium- to long-term perspective. I look forward to seeing the quality of the Company's management continue to improve.



Lead toward the future by asking questions

Atsushi Takeda
Outside Director

Some say that the good fiscal 2023 results came with the help of favorable external factors, but my take is more positive; other than exchange gains, even those helpful factors such material procurement costs and sea freight and other delivery costs were obtained through careful negotiations with our suppliers and were therefore the fruit of the Company's own efforts. Also, the marketing strategy that saw an expansion of channels in the North American market and increase in high value-added product sales contributed significantly to the results. These low-key but persistent efforts all added up to offset the increased start-up costs of the Serbia Factory and the unstable operations of the U.S. plant. I believe, therefore, that the best ever performance we have recorded in the Company's history has been won by the collective strength of the Company.

We have already achieved most of the Medium-Term '21 Plan's quantitative targets ahead of schedule, but slip-ups happen when the going looks easy. It is important to tighten our grip on the reins at this point.

I think the crucial period is from this summer until autumn 2025, when the Medium-Term '21 Plan reaches the end of the road. It is essential that the Sales Division in particular take a good look at the market conditions and review the overall product portfolio, including the lineup of models on offer and optimal pricing, and devise a marketing strategy that strikes a good overall balance.

Production sites also need to adjust their operations in response to fluctuating demands. The Serbia Factory is operating more stably now with better training on the factory floor, but many obstacles remain before it can start a vertical take-off toward full-scale operation. For the Sales Division, it is more important than ever to monitor the operating levels of production sites constantly and draw up sales policy and sales plans that take account of the supply and demand balance constantly. To do this, good communication throughout the value chain along the core functions of production, sales and R&D is essential. I would like to see the digital transformation system currently in development implemented and fully leveraged to enable the use of real-time information for this purpose.

Another key is to decide what leads our next medium-term business plan. What should be our goals in a tumultuous period

for the automotive industry as it goes through a major transformation? How should we be involved in the lifestyle changes that will come with the expansion and embedding of car sharing and autonomous driving, and the creation of new cityscapes and downtown revitalization they will bring? These are some of the questions we need to answer. For example, our sensing technology and airless tire technology may be able to address some of the challenges. For this to happen, the R&D Division needs to have a wider perspective that takes in possible future business models as it develops the seeds of new technologies and, most importantly, have a vision to match such seeds with societal needs. Think, for example, what sort of world is possible with our airless tire technology? How can we contribute to the society of the future through our core business? This way of thinking is what sustainability is about.

We changed our company name in 2019, which marked our transition from a rubber product manufacturer to a tire manufacturer. Depending on how we proceed, we may well need to explore new ways of contributing to society through our tire business. We may, if our future vision calls for it, also need to look to collaborating with other companies or partnering with the public sector or academia. In order to explore these possibilities, we need people who can rise above the daily demands of work, look at the big picture from a wider perspective and bring a fresh outlook to business concept development. In order to ensure future competitiveness, a good recruitment strategy is crucial.

Attracting talent is a challenge not only for us but for the whole manufacturing sector. I believe that the key is to communicate our way of working and our belief in what we do, not just attractive terms and conditions.

The Company's executive members and outside directors are engaging in highly active discussions at board meetings, skillfully facilitated by the chairperson, on a wide range of topics from immediate financial results to medium- to long-term issues. I am committed to playing my part in the sustainable growth of the Company through my role on the Board of Directors as well as by visiting the frontline workplaces that support our business operations.



I believe the record high corporate performance achieved in fiscal 2023 resulted from the steady establishment of efficiency-oriented measures stipulated in the Medium-Term '21 Plan, but it also undoubtedly benefited from what you might call tailwind assistance in the form of declining ocean freight rates and a depreciating Japanese currency. I would like to see the Company maintain and improve its earning power while continuously increasing resilience in the face of change so that it can still enjoy a steady increase in profits when any tailwinds turn into headwinds.

One essential factor here is a high degree of sensitivity to risk. Company-related risks are becoming increasingly diverse and frequent. In addition to geopolitical factors and climate change, the inherent dangers from cyber risks and other risk areas have grown rapidly more intense in recent years. The impact of these risks on companies operating on the global stage is immeasurable, so I think management needs to be conscious of these risks at all times and work hard to control them without ever taking their eyes off the ball. Having introduced a stronger risk management system, the Toyo Tire Group now needs not only to identify important risks in a timely manner, but also to analyze each risk in detail from multiple perspectives and determine how best to manage it. For instance, the Group's business strategy involves concentrating management resources in specific areas both in terms of products and geographical regions. That is one of the Group's strengths, but it comes with its own risks. Furthermore, certification issues have taken center stage in the manufacturing industry in Japan in recent years. The impact of reputational risk on a company's brand value can be enormous. Yes, it is important to manage any crisis that might arise when risks surface, but it is equally important for the entire organization, including the Board of Directors, to discuss ways of preventing those business risks and explore the best direction to be taken in terms of risk management.

The current management challenge for the Group is to stabilize its two main production bases in the United States and Europe. Capacity utilization at the main U.S. plant needs to be improved. Full production systems are scheduled to be up and running at the Serbia Factory within the current business year. However, the plant needs to be able to respond more flexibly to

demand fluctuation due to various environmental changes by revising its enterprise resource planning (ERP) and organically linking business functions, such as production, sales, and inventory. In other words, it needs to promote data-driven management.

Digital technology is not a panacea and should not be treated as such. Before systemizing a business process, you have to take stock of the process itself. Don't rely too much on external experts, but do the business process reengineering (BPR) yourselves because you are the ones that understand your business the best. The Toyo Tire Group, like many other companies, have to deal with a lack of IT-savvy human resources. The Board of Directors must supervise the execution of digital transformation (DX) initiatives, including cost aspects, and decide for itself whether it is possible to build a particular system that incorporates the Group's policies and needs or not, rather than leaving it up to consulting companies and IT systems vendors.

Meanwhile, looking at the financial base, the Group has made some progress over the past few years on improving earning power, which is the main premise of the medium-term plan, and achieved a high level of return on equity (ROE). The capital adequacy ratio is currently sitting above 60%, which could be considered ideal, but the price to book value ratio (PBR) is lagging behind. The market is probably assessing the sustainability of these earnings and financial strengths. In that sense, the Group's commitment to effective growth investment and expansion of shareholder returns are important financial strategies.

Our debates in the Board of Directors have always been vigorous, and I feel that the Board's business execution capabilities have also improved. To further enhance the effectiveness of the Board, I believe it is necessary to stimulate even more debate of medium- to long-term issues and further strengthen the Board's supervisory function. I believe the role of an outside director is to serve as both a management supervisor and a catalyst for astute action. If we outside directors fulfill these designated roles, we can create effective chemical reactions that help propel Toyo Tire management to even greater heights and achievements.



In 2023, a number of factors such as the weakening of yen and a drop in ocean freight rates helped to boost our profitability, but we can also attribute the positive results to the embedding of the management policy to actively pursue profits, which has enabled us to leverage our strengths. Although we are already building up profits in 2024, there are many uncertainties facing us in the external environment. In order to further bolster our strengths, we must differentiate ourselves against our competitors in key markets outside North America, and generate profits through business strategies that reflect the TOYO TIRE culture and identity.

In terms of production and supply, the key to supporting the business strategies will be how we utilize the Serbia Factory, which came into operation in 2022. In the tire business, which is our core business, production technologies are the critical foundation, which are so important that one might say that the tire business is a process industry. For this reason, I believe that it will become important for the Company to make production technologies more efficient and advanced so that more value can be added to products to meet the needs and expectations of different markets and to roll out the latest technologies available at the Serbia Factory strategically on a global scale. We will need to review our strategies for investing into production facilities and technological development toward the next medium-term plan.

We must also bear in mind that society is rightly calling on companies to make efforts to reduce the environmental impact of their business activities, and that we need to include a long-term perspective of environmental value creation in our decision-making. As the global competition heats up, however, some may view this from a short-term outlook and fear that actions and investments that look to the future may impact revenues negatively. Adverse factors such as the politically motivated backlash against ESG and, in the automotive industry, the slowing down of policies to accelerate EV adoption may also complicate medium-to-long-term management decision-making.

However, these factors do not change the medium-to-long-term trend that requires businesses to be responsible for and play an active role in the environmental conservation and climate action. It is important that we do not allow the vagaries of fashion to sway us, and instead run our business with a firm focus on the

big picture, always considering how we as a manufacturer create value for society through our products, services and technologies. Naturally, any environmental value we create will be underpinned by the unique added value we can offer such as the joy of driving and comfort. Technological development work is what secures our values and outlook as a company, and I feel that we can be much more open to the outside world about the work we do, not only regarding the current product development pipeline but also our diverse initiatives to sow and nurture the seeds of the future.

I would like to see the management team to present a clear vision of a sustainable mobility that the Company is trying to achieve, share this future vision across the workforce, and lead from the front on this journey. I strongly believe that employees will feel motivated and fulfilled if they can tangibly feel that the work they do make a positive contribution to society.

With a view to increasing corporate value, I would like to see the Company redouble its public relations efforts, proactively communicating to our broad range of external stakeholders on our visions, goals and day-to-day achievements. It is often said that Japanese companies in general, not just our Company, are poor at appealing to the outside world compared to companies in other countries, but the metrics by which stakeholders assess companies are changing. Good disclosure practices enable fair assessments and can also lead to opportunities to collaborate with companies from other industries as well as academic institutions that share the same vision and aspirations to create social value together.

As a director, I am committed to playing my part in the Company's growth and its endeavor to make a sustainable society a reality through its business.

Directors, Audit & Supervisory Board Members and Corporate Officers

Directors



Director, Chairman of the Board
Yasuhiro Yamada
(Date of birth: April 8, 1958)
Number of shares of the Company held
5,073

Career summary, positions, assignment and significant concurrent positions

- Apr. 1983 Joined Mitsubishi Corporation
- Jun. 2007 Director, Hokuetsu Paper Mills, Ltd. (currently, Hokuetsu Corporation)
- Apr. 2013 General Manager, Paper & Packaging Dept., Mitsubishi Corporation
- Apr. 2015 Senior Vice President; Division COO, Living Essential Products Division, Mitsubishi Corporation
- Apr. 2018 Adviser (full-time), Toyo Tire Corporation
- Mar. 2019 Director, Chairman of the Board (current position)



Director, Corporate Officer
Tatsuo Mitsuata
(Date of birth: December 13, 1964)
Number of shares of the Company held
14,062

Career summary, positions, assignment and significant concurrent positions

- Apr. 1988 Joined Toyo Tire Corporation
- Jan. 2012 President, Toyo Tire U.S.A. Corp.
- Jul. 2014 General Manager, Europe Business Unit, Tire Business Group Headquarters, Toyo Tire Corporation
- Jan. 2016 Corporate Officer; Division General Manager, Tire Planning Division, Tire Business Group Headquarters
- Jan. 2017 Corporate Officer; Vice President, North American Business Development Division
- Jan. 2019 Corporate Officer; Vice President, Sales Headquarters
- Mar. 2019 Director; Corporate Officer; Vice President, Sales Headquarters (current position)



Outside Director
Ken Morita
(Date of birth: October 24, 1948)
Number of shares of the Company held
0

Career summary, positions, assignment and significant concurrent positions

- Apr. 1971 Joined Matsushita Electric Industrial Co., Ltd. (currently, Panasonic Holdings Corporation)
- Oct. 2000 Representative Director and President, Matsushita Plasma Display Co., Ltd.
- Apr. 2006 Senior Vice President, Panasonic AVC Networks Company (currently, Panasonic Connect Co., Ltd.), Matsushita Electric Industrial Co., Ltd.
- Jun. 2009 Representative Director and Senior Managing Executive Officer, Panasonic Corporation (currently, Panasonic Holdings Corporation)
- Jun. 2012 Adviser, Panasonic Corporation (currently, Panasonic Holdings Corporation)
- Nov. 2015 Outside Director, the Company (current position)



Representative Director, President & CEO
Takashi Shimizu
(Date of birth: April 2, 1961)
Number of shares of the Company held
32,192

Career summary, positions, assignment and significant concurrent positions

- Apr. 1985 Joined Toyo Tire Corporation
- Apr. 2010 President, Toyo Tire Holdings of Americas Inc.
- Jan. 2013 Division General Manager, Tire Planning Division, Toyo Tire Corporation
- Mar. 2014 Corporate Officer; Division General Manager, Tire Planning Division, Tire Business Group Headquarters; General Manager, Europe Business Unit
- Jul. 2015 Senior Corporate Officer; Division General Manager, Tire Planning Division, Tire Business Group Headquarters; General Manager, North America Business Unit
- Nov. 2015 Representative Director, President & CEO (current position)



Director, Corporate Officer
Satoru Moriya
(Date of birth: December 23, 1965)
Number of shares of the Company held
10,843

Career summary, positions, assignment and significant concurrent positions

- Apr. 1989 Joined Toyo Tire Corporation
- Nov. 2014 General Manager, O.E. Tire Development Dept.
- Apr. 2015 General Manager, O.E. Tire Development Dept.; General Manager, O.E. Tire Technical Service Dept.
- Jan. 2017 Division General Manager, R&D Division No. 1
- Feb. 2018 Corporate Officer; Division General Manager, R&D Division No. 1, R&D Headquarters
- Jan. 2019 Corporate Officer; Division General Manager, Technology Development Division, R&D Headquarters; Division General Manager, Product Development Division
- Feb. 2020 Corporate Officer; Vice President, R&D Headquarters
- Mar. 2021 Director; Corporate Officer; Vice President, R&D Headquarters (current position)



Outside Director
Atsushi Takeda
(Date of birth: February 27, 1947)
Number of shares of the Company held
0

Career summary, positions, assignment and significant concurrent positions

- May 1970 Joined Nippon Steel Corporation
- Jun. 2002 Director, Nippon Steel Corporation
- Apr. 2006 President and Representative Director, Nippon Steel Coated Sheet Corporation
- Jun. 2014 Director and Advisor, Nippon Steel Coated Sheet Corporation
- Mar. 2016 Outside Director, Toyo Tire Corporation (current position)



Outside Director
Michio Yoneda
(Date of birth: June 14, 1949)
Number of shares of the Company held
0

Career summary, positions, assignment and significant concurrent positions

- Apr. 1973 Joined Bank of Japan
- Dec. 2003 President & CEO, Osaka Securities Exchange Co., Ltd. (currently, Osaka Exchange, Inc.)
- Jan. 2013 Director & Representative Executive Officer, Group COO, Japan Exchange Group, Inc.
- Dec. 2016 Special Advisor (part-time), Toyo Tire Corporation
- Jun. 2018 Outside Director, Asahi Broadcasting Group Holdings Corporation (current position)
- Jun. 2018 Outside Corporate Auditor, Sumitomo Chemical Company, Limited (current position)
- Mar. 2020 Outside Director, Toyo Tire Corporation (current position)
- Significant concurrent positions Outside Director, Asahi Broadcasting Group Holdings Corporation; Outside Corporate Auditor, Sumitomo Chemical Company, Limited



Outside Director
Yukiko Araki
(Date of birth: December 13, 1960)
Number of shares of the Company held
0

Career summary, positions, assignment and significant concurrent positions

- Apr. 1983 Joined Japan's Ministry of International Trade and Industry (currently, Ministry of Economy, Trade and Industry)
- Jul. 2006 Director, Tourism Economy and International Affairs Division, Policy Bureau of Japan's Ministry of Land, Infrastructure and Transport (currently, Ministry of Land, Infrastructure, Transport and Tourism)
- Jul. 2008 Deputy Governor, Yamagata Prefecture
- Dec. 2012 Joined Hitachi, Ltd.; General Manager, CSR Division, Legal and Communications Group; Member, Environmental Strategy Office
- Apr. 2018 Corporate Officer; Executive General Manager, Sustainability Promotion Division, Government & External Relations Group, Hitachi, Ltd.
- Dec. 2020 Outside Director, Fuji Pharma Co., Ltd. (current position)
- Mar. 2021 Outside Director, Nakanishi Inc. (current position)
- Mar. 2023 Outside Director, Toyo Tire Corporation (current position)
- Jun. 2023 Outside Director, Hirose Electric Co., Ltd. (current position)
- Significant concurrent positions Outside Director, Fuji Pharma Co., Ltd.; Outside Director, Nakanishi Inc.; Outside Director, Hirose Electric Co., Ltd.

Audit & Supervisory Board Members

Standing Audit & Supervisory Board Member	Mitsunobu Kohno
Standing Audit & Supervisory Board Member	Satoshi Takashina
Audit & Supervisory Board Member	Tomoyuki Matsuba
Audit & Supervisory Board Member	Yasuhiro Kitao
Audit & Supervisory Board Member	Tsukasa Takahashi

Tomoyuki Matsuba, Yasuhiro Kitao and Tsukasa Takahashi are outside auditors.

Corporate Officers

President & CEO	Takashi Shimizu*	Corporate Officer	Masami Miyamori
Executive Corporate Officer	Tomoshige Mizutani	Corporate Officer	Yoji Imura
Senior Corporate Officer	Masayuki Kanai	Corporate Officer	Kenta Kuribayashi
Corporate Officer	Tatsuo Mitsuata*	Corporate Officer	Yuji Miyazaki
Corporate Officer	Satoru Moriya*	Corporate Officer	Tamotsu Mizutani
Corporate Officer	Kiyohito Hasumi	Corporate Officer	Ichiro Shima
Corporate Officer	Hideaki Takahashi	Corporate Officer	Junichi Uda
Corporate Officer	Hiroshi Nobuzawa	Corporate Officer	Haruhiko Kitagawa

*Indicates post held concurrently with that of director

Skill matrix

○ Major skill / ● Other skill

Name	Officer category	Outside	Area able to exhibit particular expertise									Nomination and Compensation Committee
			Corporate management	Sales and marketing	Research and development	Manufacturing and quality assurance	Finance and accounting	Legal and risk management	Experience outside Japan	Digital transformation	Sustainability	
Yasuhiro Yamada	Director, Chairman of the Board		○	●				●	○			●
Takashi Shimizu	Representative Director, President & CEO		○	○	●	●	○	○	○	○	○	●
Tatsuo Mitsuata	Director, Corporate Officer		●	○					○	●		
Satoru Moriya	Director, Corporate Officer		●	●	○	●				●		
Ken Morita	Director	●	○		●	●						●
Atsushi Takeda	Director	●	○	●				●				●
Michio Yoneda	Director	●	○				●	●				●
Yukiko Araki	Director	●	●						●		○	●